

Date: 2<sup>nd</sup> February 2015

Dear Sir/Madam,

**COUNCIL MEETING – 10<sup>TH</sup> FEBRUARY 2015**

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, 10<sup>th</sup> February 2015 at 5.30pm.

Yours faithfully



A.W. Muter  
Chief Executive

**AGENDA**

**Pages**

- |    |  |        |
|----|--|--------|
| 1. | Apologies for absence  |        |
| 2. | Minutes of the meeting held on 16 <sup>th</sup> December 2014  | 1 – 14 |
| 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)                 |        |

9.	Housing Revenue Account Budget and Rent Setting 2015/16 – 2019/20	15 - 60
10.	Leisure Centre Management Commissioning	61 - 62
11.	A Combined Authority for Nottingham and Nottinghamshire	63 - 122
12.	Notices of Motion	

- (i) In accordance with Rule No 13.1, Councillor Mrs G. Dawn will move and Councillor Mrs I. Brown will second a motion to the following effect:

‘The Potterdyke Town Centre redevelopment in Newark Town Centre should be evidence of the strength of Newark in challenging economic circumstances. However, the remaining derelict Robin Hood Hotel continues to blight the Town Centre. This Council and its Planning Committee has urged the developers to find a solution which retains the frontage of the Hotel but it is increasingly clear that this will not happen. This eyesore continues to plague Newark. It is time to move on. Local people want this matter addressed and they want action now.

The council should now work with the developers to bring forward a fresh proposal which would include considering the demolition of the remaining buildings and replacing them with an improved street layout and well-designed commercial buildings. The Council should do all it can to resolve this, including considering making a financial contribution.’

13. Questions from Members of the Council

#### DELEGATED DECISIONS

14.	(a) Policy & Finance Committee – 29 <sup>th</sup> January 2015	To Follow
	(b) Economic Development Committee – 21 <sup>st</sup> January 2015	ED1 – ED8
	(c) Homes & Communities	
	(i) 7 <sup>th</sup> January 2015	HC1 – HC3
	(ii) 26 <sup>th</sup> January 2015	HC4 – HC9
	(d) Leisure & Environment Committee – 13 <sup>th</sup> January 2015	LE1 – LE7 LE8 – 10 Exempt
	(e) General Purposes Committee – 15 <sup>th</sup> January 2015	GP1 – GP3
	(f) Licensing Committee – 15 <sup>th</sup> January 2015	L1 – L4
	(g) Planning Committee	
	(i) 15 <sup>th</sup> December 2014	PL1 – PL8
	(ii) 6 <sup>th</sup> January 2015	PL9– PL17
	(iii) 20 <sup>th</sup> January 2015	PL18 – PL20
	(iv) 3 <sup>rd</sup> February 2015	To follow

NOTES:

- (1) The Conservative Group and Newark and Sherwood Independent Group will meet at 4.30pm in Room G21 prior to the Council Meeting.
- (2) The Labour Group will meet at 4.30pm in the Room G23 prior to the Council Meeting.
- (3) The Liberal Democrat Group will meet at 4.30pm in Room F21 prior to the Council Meeting.
- (4) The Independent Group will meet at 4.30pm in Room F20 prior to the Council Meeting.
- (5) 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, 16<sup>th</sup> December 2014 at 5.30pm.

PRESENT: Councillor Mrs R. Crowe (Chairman)  
Councillor G.S. Merry (Vice- Chairman)

Councillors: N.R. Allsopp, R.V. Blaney, J. Bradbury, R.L. Bradbury, Mrs B.M. Brooks, Mrs C. Brooks, G. Brooks, Mrs I. Brown, Mrs G.E. Dawn, P.C. Duncan, Mrs T. Gurney, J.E. Hamilton, G.P. Handley, P.R.B Harris, R.J. Jackson, D. Jones, R.B. Laughton, D.J. Lloyd, Mrs S.M. Michael, J. Middleton, J.L. Osborne, D.R Payne, J.M. Peck, M. Pringle, A.C. Roberts, Mrs C. Rose, Mrs S.E. Saddington, Mrs L.A. Shilling, R. Shillito, Mrs S. Soar, D. Staples, F. Taylor, Mrs M. Tribe, Mrs A.A. Truswell, I. Walker, B. Wells and T. Wendels.

APOLOGIES FOR ABSENCE: Councillors: T.S. Bickley, Mrs M. Dobson, D.P. Logue, Mrs L.J. Tift, D. Thompson and Mrs Y. Woodhead.

31. MINUTES

AGREED that the minutes of the Meeting held on 14<sup>th</sup> October 2014 be approved as a correct record and signed by the Chairman subject to an amendment to Minute No. 31 to clarify that the question put forward at the last meeting was submitted by Councillor J.M. Peck.

32. DECLARATIONS OF INTERESTS BY MEMBERS AND OFFICERS

NOTED: the interests declared as shown in the schedule circulated at the meeting.

33. DECLARATION OF INTENTION TO RECORD THE MEETING

Councillor Harris declared his intention to record the proceedings.

In addition the Chief Executive advised that the Council were making an audio recording of the proceedings.

34. COMMUNICATIONS FROM THE CHAIRMAN AND CHIEF EXECUTIVE

The Chairman advised Members of the 'Rat Pack' fundraising event she was holding on 20<sup>th</sup> February 2014.

The Chief Executive advised all Members that copies of the electoral registers for their respective Wards, which were published on 1<sup>st</sup> December 2014, had been circulated.

35. QUESTIONS FROM MEMBERS OF THE PUBLIC

Details of the question put forward by Mr Northcote and the reply given by Councillor D.R. Payne was attached as Appendix A to the minutes.

36. PROPOSED CHANGES TO THE CONSTITUTION

The Council considered the report of the Deputy Chief Executive which proposed changes to the remits of Policy and Finance Committee and the Leisure and Environment Committee. The proposed changes, which were recommended by the Councillor's Commission at their meeting held on 1<sup>st</sup> December 2014, were required to facilitate the appointment of directors to the proposed new Council owned Leisure Company. The proposed changes were subject to the Policy and Finance Committee resolving to create a new Council owned leisure company and would be implemented immediately after any such decision was taken.

AGREED (with 36 votes for and 3 abstentions) that:

- (a) the proposed changes to the remits of the Policy & Finance Committee and the Leisure & Environment Committee, as set out in Paragraph 3 of the report, be approved; and
- (b) the changes take effect immediately following any decision by the Policy & Finance Committee to create a new Council owned leisure company.

37. RECORDING OF MEETINGS

The Council considered the report of the Deputy Chief Executive which advised Members of the provisions of the Openness of Local Government Bodies Regulations 2014 in respect of recording meetings.

At their meeting held on 1<sup>st</sup> December 2014, the Councillors' Commission considered the position regarding recording of meetings, following the introduction of the new legislative provisions. The Commission considered that both members of the public and Councillors should be asked to declare whether they intended to record any part of the meeting as a courtesy at the start of the meeting. The report clarified the provisions in the legislation regarding the recording of meetings and it was made clear that such a right did not extend to any exempt or confidential part of the meeting or to informal meetings and Working Parties/Task & Finish Groups. It was also noted that Officers had been testing audio recording equipment at meetings of the Planning and Full Council Meetings and that this would now be extended to all Committee Meetings following a request by the Councillors' Commission.

AGREED (unanimously) that the provisions of the Openness of Local Government Bodies Regulations 2014 and the current arrangements being operated at the Council be noted.

38. APPOINTMENT OF REPRESENTATIVES ON OUTSIDE BODIES

The Council considered the report of the Chief Executive which sought a Council nomination for a representative on the Newark and Sherwood Clinical Commissioning Group (CCG) Stakeholder Reference Group Sub-Committee.

AGREED (unanimously) that Councillor A.C. Roberts be appointed as the Councils representative on the Newark & Sherwood CCG Stakeholder Reference Group Sub Committee for the remainder of 2014/15, with Councillor D. Staples being appointed to act as his Substitute.

39. REVIEW OF POLLING DISTRICTS AND PLACES

The Council considered the report of the Deputy Chief Executive which sought to approve the final scheme following the review of Polling District and Polling Places. The Electoral Registration and Administration Act 2013 required that such a review had to be completed by January 2015.

The formal consultation period was from the 1<sup>st</sup> September 2014 to 31<sup>st</sup> October 2014. The General Purposes Committee agreed the timetable for the review and were invited to consider the representations received and proposed scheme at their meeting held on 20<sup>th</sup> November 2014. The specific representations received and the comments of the General Purposes Committee had been incorporated into the proposals for each Ward which were attached as an Appendix to the report. Consultations received had been from members of the public, elected members and Parish Councils. It was reported that Electoral Registration Officer / Returning Officer had also taken the opportunity to review certain polling districts and polling places in order to simplify some of the existing electoral arrangements. These changes were highlighted in the proposals. The comments of the General Purposes Committee were also summarised in the report.

It was reported that due to the requirement to conclude the polling station review by 31<sup>st</sup> January 2015 it had been necessary to undertake the review on the existing wards and polling districts. The new District Ward polling district boundary information arising from the Further Electoral Review would be published in February.

AGREED (unanimously) that:

- (a) the polling station and polling district proposals, as set out in the Appendix to the report, be approved;
- (b) delegated authority be given to the Chief Executive to implement appropriate changes in the Parish of Spalford, following consultation with Ward Members; and
- (c) delegated authority be given to the Chief Executive, following consultation with the Chairman of the General Purposes Committee and relevant Ward Members, to make any changes required to polling districts/polling places in the event that time did not allow for full consultation with the General Purposes Committee.

40. LOCALISED COUNCIL TAX SUPPORT SCHEME 2015/16

The Council considered the report of the Director - Resources which sought to confirm the continuation of the Council's Localised Council Tax Support Scheme which had

been implemented on 1<sup>st</sup> April 2013 for the 2015/16 financial year with just minor changes. The changes sought were to uprate the income and disregard criteria in accordance with the annual uprating amounts applied by the Department for Works and Pensions. The Local Government Finance Act 1992 required the Council to consider whether each financial year the scheme was to be revised or replaced, no later than 31<sup>st</sup> January. By making the proposed changes this would demonstrate that the Council had continued to consider its obligations to vulnerable groups by maintaining the income disregards and premiums to protect families with children and claimants with disabilities.

AGREED (unanimously) that the Council continues to adopt the existing Localised Council Tax Support Scheme for all potential claimants for the financial year 2015/16 and uprates the income disregards and premiums in accordance with the Departments for Works and Pensions annual uprating criteria for 2015/16.

#### 41. QUESTIONS FROM MEMBERS OF THE COUNCIL

Details of the two questions put forward by Councillor J.E. Hamilton and the single questions put by Councillors P.R.B. Harris and Mrs A.A. Truswell and the replies given were attached as Appendix B to the report.

#### 42. DELEGATED DECISIONS

(a) Policy & Finance Committee – 4<sup>th</sup> December 2014

##### Minute No. 41 - Update on the New Office and Sale of Kelham Hall

Councillor R.V. Blaney advised that previous exempt reports relating to the sale of Kelham Hall had now been published on the Council's website, other than the redacted elements which were subject to commercial confidentiality.

##### Minute No. 49 - Improvements to the Castle Line Train Services

Councillor P.R.B. Harris asked if the Leader of the Council was able to advise of the outcome of discussions with East Midlands Trains regarding improving train services between Nottingham and Lincoln.

Councillor R.V. Blaney reported that a number of changes to improve the services between Nottingham and Lincoln had been agreed, but as yet East Midlands Trains were not in a position to be able to publish a new timetable.

(b) Economic Development Committee – 12<sup>th</sup> November 2014

##### Minute No. 33 - Economic Development Strategy Monitoring Report

Councillor P.R.B. Harris expressed concerns about poor broadband availability in many rural villages and asked what influence the Council could exert on service providers to ensure the availability of fibre optic broadband in all parts of the District.



Councillor D.J. Lloyd advised that the current provision had improved slightly following lobbying of the Local Enterprise Partnership but he gave an assurance that the issue was still live and being pursued. He added that there was potential for further funding being secured.

Minute No. 38 - Edwinstowe Surface Car Parks

Councillor J.E. Hamilton welcomed progress towards devolution of services, but questioned why Southwell car parks had not yet been transferred to Southwell Town Council.

Councillor D.J. Lloyd advised that the car parks which had been devolved to Edwinstowe Parish Council were all free of charge so the transfer had been relatively straightforward. As this was not the case in Southwell further discussions were required prior to any agreement being reached

- (c) Homes & Communities Committee – 24<sup>th</sup> November 2014

Minute No. 26 – Performance Monitoring – Newark and Sherwood Homes and the Housing Revenue Account

Councillor P.R.B. Harris requested that all Members be circulated with a breakdown of the number of evictions due to reduction in benefits brought about by the 'bedroom tax'.

Councillor R.B. Laughton agreed to circulate this information.

Minute No. 27 - Newark & Sherwood Housing Market Needs Assessment 2014

Councillor R.B. Laughton extended an invitation and encouraged all Members to attend the special meeting of the Homes & Communities Committee which had been arranged for 7<sup>th</sup> January 2015 to consider the Housing Needs Assessment.

- (d) Leisure & Environment Committees – 18<sup>th</sup> November and 9<sup>th</sup> December 2014

Minute No. 41 – Presentation from East Midlands Ambulance Service (EMAS)

Councillor P.R.B. Harris requested that all Members be circulated with the written response by EMAS to the questions they were unable to answer at the meeting.

Councillor A.C. Roberts agreed to circulate these once they had been received from EMAS.

- (e) General Purposes Committee – 20<sup>th</sup> November 2014

- (f) Licensing Committee – 20<sup>th</sup> November 2014

Minute No. 20 – Update on Quarterly Performance and Enforcement Matters

Councillor P.R.B. Harris raised concerns in relation to the screening of Paddington in Newark as in his view this film should have been classified as a 'U' and not a 'PG'. He asked whether the Council would consider introducing a system to challenge inappropriate ratings.

Councillor I. Walker agreed to provide Councillor P.R.B. Harris with a written answer.

- (g) Planning Committees – 4<sup>th</sup> November and 2<sup>nd</sup> December 2014
- (h) Audit & Accounts Committee – 5<sup>th</sup> November 2014
- (i) Councillors' Commission – 1<sup>st</sup> December 2014
- (j) Standards Committee – 20<sup>th</sup> October 2014

Meeting closed at 6.48 pm.

Chairman

**COUNCIL PROCEDURE RULE NO. 15 - QUESTIONS BY MEMBERS OF THE PUBLIC**

**Question from Mr Northcote to the Chairman of the Planning Committee:**

“Will Newark and Sherwood District Council move into the modern agenda and introduce public speaking at the Planning Committee through a public participation scheme?”

“Across North Nottinghamshire and Central Lincolnshire, Newark and Sherwood is the only Local Planning Authority (LPA) not to allow public speaking at the Planning Committee (or equivalent). The undertaking of development management decision making is a quasi-judicial function where the right to be heard is expected in the interests of democracy. A number of adjacent LPAs have allowed public participation at Planning Committees (or equivalent) for almost 20 years.

Officers have been asked on numerous occasions over many years why Newark and Sherwood does not allow public speaking; the response given has always been that Members are opposed. No clear justification has ever been given as to why Members are opposed to public participation.

The adjacent LPAs have public participation schemes as follows:

- Bassetlaw District Council – 1 x Parish/Town Council rep; 1 x Objector; 1 x Applicant/Agent – All 3 minutes each
- Mansfield District Council – Up to 2 x Objectors; Up to 2 Supporters inc. Applicant/Agent – All 4 minutes each
- Ashfield District Council – 1 x Objector; 1 x Supporter inc. Applicant/Agent – Both 5 minutes each
- Gedling Borough Council – unlimited x residents; unlimited x residents associations; 1 x Applicant (But No Agents) – All 3 minutes each
- North Kesteven District Council – 1 x Parish/Town Council rep; 1 x Objector; 1 x Applicant/Agent – All 3 minutes each
- South Kesteven District Council – 1 x Parish/Town Council rep; unlimited Objectors; unlimited supporters; 1 x Applicant/Agent – All 3 minutes each
- City of Lincoln Council – 1 x Objector; 1 x Supporter inc. Applicant/Agent – Both 5 minutes each
- West Lindsey District Council – 1 x Parish/Town Council rep; Up to 3 x Objectors; Up to 3 x Supporters inc. Applicant/Agent – 5 minutes for each category

The only neighbouring LPA for which no public participation details can be found is Rushcliffe Borough Council.

Within Newark and Sherwood, Nottinghamshire County Council deals with planning applications for its own development such as schools and libraries and for mineral and waste proposals. The County Council allows up to 3 x Objectors and up to 3 x Supporters to speak for 3 minutes each. In addition for major planning applications of exceptional public interest, 'special presentations' may be given to Members of Planning and Licensing Committee of up to 10 minutes.

Consequently within Newark and Sherwood public participation is allowed on applications for developments such as incinerators, quarries and new schools but no such public participation is possible on new housing or industrial estates. This inequity is indefensible and time has come for change.

The stance adopted by Newark and Sherwood District Council is plainly at odds with that of the wider Local Government family across North Nottinghamshire and Central Lincolnshire.”

**Reply from Councillor D.R. Payne.**

“The Council’s constitution in terms of public speaking at Planning Committee has been in force since 1974. It is important to stress that since that time there is regular review and debate regarding the scope of any speaking allowed. It is equally important to note that the Council’s constitution and approach to dealing with Planning matters has at no time been found to be inappropriate either by judicial or other challenge. In and around 1976 the Council did allow applicants and objectors to speak. However, applicants were able to hire professional representatives to speak on their behalf which the Council perceived gave them an unfair advantage over the objectors, so the scheme was abolished.

The issue of public speaking has been discussed most recently at the back end of 2013 in the form of a report to the Councillors Commission of 2<sup>nd</sup> October 2013 entitled ‘Protocol for Members in Dealing with Planning Matters’. This report captured several issues relating to Planning Committee meetings, including Public Speaking. As you will see from the Agenda itself the report was prepared in consultation with a Probity in Planning Working Party that had been previously established. The final report and approach was also endorsed by the Standards Committee.

The report at Section 11.1 makes explicitly clear this Authority’s view on public speaking:

“Members of the public, including any applicant or objector, are not entitled to speak at meetings of the Planning Committee and should accordingly submit any representations in writing.”

The Policy does go on to state that a Local Member or representative of the Parish Council can also speak, albeit for the latter it is made clear that the representative cannot be a planning agent or professional:

“Such nominated representative should be the clerk or other officer or a member of the Parish Council. Any professional agent or other third party appointed by the Parish Council shall have no right to speak at Committee.”

The Policy has also been extended to include members from neighbouring wards and other neighbouring authority’s wards.

This is also in full accordance with the Council’s Statement of Community Involvement, which makes clear that any resident of the District can forward views in writing for consideration and can also ask their local Ward Member to raise any issue verbally to the Planning Committee direct on their behalf.

In addition to the above it is important to note what we as a planning authority have achieved in recent years. This includes, but is not restricted to, the following:

- Adoption of a Core Strategy (2011)
- First Authority in the County to adopt the Community Infrastructure Levy (2012)
- Adoption of Allocations and Development Management Development Plan Document (2013) making us the first Authority in Nottinghamshire with an up to date Development Plan
- A formal pre-application advice service
- A formal Do I need Planning Permission advice service

The author of the question states that the undertaking of development management decision making is a quasi-judicial function but this is not the case. In case law Regina v. Redcar and Cleveland Borough Council (2008) it was determined that Councillors determining a planning application were not acting in a quasi-judicial position, but as democratically accountable decision makers.

Further to this, approximately 90% of planning applications made to the Council were determined by Officers under delegated powers. Clearly in respect of these applications there is no right to speak by applicants or objectors with all correspondence being submitted in writing.

The Council are always looking to make improvements but this matter will not be considered further by the current administration.

**Supplementary question from Mr Northcote to Councillor D.R. Payne**

Does the Council feel that is it fair that members of the public can speak on planning applications considered by Nottinghamshire County Council, but not citizens of Newark and Sherwood District Council?

**Reply to the supplementary question from Councillor D.R. Payne to Mr Northcote**

Local Government does not have a one-solution-fits-all approach to decision making. There are a variety of different approaches across the County. Our policy enables the maximum amount of information to be given to the decision maker, rather than relying on the eloquence of either an applicant or objector.



**QUESTIONS BY MEMBERS - COUNCIL PROCEDURE RULE NO. 14**

**Question from Councillor J. E. Hamilton to the Chairman of the Homes & Communities Committee:**

“What funding are Newark & Sherwood District Council prepared to commit to as the amount to fund the Capital Flood Mitigation work in Southwell? This is supposed to be ‘commensurate’ to the £600,000 to be contributed by Nottinghamshire County Council.”

**Reply from Councillor R.B. Laughton:**

“I am delighted that the Government has agreed to fund flood mitigation schemes in Southwell, Lowdham and Gunthorpe as announced in the Council’s Autumn Statement. This follows a lot of hard work by a wide range of groups, individuals and local authorities at all levels as well as our local MP’s – Robert Jenrick and Mark Spencer – who should be congratulated for the amount of work they have done on our behalf.

We also welcome the announcement that residents and businesses in the District affected by the flooding in July last year will now qualify for a range of financial support through Government schemes previously available only to areas affected by flooding last winter. And we have been pleased to be able to help people who had to move out of their homes with their Council Tax to the extent overall of around £45,000.

It is important now for all authorities to continue to work together. The County Council are, of course, the lead local flood authority, and town and parish councils are also closely involved as well as local residents.

Some of these will need to build up funds in advance to make a contribution to flood mitigation schemes, but the larger authorities – the District and County Councils – have more flexibility. We can allocate funding as and when a scheme is determined and the potential cost is known.

We will consider the Council’s funding contribution towards flood mitigation schemes as specific schemes are brought forward for the areas affected by flooding, of which there are many, and I would like to re-affirm the Council’s commitment to play its full part in the funding and delivery of these schemes.”

**Supplementary Question from Councillor J. E. Hamilton**

“Does the Council have any funding commitment to flood mitigation in Southwell?”

**Reply from Councillor R.B. Laughton**

“The supplemental question gives me the opportunity to thank Newark and Sherwood District Council for its proactive approach toward flooding, and congratulated officers of the Emergency Planning team for their work. The Leader of the Council has made a commitment to provide commensurate funding, however, information on costed schemes is not yet available. Flooding in Southwell, and other communities in the district must be dealt with

properly and sensibly. Allocations will be announced in the near future, following proper assessment.”

**Question from Councillor J. E. Hamilton to the Chairman of the Policy & Finance Committee:**

“Will the leader please confirm that it is intended to bring recommendations of the Kelham Hall Replacement Task & Finish to a full council meeting in order to take the decision on this matter?”

**Reply from Councillor R.V. Blaney:**

“The views of the Future Council Accommodation Task and Finish Group were reported to the last meeting of the Policy and Finance Committee (Minute No. 41 refers). I would refer Cllr Hamilton to pages 12 – 16 of the Council’s Constitution and, in particular, to page 15.”

**Supplementary Question from Councillor J.E. Hamilton:**

Will the Leader reconsider the Constitution to enable the report to be considered by Full Council?

**Reply from Councillor R.V. Blaney:**

The Leader of the Council does not have executive authority to change the Council’s Constitution, which must be changed by due process.

**Question from Councillor Mrs A.A. Truswell to Councillor R.V. Blaney as Leader of the Council:**

“Would the Leader agree with me that a successful councillor needs to be able to reflect the views of their constituents and this can only be achieved if they are readily available to meet with them and not be solely reliant upon the phone, e-mails and other modern technology which may not be available to all.

Would he also share with me the advice that he would give any councillor that finds themselves in a position that he or she feels that they are unable to serve their community to the best of their ability.”

**Reply from Councillor R.V. Blaney:**

“I do believe that a successful councillor needs to be able to represent – rather than necessarily reflect – the views of their electors and I would hope that all councillors would make themselves accessible to their electorate in as many ways as practicable.

With regard to advice, I have never had a Conservative councillor indicate to me that they felt unable to serve their community to the best of their ability. However, if Cllr Truswell has a concern about one – or more – of her members, I would gladly give her advice but she might prefer me to do so privately.”



**Supplementary Question from Councillor Mrs A.A. Truswell to Councillor R.V. Blaney as the Leader of Council:**

What distance would the Leader give to determine if a Councillor can represent the views of their electors?

**Reply from Councillor R.V. Blaney:**

Distance does not affect the ability to serve as a Councillor. The key is that a councillor must be accessible and able to assist the electorate.

**Question from Councillor P.R.B. Harris to Councillor R.V. Blaney as Leader of the Council:**

“What is the Council’s definition of a ‘vehicle’?”

**Reply from Councillor R.V. Blaney:**

“The Council does not have a definition that is different to those in common usage or otherwise defined in law.”

**Supplementary question from Councillor P.R.B. Harris to Councillor R.V. Blaney as Leader of the Council:**

“Why have Council officers, working with officers at County Hall, agreed to define that a ‘vehicle loading’ must be a commercial vehicle with logos on the side. This contravenes the definition given by the Leader and the Road Traffic Act. Is this fair?”

**Reply from Councillor R.V. Blaney:**

Councillor P.R.B. Harris will have to be supplied with a written answer as he did not reveal the extent of his question in the first instance.



**HOUSING REVENUE ACCOUNT BUDGET AND RENT SETTING FOR 2015/16**

- 1.0 Under the Council's Constitution the Housing Revenue Account Self Financing Business Plan will be formulated and reviewed by the Policy & Finance Committee and recommended to Council for approval. A major element of the Business Plan comprises the annual Housing Revenue Account budget.
- 2.0 The annual Housing Revenue Account budget for 2015/16 and financial plan to 2019/20 including proposals for rent levels for 2015/16 was considered by the Policy & Finance Committee at its meeting on 29<sup>th</sup> January 2015. Members of the Homes & Communities Committee were invited to attend in order for their views on the budget, financial plan and rent setting to be considered prior to any recommendations being made to this meeting of the Council.
- 3.0 The Council's Rent Setting Policy was reviewed by the Policy & Finance Committee on 29<sup>th</sup> January 2015 as part of the budget setting process. Report attached as Appendix 1.

**4.0 RECOMMENDATIONS that:**

- (a) **the Housing Revenue Account budget for 2015/2016 as set out in Appendix A to the report be approved;**
- (b) **the Management and Maintenance Fee for 2015/2016 of £7,674,500 be noted;**
- (c) **the weekly rents of all properties in the Housing Revenue Account be increased by September 2014 CPI + 1% in accordance with the amount shown on the spreadsheet, as Appendix B to the report;**
- (d) **weekly rents be increased to formula rent (rent convergence methodology) where a property is relet after a void period;**
- (e) **the support charges in Appendix D remain at the 2014/15 level;**
- (f) **other services charges should be increased by 2.2 % with effect from April 2015;**
- (g) **garage, garage plot and garage port rents are increased by 2.2% in line with the agreed rent increase on dwellings with effect from 1<sup>st</sup> April 2015; and**

**Background Papers**

None.

For further information please contact Amanda Wasilewski on Extension 5738 or Rob Main on Extension 5930.

David Dickinson  
Director - Resources

Karen White  
Director – Safety



**HOUSING REVENUE ACCOUNT BUDGET AND RENT SETTING 2015/16**

**1.0 Purpose of Report**

- 1.1 To show actual outturn of the Housing Revenue Account for the year 2013/14 (column 2 of Appendix A1).
- 1.2 To examine the proposed income and expenditure on the Housing Revenue Account for 2015/16 (column 4 of Appendix A1) and, in accordance with Section 76 of the Local Government and Housing Act 1989, to make recommendations to avoid a deficit on the Housing Revenue Account.
- 1.3 To receive indicative figures of income and expenditure for the financial years 2016/17 to 2019/20 (columns 5 to 8 of Appendix A1).
- 1.4 The report makes recommendations to adjust rent levels and service charges with effect from April 2015. These have been calculated in accordance with Government guidance which is in line with the rent setting policy agreed by Cabinet on 26<sup>th</sup> January 2012 except for the change from RPI + 0.5% to CPI + 1%. It is recommended that the rent setting policy should be amended to reflect the inflation rate change.
- 1.5 To determine the apportionment of these rent increases having regard to Section 162 of the Local Government and Housing Act 1989 which, amongst other things, requires that *“a Local Housing Authority shall have regard, in particular to the principle that the rents of houses of any class or description should bear broadly the same proportion to private sector rents as the rents of houses of any other class or description”*.
- 1.6 To determine charges for garage rents, plots and garage ports.
- 1.7 To approve arrangements to determine housing support service charges.
- 1.8 To approve the annual management fee payable to Newark and Sherwood Homes, in accordance with the Management Agreement.

**2.0 Introduction**

- 2.1 The setting of the budget and the approval of rent levels at Council in February 2015 will allow the required time to notify tenants of proposed changes to rents in accordance with the legislation.
- 2.2 Members will be aware that since April 2012 the Housing Revenue Account is now self-financing and there is no longer any central government control though HRA subsidy. Other controls continue to exist such as the cap on overall HRA debt and the ring-fencing of the account.
- 2.3 The timetable for approval of the budget and rent setting to enable rents to be increased from the beginning of the financial year in April 2015 is restricted by external constraints, in that the correct notification of variation needs to be given to tenants.

2.2 The key dates in the budget setting timetable are detailed in the table below:

Council determination of HRA budget and rent setting	10 <sup>th</sup> February 2015
Newark and Sherwood Homes update of rent systems	By end of February 2015
Generation of rent cards and letters to notify tenants of variation of their rent levels (tenants are required to be given one month's notice by law of rent changes).	By end of February 2015

Any slippage from these key dates would jeopardize the implementation of rent rises for 1 April 2015 and result in a subsequent loss of income to the Housing Revenue Account.

### **3.0 Background Information**

3.1 Since April 2012, following the housing finance reforms the Housing Revenue Account has been operating within a 30 year self-financing Housing Revenue Account business plan. Council officers have been working with colleagues from Newark and Sherwood Homes to monitor and review the business plan which informs the 2015/16 budget process and medium term financial plan 2015/16 to 2019/20.

3.2 Under the new management agreement with Newark and Sherwood Homes, the Council's housing management company, which came into effect on 1<sup>st</sup> October 2013 there is a new methodology for calculating the management fee and this process has been followed for determining the fee for 2015/16. Details of the fee are shown in paragraphs 5.1 to 5.7 of this report.

3.3 The budget proposed in this report is based on the Council's existing policy on rent setting, which was approved in January 2012 and follows the Government's existing guidance on setting rents for social housing. Members will be aware that under the Government guidance, convergence of rents with other social housing landlords has ceased with effect from 2014/15 and proposes that rents will increase by CPI plus 1%, however there will be flexibility to increase the rent to the target (or formula) rent when re-letting a property after a void period.

3.4 The Council's self-financing Housing Revenue Account Business Plan (SFHRABP) was reviewed by Policy & Finance Committee on 3<sup>rd</sup> July 2014. This included recommendations that required officers to formulate a housing growth strategy that will contribute to the wider strategic priorities of the Council, meet the evidenced housing need across the district for all tenures and maintain a viable Housing Revenue Account Business Plan

3.5 In his Autumn Statement, the Chancellor announced that *nationally* the current affordable housing programme will be extended for a further two years to 2020, increasing the funding available by an additional £957m and allowing for a total of 275,000 new homes over the five year period.

### **4.0 The Self-financing Housing Revenue Account Business Plan**

4.1 The reforms to housing finance became effective on 28<sup>th</sup> March 2012, when the Council took on new borrowing of £36,078,000 from the PWLB to buy itself out of the Housing Subsidy system. At that time the HRA had a total debt of £104,408,417 of which internal debt (borrowed from the General Fund) was £6,582,714 against a debt cap of

£112,475,000. The District Council, as all stock owning authorities, has to operate within the debt cap and in accordance with the treasury rules. There is no requirement by government for authorities to reduce debt levels, i.e. pay off the debt.

- 4.2 The current approved Business Plan is based on a financial model that ensures the Council continues to deliver the necessary capital investment in the housing stock, enables an effective housing management service and services the new debt. The current short term strategic priorities for the Business Plan are:
- a) Delivery of the Decent Homes Standard Plus (informed by the priorities for investment set through tenant consultation).
  - b) Maintaining the core housing management service in accordance with the nine local service standards.
  - c) A Capital works programme that will continue to include legislative, regulatory and health and safety requirements, energy efficiency measures and deliver environmental improvements (informed by the priorities for investment set through tenant consultation).
  - d) Focus on the principle of debt repayment over the short term (3-5 years).
  - e) Allowing future consideration in relation to growth (provision of additional housing).

Cabinet reviewed its position concerning the principle of debt repayment at its meeting on 17<sup>th</sup> January 2013, when the following resolution was made:

*'the current strategic priority of debt repayment be reconsidered to allow flexibility in the use of surplus HRA resources when these arise.'*

The Policy Committee has given further consideration to the Council's approach on housing growth and at its meeting on 3<sup>rd</sup> July 2014 approved the Council's Housing Growth Strategy.

- 4.3 The HRA has now been operating within a self-financing regime for a little under 2 years and the actual income and expenditure incurred during the year is scrutinised by Newark and Sherwood Homes and the District Council.
- 4.4 The base financial model, covering a 30 year period, has been rolled forward for 2015/16 to 2044/45 based on prudent assumptions, risk and sensitivities covering for example inflation and interest rates, rent setting, void rates and Right-to-Buy levels. Officers from Newark and Sherwood Homes and the District Council have made assumptions on the likely impact of welfare reform in the early years.
- 4.5 At this point in time the model shows that the HRA will be sustainable over the 30 year period to continue to deliver the necessary capital investment programme in the Council's housing stock, to deliver housing services, service the new debt and stimulate prudent housing growth.
- 4.6 The Housing Revenue Account budget for 2015/16 and medium term financial plan to 2019/20 is based on the revised business plan 30 year financial model.

## **5.0 Newark and Sherwood Homes Management Fee**

- 5.1 Under the new management agreement, Newark and Sherwood Homes will be paid a fee in accordance with the framework detailed below. The activity of NSH is integral to the

effective management and long term viability of the Housing Revenue Account (HRA) Business Plan. This gives rise to a requirement for the Management Fee to be considered within the context of the HRA as a whole.

#### Fee Elements

The annual management fee comprises:

- i. Service Fees – Core Housing Management Services - Tenancy sustainment and income recovery
- ii. Service fees – Core Housing Management Services – Repairs and maintenance
- iii. Service Fees – Core Housing Management Services – Core service support
- iv. Service Fees – Core Housing Management Services – Company

Additionally Newark and Sherwood Homes will receive income for managing the Housing Revenue element of the Council’s capital programme, i.e.

- v. Works fee – fee payable for the delivery of the Asset Management Programme. A fee of 8% is paid by the District Council for management of the capital programme and 5% for project managing the Council’s current house building programme. Both fees are calculated on the total level of spend during the financial year.

Payments will also be made where Newark and Sherwood Homes provide general fund Services to the Council:

- vi. Other NSH Work – Non HRA Core Services (Right to buy/Hostel management)

Finally, the company will be able to provide services to third parties such as rent income from properties that it has purchased through the Empty Homes scheme.

- vii. Fee income from third party schemes/investments including the income from photovoltaic cells where solar panels are fitted to council properties. Approximately £0.5m income is received in the Housing Revenue Account annually and passported to Newark and Sherwood Homes.

5.2 The base line management fee for 2014/15 comprised the following:

- I. Service Fees – Core Housing Management Services - Tenancy sustainment and income recovery £1,782,890
- II. Service fees – Core Housing Management Services – Repairs and maintenance £3,903,620
- III. Service Fees – Core Housing Management Services – Core service support £1,886,230
- IV. Service Fees – Core Housing Management Services – Company £64,860

The total management fee payable for 2014/15 is £7,637,600

5.3 Newark and Sherwood Homes presented a report on their draft delivery plan for 2015/16 to the Strategic Housing Liaison Panel on 17<sup>th</sup> September 2014. The final version of the Delivery plan for 2015/16 was presented to the January meeting of the Homes & Communities Committee for approval. This contains details of 2014/15 performance to



September 2014 and indicates key areas for future improvements in performance and action plan for future years.

- 5.4 The payments will be set for a 3 rolling year period. In the first year of the Agreement (2014/15) a 'base line' Management Fee has been set. This is set for 3 years (subject to taking into account external factors including inflation and other aspects which are out of the control of the Company). For years 2 (2015/16) and 3 (2016/17) of the first three year period an efficiency target of 3% has been set for each year. At the end of year 3 there will a further base line exercise carried out, again using the framework which sets out the fee elements. This will determine the Management fee for the next 3 year period, as well as efficiency targets for the second and third years within that second three year period and so on, etc.
- 5.5 During the discussions concerning the efficiency targets the Company's officers indicated that whilst the Company continually strives to make efficiencies and is supportive of the need to specify efficiency levels, they have some concern about the setting of specific levels of efficiency for periods as far ahead as 2016/17 without being able to accurately predict the possible impact of this upon service delivery. They also consider it important to be clear about the outcomes required to enable the final management fee to be determined and the related efficiency required. In response to this concern it is suggested that provision be made within the Agreement to give the Council some flexibility to amend the efficiency targets if it considers it appropriate to do so following consideration by the Council and the Company of any unanticipated adverse impacts upon service delivery.
- 5.6 The Company submitted a request for additional payments to be included in the 2015/16 management fee in early October 2014 and these have been the subject of discussions between the Company and the Council over a number of weeks.
- 5.7 Officers from the District Council recommend that the management fee for 2015/16 should be £7,674,500 as shown in Appendix A1 lines 9 and 10.
- 5.8 At all times the Council retains a prudent balance in line with Audit Commission guidelines adjusted for known future expenditure identified in the HRA business plan. At the 31<sup>st</sup> March 2014 Newark and Sherwood Homes paid a surplus of £860,165 to the HRA increasing the overall HRA balance to £5,400,991. Of this sum, £781,270 was repaid to NSH to set up the reserves as referred to in 5.10 below. Under the new management agreement Newark and Sherwood Homes will now retain any surpluses or meet any losses from their own accounts.
- 5.9 Under the terms of the new management agreement, the management fee is calculated in a way that is much more aligned to the estimated costs of the Company discharging the housing service. Newark and Sherwood Homes will retain any surpluses that they have accrued; however clause 12 of the management agreement details how those surpluses should be applied:

*12.1 Subject to Clauses 12.2-3 NSH shall be entitled to use any available surpluses or reserves following discussion with the Council in furtherance of the Council's strategic housing objectives/aims.*

12.2 *Surpluses and/or reserves shall only be deemed to be available for the purposes of Clause 12.1 if this is consistent with generally accepted accounting practice or specific confirmation from NSH's auditors and to the extent not required to maintain NSH's reserves in accordance with Schedule 8. (See paragraph 5.6 I to iv)*

12.3 *NSH shall keep the Council informed about the use of its surpluses and reserves.*

5.10 As part of the new management agreement it was agreed that Newark and Sherwood Homes will need to retain certain reserves to support cash flow and to protect against financial risk. The Company Growth/Development reserve sets aside financing for growth programmes, the Company is responsible for the use of this reserve with the future intention that any growth activities give consideration to the Council's strategic priorities.

5.11 Where replenishment of the reserves is required to maintain the agreed level, the contribution cost will be built into the Core Housing Management Services – Core service Support annual budget and therefore be included within the annual revenue fee. The reserves held by the Company will comprise:

- i. Minimum reserve
- ii. Bad debts reserve
- iii. Development and IT reserve
- iv. Staffing and pay reserve
- v. MRR/Depreciation
- vi. Growth/Development reserve

## **6.0 Rent Levels**

6.1 As part of the self-financing settlement in 2012 the assumption was made that local authorities would continue to follow the Government's guidelines on annual rent setting i.e. that rents would continue to move towards convergence with other Registered Providers and that rent increases would be based on September RPI plus 0.5% with a cap on increases of RPI + 0.5% plus £2. As a result of this the self-financing settlement figure assumes a certain level of income in the business plan.

6.2 Cabinet considered the report on the Self-financing HRA in January 2012 and agreed a rent setting policy that rent levels should continue to be determined by following the Government's guidance as assumed in the self-financing settlement.

6.3 Members will be aware of the Government's consultation on the future rent setting policy for social housing. It proposes to end convergence with effect from 1<sup>st</sup> April 2015, and to increase rents in future by CPI + 1% rather than RPI +1%. There is an element of flexibility as the proposals allow for vacant properties to be relet at target (formula) rent.

6.4 In 2014/15 Council agreed to increase the rents of all properties by CPI + 1%, but to move the rent to target rent where a property was re-let following a void period.

6.5 In line with Government guidance the rent levels in Appendix B have been calculated by applying an increase of CPI + 1%. It should be noted that as a result of moving some properties to target rent in 2014/15 it is possible for some property types to have 3 different rents. This is because rent convergence was not due to be achieved until 2015/16

which meant that target rent in 14/15 was still 1 year away from achieving full formula rent therefore for these properties, rent levels for 15/16 could be:

Existing rent 14/15 + CPI = 1%

Target rent 14/15 + CPI + 1%

Target rent 15/16 (= Formula rent 15/16)

The difference between the rent levels is not significant, and over time, all properties will reach formula rent.

- 6.6 Setting a lower rent increase than that calculated following current Government guidance on convergence would have a significant detrimental impact on the long term HRA Business Plan as the debt settlement under self-financing was calculated on the assumed rent levels (i.e. converged rents) rather than actual rent income.
- 6.7 The Committee should note that the total rent rebate case load is 3,347 (62% of the total housing stock). The position related to benefits is now complicated by the under occupation charge which is applied after benefit is calculated – 2,222 (41%) tenants are currently on 100% benefit, with 1,125 (21%) claimants receiving partial benefit. Of the total number of claimants 751 (22%) have their benefit reduced due to an under occupation charge – these could be full or partial benefit cases.
- 6.8 Officers from Revenues and Benefits work closely with Newark and Sherwood Homes to ensure that Discretionary Housing Payment funds are committed to households in real need and to date this funding has benefited District Council tenants as follows:
- Funds already paid out £61,091
  - Committed payments £12,934
  - 178 households have been helped including 175 due to under occupation
  - Of these 175 properties, 54 have been substantially adapted for the claimants needs; these are automatically renewed each year.

This financial support helps households to progress solutions aimed at enabling the long term sustainability of their tenancy and alleviates hardship.

- 6.9 Members of the Strategic Housing Liaison Panel have considered the implications of an increase in rents by CPI +1% in line with Government guidance. An extract from the minutes of their meeting on 8<sup>th</sup> December 2014 states:

*There was a general consensus of support for this proposal from the Panel. The Chairman of the Newark and Sherwood Homes Board explained that the Board welcomed the policy to maximise rents to provide resources for growth, and to maintain and enhance services.*

*Members of the Panel considered the proposed rent increases. With regard to garage rents, the Director- Newark and Sherwood Homes explained that the demand for garages was reducing, with lower numbers of cars and people preferring to have parking outside their homes. Opportunities for growth on the sites could be considered, and garage rent charges would be considered in light of the issues raised.*

## **7.0 Housing Support Service Charge**

- 7.1 Housing based support services are a core function provided by Newark and Sherwood Homes under the terms of its management agreement with the Council.
- 7.2 The main support service provided is to tenants in the Council's supported accommodation, representing approximately 50% of the Council's housing stock.
- 7.3 As previously reported through the County Council's budget reduction proposals Supporting People subsidy funding for eligible tenants ceased on 30<sup>th</sup> November 2014.
- 7.4 In response to the County Council's initial decision in 2012, as part of its budget cuts to the Supporting People Programme to terminate the Supporting People contracts, Newark and Sherwood Homes progressed a fundamental review of its management services to continue to provide housing based support services to tenants and to mitigate the impacts of the withdrawal of supporting people funding on the HRA Business Plan.
- 7.5 This was undertaken following comprehensive consultation with tenants (as required under section 105 of the Housing Act 1985) and other service users to ensure that the new model of support and tenancy assistance is both affordable and valued by tenants and other service users. The principles of the tiered, tailored service approach implemented on 1<sup>st</sup> April 2013 are:
- a) A mandatory, chargeable lifeline service of £1.50 per week for all tenants in designated supported housing accommodation in line with the conditions of the tenancy agreement
  - b) A discretionary intensive housing management service to aid those tenants who need higher levels of involvement to sustain their tenancy
  - c) A discretionary range of additional services available to tenants and private customers, each attracting a varying charge.

*(A full list of the current mandatory and discretionary support charges is shown at Appendix D.)*

- 7.6 As stated at 7.3 the County's funding for housing support services ceased for all currently eligible tenants on 30<sup>th</sup> November 2014, meaning that all tenants living in designated supported housing will be responsible for paying this charge. Newark & Sherwood Homes will continue to work with all effected tenants to minimise the financial impact of this, along with ensuring the continued viability of the HRA Business Plan.
- 7.7 In addition the following activity has been added to 2015/16 Delivery Plan for Newark & Sherwood Homes to ensure the support charge is equitable for all tenants in designated supported accommodation:

*Review the age designation of supported accommodation and the link to the housing support charge, in the context of: the Council's Allocation Scheme and tenancy agreement; meeting housing need and demand; and the associated risks with any such review e.g. impact upon Right to Buy.*

7.8 It is proposed that the support charges shown in appendix D should remain at the 2014/15 approved levels.

### ***Vale View***

7.9 Vale View is a unique supported housing scheme consisting of:

- 32 Units of HRA supported housing accommodation.
- Support is provided to a further 23 units of accommodation owned by Nottingham Community Housing Association (NCHA), including 3 bungalows on site.
- 25 units designated to Nottinghamshire County Council for extra care provision through their contracted care provider.

7.10 The current housing support service charge for Vale View is £70.84 per week. This covers the provision of intensive, 24 hour, on-site support to enable vulnerable tenants to effectively sustain their tenancies and was previously funded for those eligible tenants through Supporting People subsidy.

7.11 Set against the withdrawal of Supporting People funding the Strategic Housing Liaison Panel (SHLP) has been looking at options to best meet tenants care and support needs and to manage the Vale View properties.

7.12 In considering the benefits and risks of the options presented to the SHLP the preferred option was 'to increase the number of extra care units' provided by the County Council at Vale View, followed by the option 'to continue provision in line with the current model'.

7.13 Panel Members were then made aware that further to discussions with the County Council it has been confirmed that they only require the current maximum level of 25 designated extra care units out of a total of 55 units, therefore impacting on the delivery of the preferred option.

7.14 As a result of this officers then explored the feasibility of continuing provision in line with the current model, set against the desire to ensure continued housing related support services for those tenants who are in need and considering the impact this option could have on the viability of the HRA BP both in the short and long term.

7.15 The outcome of the feasibility work has concluded that the present provision of housing related support can continue with the majority of cost being met through housing benefit, classified as 'intensive housing management', for those eligible tenants. The SHLP at its meeting on 8<sup>th</sup> December 2014 supported this proposal and relevant extracts of the report to the Panel can be found at Appendix D.

7.16 The introduction of the support charge of £69.16 plus the £1.50 mandatory charge for the lifeline system for those HRA properties at Vale View will result in a very small annual deficit (under £300) which can be met from the Housing Revenue Account.

### **8.0 Other Service Charges**

8.1 A number of tenants have heating and water/sewerage provided at their property with the costs of these being recharged through a weekly service charge. It is proposed that these weekly charges are increased in line with September 2014 CPI + 1% i.e. 2.2%.

- 8.2 The following activity has been added to 2015/16 Delivery Plan for Newark & Sherwood Homes:

*Options for de-pooling of services charges included in the rental charge are developed to consider enhanced tenant service choice and HRABP viability.*

- 8.3 New properties built since 2010/11 are currently subject to a weekly service charge of between £3.62 and £6.03 covering the costs (where appropriate) of landscaping, lighting and drainage. It is proposed that these weekly charges are increased in line with September 2014 CPI +1%, i.e. 2.2%.
- 8.4 Members will recall approving a proposal last year to implement an intensive housing management charge (eligible for housing benefit) at the Councils homeless hostels at Seven Hills, Newark and Wellow Green, Ollerton to support tenancy sustainment and move on. Approval of the level of the service charge was delegated to the Director – Resources following consultation with the Leader, Deputy Leader and Leader of the Opposition party.
- 8.5 The Council appointed a Tenancy Support Worker in September 2014, who is currently designing the support package in consultation with residents and is working closely with housing benefit colleagues to develop a proposed service charge for implementation in spring 2015.
- 8.6 An amendment has also been required for new tenants at Wellow Green in respect of the heating/electricity service charge, which is no longer levied as a result of the capital works which have been undertaken.

## **9.0 Balances**

- 9.1 The Housing Revenue Account balances at 31 March 2014 were £5,400,991 (including the NSH efficiency gain of £860,165), which is £993 per property based on a stock of 5,438 at the same date. Under self-financing, the risks previously met by the Government through housing subsidy have now been transferred to local authority HRAs therefore the self-financing HRA business plan assumes a minimum prudent general reserve of £2,000,000.
- 9.2 Newark and Sherwood Homes has also identified levels earmarked reserves for specific purposes:
- i. Minimum reserve
  - ii. Bad debts reserve
  - iii. Development and IT reserve
  - iv. Staffing and pay reserve
  - v. MRR/Depreciation
  - vi. Growth/Development reserve
- 9.3 Paragraph 5.9 details how other surpluses held by Newark and Sherwood Homes should be applied, i.e. that they should be used, following discussion with the Council, to further the Council's strategic housing objectives/aims.

## **10.0 Garage Rents, Plots and Garage Ports**

- 10.1 The level of garage rents was raised in 2014/15, in line with the average rent increase, to £7.67 per week. (plus VAT if they are let to non-Council tenants).
- 10.2 The level of garage plot rents was raised in 2014/15, in line with the average rent increase, to £39.15 per annum with VAT payable for non-Council tenants.
- 10.3 The level of garage port rents was raised in 2014/15, in line with the average rent increase, to £3.42 per week with VAT payable for non-Council tenants.
- 10.4 Officers from both the District Council and Newark and Sherwood Homes have undertaken a review of the garage sites focusing on the following matters:
- Location
  - Condition
  - Investment required
  - Demand/availability
  - Customer preferences
  - Future options, e.g.: introducing differential rent levels for garages based on demand/condition, incentivising low demand garage sites, assessing a sites development potential.
- 10.5 Whilst it may be possible to increase rents for the more desirable garages, officers are aware that a large increase in rent will increase the expectations of tenants around improvements to the condition and security of the garages. Therefore it is not proposed to introduce differential rent levels at the current time.
- 10.6 Officers from both NSDC and NSH continue to identify existing and redundant garage sites which could be suitable for small scale new build projects should the Council decide on a policy of future growth.

## **11.0 Financial Considerations**

- 11.1 Once again it has been a very difficult year, with a significant amount of resources being used in the preparation of the Housing Revenue Account annual budget and self-financing business plan.
- 11.2 The current budget proposals are based on the 30 year self-financing Housing Revenue Account Business plan and in future years will depend on the programme selected by Members.
- 11.3 The budget includes costs that continue to fall to the HRA following the transfer of management of the housing stock to Newark and Sherwood Homes, for example property insurance, depreciation, and costs of financing the borrowing to fund the capital programme. The budget also includes costs of back funded superannuation (in respect of the service prior to 1<sup>st</sup> November 2004 of those staff who transferred to Newark and Sherwood Homes), external audit fees, and costs of central services which continue to fall to the HRA, for example a recharge from Financial Services for work done in respect of rent setting, servicing the Strategic Housing Liaison Panel, final accounts and budget processes etc.

## ***Right to Buy***

- 11.4 The number of properties sold under 'Right To Buy' peaked at 27 in 2013/14 since the Government created more incentives for tenants to buy their properties. Sales in 2014/15 to December 2014 amount to 13. The District Council has signed up to the national 1-for-1 replacement policy whereby additional receipts can be retained in order to part fund the construction of new social housing.
- 11.5 Under the 1-for-1 replacement policy the Government states that every additional council home sold under Right to Buy will be replaced at a national level by an affordable rent home. The baseline is the number of Right to Buy property sales assumed in the self-financing settlement made prior to the recent policy invigoration (40,000 nationally in the first 10 years of self-financing).
- 11.6 In the first 18 months since signing up to the 1 for 1 replacement policy the District Council has sold 36 properties with:
- Total Right to Buy receipts £1,852
  - Transaction costs £47k
  - Allowable debt £550k
  - Local Authority Share £276k
  - Treasury Share £650k
  - Deductible Buy Back Allowance £NIL
  - 1-for-1 Receipts £329k
- 11.7 The conditions for retaining 1-for-1 receipts are that they must constitute no more than 30% of the total amount spent on the provision of new affordable housing and that the full amount of spending on the scheme must be spent (work completed) within 3 years of the retained receipts. The remaining 70% of the scheme cannot be funded from public sector grant (e.g. HCA funding) or non RTB housing receipts.
- 11.8 1-for-1 receipts can be used for development costs of replacement homes at affordable rent which may be acquired or constructed and can be provided by a registered provider so long as the local authority has nomination rights. Development costs may include the cost of acquiring new land but not the value of land already owned by the authority.
- 11.9 Under the 1-for-1 replacement policy the receipts retained by Newark and Sherwood District Council currently amount to £328,786 the trigger was first hit in quarter 2 of 2013/14 therefore the amount of spend on new affordable housing is required to be £690,629 which needs to be spent by 30<sup>th</sup> December 2016 with a cumulative spend of £1,095,954 by 30<sup>th</sup> September 2017. Of these receipts £212,900 has been earmarked to fund 30% of the cost of new build at Coronation Street Balderton. Through the Housing Growth Strategy it is essential that Members consider a programme of new build or acquisition of properties to ensure that the conditions of retaining the receipts are met.
- Depreciation***
- 11.11 On the advice of the Audit Commission, depreciation continues to be calculated based on the valuation of the Council stock rather than on a componential basis, however it is no longer reversed out of the HRA 'below the line'. It remains as a charge to the HRA



transferring funds to the Major Repairs Reserve. There is an additional transfer from the HRA to the Major Repairs Reserve to ensure that there is sufficient funding for the capital programme during the life of the 30 year business plan. Officers from the Council and Newark and Sherwood Homes continue to scrutinise the capital programme on an ongoing basis to ensure that sufficient funding is available.

### **Balances**

- 11.12 At the end of the financial year 2013/2014, the Housing Revenue Account added £177,795 to balances, giving a brought forward balance at 1 April 2014 of £5,400,991 (£4,540,826 when Newark and Sherwood Homes' efficiency gain is excluded). This budget proposes to maintain balances (excluding efficiency gain) at the existing level.
- 11.13 Under current Council Policy the Housing Revenue Account debt level is not reducing, although as loans become due for repayment they are refinanced using internal borrowing from the General Fund. The budget set out in Appendix A indicates that towards the end of the 5 year medium term financial plan, large surpluses are accumulating within the Major Repairs Reserve. The revenue budget does not take account of any future growth and contributions which may be required either from revenue or to fund any additional borrowing (up to the HRA borrowing cap). A policy for housing growth is discussed in section 12 below.

## **12.0 Housing Growth**

- 12.1 Crucial in determining the Council's position on housing growth is the HRA financial position based on the self-financing settlement as set out in Section 4.
- 12.2 At present the Council has immediate access to £8.35m of borrowing headroom to facilitate the delivery of housing growth for social housing, plus anticipated resources of £8.59m and commitments of £5.679m within the HRA Business Plan to 2018/19. The following table provides an updated overview of the resources available to support housing growth directly through the Council and Newark & Sherwood Homes.

<b>Funding Source</b>	<b>Committed</b>	<b>Available</b>	<b>Notes</b>
<b>Resources available:</b>			
Housing Revenue Account – Borrowing Headroom ( <i>PWLB rates</i> )		8,350,000	Headroom available
HRA Reserves ( <i>prudent level £2m</i> ) £4,540,827RA Reserves		2,540,800	HRA balance maintained at £2M
NSH Company Reserves ( <i>Board approved spend</i> ) Bilsthorpe		1,060,100	
*NSH Company Reserves ( <i>Board approval required for spend</i> ) HCA bid 2015-18		2,000,000	
HRA RTB Capital Receipts @ 1.4.14		954,600	
RTB Receipts QRT 1 & 2 2014/15		83,400	
HCA Bilsthorpe		498,750	
HCA AHP 15-18		384,000	
Affordable Housing - Non Right to Buy Capital Receipts		1,069,000	Earmarked for Affordable Housing.

<b>Total available</b>		<b>16,940,650</b>	
<b>Committed Schemes:</b>			
<b>Bilsthorpe</b>			
HCA	498,750		
NSH	1,060,100		
HRA	771,290	<b>-2,330,140</b>	£56,774 spent in 13/14
<b>Affordable Housing Programme 2015/18</b>			
HCA	384,000		
NSH	1,579,130		
HRA 1-4-1 (30% of Coronation street) Scheme cost £709,628	212,900		
HRA Other	887,100	<b>-3,063,130</b>	
<b>Buy Back Council Property</b>	36,500	<b>-36,500</b>	HRA RTB receipts
<b>Registered Provider Affordable Rural Housing Grant</b>	250,000	<b>-250,000</b>	
<b>Total committed</b>		<b>-5,679,770</b>	
<b>Available Funding for future projects</b>		<b>11,260,880</b>	

*Of the above available funds, £386,325 must be spent on 1-4-1 housing with £117,886 being identified from RTB Capital Receipts, (this is in addition to the 1-4-1 scheme on Coronation Street / Grove View Road, Balderton included in the HCA 2015-18 bid and needs to be spent within 3 years of the capital receipt).*

In addition to the above sum the Council has, at this point, collected £309,695 through Section 106 commuted sum payments designated for the delivery of additional affordable housing within the district.

Set against the finances available, and as already reported to the Committee at its meeting on 4<sup>th</sup> December 2014, the following housing growth opportunities have been identified and categorised into short, medium and long term schemes.

<b>Short/Medium/Long Term - Housing Growth Opportunities</b>	<b>Priority Area</b>	<b>Indicative Year</b>	<b>Finance Available</b>
<b>Short Term Deliverable Schemes</b>			
<i>In Development</i> – Home and Communities Agency (HCA) Care & Support Programme: Scarborough Road, Bilsthorpe - 25 HRA units	B/C/E	2014/15	Y

<b>Successful funding bid</b> under the HCA Affordable Homes Programme 2015-18 to develop 32 HRA units on 5 sites in Balderton, Newark & Edwinstowe.	A/B/C/E	2015/17	Y
Residential Development - Bowbridge Road, Newark <i>(Development Brief being drawn up, including the provision of supported, affordable housing in collaboration with the County Council)</i>	A/B/C/E	2015/18	Y
<b>Short to Medium Small Scale</b>			
Stock acquisition (including Section 106 new build units, Right to Buy buybacks and miscellaneous properties)	A/B/C/E	On going	Y = RTB Buy Backs & one offs.
Development opportunities on remaining garage sites/redundant land/infill sites <i>(The opportunity exists to bid for HCA grant funding within Affordable Homes Programme 2015-18 through 'Continuous Market Engagement' to deliver additional affordable housing units, a bid submission is currently being considered.)</i>	A/B/C/E	2015/18	To be identified
Development of Other facilities (e.g. shops/Community Centre conversions)	B/C/E	2015/18	To be identified
<b>*Medium to Long Strategic Site Opportunities</b>			
ADM DPD Allocated Site – HRA Land Boughton (120 units)	A/B/C/E	2020 -	To be identified
ADM DPD Allocated Site – Yorke Drive Policy Area (HRA and GF land 230 units)	A/B/C/D/E	2016 -	To be identified
ADM DPD Allocated Site – Quibells Lane, Newark (HRA & private land – 86 units )	D/A/E	2018-	To be identified
Master Plan – Hawtonville Estate Neighbourhood Study	B/C/D/E	2017 -	To be identified
Strategic Land Acquisition & Development <i>(An area of land with the potential for development at St Mary's Gardens, Hawtonville acquired in October 2014.)</i>	A/B/C/D/E	2016 -	To be identified

### 13.0 **Proposals**

- 13.1 The proposed budget for 2015/16 is attached at Appendix A1. The proposed rent levels are attached at Appendix B.
- 13.2 The proposed combined management and maintenance fee of £7,674,500 under the existing management agreement as stated in paragraph 5.2 should be noted.

13.3 As stated in paragraph 7.5 there has been a fundamental review of the current support service provision and the Council implemented charges on a tiered service approach as shown in Appendix D. It is recommended that these charges should remain at the 2014/15 level for 2015/16

13.4 As stated in paragraphs 8.1 and 8.3 it is proposed that all other services charges are increased by 2.2% in line with CPI + 1% from 1<sup>st</sup> April 2015.

13.5 That charges for garages, garage plots and garage ports are increased in line with the average rent increase with effect from 1<sup>st</sup> April 2015. The new weekly charges based on 1.2% CPI + 1% will be:

	£	
Garage Rents	7.84	(plus VAT if they are let to non-Council tenants)
Garage Ports	3.50	(plus VAT if they are let to non-Council tenants)
Garage Plots	40.00	per annum (plus VAT if they are let to non-Council tenants)

#### 14.0 **RECOMMENDATIONS** that:-

- (a) **the Rent Setting Policy shown in Appendix C be considered and revised to follow the new Government guidance on rent setting;**
- (b) **officers continue to progress a housing growth programme with each specific development proposal reported to the Policy & Finance Committee for approval subject to a robust financial appraisal and set against delivering the requirements of the Management Agreement with the Council's Housing Management Company, maintaining the necessary capital housing investment programme and considering any need for debt repayment; and**
- (c) **the following recommendations be made to Council at its meeting on 10<sup>th</sup> February 2015:**
  - i. **the Housing Revenue Account budget for 2015/2016 as set out in Appendix A to this report be recommended to Council on 10<sup>th</sup> February 2015;**
  - ii. **the Management and Maintenance Fee for 2015/2016 of £7,674,500 be noted;**
  - iii. **the weekly rents of all properties in the Housing Revenue Account be increased in accordance with the amount shown on the spreadsheet, as Appendix B to the report;**
  - iv. **that the support charges in Appendix D remain at the 2014/15 level;**
  - v. **that other services charges should be increased by 2.2 % with effect from April 2015;**
  - vi. **garage, garage plot and garage port rents are increased by 2.2% in line with CPI + 1% with effect from 1<sup>st</sup> April 2015; and**

**Reason for Recommendations**

**To enable the HRA budget for 2015/2016 the rent levels, garage rent, garage plots, garage ports and Housing Support Service Charge levels to be recommended to Council.**

**Background Papers**

None.

For further information please contact Amanda Wasilewski on Extension 5738 or Rob Main on Extension 5930.

David Dickinson  
Director - Resources

Karen White  
Director - Safety



## HOUSING REVENUE ACCOUNT - OUTTURN 2013/14 and BUDGET 2015/16 to 2019/20 - RENT INCREASE CPI + 1% ANNUALLY

LINE NO.	Col 1 SUMMARY	Col 2 2013-14 OUTTURN £	Col 3 2014-15 BASE BUDGET £	Col 4 2015-16 BASE BUDGET £	Col 5 2016-17 BASE BUDGET £	Col 6 2017-18 BASE BUDGET £	Col 7 2018-19 BASE BUDGET £	Col 8 2019-20 BASE BUDGET £
	<b>INCOME</b>							
1	Dwelling rents	20,539,822	20,165,770	20,507,260	20,958,420	21,419,510	21,890,740	22,372,340
2	Non dwelling rents	233,558	227,080	240,030	242,520	245,040	247,590	250,170
3	Charges for services	290,114	304,540	371,720	375,760	379,850	383,990	388,170
4	Contributions to expenditure	112,770	39,870	60,220	60,220	60,220	60,220	60,220
5	HRA Subsidy Grant	0	0	0	0	0	0	0
6	Other income	374,967	72,780	84,760	84,840	84,920	85,000	85,080
7	<b>Sub Total - Income</b>	<b>21,551,231</b>	<b>20,810,040</b>	<b>21,263,990</b>	<b>21,721,760</b>	<b>22,189,540</b>	<b>22,667,540</b>	<b>23,155,980</b>
	<b>EXPENDITURE</b>							
	Management & maintenance							
	Supervision & Management General:							
8	Management	3,737,074	587,570	576,890	586,060	593,390	600,620	608,890
9	Management Fee NaSH		3,733,980	3,784,460	3,784,460	3,784,460	3,784,460	3,784,460
10	Maintenance Fee NaSH	4,156,522	3,903,620	3,890,040	3,890,040	3,890,040	3,890,040	3,890,040
11	Rents, rates, taxes & other	0	0	0	0	0	0	0
12	Government subsidies payable	0						
13	Depreciation - dwellings	2,049,541	2,089,420	2,218,260	2,218,260	2,218,260	2,218,260	2,218,260
14	Depreciation - others	399,583	379,530	376,720	376,710	376,730	360,640	345,360
15	Impairments of assets - dwellings	(9,400,789)						
16	Impairments of assets - others	509,554						
17	Debt Management Expenses	32,496	33,310	32,350	32,030	33,810	36,560	38,840
18	<b>Sub Total - Expenditure</b>	<b>1,483,981</b>	<b>10,727,430</b>	<b>10,878,720</b>	<b>10,887,560</b>	<b>10,896,690</b>	<b>10,890,580</b>	<b>10,885,850</b>
19	<b>NET COST OF SERVICES</b>	<b>(20,067,250)</b>	<b>(10,082,610)</b>	<b>(10,385,270)</b>	<b>(10,834,200)</b>	<b>(11,292,850)</b>	<b>(11,776,960)</b>	<b>(12,270,130)</b>
20	Profit/Loss on sale of HRA fixed assets	3,708,317						
21	Interest Paid	4,699,246	4,258,130	4,381,230	4,317,520	4,341,230	4,275,130	4,075,670
22	Interest Receivable	(17,543)	(18,840)	(27,240)	(36,330)	(45,410)	(45,410)	(45,410)
23	Income from Feed In Tariffs	(539,492)	(525,000)	(525,000)	(525,000)	(525,000)	(525,000)	(525,000)
24	Feed in Tariff to NSH	538,196	525,000	525,000	525,000	525,000	525,000	525,000
25	Repayment of NSH efficiency gain 2012/13	2,961,000						
26	NSH efficiency gain 2013/14	(860,165)						
27	<b>NET OPERATING EXPENDITURE</b>	<b>(9,577,690)</b>	<b>(5,843,320)</b>	<b>(6,031,280)</b>	<b>(6,553,010)</b>	<b>(6,997,030)</b>	<b>(7,547,240)</b>	<b>(8,239,870)</b>
	<b>APPROPRIATIONS</b>							
28	Premiums on repaid debt	0						
29	Profit/Loss on sale of HRA fixed assets	(3,708,317)						
30	Employers Contribution NCC	189,682	263,850	260,000	260,000	260,000	260,000	260,000
31	Major Repairs Reserve Movement	3,970,520	3,563,630	5,771,280	6,293,010	6,737,030	7,287,240	7,979,870
32	Contribution to capital	56,774						
33	Impairments of assets - dwellings	9,400,789						
34	Depreciation	0						
35	Impairments of assets - others	(509,554)						
36	Repaid debt	0	2,015,840					
37	<b>HRA (SURPLUS)/DEFICIT FOR YEAR</b>	<b>(177,795)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
38	WORKING BALANCE B/F (excluding NSH efficiency gain)	(2,262,195)	(2,262,197)	(4,540,826)	(4,540,826)	(4,540,826)	(4,540,826)	(4,540,826)
39	WORKING BALANCE C/F (excluding NSH efficiency gain)	(4,540,826)	(2,262,197)	(4,540,826)	(4,540,826)	(4,540,826)	(4,540,826)	(4,540,826)

## Major Repairs Reserve

Brought Forward	1,603,419	1,424,786	1,050,466	2,983,626	5,627,306	8,769,026	12,714,866
Contributions in year	6,419,644	6,032,580	8,366,260	8,887,980	9,332,020	9,866,140	10,543,490
Used to fund major repairs	(6,598,277)	(6,406,900)	(6,433,100)	(6,244,300)	(6,190,300)	(5,920,300)	(5,923,800)
Projected balance carried forward	1,424,786	1,050,466	2,983,626	5,627,306	8,769,026	12,714,866	17,334,556
External Debt brought forward		93,175,010	93,159,167	93,141,910	93,123,111	93,102,631	93,080,317
Repaid -per latest treasury estimates		(15,843)	(17,257)	(18,799)	(20,480)	(22,314)	(24,315)
External Debt carried forward	93,175,010	93,159,167	93,141,910	93,123,111	93,102,631	93,080,317	93,056,002
Internal Borrowing	10,949,961	10,926,695	10,943,951	10,962,750	10,983,230	11,005,545	11,029,860
Total debt carried forward		104,085,860	104,085,860	104,085,860	104,085,860	104,085,860	104,085,860





**SUBJECTIVE SUMMARY**

**HOUSING REVENUE ACCOUNT**

APPENDIX A2

CODE	SERVICE	2014/15 BASE BUDGET	2015/16 BASE BUDGET	MORE (LESS)	2016/17 BASE BUDGET	2017/18 BASE BUDGET	2018/19 BASE BUDGET	2019/20 BASE BUDGET
		£	£	£	£	£	£	£
114	<b>EMPLOYEES</b>							
	SUPERANNUATION	263,850	260,000	(3,850)	260,000	260,000	260,000	260,000
	<b>EMPLOYEES SUB-TOTAL</b>	<b>263,850</b>	<b>260,000</b>	<b>(3,850)</b>	<b>260,000</b>	<b>260,000</b>	<b>260,000</b>	<b>260,000</b>
	<b>PREMISES RELATED EXPENDITURE</b>							
211	REPAIRS & MAINTENANCE	3,903,620	3,890,040	(13,580)	3,890,040	3,890,040	3,890,040	3,890,040
214	RATES	0	0	0	0	0	0	0
	<b>SUPPLIES &amp; SERVICES</b>							
451	CONTRACTUAL	3,733,980	3,784,460	50,480	3,784,460	3,784,460	3,784,460	3,784,460
452	PROFESSIONAL SERVICES	23,470	18,470	(5,000)	18,790	19,120	19,450	19,790
471	STAFF EXPENSES & FEES	1,500	1,500	0	1,500	1,500	1,500	1,500
482	SUBSCRIPTIONS	2,200	2,200	0	2,200	2,200	2,200	2,200
491	INSURANCES	206,290	203,370	(2,920)	207,970	211,720	215,550	220,570
492	TRANSFER TO MAJOR REPAIRS/GROWTH RESERVE	3,563,630	5,771,280	2,207,650	6,293,010	6,737,030	7,287,240	7,979,870
	<b>TRANSFER PAYMENTS</b>							
612	FEED IN TARIFF PAYABLE TO NSH	525,000	525,000	0	525,000	525,000	525,000	525,000
	<b>CENTRAL DEPARTMENTAL EXPENSES</b>							
712	CENTRAL DEPARTMENTAL SUPPORT	270,950	268,820	(2,130)	271,880	274,270	276,500	278,550
715	DEPARTMENTAL ADMINISTRATION	83,160	82,530	(630)	83,720	84,580	85,420	86,280
	<b>RUNNING EXPENSES SUB-TOTAL</b>	<b>12,313,800</b>	<b>14,547,670</b>	<b>2,233,870</b>	<b>15,078,570</b>	<b>15,529,920</b>	<b>16,087,360</b>	<b>16,788,260</b>
	<b>CAPITAL FINANCING</b>							
811	LOANS POOL	6,273,970	4,381,230	(1,892,740)	4,317,520	4,341,230	4,275,130	4,075,670
817	DEBT MANAGEMENT EXPENSES	33,310	32,350	(960)	32,030	33,810	36,560	38,840
821	CAPITAL CHARGES	2,468,950	2,594,980	126,030	2,594,970	2,594,990	2,578,900	2,563,620
	<b>CAPITAL FINANCING SUB-TOTAL</b>	<b>8,776,230</b>	<b>7,008,560</b>	<b>(1,767,670)</b>	<b>6,944,520</b>	<b>6,970,030</b>	<b>6,890,590</b>	<b>6,678,130</b>
	<b>INCOME</b>							
911	GOVERNMENT GRANTS			0				
922	OTHER LA CONTRIBUTIONS	0	0	0	0	0	0	0
928	RECHARGE TO NON GENERAL FUND A/C/S	(5,940)	(6,430)	(490)	(6,510)	(6,590)	(6,670)	(6,750)
932	FEED IN TARIFFS	(525,000)	(525,000)	0	(525,000)	(525,000)	(525,000)	(525,000)
932	FEES & CHARGES	(66,840)	(78,330)	(11,490)	(78,330)	(78,330)	(78,330)	(78,330)
933	RENTS	(20,697,390)	(21,119,010)	(421,620)	(21,576,700)	(22,044,400)	(22,522,320)	(23,010,680)
939	OTHER RECEIPTS	(39,870)	(60,220)	(20,350)	(60,220)	(60,220)	(60,220)	(60,220)
941	INTEREST	(18,840)	(27,240)	(8,400)	(36,330)	(45,410)	(45,410)	(45,410)
	<b>INCOME SUB-TOTAL</b>	<b>(21,353,880)</b>	<b>(21,816,230)</b>	<b>(462,350)</b>	<b>(22,283,090)</b>	<b>(22,759,950)</b>	<b>(23,237,950)</b>	<b>(23,726,390)</b>
	<b>COMMITTEE TOTAL (SURPLUS)/DEFICIT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	WORKING BALANCE B/Fwd	(5,223,197)	(5,400,991)		(4,540,826)	(4,540,826)	(4,540,826)	(4,540,826)
	Excluding NSH EFFICIENCY PAYMENT	(2,961,000)	(860,165)					
	WORKING BALANCE C/Fwd	(2,262,197)	(4,540,826)		(4,540,826)	(4,540,826)	(4,540,826)	(4,540,826)



## KEY TO ACCOMPANY RENT LISTINGS

The coding for the areas represents the following parishes and villages:

<b>A</b>	<b>Balderton East (Wolfit)</b>
<b>B</b>	<b>Balderton West</b>
<b>C</b>	<b>Barnby, Besthorpe, Holme, Winthorpe</b>
<b>D</b>	<b>Rainworth, Blidworth, Ollerton, Boughton, Bilsthorpe, Clipstone</b>
<b>E</b>	<b>Edwinstowe, Kirton, Walesby, Farndon</b>
<b>F</b>	<b>Upton, Halam, Oxton, Kirklington, Rolleston, Edingley, Epperstone, Fiskerton, Bleasby, Hoveringham, Thurgarton, Kelham, Maplebeck, Winkburn</b>
<b>G</b>	<b>Cromwell, Caunton, Norwell, Kneesall</b>
<b>H</b>	<b>Collingham, Coddington, North Muskham, South Muskham, Carlton-on-Trent, Sutton-on-Trent, Weston, East Stoke</b>
<b>I</b>	<b>Lowdham, Gunthorpe, Syerston, Kilvington, Elston</b>
<b>J</b>	<b>Southwell West, Farnsfield, Eakring, Wellow</b>
<b>K</b>	<b>Harby, Thorney, North Clifton, South Clifton, South Scarle</b>
<b>L</b>	<b>Southwell East, Laxton, Egmanton</b>
<b>M</b>	<b>Newark – Bishop Alexander</b>
<b>N</b>	<b>Newark – Gilstrap</b>
<b>O</b>	<b>Newark – Lovers Lane</b>
<b>P</b>	<b>Newark – Fosse</b>
<b>Q</b>	<b>Newark – Bowbridge</b>
<b>R</b>	<b>Newark – Byron</b>
<b>S</b>	<b>Newark – Clumber</b>
<b>T</b>	<b>Newark – St Mary's</b>
<b>U</b>	<b>Newark – Cardinal Hinsley</b>
<b>V</b>	<b>Newark – Grange</b>
<b>W</b>	<b>Newark – Gopher</b>
<b>X</b>	<b>Newark – Hilltop</b>
<b>Y</b>	<b>Newark – Ranson</b>
<b>Z</b>	<b>Newark – Harcourt</b>
<b>AA</b>	<b>Newark – Ossington</b>
<b>BB</b>	<b>Newark – Sconce</b>
<b>CC</b>	<b>Newark – Windsor</b>
<b>DD</b>	<b>Newark – Lilley &amp; Stone</b>



## NON SHELTERED PROPERTIES (48 weeks)

APPENDIX B1

BEDSITS	(a) Area	(b) 2014/15	(c) 2015/16	(d) £ increase	(e) % Incr	Target Rent for Relets in 14/15	Target Rent for Relets in 15/16
1 BED G/FLR	A	62.55	63.93	1.38	2.2%		65.95
	M	60.29	61.62	1.33	2.2%	62.45	63.29
	AA	62.30	63.67	1.37	2.2%		65.67
	DD	61.28	62.63	1.35	2.2%	63.55	64.48
1 BED F/FLR	AA	61.78	63.14	1.36	2.2%		65.08
	DD	60.75	62.09	1.34	2.2%		63.88
1 BED 2/FLR	AA	61.50	62.85	1.35	2.2%	63.81	64.76
	DD	60.48	61.82	1.34	2.2%		63.56

## FLATS

1 BED G/FLR	A	69.11	70.63	1.52	2.2%	69.39	73.64
	D	66.64	68.11	1.47	2.2%		70.66
	M	66.91	68.38	1.47	2.2%		70.97
	P	65.43	66.87	1.44	2.2%	68.03	69.19
	T	66.64	68.11	1.47	2.2%	69.39	70.66
	W	66.64	68.11	1.47	2.2%		70.66
	AA	68.86	70.37	1.51	2.2%		73.34
	DD	67.88	69.38	1.50	2.2%	70.77	72.17
2 BED G/FLR	A	76.27	77.95	1.68	2.2%		81.33
	D	73.81	75.43	1.62	2.2%	76.90	78.37
	E	75.03	76.68	1.65	2.2%		79.83
	I	81.16	82.95	1.79	2.2%		87.27
	J	81.16	82.95	1.79	2.2%		87.27
	L	81.16	82.95	1.79	2.2%		87.27
	O	74.05	75.68	1.63	2.2%		78.65
	T	73.81	75.43	1.62	2.2%	76.9	78.37
	U	73.81	75.43	1.62	2.2%		78.37
	V	73.81	75.43	1.62	2.2%	76.9	78.37
3 BED G/FLR	A	84.27	86.13	1.86	2.2%		89.02
	E	83.03	84.86	1.83	2.2%		87.53
1 BED F/FLR	D	66.17	67.62	1.45	2.2%	68.85	70.07
	AA	68.35	69.85	1.50	2.2%	71.29	72.73
	DD	67.42	68.90	1.48	2.2%		71.58
2 BED 1 /FLR	A	75.75	77.42	1.67	2.2%		80.72
	D	73.32	74.93	1.61	2.2%	76.34	77.76
	E	74.54	76.18	1.64	2.2%	77.71	79.24
	I	80.65	82.42	1.77	2.2%		86.68
	J	80.65	82.42	1.77	2.2%		86.68
	L	80.65	82.42	1.77	2.2%		86.68
	O	73.56	75.18	1.62	2.2%		78.07
	T	73.32	74.93	1.61	2.2%	76.34	77.76
	U	73.32	74.93	1.61	2.2%		77.76
	V	73.32	74.93	1.61	2.2%	76.34	77.76
	W	73.32	74.93	1.61	2.2%		77.76
	AA	75.52	77.18	1.66	2.2%		80.44
	DD	74.54	76.18	1.64	2.2%		79.24
	3 BED F/FLR	A	83.80	85.65	1.85	2.2%	
B		82.55	84.37	1.82	2.2%		88.43
D		81.33	83.12	1.79	2.2%		85.45
H		88.67	90.62	1.95	2.2%		94.36
J		88.67	90.62	1.95	2.2%		94.36
M		81.56	83.35	1.79	2.2%		85.73
T		81.33	83.12	1.79	2.2%	84.28	85.45
4 BED F/FLR	L	96.00	98.11	2.11	2.2%		102.05
1 BED 2/FLR	AA	68.13	69.63	1.50	2.2%		72.46
	DD	67.14	68.62	1.48	2.2%	69.94	71.27
2 BED 2/FLR	O	73.32	74.93	1.61	2.2%		77.76
	AA	75.28	76.94	1.66	2.2%		80.14
REFURBISHED 1 BED GF	M	76.67	78.36	1.69	2.2%		78.34
REFURBISHED 2 BED GF	P	81.20	82.98	1.78	2.2%		82.98

## MAISONNETTES

2 BED 1&2/FLR	A	75.27	76.93	1.66	2.2%	78.82	80.72
	B	74.04	75.67	1.63	2.2%	77.46	79.24
	P	71.62	73.20	1.58	2.2%		76.28
	T	72.83	74.44	1.61	2.2%	76.09	77.76
	V	74.03	75.66	1.63	2.2%	76.70	77.76
	DD	74.04	75.67	1.63	2.2%		79.24

<b>MAISONNETTES</b>	(a) Area	(b) 2014/15	(c) 2015/16	(d) £ increase	(e) % Incr	Target Rent for Relets in 14/15	Target Rent for Relets in 15/16
3 BED 1&2/FLR	O	81.25	83.04	1.79	2.2%		85.73
	P	79.79	81.54	1.75	2.2%	82.76	83.97
	T	81.02	82.80	1.78	2.2%	84.13	85.45
	DD	82.23	84.03	1.80	2.2%	85.48	86.92
2 BED 3&4/FLR	DD	73.55	75.17	1.62	2.2%		78.65
	DD	81.74	83.54	1.80	2.2%	84.93	86.34
<b>BUNGALOW</b>							
2 BED SEMI DET	D	81.23	83.02	1.79	2.2%		87.13
	J	86.49	88.39	1.90	2.2%	90.6	96.05
3 BED SEMI DET	I	97.51	99.66	2.15	2.2%	101.88	107.13
2 BED DET	C	87.65	89.58	1.93	2.2%	91.79	99.01
	W	83.56	85.40	1.84	2.2%		90.1
3 BED DET	D	90.66	92.66	2.00	2.2%		96.76
<b>PREFABS</b>							
3 BED SEMI (Bung)	D	86.90	88.81	1.91	2.2%	90.55	92.28
3 BED DET (Bung)	D	88.27	90.21	1.94	2.2%		93.92
<b>HOUSES</b>							
1 BED SEMI DET	E	76.07	77.74	1.67	2.2%	79.86	81.95
2 BED SEMI DET	B	81.09	82.88	1.79	2.2%		87.13
	E	83.32	85.15	1.83	2.2%		90.1
	P	74.25	75.89	1.64	2.2%		78.81
	S	80.35	82.12	1.77	2.2%	84.18	86.22
	T	79.88	81.64	1.76	2.2%		85.64
	U	79.88	81.64	1.76	2.2%		85.64
	Y	81.09	82.88	1.79	2.2%		87.13
3 BED SEMI DET	A	90.83	92.83	2.00	2.2%	94.78	96.76
	B	89.60	91.57	1.97	2.2%	93.41	95.25
	C	95.40	97.50	2.10	2.2%		102.69
	D	87.14	89.06	1.92	2.2%	90.69	92.28
	E	92.04	94.07	2.03	2.2%	96.15	98.23
	F	97.51	99.66	2.15	2.2%		107.13
	G	93.50	95.56	2.06	2.2%		100
	H	92.04	94.07	2.03	2.2%	96.15	98.23
	I	95.40	97.50	2.10	2.2%	99.72	102.69
	J	94.48	96.56	2.08	2.2%	98.77	101.2
	K	92.04	94.07	2.03	2.2%		98.23
	L	94.48	96.56	2.08	2.2%		101.2
	M	88.35	90.30	1.95	2.2%		93.75
	N	88.35	90.30	1.95	2.2%		93.75
	O	89.12	91.08	1.96	2.2%		94.67
	P	82.73	84.55	1.82	2.2%		86.92
	R	88.35	90.30	1.95	2.2%	92.03	93.75
S	88.86	90.82	1.96	2.2%		94.36	
T	88.35	90.30	1.95	2.2%		93.75	
U	88.35	90.30	1.95	2.2%	92.03	93.75	
V	88.35	90.30	1.95	2.2%		93.75	
W	88.35	90.30	1.95	2.2%	92.03	93.75	
Y	89.60	91.57	1.97	2.2%		95.25	
CC	88.35	90.30	1.95	2.2%		93.75	
4 BED SEMI DET	A	98.58	100.75	2.17	2.2%		104.87
	D	94.92	97.01	2.09	2.2%	98.7	100.41
	E	99.81	102.01	2.20	2.2%		106.35
	H	99.81	102.01	2.20	2.2%		106.35
	I	102.95	105.21	2.26	2.2%		110.82
	J	102.06	104.30	2.24	2.2%		109.31
	K	99.81	102.01	2.20	2.2%		106.35
	M	96.16	98.28	2.12	2.2%		101.9
	P	90.54	92.53	1.99	2.2%		95.07
R	96.16	98.28	2.12	2.2%		101.9	
5 BED SEMI DET	D	101.74	103.98	2.24	2.2%	106.19	108.56
	R	102.82	105.08	2.26	2.2%		110.03

NON SHELTERED PROPERTIES

APPENDIX B3

	(a) Area	(b) 2014/15	(c) 2015/16	(d) £ increase	(e) % Incr	Target Rent for Relets in 14/15	Target Rent for Relets in 15/16
1 BED END TERR	AA	73.61	75.23	1.62	2.2%		78.99
2 BED END TERR	B	81.11	82.90	1.79	2.2%		87.13
	D	78.65	80.38	1.73	2.2%	82.26	84.16
	E	83.32	85.15	1.83	2.2%	87.37	90.1
	H	83.32	85.15	1.83	2.2%	87.37	90.1
	K	83.32	85.15	1.83	2.2%		90.1
	T	79.88	81.64	1.76	2.2%		85.64
	Y	81.11	82.90	1.79	2.2%		87.13
3 BED END TERR	A	90.81	92.81	2.00	2.2%		96.76
	B	89.57	91.54	1.97	2.2%		95.25
	C	95.34	97.44	2.10	2.2%		102.69
	D	87.14	89.06	1.92	2.2%	90.69	92.28
	E	92.01	94.03	2.02	2.2%	96.12	98.23
	H	92.01	94.03	2.02	2.2%		98.23
	J	94.42	96.49	2.07	2.2%		101.2
	K	92.01	94.03	2.02	2.2%		98.23
	M	88.34	90.29	1.95	2.2%		93.75
	N	88.34	90.29	1.95	2.2%		93.75
	O	89.10	91.07	1.97	2.2%		94.67
	P	82.71	84.53	1.82	2.2%	85.71	86.92
	R	88.34	90.29	1.95	2.2%	92.03	93.75
	T	88.34	90.29	1.95	2.2%	92.03	93.75
	U	88.34	90.29	1.95	2.2%	92.03	93.75
	V	88.34	90.29	1.95	2.2%		93.75
	W	88.34	90.29	1.95	2.2%	92.03	93.75
4 BED END TERR	D	94.86	96.95	2.09	2.2%	98.67	100.41
	P	90.46	92.45	1.99	2.2%		95.07
5 BED END TERR	P	97.25	99.39	2.14	2.2%		103.21
1 BED MID TERR	Y	72.87	74.47	1.60	2.2%		78.1
	AA	72.87	74.47	1.60	2.2%		78.1
2 BED MID TERR	B	80.34	82.11	1.77	2.2%		86.22
	D	77.89	79.60	1.71	2.2%		83.25
	E	82.71	84.53	1.82	2.2%		89.2
	H	82.71	84.53	1.82	2.2%		89.2
	K	82.71	84.53	1.82	2.2%		89.2
	R	79.12	80.86	1.74	2.2%		84.74
	T	79.12	80.86	1.74	2.2%		84.74
	Y	80.34	82.11	1.77	2.2%		86.22
	AA	80.34	82.11	1.77	2.2%		86.22
3 BED MID TERR	A	90.03	92.01	1.98	2.2%		95.84
	B	88.82	90.77	1.95	2.2%	92.57	94.36
	C	94.77	96.85	2.08	2.2%		101.8
	D	86.38	88.28	1.90	2.2%	89.83	91.4
	E	91.28	93.29	2.01	2.2%		97.34
	H	91.28	93.29	2.01	2.2%		97.34
	J	93.70	95.77	2.07	2.2%		100.3
	K	91.28	93.29	2.01	2.2%		97.34
	L	93.70	95.77	2.07	2.2%		100.3
	M	87.59	89.52	1.93	2.2%		92.87
	N	87.59	89.52	1.93	2.2%		92.87
	P	81.96	83.76	1.80	2.2%	84.91	86.04
	R	87.59	89.52	1.93	2.2%	91.18	92.87
	T	87.59	89.52	1.93	2.2%		92.87
	U	87.59	89.52	1.93	2.2%		92.87
	V	87.59	89.52	1.93	2.2%		92.87
	W	87.59	89.52	1.93	2.2%		92.87
	Y	88.82	90.77	1.95	2.2%		94.36
4 BED MID TERR	D	94.15	96.22	2.07	2.2%		99.52
	H	99.04	101.22	2.18	2.2%		105.46
	J	101.42	103.65	2.23	2.2%		108.42
	O	96.12	98.24	2.12	2.2%	100.08	101.9
	R	95.38	97.48	2.10	2.2%		101.02
	T	95.38	97.48	2.10	2.2%	99.24	101.02
	U	95.38	97.48	2.10	2.2%		101.02
	V	95.38	97.48	2.10	2.2%		101.02
	W	95.38	97.48	2.10	2.2%		101.02
	DD	95.38	97.48	2.10	2.2%		101.02
2 BED DET	S	82.86	84.68	1.82	2.2%	86.89	89.2
3 BED DET	D	89.63	91.61	1.98	2.2%		95.25
	E	94.53	96.61	2.08	2.2%		101.2
	H	94.53	96.61	2.08	2.2%		101.2
	M	90.84	92.84	2.00	2.2%		96.76
	P	85.22	87.10	1.88	2.2%		89.9
	W	90.86	92.86	2.00	2.2%		96.76
	Z	92.08	94.11	2.03	2.2%		98.23
5 BED DET	O	105.02	107.33	2.31	2.2%		113.75









**NEW BUILD (48 weeks)**

	(a)	(b)	(c)	(d)	(e)
				£	
<b>HOUSE</b>	<b>Area</b>	<b>2014/15</b>	<b>2015/16</b>	<b>increase</b>	<b>% Incr</b>
2 BED SEMI DET	D	100.00	102.20	2.20	2.2%
2 BED END TERR	D	95.13	97.22	2.09	2.2%
2 BED MID TERR	D	95.13	97.22	2.09	2.2%
3 BED DET	F	98.37	100.53	2.16	2.2%

**FLATS**

2 BED G/FLR	B	92.68	94.72	2.04	2.2%
2 BED F/FLR	B	92.68	94.72	2.04	2.2%

**BUNGALOWS**

2 BED DET	D	101.42	103.65	2.23	2.2%
	F	99.27	101.45	2.18	2.2%

**SHELTERED BUNGALOW**

2 BED DET	D	90.77	92.77	2.00	2.2%
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## APPENDIX B5

	(a)	(b)	(c)	(d)	(e)
				£	
<b>HOUSES</b>	<b>Area</b>	<b>2014/15</b>	<b>2015/16</b>	<b>increase</b>	<b>% Incr</b>
2 BED END TERR	B	88.19	90.13	1.94	2.2%
	L	99.74	101.93	2.19	2.2%
	V	90.80	92.80	2.00	2.2%
2 BED MID TERR	B	88.19	90.13	1.94	2.2%
	L	99.74	101.93	2.19	2.2%
	V	90.80	92.80	2.00	2.2%

**FLATS**

1 BED G/FLR	B	76.38	78.07	1.69	2.2%
	L	86.47	88.37	1.90	2.2%
	W	77.03	78.73	1.70	2.2%
1 BED F/FLR	B	76.38	78.07	1.69	2.2%
	L	86.47	88.37	1.90	2.2%
	W	77.03	78.73	1.70	2.2%

**BUNGALOWS**

2 BED SEMI DET	V	96.01	98.12	2.11	2.2%
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**Policy on Council Housing Rent Setting**

**1.0 Introduction**

- 1.1 Each year the Council is required to set rent levels for all housing properties.
- 1.2 The Council sets its Annual Housing Revenue Account Budget and rent levels in February each year.

**2.0 Background**

- 2.1 Until March 2002 social landlords in different areas used slightly different ways of setting rent. This meant that it was not always possible to compare rents of different landlords, including those in neighbouring areas.
- 2.2 The Government wanted rents to be charged by all social landlords to be fair and affordable believing that rents should:
  - Remain affordable in the future.
  - Generally be well below those charged by private landlords.
  - Be linked to size, location and condition of the home.
  - Be similar to rents for other Council and Registered Social Landlords properties of a similar size, location and condition.
- 2.3 In 2002 the Government produced a formula for setting rents which takes into account the following:
  - The value of the property (based on January 1999 prices)
  - The number of bedrooms in the property
  - Local earnings
- 2.4 It would have been unfair for rents to have changed immediately when the new system was introduced; therefore the government set a deadline for what we call 'convergence' i.e. when all rents in the social housing sector would be comparable at their formula rent. Originally this was planned for 2012/13, but following a change to the formula, and a number of years where rent increases were capped this has now been moved to 2015/16, indeed for NSDC, complete convergence will not be achieved until around 2019/20.
- 2.5 This rent is called the 'formula rent' and has to be calculated for all properties owned by the District Council. The formula rent is increased by the previous September's rate of inflation (CPI) + 1.0% each year.
- 2.6 Prior to 1<sup>st</sup> April 2015, to ensure that tenants did not face unacceptably large rent increases in any one year the Government set a limit on rent increases as RPI + 0.5% plus £2. However from 1<sup>st</sup> April 2015 the guidance is for a flat rate increase of CPI + 1%.

### **3.0 Self Financing**

- 3.1 Self-Financing was introduced from April 2012 and under self-financing risks transfer from the Government to Newark and Sherwood District Council regarding the financial management of the Housing Revenue Account. As part of the self-financing implementation the Council took on new debt to make the one off financial settlement to Government to exit from the current housing subsidy system. The additional debt allocated is based on the amount of debt the Government considers that the housing stock of Newark and Sherwood can support and is based on the Government's rent setting guidance.
- 3.2 When the Government calculated the affordability of debt they based income estimates on the basis that Local Authorities would follow the Government rent setting guidance. It is therefore important that a local rent setting policy is set at the implementation of Self Financing, providing assurances about income levels to be included within the business plan.
- 3.3 The base income level assumed in the Self Financing Housing Revenue Account Business plan (SFHRABP) is based on average rents assuming that Government guidance is followed. This plan is affordable, has the ability to service debt requirements, invest in the housing stock to maintain the income stream, and provide prudent investment for growth.
- 3.4 Scenario analysis has been undertaken to consider the impact of not following the Government's Rent Guidance which demonstrates that the performance of the plan is sensitive to changes in the rental yield and therefore stability and compliance with the Government's rent setting policy is essential to provide a long term viable business plan which can maintain the housing stock and service the debt requirements.
- 3.5 We can also establish that a one off rent increase below that required when following Government guidelines, particularly in the early years of self-financing has a compounded impact on the business plan because this loss of income cannot be recovered in future years as there are limits to rental increase.
- 3.6 Sensitivity testing of the business plan has shown that if rents do not increase in line with the Government's rent guidance the model soon becomes unsustainable with the capital programme lacking funding and properties falling below the decent homes standard.
- 3.7 Under self-financing it is prudent for members to set a longer term local rental policy based on the strategy to follow Government Guidance. It is recommended that this policy should be in place for a ten year period. In operating in this way the Council is providing financial stability and assurance for the Housing Revenue Account which supports the opportunities and risk management under self-financing to be maximised.

### **4.0 New Build Properties**

- 4.1 New Build rents are to be set at full formula rents from initial let unless otherwise required by any grant giving body.

## **5.0 Acquired Properties**

- 5.1 Where properties are acquired, usually as a result of buying back a property bought under the Right to Buy provisions the rent should be set at the full formula rent from initial let.

## **6.0 Converted Properties**

- 6.1 Where former retail premises or existing council properties are converted into flats, or alternative types of accommodation to meet an identified need, the formula rent should be calculated from the current valuation of the property, determined by the Council's Asset Management Unit, discounted back to 1999 prices. The rent should be set at full formula rent from initial let.

## **7.0 Relet Void Properties**

- 7.1 Under Self Financing, supporting appropriate income levels which deliver the approved priorities of the business plan and protect and enhance the Councils ability to service debt are very important.
- 7.2 To support this approach, considerations will be undertaken to look at ways to maximise income opportunities, which will include letting properties at formula rent.
- 7.3 This policy provides the strategic support to let void properties at target rent as appropriate in the future where there is a clear demonstrable benefit to the SFHRABP.
- 7.4 As part of any change process, tenants would be fully involved and risks and opportunities to the SFHRABP considered.

## **8.0 Service Charges**

- 8.1 In accordance with the Councils agreed principle for the applicable of service charges to support the delivery of high quality services and identified investment needs, the consideration of the introduction of new charges is supported by this policy.
- 8.2 Any consideration would be progressed within the context of the financial benefits and challenges to the SFHRABP; support equitable charging levels and is in consultation with tenants and other appropriate customers.

## **9.0 Garage Rents**

- 9.1 Garage rents were originally set based on the costs relating to maintenance and management charges with the provision to increase the charge annually by CPI + 1% in line with the increases on property rents.
- 9.2 As identified previously maximising appropriate income opportunities under Self Financing to contribute to the longer term financial viability of the Councils HRA is important and garages are a group of assets could increase income generating potential in the future.

- 9.3 This policy sets the approach for the future setting of garage rents, which provides the opportunity to enhance the linkage between costs and income and support a pricing structure which is more transparent and reflective of demand.
- 9.4 Through the detailed asset management work in preparation for self-financing there is enhanced information on asset costs which supports any future changes to updating the pricing structure.
- 9.5 When setting rents for garages the following points should be considered:
- Location
  - Condition
  - Demand/availability

#### **10.0 Notification of Rent Changes**

- 10.1 Rent changes are notified to tenants giving 4 weeks' notice of any changes in the amount of the rent due and giving the reasons for the rent change.

#### **11.0 Housing Revenue Account Reserves**

- 11.1 The income generation capabilities of the housing assets need to be managed effectively to service the priorities of the SFHRABP, deliver the approved debt approach and maintain the prudent levels of balances for the HRA which are reflective of the new risks of self-financing.
- 11.2 The Local Government Act 2003 requires all Councils to maintain adequate balances, reserves and provisions to help ensure that their activities are sustainable. This Act covers General Fund Balances and separate policies cover reserves and provisions and Housing Revenue Account balances.
- 11.3 In the first instance it is recommended that the Council aims to maintain its HRA balance at a minimum of £2,000,000, which will be subject to an annual review by the Council's Section 151 Officer.
- 11.4 The Major Repairs Reserve should be set at a level which allows future years major repairs to be fully funded over the lifetime of the Housing Revenue Account Business Plan.

#### **12.0 Review of the Policy**

- 12.1 On implementation of the SFHRABP a full review of it will be undertaken in year 5, at which time the impact of this Policy will be considered.



Service Specification and Pricing

Appendix D

Service Name	Service Descriptor	Customer Group	Charges	Mandatory/Agreement	Notice period
Lifeline	Provision of a Lifeline unit and, if not provided by the tenant, a telephone line and line rental.	Supported Housing Tenants with a phone line installed	£1.50 per week	Mandatory for tenants in supported housing properties in line with condition of tenancy agreement	Not applicable
	24 hours a day 365 days a year monitoring of lifeline.	Supported Housing Tenants who do not have a telephone line installed	£6.05 per week	Authority already in place through tenancy agreement for those currently receiving service Annual Charge on rent account	
	Provision of advice and or contact of next of kin or emergency service if required on receipt of call	General Needs Tenants with a telephone line installed receiving the service on a permanent basis	£1.50 per week	Mutually agreed variation to tenancy agreement	4 weeks notice required to access the service. Note: There may be circumstances in relation to both the property and the individual which will enable the service to be provided within a shorter timescale
		General Needs Tenants who do not have a telephone line installed receiving the service on a permanent basis	Set up cost of £125.50 £6.05 per week	Payment for Set up cost taken in advance Annual Charge on rent account	
		General Needs Tenants with a telephone line installed receiving the service on a flexible basis	Setup costs of £22.00 for each period the tenant accesses the service £1.35 per week	Mutually agreed contract with the tenant Can be subscribed to on an annual basis or for any period in denominations of one week (7 days) Payment for Set up cost taken in advance	
		General Needs Tenants who do not have a telephone line installed receiving the service on a flexible basis	Set up costs of £125.50 And setup costs of £22.00 for each period the tenant accesses the service £6.05 per week	Payment taken in advance for any period of service provision up to 8 weeks Where service provided for more than 8 weeks then tenant will be invoiced monthly in advance Tenant can move from temporary to permanent service but would not be reimbursed one off or upfront costs.	

Service Name	Service Descriptor	Customer Group	Charges	Mandatory/Agreement	Notice period
		Private Customers with a telephone line installed	£3.60 per week	Agreement through mutually agreed contract with customer	
		Private customers who do not have a telephone line installed receiving the service on a permanent basis	Set up cost of £125.50	Can be subscribed to on an annual basis or for any period in denominations of one week (7 days)	
		Private Customer with a telephone line installed receiving the service on a flexible basis	£10.60 per week Setup costs of £22.00 for each period the tenant accesses the service	Payment for Set up cost taken in advance	
		Private Customers who do not have a telephone line installed receiving the service on a flexible basis	And £3.60 per week Set up costs of £125.50	Payment taken in advance for any period of service provision up to 8 weeks	
			And setup costs of £22.00 for each period the tenant accesses the service	Where service provided for more than 8 weeks then tenant will be invoiced monthly in advance	
			And £10.60 per week	Customer can move from temporary to permanent service but would not be reimbursed one off or upfront costs.	

Service Name	Service Descriptor	Customer Group	Charges	Mandatory/Agreement	Notice period
Additional Tenancy Assistance	<p>Activities to support the sustainment of a tenancy which may vary dependent upon the tenants requirements but will include:</p> <ol style="list-style-type: none"> <li>i. An annual tenancy audit</li> <li>ii. Assistance in accessing welfare benefits including completing forms and liaison with other agencies</li> <li>iii. Assistance in obtaining more suitable accommodation in line with the tenants needs</li> <li>iv. Liaison with and referrals to other agencies on behalf of the tenant to sustain the tenancy</li> <li>v. Assist tenants to demonstrate behaviours which would enable them to successfully sustain their tenancy</li> </ol> <p>An average of 1, 15 minute visit and 2 telephone calls will be made each week.</p>	<p>Supported Housing or General Needs Tenants receiving the service on a permanent basis</p> <p>Supported Housing or General Needs Tenants receiving the service for a period of 3 months or more but not permanently</p>	<p><b>£4.50</b> per week</p> <p>This cost would be eligible for housing benefit</p> <p><b>£7.20</b> per week</p> <p>This cost would be eligible for housing benefit</p>	<p>Mutually agreed variation to tenancy agreement</p> <p>Annual Charge on rent account</p> <p>Mutually agreed variation to tenancy agreement</p> <p>Payment taken in advance for any period of service provision up to 8 weeks</p> <p>Where service provided for more than 8 weeks then tenant will be invoiced monthly in advance</p> <p>Customer can move from temporary to permanent service but would not be reimbursed one off or upfront costs.</p>	<p>4 weeks notice required to access the service. Note. There may be circumstances in relation to both the property and the individual which will enable the service to be provided within a shorter timescale</p> <p>4 weeks notice to leave the service</p>

Service Name	Service Descriptor	Customer Group	Charges	Mandatory/Agreement	Notice period
Welfare Calls	To receive this service tenants must also subscribe to the lifeline service. A daily 5 minute call made to the customer between the hours of 6am and 8pm within a mutually agreed time slot. Ensure the welfare of the customer, provide advice and or contact of next of kin or emergency service if required. To receive this service tenants must also subscribe to the lifeline service.	Supported Housing or General Needs Tenants receiving the service on a permanent basis Supported Housing or General Needs Tenants receiving the service for flexible periods Private Customers receiving the service on a permanent basis receiving service permanently Private Customers receiving the service on flexible periods	In addition to lifeline costs £10.10 per week In addition to lifeline costs £12.80 per week £15.00 per week £19.00 per week	Mutually agreed variation to tenancy agreement Annual Charge on rent account Mutually agreed contract with the tenant Payment taken in advance for any period of service provision up to 8 weeks Where service provided for more than 8 weeks then tenant will be invoiced monthly in advance Tenant can move from temporary to permanent service Mutually agreed contract with the customer Customer invoiced in advance Mutually agreed contract with the customer Payment taken in advance for any period of service provision up to 8 weeks Where service provided for more than 8 weeks then tenant will be invoiced monthly in advance Tenant can move from temporary to permanent service	4 weeks notice required to access the service. Note. There may be circumstances in relation to both the property and the individual which will enable the service to be provided within a shorter timescale 4 weeks notice required to exit service (if not subscribed on a weekly basis)

Service Name	Service Descriptor	Customer Group	Charges	Mandatory/Agreement	Notice period
Welfare Visits	<p>15 minute face to face visit made to the customer between 8am and 6pm, Monday to Friday.</p> <p>Ensure the welfare of the customer, provide advice and or contact next of kin or emergency services if required.</p>	<p>Supported Housing or General Needs Tenants receiving the service on a permanent basis</p> <p>Supported Housing or General Needs Tenants receiving the service for flexible periods</p> <p>Private Customers receiving the service on a permanent basis</p> <p>Private Customers receiving the service on for flexible periods</p>	<p>£55.00 per week</p> <p>£57.70 per week,</p> <p>£81.00 per week</p> <p>£85.00 per week</p>	<p>Mutually agreed variation to tenancy agreement</p> <p>Annual Charge on rent account</p> <p>Mutually agreed contract with the tenant</p> <p>Payment taken in advance for any period of service provision up to 8 weeks</p> <p>Where service provided for more than 8 weeks then tenant will be invoiced monthly in advance</p> <p>Tenant can move from temporary to permanent service</p> <p>Mutually agreed contract with the customer</p> <p>Customer invoiced in advance</p> <p>Mutually agreed contract with the customer</p> <p>Payment taken in advance for any period of service provision up to 8 weeks</p> <p>Where service provided for more than 8 weeks then tenant will be invoiced monthly in advance</p> <p>Tenant can move from temporary to permanent service</p>	<p>4 weeks notice required to access the service. Note. There may be circumstances in relation to both the property and the individual which will enable the service to be provided within a shorter timescale</p> <p>4 weeks notice required to exit service (if not subscribed on a weekly basis)</p>

Service Name	Service Descriptor	Customer Group	Charges	Mandatory/Agreement	Notice period
Sensor Monitoring	To receive this service tenants must also subscribe to the lifeline service.	Supported Housing or General Needs Tenants receiving the service on a permanent basis	£1.30 per week	Mutually agreed variation to tenancy agreement Annual Charge on rent account	4 weeks notice required to access the service. Note. There may be circumstances in relation to both the property and the individual which will enable the service to be provided within a shorter timescale
	The provision of sensors and 24 hour a day, 365 days a year monitoring of the sensor. The sensors available are: i. Smoke alarms ii. Carbon monoxide alarms iii. Flood alerts iv. Bed sensors v. Panic alarms vi. Fall detectors	Supported Housing or General Needs Tenants receiving the service for flexible periods  Private Customers receiving the service on a permanent basis	Upfront costs of £22.00 for the provision of the lifeline each time the tenant requests the service Plus £1.35 per sensor per week	Mutually agreed contract with the tenant Payment taken in advance for any period of service provision up to 8 weeks Where service provided for more than 8 weeks then tenant will be invoiced monthly in advance Tenant can move from temporary to permanent service but would not be reimbursed one off or upfront costs.	4 weeks notice required to exit service (if not subscribed on a weekly basis)
		Private Customers receiving the service on flexible periods	£2 per week  Upfront costs of £22.00 for the provision of the lifeline each time the tenant requests the service Plus £2 per week	Mutually agreed contract with the customer Customer invoiced in advance Mutually agreed contract with the customer Payment taken in advance for any period of service provision up to 8 weeks Where service provided for more than 8 weeks then tenant will be invoiced monthly in advance Tenant can move from temporary to permanent service but would not be reimbursed one off or upfront costs.	

**STRATEGIC HOUSING LIAISON PANEL**  
**8<sup>th</sup> December 2014**

**AGENDA ITEM NO. 6**

**PROGRESS REPORT – VALE VIEW**

**EXTRACT:**

**3.0 Changes to the Charges to Newark and Sherwood District Council Properties**

3.1 *The cessation of Supporting People funding (impacting on 32 Council tenants where a current charge of £70.84 per week for the support services is applied) will result in a loss of income to the HRA of £2266.88 per week for the council properties only.*

- 3.2 In order to minimise the impact of the above the Company has had ongoing discussions with the Housing Benefit section and it has now been confirmed in principle that £69.16 per week will be met by Housing Benefit in relation to the services provided to tenants. This leaves a shortfall of 18p a week per property to the HRA, set against the current charge of £70.84, in addition to the mandatory charge of £1.50 per week for the lifeline system which is not housing benefit eligible.
- 3.3 To manage this loss of income moving forward the Company on behalf of the Council will seek formal confirmation from Housing Benefit that the £69.16 per week charge covering the intensive housing management service is eligible for housing benefit and then support tenants to make claims from the 1<sup>st</sup> December 2014. On completion of this task it will result in an income of £2213.12 per week to the HRA compared to the income received through Supporting People subsidy of £2,266.88, equating to a £5.76 per week shortfall. It is proposed that this shortfall, £276.48 per annum, is met by the HRA.
- 3.4 The Company will also notify tenants at Vale View of the requirement to meet the mandatory charge of £1.50 per week for the provision of the lifeline service to their property, as all Vale View properties are designated as supported accommodation. This will yield an income of £48 per week to the Council. Whilst this notice is given it is proposed the weekly cost of providing the service will be met by the HRA.
- 4.0 Nottingham Community Housing Association Properties**
- 4.1 The loss of supporting people income to the HRA related to the 23 units of accommodation owned by Nottingham Community Housing Association (NCHA) equates to £1629 per week. To avoid the loss of this service to NCHA tenants and resultant loss income to the HRA and withdrawal costs to the Company of ceasing the service; it is proposed that the Company enters into a contractual agreement with NCHA to provide intensive housing management services and the lifeline service to the 23 units of NCHA accommodation.
- 4.2 This will mean, if agreed for progression, that the NCHA tenants continue to receive services from Newark and Sherwood Homes. The Company would no longer provide services to NCHA properties at Vale View via its management agreement (subject to agreed variation) with the council and be paid a fee accordingly; it would provide the services under a separate contract directly with NCHA.
- 4.3 NCHA have indicated that they wish the Company to provide intensive housing management services to its tenants at Vale View and, subject to Board consideration and approval, a formal contractual commitment is being established to enable the Company to approach Housing Benefit to secure the cost of the provision of the Housing Benefit eligible parts of the 'intensive housing management' service from 1<sup>st</sup> December 2014.
- 4.4 The overall outcome of progression of this approach would be the continuation of much needed services to tenants and residents of NCHA and the avoidance of any reputational damage that could arise from a withdrawal of this service. This approach would also avoid the incurrance of any exit costs related to the service, building or staffing and removes the risk of demands being placed upon the service without an appropriate payment being received from the landlord (NCHA).
- 4.5 The panel may recall that NCHA had also indicated that they would be open to the Company either leasing its Vale View units or providing standard housing management and maintenance services under the terms of a management agreement. Discussions are progressing with regard to this matter but due to the pressing timescales presented as a result of the withdrawal of supporting people funding it has been necessary to separate the two elements and prioritise the continuation of the at risk services.





**LEISURE CENTRE MANAGEMENT AND SPORTS DEVELOPMENT COMMISSIONING**

**1.0 Purpose of Report**

- 1.1 The purpose of this report is to seek approval for the appointment of an ‘interim board’ for the Council’s new wholly owned leisure company for the period between the establishment of the company and the appointment of the permanent board.

**2.0 Introduction**

- 2.1 The Policy & Finance Committee, at its meeting on 3<sup>rd</sup> July 2014, agreed that the Council should proceed with the transfer of its leisure services to a “not for profit” company, wholly owned by the Council. On 29<sup>th</sup> January, 2015 the Committee approved the work required to move forward to the final stage and implementation of the arrangements for the establishment of a Council owned company for the management of the Authority’s leisure centres and the sports development service. This includes the three leisure centres currently operated by the Authority (Blidworth, Dukeries and the Grove) and the new leisure centre in Newark.
- 2.2 It is necessary to appoint an ‘interim board’ covering the period between the establishment of the new company and 1<sup>st</sup> June 2015, (the date it is proposed that the services be ‘transferred’ to it) to provide a mechanism by which the Council can ‘negotiate’ the first business plan with the Company. Once the services are formally transferred to it, as of 1<sup>st</sup> June, 2015, a ‘permanent’ board would be appointed for a 4 year period. This will ensure that levels of continuity and experience gained are fully utilised, and also falls in line with the period of the new administration following the elections in May 2015.
- 2.3 The consultants assisting the Council in setting up the Company (V4 Services Ltd), have recommended that it would be prudent not to appoint any elected member to the board if to do so would preclude them from properly carrying out their responsibilities as part of any relevant Council committees. At its last meeting, full Council reviewed the remits of the Policy & Finance and Leisure & Environment Committees to clarify the Council’s strategic management, overview and scrutiny role in respect of its Company and to reduce the number of members who would be conflicted from being appointed to the Company’s board.
- 2.4 These changes to the Constitution, approved by Full Council on 16<sup>th</sup> December 2014, allow for the key Council relationship with the new leisure company to sit within the Leisure & Environment Committee. This will include the approval of the Company’s annual business plan and budgetary elements. Members of this committee would however be conflicted if they sat on the board of the new Company. However, the changes approved by full Council, do allow members of Policy & Finance Committee to be appointed to the board of the new Company. It should be noted however that the directors of the board do not have to be drawn solely from members of the Policy & Finance Committee.

- 2.5 The board of the Company will have accountability for delivering the business plan of the Company and take part in the negotiations between the Company and the Council. Day to day operational management will continue in the same format as currently, with the Managing Director of the Company running the leisure services.
- 2.6 Control of the Company by the Council will be achieved through a combination of key documents (memorandum and articles, contract, lease and annual business plan). The annual business plan will cover key elements that the Council wishes the Company to deliver and will be subject to approval by the Council through its Leisure and Environment Committee. Any proposals for key changes will be presented by the Company to the Leisure & Environment Committee for approval on an annual basis.
- 2.7 The interim board will enable the arrangements for the Company to be put in place. Policy & Finance Committee have approved the composition of the board of the Company to be made up of 3 Members, 2 Council officers and the Managing Director of the new Company. The Managing Director of the Company will become a board member (without voting rights) once the appointment to this role is made by the Company. There are also provisions within the Company's constitution to ensure that Members will always be in a majority when taking decisions (to avoid officer led decisions on the board). Policy & Finance Committee, at its meeting on 29<sup>th</sup> January, recommended to full Council that Councillors R.V. Blaney, Mrs G.E. Dawn and Mrs A.A. Truswell should be appointed to the interim board. The Committee also recommended that, taking into account the relevant skills required for the new board, the Chief Executive and the Director - Resources should be appointed as the two Council officers to the interim board. Following the elections, full Council will then be asked to consider and make appointments to the permanent board for a four year period.

### **3.0 RECOMMENDATION**

**That full Council appoint the three Members and two Council officers to the interim Board of the new leisure company.**

#### Background Papers

Nil

For further information please contact Karen White on extension 5540.

Karen White  
Director - Safety

**A COMBINED AUTHORITY FOR NOTTINGHAM AND NOTTINGHAMSHIRE**

**1.0 Purpose of Report**

- 1.1 To consider proposals for the establishment of a Nottingham and Nottinghamshire Combined Authority.

**2.0 Proposals**

- 2.1 The Nottingham and Nottinghamshire Economic Prosperity Committee was formed a year ago with explicit recognition of the potential for formation of a new Combined Authority. Since then, significant progress has been made towards the formal establishment of a Nottingham and Nottinghamshire Combined Authority through the Economic Prosperity Committee and a working group chaired by the Chief Executive of Newark and Sherwood District Council.

- 2.2 At its meeting on 19<sup>th</sup> December 2014, the Nottingham and Nottinghamshire Economic Prosperity Committee agreed to *recommend to its Constituent Councils that they pursue a Combined Authority under the relevant provisions of the Local Democracy, Economic Development and Construction Act 2009 (and other such provisions as are necessary to ensure the authority has a range of functions to match expectations)*. Following this decision, the statutory consultation of partners and interested parties on the proposals for the Combined Authority was launched. Copies of the consultation versions of the Governance Review and Scheme are attached to this report as **Appendices 1 and 2**. In addition a Frequently Asked Questions document on Combined Authorities is attached as **Appendix 3**. The Governance Review and Scheme are the statutory documents that will form the basis of the constituent partners' application to the Government for Combined Authority status. It is important to note that there will be further changes to the Governance Review and Scheme as details are worked through and consultation responses included.

- 2.3 It is currently proposed that the Nottingham and Nottinghamshire Combined Authority Governance Review and Scheme will be submitted to the Secretary of State for Communities and Local Government by mid February 2015. Discussions with the Department for Communities and Local Government (DCLG) and the Department for Business, Innovation and Skills (BIS) about a Combined Authority for the geographic county of Nottinghamshire have been positive. An indication has been given that provided the necessary consultation has taken place and the Governance Review and Scheme demonstrate how the Combined Authority will positively benefit the area, it is possible that a Combined Authority may be created by Statutory Instrument in October 2015.

- 2.4 Members should note that the formal establishment of the Nottingham and Nottinghamshire Combined Authority will not bring about an immediate change to governance or operational arrangements. Negotiations with the Government will need to take place over the powers and functions that will be vested in the Combined Authority. Local negotiations will take place to establish operating protocols across the constituent partners. These will determine when and how the Combined Authority will assume powers that it will share with the constituent partners. There will be a lengthy transition period before any significant changes to decision making powers are enacted.

### 3.0 Vision and Ambition

3.1 One of the key Government tests in considering applications for the establishment of Combined Authorities is the ability of the constituent councils to demonstrate ambition for the area and articulate how a Combined Authority will improve outcomes in economic growth and transport, in particular. Nottinghamshire's Leaders and Chief Executives have agreed a high level vision and ambitions as follows:

- a. A Combined Authority should enable its member local authorities to address the transport, economic development and regeneration challenges of its communities in a more effective and efficient manner. The immediate context for these challenges is well understood and documented in our Growth Plans and the D2N2 Strategic Economic Plan;
- b. Our central location in the UK and transport links are important assets which supported the development of our historic industrial strengths and will continue to provide us with an important competitive advantage. Traditional strengths in manufacturing and strong universities with global connections provide us with strong foundations for the development of innovative manufacturing industries;
- c. A Combined Authority should therefore be founded on a vision which harnesses the potential around our location, strengths, knowledge and connections so that Nottingham and Nottinghamshire realise the potential to become a key part of the Midlands economy and a strong contributor to the UK and global economy;
- d. A number of key ambitions have been identified as critical for the future vision for Nottingham and Nottinghamshire. These are:

**Transport** – create a fully integrated transport system across Nottinghamshire that connects into neighbouring and national networks

**Skills and work** – raise skills levels, connect people with work, harness our knowledge and help businesses to grow so that we have a high skill/low unemployment economy

**Space to live** – build the number and type of homes that complements our economic needs and enhances our quality of life

**Space for industry and enterprise** – plan for and deliver the land, property and infrastructure and quality town and city centres that a strong economy needs

**Environment** – reinforce our excellent quality of life through effective management of the environment and waste and through the development of low carbon industries

3.2 Devolution of powers and funds from central Government to the local area is a further driver for establishing a Combined Authority. Recent deals with established Combined Authorities in Greater Manchester and Sheffield City Region demonstrate that the Government is willing to devolve important powers (e.g. over skills funding, transport policy) and funds (e.g. for business support activity) to areas that have a clear vision and the governance to support their ambitions.

3.3 In terms of the relationship with the D2N2 Local Enterprise Partnership (LEP), it is intended that the D2N2 LEP will be a lead advisory body to the Combined Authority, bringing private sector voices and providing leadership of particular Combined Authority projects and workstreams.

3.4 It is recognised that the Combined Authority will need to coordinate its work closely with the equivalent Combined Authority arrangements in Derbyshire in order to ensure that effective governance arrangements can operate across the whole of the D2N2 LEP area. It is therefore proposed that the Combined Authority and its equivalent in Derbyshire will enter into arrangements to achieve this, which are currently being explored.

#### **4.0 Powers of the Combined Authority**

4.1 The Combined Authority will have powers relating to the strategic economic development and regeneration of Nottingham and Nottinghamshire. The draft Governance Review and Scheme propose that these powers will be held concurrently with the constituent partners. As noted above, there will be no immediate transfer of powers away from the constituent partners to the Combined Authority.

4.2 The Combined Authority will have the benefit of a General Power of Competence to provide for maximum flexibility in being able to deal with economic development and regeneration issues. The Combined Authority shall exercise any function of the Secretary of State delegated to the Nottingham and Nottinghamshire Combined Authority by the order of the Secretary of State pursuant to Section 86 LTA2008, Section 104(1)(b), LDEDCA and sections 15 to 19 of the Localism Act 2011. Such functions shall be exercised subject to any condition imposed by the order.

4.3 In addition to the above, the Combined Authority will have the following specific powers. These are viewed as complementary to the broader powers to address economic development identified above:

- a. The power under section 144 of the Local Government Act 1972 (the power to encourage visitors and provide conference and other facilities)
- b. The duties under sections 15ZA, 15ZB, 15ZC, 17A, 18A (1) (b), of the Education Act 1996 and the power under sections 514A and 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age)
- c. The duty under section 4 (1) of the Local Government Act 2000 (duty to prepare a strategy for promoting or improving the economic, social and environmental well-being of their area and contributing to the achievement of sustainable development in the United Kingdom) and the power under section 4 (2) of the Local Government Act 2000 (power to modify their sustainable communities strategy)
- d. The duty under section 69 of the 2009 Act (duty to prepare an assessment of economic conditions).

4.4 These powers will be supplemented by operating “protocols” agreed locally by the Combined Authority and councils. These protocols will include recognition of the strategic role of the Combined Authority and safeguards to ensure that it does not unnecessarily interfere with local decision making and delivery. As detailed in the Governance Review document - councils may, in time, choose to delegate additional powers to the Combined Authority by virtue of Section 101 of the Local Government Act 1972. In all cases, the delegation of such powers would require a decision from each local authority concerned.

- 4.5 The Combined Authority will not have any specific planning-related powers. However, using general economic development powers, the Combined Authority may take actions which support, enhance and provide cohesion to local planning frameworks.
- 4.6 A similar exercise in terms of establishing a Combined Authority is being undertaken in Derby and Derbyshire. The Government has stated that it will only consider Combined Authority proposals for the D2N2 area simultaneously. Statutory consultation on the Derby and Derbyshire Governance Review and Scheme closes on 23rd January 2015.

## **5.0 Financial Implications**

- 5.1 Under the current Economic Prosperity Committee arrangement, each of the constituent councils contributes £3,500 per year towards the secretariat costs. The proposals for the Nottingham and Nottinghamshire Combined Authority have not yet been costed. However the latest version of the scheme proposes that: *The costs of the Combined Authority that are reasonably attributable to the exercise of its functions relating to economic development and regeneration (and any start-up costs) shall be met by the constituent councils. Such costs shall be apportioned between the nine councils on a per capita basis, with county and district authorities apportioning their share of costs on a 75:25 basis. The Combined Authority will agree an annual budget for the purpose of this expenditure. A further option of utilising surpluses from the first year of Business Rates pooling to fund the costs of a Combined Authority is being explored.*

## **6.0 Comments of Economic Development Committee**

- 6.1 The proposals for the establishment of the Combined Authority were considered by the Economic Development Committee at their meeting held on 21<sup>st</sup> January 2015. Below is an extract from the Minutes of the meeting:

MINUTE NO. 51 - A COMBINED AUTHORITY FOR NOTTINGHAM AND NOTTINGHAMSHIRE

*The Committee considered the report presented by the Chief Executive in relation to the proposal for a Nottingham and Nottinghamshire Combined Authority prior to its consideration at Full Council on 10<sup>th</sup> February 2015.*

*The report set out the proposals together with the high level vision and ambition agreed by Nottinghamshire's Leaders and Chief Executives. It also provided detail as to the powers the combined authority would have relating to the strategic economic development, transport and regeneration within Nottinghamshire and Nottinghamshire as well as details of the financial implications. Members were asked to comment on the proposals prior to the matter being voted on at Full Council on 10<sup>th</sup> February 2015.*

*A Member noted that the Council was currently looking to devolve operations to Town and Parish Councils; operations for Leisure Services was to be managed by a Trust; housing had been managed by an arm's length management organisation (Newark and Sherwood Homes) for a number of years and this appeared to be potentially a further loss of powers. There appeared to be a strong focus on transport but no set model on the voting process. The Member expressed concern that Newark & Sherwood DC would lack influence and there appeared to be no*

*process from withdrawing from the Combined Authority or a way in which arbitration could be undertaken. Concern was expressed that Newark would be expected to contribute financially to the expanding tram network in and around Nottingham but that they would never benefit directly from the service. It was also noted that there appeared to be a lack of transparency as to how the authority would be governed with no obvious role for scrutiny.*

*In response, the Chief Executive advised that the Combined Authority would be subject to the same rules and procedure as a district council. He added that there was provision in the act for scrutiny and that political balance must be observed as far as practical. He acknowledged that both NCC and NSDC did not operate Executive arrangements but that if the Combined Authority went ahead, both would choose Members to take part in the scrutiny process.*

*A further Member agreed that it was understandable to have misgivings as there were many questions still to be answered, adding that it was likely that the public would also be concerned. However, it was his opinion that the matter should be pursued as all national political parties were in favour of this type of governance. He added that all parties must bear in mind that a Combined Authority gave council's an opportunity to draw in financial assistance which would benefit the whole county and not to support the Combined Authority would leave Nottinghamshire behind economically.*

*A Member noted that it was his understanding that the region had missed out on D2N2 development as they had not spoken with unity, adding that the matter should be explored in an attempt to strengthen the county's position.*

*It was noted that Section 2, Paragraph 8 of the draft Scheme made reference to powers, functions and funding. There was also no mention of the power to borrow, strategic planning functions were mentioned but was silent on specific planning powers. It was suggested that the Scheme may need strengthening.*

*The Chief Executive commented that Civil Service advice was that authorities that wished to set up a Combined Authority may only gain one opportunity to do so and should therefore ensure the scheme covered as many options as may be required.. He stated that there must be unanimity between all constituent authorities in order to 'switch-on' powers and this was also the same for the ability to borrow. He added that if the Combined Authority chose to borrow it would be more cost effective than an individual authority doing so due to economies of scale.*

*In relation to the statutory tests that certain criteria were met, the Chief Executive advised that the process would have to be followed as the Secretary of State must be assured that the establishment of a Combined Authority would not be cost prohibitive. It was anticipated that the running cost would be in the region of £30,000 per annum which is the same as the Joint Economic Prosperity Committee and that any additional costs for project work could be pooled.*

*In relation to transportation it was noted that at present the Council had little locus but that there was concern about issues within the district. If the Combined Authority was established this would enable them to have a voice at the table and the ability to influence decision making.*

*Members queried whether it was possible to include the issue of flood prevention which was a priority matter within the district. The Chief Executive advised that it was clear that the Combined Authority Scheme must be framed within the Act but that it may be possible to add additional issues in. However, it was noted that the main topics were to be Regeneration; Economic Development; and Transportation.*

*Members queried whether it would have been better economically to have a wider authority base e.g. Nottinghamshire, Lincolnshire and Derbyshire. They were advised that consideration had been given to Nottinghamshire and Derbyshire but not Lincolnshire. However, the Leaders of the authorities had taken the view that the Combined Authorities be kept separate but that strong working relationships be fostered through the Leaders' Board and also integration with the Local Enterprise Partnership.*

*Members again raised concern about the potential lack of scrutiny of the Combined Authority. They were advised that when work began in earnest, groups would be drawn from each authority, both at Officer and Elected Member level and scrutiny would be a requirement. There would be a Panel from each local authority and as far as pragmatic, political balance would be reflected, however, this was not yet defined, although the law required it.*

*It was noted that in relation to transport, relatively small schemes would not be a matter for the Combined Authority as they would be focus on regional high level strategic planning.*

## **7.0 RECOMMENDATION**

**That the Council approves the formal establishment of a Nottingham and Nottinghamshire Combined Authority.**

### Background Papers

Nottingham and Nottinghamshire Draft Statutory Review of Governance.

For further information please contact Andrew Muter on 01636 655200.

Andrew Muter  
Chief Executive



**Nottingham and Nottinghamshire Local Authorities  
Statutory Review of Governance**

**Local Democracy, Economic Development and Construction Act 2009**

## Introduction

- 1.1. This document has been prepared by the local authorities that form the City of Nottingham and Nottinghamshire Joint Economic Prosperity Committee (Ashfield District, Bassetlaw District, Broxtowe Borough, Gedling Borough, Mansfield District, Nottingham City, Nottinghamshire County, Newark & Sherwood District and Rushcliffe Borough Councils). It details the findings of a governance review that has been undertaken under Section 108 of the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA)<sup>1</sup> and Section 82 of the Local Transport Act 2008.
- 1.2. Section 108 of LDEDCA provides that relevant authorities may undertake a review of the effectiveness and efficiency of transport within the area covered by the review and of the effectiveness and efficiency of arrangements to promote economic development and regeneration within the area covered by the review.
- 1.3. A review may recommend that a new legal body should be established if the creation of one of these bodies would be likely to improve:
  - the exercise of statutory functions relating to economic development, regeneration and transport in the area i.e. the area covered by N2 authorities
  - (for combined authorities) the effectiveness and efficiency of transport in the area;
  - and the economic conditions in the area.
- 1.4. The issues set out in this document are the subject of consultation with all stakeholders including proposed members of the Combined Authority (henceforth referred to as the “Nottingham and Nottinghamshire Combined Authority”); neighbouring authorities; the D2N2 Local Enterprise Partnership and neighbouring LEPs; Nottingham and Nottinghamshire MPs; other public bodies; the Chamber of Commerce; other private sector bodies; regulatory bodies; third sector bodies as well as all relevant government departments.
- 1.5. This document is issued as part of an iterative process of consultation. The findings of this governance review and the ‘scheme’ for the Nottingham and Nottinghamshire Combined Authority will be considered by each of the constituent local authorities. Following the submission of the scheme, the Department for Communities and Local Government will launch a statutory consultation exercise.

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<sup>1</sup> See draft statutory guidance <http://www.communities.gov.uk/documents/regeneration/pdf/1457197.pdf>

## 2. Executive Summary

- 2.1. The nine local authorities that make up the Nottingham and Nottinghamshire area have a long history of informal collaboration on matters which impact on the economic success of the area and which contribute to the wider economic geography across the D2N2 area (Derby, Derbyshire and Nottingham, Nottinghamshire). Nottinghamshire County Council and Nottingham City Council provide strategic services including education, transport, highways and social care. The seven district councils and the City Council provide planning and housing services. All nine councils are actively involved in economic development and are working with private sector partners to boost economic prosperity.
- 2.2. Collaboration was formalised through the development of the City of Nottingham and Nottinghamshire Joint Economic Prosperity Committee as well as continuing collaboration on a more informal basis through the Nottinghamshire Leader's Group. The tangible benefits of this collaboration can now be seen in the designation of the Nottingham Enterprise Zone, Nottingham's City Deal, and the recent D2N2 Growth Deal.
- 2.3. Whilst increased coordination and collaboration is positive and leads to tangible benefits, the governance structures of the N2 area need to be viewed in the context of the scope for exercising devolved powers and resources through strong local governance structures. A Joint Committee does not have the power or standing of a formal legal body.
- 2.4. Those authorities in the N2 area recognise the value of leading and shaping the debate on devolution and taking wider responsibility for the economic prosperity of their area. The N2 area will outgrow its existing governance structures and arrangements – which have traditionally been informal, voluntary partnerships with the recent addition of a Joint Economic Prosperity Committee. Accordingly, N2 Leaders have recognised the opportunity to establish a more formal governance structure in the form of a Combined Authority.
- 2.5. To this end, it was agreed at the Joint Economic Prosperity Committee on 26 September 2014 that this Governance Review should be undertaken under s.108 of the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA) and under the 2008 Transport Act. In accordance with statutory guidance<sup>2</sup> the purpose of this Governance Review has been to:
  - evaluate the effectiveness and efficiency of existing governance arrangements for economic development, regeneration and transport across the N2 area;

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<sup>2</sup><http://www.communities.gov.uk/documents/regeneration/pdf/1457197.pdf>

- consider the options available for making changes to these governance structures and arrangements – such as leaving existing governance unchanged, strengthening or restructuring existing governance arrangements, establishing an Economic Prosperity Board (EPB), and establishing a Combined Authority;
- recommend which option is likely to be most beneficial to the N2 area and strengthen the overall governance arrangements across Derbyshire and Nottinghamshire that contribute to the effectiveness of the D2N2 Local Enterprise Partnership.

2.6. The Nottingham and Nottinghamshire Governance Review has been undertaken in the context of an evolving relationship between the N2 local authorities, with the D2 local authorities and Government. Accordingly, the question for the Nottingham and Nottinghamshire governance review has not just been whether N2 governance arrangements are sufficient today, but also whether they will be sufficient to deliver the Nottingham and Nottinghamshire area’s medium to long-term ambitions?

2.7. This document sets out the N2 Governance Review and concludes that establishing a Nottingham and Nottinghamshire Combined Authority **would improve the exercise of statutory functions in relation to economic development, regeneration and transport and would lead to an enhancement of the economic conditions and performance of the Nottingham and Nottinghamshire area.**

### **3. Nottingham and Nottinghamshire’s economic context and plans for growth**

3.1. The economy of Nottingham and Nottinghamshire has undergone structural transformation over the last thirty years, moving from an economy reliant on large-scale, traditional heavy industries to one that is much more flexible and diverse. Service industries dominate the economic landscape and provide the bulk of employment opportunities in the city and conurbation. This is balanced out by resurgent manufacturing and energy sectors in the county that are building on the legacy of an area renowned for its ability to generate, make and innovate.

3.2. The economic crisis of 2008 and subsequent recession have created significant economic challenges which continue to impact on the ability of the Nottingham and Nottinghamshire area to fulfil its economic potential. The area has a significant manufacturing presence which operates within a global market place. Some sectors, such as construction, continue to operate well below the pre-2008 levels. Significant labour market challenges, including worklessness, low skills and low pay, are continuing features of sub-optimal economic performance.

- 3.3. The economic structure of Nottingham and Nottinghamshire is diverse and the spread of sectors reflects issues such as skills levels and type, commuting patterns, availability of land and connectivity to key markets. There is also strong evidence of sector growth on the back of supply chain opportunities, with global companies such as Boots, Rolls Royce and Capital One generating significant added value for the local economy and driving growth in manufacturing, life sciences and the business and finance sectors.
- 3.4. The 'powerhouse' sectors in GVA terms (excluding public administration, education and health) are distribution, transport; accommodation and food (20.1% of GVA in 2011) and production (14.6%). 74% of production's contribution to GVA is generated by manufacturing. Notable companies and OEMs in these sectors that are based in N2 include Wilkinsons, Boots, Hillarys, British Sugar, Lindhurst Engineering, Brunton Shaw, Speedo, Changan and CenterParcs. These will continue to be important sources of growth and employment into the future, but are also now joined by a whole host of innovative companies in other priority sectors – creative/digital, life sciences/medical, low carbon and logistics.
- 3.5. The public sector is still a major employer in N2, with health and education alone providing 113,700 jobs (24%) in the area in 2012<sup>3</sup>. Retail remains a significant sector for jobs, employing 55,000 people (or 12%) of the total workforce. These figures at N2 level mask intra-county discrepancies in terms of wage and skills levels, with the boroughs which border the city having higher skills and wage levels than the county average, and parts of the city and northern and western districts showing the opposite.
- 3.6. The population of the N2 area is 1.11million, with a working age population of 715,700<sup>4</sup>. 68% of the working age population is in employment of whom 7% are classed as self-employed. 26% of the working age population are inactive, with the remaining 7% being 'active' in that they are out of work but looking for a job.<sup>5</sup> These figures mask a significant amount of variation within the patch, for instance Newark and Sherwood's unemployment rate is 2.7%, whereas the unemployment rate in Mansfield is 13.8%.
- 3.7. Skills levels are broadly in line with the East Midlands average, but around 4 percentage points behind the England average at N2 level. There are major differences between skills levels within N2. The % of people with no qualifications at all is higher than the national average in all areas except Gedling and Rushcliffe. The south of the area outperforms national averages in terms of the % of people with

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<sup>3</sup> ONS Business Register and Employment Survey 2012

<sup>4</sup> ONS 2013 Mid Year Population Estimates

<sup>5</sup> ONS Annual Population Survey April 2013- March 2014

degree level qualifications, with over 54% of working age people educated to degree level or above in Rushcliffe and more than 36% in Broxtowe and Gedling.

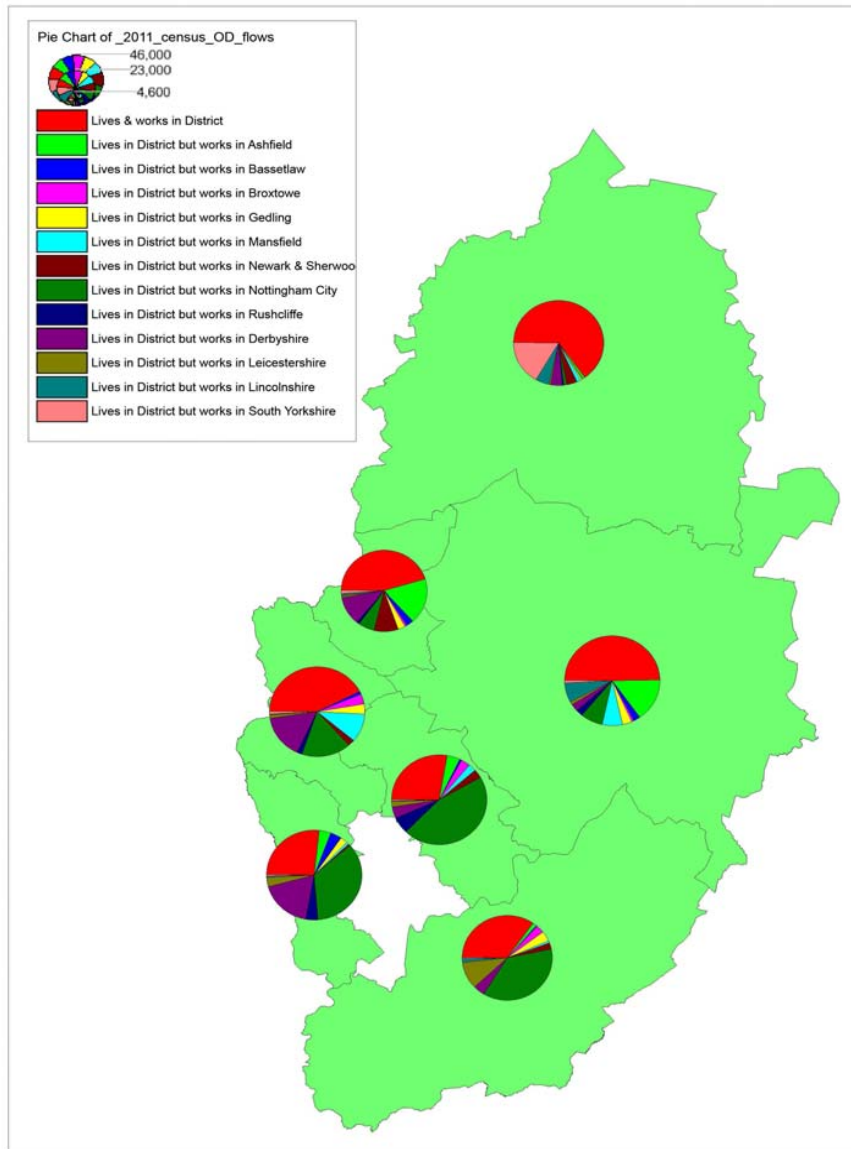
- 3.8. Analysis by Nottingham City Council suggests that for the unemployed population to reach the same skill level as the employed population around 30,000 unemployed people would need to be up-skilled by the equivalent of at least one NVQ level. The proportion of 16-17 years olds in full time Education and Training is higher than the England average (82.3% - March 2014) in Nottinghamshire at 84.2%, but lower in Nottingham at 80.2%. N2 partners' work on employment and skills is focussed on tackling this gap between areas that rely on the same labour market (that provided by the Nottingham conurbation).
- 3.9. N2 is home to two world class universities bringing over 60, 000 students into the area each year<sup>6</sup>. The University of Nottingham is a world leading research university, one of the UK's Russell Group and Nottingham Trent University is the 13th largest university in the UK.
- 3.10. The N2 economy functions in different spatial arrangements, depending on the nature of the local industrial base and the local labour force (see Fig 1 below). Some areas have significant in and out flows in terms of commuting patterns to sub-regional centres. Nottingham City remains a significant employment hub and provides jobs for nearly 90,000 people who commute in from surrounding areas<sup>7</sup> (this includes cross-border movement from Derbyshire and Leicestershire). Over 55% of this commuter movement is from the borough council areas that immediately adjoin Nottingham, where transport connections are much better (and where the skills of the local population are more likely to match those required by the key sectors in Nottingham). 36% of Gedling residents in work, work in Nottingham City as do similarly high percentages of Broxtowe (29%) and Rushcliffe (27%) residents
- 3.11. There is an 'outflow' of commuting from Nottingham of over 38,500 people with most people travelling to the surrounding districts.
- 3.12. The travel to work patterns vary and, as would be expected, the level of commuting into Nottingham reduces with distance from Nottingham. Bassetlaw has an outflow of commuters to neighbouring South Yorkshire (19%). Mansfield (9%) and Ashfield (12%) have outflows to Derbyshire and Newark and Sherwood has an outflow to Lincolnshire (6%). Nevertheless, each of these districts is much more self-supporting in terms of the employment base and significant majorities of people work in the district itself or in neighbouring Nottinghamshire districts.

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<sup>6</sup> HESA student enrollments 2012/13

<sup>7</sup> 2011 Census ONS

3.13. Fig 1.



3.14. It is important for the area that while recognising the economic coherence across Nottinghamshire we also recognise the cross boundary flows that aid in strengthening our area. Our central location as a hub is critical. There is a varying but significant level of functional economic coherence within the N2 area with the communities lying further from Nottingham demonstrating a degree of self-sufficiency and links with overlapping economic areas. The area connects with many

overlapping functional economic areas and this position must be recognised through a strong governance structure.

- 3.15. An analysis of the transportation links assists in demonstrating the interconnected nature of the area at the same time as identifying the need for governance arrangements to be agile enough to face multiple directions simultaneously. Rail travel is one illustration with the East of the N2 area looking to the East Coast Mainline, the central areas looking to the Midland Mainline and provision of the new HS2 line station and the West of Derbyshire looking to a HS2 station at Crewe. Airports also illustrate the point with the southern area looking to East Midlands Airport, the north-west towards Manchester and north-east to Doncaster Robin Hood Airport.
- 3.16. With a population of over 1.11 million people and a GVA contribution of over £19 billion Nottingham and Nottinghamshire is evidently already an area of national economic significance. However, independent economic forecasts suggest that there is further potential to be developed. One forecast suggests that Nottingham alone *could* deliver an extra 10,000 jobs by 2020.<sup>8</sup>
- 3.17. We can do more. The two Growth Plans that cover the N2 area were drafted concurrently in order to align priorities and investment where possible across the area. There are shared priorities around infrastructure investment (i.e. the widening of the A453; superfast broadband; Nottingham Enterprise Zone; Newark Southern Link Road and Rolls Royce Hucknall) which the area's civic and business leaders promote into the D2N2 Local Enterprise Partnership and to Government. Significant resources (over £66 million) have been secured to support infrastructure activity across the area in the first round of Growth Deals. Both Growth Plans also feature employment and skills and business growth as core priorities, and N2 partners are working closely together to align this with D2N2 proposals and funding plans. Thus the newly established N2 Skills and Employment Board is developing a framework that will drive future investment in upskilling the local labour force and re-engaging the long-term unemployed in key growth sectors, and the wider N2 partnership is working with D2N2 on plans for a Growth Hub and new business support and access to finance initiatives.
- 3.18. To develop our full economic potential we have recognised that our ambitions must stretch beyond our current plans and aspirations. The scale of that potential is significant. For example, if Nottinghamshire's GVA could match the current UK average, this would represent an additional £4.3 billion GVA per annum. The economic data set out in Table 1 (below) demonstrates the key areas that

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<sup>8</sup> Oxford Economics Economic Projections for Core Cities (November 2013)



Nottingham and Nottinghamshire needs to improve its economic performance if that potential is to be achieved.

ECONOMIC INDICATOR	<b>NOTTINGHAM &amp; NOTTINGHAMSHIRE PERFORMANCE</b>
GVA	<p>GVA per person in Nottingham and Nottinghamshire was £17,793 in 2012 – 82% of the UK average GVA per person.</p> <p>Nottingham and Nottinghamshire’s growth in GVA since 1997 has been 62.15%, exceeding the UK average growth of just under 60%</p> <p>Nottingham and Nottinghamshire’s GVA output of £19.6 billion in 2012 was approximately 1.3% of the UK’s GVA</p> <p>Office for National Statistics</p>
EMPLOYMENT	<p>Employment levels in Nottingham and Nottinghamshire are below the UK level with levels in Nottingham (61.9%) and Ashfield (67%) significantly below the UK average of 71.9%</p> <p>Economic inactivity levels are higher than the UK with Nottingham (29.3%), Ashfield (28%) and Bassetlaw (26%) significantly above the UK average of 22.7%</p> <p>ONS Local indicators for county, local and unitary authorities December 2014</p>
UNEMPLOYMENT	<p>Unemployment in the Nottingham and Nottinghamshire area fell between October 2010 and October 2014 from 3.6% to 2.6% but remains above the UK rate of 2.2%.</p> <p>Nottinghamshire County Council Local Employment Bulletin Oct 2014</p> <p>Nottingham has the highest level of workless households in the UK at 30.1% of households with at least one workless person between 16 and 64. Three of Nottinghamshire’s seven districts also had higher workless households than the 17.2% UK average.</p> <p>Office for National Statistics: Workless Households for Regions across the UK 2013 Published 6 November 2014</p>

EARNINGS	<p>Average earnings in Nottingham and Nottinghamshire are 86% of the UK average with average earnings in Mansfield at only 79% of the UK average.</p> <p>ONS Annual Survey of hours and earnings 2014</p>
SKILLS	<p>In Nottingham and Nottinghamshire 25.5% of the population aged 16 or over have no qualifications which is higher than the national average of 23.2%</p> <p>The area also has lower levels of more highly qualified people (23.4%) compared to the UK figure of 27%</p> <p>2011 Census UK highest level of qualification</p>

3.19. Local Government Leaders, working through the Joint Economic Prosperity Committee, have recognised that improved economic performance must be underpinned by a vision which harnesses the potential around our location, strengths, knowledge and connections so that Nottingham and Nottinghamshire are a key part of the Midlands, UK and global economy. Our ambitions are centred around:

- improving and integrating transport systems,
- raising skill levels, connecting people to work and helping business grow so we create a high skill economy
- creating the space to live which enables homes to be built and our quality of life to be maintained
- creating the space for industry and enterprise to flourish
- effective management of the environment and growing our stock of low carbon businesses.

3.20. Improving productivity and jobs depends to a large extent on the effective connections which exist within and between the main urban areas in Nottingham and Nottinghamshire. Our internal connectivity can therefore help to release economic potential. Transport priorities are critical because the economic strengths of Nottingham and Nottinghamshire are so clearly under-pinned by location and connectivity. Current arrangements include fragmented funding which does not allow a clear alignment between priorities. Furthermore, priorities around transportation need coherence with priorities being considered by national agencies

including the Highways Agency, Network Rail and train and bus operating companies.

- 3.21. Delivery of transport priorities currently requires alignment of priorities at local level with decisions at LEP / LTB and national levels. This layered decision-making adds time and complexity and ultimately impacts on the deliverability of schemes. Nottingham and Nottinghamshire partners have already begun to work on a common appraisal framework for major schemes, including transport schemes, alongside partners in Derby and Derbyshire. This is the first step in an approach which could lead to greater opportunities for pooled funding and shared delivery responsibility for major schemes.
- 3.22. Transport has a direct impact on local economic productivity and this is an increasingly important issue for Nottingham and Nottinghamshire. Growing transport and logistics sectors are significant for Nottingham, Bassetlaw and Newark & Sherwood and business growth in this area is strongly linked to the development of internet based sales.

**Transport and Logistics – a key sector**

**KnowHow** (the Curry's and PC World group) have consolidated their UK logistics operations into a single base in Newark, Nottinghamshire. Activities go beyond warehousing and distribution and include a repair laboratory for all UK flat-screen repairs.

**Clipper** Logistics operate from Boughton in Nottinghamshire on behalf of key clients ASDA, Wilkinsons and John Lewis. An estimated 12% of John Lewis clothing sales are online and are distributed from Boughton by Clipper.

**PA Freight** in Newark are a specialist packing and logistics company operating in Newark and working with their key client Siemens whose turbine equipment is exported across the world.

- 3.23. Local Government in Nottingham and Nottinghamshire recognises that our future economic prosperity is dependent on our ability to harness the potential around our location, strengths, knowledge and connections so that we continue to play a strong role as part of the Midlands economy, and make a strong contribution to the UK and Global economy.
- 3.24. The public and private sectors in Nottingham and Nottinghamshire have worked in strong, progressive partnerships focused on the economic transformation of the area. Greater decentralisation and autonomy or “earned devolution” is central to our future success. Public and private sector leaders have a detailed understanding of the Nottingham and Nottinghamshire economy, where it is strong and sustainable and where there are challenges that hold the economy back. Stronger governance

offers us the opportunity to build on that partnership record, for example, by developing a single coherent growth strategy for the area.

- 3.25. Nottingham and Nottinghamshire leaders recognise that - in order to deliver the Nottingham and Nottinghamshire economic strategy and to secure greater devolution and autonomy – strong, stable, visible and accountable governance will be essential. The question for the Nottingham and Nottinghamshire governance review has therefore not just been whether governance arrangements are sufficient today, but also whether they will be sufficient to deliver the area’s medium to long-term ambitions?

## 4. The potential to strengthen Nottingham and Nottinghamshire governance

- 4.1. The Nottinghamshire Local Authority Leaders have a long-established collaborative relationship through a regular informal meeting which has maintained a strong focus on economic and transport issues. More recently, the Nottingham and Nottinghamshire Joint Economic Prosperity Committee has been established to provide a formal means of taking shared decisions on strategic economic development and ensuring that aspirations for the N2 area are properly understood and reflected in the priorities of the D2N2 LEP.
- 4.2. The leaders of Nottingham City Council, Nottinghamshire County Council and Newark & Sherwood District Council (representing the Nottinghamshire Districts) are members of the D2N2 LEP Board. The D2N2 LEP's vision is for a more prosperous, better connected and increasingly resilient and competitive economy. Renowned and well-established businesses like Alliance Boots, Capital One, Speedo, DSG Retail (Currys PC World), DHL, Wilkinson's, Laing O'Rourke and British Sugar together with an array of innovative small and medium-sized businesses demonstrate the strength of private sector business in Nottingham and Nottinghamshire.
- 4.3. Nottinghamshire County Council and Nottingham City Council are responsible for the strategic direction of transport planning and delivery in the N2 area and are the bodies responsible for the [Nottinghamshire Local Transport Plan](#) and the [Nottingham City Local Transport Plan](#).
- 4.4. N2 local authorities have been able to secure significant improvements for economic growth through its collaborative approach including:
  - *Securing the Nottingham Enterprise Zone which will grow health and wellness businesses as part of Nottingham's growing cluster of healthcare, bio technology and pharmaceuticals businesses*
  - *Developing a shared view on the development of clusters of key business sectors across the N2 area.*
  - *Working collaboratively to develop a strong pipeline of projects that can unlock economic growth and enterprise*
  - *Securing the potential for investment in key projects through the D2N2 Growth Deal, ESIF programme, Nottingham City Deal, partnership working through cross City and County organisations such as destination management organisation Experience Nottinghamshire, and delivering employment support for young people through (Nottingham and Nottinghamshire) Futures.*
- 4.5. However, it is recognised that the pace and intensity of work required to realise the full potential of the Nottingham and Nottinghamshire economy may require greater

capacity for strategic planning and decision-making around Nottingham and Nottinghamshire's aspirations and that therefore the current arrangements through the Nottinghamshire Leader's Group and the Nottinghamshire Joint Economic Prosperity Committee may be insufficient for the following reasons:

- As an informal body, the Nottinghamshire Leader's Group is dependent on agreements by or delegations from the constituent authorities. This can slow down the implementation of decisions and can create ambiguity about when decisions are or are not subject to further ratification
- Decision-making in relation to economic development (including inward investment, skills and business support), regeneration, transport and the relationship with strategic Planning is not always effectively coordinated so that decisions affecting Nottingham and Nottinghamshire are not always aligned in a way that secures maximum economic and social benefit
- A stronger and clearer relationship with the D2N2 LEP would deliver greater transparency and accountability in local decision making and a stronger sense of cohesion with and support for the Strategic Economic Plan
- A single, stable, democratically accountable body established as a permanent feature of local governance would be able to take a strategic and long term view about economic growth, infrastructure and transport.

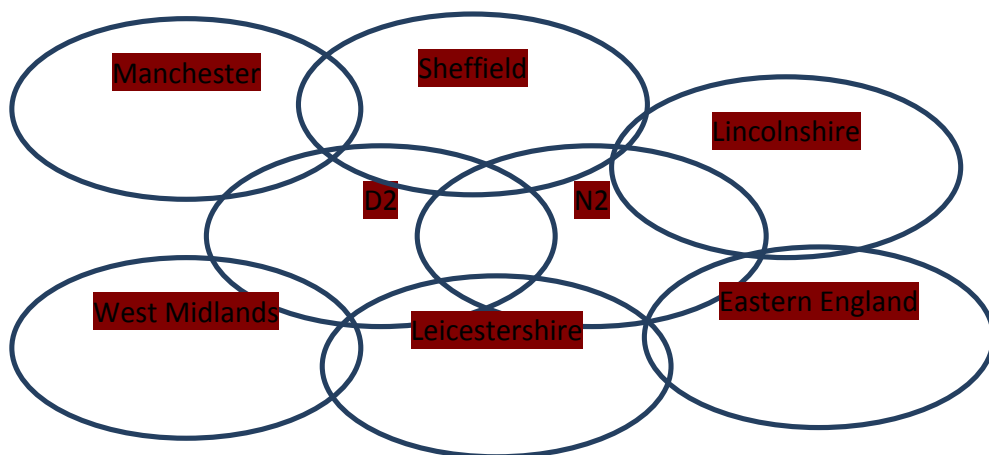
4.6. The ability to secure devolved funding for major transport schemes and to play an active and strongly influential role in shaping major national infrastructure projects including HS2; the development of the East Coast mainline; the delivery of universal superfast broadband, and governance and oversight of delivery bodies which span authorities such as Nottingham Means Business, Experience Nottinghamshire and Futures are all dependent on improved N2 governance. It is recognised that more formal and robust arrangements will lead to a process of "earned devolution" – where greater local autonomy will follow strengthened governance and a track record of local competence. The constituent authorities recognise this important opportunity to secure significant devolution of powers and resources from central government and view the strong governance model of a Combined Authority as an opportunity to ensure this happens.

4.7. Creation of a Nottingham and Nottinghamshire Combined Authority therefore supports the local authorities' ambitions for Nottingham and Nottinghamshire.

## 5. Local Enterprise Partnerships

- 5.1. The D2N2 LEP covers a wide area with many shared economic characteristics. An analysis of the economic context for the D2N2 area and the current D2N2 LEP governance arrangements is set out in Appendix 1. However, there are clear distinctions within the D2N2 area between the D2 and N2 economies. There is a shared strength in manufacturing but with clear differences in the focus and strengths of manufacturing industries. For example, in Nottingham and Nottinghamshire bioscience and medicine are important whereas in the D2 area transport manufacturing is key. Similarly, in transportation, the challenges of rural connectivity and accessibility in the D2 area differ from the focus in Nottinghamshire on the interplay between national transport corridors and local networks. The nature of the specific challenges and the focus of solutions is therefore different.
- 5.2. The D2N2 LEP is a key strategic partner for all Nottinghamshire Authorities. However, it has to be recognised that other LEPs and functional economic areas overlap with the area. Sheffield Combined Authority is an example of how these overlapping functional economic areas will be a key consideration in the development of an appropriate governance framework.

### Overlapping economic areas



- 5.3. The diagram illustrates the challenge that is faced; whereas some combined authorities have worked primarily within defined urban areas with a single LEP the same solution cannot easily apply to the Nottingham and Nottinghamshire area. As a consequence, consideration of governance will need to take this into consideration and provide the arrangements and capability to integrate with multiple overlapping agendas. Managing this complexity will be the key to harnessing the resources available across these areas to greatest effect.
- 5.4. As shown in the diagram above, the greatest overlap is with the D2 area. Ensuring that the relationship with D2N2 LEP is maintained and strengthened so that there is

cohesion around common economic features and challenges across Derbyshire and Nottinghamshire will be central to ensuring robust governance.

- 5.5. The N2 economy is closely linked to that of D2 and there are good working relationships with D2 partners in our joint work to support the wider D2N2 LEP.
- 5.6. We share a number of economic challenges: the number of businesses is too low; start-up rates are below the national average; despite improvements, the qualifications held by residents are below the national average and, as a result, our GVA per head and household income levels are well below the England average.
- 5.7. However, despite these common issues, the two economies are very different, have followed different growth paths in recent years and their future growth will depend upon distinct and differing drivers.
- 5.8. The N2 economy is less dependent on the manufacturing sector than D2. The structure of manufacturing in N2 is also different, with relatively little employment in advanced engineering and a higher proportion in niche but growing sectors such as life sciences.
- 5.9. The private service sector, particularly administrative and support services, is much more significant in N2, accounting for nearly three times the share of employment as it does in D2, with the share of employment in the city of Nottingham even higher.
- 5.10. It is essential in any consideration of the governance arrangements that consideration is given as to how the arrangements considered will feed into and strengthen our key partnerships.
- 5.11. D2N2 LEP is presently seeking to strengthen its own governance arrangements in order to ensure that it is best placed to deliver for both areas. The authorities involved in this review recognise the key importance in having a LEP that has the capacity and the credibility to facilitate work between the public and the private sector in order to deliver growth. Any arrangements for future governance will need to assist in the process.



## 6. Evaluating the governance options

- 6.1. Good governance matters for two key reasons. The first relates to the need to manage and support economic development in an effective way. Collaboration across boundaries helps to ensure that maximum return on investment is being achieved, and that public policy has a keen impact (OECD 2009). The second reason relates to questions of transparency and accountability for decisions taken. This includes having the mechanisms in place to make tough, binding decisions at a level that reflects the most pragmatic representation of the functional economic geography of an area.
- 6.2. The last 5 years have set economic development in a context of political change and global recession; Government policies are simultaneously about cutting costs, lowering debt and creating new opportunities. There is an increased awareness of labour market needs, a real sense of wage fairness and personal responsibility and the need to re-balance the national economy to make the most of local strengths and develop new forward looking economies. The referendum on Scottish devolution and the raising of the 'English question' has given new impetus to rethinking regional economic geographies.
- 6.3. Lord Heseltine's 2012 report, 'No Stone Unturned in the Pursuit of Growth' emphasised the importance of place in economic development and drew attention to wealth in diversity, allowing local regions to tap into their strengths and develop opportunities for local prosperity.
- 6.4. It is within this context the Local Economic Partnerships were created to bring together private and public sector skills and purpose and to fashion new and responsive development. The LEP has a pivotal role in shaping European funding opportunities and drawing down funds to develop local economies.
- 6.5. This current and developing policy on regional devolution provides a real opportunity for Nottingham and Nottinghamshire to begin a new phase in cooperative development to benefit local people and local business. Working with the wider D2N2 partnership, the scope for transformation is significant.
- 6.6. Manchester has led the way in devolving local governance for economic regeneration but in following this route, any new Nottingham and Nottinghamshire governance arrangements will have to operate in challenging conditions such as:
  - Significant reductions (37%) in public sector finance – and a local authority funding shortfall of £12.4 billion by 2020;
  - Increasing demands and needs from service users –particularly social care;
  - The need to secure sustainable medium term financial strategies
  - A global economy that changes pace and direction with increasing speed;
  - A need to be agile and responsive to change.

- 6.7 The Government's Office for Budget Responsibility (OBR) has revised its forecast for UK growth upwards in 2014 and 2015 from 2.7% to 3.0% and from 2.3% to 2.4% respectively; thereafter, growth is expected to decline to 2.2% in 2016, 2.4% in 2017, 2.3% in 2018 and 2.3% in 2019. The OBR also has revised down its forecast for unemployment in all years to 2018, and expects a rate of 6.2% in 2014, falling to 5.3% at the end of the forecast period.
- 6.8 The Government is intending to carry out a wide-ranging review of the structure of the business rates system, but this will be "be fiscally neutral and consistent with Government's agreed financing of local authorities," to be published by 2016 budget. There is a strong and growing demand from local communities for all local areas to have the right to a meaningful package of devolved powers, fiscal freedoms and budgets. This will bring decisions closer to the people they affect, boost economic output and fundamentally reforming public services.
- 6.9 This context, together with section 4.5 of this report, establishes that there are strong reasons to strengthen N2 governance. There are four possible governance options that could be implemented in Nottingham and Nottinghamshire:

- 1. Maintain the current Joint Committee arrangements**
- 2. Improve the existing Joint Committee arrangements**
- 3. Establish an Economic Prosperity Board**
- 4. Establish a Combined Authority**

- 6.10 To ensure compliance with the relevant LDEDC and Local Transport Act legislation, consideration of the available delivery options seeks to establish and evidence which model would bring about an improvement in the area in the following:

*The **exercise of statutory functions** relating to economic development, regeneration and transport in the area;*

*The **effectiveness and efficiency** of economic development (and transport) and;*

*The **economic conditions** in the area.*

- 6.11 The Review considers the above statutory tests against the options, notwithstanding the absence of a clear definition of 'economic development and regeneration'. Government guidance on undertaking governance reviews under the Local Transport Act has been available for some time. DfT has confirmed it is looking for the following headline issues to be addressed in the formulation of governance arrangements in order to be accountable for devolved major transport scheme funding:

*Effective alignment between decision making on transport and decisions on other areas of policy such as land use, economic development and wider regeneration*

*Robust and streamlined decision making arrangements which allow necessary decisions to be taken on complex and difficult issues in a timely and transparent manner*

*A real enhancement of delivery capability and capacity by taking a coherent and integrated approach to managing currently fragmented transport planning and delivery skills and capacity.*

6.12 There are limits to comparisons between the options. The existing Nottingham and Nottinghamshire Joint Committee arrangement is fit for purpose within the current Nottingham and Nottinghamshire operating environment and the nature of relationships with adjacent LEP areas. However, firmer and stronger local governance arrangements will enhance our ability to deliver, bring cohesion and pace to decision-making and improve opportunities to acquire new powers and investment.

6.13 Creating appropriate governance structures alone will not achieve our ambitions for the Nottingham and Nottinghamshire area. Issues around policy development, organisational culture and values and recognising/ maintaining the importance of local identity within geographies will also be key factors.

6.14 Any resulting governance model will also need to:

*Create the capacity for clear agreement to be reached on the most challenging strategic issues; and*

*Create the space for debate that national politicians find difficult to manage - thereby demonstrating the confidence in the scope for greater devolution of responsibility in future.*

6.15 Analysis of the four possible options has been undertaken objectively and within the context of existing challenges. It also takes into account the potential opportunities around enhanced freedoms, flexibilities and powers and the scope for further devolution in the medium term.

6.16 **Maintain the current Joint Committee arrangements.** The nature of current arrangements is set out below.

6.17 The N2 Joint Economic Prosperity Committee is tied to the broader governance structure of the LEP and aims to work closely with the D2 Joint Committee for Economic Prosperity and other neighbouring authorities including the Sheffield City Region Combined Authority (SCRCA) to ensure fully effective arrangements for the purpose of progressing economic development, regeneration and transport.

6.18 The D2N2 Board considers it is best placed to take the strategic lead in delivering the D2N2 programme including identifying the priorities, activities, schemes, programmes and projects that best meet the economic needs and ambitions of the D2N2 area and delivering the objectives of the Strategic Economic Plan and the EU Structural and Investment Fund Strategy. D2N2 will take an active role in managing the delivery of the 2014-2020 programme, working with both Joint Committees and the Accountable

Body to:

*Take decisions about what is procured, when it is procured and how it is procured.*

*Engage with the 'provider' market to inform the development of propositions of the appropriate scale, impact and strategic fit.*

*Pursue a balance of commissioning and calls for projects with a blend of collaboration, LEP wide and local programmes and activities, to deliver the outputs and outcomes required.*

*Undertake strategic assessments of applications, programme or project proposals, expressions of interest or any other relevant application for EU SIF funding from the D2N2 allocation.*

*Oversee and manage the performance of the programme and delivery partners to ensure that the programme meets its mid-term performance criteria.*

*Review the overall direction, governance and delivery of the programme to ensure that it remains responsive to local needs and opportunities.*

- 6.19 The Board takes overall responsibility for the LEP's activities in developing and managing delivery of the SEP. A lean governance structure draws on the support and takes account of the input of the D2 and N2 Joint Committees, other panels/ boards and the advice of the Accountable Body to ensure decision-making is informed by local priorities and compliance with relevant regulations.
- 6.20 The relationship with the Nottingham and Nottinghamshire Joint Committee is recognised as a key part of the D2N2 LEP governance and delivery framework, in its aspiration to maximise local strategic engagement in decision-making. The LEP anticipates that the Joint Committee will fulfil a role and purpose as set out in the Government's Growth Deal guidance which is to:
- Demonstrate wider commitment to growth;
  - Align and pool local authority capital and revenue spending on growth;
  - Provide effective collaboration on economic development activities;
  - Develop synergy with local growth programmes.
- 6.21 In practice, this system of governance has exposed some challenges and problems in terms of:

*the extent to which the Nottingham and Nottinghamshire Joint Committee is an advisor, influencer or co-decision-maker in any key decision;*

*the extent to which Nottingham and Nottinghamshire strategic aspirations have been reflected in decision-making by the D2N2 LEP;*

*the transparency of and accountability of decision-making.*

Securing investment, whether that is through ‘growth deals’ with Government or by encouraging private investment, requires local authority partners in the Nottingham and Nottinghamshire area to be able to act with agility and pace, to coordinate efforts with D2 partners and to engage positively with the D2N2 LEP. Current arrangements have proved to be sub-optimal in these respects because of timing delays and a lack of clarity in the decision-making relationships.

The current joint committee is empowered to the degree considered necessary by its ‘parent’ councils, and was never intended to provide a vehicle to deliver on an increasingly ambitious agenda for change.

6.22 In summary, the current Joint Committee arrangement:

*Supports the LEP-wide delivery programme,*

*Assesses projects and proposals and provide recommendations to the Board,*

*Provides advice on a range of activities around local priorities and programmes,*

*Develops of a ‘pipeline’ of delivery projects and programmes*

but

*demonstrates some ambiguity and inefficiency in decision-making and strategic alignment*

and

*is deficient in transparency and clarity of accountability.*

6.23 **Improve the existing Joint Committee arrangements.** This option involves extending the scope and functions of the current Joint Committee.

6.24 There is potential to consider adding additional oversight of the strategic elements of functions such as strategic planning, transport and housing as well as seeking to integrate some strategic and operational aspects of economic development, transport

and infrastructure work. It would also be possible to extend the working arrangements of the Committee itself – perhaps through discussion with the LEP around matters of delegation and delivery.

- 6.25 Establishing clear priorities for growth within the N2 area which contribute to the overall D2N2 SEP priorities will help to ensure that the Joint Committee’s influence in shaping the SEP and its delivery activities is strengthened. A clear agreement on how the Joint committee’s governance systems dovetail with the LEP and the implications for the ways in which decisions are taken and influenced would be an important goal in improving the current Joint Committee arrangements.
- 6.26 The underlying principles of the operation of the Joint Committee would, however, remain the same (see 6.14 and 6.15 above) with its inherent advantages and disadvantages, including a lack of effective budgetary autonomy and control.
- 6.27 **Establish an Economic Prosperity Board (EPB).** There is no legal definition of ‘economic development and regeneration’ or the functions that relate to these activities. Legislation allows for any function of the participating local authorities to be granted to an EPB. It is for local authorities to put forward and make a case for the functions for inclusion in an EPB. In the overall ‘hierarchy’ of options, this is the first of the more formal vehicles. An EPB is a legal entity and statutory body – created for purpose of promoting the sustainable economic development and regeneration of its area (it is a body corporate). Its functions should be those that allow it to fulfil this role and should be responsive to local conditions.
- 6.28 An EPB is an ‘accountable body’ and therefore can have devolved powers and hold funding. An Integrated Transport Authority and an EPB can co-exist.
- 6.29 Previous documentation, *Transforming Places; Changing Lives: Taking Forward the Regeneration Framework* set out the Government’s three priority outcomes for regeneration:

*Improving economic performance and tackling worklessness, particularly in deprived areas*

*Creating the right conditions for business growth which could include investment in infrastructure, land use, and a better public realm; and*

*Creating sustainable places where people want to live and can work and businesses want to invest.*

Any proposal needs to have regard to these outcomes in considering what functions

should be granted to an EPB.

- 6.30 An EPB attracts additional potential in relation to funding (the basis by which the contribution of each participating council will be determined is not specified in the Act and needs to be agreed locally when drawing up proposals):

*The Secretary of State may give funding to EPBs under section 31 of the Local Government Act 2003, although it is not likely that Government will provide any additional funds to EPBs over and above what would already be provided to their area for the activities they will be carrying out*

*EPB's do not have any tax raising powers*

*EPB's do not have power to issue a levy to constituent authorities*

*EPB's do not have the power to borrow.*

- 6.31 An EPB therefore addresses the weaknesses identified with the Joint Committee in that there is clarity and transparency in decision-making as the EPB is a formal legal entity with powers to act as an accountable body and can therefore align strategy and resources more effectively. However, an EPB does not encompass strategic transport and, given the importance of connectivity in Nottingham and Nottinghamshire's aspirations, it is unlikely that an EPB would satisfy the issues set out in Paragraph 4.5.

- 6.32 **Establish a Combined Authority.** A combined authority is the most comprehensive vehicle for delivering economic regeneration. Combined authorities may be given functions of the constituent local authorities in the same way as EPBs and it is for local authorities to propose the functions the new body will need and to justify this decision.

- 6.33 In addition, combined authorities may be delegated functions of local authorities and the Secretary of State, and have powers and functions of ITAs transferred to them under the provisions of chapter 2 of part 5 of the Local Transport Act 2008. They also have certain functions and powers in their own right, such as a general power of competence.

- 6.34 Like EPBs, combined authorities provide strong governance arrangements and therefore attract funding freedoms and flexibilities. The Act provides scope for them to exercise similar financial powers to those available to ITAs, including the power to borrow and the power to levy relevant constituent authorities. Powers would only apply in relation to transport functions. Combined authorities could therefore levy

relevant constituent authorities to meet costs that are attributable to transport activities and to fund transport projects and can borrow for transport purposes.

- 6.35 A combined authority cannot fund any activity whose overarching purpose is not to deliver transport objectives or functions by means of the levy or through borrowing. These other costs will need to be met by constituent councils according to an agreed formula, as is the case for EPBs. The Secretary of State has the power to give section 31 funding to a combined authority, but does not expect to use this power to provide a level of funding over and above the level previously awarded to the constituent local authorities for the activities that the combined authority carries out.
- 6.36 A combined authority therefore meets the first test set out in paragraph 6.10 in that it facilitates the discharge of statutory economic growth and strategic transport duties, and does so to a much greater extent than an EPB.
- 6.37 The second test is around improvements to the effectiveness and efficiency of economic development and transport and the CA model provides a governance mechanism through which strategic issues and challenges can be coordinated and decisions can be taken. Currently, key strategic decisions around transport, economic development, housing and strategic planning are taken at the appropriate level by each individual authority. However, given the inter-connected nature of decisions which impact on the area, a number of informal and formal joint arrangements have been developed including the Joint Economic Prosperity Committee, the Joint Committee on Strategic Transport and Planning and the Greater Nottingham Light Rapid Transit Advisory Committee. In addition there are a number of partnership arrangements around visitor/destination management, growth, inward investment and skills and training. These arrangements have the potential to benefit from greater coordination and coherence through a combined authority. It is also anticipated that existing resources deployed to support these activities can be more effectively managed through a combined authority.
- 6.38 The combined authority will also meet the second and third elements through an improved contribution to both the D2N2 LEP and those others such as Sheffield City Region Combined Authority. A Nottingham and Nottinghamshire Combined Authority would be able to provide a clear contribution to stronger governance arrangements for the LEP as a whole by coordinating the resources deployed to support and inform the LEP and removing duplication of effort in the current system. Strengthening decision-making paves the way for greater collaboration in aligning current resources and capacity. Bringing current activities into a single governance framework would enable:
- effective alignment between decision making on transport and decisions on other areas of policy such as land use, economic development and wider regeneration
  - robust and streamlined decision making arrangements which allow necessary



decisions to be taken on complex and difficult issues in a timely and transparent way - a real enhancement of delivery capability and capacity by taking a coherent and integrated approach to managing currently fragmented transport planning and delivery skills and capacity

- 6.39 Arguably the most important test is the impact on economic conditions in the area. A combined authority is the only governance vehicle which has the potential to address the challenges set out in paragraphs 6.6 and 6.7 of this report and to create the conditions in which a substantial growth in jobs and GVA can be achieved.

#### 6.40 Options Assessment

- 6.41 The **Maintain the current Joint Committee arrangements** option is discounted on the basis of:

*Failure to strengthen Nottingham and Nottinghamshire governance will compromise the medium to long-term ambitions of the area and therefore be detrimental to the future economic performance.*

*Failure to formalise Nottingham and Nottinghamshire governance will not address current weaknesses and ambiguities in decision-making and transparency*

*An opportunity would be missed to better align decision-making around strategic economic development, transport and regeneration.*

- 6.42 The second option, **Improve the existing Joint Committee arrangements**, is also discounted on the grounds that there are limits to what can be achieved through a less formal partnership. It is likely that decision-making would be slower because of the need to ratify decisions at constituent authority level. This option would not satisfy the Government's requirement for stronger governance and therefore would not open up opportunities for greater devolution of powers and resources with the consequent implications for outcomes for local economic growth.
- 6.43 N2 Leaders recognise that only a statutory body with a legal personality in its own right will be strong enough to lead the collaboration between Nottingham and Nottinghamshire local authorities and form the necessary legal relationships required going forward. Having considered the tests set out in LEDEDCA, a Combined Authority is considered to be the optimal legal model for Nottingham and Nottinghamshire. The Combined Authority model is preferred to an Economic Prosperity Board because of the **overwhelming benefits of aligning decision making in relation to strategic economic development and transport under one strategic body**. The Combined Authority model is also more likely to secure the benefits of "earned devolution".

6.44 The rationale for the Nottingham and Nottinghamshire Combined Authority is underpinned by **three key findings** of the Nottingham and Nottinghamshire Governance Review:

- the Nottingham and Nottinghamshire area is an ambitious and diverse sub-regional economy including the core city of Nottingham and with complex economic overlaps with Derbyshire, the Sheffield City Region, Lincolnshire and Leicestershire, with **untapped economic potential** and clear **ambitions for growth**;
- there is **the potential to strengthen** Nottingham and Nottinghamshire **governance** in term of the efficacy of decision making, in terms of transparency and accountability and the potential benefits from coordinated resources;
- having considered the various options available (including maintaining the current Joint Committee option), establishing the Nottingham and Nottinghamshire Combined Authority is the option **most likely to deliver sustained economic and social benefits** to the area.

6.45 Our proposal to form a Combined Authority will:

- Strengthen the existing governance arrangements of the D2N2 LEP to deliver the wider ambitions of the Strategic Economic Plan, working alongside the D2 local authorities
- Ensure strong and effective working relationships with local, private sector businesses, the voluntary and community sector
- Attract more freedoms and flexibilities from central Government – and ultimately more funding – to ensure the ambitions and improvements can be delivered to the Nottingham and Nottinghamshire economy
- Deliver economic development, transport and regeneration activity in a more effective and efficient manner through a single, formal combined authority rather than 9 individual local authorities operating in an informal environment
- Provide significant scope for reducing duplication in the work of the ten individual authorities
- Ensure the Nottingham and Nottinghamshire area is able to compete effectively with neighbouring areas that also have created combined authorities.

6.46 **The recommendation of the Nottingham and Nottinghamshire Governance Review is therefore that establishing the Nottingham and Nottinghamshire Combined Authority is the optimal solution to the issues and opportunities set out in this document.**

6.47 Specific detail relating to the Nottingham and Nottinghamshire Combined Authority including: the area it will cover; its membership; voting and any executive arrangements; it's functions and the way in which it will be funded are set out in the ***Scheme for the establishment of a Nottingham and Nottinghamshire Combined Authority***. As detailed in the scheme, the recommendation of the Nottingham and Nottinghamshire Governance Review is that the Nottingham and Nottinghamshire

Combined Authority should be established according to the following principles:

*The Nottingham and Nottinghamshire Combined Authority should be **lean, streamlined and focussed**. The purpose of the CA will be to provide strong, stable governance and support the Nottingham and Nottinghamshire area to fulfil its huge potential. The delivery of this vision will be facilitated by attracting new powers, duties and funding to the Nottingham and Nottinghamshire Combined Authority.*

*In addition to this, the CA will be a mechanism by which Nottingham and Nottinghamshire is able to formalise arrangements where there is already effective collaboration (e.g. skills and inward investment). **Decisions on these matters will be made in one place, by elected Leaders** who are responsible for strategic direction and underwriting any risks.*

- 6.48 The Nottingham and Nottinghamshire Combined Authority will, so far as is practicable, reflect the functional economy of the Nottingham and Nottinghamshire area. It is recognised that economic interdependence and cohesion varies across the area and is less pronounced for communities that lie further from Nottingham. Therefore, our understanding of the functional economy takes into account the need to ensure that there are strong collaborative mechanisms in place for ensuring that the overlapping economic interests with neighbouring areas are properly addressed. Specifically, this means ensuring there are strong relationships with the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Sheffield City Region), the proposed Combined Authority for Derby and Derbyshire (D2N2 LEP area), Lincolnshire local authorities and the Lincolnshire LEP, and Leicester and Leicestershire local authorities and the LLEP. This is the optimal deliverable solution for the Nottingham and Nottinghamshire area.
- 6.49 The governance arrangements need to recognise the challenges outlined in paragraph 3 above. Nottingham and Nottinghamshire are clear that this unique set of challenges faced in the creation of this body need explicit recognition and that this can be achieved through a **duty to cooperate**. The adoption of such a duty by the proposed Combined Authority will give a clear footing for work with D2. The special relationship with D2 through the LEP will be given particular attention in the design of the governance arrangements to ensure that the strength of working as a whole is retained while at the same time providing the agility needed in order to deal with the complexity of the functional economic arrangements referred to above. This flexibility internally will be key to addressing the challenges set out in paragraphs 5.6 and 5.7 above.
- 6.50 Arrangements with others such as the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority would be supported by the creation of Memoranda of Understanding with these partners to ensure that such integration has a clear framework. The arrangements would be strengthened if other areas were also to have such a duty. However, we accept that this is a matter for them.

- 6.51 Under current legislation, a combined authority must hold the same responsibilities relating to transport, regeneration and economic development across the whole of its area. Therefore a combined authority including Nottinghamshire County Council must hold the same transport, regeneration and economic development responsibilities for all of the districts in the county. Under the current statutory requirements, therefore, a Nottingham and Nottinghamshire Combined Authority would include all of the constituent authorities in this review.
- 6.52 The involvement of constituent authorities in neighbouring combined authorities is positively encouraged through these arrangements as this can only aid understanding and cooperation between areas to the advantage of both. Specifically, for the Nottingham and Nottinghamshire Combined Authority, Bassetlaw District Council's continuing membership as a non-constituent member of the Sheffield City Region Combined Authority is seen as a key strength.
- 6.53 Strategic Powers will be held concurrently by the Nottingham and Nottinghamshire Combined Authority and the constituent authorities. Decision making will take place based upon the principle that the Nottingham and Nottinghamshire Combined Authority would be responsible for the strategic direction of the N2 area (within the context set out by D2N2's Strategic Economic Plan and the EU Structural and Investment Fund Strategy). The N2 constituent authorities will wish to continue making local decisions. The constituent authorities will agree where precisely the balance between strategic and local decision making sits as the Combined Authority develops.
- 6.54 Whilst the possible legislative changes might lead to future reviews of the governance arrangements for the N2 area, any changes would need to be considered against the statutory tests and government expectations set out earlier in this report.
- 6.55 The Nottingham and Nottinghamshire Combined Authority will have nine members – Ashfield District, Bassetlaw District, Broxtowe Borough, Gedling Borough, Mansfield District, Nottingham City, Nottinghamshire County, Newark & Sherwood District and Rushcliffe Borough Councils. The voting rights of all members will be defined in the ***Scheme for the establishment of a Nottingham and Nottinghamshire Combined Authority***.
- 6.56 As detailed in the ***Scheme for the establishment of a Nottingham and Nottinghamshire Combined Authority*** the Nottingham and Nottinghamshire Combined Authority shall have the power to issue a levy to the relevant constituent councils in respect of the expenses and liabilities of the CA which are reasonably attributable to the exercise of its functions relating to transport. The amount to be raised by the levy shall be apportioned between the relevant constituent councils on an agreed basis. Non-transport functions will be funded from a budget agreed annually by CA members and apportioned as above. The constituent councils intend to include scope to allocate finances such as surpluses from the NDR pool to support the work of the Nottingham and Nottinghamshire Combined Authority.

- 6.57 The Nottingham and Nottinghamshire Combined Authority will need support from a small executive function. N2 local authorities are committed to reviewing policy and delivery functions for economic development and to ensure that links are made where appropriate and to drive out efficiencies in the delivery of common functions.
- 6.58 As detailed in the ***Scheme for the establishment of a Nottingham and Nottinghamshire Combined Authority***, the Nottingham and Nottinghamshire Combined Authority will have powers in relation to strategic Economic Development and Transport. As noted above, it is the intention of all partners that the Nottingham and Nottinghamshire Combined Authority remains a streamlined and focussed strategic commissioning body. Accordingly, powers and duties outlined in the scheme will be taken up as and when necessary by agreement between the constituent authorities.
- 6.59 Strategic Economic Development will include collaboration around functions such as economic policy and strategy, skills, inward investment, major infrastructure and housing investment decisions and decisions relating to other economic assets.
- 6.60 In time, and by local resolution, partners may choose to take-up additional powers which become available to the Nottingham and Nottinghamshire Combined Authority. The transfer of any powers from constituent authorities would require a decision from each constituent local authority.
- 6.61 The Nottingham and Nottinghamshire Combined Authority, as a legally independent body, should act as the accountable decision-making body for matters of significance (where N2-level collaboration is desirable and adds value), delegating powers and duties to sub-committees as appropriate. The Nottingham and Nottinghamshire Combined Authority should also act as the Accountable Body for N2 funds and investments. It is recognised that this will need to be carefully co-ordinated with D2 to ensure consistency and efficiency across the LEP area and this will be done through joint arrangements to enable agility in decision making across the LEP area that is not a characteristic of the present arrangements.
- 6.62 Finally, it should be noted that many partners agree that this approach will deliver the best outcomes from the area and enable a step change in the way strategic issues are tackled across the area. For example, the Great Nottingham Debate 2014 came to the same conclusion as this review, approaching the consideration from a practical consideration of what will work for the N2 economic area.

## 7 Recommendation

7.1 Our Governance Review concludes that establishment of a Nottingham and Nottinghamshire Combined Authority **would improve the exercise of statutory functions in relation to economic development, regeneration and transport and would lead to an enhancement of the economic conditions and performance of the Nottingham and Nottinghamshire area. We therefore recommend to the nine constituent authorities that a submission should be made to the Secretary of State for Communities and Local Government for the establishment of a combined authority for Nottingham and Nottinghamshire, including Ashfield, Bassetlaw, Broxtowe, Gedling, Mansfield, Newark & Sherwood and Rushcliffe.**

The D2N2 area has a population of more than 2.1m people and a Gross Value Added (GVA) of nearly £40bn; employment is concentrated in the area's two largest centres, Derby and Nottingham, which account for 36% of total employment and 26% of the population. Nearly 900,000 people are employed in the D2N2 area, making it the third largest of LEP economies.

The D2N2 economy has a strong track record of exporting, with just less than 20% of employment in export-intensive industries, placing it in the top quartile of all LEPs nationally. In 2011/12, nearly 2,300 jobs were created by Foreign Direct Investment, the fifth largest of all LEPs.

### Transport

D2N2 enjoys good connectivity, being well-served by national north/south transport links such as the M1, A1 and rail networks via Midland Mainline and East Coast Mainline which connect to international destinations at St Pancras and Kings Cross. Regionally, the road network reflects the diverse geography of the area: the A46 and A38 connect to the West Midlands and the A50 connects to the North West via Stoke-on-Trent. These good connections are reflected in the concentration of retail distribution centres along the M1, A50, A1 and A38 corridors.

Despite recent improvements to the A46 and planned improvements to the A61 and A453, major challenges remain to the effectiveness of the region's transport network, with high levels of congestion on the M1 north of junction 28, the A38 at Derby, A52 Nottingham Ring Road, A46 at Newark and A628/ A57 at Glossop in the north west of Derbyshire. The costs of congestion on the strategic road network in the East Midlands are forecast to rise to around £0.7bn by 2025 in the absence of intervention; currently, the cost is equivalent to around £300 per employee in Nottingham and Derby and this is expected to more than double over the next 10 years.

The frequency and speed of rail connections to other parts of the country are variable; services to London via Midland Mainline are slower than those offered by the East Coast line. The planned electrification of Midland Mainline will provide an opportunity for improving service quality and efficiency but further improvements are required to significantly reduce journey times. A combination of limited capacity and poor journey times results in overcrowding on cross-country trains that connect the East Midlands with the North, South West and East Anglia; rail therefore offers a poor alternative to driving, exacerbating road congestion. In the medium to long-term, the D2N2 area will benefit from its location on the HS2 route between London and the North, hosting one of the Midland's key stations; significant investment and effort is needed, however, to ensure the region harnesses the full potential of this new rail infrastructure.

East Midlands Airport (EMA), located within 15 miles of Nottingham and Derby, is the UK's second largest air freight hub after Heathrow and is a critical economic driver for the region. The importance of the area for high value freight will be strengthened with the planned investment in a major inter-modal rail freight interchange at junction 24 of the M1.

## Economic Base

From being the cradle of the industrial revolution and home to the world's first factory, the D2N2 area is a dynamic and diverse economy, with a global reputation for excellence in high-tech manufacturing - particularly transport - construction, medicine and bio-science. World-class universities and Tier 1, market-leading companies such as Rolls Royce, Toyota, Sygnature Discovery and Alliance Boots in the urban centres provide the economic backbone from which supply chains and our numerous small and micro businesses can grow, many of which are located in rural areas.

Growth sectors such as transport equipment manufacturing, visitor economy, low carbon economy etc. employ over 150,000 and account for nearly 20% of the area's workforce.

Gross Value Added (GVA) per full time employee (FTE) is a standard indicator used to measure the level of wealth in an area. For the D2N2 area, GVA has increased year on year for the past 10 years, however, it is still only 85% of the England average and the gap with the rest of England has been widening recently. Whilst D2N2 has over 66,000 businesses, including over 50,000 micro businesses, the overall business base is low given the size of the population.

Over 70% of the working age population are employed or self-employed, although productivity and earnings are low. This is due to the occupational profile being predominantly aligned towards skilled trades and service occupations (low skill, low wage jobs). There is an under-supply, but growing number, of professional occupations. These are important to the future growth of the D2N2 economy.

Although almost 400,000 people in the area are educated to degree level, at 29% of the population, this is lower than the England average (33%). Around 150,000 people of working age have no qualifications at all, which means they are at risk of poorly paid, insecure jobs and unemployment.

The D2N2 region has a diverse economy with specific strengths in 8 areas. These are:

- Transport equipment manufacturing: 20,200 employees (2012)
- Life sciences: 7,200 employees (2012)
- Food and drink manufacturing: 17,000 employees (2012)
- Construction: 40,000 employees (2012)
- Visitor economy: 65,300 employees (2012)
- Low carbon economy: 28,700 employees (2011/12)
- Transport and logistics: 28,600 employees (2012)
- Creative industries: 26,500 employees (2012)



## Characteristics of the D2N2 Economy

The D2N2 area has four notable geographies which, although broadly reflecting the county boundaries of Derbyshire and Nottinghamshire, also reflect the economic relationship between the two counties and with the surrounding metropolitan areas of South Yorkshire, Greater Manchester, Leicestershire and Staffordshire. These geographies are:

- Nottingham city, south and east Nottinghamshire and east Derbyshire
- Derby city, south Derbyshire and the M1 corridor
- North Nottinghamshire and north and east Derbyshire
- Wider Peak District

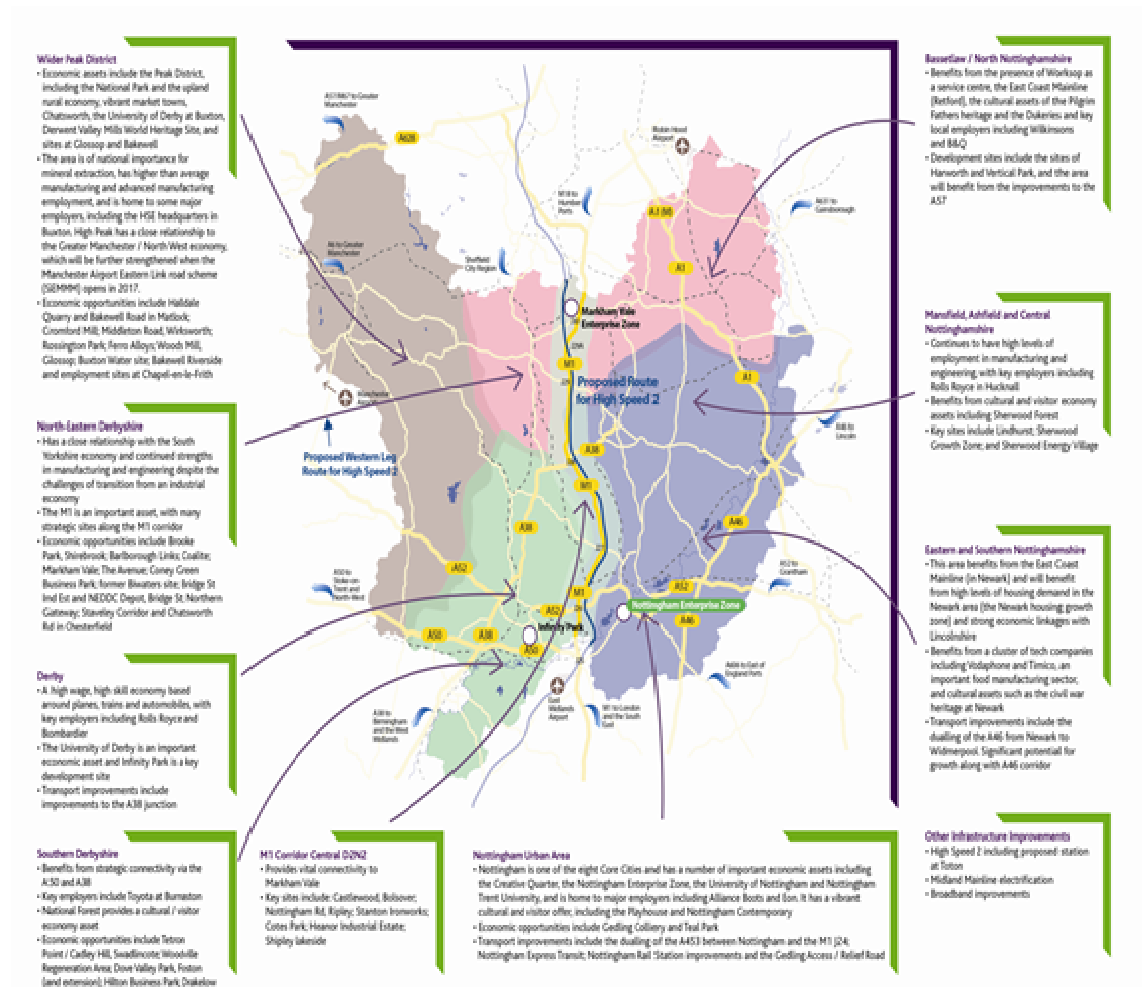


Figure 2: Spatial Relationship and Outline of Economic Characteristics

## Current D2N2 Governance and Delivery Arrangements

### Governance

Strategic governance and oversight of the D2N2 economy is provided by the Local Enterprise Partnership (LEP). The LEP is made up of a [Board](#), various delivery groups, and advisory arrangements. (See Figure 3 on page 8).

The Board is chaired by a representative from the local business sector and has a total of 15 members, constituted of private sector representatives; three leaders from the D2 local authorities and three from the N2 authorities; the voluntary and community sector; and other public sector bodies such as education, training providers and health.

The D2N2 Board is responsible for setting the overall economic strategy for the LEP, including the development of priorities, performance management and oversight and endorsement of strategic projects, as well as monitoring expenditure and outputs across the D2N2 area. Two Joint Committees (one for each of the D2 and N2 areas) support the work of the Board by providing strategic co-ordination and delivery of relevant public sector services.

In addition, supporting the Board there are 3 strategic groups covering:

- Private sector business;
- Skills and employment; and
- Infrastructure and investment.

These groups are supported by 5 officer technical working groups and a range of advisory/ task and finish groups (24 in total currently). Work on the European Strategy implementation sits alongside, but outside, these arrangements. The following diagram illustrates how the LEP's existing governance arrangements link together.

Because the LEP itself is not an accountable body, it had previously nominated different local authorities from across D2N2 to hold funds on its behalf. These arrangements are currently being refined and one Accountable Body (Derbyshire County Council) now has been identified to hold all the funding streams on behalf of the LEP. This will help simplify some aspects of the governance arrangements, particularly in relation to assurance processes and programme management.

Currently, the LEP has been scored as a 2 out of 4 by the Government's Department of Business, Innovation & Skills, suggesting there is scope to strengthen governance arrangements further. It is acknowledged that local authorities, through a Combined Authority or Economic Prosperity Board, can bring greater transparency and democratic accountability to governance arrangements.

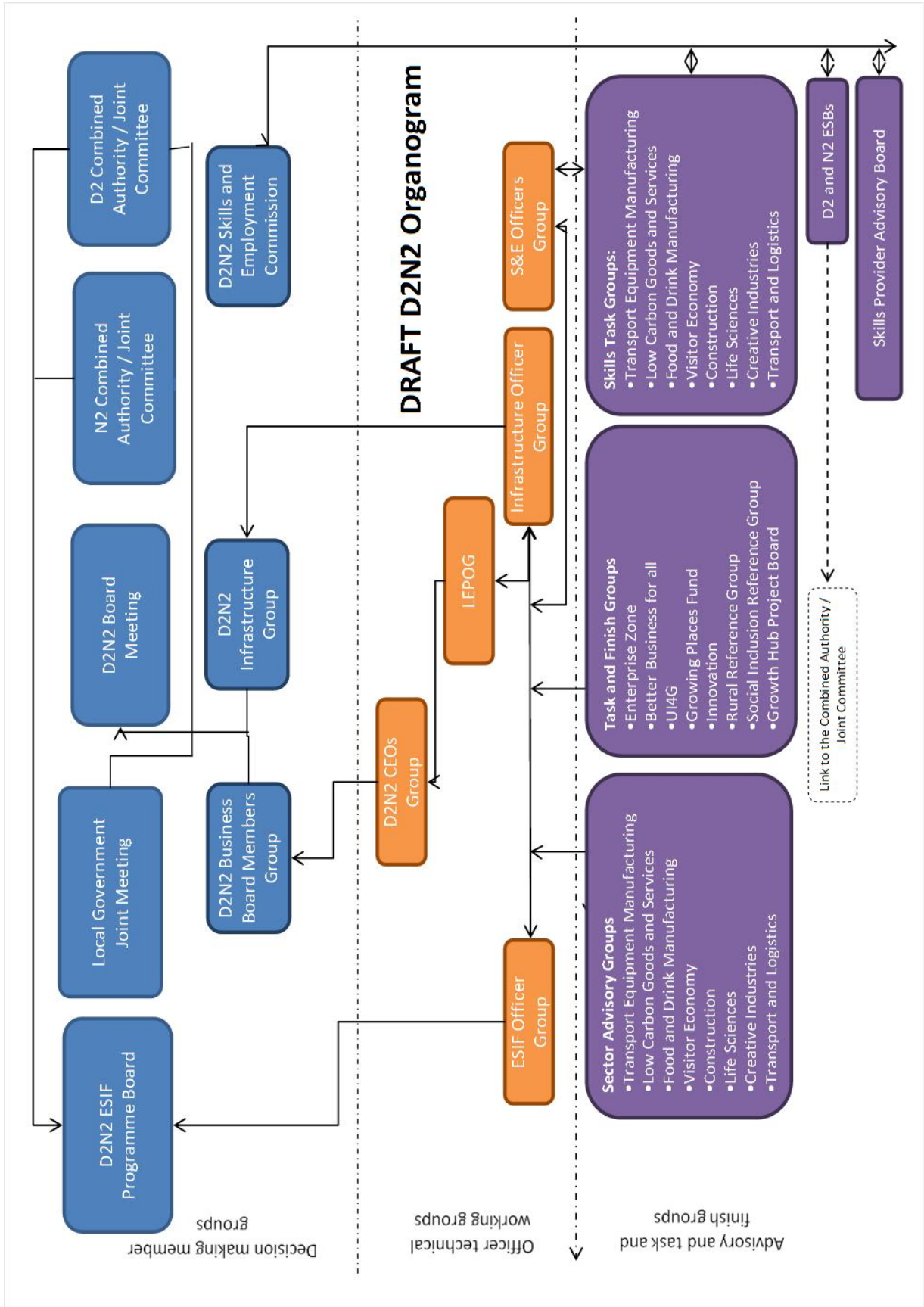


Figure 3: Current D2N2 LEP Governance Arrangements

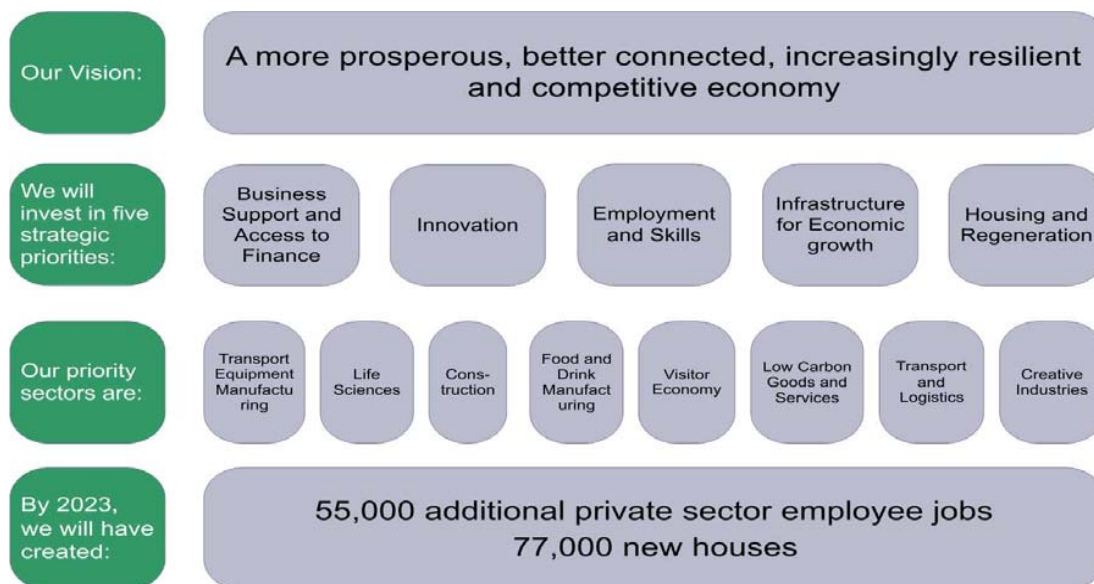
## Strategic Delivery

The D2N2 LEP is a key strategic partner for the ten local authorities within Derbyshire and nine local authorities within Nottinghamshire, however the economic relationship of Derbyshire Dales, Bolsover, North East Derbyshire, Bassetlaw and Chesterfield councils ('overlap' authorities) with the wider economic areas of LEPs in Staffordshire, Greater Manchester and South Yorkshire (Sheffield City Region) is also strong.

The D2N2 LEP's ambitions and priorities are set out in the D2N2 Strategic Economic Plan (SEP). The SEP was approved in early 2014 and confirms the following long term vision for the whole D2N2 region:

**That D2N2 will become a more prosperous, better connected and increasingly competitive and resilient economy, at the heart of the UK economy, making a leading contribution to the UK's advanced manufacturing and life sciences sectors and generating significant export earnings for UK plc. We will create a D2N2 which provides a great place to live, work and invest.**

This vision is supported by the following themes, priorities and targets:



**Figure 4: Strategic Planning Framework of the SEP showing priorities, sectors and targets**

As the overarching strategic body responsible for driving economic growth, it is important the D2N2 LEP arrangements are fit for purpose, agile and responsive to changing economic conditions. The strength of its governance and partnerships – particularly its sub-committees and working relationships across public/ private and third sectors - are critical to its success and, ultimately the economic success of the region.

The work of this D2 governance review has sought to test the strength of these relationships and identify areas where this can be improved. Although the D2N2 economy has many strengths, significant challenges remain and more has to be done across all partners and stakeholders to drive growth, employment and prosperity if the region is to regain competitive advantage over the rest of the UK.

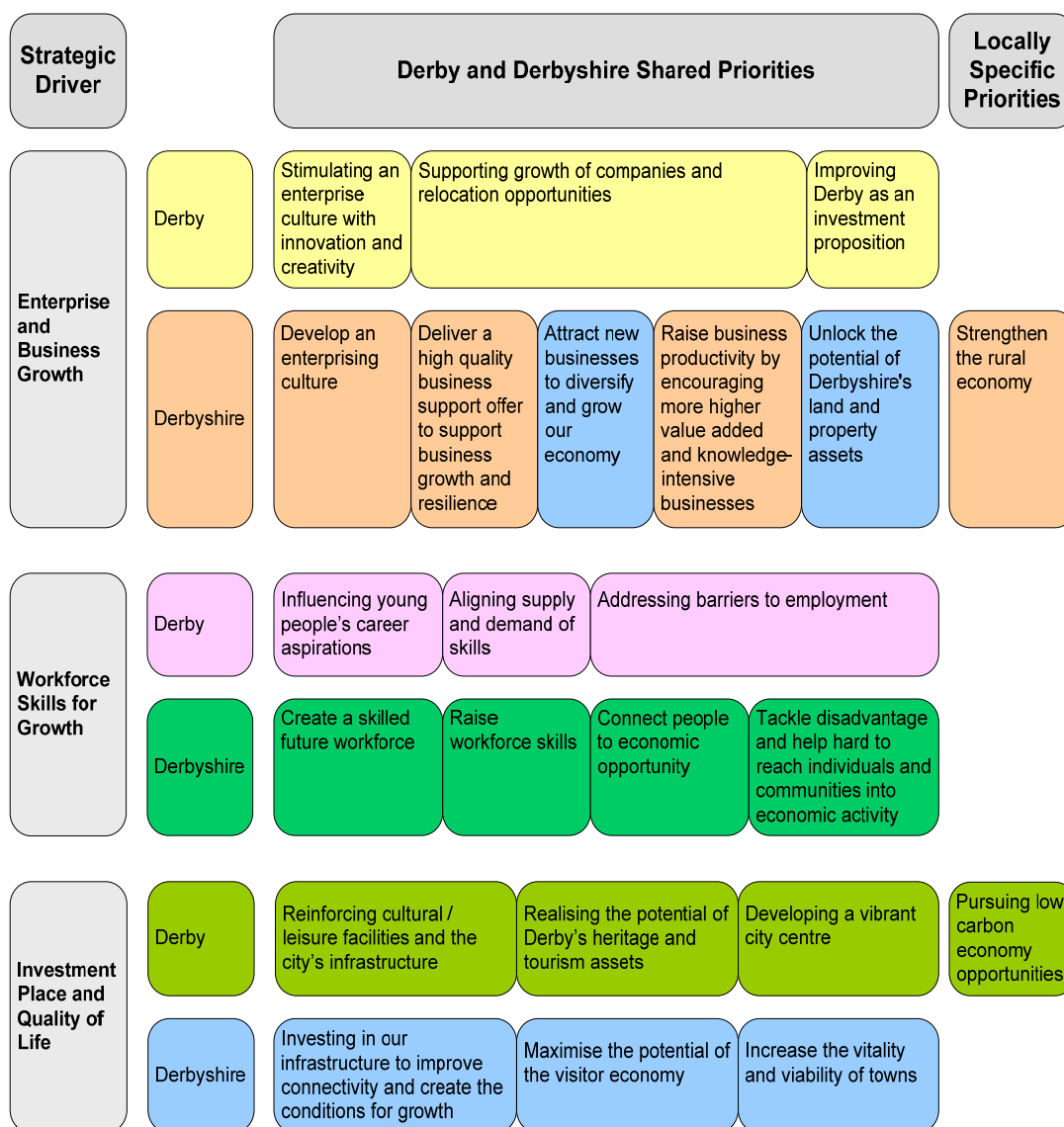


Figure 5: The Shared Priorities of the D2 Joint Committee

There are strong examples of well-aligned work but also potential for duplication and inefficiencies in the current working arrangements. The scope and drive for more joined up approaches and increased effectiveness within the climate of reducing resources was significant.

## Key economic indicators in the D2N2 area

Headline results on the current performance of D2 against key economic indicators compared to N2 and the UK are provided below:

D2 / N2 Performance on Key Economic Indicators			
	D2	N2	England
GVA per FTE, £	£51,803	£49,855	£59,581
GVA per head, £	£16,958	£17,534	£21,786
Employment rate, %	74.6%	67.0%	71.7%
Employees per 000 working age population	627.5	665.5	677.0
Unemployment rate, % of economically active	5.4%	8.6%	7.6%
Youth unemployment, % of total unemployed	26.8%	26.7%	23.7%
Long-term unemployment, % of total unemployed	28.6%	32.1%	30.2%
Average earnings, £ / week, workers	Derby – £528.10 Derbyshire –£372.40	Nottingham –£382.70 Notts. – £365.70	£421.60
Average earnings, £ / week, residents	Derby –£412.40 Derbyshire – £411.50	Nottingham –£353.80 Notts.–£386.40	£421.60
Average household disposable income per head, £	Derby – £13,047 E Derbys – £13,977 S&W Derbys -£16,329	Nottingham – £11,411 N Notts – £14,570 S Notts - £17033	£17,066
Business density per 000 working age population	52.3	45.4	60.3
Business start up rate	10.2%	10.4%	11.6%
Business 3 year survival rate	60.6%	60.8%	59.7%
% of working age pop. L4+	29.5%	30.0%	35.0%
% of working age pop. L2 and below	49.0%	46.3%	44.4%

Sources: Annual Population Survey, Business Register and Employment Survey, Business Demography, Regional Accounts, Annual Business Inquiry, Census, The Data Service.

**Figure 8: Comparison of Economic Performance between D2, N2 and England Average**

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# **Scheme for the establishment of a Nottingham and Nottinghamshire Combined Authority**

***DRAFT – September 2014***

**DRAFT**

***Version 5 - December 2014***

## **Section 1 – Intention to establish a Nottingham and Nottinghamshire Combined Authority**

### **1. Establishment of Authority**

A Combined Authority shall be established pursuant to Section 103 of the Local Democracy, Economic Development and Construction Act 2009 (“LDEDCA”).

### **2. Name of Authority**

The name of the Combined Authority shall be the ***Nottingham and Nottinghamshire Combined Authority (“the Combined Authority”)***.

### **3. Area of Authority**

3.1. The Combined Authority area shall be the whole of the following local government areas:

- Ashfield District Council
- Bassetlaw District Council
- Broxtowe Borough Council
- Gedling Borough Council
- Mansfield District Council
- Nottingham Council
- Newark & Sherwood District Council
- Nottinghamshire County Council
- Rushcliffe Borough Council

3.2. The nine councils listed above shall be referred to as the “*constituent councils*”.

### **4. Membership of Authority**

4.1. Membership of the Combined Authority will be drawn from the constituent councils listed in section three.



- 4.2 The constituent councils will appoint nine elected members<sup>1</sup> to the Combined Authority. Each constituent council will appoint one member.
- 4.3 Membership of the Combined Authority will be a decision for each council. The constituent councils shall each appoint another of its elected members to act as a member of the Combined Authority in the absence of the elected member appointed under paragraph 4.2 above (“substitute member”). Each constituent council may at any time terminate the appointment of a member or substitute member appointed by it to the Combined Authority and the constituent member may appoint a replacement member as soon as reasonably practical.
- 4.4 Where a member or substitute member of the Combined Authority ceases (for whatever reason) to be an elected member of the council that appointed them, the elected member shall cease to be a member of the Combined Authority, and the relevant council shall appoint a replacement member as soon as practicable.
- 4.5 The Combined Authority shall, in each year, appoint a Chairman and Vice-Chairman from among its members. The appointments shall be the first business transacted at the first meeting of the Combined Authority. Where, at any meeting of the Combined Authority, the Chairman is absent, the Vice Chairman shall assume the Chairman’s role for that meeting. Where the Chairman and Vice Chairman are not present or are unable to act, the Combined Authority members will elect one of the members present to preside for the meeting or part of the meeting.
- 4.6 No remuneration shall be payable by the Combined Authority to its members other than allowances for travel and subsistence, provided always that a constituent authority may, on the recommendation of its independent remuneration panel, pay a special responsibility allowance to any elected member appointed by it to the Combined Authority in respect of duties and responsibilities undertaken as a member of the Combined Authority.
- 4.7 The Combined Authority may co-opt additional, non-voting representatives.<sup>2</sup>

## **5. Voting**

- 5.1. The constituent council members of the Combined Authority shall have one vote each.
- 5.2. Subject to paragraph 5.3 below and the provisions of any enactment, all questions coming or arising before the Combined Authority shall be decided by a simple majority of the members of the Combined Authority present and voting. In the case

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<sup>1</sup> Note: it is a requirement of LDEDCA that the majority of members are drawn from the constituent authorities of the CA.

<sup>2</sup> Note: such representation will always be non-voting as such representatives are not members.

of a tied vote on any motion or amendment, the motion or amendment shall be deemed to have been lost. The Chair of the Combined Authority shall not have a second or casting vote. On the requisition of any two members, made before the vote is taken, the voting on any matter shall be recorded so as to show how each member voted and there shall also be recorded any member abstaining from voting.

- 5.3 To be discussed – provisions to enable councils to proceed in “reserved” areas without unanimity or majority eg. transport

## 6. Executive Arrangements

Executive arrangements (within the meaning of the Local Government Act 2000) shall not apply to the Combined Authority. However, the discharge of the functions of the Combined Authority will be subject to the scrutiny arrangements set out in section 9 below.

## 7. Scrutiny Arrangements

Constituent authorities may exercise scrutiny functions over the Combined Authority (including, where appropriate, the Combined Authority's committees) through their own overview and scrutiny or committee arrangements.

**Anticipated legislation is likely to directly apply overview and scrutiny arrangements to Combined Authorities.**

### **Section 2 – Functions, powers and duties of the Combined Authority**

## 8. The functions of the Combined Authority

8.1. The prime purpose of the Combined Authority is to improve the exercise of statutory functions in relation to economic development, regeneration and transport in the N2 area leading to an enhancement of the economic conditions and performance of the Nottingham and Nottinghamshire area.

8.2. In pursuit of this aim, the Combined Authority will have the functions set out in sub paragraphs 8.3 to 8.5 in relation to Strategic Economic Development and Transport. These powers will be exercised by the Combined Authority on a concurrent basis i.e. no powers have been "ceded" to the Combined Authority from its members.

8.3.

- Strategic Economic Development.
- Setting the Economic Strategy
- Setting the investment strategy for the N2 area
- Making decisions with regard to the investment strategy for the N2 area
- Making decisions in relation to the uplift from Enterprise Zone business rates
- Coordinated inward investment activity.
- Strategic Planning functions
- Function in respect of further education provision, co-ordination and funding.

- Functions in respect of the funding and provision of housing in the area of the Combined Authority.
- Functions in respect of provision, co-ordination and funding of initiatives for increasing employment and improving skills.
- Functions in respect of the provision of support and funding for local business initiatives in the area of the Combined Authority.
- The duty under Section 8 (i) of the Housing Act 1985 (duty of local housing authorities to consider housing conditions in their district and the needs of the district with respect to the provision of further housing accommodation).

#### Transport

- The functions of a local transport authority involving:-
  - Local Transport Plan
  - Local Transport External Funding Bids (including Local Sustainable Transport Fund
  - Strategic Transport Policy (including Rail, Trunk Roads and Local Transport major projects)
  - Transport modelling to develop a consistent approach and enable expansion towards a GVA capital model
  - Travel Planning
- The functions of a Passenger Transport Executive

- 8.4. The Combined Authority will have the benefit of a General Power of Competence to provide for maximum flexibility in being able to deal with economic development and regeneration issues. The Combined Authority shall exercise any function of the Secretary of State delegated to the N2 Combined Authority by the order of the Secretary of State pursuant to Section 86 LTA2008, Section 104(1)(b), LDEDCA and sections 15 to 19 of the Localism Act 2011. Such functions shall be exercised subject to any condition imposed by the order.
- 8.5. In addition to the above, the Combined Authority will have the following specific powers. These are viewed as complementary to the broader powers to address economic development identified above:
- The power under section 144 of the Local Government Act 1972 (the power to encourage visitors and provide conference and other facilities).
  - The duties under sections 15ZA, 15ZB, 15ZC, 17A, 18A(1)(b), of the Education Act 1996 and the power under sections 514A and 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age).
  - The duty under section 4(1) of the Local Government Act 2000 (duty to prepare a strategy for promoting or improving the economic, social and environmental well-being of their area and contributing to the achievement of sustainable development in the United Kingdom) and the power under section 4(2) of the Local Government Act 2000 (power to modify their sustainable communities strategy).
  - The duty under section 69 of the 2009 Act (duty to prepare an assessment of economic conditions).
- 8.6. These powers will be supplemented by operating “protocols” agreed locally by the Combined Authority and councils. These protocols will include a recognition of the strategic role of the Combined Authority and safeguards to ensure that it does not unnecessarily interfere with local decision making and delivery. As detailed in the Governance Review document - councils may, in time, choose to delegate additional powers to the Combined Authority by virtue of Section 101 of the Local Government Act 1972. In all cases, the delegation of such powers would require a decision from each local authority concerned.
- 8.7. The Combined Authority will not have any specific planning-related powers. However, using general economic development powers, the Combined Authority may take actions which support, enhance and provide cohesion to local planning frameworks.

## **Section 3 – Funding**

### **9. Funding**

- 9.1. The Combined Authority, as a levying body under Section 74 of the Local Government Finance Act 1988, shall have the power to issue a levy to its relevant constituent councils (ie. Nottingham City Council and the Nottinghamshire County Council) in respect of the expenses and liabilities of the Combined Authority which are reasonably attributable to the exercise of its functions relating to transport. The amount to be raised by the levy will be apportioned between the relevant constituent authorities on an agreed basis.
- 9.2. The levy shall be in ten equal instalments payable monthly by the end of the first ten months in the financial year.
- 9.3. The costs of the Combined Authority that are reasonably attributable to the exercise of its functions relating to economic development and regeneration (and any start-up costs) shall be met by the constituent councils. Such costs shall be apportioned between the nine councils on a per capita basis, with county and district authorities apportioning their share of costs on a 75:25 basis. The CA will agree an annual budget for the purpose of this expenditure.

## **Section 4 – Other arrangements**

### **10. D2N2 Local Enterprise Partnership and Derbyshire Combined Authority**

- 10.1. A partnership between the public and private sector, D2N2 LEP's vision is for a more prosperous, better connected and increasingly resilient and competitive economy.
- 10.2. It is intended that the D2N2 Local Enterprise Partnership would be a lead advisory body to the Combined Authority, bringing private sector voices and providing leadership of particular Combined Authority projects and workstreams.
- 12.3 It is recognised that the Combined Authority will need to coordinate its work closely with the equivalent Combined Authority arrangements in Derbyshire in order to ensure that effective governance arrangements can operate across the whole of the D2N2 LEP area. It is therefore proposed that the Combined Authority and its equivalent in Derbyshire will enter into arrangements to achieve this. Other Arrangements
- 10.3. The Combined Authority may establish committees, sub-structures, sub-committees and arrangements for delegating powers and functions as it considers appropriate.





## **COMBINED AUTHORITIES – FREQUENTLY ASKED QUESTIONS**

**Updated 05 Jan 2015**

### **1. WHAT IS A COMBINED AUTHORITY?**

A Combined Authority is a statutory body created by two or more neighbouring local authorities to lead collaboration on transport, regeneration and economic development. Combined Authorities can, by agreement with their constituent authorities, take on certain powers and functions previously held by constituent authorities.

A Combined Authority is a separate legal body and operates as a public body in a similar way to a council.

### **2. HOW IS ONE CREATED?**

The constituent authorities must conduct a statutory review of current governance arrangements and options and prepare a governance review and scheme outlining their proposals.

The governance review and scheme must demonstrate how the Combined Authority would bring about the following benefits:

- Improve the effectiveness and efficiency of transport in the area
- Improve the exercise of statutory functions relating to economic development, regeneration and transport in the area
- Improve the economic conditions of the area

Once the governance review and scheme are agreed, they are then submitted to the Secretary of State who must consult interested parties and be satisfied that the proposal will deliver the benefits outlined above. The Secretary of State then approves the scheme and a statutory instrument is used to effect the establishment of the Combined Authority.

The entire process is estimated to take at least a year given the requirement for parliamentary approval.

### **3. WHY ARE THEY BEING CREATED?**

Combined Authorities are about better collaboration between local councils on the big strategic issues that they cannot decide alone, such as transport investment or strategies for skills and economic growth. A Combined Authority would enable these decisions to be made more quickly and with more accountability because everyone would know how the decisions were

made and rules relating to governance and transparency similar to those of the Council would apply.

**4. HOW WILL YOU DECIDE WHAT AREA THE COMBINED AUTHORITY WILL COVER?**

This is a matter for the local councils to agree, but a Combined Authority should cover an area that makes sense economically and at the current time, the whole of a council's area has to be included. It also needs to be big enough to be able to compete and to pull together resources needed to support improved economic outcomes.

**5. WOULD THIS MEAN THE LOCAL AUTHORITIES BEING MERGED TO CREATE A UNITARY COUNCIL?**

No. The plans would see the constituent councils continuing to exist in their own right and current form with the Combined Authority potentially having a decision making role in relation to strategic economic development, transport, infrastructure and skills.

**6. DOES A COMBINED AUTHORITY MEAN THE AREA WOULD HAVE TO HAVE AN ELECTED MAYOR?**

No. The Greater Manchester Combined Authority and its ten constituent councils have agreed to have a directly elected mayor as part of a further devolution deal with the Government. However there are no plans to replicate this arrangement elsewhere (and certainly not outside of the major conurbations) and in any event an elected mayor can only happen if local councils agree to it.

**7. WOULD A COMBINED AUTHORITY ADD ANOTHER LAYER OF BUREAUCRACY AND MAKE DECISION MAKING MORE REMOTE?**

Combined Authorities should make decision making simpler for strategic transport and infrastructure, employment and skills and economic development. The Combined Authority would take decisions for the whole of the area without having to return to the individual councils to have decisions confirmed.

Combined Authorities and councils can hold powers concurrently. This is likely to be the case at the point of establishing the Combined Authority, as the scheme will likely recommend that the role and remit of the Combined Authority is not restricted too much. Extending the role and remit of the Combined Authority once it is established is extremely difficult. Over time, it would be anticipated that the concurrent holding of powers would reduce as the Combined Authority and its constituent authorities reach agreement about where powers and functions are best held.

**8. WOULD THE COMBINED AUTHORITY HAVE CONTROL OVER PLANNING DECISIONS AND HOUSING ALLOCATIONS?**

No. A Combined Authority can only have influence on land use strategies if all members decide to give it that function. Even then the members could decide that such decisions would need to be unanimous so that any council would effectively have a veto. A Combined Authority cannot take planning decisions on specific sites or approve Local Development Plans – that remains a matter for each individual district or unitary council.

**9. WOULD THE UPPER TIER AUTHORITIES RETAIN RESPONSIBILITY FOR ROADS IN THEIR AREAS?**

Yes. Local authorities would still be the Highways Authorities with responsibility for repairs and maintenance. The Combined Authority would be a strategic body and would only get involved in strategic transport decisions. However there will be opportunities for closer working on highways issues to drive greater efficiencies across the area.

**10. HOW WILL A COMBINED AUTHORITY WORK IN A TWO TIER AREA?**

There is no reason why a Combined Authority in a two tier area should not function in a very similar way to one in a metropolitan area. The most significant difference in a two tier area is the lack of an existing Passenger Transport Executive or Integrated Transport Authority.

**11. DOES THE COMBINED AUTHORITY HAVE TO REFLECT LOCAL POLITICAL PROPORTIONALITY?**

It will be up to the constituent members to decide in the scheme whether and how issues relating to political proportionality will be resolved. It is up to each Council to decide which members to appoint and there is no legislative requirement for political balance across the Combined Authority.

The latest Government consultation on Combined Authorities proposes that each Combined Authority will have to demonstrate effective overview and scrutiny arrangements and that these should, where possible, reflect the political proportionality of the area concerned.

**12. HOW WILL VOTING WORK IN THE COMBINED AUTHORITY?**

This will depend on how the governance of the Combined Authority is established and there is no set model for constituent authorities to follow. That said, most Combined Authorities have adopted a 'one member, one vote' policy with varying approaches to the requirements for decisions to be unanimous. This latter point could be different within the Combined Authority's governance arrangements (i.e. unanimous votes could be required

for items of strategic importance with significant financial implications whereas less significant issues could be dealt with by simple majority vote).

Once decisions are reached in the Combined Authority they would be binding on all constituent members and would not require further approval by individual councils.

Under the current legislation, all constituent parties would have to implement the decisions made by the Combined Authority. Constituent parties cannot opt in or out of decisions. The Government proposed amendments to the legislation in the spring of 2014 that would have 'allowed combined authorities to exercise their functions on a patchwork basis across their area'. The Government has not yet published its response to the consultation on the amendments and it is therefore not clear whether this proposed change will be implemented.

### **13. HOW WILL THE COMBINED AUTHORITY RELATE TO THE D2N2 LEP?**

A Combined Authority would not replace the D2N2 LEP, which is a recognised part of the economic development and growth partnership infrastructure and which remains the Government's preferred vehicle for business led growth in England. In simple terms, the LEP provides the voice of the private sector and will retain decision making prerogative although this will have to reflect the priorities of the Combined Authority.

The Combined Authority would potentially complement the LEP by securing powers in its own right to exercise in Nottinghamshire which would support and enable the overall objectives of the LEP. The Combined Authority would give the Government the certainty of structure and accountability necessary to devolve more significant resources and powers to the local area – whether that be to the D2N2 LEP or the Combined Authority itself.

The existing Combined Authorities in England are all co-terminous with their LEPs. This would be different in D2N2 where there would be two Combined Authorities based on county geographies sitting underneath the D2N2 Board. It is not yet clear what the implications of this would be for D2N2; however the Government has stated that it expects to see seamless working between Combined Authorities and LEPs.

### **14. WILL THE COMBINED AUTHORITY COST MORE? WILL IT NEED A CHIEF EXECUTIVE AND STAFF?**

The Combined Authority should not have major cost implications. Constituent authorities may be required to contribute limited resources to the secretariat function and possibly toward some communications activities. The Combined Authority in itself will not require a Chief Executive or any officer support,

unless this is the will of the constituent members. The Combined Authority does, however, have to have statutory officers such as Head of Paid Service and Section 151 Officer. However these could be posts that are held concurrently by a Head of Paid Service from one of the constituent authorities.

The Combined Authority should present an opportunity for more formal consideration of shared services in the area, particularly for economic development. This could lead to cost savings and efficiencies in the longer term.

#### **15. HOW WOULD THE COMBINED AUTHORITY BE SCRUTINISED?**

This is unclear in Nottinghamshire where constituent councils have a mix of Cabinet and Committee systems of governance. For the County Council and its Committee system, further work would need to be done in terms of how effective scrutiny of the Combined Authority would be undertaken. All existing Combined Authorities have one or more scrutiny committees. The Government has indicated that good practice is for there to be a political balance across the councils involved and has consulted upon putting this in to the legislation, but the results of this consultation are not yet known.

#### **16. HOW WOULD THE COMBINED AUTHORITY AFFECT EXISTING COUNTY COUNCIL COMMITTEES?**

The County Council Committees that would be affected by a Combined Authority are Economic Development, Transport and Highways and, to some extent, Policy.

Economic Development Committee would be most affected as decisions on strategic economic development issues would all be taken at the Combined Authority. Operational decisions relating to the County Council's resourcing of economic development activity could still be taken at Economic Development Committee if this were felt to be appropriate.

Transport and Highways Committee would continue to determine the operational priorities of the Council's highways services. Decisions on strategic transport issues such as transport majors funding priorities would be taken by the Combined Authority (these are currently undertaken by the D2N2 Local Transport Body). Local Transport Plans, external funding bids, Strategic Transport Policy, transport modelling and travel planning powers would be held concurrently by the Council and the Combined Authority.

Policy Committee currently considers issues relating to strategic economic development (i.e. approving and monitoring the Nottinghamshire Growth Plan). In all likelihood this role would transfer to the Combined Authority.



NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the **ECONOMIC DEVELOPMENT COMMITTEE** held on Wednesday, 21<sup>st</sup> January 2015 in Room G21, Kelham Hall at 5.30pm.

PRESENT: Councillor D.J. Lloyd (Chairman)  
Councillor P.C. Duncan (Vice-Chairman)

Councillors: G.P. Handley, D. Jones, D.R. Payne, J.M. Peck, M. Pringle, R. Shillito, F.R. Taylor, D. Thompson and T. Wendels.

SUBSTITUTES: Councillor D.R. Payne for Councillor R.V. Blaney

ALSO IN ATTENDANCE: Councillor J.E. Hamilton

42. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors R.V. Blaney and Mrs M. Dobson.

43. 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.

44. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

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

45. MINUTES OF THE MEETING HELD ON 12<sup>TH</sup> NOVEMBER 2014

Minute No. 31 – Council’s Draft Revenue Budget 2014/15 – 2018/19  
(Second Paragraph from End)

Insert the following wording:

*‘other than the income from planning fees, additional planning fee income should be ring fenced in a reserve for future one-off spend, for example conservation area character assessments and management plans.’*

AGREED (unanimously) that, subject to the above amendment, the Minutes of the meeting held on 12<sup>th</sup> November 2014 be approved as a correct record and signed by the Chairman.

46. FEES & CHARGES – CAR AND LORRY PARKING

The Committee considered the report presented by the Business Manager – Car Parks & Markets in relation to the proposed changes to the tariffs for car and lorry parking in Newark.

The report provided both statistical and financial information resulting from the trial undertaken at the Mount Street Car Park. Using this information, a review had been made of other Newark car parks resulting in a recommendation to operate only two tariffs in the town: inner and outer. In relation to the lorry park, it was reported that income was above target. Officers were recommending that an increase of £0.50 be applied for the 24 hour period with the charge increasing to £12.50. Also contained within the report was information as to how potential changes to tariffs in the Southwell car parks, to bring them into line with that proposed in Newark, would affect income.

In relation to the Southwell car parks, Members agreed that the existing 2 hours free parking continue for a period of 12 months. It was noted that if this was removed it would create congestion from on-street parking and be detrimental to the town's economy, both from visitors and shoppers.

In relation to the proposed options available for the amendment to tariffs, Members agreed that Tariff B was the preferred choice. Members noted that this simplified the existing tariff but that more could be done in future. It was acknowledged that the change would result in an increase in costs in the short stay car parks, however, the changes would, it was hoped, encourage drivers to use the longer stay car parks (such as the Livestock and Riverside car parks), thereby creating a clearer division between the inner and outer Newark car parks.

The increase in income was noted together with the apparent cautious estimates of future income with Members querying whether this was due to the change in tariff or drivers behaviour. In response, Officers advised that it was difficult to say although the changes had been well received. It was also felt that this would also be the case if applied to the London Road car park.

AGREED (unanimously) that:

- (a) the existing 2 hours free parking in the Southwell car parks continue for a period of 12 months;
- (a) the Tariff B option be recommended to the Policy & Finance Committee for car parking tariffs at Newark;
- (b) the fee for lorry parking be increased from £12,00 to £12.50; and
- (c) the Council proceed with a cashless parking offer as an additional alternative to pay and display.



47. ECONOMIC DEVELOPMENT COMMITTEE REVENUE BUDGET 2015/16 TO 2019/20

The Committee considered the report presented by the Director – Resources in relation to the budget and scales of fees and charges for the areas falling under the remit of the Economic Development Committee for 2015/16 and future years.

The report contained information as to the revenue budget proposals and the level of fees and charges which had been considered within the framework set out in the Corporate Charging Policy.

AGREED (unanimously) that:

- (a) the final Committee budget as shown at Appendix A be recommended to the Policy & Finance Committee at its meeting on 25<sup>th</sup> February 2015 for inclusion in the overall Council budget; and
- (b) the scale of fees and charges as shown at Appendix B be recommended to Policy & Finance Committee at its meeting on 25<sup>th</sup> February 2015 and Council on 10<sup>th</sup> March 2015.

48. LOCAL DEVELOPMENT FRAMEWORK PROGRESS REPORT

The Committee considered the report presented by the Business Manager – Planning Policy in relation to progress of the various elements of the Local Development Framework (LDF) contained within the Local Development Scheme (LDS) timetable. The report also provided Members with a proposed new timetable for the production of the Gypsy & Traveller Development Plan Document and to endorse the proposed contents of the Draft Preferred Strategy Consultation Paper.

Progress on the various elements of the LDF were reported as was the timetable in relation to the Gypsy & Traveller DPD. Members noted the renewed interest of the East Notts. Travellers Association in engaging in the consultation with Officers stating that this was to be welcomed.

AGREED (unanimously) that:

- (a) the progress towards meeting the timetable of the adopted Local Development Scheme be noted;
- (b) the proposed amendment to the Local Development Scheme to reflect the consultation dates and proposed adoption date of the Statement of Community Involvement be approved;
- (c) the Local Development Scheme be amended to reflect the proposed timetable at paragraph 4.3 of the report;
- (d) the amended Local Development Scheme comes into force on 22<sup>nd</sup> January 2015;

- (e) Section 5 of the report form the basis of a Preferred Strategy Consultation Document; and
- (f) the Deputy Chief Executive be given delegated authority, in consultation with the Local Development Framework Task Group and the Chairman of the Economic Development Committee, to consult on a finalised Preferred Strategy Consultation Document.

49. PLANNING POLICY AND AFFORDABLE HOUSING CONTRIBUTION THRESHOLDS

The Committee considered the report presented by the Business Manager – Planning Policy in relation to the Government’s recent changes to guidance on affordable housing thresholds, its impact on the District’s planning policy and possible ways to mitigate the impact thereof. In addition to the information contained in the report, Members were informed that West Berkshire and Reading District Councils were seeking a judicial review into this change in guidance.

Whilst acknowledging the contents of the report, Members expressed their regret, stating that in their opinion this was a retrograde step in planning terms and curtailed the Council’s ability to provide affordable housing within the district.

In response to a Member’s comment that affordable housing targets were infrequently met on developments, Officers advised that this was not the case, stating that the threshold on the Fernwood development was expected to be fully achieved, as had been on other developments. However, it was acknowledged that targets were not achieved frequently enough and the Council needed to try to secure as much affordable housing as possible. It was noted that it was currently difficult to achieve the targets on smaller to medium sized development. However, some developers offered a commuted sum which enabled affordable housing to be provided in an alternative location. Officers advised there was a balance to be made between housing need and market forces.

AGREED (unanimously) that:

- (a) the contents of the report be noted;
- (b) the proposed approach set out in paragraph 4.1 of the report be endorsed for use in the determination of planning applications; and
- (c) Officers investigate seeking designation of qualifying “Rural Areas” in Newark & Sherwood District under Section 157(1) of the 1985 Housing Act.

50. NEWARK SIGNAGE STRATEGY

The Committee considered the report presented by the Business Manager – Economic Development which provided the rationale and proposed delivery for the new Signage Strategy for Newark.

The report provided information as to the rationale for the Signage Strategy, giving specific detail on the findings in relation to road and pedestrian signs including issues relating to incorrect signage, out of date signage and the need to ensure effective signage for the National Civil War Centre. It also provided a summary of the key themes arising from the consultation events held in October 2014. More in depth information was also provided on highway signage; pedestrian signage; and overall capital expenditure.

In relation to how the town should be referred to on all the proposed new signage, Members were in agreement that the shorter version of Newark was the preferred description and not Newark-on-Trent. Members were advised that negotiations were ongoing with the Highways Agency as to what wording was permissible on brown signs in relation to the National Civil War Centre.

In relation to the twinning signs within the town, Members requested that Newark Town Council be kept briefed as to any proposed changes.

Members discussed the ongoing issues of the use of A Boards and that this was in breach of Nottinghamshire County Council's (NCC) Signage Policy. It was reported that the District Council were to carry out a review of the area with NCC being requested to allow the District Council to undertake enforcement on their behalf. A Member also requested that this review also be carried out in Edwinstowe.

AGREED (unanimously) that:

- (a) the signage strategy be agreed and discussions with relevant agencies and tender exercise required be commenced;
- (b) options to gain financial support via Nottinghamshire County Council and any other sources be undertaken;
- (c) at outer levels of signage:
  - (i) only the name of Newark be used: and
  - (ii) Newark be described as an Historic Civil War Town;
- (d) the crossed swords symbol of the battlefield be used for the promotion of the National Civil War Centre (NCWC);
- (e) the Newark Attractions car parks be identified as those near to Newark Castle Station with signs identifying them as Attractions Car Parks/Tourist Long Stay Car parks;
- (f) the pedestrian signs are updated and replaced with similar looking signs that are easier to maintain and replace by section, if needed;
- (g) the twinning signs be retained, although there may be some inconsistencies which will be reviewed, with any changes being notified to Newark Town Council;

- (h) the implementation of the Signage Strategy be undertaken as soon as possible; and
- (i) the Committee support the proposal to rename the current Tolney Lane Car Park to the Riverside Car Park.

51. A COMBINED AUTHORITY FOR NOTTINGHAM AND NOTTINGHAMSHIRE

The Committee considered the report presented by the Chief Executive in relation to the proposal for a Nottingham and Nottinghamshire Combined Authority prior to its consideration at Full Council on 10<sup>th</sup> February 2015.

The report set out the proposals together with the high level vision and ambition agreed by Nottinghamshire's Leaders and Chief Executives. It also provided detail as to the powers the combined authority would have relating to strategic economic development, transport and regeneration within Nottinghamshire and Nottinghamshire as well as details of the financial implications. Members were asked to comment on the proposals prior to the matter being voted on at Full Council on 10<sup>th</sup> February 2015.

A Member noted that the Council was currently looking to devolve operations to Town and Parish Councils; operations for Leisure Services was to be managed by a Trust; housing had been managed by an arm's length management organisation (Newark and Sherwood Homes) for a number of years and this appeared to be potentially a further loss of powers. There appeared to be a strong focus on transport but no set model on the voting process. The Member expressed concern that Newark & Sherwood DC would lack influence and there appeared to be no process from withdrawing from the Combined Authority or a way in which arbitration could be undertaken. Concern was expressed that Newark would be expected to contribute financially to the expanding tram network in and around Nottingham but that they would never benefit directly from the service. It was also noted that there appeared to be a lack of transparency as to how the authority would be governed with no obvious role for scrutiny.

In response, the Chief Executive advised that the Combined Authority would be subject to the same rules and procedure as a district council. He added that there was provision in the act for scrutiny and that political balance must be observed as far as practical. He acknowledged that both NCC and NSDC did not operate Executive arrangements but that if the Combined Authority went ahead, both would choose Members to take part in the scrutiny process.

A further Member agreed that it was understandable to have misgivings as there were many questions still to be answered, adding that it was likely that the public would also be concerned. However, it was his opinion that the matter should be pursued as all national political parties were in favour of this type of governance. He added that all parties must bear in mind that a Combined Authority gave council's an opportunity to draw in financial assistance which would benefit the whole county and not to support the Combined Authority would leave Nottinghamshire behind economically.

A Member noted that it was his understanding that the region had missed out on D2N2 development as they had not spoken with unity, adding that the matter should be explored in an attempt to strengthen the county's position.

It was noted that Section 2, Paragraph 8 of the draft Scheme made reference to powers, functions and funding. There was also no mention of the power to borrow, strategic planning functions were mentioned but was silent on specific planning powers. It was suggested that the Scheme may need strengthening.

The Chief Executive commented that Civil Service advice was that authorities that wished to set up a Combined Authority may only gain one opportunity to do so and should therefore ensure the scheme covered as many options as may be required.. He stated that there must be unanimity between all constituent authorities in order to 'switch-on' powers and this was also the same for the ability to borrow. He added that if the Combined Authority chose to borrow it would be more cost effective than an individual authority doing so due to economies of scale.

In relation to the statutory tests that certain criteria were met, the Chief Executive advised that the process would have to be followed as the Secretary of State must be assured that the establishment of a Combined Authority would not be cost prohibitive. It was anticipated that the running cost would be in the region of £30,000 per annum which is the same as the Joint Economic Prosperity Committee and that any additional costs for project work could be pooled.

In relation to transportation it was noted that at present the Council had little locus but that there was concern about issues within the district. If the Combined Authority was established this would enable them to have a voice at the table and the ability to influence decision making.

Members queried whether it was possible to include the issue of flood prevention which was a priority matter within the district. The Chief Executive advised that it was clear that the Combined Authority Scheme must be framed within the Act but that it may be possible to add additional issues in. However, it was noted that the main topics were to be Regeneration; Economic Development; and Transportation.

Members queried whether it would have been better economically to have a wider authority base e.g. Nottinghamshire, Lincolnshire and Derbyshire. They were advised that consideration had been given to Nottinghamshire and Derbyshire but not Lincolnshire. However, the Leaders of the authorities had taken the view that the Combined Authorities be kept separate but that strong working relationships be fostered through the Leaders' Board and also integration with the Local Enterprise Partnership.

Members again raised concern about the potential lack of scrutiny of the Combined Authority. They were advised that when work began in earnest, groups would be drawn from each authority, both at Officer and Elected Member level and scrutiny would be a requirement. There would be a Panel from each local authority and as far as pragmatic, political balance would be reflected, however, this was not yet defined, although the law required it.

It was noted that in relation to transport, relatively small schemes would not be a matter for the Combined Authority as they would be focus on regional high level strategic planning.

AGREED (unanimously) that

- (a) the above comments be reported to Full Council on 10<sup>th</sup> February 2015 when considering the proposal; and
- (b) the comments on the draft Governance Review and Scheme to inform the final drafting these documents.

The meeting closed at 7.30 pm

Chairman

## NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the **SPECIAL HOMES & COMMUNITIES COMMITTEE** held on Wednesday, 7<sup>th</sup> January 2015 in Room G23, Kelham Hall at 5.30pm.

PRESENT: Councillor R.B. Laughton (Chairman)

Councillors: Mrs B.M. Brooks, G. Brooks, Mrs T. Gurney (Opposition Spokesperson), Mrs S.M. Michael, J. Middleton, A.C. Roberts and B. Wells.

ALSO IN ATTENDANCE: Councillors: P.C. Duncan, J.E. Hamilton, G.P. Handley, R.J. Jackson, M. Shaw, R. Shillito, D. Staples and I. Walker.

### 31. APOLOGY FOR ABSENCE

An apology for absence was submitted by Councillor D. Thompson.

### 32. 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.

### 33. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

NOTED: that no elected Member, Officer or member of the public declared any intention to record the meeting.

### 34. NEWARK & SHERWOOD HOUSING MARKET AND NEEDS ASSESSMENT 2014

The Committee received a presentation from David Couttie of David Couttie Associates (DCA) which summarised the findings of the Newark & Sherwood Housing Market and Needs Assessment 2014 and Sub-Area Analysis Report. (Copy attached as Appendix A.) Having considered the presentation, Members commented as follows:

#### Aging Population

It was noted that the increase in the elderly population had been anticipated many years before. It was acknowledged that planning for the appropriate housing was now required for an increase in an aged, but more able bodied, population.

#### Percentage Return of Consultation

Members shared expressed some concern about the low return of consultations but Mr Couttie explained that experience dictated that this was normally around the 20% mark and that this gave statistically valid results. Mr. Couttie advised that in-depth checks and validation of the responses to the consultation were carried out

before the findings were collated and released.

#### Over/Under Occupation

It was noted that there were a number of tenants in social housing who wished to down size due to the commonly known 'bedroom tax' (Spare Room Subsidy) but were unable to do so as there was insufficient alternative accommodation available. Members queried whether the possibility of a change to this government policy following the impending general election had been considered during the collation of findings from the consultation.

In response, Mr. Couttie stated that whilst he was in broad agreement with one of the intended purposes of the policy, which was to reduce under-occupation in council housing, he felt it had been badly processed. He added that it was perhaps more relevant for Councils to be able to re-assess tenants' needs to ensure that they continue to live in a property that meets their current needs. He expressed the view that Councils should not be expected to subsidise tenants residing in properties that are too large for them, however this was predicated upon suitable smaller accommodation being available to move to as an alternative. If the flow of stock was increased, the issues surrounding over/under occupation would be lessened.

It was noted that it could be beneficial to this objective if new tenancies were for a fixed term and not a 'for life' tenancy with some Members suggesting that this might be a way in which the flow of stock could be increased.

Mr. Couttie stated that the problem was a cultural issue adding that no person's requirements remained static over a period of 40 years. He added that the balance of housing stock in new towns was poor, specifically citing Crawley as an example, but that there was little appetite to tackle the problem as it was an extremely sensitive issue.

It was noted that despite previous forecasts the population levels had not decreased. It was also noted that forecasts for these changed every 2 years and that census data was no longer reliable, especially in areas predominantly occupied by ethnic minorities.

#### Flexibility on Type of Accommodation

It was suggested by some Members that there needed to be more flexibility over the type and use of accommodation e.g. flats over shops and granny flats/annexes.

Mr. Couttie responded that to-date the use of 'over the shop' dwellings had been unsuccessful as many shop owners did not wish to release potential storage space. In relation to granny flats, he added that these had failed in the 1970's to provide accommodation but there seemed to be an increase in their popularity at present.

#### Threshold of Affordable Housing

It was noted that Planning Committee received information as to whether a development was in accordance with the affordable housing policy threshold when



considering an application. However, often a developer threatened to withdraw their application as they argued that it wasn't viable if the levels of affordable housing requirements were enforced, which sometimes led to the development being granted with a reduced level. It was suggested that a significant change was required in order to begin to meet the need of affordable housing in the district. It was also noted that the findings of the consultation could be used to influence Newark and Sherwood Homes' policies and that the Council needed more a strategic approach to this matter.

Mr. Couttie advised that it was possible for local authorities to maintain their required levels of affordable housing but in order to do so, all policies and strategies needed to be more closely linked together, with perhaps more co-operation between neighbouring local authorities.

Members expressed concern that the current financial climate did little to effect change in relation to the number of affordable accommodation being built. Mr. Couttie acknowledged this, adding that it was possible that Government priorities could change and funding be given to local authorities to fund a programme of building but that this would not happen with the existing structure of housing and planning policies.

The Chairman of the Committee thanked Mr. Couttie for his presentation, adding that it was for Members to use the information to influence decision making at the Council via planning and housing policies.

AGREED that the findings of the Newark & Sherwood Housing Market and Needs Assessment (HMNA) 2014 and accompanying Sub-Area Analysis be endorsed.

The meeting closed at 6.50 pm

Chairman



NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the **HOMES & COMMUNITIES COMMITTEE** held on Monday, 26<sup>th</sup> January 2015 in Room G21, Kelham Hall at 5.30pm.

PRESENT: Councillor R.B. Loughton (Chairman)  
Councillor G.S. Merry (Vice-Chairman)

Councillors: R.L. Bradbury, Mrs B.M. Brooks, G. Brooks, Mrs I. Brown, Mrs T. Gurney (Opposition Spokesperson), Mrs S.M. Michael, J. Middleton, A.C. Roberts and B. Wells

ALSO IN ATTENDANCE: Councillors: J.E. Hamilton, R. Shillito, Mrs L.M.J. Tift and I. Walker.

31. APOLOGY FOR ABSENCE

An apology for absence was submitted by Councillor D. Thompson

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

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

<u>Member/Officer</u>	<u>Agenda Item No.</u>
Councillors: Mrs T. Gurney, J. Middleton and B. Wells	Agenda Item No. 5 – Revenue Budget 2015/16 to 2019/20 – Personal Interest – Trustees of CAB Service.
Councillor B. Wells	Agenda Item No. 6 – N&SH Delivery Plan 2015/16 – Personal Interest – Director of N&SH.

33. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

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

*With the agreement of the Committee, the Chairman amended the order of the Agenda to as follows.*

34. HOUSING PERFORMANCE FRAMEWORK: TENANTS PANEL

The Committee considered the report of the Director – Safety in relation to the Tenants Panel 2014 Annual Report and the 2014/15 Work Plan in accordance with the housing performance framework established to monitor Newark and Sherwood Homes (N&SH), set against the Management Agreement and the Housing Revenue

Account Business Plan.

The report set out the requirements of the housing performance framework and the annual documentation to support this. The report also provided background to the national housing regulation framework introduced in 2012 together with the function and aims of the Tenants Panel and the current complaints procedure. The Chairman and Vice-Chairman of the Tenants' Panel were in attendance at the meeting and presented to the Committee a summary of their report for 2014.

Members queried whether there was any information as to the nature of complaints received by the Tenants' Panel. In response, the Chairman of the Panel advised that they were the third stage in the process for complaints which could not be resolved between N&SH and any tenants. He further advised that the Panel had only received 2 complaints in a 3 year period and that the Panel had not upheld either of these complaints. It was noted that the majority of complaints received by the Company were in relation to incomplete or unsatisfactory repairs and initially these were referred to the Repairs Section. If the matter remained outstanding these were then referred to the Tenants Panel. A Southwell Member, in attendance at the meeting, advised that he had been made aware of a complaint in relation to flooding that appeared not have been referred to the Panel. Members agreed that this matter be raised with N&SH.

A Member of the Committee advised, in order to be transparent in relation to her intended comments, that the Vice-Chairman of the Tenants' Panel and 5 of her own relatives resided within her ward. She stated that during her attendance at various monitoring groups it was apparent that N&SH Officers did not appear to listen to issues raised and also that they did not listen to the Tenants' Federation. She stated that 'walkabouts' were undertaken with relevant parties and that an issue raised some 5 walks previously remained unresolved. She also referred to damage caused by contractors who carried out works on behalf of N&SH, again repairs of which remained unresolved. In response, the Chairman of the Committee requested that the Member pass the information relating to unresolved issues to the Business Manager – Strategic Housing and that the matter be raised as a priority with N&SH.

The Vice-Chairman of the Tenants' Panel advised that they were currently unable to complete their review in relation to repairs and maintenance as they had not yet been supplied with all the necessary information. It was noted that due to efficiencies there had been changes to key staff within N&SH and that this had resulted in the information being unavoidably delayed but that a meeting with the relevant managers was scheduled for 7<sup>th</sup> February 2015.

Members raised concerns about repairs being undertaken after tenants had moved in and, in some cases, after they had decorated their properties which sometimes led to damage to those redecorations. They were advised that N&SH's local service standards stipulated that incoming tenants were made aware of proposals to undertake repairs when they took a tenancy of a property. It was acknowledged that tenants were required to view a property and sign for it prior to them moving in so would be aware of its condition. However, one Member commented that it was sometimes difficult to assess the state of a property on such viewings because often the windows of void properties were shuttered which resulted in poor lighting.

Having considered the above comments, the Chairman of the Committee gave an undertaking that he would raise the aforementioned concerns with Senior Officers of both the Council and the Company. He also requested that the Tenants' Panel attend a future meeting of the Committee to present their report into repairs when it was complete.

AGREED (unanimously) that:

- (a) the contents and findings of the Tenants Panel 2014 and Annual Report and Work Plan for 2014/15 be noted;
- (b) the Business Manager – Strategic Housing raise the issue of unresolved repairs with N&SH;
- (c) the Chairman raise the aforementioned concerns with the appropriate Officers; and
- (d) representatives of the Tenants' Panel be invited to present to Committee their report on repairs when complete.

35. HOMES & COMMUNITIES COMMITTEE REVENUE BUDGET 2015/16 – 2019/20

The Committee considered the report presented by Financial Services in relation to the budget and scale of fees and charges for those areas falling under the remit of the Committee for 2015/16 and future years.

The report contained information on the revenue budget proposals and the level of fees and charges that had been considered within the framework set out in the Corporate Charging Policy.

Members raised concerns about the reduction in the level of grants for the Citizens' Advice Bureau stating that in the current economic climate their work was increasingly vital. In response to a suggestion that monies be raised from raising fees for Gaming Licences, Members were informed that this was not permissible as the fees levied could only recover the costs of administering that particular service and could also not be diverted elsewhere. It was reported that when the Ollerton and Newark CABs amalgamated they were given an additional sum within the grant of £30,000 to reflect additional set up costs with the intention that this would be reduced gradually over a period of 4 years until the grant levels were at the previous levels for the two separate CABs, hence the reduction in grant reflected in paragraph 3.5.3 of the report. The Chairman requested that a check be made of the agreement so that the Policy & Finance Committee may have the information when considering the matter.

AGREED (by 6 votes for with 3 against) that:

- (a) the final Committee budget as shown at Appendix A be recommended to the Policy & Finance Committee at its meeting

on 25<sup>th</sup> February 2015 for inclusion in the overall Council budget;

- (b) the scale of fees and charges as shown at Appendix B be recommended to Policy & Finance Committee at its meeting on 25<sup>th</sup> February 2015 and Council on 10<sup>th</sup> March 2015; and
- (c) details of the grant agreement for the Ollerton and Newark CAB be forwarded to all Members of the Committee and to the Policy & Finance Committee at its meeting on 25<sup>th</sup> February 2015.

*Councillor Mrs I. Brown left the meeting at this point and took no further part.*

36. NEWARK AND SHERWOOD HOMES – DELIVERY PLAN

The Committee considered the report presented by the Director - Safety in relation to the proposal to adopt the Annual Delivery Plan with Newark and Sherwood Homes for the financial year covering 2015/16.

It was reported that the Annual Delivery Plan was one of the requirements of the Management Agreement and that its main purpose was to set and guide the main activities, standards or targets of the company's operations for the financial year, set against the Council's strategic priorities, its housing vision and outcomes and the need to sustain a viable HRA Business Plan. Contained within the proposed Delivery Plan was a progress report for the current year and the key activities for the forthcoming year.

Members referred to the figure quoted for the general needs tenants satisfied with the responsive repairs service being 76% for both the expected outturn and proposed target. They were informed that the way in which the figures were collated required review but that figures for the third quarter were yet to be included. It was suggested that more specific questions might be appropriate e.g. was your repair carried out within the agreed timescale? Members were reminded that it was important that the Committee recognise that it was for the Company's Board to monitor performance at an operational level whilst the remit of the Homes & Communities Committee was to look at matters on a strategic level.

Members queried what, if any, measures could be put in place to encourage tenant engagement. They were informed that N&SH had been requested the previous year to review tenant involvement and that a report into their findings would be reported to their Board and then on to the Council via this Committee.

AGREED that:

- (a) the 2015/16 Annual Delivery Plan for the Council's housing company, Newark and Sherwood Homes, be approved and implemented; and
- (b) the issue of performance on, and tenant satisfaction with,

responsive repairs be reviewed further by the Committee as part of its scrutiny of the performance of N&SH when examining the key performance indicators submitted quarterly to the Committee.

37. BUSINESS CONTINUITY POLICY AND STRATEGY – DRAFT

The Committee considered the report presented by the Business Manager – Community Safety in relation to the new Business Continuity Policy and Corporate Plan together with the new processes in place for the management of Business Continuity.

It was reported that the Business Continuity (BC) had been reviewed with a decision being taken to put new systems in place that would now concentrate on what was needed to delivery critical services. The process had also been streamlined and made fit for purpose to ensure that it focussed on strategically and critically important services and to ensure that expectations were realistic. Attached to the report was the proposed draft Business Continuity Policy.

The Committee also thanked the Business Manager – Community Safety for her work in Southwell in helping those affected by flooding to complete their applications for assistance.

AGREED that the Business Continuity Policy and Corporate Plan be approved.

38. NEWARK & SHERWOOD HOUSING MARKET AND NEEDS ASSESSMENT 2014

The Committee considered the report presented by the Business Manager – Strategic Housing in relation to the findings and recommendations of the Newark & Sherwood Housing Market and Needs Assessment 2014 (HMNA) and the accompanying Sub-Area Analysis report.

The report provided information as to how the findings of the assessment would be considered against the Council's wider strategic priorities and objectives, listing the key corporate strategic documents covering housing, planning and the economy.

Members agreed that the presentation on the findings of the assessment on 7<sup>th</sup> January 2015 had been extremely useful, highlighting the urgent need for more small units of accommodation mainly 2 bedrooms throughout the district. This would enable older residents to downsize when they no longer required a larger property.

Members agreed that the Scarborough Road, Bilsthorpe development offered quality accommodation to tenants but queried the demographics of who the units were intended for. It was confirmed that the intention was for Nottinghamshire County Council to have nomination rights to 9 units for older persons with extra care needs with the remainder being for use by general needs older people.

It was noted that affordability was a real issue across the District. It was confirmed

that the Council would deliver some 100 affordable units over the current 4 year forecast and there were plans currently being assessed to increase this figure significantly.

AGREED that the findings of the Newark & Sherwood Housing Market and Needs Assessment (HMNA) 2014 and accompanying Sub-Area Analysis report be noted and endorsed and be used to inform the Council's key housing, planning and economic strategic document.

The meeting closed at 6.53 pm

Chairman



## **NEWARK AND SHERWOOD DISTRICT COUNCIL**

Minutes of the meeting of the **LEISURE & ENVIRONMENT COMMITTEE** held in Room G21, Kelham Hall, Newark on Tuesday, 13<sup>th</sup> January 2015 at 5.30 pm.

PRESENT: Councillor A.C. Roberts (Chairman)

Councillors: R.V. Blaney (Ex-Officio), J. Bradbury, G. Brooks, P.C. Duncan, R.J. Jackson, Mrs C. Rose, M. Shaw, Mrs L.A. Shilling, D. Staples, Mrs L.M.J. Tift, D. Logue and T. Wendels.

ALSO IN ATTENDANCE: Councillors: Mrs C. Brooks, Mrs B. Brooks, J. Hamilton, R. Shillito, and Mrs S. Soar.

### 57. APOLOGIES FOR ABSENCE

There were none.

### 58. MINUTES OF THE MEETING HELD ON 18<sup>TH</sup> NOVEMBER 2014

AGREED that Minutes of the meeting held on 18<sup>th</sup> November 2014, be approved as a correct record and signed by the Chairman.

### 59. MINUTES OF THE MEETING HELD ON 9<sup>TH</sup> DECEMBER 2014

AGREED that Minutes of the meeting held on 9<sup>th</sup> December 2014, be approved as a correct record and signed by the Chairman.

### 60. 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.

### 61. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

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

### 62. LEISURE & ENVIRONMENT REVENUE BUDGET 2015/16 TO 2019/20

The Committee considered the report presented by the Assistant Business Manager Financial Services, which informed Members of the budget and scales of fees and charges for the areas falling under the remit of the Leisure and Environment Committee for 2015/16 and future years.

The current draft budget showed a reduction in 2015/16. Direct service expenditure including deferred and capital charges, and all central services recharges currently showed an overall decrease of £434,030 against 2014/15 budget, less the superannuation adjustment of £340,900 when central recharges and capital were excluded the saving became £55,370 (1% on the comparable base budget). Major variations between 2014/15 and 2015/16 were itemised in the report.

A Member asked whether a family day pass could be introduced in order to encourage families to visit the National Civil War Centre. The Business Manager – Civil War Centre confirmed that this had been put through the fees and charges and a decision had been made not to have a family day pass.

It was further commented that an annual family pass had been proposed which was £1.00 cheaper to purchase than separate day tickets. A Member asked that the price of the annual family ticket be increased.

The Chairman commented that the Civil War Centre was a discretionary service and revenue costs needed to be kept down. The fees and charges would be reviewed again in 2016.

A Member requested a full year forecast for 2014/15, be provided to Members before the March Committee meeting. It was confirmed that the figures for expenditure to date would not be prepared until the end of January 2015, which would be based on January figures. The Chairman suggested that the figures be provided early February, to Members of the Committee via email.

It was further commented that the reporting of accounts needed to be reviewed. A Member felt that it was not appropriate for the Committee to recommend the report to the Policy and Finance Committee when Members did not have the estimated budget outcome for 2014/15. It was suggested that a full year forecast at the end of each quarter be presented to Members.

The Director – Resources commented that there would be a significant resource implication to enable that work to be undertaken and resources were not currently in place to deliver this additional work. The Chairman suggested that Policy and Finance address this matter.

AGREED (unanimously) that:

- (a) the final Committee budget as contained within Appendix A of the report be recommended to Policy and Finance Committee at its meeting on 26<sup>th</sup> February 2015 for inclusion in the overall Council budget;
- (b) the scales of fees and charges as contained within Appendix B of the report be recommended to Policy and Finance Committee at its meeting on 26<sup>th</sup> February 2015 and Council on 10<sup>th</sup> March 2015; and
- (c) financial monitoring information be provided in early February to Members of the Committee via email.

#### 63. NEWARK CASTLE GATEHOUSE TOWER PROJECT

The Committee considered the report presented by the Business Manager Parks and Amenities, which advised Members regarding the Newark Castle Gatehouse Tower project, which involved carrying out major improvements to the Gatehouse Tower at

Newark Castle.

The Director – Resources informed the Committee that the £20,000 funding was capital expenditure. A report would need to be submitted to the Policy and Finance Committee to inform Members that there would be further financial implications for the whole scheme in addition to the £20,000 funding. The potential estimated scheme costs would total £800,000.

A Member sought clarification as to whether there would be a café and catering facilities within this project. It was confirmed that a café was not being considered. A shop and vending machine had been considered and would be profitable.

A Member commented that the Leisure and Environment Committee had lost contact with the Gilstrap Trust now they had their own group meetings, future reports were requested. The Director – Community suggested that Councillor Payne as Chairman of the Gilstrap Trust be asked if copies of the minutes could be circulated via email to the Committee.

A Member commented that further work was required to link this project to the National Civil War Centre. There was the opportunity to have a joint ticket for the Gatehouse Tower and the National Civil War Centre and vice versa to be taken in one credit card transaction. A report was also to be taken to the Economic Development Committee and Policy and Finance Committee regarding the reimbursement of car parking in the Appleton Gate car park, when attending the National Civil War Centre, which could also be extended to include the Gatehouse Tower.

AGREED (unanimously) that:

- (a) the progress made on the project to carry out major improvements to the Newark Castle Gatehouse be noted and support be provided for further work on the project and the submission of a Stage 1 Heritage Lottery Fund bid;
- (b) a bid for District Council Capital Programme funding of up to £20,000 towards the stage 1 Heritage Lottery Fund application be supported and a report be sent to Policy and Finance Committee seeking formal approval; and
- (c) the Chairman of the Gilstrap Trust be asked if copies of the minutes could be circulated via email to the Committee.

64. NEWARK AND SHERWOOD HEALTH FORUM – MEMBER REPRESENTATION

The Committee considered the report presented by the Director – Community, which informed Members of the outcome of the inaugural meeting of the newly formed Newark and Sherwood Health Forum and proposals for Member representation on the Forum.

AGREED (unanimously) that the following three Members represent the Leisure and Environment Committee on the Newark and Sherwood Health Forum.

- (i) Councillor A.C. Roberts, representing the East of the District;
- (ii) Councillor D. Staples, representing the West; and
- (iii) Councillor Mrs C. Rose, representing the rural communities.

65. NEWARK CASTLE EDUCATION EVENTS

The Committee considered the report presented by the Director – Community, which informed the Committee of the proposed historic re-enactment and educational events at Newark Castle for 2015 and 2016.

The Director – Community informed the Committee that there was a typographical error within the report regarding the anniversary date; the correct date was the 800<sup>th</sup> anniversary of the signing of the Magna Carta and the death of King John.

The Chairman suggested that the Authority work in partnership with Lincoln City Council regarding advertising events as one of the original twelve copies of the Magna Carta was on display at Lincoln Castle which could be linked across the two districts to promote both areas.

AGREED (unanimously) that the planned educational events and activities to be held at Newark Castle in 2015 and 2016 be noted.

66. HEALTH AND WELLBEING/HEALTH SCRUTINY

The Chairman provided a verbal update regarding the Joint Health Scrutiny Committee (JHSC) workshop that he had recently attended. The workshop discussed the Health Service budget, the total spend on health care for Nottinghamshire was in excess of £1 billion per year.

It was reported that the Clinical Commissioning Group (CCG) and other organisations which had the role of promoting Health and Wellbeing in the County were working hard together and were producing a strategy for the ageing demographic.

Councillor Staples provided an update from the Health Scrutiny meeting that he had attended in November 2014. The meeting had covered the following areas:

- Sherwood Forest Hospitals NHS Foundation Trust
- Bassetlaw Clinical Commissioning Board
- Diabetic Care in Bassetlaw
- New Obesity Services
- County's Public Health

The County's Public Health item covered the way in which services were being commissioned. It had been acknowledged that the recent crisis within the hospitals needed to be addressed. Diabetes was a significant issue; talks included changes/improvements and how that could be dealt with/cared for.

67. CHAIRMAN'S UPDATE

The Chairman had no updates for the Committee.

68. LEISURE COMMISSIONING

The Committee considered the report presented by Business Manager Revenues and Benefits, which sought Committee comments on the report and recommendations before being presented to the Policy and Finance Committee for decision on 29<sup>th</sup> January 2015. It was noted that the items referred to in the appendices were working documents which were subject to some revision. Policy and Finance Committee had asked that an invite be extended to Members of the Leisure and Environment Committee to attend the Policy and Finance Committee meeting to be held on 29<sup>th</sup> January 2015, when the documents would be at a more advanced stage.

The report to the Policy and Finance Committee would seek to approve to move forward the final stage and implementation of the arrangements for the establishment of a wholly owned Council company for the management of the Authority's leisure centres and the Sports Development Service. This included the three leisure centres currently operated by the Council (i.e Blidworth, Dukeries and Grove) and the new leisure centre. The report detailed the scope for the project; the key documents; Governance and Board Structure; Financial Projections; Management Structure and Staffing; Pensions; Support Services; Relationship with Southwell Leisure Trust (SLT); Company Set-up; Dukeries Leisure Centre; Equalities Implications; and Impact on Budget/Policy Framework.

The Committee was advised that the Report including Appendices A, B and C would be considered in open business. Appendix D which related to the draft Business Plan and proposals for the operation of the leisure facilities and associated sports development services in Newark and Sherwood, contained information about employees which was considered to be exempt at this stage. Appendix D would therefore be considered if necessary in closed session.

The Committee considered the report and the following issues were raised:

Clarification was sought as to whether the Chairman of the Board would be a Councillor, in order for the level of the decision making to remain in the control of the District Council.

It was confirmed that there were various proposed protections to ensure that the District Council remained in control. There would be a board of six; the Managing Director would take one of those seats which would be non-voting. A quorum of three had been included, two of whom would be Councillors. The Council representatives would have the majority, the Chairman having the casting vote. The Councillors would have the opportunity to nominate a Councillor to act as Chairman.

A Member raised concern regarding who the nominated three Councillors would be and suggested that should be non-political. The Councillors allegiance should be to the running of the board and not to their political persuasion. It was confirmed that there was no requirement for the Members to be from the Policy and Finance Committee, although the Policy and Finance Committee would be asked to nominate Members to the Board.

The Chairman confirmed that the Leisure and Environment Committee were the commissioning committee and would have a say on the company operation.

A Member sought clarification regarding the bullet point contained within part 5 of Appendix A which detailed the borrowing of money. A further bullet point within part 5 was also referred to and it was commented that payment to Directors would not be a helpful move. It was confirmed that the company would not own any property, but the company in its own right may acquire property which would not be land, but which it could then borrow money against. The documents were work in progress and there was nothing included within the Memorandum of Association for Directors to receive remuneration, other than to claim expenses.

A Member sought clarification regarding the fees and charges and concern was raised regarding whether the inclusion of that would allow the company to run efficiently, when the Leisure and Environment Committee could control that. It was confirmed that the issue was one of balance and fees and charges had been included in order to prevent the Council being put at risk.

A Member commented that the whole theme of this was partnership and suggested that representatives of the Town and Parish Councils should be included on the Board at some level.

AGREED (unanimously) that the comments of the Leisure & Environment Committee be submitted to the Policy & Finance Committee at its meeting on 29<sup>th</sup> January 2015.

69. 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 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.

70. LEISURE COMMISSIONING

The discussion regarding the leisure commissioning report continued under exempt business. Members suggested a number of improvements to the wording within Appendix D.

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

71. RIBA STAGE D REPORT INTO INTEGRATION OPPORTUNITIES AT THE PALACE THEATRE, NATIONAL CIVIL WAR CENTRE – NEWARK MUSEUM AND TOURISM INFORMATION CENTRE

The Committee considered the report presented by the Director - Customers, which sought to update the Committee on the proposed visitor information centre design and the business case, following the completion of work on a detailed design and specification stage, public consultation period and soft market testing of the café bar

business opportunity. Furthermore, the report sought to update Members on conversations with prospective funders about the development of the National Civil War Centre and Palace theatre site. The report specifically sought to recommend to Policy and Finance Committee that:

- Approval of the RIBA Stage D Business Case and design and, subject to approval;
- Permission to submit a planning application to build the Visitor Information Centre and, subject to planning approval being granted;
- To enter into a competitive procurement process to identify a main building contractor and caterer to operate the café bar; and
- To recommend to Policy and Finance Committee that the new Visitor Information Centre be included as a scheme in the Council's committed Capital Programme.

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

The meeting closed at 7.55pm.

Chairman





NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the **GENERAL PURPOSES COMMITTEE** held on Thursday, 15<sup>th</sup> January 2015 in Room G21, Kelham Hall at 5.30pm

PRESENT: Councillor I. Walker (Chairman)  
Councillor Mrs L.M.J. Tift (Vice-Chairman)

Councillors: R.L. Bradbury, Mrs B.M. Brooks, Mrs C. Brooks, G. Brooks, Mrs I. Brown, Mrs R. Crowe, P.R.B. Harris, Mrs S.M. Michael, D.R. Payne, Mrs L.A. Shilling, Mrs S. Soar and Mrs M. Tribe.

ALSO IN ATTENDANCE: Councillor R. Shillito

23. APOLOGY FOR ABSENCE

An apology for absence was submitted by Councillor M. Pringle.

24. 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.

25. DECLARATION OF INTENTION TO RECORD MEETING

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

26. MINUTES OF MEETING HELD ON 20<sup>TH</sup> NOVEMBER 2014

AGREED that the Minutes of the meeting held on 20<sup>th</sup> November 2014 be approved as a correct record and signed by the Chairman.

27. STREET COLLECTIONS 2015

The Committee considered the report presented by the Business Manager – Environmental Health in relation to the applications for street collections received for the forthcoming year.

Members were informed that consultations had been undertaken with Newark Town Council, Southwell Town Council and Ollerton & Boughton Town Council. It was noted that Southwell Town Council had raised no objections to the applications for collections in Southwell Town Centre. Ollerton & Boughton Town Council had confirmed that they were in agreement with applications in their area and Newark Town Council had supported 4 out of 8 applications. They had recommended the refusal of 2 applications and were to make a decision on the remaining.

A Member of the Committee commented that Newark Town Council's Street Collection Policy appeared too parochial and that this should be considered when determining the applications in relation to their recommendations. In response, it was reported that the policy resulted in applications which benefited Newark being given priority.

In response to a query about Item No. 10, the Business Manager – Environmental Health advised he would clarify the date requested for the collection.

- AGREED
- (a) (by 11 votes for with 2 against) that the views and recommendations of the Town Councils be supported;
  - (b) (by 9 votes for with 2 against and 2 abstentions) that the applications received for Street Collections within the district of Newark & Sherwood during the year 2015 be granted;
  - (c) (unanimously) that after consultation with the Chairman of the General Purposes Committee, the Director – Safety be authorised to approve and issue licences for all additional applications received for Street Collections within the District of Newark & Sherwood during the year 2015; and
  - (d) (unanimously) that a note of the returns made by the Charitable Organisations arising from both Street and House to House Collections be incorporated into the Street Collections 2016 report and thereafter on an annual basis. Such information to be reported to the following three Town Councils: Newark, Ollerton & Boughton and Southwell.

28. BYELAWS FOR THE REGULATION OF COSMETIC PIERCING AND SEMI-PERMANENT SKIN COLOURING BUSINESSES

The Committee considered the report presented by the Business Manager – Environmental Health which sought Members' comments on the adoption of model byelaws for the control of cosmetic piercing and semi-permanent skin colouring businesses. It was reported that the power to make; revoke; re-enact; or adopt byelaws was a function reserved to Full Council, however, this Committee was able to make recommendations on the adoption of byelaws.

The report provided information as to the current byelaws in force in relation to the regulation of acupuncture, tattooing, ear piercing and electrolysis businesses, with such byelaws being in force since February 1985. To reflect current trends and practices the term 'ear piercing' was now discontinued and had been replaced by 'cosmetic piercing' together with the introduction of the term 'semi-permanent skin colouring'. The Department of Health had drafted byelaws to aid national consistency. These relate to the registration of premises and persons operating premises and to the cleanliness and hygiene of premises, practitioners and equipment. The purpose of this was to increase health protection and reduce the risk of transmission of blood borne virus infections such as HIV, Hepatitis B and C and other infections.

Members expressed concern that underage individuals were having procedures carried out and queried whether the premises requested identification. In response, Officers advised that a cosmetic piercing could be carried out on an under-16 year old but with parental consent. It was, however, acknowledged that in some cases false identification was used. It was noted that if a premise was found to have performed a tattoo on a minor, the cases were referred to the Police. It was also noted that there was no minimum age for piercing if with parental consent.

In relation to the disposal of clinical waste, a Member queried whether this should be included in the byelaws so that the premises were clear as to how they should operate. It was reported that the Department of Health were reluctant to amend the model byelaws. Members were informed that when premises were visited they were inspected to ensure that they were following the guidance issued.

AGREED (unanimously) that:

- (a) Council be recommended to adopt the byelaws for cosmetic piercing and semi-permanent skin colouring businesses; and
- (b) Officers carry out the necessary procedure and apply to the Secretary of State for confirmation.

The meeting closed at 5.55pm

Chairman



NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the **LICENSING COMMITTEE** held on Thursday, 15<sup>th</sup> January 2015 in Room G21, Kelham Hall immediately following the meeting of the General Purposes Committee.

PRESENT: Councillor I. Walker (Chairman)  
Councillor Mrs L.M.J. Tift (Vice-Chairman)

Councillors: R.L. Bradbury, Mrs B.M. Brooks, Mrs C. Brooks, G. Brooks, Mrs I. Brown, Mrs R. Crowe, P.R.B. Harris, Mrs S.M. Michael, D.R. Payne, Mrs L.A. Shilling, Mrs S. Soar and Mrs M. Tribe.

ALSO IN ATTENDANCE: Councillor R. Shillito

21. APOLOGY FOR ABSENCE

An apology for absence was submitted by Councillor M. Pringle.

22. 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.

23. DECLARATION OF INTENTION TO RECORD MEETING

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

24. MINUTES

AGREED that the Minutes of the meeting held on 20<sup>th</sup> November 2014 be approved as a correct record and signed by the Chairman.

*With the agreement of the Committee, the Chairman amended the running order of the Agenda as follows:*

25. DEVELOPING A STRATEGIC APPROACH TO LICENSING AND THE NIGHT TIME ECONOMY

The Committee considered a report presented by the Business Manager – Environmental Health together with a verbal presentation by Inspector Louise Clark from the Nottinghamshire Police Authority.

Inspector Clark provided Members with an indepth view of the issues facing the Police on a weekly basis whilst policing the night life in Newark Town Centre. She provided examples of specific issues which had occurred during the previous months and what subsequent action had been taken. She also highlighted how the issuing of Premises Licences by the Licensing Authority had an impact on the area and the way in which it

had an effect on Police resources.

Members noted that one of the initiatives that had been undertaken was that of actively entering premises for a period of 3 weeks to ascertain whether any customers were involved with the use of illegal substances. She confirmed that where premises visited had tested positive for drug use this had led to swabs being taken of customers queuing to gain entry to the premises. Designated Premises Supervisors and Door Supervisors were also encouraged to enforce the "Too Drunk to Party" initiative. This involved breathalysing customers prior to them entering the premises and then refusing entry to individuals over a given limit. However Inspector Clarke pointed out that this was a purely voluntary initiative and the Police were unable to compel premises to participate.

Inspector Clark advised that Mansfield had recently been awarded a "purple flag" which meant that it had been independently adjudged to be an area that people felt safe to go at night. A factor that had assisted in achieving this accreditation was Mansfield District Council's Statement of Licence Policy and the fact that they had adopted a cumulative impact policy for the centre of the town. This enabled the Council adopt a presumption against any new premises licences being granted unless the applicant could clearly demonstrate that the new premises would positively promote the licensing objectives and not add to the problems of alcohol related crime and disorder. At the same time Mansfield DC also actively promoted and encouraged businesses to trade in the area, looking at the area as a whole and not at premises in isolation. Inspector Clark finalised her presentation by noting that Newark offered a diverse shopping experience but believed that the day to night time economy was not yet sufficiently balanced.

Members agreed that the presentation had been very informative, albeit somewhat disappointing in relation to the issues currently being experienced by the Police in Newark Town Centre. A Member raised the issue of the existing covenant relating to the termination hour for drinking at the Atrium premises that had been imposed by the Council when it had sold the building, suggesting that this should be something that the Council should look to enforce. Members also agreed that if a premise was found to be in breach of their licensing conditions, more direct action should be taken by both the Police and the Council using their review powers.

A Member of the Committee raised the issues faced by the Licensing Authority if robust evidence based representations were not received from the Police, adding that it was difficult to refuse the granting of a licence in these circumstances. He also raised the problems experienced when premises were predominantly vertical drinking establishments, adding that the Council did not require applicants to submit plans clearly delineated with red lines as to exactly where this type of drinking would be undertaken despite there being academic evidence that seated drinking caused less problems.

*Councillor Mrs C. Brooks left the meeting at this point and took no further part.*

Members queried whether it was possible to say how many of the issues experienced were down to late hours or poor management. Inspector Clark advised that good management was key and that if a premise was run well it was reflected in the low

number of incidents the Police were required to attend.

It was reported that there were a number of options open to the Licensing Authority to address the issues raised. The introduction of a Late Night Levy was discussed with it being noted that Nottingham City had introduced this, resulting in premises applying for variations to their existing hours. It was, however, noted that the introduction of the Levy would be for the entire district and not just problematic premises or premises within a particular area within the District. Members had considered the adoption of such a levy approximately 18 months previously and rejected the proposal, however it was noted that the Committee could reconsider this if it so chose. A Cumulative Impact Policy was also an option, but this would require a great deal of evidence to support its introduction. It was agreed that a report on what options were available be prepared and presented to Committee.

AGREED (a) (by 11 votes for with 1 abstention) that the proposed strategic and coherent approach to the management of the night time economy in Newark be approved following the removal of the Newark Business Club, such proposal as follows:

*“That the Council seeks to develop a partnership with the Nottinghamshire Police, Newark Town Council, Pub Watch, the Community Safety Partnership as well as appropriate Business Units within the Authority to develop a strategy and action plan to improve, diversify and increase the safety of the Newark night time economy.”; and*

(b) (unanimously) that two reports on the following be presented to the next meeting of the Committee:

(i) The Atrium – Existing Covenant; and

(ii) Options available to the Licensing Authority to ensure a safe night time economy in Newark.

## 26. FILM CLASSIFICATION

The Committee considered the report presented by the Business Manager – Environmental Health in relation to film classification and whether a procedure for assessing contentious classifications required implementation. The report provided background information as to the introduction of film classifications together with a definition of each category.

It was noted that this report had been presented to Committee at the request of one of its Members who had raised a question at full Council, specifically in relation to the impact the classification of films had on the ability of schools being able to show only a ‘U’ rated film. Members were informed that each film had a narrative with it as to why it had been awarded the classification it had. It was also noted that should a school wish to show a film rated ‘PG’ it would simply require them to write out to parents for permission for their child to view the film.

AGREED that the Licensing Authority would continue to rely upon the British Board of Film Classification as the specified body for restricting admission to films by children and that a separate procedure for assessing contentious classifications NOT be adopted at this time.

The meeting closed at 7.04pm

Chairman



NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **PLANNING COMMITTEE** held in the Council Chamber, Kelham Hall, Newark on Tuesday, 15<sup>th</sup> December 2014 at 2.00pm.

PRESENT: Councillor D.R. Payne (Chairman)  
Councillor B. Wells (Vice-Chairman)

Councillors: R. V. Blaney, J. Bradbury, Mrs C. Brooks, J.E. Hamilton, G.P. Handley, D. Jones, G.S. Merry, Mrs S.E. Saddington, M. Shaw and I. Walker.

ALSO IN ATTENDANCE: Councillors: P.R.B. Harris and R. Shillito.

99. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors T.S. Bickley, Mrs G.E. Dawn and Mrs L.M.J. Tift

100. MINUTES

Minute No.96 – 32 Queen Street, Balderton (14/01729/FUL) – The Business Manager Development asked that the following wording be included in this minute for completeness. That the application was brought to the Planning Committee due to the application being a finely balanced case and for transparency reasons as the applicant was a Council employee.

AGREED that subject to the above amendment the Minutes of the meeting held on Tuesday, 2<sup>nd</sup> December 2014 be approved as a correct record and signed by the Chairman.

101. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

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

<u>Members</u>	<u>Agenda Item</u>
Councillors J. Bradbury	Agenda Item No. 5 – Land at Nottingham Road, Southwell (13/00689/FULM) - D.R. Payne and I. Walker Personal Interests – Members of the Trent Valley Internal Drainage Board.

102. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that an audio recording was being undertaken.

103. LAND AT NOTTINGHAM ROAD, SOUTHWELL (13/00689/FULM)

The Committee considered the report of the Deputy Chief Executive, following a site inspection held prior to the meeting, which sought full planning permission for the erection of 34 no. dwellings, comprising 8 no, one-bed apartments, 10 no, two-bed

houses, 4 no, three-bed houses, 10 no, four-bed houses and 2 no, five-bed houses. A schedule of communication was tabled at the meeting, which included correspondence received after the agenda was published from the following: the Planning Case Officer; Environment Agency; Nottinghamshire County Council Ecology; Nottinghamshire Wildlife Trust; and Southwell Civic Society.

The following correspondence was tabled to the Committee Members at the meeting: Newark and Sherwood District Council Press Release, entitled 'Planning applications for Southwell', dated 22 November 2013; Draft STC Neighbourhood Plan Policy So/Ho/3 – Southwell Housing Site 3; and further comments from the Business Manager Development regarding Planning Application 13/00689/FULM and the revised documents including the revised Flood Risk Assessment.

Councillor Dobson, representing Southwell Town Council spoke against the application at this stage, in accordance with the Town Council views, which were contained within the report. He stated that Southwell Town Council were in principle, in favour of the housing development.

Councillor P.R.B. Harris, local Member for Southwell West Ward also spoke on this item and supported the development on this site, which was a site that had been agreed for development. He however suggested that the application be deferred until the flooding issues raised had been addressed. He also raised his disappointment that the Planning Authority did not carry weight with regard to the Neighbourhood Plan. It was felt that there were a number of areas that had not been properly addressed by the Planning Authority, which included the design of the development and also the issue of the flood model. He explained that the proposed field in the 2007 flood event had been covered 20% in water; the 2013 event was 33% coverage. There were also properties on the plan, which should not be included as that area was renowned for flooding. He was also disappointed with the entrance to the site from Nottingham Road as there was an inlet, which was originally designed for this site.

Members considered the application and it was commented that the Planning Officers had done a good job, which was broadly acceptable in the conservation area. The people of Southwell however deserved the best protection and reassurance from this Committee. Following the flooding in 2013 an investigation study and model had been led by Southwell Flood Forum, flood defences had been secured with more to follow. The publication of the NCC Flood Model was however six months behind schedule and the Committee needed to wait for the results of the flood study from Nottinghamshire County Council before a decision could be made.

It was suggested that the application be deferred until the following were completed.

1. The proposal be fully modelled through the flood study and model currently being developed by Nottinghamshire County Council;
2. Adequate conditions or Section 106 be brought to the Planning Committee to ensure ongoing management and maintenance of the watercourse and proposed "balancing/holding pond" and financing; and
3. Further consideration of STC policy, which required the retention and enhancement of the sites existing landscape screening, unless this was necessitated for flood mitigation benefit and replacement planting would be required.

A Member raised support for the application and commented that the flooding could be adequately addressed. Nottingham Road was the lowest point in Southwell and would suffer from surface water run off, however the applicant had adequately dealt with this.

AGREED (by 7 votes for, 4 votes against and 1 abstention) that the application be deferred until the following have been completed:

- (i) the proposal be fully modelled through the flood study and model currently being developed by Nottinghamshire County Council;
- (ii) adequate conditions or Section 106 be brought to the Planning Committee to ensure ongoing management and maintenance of the watercourse and proposed 'balancing/holding pond' and financing therefore: and
- (iii) further consideration of the Council's policy, which requires the retention and enhancement of the sites existing landscape screening, unless this is required for flood mitigation reasons. In this event replacement planting is required.

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

<b>Councillor</b>	<b>Vote</b>
T.S. Bickley	Absent
R.V. Blaney	For
J. Bradbury	Against
Mrs C. Brooks	Against
Mrs G.E. Dawn	Absent
J.E. Hamilton	For
G.P. Handley	For
D. Jones	Against
G.S. Merry	For
D.R. Payne	Abstention
Mrs S.E. Saddington	For
M. Shaw	For
Mrs L.M.J. Tift	Absent
I. Walker	For
B. Wells	Against

104. THE BUNGALOW, STATHORPE RAOD, AVERHAM (14/01715/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site inspection held prior to the meeting, which sought planning permission for the erection of a 1.5 storey rear extension and a first floor side extension to the dwelling.

Members considered the application and commented that the site visit had been useful, as the 50% increase in the floor plan did look considerably large on the plan, but on site appeared acceptable and would not have any overbearing impact on the neighbouring properties. It was suggested that the second floor window which over looked Glene Dene be obscure glazed to eliminate any overlooking.

AGREED (unanimously) that planning permission be approved, subject to the conditions within the report including a correction to condition 4 and subject to an additional condition securing obscure glazing to the dormer bedroom window to the south side of the bungalow, which over looked Glene Dene.

105. LAND ADJACENT WOODBANK CLOSE, EAKRING ROAD, BILSTHORPE (14/01883/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site inspection held prior to the meeting, which sought full planning permission for the erection of six detached bungalows. All six dwellings were market housing comprising 2, 2 bedroom dwellings and 4, 3 bedroom dwellings. This was a resubmission of a previous scheme for a similar type and character of development.

A schedule of communication was tabled at the meeting, which included correspondence received after the agenda was published from Newark and Sherwood District Council's Environmental Health and the Agent.

Members considered the application and it was commented that there was no reason to refuse the application as the development completed an area, which would be left derelict.

It was further commented that this site had two previous applications, which were both dismissed on appeal. The application was against the local plan and Bilsthorpe Parish Council had also objected on the grounds of road safety and parking and over development of the site.

On being put to the vote that the application be approved, the motion fell by 5 votes for and 7 votes against.

AGREED (with 7 votes for and 5 votes against) that full planning permission be refused for the reasons contained within the report.

106. BRIDGEHOLME PADDOCKS, CODDINGTON ROAD, BALDERTON NEWARK (14/00790/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site inspection, which sought full planning permission for the change of use of land to a horse trainer's premise with construction of a new horse walker, conversion of an existing barn to a horse spa and the erection of a new trainers dwelling in association with the facility.

A schedule of communication was tabled at the meeting, which included correspondence received after the agenda was published from Origin Design Studio Ltd.

Members considered the application and it was commented that the development was close to the A1 and provided a cost effective building. The applicant was a successful businessman wanting to expand his business in the district.

Concerns were raised regarding the business and what would happen should the business fail when permission for a country house had been granted. A restriction on occupancy was suggested in order to prevent the house being sold separately from the

business. It was further commented that caution should be taken when granting planning permission outside of the village envelope. The functional and financial test was required; the functional test had been proved but not the financial test. The Council's policy stated that viability accounts would need to be satisfactory before permission would be granted for a permanent building, temporary permission for a static caravan could be achieved in order to secure accounts, or through livery accounts.

A Member commented that the Council's policies were there for guidance purposes and a blanket rule should not be applied to every application. The applicant was a successful businessman with thousands of pounds worth of livestock, which required twenty-four hour attention and he required an appropriate building to undertake his business. Balderton Parish Council had also submitted their support for the application.

On being put to the vote that the application be refused, the motion fell by 5 votes for and 7 votes against.

AGREED (with 7 votes for and 5 votes against) that contrary to Officer recommendation the application be approved subject to restricted occupancy and any reasonable conditions and/or legal agreement delegated to the Business Manager Development in consultation with the Planning Committee Chairman and Vice-Chairman.

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

<b>Councillor</b>	<b>Vote</b>
T.S. Bickley	Absent
R.V. Blaney	Against
J. Bradbury	Against
Mrs C. Brooks	Against
Mrs G.E. Dawn	Absent
J.E. Hamilton	For
G.P. Handley	For
D. Jones	For
G.S. Merry	For
D.R. Payne	For
Mrs S.E. Saddington	Against
M. Shaw	Against
Mrs L.M.J. Tift	Absent
I. Walker	For
B. Wells	For

107. LAND OFF NEWARK ROAD, OLLERTON (14/01944/VAR106)

The Committee considered the report of the Deputy Chief Executive, which sought planning permission for the variation of S106 attached to 05/0254/RMAM and 05/02655/RMAM to:

- (i) Change the tenure of the remaining affordable apartment block (plots 127-138) from 3 units of shared ownership and 9 units of discount for sale to 12 intermediate (80% market) affordable rent; and
- (ii) Reduce the outstanding contributions to public open space from £293,486 to £150,000 on grounds of viability.

A schedule of communication was tabled at the meeting, which included correspondence received after the agenda was published from Ollerton and Boughton Town Council and the Agent.

A Member supported Ollerton and Boughton Town Council's objection and commented that the contribution reduction was unacceptable.

AGREED (with 11 votes for and 1 vote against) that the S106 agreement signed on 6 October 2006 be amended as proposed by the Deed of Variation.

108. LAND NORTH OF CAVENDISH WAY, CLIPSTONE (14/01308/FULM)

The Committee considered the report of the Deputy Chief Executive, following a site inspection held prior to the meeting, which sought full planning permission for the erection of 92 dwellings with Associated Access, Parking and Associated Works.

A schedule of communication was tabled at the meeting, which included correspondence received after the agenda was published from Nottinghamshire County Council Highways.

Members suggested that the contribution split be delegated to the Business Manger Development, in order to secure priority items, in consultation with the Planning Committee Chairman and Vice-Chairman and the two ward Members.

AGREED (unanimously) that:

- (a) full planning permission be approved subject to the conditions contained within the report and completion and engrossment of a S106 Agreement to secure the required level of commuted sum payments and infrastructure provision on the wider site including open space and community facilities provision; and
- (b) the allocation of the contribution be delegated to the Business Manager Development in consultation with the Planning Committee Chairman and Vice-Chairman and the two ward Members.

109. LAND AT CLIPSTONE DRIVE, CLIPSTONE (14/02054/VAR106)

The Committee considered the report of the Deputy Chief Executive, which sought full planning permission for the variation of Section 106 Agreement, attached to 12/00966/OUTM for residential development of up to 180 dwellings including associated roads, sewers and public open space.

A schedule of communication was tabled at the meeting, which included

correspondence received after the agenda was published from a neighbour.

AGREED (unanimously) that a variation of S106 associated with 12/00966/OUTM to delete the requirement for 30% on site provision of affordable dwellings and to alternatively provide an off-site contribution equating to £238,000, equating to the provision of 7.4 units and 4.1% of the total residential units overall.

110. RULE NO.30 – DURATION OF MEETINGS

In accordance with Rule No.30.1, the Chairman indicated that the time limit of three hours and proposed a motion to extend the meeting for a further half hour.

AGREED (unanimously) that the meeting would continue for a further half hour.

111. FIELD REFERENCE NO. 6423 OLLERTON ROAD, CAUNTON (14/00442/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought full planning permission for the erection of a single 500KW wind turbine, with a hub height of 75 metres and a rotor diameter of 54 metres, producing a tip height of 102 metres.

The Senior Planning Officer informed the Committee that a fourth application for a wind turbine had been received in this area. Members were asked to set aside the impact of the fourth application as that application was out for consultation and would be brought before the Planning Committee at a later date if necessary.

Members considered the application and commented on the visual impact for the whole of the area. A Member also commented on a meeting she had attended at the Stathorpe Power Station and the impact the wind turbines were having on the power station.

AGREED (by 10 votes for and 3 abstentions) that full planning permission be approved subject to the following:

- (i) the wording of condition 12 be amended to ensure the wind turbine is decommissioned should the turbine become non-operational, and
- (ii) the remaining conditions contained within the report.

112. YEARSLEY GROUP, BELLE EAU PARK, BILSTHORPE, NEWARK (14/01782/FULM)

The Committee considered the report of the Deputy Chief Executive which sought full planning permission for the erection of a total of 26,520sqm floorspace (GIA) for B8 use (storage and distribution) including 1,750sqm ancillary office space (Use Class B1), the construction of a ground mounted solar farm totalling 2.2ha in size and associated works.

A schedule of communication was tabled at the meeting, which included correspondence received after the agenda was published from the agent.

The Business Manager informed the Committee that the conditions for this application

were still being negotiated with the applicant and suggested that appropriate conditions be delegated and determined by Officers in consultation with the Planning Committee Chairman and Vice-Chairman.

Members considered the application and welcomed the opportunity for employment opportunities in the district. Concern however was raised regarding the increase in traffic this development would create for the A617 and the additional pressure for Kelham bridge given additional HGV movements per day. Kelham bridge was only wide enough for one HGV to cross at a time, which would have an impact on traffic flow. It was commented on the need for Nottinghamshire County Council to build a by-pass for Kelham village.

AGREED (by 11 votes for and 1 abstention) that full planning permission be approved subject to the following:

- (i) the wording of condition 26 be amended to ensure the solar farm is decommissioned should the solar farm become non-operational, and
- (ii) the Business Manager Development be given delegated authority to determine appropriate conditions with the applicant, in consultation with the Planning Committee Chairman and Vice-Chairman.

113. 8 HARRISON WAY, NEWARK (14/01794/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought full planning permission for the proposed 1 bed flat, and extension to No. 8 Harrisons Way with associated parking.

A schedule of communication was tabled at the meeting, which included correspondence received after the agenda was published from a neighbour.

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

The meeting closed at 5.26pm

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<sup>th</sup> January 2015 at 4.00pm.

PRESENT: Councillor D.R. Payne (Chairman)  
Councillor B. Wells (Vice-Chairman)

Councillors: T.S. Bickley, R. V. Blaney, Mrs C. Brooks, Mrs G.E. Dawn, J.E. Hamilton, G.P. Handley, D. Jones, G.S. Merry, Mrs S.E. Saddington, M. Shaw and I. Walker.

ALSO IN ATTENDANCE: Councillors: M. Pringle and R. Shillito.

114. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors J. Bradbury and Mrs L.M.J. Tift.

115. MINUTES

AGREED that the Minutes of the meeting held on Tuesday, 15<sup>th</sup> December 2014 be approved as a correct record and signed by the Chairman.

116. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

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

<u>Members</u>	<u>Agenda Item</u>
Councillor J. Hamilton	Agenda Item No. 9 – Willow Hall Farm, Mansfield Road, Edingley (14/01848/FUL) - Personal Interest, known to the applicant.
Councillor D. Payne	Agenda Item No. 11 – Westfield Cottage, Gonalston Lane, Hoveringham (14/01850/FUL) – Personal Interest, known to the applicant by the same profession.
Councillor B. Wells	Agenda Item No. 5 – Land at Wellow Road, Ollerton (14/01533/RMAM) – Personal Interest as the Councillor lives opposite the proposed site. In the interest of transparency the Councillor took no part in this item and left the meeting.

117. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that an audio recording was being undertaken. A Member of the public also confirmed that he was also audio recording the meeting.

*(Having declared a Personal Interest on the following item, Councillor B. Wells did not*

- take part in the debate or vote and left the meeting at this point).*
118. LAND AT WELLOW ROAD, OLLERTON (14/01533/RMAM)

The Committee considered the report of the Deputy Chief Executive, following a site inspection held prior to the meeting, which sought approval for reserved matters for layout, appearance, scale, landscaping (access previously determined) in respect of details for residential development comprising 148 dwellings and associated ancillary works.

A schedule of communication was tabled at the meeting, which included correspondence received after the agenda was published from the following: Severn Trent Water; Ollerton and Boughton Town Council; a Neighbour; and a Local Resident – member of Ollerton Village Residents Association (OVRA).

Councillor M. Pringle, local Ward Member for Ollerton raised concerns about the screening and therefore loss of privacy for the Fairholmes mobile park and the occupiers of the new properties and suggested improved screening. The view from the road in the direction from Ollerton to Newark was also raised, as the first house on the development was large and a brick wall would be the first thing you would see as you drove out of Ollerton. Maltkiln House, which was opposite the site, would also have the same view; he suggested that the first property be replaced with a bungalow or a dormer bungalow in order to reduce the height of the property. The lack of planting/screening around the pumping station was also raised. The Committee was asked to consider deferring the application in order for the issues raised to be addressed by the developer.

The Chairman confirmed that all Members of the Planning Committee had read the letter from the occupier of Maltkiln House, Ollerton, which was appended to the schedule of communication, tabled at the meeting. A letter from the local Ward Member – Councillor Mrs A. Truswell, who was unable to attend the meeting, was also read out to the Committee.

The Committee considered the application and concern was raised regarding the lack of screening around the pumping station and that all the affordable homes had been grouped around that area. Affordable housing had also been located in the top left hand corner of the plan next to the caravan site, which had also very poor screening and would offer no privacy for either party. It was also commented that there were no bungalows on the site and it was suggested that at least plots 3 and 4 should be made into bungalows as a condition.

In answer to a Members question the Business Manager Development confirmed that there would be railings around the balancing pond. Appropriate landscaping conditions could be delegated to the Business Manager development in consultation with the Planning Committee Chairman, Vice-Chairman and local Members. A condition could not however be imposed requiring bungalows. The Business Manager Development informed the Committee that negotiations regarding bungalows had already taken place with the developer.

In answer to a number of questions raised by a Member the Business Manager

Development confirmed that the affordable housing provision was 15%, which was based on viability. In principle the Council's Strategic Housing Unit was happy that registered providers would take on the mix of units. The balancing pond, which would be under a maintenance agreement, would be the responsibility of the Council and may in time be transferred to the Town Council. Severn Trent Water would also enter into an agreement with the Council regarding the pumping station, which was a legal requirement under Section 106 of the Water Agency Act. The existing hedgerows would be retained where possible and maintained and enhanced through additional planting around the boundary.

A Member queried the public open space available, as the majority of the open space would be fenced off. The Business Manager Development confirmed that the balancing area had not been counted towards the open space provision. The footpaths and play area had been included in the calculations. Given the lack of on-site open space a commuted payment from the developers which had been negotiated would be used elsewhere in Ollerton.

It was proposed that due to the issues raised regarding the affordable housing being concentrated in one area rather than integrated within the overall development; adequacy of screening around the pumping station; landscaping concerns; and a wish to secure the provision of bungalows, it was proposed that the application be deferred pending further discussions with the applicant.

AGREED (unanimously) that the application be deferred to the 3<sup>rd</sup> February 2015 Planning Committee in order for the following areas to be discussed with the applicant:

- (i) improved disposition of affordable housing across the site;
- (ii) additional screening particularly to pumping station area and adjacent to park homes; and
- (iii) to look at plots 3 and 4 on the front corner of the development, to try to achieve bungalow homes at these locations.

119. NORTHGATE RETAIL PARK, NORTHGATE, NEWARK (14/01591/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site inspection held prior to the meeting, which sought full planning permission for the erection of two retail units contained within a single building within the existing car park, to accommodate Costa Coffee and Subway.

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

Councillor B. Richardson, representing Newark Town Council spoke against the application, in accordance with the Town Council views, which were contained within the report, with the addition of a further objection, which was the destruction of the street scene.

The Committee considered the application and concern was raised regarding the loss of car parking, 26 spaces in total, together with the addition of delivery vehicles to the proposed development. Comment was also raised regarding the car park being free of charge and that the public were using this car park when using the train station, instead of the pay and display station car park. It was also commented that if parking charges were introduced, that would put the retail park on a level playing field with the Town Centre shops. Access and egress to the car park was becoming a safety issue due to the amount of traffic at weekends. A Member referred to the design of the building as a contemporary shed and that its location would spoil the view of the brewery and would have a negative impact on the street scene.

A further Member commented that whilst the building had a small impact on the view of the listed brewery behind it, it also blocked out the retail building, which had no architectural merit at all. The Conservation Officer had no objection to the proposal.

The Senior Planning Officer confirmed that the building had a dual aspect and that the bin storage area would be dealt with by condition.

It was suggested that the application be deferred in order for the possibility of the positioning of the building to be altered, in order for the building to be located on the Trent Lane side of the car park, which would eradicate the impact on the listed brewery.

On being put to the vote that the application be deferred in order for an improved location to be negotiated and an in-depth study of the car parking to be undertaken, the motion fell by 6 votes for and 7 votes against.

AGREED (with 8 for, 4 against and 1 abstention) that, contrary to officer recommendation, planning permission be refused on the grounds of design and impact upon the conservation area/listed building grounds.

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

<b>Councillor</b>	<b>Vote</b>
T.S. Bickley	For
R.V. Blaney	Against
J. Bradbury	Absent
Mrs C. Brooks	Against
Mrs G.E. Dawn	For
J.E. Hamilton	For
G.P. Handley	Against
D. Jones	Abstention
G.S. Merry	For
D.R. Payne	For
Mrs S.E. Saddington	For
M. Shaw	For
Mrs L.M.J. Tift	Absent
I. Walker	For
B. Wells	Against

120. 1 TAYLORS PADDOCK, TOLNEY LANE, NEWARK (14/01691/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought full planning permission for the erection of a detached brick building to provide an amenity block with the subsequent demolition of the existing smaller one. The building was located to the south of the application site.

A schedule of communication was tabled at the meeting, which included correspondence received after the agenda was published from Newark Town Council.

Councillor B. Richardson, representing Newark Town Council spoke against the application, in accordance with the Town Council views, which were contained within the report.

The Committee considered the application and concern was raised regarding whether the proposals complied with the site licence, as the good practice guide stated that the wc and hand basin should be separate to the shower room. The proposal was for them to be together. It was suggested that the internal arrangements for the proposal be delegated to the Business Manager Development.

The Chairman asked that a note to the applicant be included to make them aware, that the Council would strictly enforce the condition relating to the fact that the amenity block should not be used for overnight sleeping accommodation.

AGREED (with 8 votes for and 5 abstentions) that full planning permission be approved subject to the following:

- (i) conditions contained within the report;
- (ii) the amendment to the internal design arrangements; and
- (iii) the wording be made clear in a note to the applicant that the Council would strictly enforce the condition relating to overnight accommodation.

121. ROLLESTON MILL, STATION ROAD, ROLLESTON (11/01805/FUL), (11/01806/LBC) AND (11/01807/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought full planning permission for the conversion and repair of the Mill and Granary to create a dwelling and the conversion and repair of stables to create a dwelling. Members of the Planning Committee had earlier viewed the site from the road.

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

Members considered the application and commented that the desired access through the racecourse had not been achieved. If the occupants were made fully aware of the safety implications regarding the railway crossing then they were satisfied that safety requirements were in place, condition 20 being a crucial requirement. It was suggested that additional warning signs be erected on the vehicle-crossing gate in consultation with Network Rail, in order for visitors to the properties to be fully aware of the danger of the crossing. It was also noted that the Racecourse company were being flexible regarding the emergency access, due to the ponds being at risk of flooding 1 in 4 years. It was suggested that if the emergency access could be moved a few metres to the left of the proposals that would improve the emergency access further.

The Senior Development Control Officer sought clarification to amend Condition 2 if the Committee were minded to approve the application, to allow an alternative access should negotiations with the racecourse be successful.

A Member commented on the earthworks being carried out by the Racecourse company and that those works be regulated as soon as possible.

AGREED (unanimously) that listed building consent and both of the planning permissions be approved subject to the following:

- (i) conditions contained within the report;
- (ii) an additional condition to both full applications seeking to improve the warning signs on the railway crossing gate; and
- (iii) Business Manager Development be given delegated authority to amend Conditions 2 of the full applications should successful negotiations result in the alternative access being available.

122. WILLOW HALL FARM, MANSFIELD ROAD, EDINGLEY (14/01848/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought planning permission for the erection of a timber framed prefabricated two-bedroom bungalow.

The Chairman introduced Councillor Mrs D. Poole who had registered to speak on behalf of Edingley Parish Council, to the Committee, the Chairman informed the Committee that written representation had not been received by the Planning

Authority from Edingley Parish Council.

Councillor Mrs D. Poole, representing Edingley Parish Council spoke in support of the application and thought there must have been some breakdown in communication regarding the Parish Council's written representation, as the Parish Council had considered this matter at their Planning meeting which had resulted in 6 votes in support of the application, with 1 vote against. The Parish Council did not consider this application to be a development in the open countryside as the previous occupant had lived there in a caravan for a number of years. The applicant had owned the property for 34 years and was seeking to put a bungalow along the side of Willow Hall Farm, which would fit in with the farmhouse and farm buildings. Pre-application enquiries had been made in 2012 and 2014; the latter advised the applicant that the application would only be considered as a new build in the open countryside. The Parish Council believed that the application should have been considered alongside Willow Hall Farm. The caravan had been occupied for approximately 20 years, planning permission being granted for that on the 6<sup>th</sup> October 1987. In the communication received after printing of the agenda, the Planning Officer had acknowledged planning permission was granted on the site but stated that planning permission was no longer extant. The local Ward Member had advised the Parish Council that if the caravan was still in situ, it should have the benefit of extant planning permission. This conflicted with the advice received from the Planning Authority. The Parish Council believed that this new build should be considered alongside Willow Hall Farm and not as a stand alone building in the open countryside and as such should be granted.

A schedule of communication was tabled at the meeting, which included correspondence received after the agenda was published from the applicant.

Members considered the application and commented that the Gypsy caravan site one field away from this site had only been granted temporary planning permission. The Business Manager Development confirmed that a decision was awaited from the Secretary of State regarding the Gypsy caravan site. Members therefore felt that as the previous consent for the caravan on this site was a personal consent to the previous applicant who had subsequently passed away, the caravan should have been removed at that time. The application site was in the open countryside and the proposals had no architectural merit. There were also properties available in Edingley on the open market.

AGREED (with 11 votes for and 2 votes against) that full planning permission be refused for the reasons contained within the report.

123. LILAC FARM COTTAGE, WATER LANE, OXTON (14/01910/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site inspection held prior to the meeting, which sought full planning permission for the erection of a UPVC conservatory, which was a resubmission of planning application 14/00943/FUL.

Members considered the application and commented that the additional footprint

was 7 m<sup>2</sup>, which was not a large increase when 100% footprint had been allowed in the past. It was felt however that there was a tipping point when cumulatively there was an impact on the original dwelling in the green belt. Other Members felt that this completed the property, the conservatory was not large and bulky and would not be visible or cause harm to the village or greenbelt. It was suggested that any permitted development rights should be removed if the Committee were minded to approve the application.

On being put to the vote that the application be refused, the motion fell by 4 votes for and 9 votes against.

AGREED (by 9 votes for and 4 votes against) that, contrary to officer recommendation, full planning permission be approved subject to the removal of permitted development rights and any reasonable conditions delegated to the Business Manager Development in consultation with the Planning Chairman and Vice-Chairman.

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

<b>Councillor</b>	<b>Vote</b>
T.S. Bickley	For
R.V. Blaney	Against
J. Bradbury	Absent
Mrs C. Brooks	Against
Mrs G.E. Dawn	For
J.E. Hamilton	Against
G.P. Handley	For
D. Jones	For
G.S. Merry	For
D.R. Payne	For
Mrs S.E. Saddington	For
M. Shaw	For
Mrs L.M.J. Tift	Absent
I. Walker	For
B. Wells	Against

124. WESTFIELD COTTAGE, GONALSTON LANE, HOVERINGHAM (14/01850/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site inspection held prior to the meeting, which sought planning permission for a single storey extension to form a kitchen/dining area.

Councillor R. Jackson, local Member for Lowdham District Ward spoke in support of the application. The applicants had lived in the village for over 30 years with their family and wanted to down size their property, but still remain in the village. This was a very small annex, which would be extended in order for the applicant's retirement and also poor health due to arthritis. The Parish Council were also in support of the



application.

Members considered the application and commented that the proposed extension was visible and adjacent to the road. The property had already been extended by 70% floor space, was not in the village and was outside the village envelope in the green belt. The local Member had indicated that the applicant wanted to secure a property in the village; it was considered that there would be suitable properties in the village on the open market, which would be suitable for the applicants needs. The design was also considered not sympathetic to the surroundings. Some Members however supported the application on the grounds of the health need.

AGREED (by 9 votes for and 4 votes against) that planning permission be refused for the reasons contained within the report.

125a. APPEALS LODGED

NOTED: that the report be noted.

125b. APPEALS DETERMINED

NOTED: that the report be noted.

The meeting closed at 6.52pm

Chairman



NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **SPECIAL PLANNING COMMITTEE** held in the Council Chamber, Kelham Hall, Newark on Tuesday, 20<sup>th</sup> January 2015 at 4.00pm.

PRESENT: Councillor D.R. Payne (Chairman)  
Councillor B. Wells (Vice-Chairman)

Councillors: T.S. Bickley, R. V. Blaney, J. Bradbury, Mrs C. Brooks,  
Mrs G.E. Dawn, J.E. Hamilton, G.P. Handley, D. Jones,  
G.S. Merry, Mrs S.E. Saddington, M. Shaw,  
Mrs L.M.J. Tift and I. Walker.

ALSO IN ATTENDANCE: Councillors: Mrs B. Brooks, G. Brooks and R. Shillito.

The Chairman asked on behalf of the Committee that their best wishes for a speedy recovery be forwarded to the Business Manager Development, who was currently ill. He also thanked the Deputy Chief Executive, Business Manager Planning Policy and the Senior Planning Officer for their hard work on the following application.

126. APOLOGIES FOR ABSENCE

There were none.

127. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

There were none.

128. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that an audio recording was being undertaken.

129. LAND SOUTH OF NEWARK, BOWBRIDGE LANE, BALDERTON, NOTTINGHAMSHIRE (14/01978/OUTM)

The Committee considered the report of the Deputy Chief Executive, following a site inspection held prior to the meeting and a planning pre-application presentation which was held on 14<sup>th</sup> January 2015. The application sought to vary conditions of outline planning permission 10/01586/OUTM with means of access (in part) for development comprising demolition of existing buildings and the construction of up to 3,150 dwellings (Class 3); two local centres including retail and commercial premises (Classes A1 to A5), a 60 bed care home (Class 2), 2 primary schools, day nurseries/crèches, multi-use community buildings including a medical centre (Class D1); a mixed use commercial estate of up to 50 hectares comprising employment uses (Class B1, B2 and B8) and a crèche (Class D1); provision of associated vehicular and cycle parking; creation of ecological habitat areas; creation of general amenity areas, open space and sports pitches; creation of landscaped areas; new accesses for vehicles, pedestrians and cyclists (including the Southern Link Road); sustainable drainage measures, including storage ponds for surface water attenuation; associated engineering operations (including flood compensation measures); provision of utilities infrastructure; and all enabling and ancillary works.

A schedule of communication was tabled at the meeting, which included correspondence received after the agenda was published from the following: the Environment Agency; Nottinghamshire County Council – Rights of Way; the Applicant; Neighbouring land owner; Farndon Parish Council; Highway Authority; South Kesteven District Council; Newark Town Council; and Fernwood Parish Council.

Members noted the comments of the Town and Parish Councils which were contained within the report and in the schedule of communication. Clarification of plan references under Conditions 5 and 40 in the schedule of communication were referred to and an additional condition contained within the schedule of communication was also read out to the Committee as follows:

‘No development on the application site beyond 2,650 dwellings shall commence until a Transport Assessment has been undertaken to establish whether the road network has the capacity to accommodate any additional dwellings and to establish the need for and timing of the delivery of any works necessary to mitigate the impact of additional dwellings. The Transport Assessment shall be submitted to and approved in writing by the Local Planning Authority in consultation with the relevant Highway Authorities. Any mitigation works identified shall be implemented in accordance with the agreed details and timetable for delivery.’ The reason for the condition was also detailed in the schedule of communication.

The above condition would also require a consequential update to Condition 29 on the recommendation sheet along with the removal in the reason for this condition of old guidance. The amendment to this condition was also referred to and detailed in the schedule of communication.

The Senior Planning Officer verbally advised that Condition 41 on the recommendation sheet would need to be updated to include reference to consultation being required with the Highway Authority and also verbally reported a further condition to be attached to any consent as follows:

‘Prior to the commencement of development on Phase 1 of the Southern Link Road, a planning application shall be submitted and validated for an alternative crossing of the Southern Link Road for the Sustrans route to be a bridge for pedestrians, equestrians and cyclists.’

Reason: To ensure safe, convenient attractive access for all in accordance with the aims of Spatial Policy 7 of the Newark and Sherwood Core Strategy.’

The Senior Planning Officer provided verbal updates on all aspects of the proposed Deed of Variation following the completion of negotiations with the applicant, confirmed that proposed Condition 31 on the recommendation sheet was to be retained to ensure archaeology on the site was appropriately considered and that noise impact had been appropriately assessed and informed the design of the Southern Link Road. Any other noise impacts would be considered at the reserved matters stage.

Members considered the applications and it was commented that when the original application was granted planning permission in 2011 this was the largest application that the Planning Authority had received since their establishment in 1974. This was an important application for the district. The number of representations and objections received were relatively small. Under the recently agreed boundary review, the majority of the development would fall within Newark Town Council. The sports provision would bring in £2.5 million in investment for sports development, which would bring forward enormous benefits to the district. The affordable housing figures were confirmed which was the same percentage for the first 1,000 houses as that of the 2011 permission. This was a long term development which may change due to the economic market. The market should be closely watched in order to secure additional affordable housing within the scheme in the future. The scheme would be monitored by the Council's Local Development Framework Task Group.

AGREED (with 14 votes for and 1 abstention) that planning permission be granted for the proposed variations to the original planning permission subject to the conditions and reasons contained within the report, and subject to the following:

- (a) the proposed amendments to conditions tabled at the meeting;  
and
- (b) the completion of a Deed of Variation to the existing Section 106 Agreement dated 29<sup>th</sup> November 2011 to the satisfaction of the Deputy Chief Executive.

The meeting closed at 5.05pm

Chairman

