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**Chairman: Councillor D.J. Lloyd**

**Vice-Chairman: Councillor P.C. Duncan**

**Members of the Committee:**

**Councillor R.V. Blaney**

**Councillor Mrs M. Dobson**

**Councillor G.P. Handley**

**Councillor D. Jones**

**Councillor J.M. Peck**

**Councillor M. Pringle**

**Councillor R. Shillito**

**Councillor F.R. Taylor**

**Councillor D. Thompson**

**Councillor T. Wendels**

**Substitutes**

**Councillor Mrs G.E. Dawn**

**Councillor D.R. Payne**

**Councillor Mrs M. Tribe**

**Councillor B. Wells**

**Councillor Mrs W. Woodhead**

## **AGENDA**

**MEETING: Economic Development Committee**

**DATE: Wednesday, 11<sup>th</sup> March 2015 at 5.30pm**

**VENUE: Room G21, Kelham Hall**

**You are hereby requested to attend the above Meeting to be held at the time/place  
and on the date mentioned above for the purpose of transacting the  
business on the Agenda as overleaf.**

If you have any queries please contact Helen Brandham on 01636 655248.



## **AGENDA**

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### **PART 1 – ITEMS FOR DECISION**

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### **PART 2 – ITEMS FOR INFORMATION**

None

### **CONFIDENTIAL AND EXEMPT ITEMS**

None



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

**GENERAL FUND BUDGET PERFORMANCE REPORT TO 31<sup>ST</sup> JANUARY 2015**

**1.0 Purpose of Report**

1.1 This report compares the General Fund Economic Development Committee net expenditure for the period ending 31<sup>st</sup> January 2015 with the profiled budget for the period.

**2.0 Background Information**

2.1 The Council's Constitution states that the Section 151 Officer shall present to the Policy & Finance Committee, at least twice in each financial year, budgetary control statements showing performance against the approved estimates of revenue expenditure and income. The appropriate Chief Officer will report on any major variances from planned budget performance.

2.2 It also states that budget performance monitoring information shall be provided to the appropriate Committee on a quarterly basis.

2.3 Where it appears that the amount included under any head of the approved budget is likely to be exceeded or the budgeted amount of income under any head is unlikely to be reached then budget officers are required to find savings elsewhere in their budget. In circumstances where savings cannot be identified it will be necessary to consult with the Section 151 Officer and ultimately take a report to the Policy & Finance Committee.

**3.0 Proposals**

3.1 The attached appendices detail performance against budget for the period to 31<sup>st</sup> January 2015 for those budgets within the remit of the Economic Development Committee. This report considers the costs of providing services rather than 'below the line' costs such as borrowing costs and interest, contributions to and from reserves, government grants and income from Council Tax and retained Non Domestic Rates.

3.2 The format of the report identifies direct expenditure, i.e. employee costs and running expenses, both of which can be controlled by the budget officer, however central recharges and capital charges, are not reported as they are largely outside their control. Income is shown separately. The figures do not include recharges for support services (either income or expenditure). A significant number of transactions take place 'below the line', i.e. shown in the General Fund account rather than identified to a particular service. This is in line with the CIPFA Code of Practice and includes such things as transfers to and from reserves.

3.3 Under the Accounting Code of Practice Local Authorities are required to show capital charges for the use of their assets based on the current market value. These amounts are included within the estimates to show the true cost of delivering local services however they are reversed 'below the line' in the overall cost of services therefore not impacting on the Council Tax payer. Variations on 'capital charges' are therefore not an area for concern.

- 3.4 The introduction of International Financial Reporting Standards (IFRS) for the financial year 2010/2011 has resulted in a change in the way the Council accounts for grants received from third parties. These changes mean that income and expenditure is charged direct to the service accounts and, at the year end, any under spend is transferred to reserves and any overspend is transferred from reserves.
- 3.5 Support services (e.g. HR, Financial Services, Business Unit management – such as Leisure Centres) are charged to individual budget heads at the end of the financial year and are reported here for noting only. The direct costs of providing those services are scrutinised as part of the relevant Committee.
- 3.6 Capital charges are applied to accounts at the end of the financial year and are reversed 'below the line' so has no impact on the Council Tax payer. These are reported here for noting only.

#### **4.0 Performance Comments**

4.1 The total for direct service net expenditure shows an under spend of £1,038,636 against the profiled budget for the period to 31<sup>st</sup> January 2015. All managers are very aware of the current financial environment and challenges facing local government in the future and are ensuring that only essential expenditure is incurred. The detailed performance figures are shown at **Appendix A**.

4.2 Variations from the profiled budget to 31<sup>st</sup> January 2015 are itemised below:

##### 4.2.1 Employee Costs

- The current £124k underspend is made up of the following: £25k on Newark Growth Point. This post is currently vacant and it is not considered necessary to fill the permanent post. The budget has been moved to Professional Services in the 2015/16 to be used on securing temporary resources to support the increased level of planning application activity around the Growth point. Building Control has a £32k underspend due to ongoing staff vacancies. Some posts are currently covered by staff from other authorities while posts are advertised. Growth technical support has a £14k underspend as a member of staff is on maternity leave, and another member of staff has reduced hours. Planning Policy has had a restructure which removed the temporary post which was funded from flexible resources. This has resulted in a £11k underspend to date. Economic Growth has a £14k underspend as there are a number of vacancies which are in the process of being filled. The remaining £28k is made up of small savings from temporary staff vacancies across most other services.

##### 4.2.2 Premises Costs

- All premises costs are currently £95k underspent. £13k of this relates to Electricity but not a significant amount on a particular service.
- The Repairs and Renewal schemes are £20k underspent at the moment but there will not be an underspend at the end of the financial year. Budget is moved from the reserve and spend has not been incurred yet.
- There is a £22k underspend on Rates. £10k of this is on Other Properties as we are only required to pay rates when units are unoccupied and occupancy rates have been higher than anticipated. The remaining underspend within Premises is made up of small variances across many services.

#### 4.2.3 Supplies and Services

- Although Supplies and Services are showing a large underspend of £340k, £190k of this relates to Newark BIC. We are waiting for invoices from Nottinghamshire County Council for the contract fee for 2014/15.
- Professional Services is £47k underspent. £16k is on Local Development Framework. The planned spend has been delayed but this budget is funded from a reserve and any underspend goes back into the reserve. £12k is on Growth Investment Fund, as the take up of loan applications has not been as high as expected. This is also funded by a reserve and the unspent budget will go back to the reserve.
- Contractual Services overall are £19k underspent but this is made up of smaller amounts over several services.
- The Equipment Repairs and Renewal schemes are £30k underspent at the moment but there will not be an underspend at the end of the financial year. Budget is moved from the reserve but all spend has not been incurred yet. The remaining underspend on Supplies and Services is made up of small variances across many services.

#### 4.2.4 Income

- General income includes £20k unbudgeted income for the provision of CIL advice. This is a one off amount as the member of staff delivering this expert advice has now left the authority. Land Charges income is £30k above target as the service continues to successfully compete with external companies. There is £21k under achieved income on Hire Charges at the BIC. Information has not yet arrived from Nottinghamshire County Council to allow us to invoice for our income for quarter 3 of 2014/15.
- Planning Application income is £359k over the profiled budget. Whilst this is reflective in a larger number of applications submitted on this time last year (which is due to the wider market recovery) what is of greatest interest and impact is the complexity of applications received (which is reflected by a greater fee). The Business Manager Development will continue to monitor and forecast fee income albeit this notoriously fluctuates month by month. This additional income will be reviewed as part of the year end procedures once the Council's overall budget out-turn position is known.
- Although Workshop Rent Income appears underachieved by £20k, £50k of this is due to Newark BIC under achieved income due to the outstanding figures for quarter 3 as mentioned above. The remaining Workshops income is actually over budget by £29k due to a higher rate of occupancy than budgeted.
- Car Park income is higher than budget by £85k. £58k of this is relates to the lorry park due to increased usage and the introduction of the cashless payment system. Car Parking in Newark has also seen an increase in usage resulting in £27k more income than projected.

### 5.0 **RECOMMENDATION**

**That the overall position of the Economic Development Committee net expenditure compared to budget at 31<sup>st</sup> January 2015 be approved and Officers continue to look for additional savings throughout the financial year.**

**Reason for Recommendation**

**To advise Members of the current net expenditure compared to service budgets for the period ending 31<sup>st</sup> January 2015.**

**Background Papers**

Nil

For further information please contact Tara Beesley on Ext 5328 or Jenna Norton on Ext 5327

David Dickinson  
Director – Resources



## PERFORMANCE REPORT FOR THE PERIOD ENDING 31st January 2015

	<u>Base Budget 2014/15</u>	<u>Profile Budget 31-Jan-15</u>	<u>Actual Expenditure 31-Jan-15</u>	<u>Variance</u>	<u>Budget Officer Comments</u>
EMPLOYEES	1,708,920.00	1,279,400.00	1,155,669	(123,731)	<b>£25k</b> saving from Growth Point vacancy. Building Control is <b>£32k</b> underspent. Growth Technical Support <b>£14k</b> underspent. Planning Policy is <b>£11k</b> underspent due to restructuring. Economic Growth is <b>£14k</b> due to a number of vacancies. All other underspends are small across all services within ED due to temporary vacancies.
PREMISES	557,800	411,610	316,379	(95,231)	
<i>General</i>	496,210	359,873	276,458	(83,415)	<b>£20k</b> of this underspend is on R&R budgets that have been requested from a reserve but not yet spent. There is almost a <b>£22k</b> underspend on rates across all services, but £10k of this is on Other Properties as we only have to pay rates if units are empty. The rest of the underspend consists of small amounts across services.
<i>Electricity</i>	55,190	47,129	34,575	(12,554)	This is made up of small underspends across the services.
<i>Gas</i>	6,400	4,608	5,345	737	
TRANSPORT	26,900	22,485	16,590	(5,895)	
SUPPLIES AND SERVICES	1,338,750	1,561,901	1,221,631	(340,270)	<b>£190k</b> of this underspend is on the BIC Contract. Some invoices relating to 2014/15 are currently outstanding. Professional Services <b>£47k</b> underspent. £16k of this is on LDF and £12k on GIF, both funded by reserves. Contractual Services are <b>£19k</b> underspent but this is spread over various services. Equipment R&R is <b>£30k</b> underspent but will be spent by the end of the year. The rest of the underspend consists of small amounts across services.
TRANSFER PAYMENTS	0			0	
<b>TOTAL EXPENDITURE</b>	<b>3,632,370</b>	<b>3,275,396</b>	<b>2,710,269</b>	<b>(565,127)</b>	
INCOME	(3,473,620)	(2,966,194)	(3,439,703)	(473,509)	
<i>General</i>	(492,480)	(459,234)	(512,268)	(53,034)	<b>£20k one off unbudgeted income</b> for the Provision of CIL advice. The member of staff has now left and supplying the service as an outside contractor. Land Charges income is <b>over target by £30k</b> as the service continues to successfully compete with external competition. The BIC is showing <b>£21k under target</b> on Hire Charges.
<i>Planning</i>	(621,250)	(534,501)	(901,204)	(366,703)	Planning Application income up due to some receipts in relation to some major housing sites, and a general increase in applications. The Business Manager continues to monitor this due to fluctuations in income.
<i>Building Control</i>	(252,000)	(209,916)	(208,234)	1,682	
<i>Workshop Rents</i>	(822,620)	(665,173)	(642,219)	22,954	The BIC target for Workshop Income is <b>under achieved by £50k</b> as there has been no income details for some of 2014/15 from NCC. Income from all other Workshop rents is <b>up by £29k</b> due to higher occupancy rate than anticipated.
<i>Car Parks</i>	(940,670)	(797,829)	(882,503)	(84,674)	Lorry Park income is up by £58k due to new cashless system and increase in usage. Income from Newark Car Parking is also up by £27k.
<i>Markets</i>	(343,100)	(298,292)	(292,024)	6,268	
<i>Culture</i>	(1,500)	(1,250)	(1,252)	(2)	
<b>TOTAL INCOME</b>	<b>(3,473,620)</b>	<b>(2,966,194)</b>	<b>(3,439,703)</b>	<b>(473,509)</b>	
<b>NET EXPENDITURE</b>	<b>158,750</b>	<b>309,202</b>	<b>(729,434)</b>	<b>(1,038,636)</b>	
MEMORANDUM ITEMS					
<i>Support</i>	1,489,640	0	0	0	Support services are charged to budget heads at the end of the financial year. The direct costs of providing central services are scrutinised in the relevant portfolio.
<i>Capital</i>	171,450	0	0	0	Capital charges are applied to accounts at the end of the financial year and reversed 'below the line' so have no impact on the Council Tax payer.
<i>Recharged Support Services</i>	(585,670)	0	0	0	
<b>TOTAL PER BUDGET BOOK</b>	<b>1,234,170</b>				



**DEVELOPING A STRATEGIC APPROACH TO LICENSING AND THE NIGHT TIME ECONOMY**

**1.0 Purpose of Report**

- 1.1 To consider the production of a formal Night Time Economy Strategy aimed to provide a framework for diversifying and improving the towns early evening and late evening economy.

**2.0 Background**

- 2.1 Newark has a reputation as a town of culture. Its vibrant entertainment sector attracts people locally, regionally and beyond. The city evening offer includes a theatre, restaurants, pubs, and clubs. Newark as an evening destination makes an important contribution to the local economy.
- 2.2 The Night Time Economy is a widely used but relatively ill-defined phrase. It is generally taken to encompass provision and facilities for leisure and entertainment in the evening and into the early morning – perhaps from 6 pm to 4 am inclusive. It includes, but not exclusively, retail shops, bars, pubs, clubs, restaurants, takeaways and fast food premises and the supporting infrastructure such as taxis and private hire vehicles, late night buses, and late night street cleaning. All late opening licensed premises would be part of the late night economy
- 2.3 Whilst the night time economy is important to Newark there is no single strategy that addresses the important factors that go to make a successful and safe night time economy. The Councils Liking Policy is perhaps the most important but this is very clearly geared towards the four licensing objectives and does not take account wider cultural and economic issues.
- 2.4 Over the past twelve months Newark has seen an increase in the number of licensed premises that have been seeking to extend their operating hours into the early mornings, particularly at weekends. Many of these applications have given rise to representations from both the police and local residents concerned at the extension of trade into the early hours and the subsequent risk of crime and disorder.
- 2.5 Issues with the night time economy are not unique to Newark. Most cities and towns across the UK are experiencing some negative side effects of a having a vibrant night life. Locally the police have seen an increase in the numbers of incidents of crime and anti-social behaviour recorded during the late evening and early mornings mainly associated with the consumption of excess alcohol.

**3.0 Policy Context**

- 3.1 The development and subsequent management of the night time economy is influenced by a wide range of national and local policies. Government policy and legislation such as the Licensing Act 2003 and the national alcohol strategy is passed to local government and agencies to implement. Below are some examples of how duties and responsibilities are carried out in Newark.

- a) Newark and Sherwood District Council, has a key responsibility in respect of defining the development and management of the daytime, evening and late night economies through its planning, environmental protection and licensing powers.
- b) Nottinghamshire County Council holds the public health remit for Newark and Sherwood and a new duty to improve the health and wellbeing of Nottinghamshire's residents and it also commissions drug and alcohol services;
- c) Nottinghamshire Constabulary has a role in reducing crime and disorder.

3.2 Sitting alongside these duties is an increasing awareness that people taking personal responsibility for their actions has an increasing part to play. Promoting positive messages and engendering behaviour change are an important part of the national alcohol strategy.

3.3 Because of the range and number of agencies involved in night time economy it presents a complex challenge for all the agencies and organisations involved.

#### **4.0 Night Time Economy Challenges**

4.1 As stated above there has been a recent trend for premises to increase their operating hours into the early morning.

4.2 Alcohol from off-licences costs on average around one third of the cost of alcohol bought from pubs, bars and clubs and drinking at home before a night out – 'pre-loading' - has become common. Feedback from bus and taxi drivers indicates that a number of people are being transported into the town who are already drunk.

4.3 The distribution of alcohol-related violent crime and anti-social behaviour is concentrated in the Castlegate area but does affect the whole town centre. A venue in Newark frequently features as the premises with the highest number of incidents over a weekend period. The peak days for alcohol-related crimes are Saturday and Sunday and peak times are between 11.00pm and 2.30am.

4.4 Due to the number of incidents Nottinghamshire police have to specifically target their police resources to the Newark night time economy and allocate more officers during weekend evenings.

4.5 Currently, the presumption within licensing legislation is that license applications will be granted unless there are representations that clearly evidence that an application will conflict with the licensing objectives which are set out in the Licensing Act 2003. Therefore if an application is refused without this evidence it could be challenged. In practice, this means that there is little the licensing authority can do to prevent a high density of licensed premises. Whilst a Cumulative Impact policy can be introduced and this has never seriously been considered and it should be noted that this is not statutory and decisions to decline new licences can be overturned on appeal. Cumulative impact (CI) allows licensing authorities to limit the density of licensed premises in problem areas. CI is not mentioned specifically in the Licensing Act 2003 but is referred to in the guidance issued by the Home Secretary as meaning "the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area."

4.6 Equally, the Licensing Act 2003 has no licensing objective in England and Wales to protect public health. However, as a part of the national alcohol strategy the Government is proposing that health impacts be considered in license applications.

## **5.0 Proposals**

5.1 In order to achieve a strategic and coherent approach to the management of the night time economy in Newark it is proposed that the Council seeks to develop a partnership with the Nottinghamshire Police, Newark Business Club, 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.

## **6.0 Comments from Licensing Committee**

6.1 This report was considered by the Licensing Committee at their last meeting and they made the following decision.

(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.

## **7.0 RECOMMENDATION**

**That Members approve the development of a Night Time Economy Strategy and Action Plan for Newark.**

### **Reason for Recommendation**

**To allow a co-ordinated and strategic approach to be developed that seeks to support and diversify the Newark night time economy.**

Background Papers - Nil

For further information please contact Alan Batty on 01636 655467

Karen White  
Director – Safety



**HAWTONVILLE NEIGHBOURHOOD STUDY**

**1.0 Purpose of Report**

- 1.1 To provide the Committee with an update on progress with the Hawtonville Neighbourhood Study including the appointment of a consultant to undertake the master-planning assessment of the locality.

**2.0 Background Information**

***About Neighbourhood Studies***

- 2.1 The role of a Neighbourhood Study is to provide a comprehensive assessment of an area focusing on both the socio-economic and physical attributes and opportunities, with community involvement at the heart of this work.
- 2.2 This will create a locally driven document that provides the Council, and all stakeholders involved in the process, with a strategic and long-term plan to guide future decision making and investment requirements for a defined area.

***The Hawtonville Neighbourhood Study***

- 2.4 The Committee gave approval to commence a Hawtonville Neighbourhood Study at its meeting on 26<sup>th</sup> March 2014. Members recommended that the Study should focus on the Hawtonville Estate rather than a wider area of Devon and Hawtonville as originally briefed.
- 2.5 The estate includes 1245 Council houses, representing just over one fifth of the entire Council housing stock. As the estate crosses both ward and super output area boundaries, which causes issues with data aggregation, elements of the study adhere to a broader area than that traditionally referred to as the Hawtonville estate (see **Appendix A** for details). This is a particular problem for health statistics, which are typically compiled for larger divisions of population.
- 2.6 The Study, led by the Strategic Housing Business Unit, has invited local stakeholders and residents to contribute to the research and governance through the creation of a Neighbourhood Partnership (NP). This is a forum that has now met on 4 occasions, prior to meetings of the well-established Hawtonville Safer Neighbourhoods Group, and chaired by the Director - Safety. The NP has already led to informal networking and exchange of information between local stakeholders, independent of the study.
- 2.7 Members of the NP include:
- Local Councillors
  - William Gladstone Primary School
  - Newark and Sherwood Homes (NSH)
  - Hawtonville Methodist Church
  - Newark and Sherwood District Federation of Tenants and Residents
  - Nottinghamshire Police
  - Newark and Sherwood Clinical Commissioning Group
  - Positive Futures

- Newark Town Youth Council
  - Hawtonville Young People's Centre (Nottinghamshire County Council)
  - Residents (*ad hoc basis*)
- 2.8 Those local stakeholders that have been unable to attend the NP meetings have been kept informed of progress via email.
- 2.9 The Regeneration & Strategy Officer, within the Strategic Housing Business Unit, who is project managing the Study has also attended a number of local events and facilitated meetings to raise awareness of the Study. These include five internal Business Unit project meetings, three Hawtonville Safer Neighbourhood Group meetings two NSH Hawtonville 'walkabouts' and eight external meetings with local stakeholders. The Study at this point has had input from fifteen Council officers and nine Business Units.
- 2.10 The Study also recently created a Hawtonville Neighbourhood Study Facebook page (<https://www.facebook.com/hawtonvilleneighbourhoodstudy>). It is hoped that this will become another tool for engaging/ informing local people.
- 2.11 The Study has now reached two key milestones, summarised below:

***Completion of Baseline Report***

- 2.12 A Baseline Report for Hawtonville has now been completed. This combines a review of existing statistical information and primary data obtained through undertaking survey/focus groups with local residents. It identifies the key issues that need to be examined in depth through further research and master-planning. It addresses qualitative, quantitative and spatial issues. It also provides the historical and policy context for development in and around Hawtonville.
- 2.13 A number of sources of information were utilised for the report:
- 2011 Census
  - Newark and Sherwood Homes
  - Nottinghamshire County Council
  - Newark Library Archives
  - Department for Work and Pensions
  - East Midlands Public Health Authority
  - Lang Research Associates
  - Nottingham Child Poverty Reference Group
  - Newark and Sherwood District Council Business Units
  - Newark and Sherwood District Council
  - Focus Groups, questionnaires and meetings/ interviews with local stakeholders and internal officers
- 2.14 The Baseline Report identifies that there is a concentration of socio-economic issues (e.g. lack of qualifications, proportion of households identified as deprived, reports of anti-social behaviour (ASB), issues logged during estates walkabouts) from the St. Marys Garden area down through to the Ash Road/Grange Road area. This area also includes several significant sites including Cherry Holt, Hawtonville Community Centre and Grange Road flats. To aid analysis these locations have been clustered and termed as 'Inner' Hawtonville, (with a population of 2588 out of 7536 for the whole area). However, as with the boundary identified for the estate, it is recognised that in reality, boundaries are permeable and fluid. **Appendix B** provides an illustrative example of this, derived from census data.



2.15 A number of key issues have emerged from the review of statistics for the whole Study area through the baseline analysis:

**a) *Anti-Social Behaviour (ASB)***

There has been a significant decline in reporting of ASB issues following the introduction of a number of measures, including the introduction of Family Intervention Project workers, the Four Walls DVD project and diversionary activities. A multi-agency approach was also introduced in 2011 with support from the Partnership Plus programme.

**b) *Socio-Economic Issues***

There are high levels of residents with no qualifications (39% in inner Hawtonville) compared to the District average (25%). Levels of deprivation vary widely across the study area. Towards the north up to 60% of households have no indices of deprivation but this reduces to up to 20% in the centre.

**c) *Health***

Health statistics are compiled across a wider area than Hawtonville making it difficult to identify local issues. Instead the study is using Mosaic profiles to identify likely population groups in the study area and the Grand Index to indicate likely health issues. This work (with Public Health Intelligence at Nottinghamshire County Council) is ongoing. It is important to note that the data cannot be used to set baselines, targets or monitor change. Rather it provides insight into likely issues and solutions which can then be researched further in the locality.

**d) *Population***

The study area has a population of 7536 people (2011 National Census). Data from NSH suggests that the area has a younger population than the District; 20.6% of the District is under the age of 18 compared to 28% for Hawtonville. Anecdotal evidence has suggested that Hawtonville has a large population of Eastern European communities though this is not supported by the statistics. NSH data indicates that less than 3% of the Council tenant population could be from Eastern Europe.

2.16 The Baseline Report has also undertaken an initial appraisal of the built environment:

**a) *Hawtonville Development***

The original estate was planned by Barry Parker, an early proponent of the Garden Village Suburb movement. However, in order to make houses more affordable (and despite a Council scheme providing grants of £100 for house purchases) the estate was developed at a greater density than many other similar schemes. The estate retains many original characteristics. Some, such as the regular building form and continuous street widths makes navigation difficult. It also lacks informal space and the landscaping has created a harsh environment in some locations.

**b) *Green Space and facilities***

The estate is at a higher density than other parts of Newark and as such suffers from a shortage of green space and sports facilities. The construction of the new Leisure Centre on Bowbridge Road should go some way to addressing this.

**c) Housing**

There is a strong demand for housing in Hawtonville. Much of this comes from within Newark; of the 105 NSH lettings in 2013/14 only 10 were to residents with no local connection. It has a lower turnover in tenancy (8.44%) compared to a District average (8.71%) for Council owned housing. As elsewhere in the District, there is a shortage of 1 and 2 bed units.

2.17 Residents have also been asked to identify their main concerns and the best features of Hawtonville. Seventy students from William Gladstone Primary School replied to a survey and 24 older people were consulted through focus groups, walkabouts and at the Newark Senior Citizens Day. While this is a small sample the purpose was to provide an early indication of issues to help guide further research and consultation.

2.18 Younger people, girls in particular, were much more positive about Hawtonville than older people.

2.19 Survey results showed:

<b>Top 3 Issues for Adults</b>	<ol style="list-style-type: none"><li>1. Anti-social behaviour</li><li>2. Activities for older people</li><li>3. Pavements and highways</li></ol>
<b>Top 3 Issues for Younger People</b>	<ol style="list-style-type: none"><li>1. Anti-social behaviour</li><li>2. Lack of parks or fields</li><li>3. Need for more leisure facilities</li></ol>
<b>Top 3 Best Features for Adults</b>	<ol style="list-style-type: none"><li>1. Community Services</li><li>2. Activities for younger people</li><li>3. Sense of community and safety</li></ol>
<b>Top 3 Best Features for Younger People</b>	<ol style="list-style-type: none"><li>1. Activities/ services for young people</li><li>2. Parks and fields</li><li>3. Friends and family</li></ol>

**Appointment of Consultants**

2.20 The Study has appointed the consultant Planning for Real to undertake the master-planning element of the study, further to a tendering (Request for Quotation) exercise being undertaken.

2.21 Planning for Real were appointed due to their track record in engaging with diverse communities, using bespoke 3D models and interactive techniques.

2.22 The consultant has now begun the production on a map covering study area, which is approximately 8ft x 11ft in size. This will be used as a base for 3D models in workshops. Members of the team have also met with the Neighbourhood Partnership and a consultation/workshop plan is currently being refined.

2.23 The workshops build on engagement activity already completed by the Study team. They address one of the key lessons learned from the Bridge Ward Study; that engagement needs to be creative and ongoing. A close working relationship between the Study team and consultants also enables the Council and stakeholders to have an ongoing input into the engagement process and provides the wider Hawtonville community with a continuing point of contact outside of the workshop programme.

3.0 **Next Steps**

- 3.1 It was initially proposed that the final Study would comprise of a Social Guide (*providing an insight into socio-economic issues*) and Development Guide (*providing insight into the built environment*). It has been noted that a critical dimension in the success of the Study will be the integration of the two sections through the work carried out by the consultant, Council and local stakeholders.
- 3.2 In this respect, and through further discussions with the consultant, it has been concluded that it would be more appropriate to think of the elements of the Study as those concerning ‘People’ and those concerning ‘Place’. In turn, the Study can be characterised as a place-making exercise that is; ‘*working with the community to understand its assets and strengths to promote people’s health, happiness and well-being through the creation of successful spaces*’. In Hawtonville it is anticipated that this will be underpinned by a comprehensive assessment of the housing stock and current facilities, a principle of the master planning process.
- 3.3 ‘People’ and ‘Place’ are terms more familiar to the wider audience for the Study and should help with dissemination of the Study. By using them within a place-making framework the links between social issues and the built environment will become more apparent.
- 3.4 The Hawtonville Neighbourhood Study is ultimately a document for all local stakeholders to drive forward and it is therefore imperative that it is understood and endorsed by all.
- 3.5 A number of issues have emerged from the Baseline Report that will be researched further in the next stage of the study, relating to ‘People’ and ‘Place’, by the consultant. ‘Place’ issues have been stratified by scale; the home, the street and the neighbourhood. In turn, these may be subdivided into themes:

<b>Hawtonville: The Home</b>
<p><u>Matching investment with need</u></p> <ul style="list-style-type: none"> <li>➤ To what extent do planned investments in housing meet resident needs?</li> <li>➤ To what extent do planned residential investments address resident problems i.e. noise transferring between flats and ASB?</li> </ul>
<b>Hawtonville: The Street</b>
<p><u>Legibility</u></p> <ul style="list-style-type: none"> <li>➤ How can future developments address the legibility of the estate?</li> </ul> <p><u>Quality of Public Space and Street Scene</u></p> <ul style="list-style-type: none"> <li>➤ How does the street scene and character support high quality public space?</li> <li>➤ How do residents rate their environment?</li> <li>➤ How can the quality of environment, e.g. rubbish, graffiti, grazing, be improved?</li> </ul> <p><u>ASB</u></p> <ul style="list-style-type: none"> <li>➤ Where does ASB take place?</li> <li>➤ To what extent does the built environment provide safety for residents?</li> <li>➤ How can changes in the build environment impact on ASB?</li> </ul>
<b>Hawtonville: The Neighbourhood</b>
<p><u>Ensuring Sustainability and Positive Development</u></p> <ul style="list-style-type: none"> <li>➤ How can future developments be socially, environmentally and economically sustainable?</li> </ul>

<ul style="list-style-type: none"> <li>➤ How can all future developments comply with existing policy?</li> <li>➤ How can local heritage be recognised?</li> <li>➤ How can Inner and Outer Hawtonville inform investment/ development opportunities?</li> <li>➤ To what extent do residents relate to an Inner and Outer Hawtonville?</li> <li>➤ What sustainable interventions can be made to address the issues identified?</li> <li>➤ Is there a shared vision of the estate to make it the place that people want it to be?</li> </ul> <p><u>Connectivity and Circulation</u></p> <ul style="list-style-type: none"> <li>➤ How will Hawtonville connect with Land South and the new Leisure Centre?</li> <li>➤ How can Hawtonville improve connections with Newark and the District?</li> <li>➤ How do residents move around the estate and the District?</li> </ul> <p><u>Amenities</u></p> <ul style="list-style-type: none"> <li>➤ To what extent do planned investments in a new retail centre in Land South meet the needs of Hawtonville residents?</li> <li>➤ To what extent do planned investments in new facilities/ green space in Land South and the Leisure Centre meet the needs of Hawtonville residents?</li> </ul> <p><u>Housing</u></p> <ul style="list-style-type: none"> <li>➤ To what extent can future development meet housing need?</li> </ul>
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3.6 The same method is applied to key questions emerging relating to ‘People’, scaling issues to those that relate to the individual, friends and family and the social neighbourhood. It is also possible to identify a number of cross cutting themes:

<b>Hawtonville: The individual</b>
<p><u>Health and Well Being</u></p> <ul style="list-style-type: none"> <li>➤ What services have the most demand?</li> <li>➤ Do residents face problems with money management (debt, benefit dependency etc.), and what support is available?</li> </ul> <p><u>Social and Cultural</u></p> <ul style="list-style-type: none"> <li>➤ To what extent is ASB still a problem?</li> </ul> <p><u>Influence and Stake</u></p> <ul style="list-style-type: none"> <li>➤ To what extent does housing affect resident’s perception of community membership?</li> <li>➤ To what extent are these views shared with other residents?</li> </ul>
<b>Hawtonville: Family and friends</b>
<p><u>Health and Well Being</u></p> <ul style="list-style-type: none"> <li>➤ What facilities do residents need?</li> </ul> <p><u>Social and Cultural</u></p> <ul style="list-style-type: none"> <li>➤ To what extent do current facilities meet resident needs, given the existing range and utilisation of existing facilities?</li> </ul>
<b>Hawtonville: The social neighbourhood</b>
<p><u>Health and Well Being</u></p> <ul style="list-style-type: none"> <li>➤ To what extent do Mosaic profiles accurately identify health problems and solutions, for the estate?</li> </ul> <p><u>Influence and Stake</u></p> <ul style="list-style-type: none"> <li>➤ How cohesive is the Hawtonville ‘community’?</li> </ul>

3.7 The above framework is now being refined with the consultant, which will support analysis and identify links between social and built environment issues, and a series of workshops/focus groups will then be set up with local residents to explore the issues raised further.

3.8 The Baseline Report has also identified a number of key sites to focus attention on:

- **Land South**

*There will be significant long term housing and employment growth, along with the associated infrastructure including a south link road, bordering Hawtonville (Grange Road).*

- **Bowbridge Road**

*A key connection to the Leisure Centre, linked to the potential of a new Council led housing development on the site. It is also acts as a boundary for Hawtonville.*

- **Devon Road**

*A major route through the estate and provides the potential to engage with the settled Gypsy and Traveller community.*

- **St. Mary's Gardens and Eton Avenue**

*The location of the current community centre, contains important retail facilities and experiences ASB/environmental issues. (The HRA has recently acquired the site of the former NHS clinic at St. Mary's Gardens.)*

- **Cleveland Square and Cherry Holt**

*Significant green space within Hawtonville.*

- **Garages and alleyways**

*Potential locations for ASB and their role in internal circulation.*

3.9 Vital to identifying deliverable recommendations, interventions and outcomes to the Study is the need for a robust and realistic evaluation of the available finances to support these, something which the consultant will be appraising throughout the Study. Such work is essential to ensure that the Study does not raise false expectations for local residents.

3.10 Following discussions with the consultants it was decided that there is significant value to be gained from extending the time period for consultation and revision of proposals emanating from consultation. The Study now aims for completion in September 2015 and an overarching Project Plan has been established, monitored by the Strategic Housing Business Unit.

3.11 The final Study will be reported to the Committee for its endorsement.

#### **4.0 Equalities Implications**

4.1 The Devon Ward and Hawtonville area profile shows a relatively homogenous community (94% of residents were born in the UK) albeit with a significant distribution of ages, from a mean of 46 in the Belmont Road/ Bailey Close area compared to a mean age of 29 in the Staunton Road/ Montgomery Rd area.

4.2 It will be important for the engagement techniques to ensure a gender, ethnicity and age balance and to be accessible for people with physical and learning disabilities. Planning for Real are experienced at working with diverse groups and using visual/physical tools for consultation. Any recommendations emanating from the Study should also be subject to further equalities reviews, including equality impact assessments, preferably undertaken with the local community.

## **5.0 Impact on Budget/Policy Framework**

- 5.1 The Hawtonville Neighbourhood Study will be formulated set against the Council's and other statutory stakeholder's policy framework, along with considering relevant national/local policies and guidance.
- 5.2 Resources to undertake this Study were identified and approved at the Committee meeting on 26<sup>th</sup> March 2014, with a proportion of the funding coming from the Housing Revenue Account linked to the significant HRA asset base in this locality.
- 5.3 Any Council capital projects that emerge as a recommendation from the Study will need to be appraised in full to assess their priority, viability and deliverability set against all other capital schemes.

## **6.0 Comments of Director - Resources**

- 6.1 Funding has been made available to carry out the Neighbourhood study in Hawtonville.
- 6.2 Members will need to consider the recommendations of the Study when it is produced and look at the financial implications alongside other priorities and financial demands facing the Council.

## **7.0 RECOMMENDATIONS that:**

**The Committee to consider the contents of the report and comment on the progress made to date to complete a Neighbourhood Study for Hawtonville.**

### **Reason for Recommendations**

**To develop a Neighbourhood Study approach so to inform current and future policy development for a study area, to the benefit and prosperity of its residential and business community.**

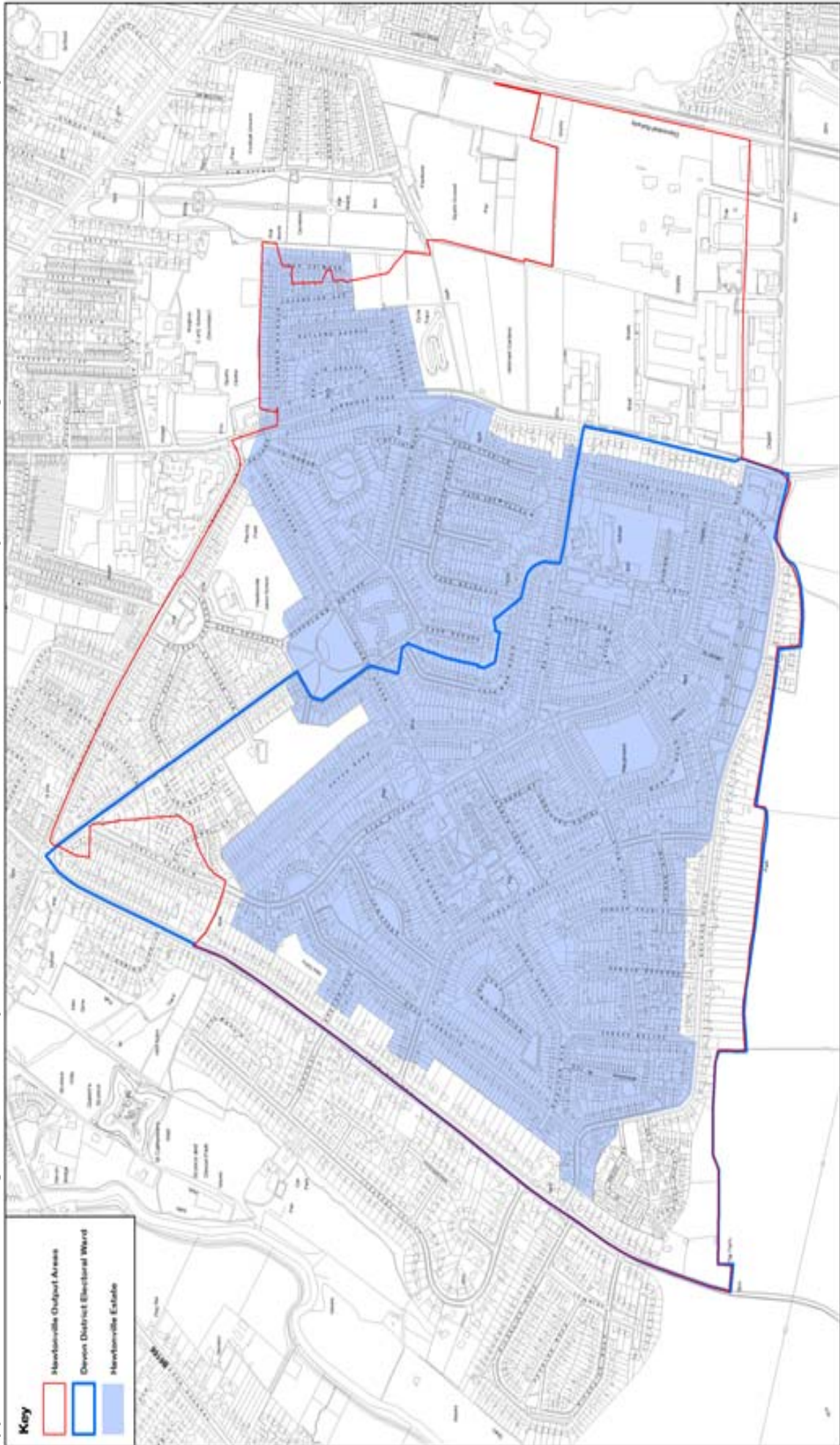
### **Background Papers**

Hawtonville Neighbourhood Study Baseline Report

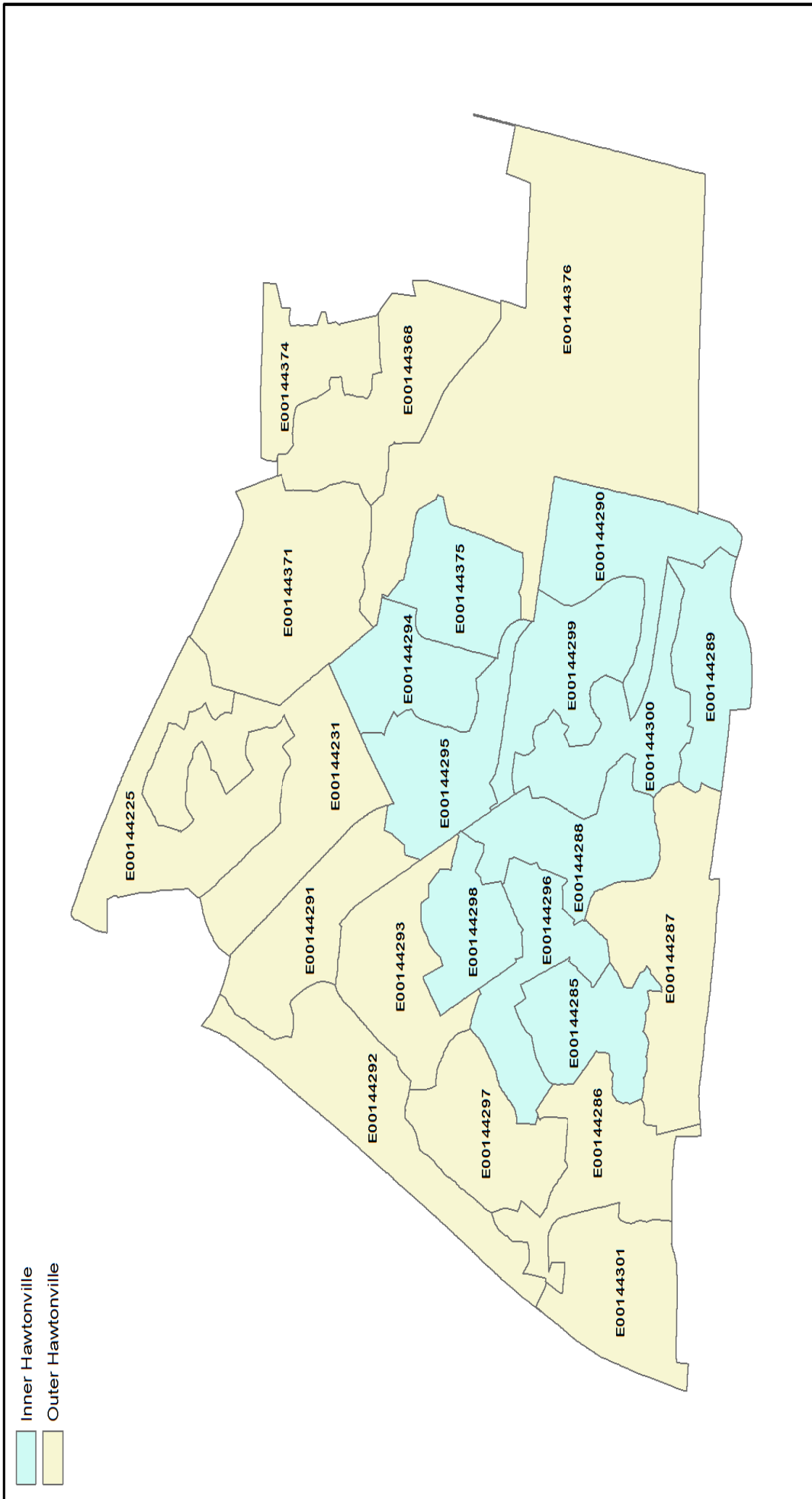
For further information please contact Rob Main, Strategic Housing – Business Unit on 01636 655930.

Karen White  
Director – Safety

Appendix A: Hawtonville Neighbourhood Study Area (Red: Statistical Area, Blue: Concentration of Social Housing, Blue Line: Devon Ward Boundary)



**Appendix B: Inner and Outer Hawtonville by Super Output area**



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**LOCAL DEVELOPMENT FRAMEWORK PROGRESS REPORT**

**1.0 Purpose of Report**

1.1 To update members on the progress of the various elements of the Local Development Framework (LDF) contained within the Local Development Scheme (LDS) timetable, to set out the consultation responses received, any amendments which need to be made in response to the consultation, and seek approval for the amended Statement of Community Involvement (SCI) to be adopted by the Committee.

**2.0 Background Information**

2.1 The current LDS was adopted by Economic Development Committee on 22<sup>nd</sup> January 2015.

**3.0 Progress**

3.1 Progress on the various elements of the LDF is as follows:

- **Gypsy & Traveller DPD** – The Council is currently consulting on a ‘Preferred Strategy’ paper – this consultation will finish on the 6 April 2015.
- **Statement of Community Involvement** – Public consultation on the draft document concluded on the 17<sup>th</sup> February 2015. The results of the consultation and the finalised document for adoption are set out in Section 4 and Appendix A and B of this report.

**4.0 Statement of Community Involvement**

4.1 The SCI sets out the principles and practices the District Council will adopt in the development of planning policy and the consideration of planning applications. It is a statutory requirement of the Planning & Compulsory Purchase Act 2004, and is used by Planning Inspectors to judge Local Planning Authorities’ compliance with consultation requirements as part of Development Plan Examinations. The document consulted upon is an updated version of Newark & Sherwood’s original Statement of Community Involvement, which was adopted in March 2006.

4.2 The results of the consultation along with the proposed District Council responses are contained within Appendix A Consultation Responses Document. In total 11 comments were received, three of which were The Coal Authority, English Heritage and The Environment Agency saying that they had no comments to make.

4.3 Cromwell Parish Meeting, in their response, suggests that the number of objections received to a proposal should be a material consideration when assessing a planning application. Farndon Residents Environment Group raised a number of issues which go beyond the scope of the SCI. In reviewing the consultation responses at LDF Task Group members asked that officers specifically respond to the issues raised by these local organisations and Officers have already written to these organisations on these matters.

- 4.4 The Trent Valley Internal Drainage Board made comments concerning drainage and flood risk management, and requested that they should be mentioned on the list of specific consultees. Southwell Town Council expressed the view that consultation on the document should have taken place at an earlier stage in its production.
- 4.5 Three members of the public have responded to the consultation so far. Their comments have been focussed on particular issues that concern them rather than on the SCI. These comments concern housing in smaller settlements, the reliability of evidence base documents and the way in which proposals to accommodate Gypsies and Travellers are dealt with by the Council. These comments will not require changes to be made to the SCI.
- 4.6 In responding to the consultation responses a small number of amendments to the SCI are proposed before it is adopted they are set out in Appendix B of this report. It is proposed that subject to these amendments the Draft SCI is adopted by the District Council, replacing the 2006 SCI to become part of the Newark & Sherwood Local Development Framework.

## **5.0 Impact on Budget/Policy Framework**

- 5.1 The new constitutional arrangements give responsibility to Economic Development Committee for preparing and adopting the Statement of Community Involvement.

## **6.0 Equalities Implications**

- 6.1 An Equalities Impact Assessment (EqIA) has been conducted for the current Gypsy & Traveller DPD Preferred Strategy consultation which concludes that the proposals if enacted would have a mild positive impact on the Gypsy and Traveller community. This EqIA is currently out for consultation alongside the Preferred Strategy.
- 6.2 The Draft Statement of Community Involvement EqIA concluded that the impacts of the SCI are likely to be positive on people with the protected characteristics of age, race and disability and also in terms of issues around homelessness. Impacts were considered to be neutral on the other protected characteristics reviewed. As there were no negative impacts, the SCI is considered to be positive or neutral in terms of equalities.

## **7.0 RECOMMENDATIONS that:**

- (a) Committee note progress towards meeting the timetable of the adopted Local Development Scheme;**
- (b) Committee note the endorse the proposed District Council responses to Draft Statement of Community Involvement consultation responses set out in Appendix A; and**
- (c) The Draft Statement of Community, as amendment by the proposals in Appendix B, is adopted as the Council's Statement of Community Involvement and becomes part of the Newark & Sherwood Local Development Framework.**

**Reason for Recommendations**

**To comply with the Planning and Compulsory Purchase Act 2004 and amending regulations.**

**Background Papers**

Draft Statement of Community Involvement January 2015.

Local Development Scheme January 2015.

For further information please contact Matthew Norton on Ext 5852 or Adrian Allenbury on 5862

Kirstin H Cole  
Deputy Chief Executive





# **Newark & Sherwood Local Development Framework**

**Draft Statement of Community Involvement**

**Consultation Responses Document**

**February 2015**

<b>Respondent</b>	<b>ID</b>	<b>Comment</b>	<b>NSDC response</b>	<b>Proposed action</b>
The Environment Agency	001	The Environment Agency has no comments to add.	Noted.	None.
Trent Valley Internal Drainage Board	002	Paragraph 3.6 table. Recommend that developers consult Flood Risk Management Authorities. Paragraph 3.16 Should drainage and flood risk be considered a material planning consideration. Appendix 4 Trent Valley Internal Drainage Board to be included in list of specific consultees.	<p>Paragraph 3.6 – the table here is specifically about developers consulting with local communities, so the suggested amendment is not considered appropriate.</p> <p>Paragraph 3.16 – drainage and flood risk are material considerations and these can be included in the illustrative list, as the Trent Valley Internal Drainage Board considers that this would be beneficial.</p> <p>Appendix 4 – The Trent Valley Internal Drainage Board are specific consultees and they can be named in this appendix.</p>	<p>Paragraph 3.16 – a new bullet point will be added:</p> <p>‘Environmental constraints including flood risk and water management’.</p> <p>Appendix 4 – The Trent Valley Internal Drainage Board will be included in the list of specific consultees.</p>
Cromwell Parish Meeting	003	The Localism Act 2011 seeks to give more power to communities, so it seems perverse not to consider the level of any local opposition when considering a planning application. I would suggest that "whether a lot of other people have objected " should be removed from the list of excluded planning considerations and placed on the list of material planning considerations .This would make the SCI consistent with the legislation. How much weight is given to the level of public feeling will remain a matter for the planning officer or committee.	<p>While the point that Cromwell Parish Meeting make is understood, it is beyond the remit of the SCI to alter what can be taken account of as a material consideration within the planning system.</p>	<p>No changes to the SCI. A letter has been sent to Cromwell Parish Meeting that discusses material considerations in more detail than was considered necessary for this document.</p>

Collingham resident	004	<p>Para 2.2 There is inadequate attention paid to ensuring that the reports, research papers etc supporting the LDF Documents are accurate, objective and reliable. These sources of information may be produced by agencies outwith the Council and wrongly assumed to be accurate, objective and reliable solely by virtue of the originators being deemed "expert". They are not yet adequately subject to challenge by Members, Officers, consultants or the public. An example of when this has adversely effected planning is the 2007 Tribal GTAA Report (itself surely due for review very soon). This work was clearly undertaken with a biased preconception as to its outcome and used fundamentally flawed methodology guaranteed to achieve that outcome. The report was subsequently used to establish flawed policy objectives in the Core Strategy as well as misguiding decision makers in individual planning applications. Para 3.3 All planning applications involving gypsy &amp; traveller caravan accommodation sites should be required to receive pre-application verbal advice and comment before such applications will be accepted for formal consideration. This should still be the case even if the applicant uses an agent - the applicant should be present in person. The Planning Inspectorate recognises that this group often has difficulty engaging with the written word, as well as digital technology, to the extent that no appeal by this group is allowed to proceed by the submission of correspondence alone. Since NSDC receives a significant number of such applications, most of which go to appeal, it seems to me that a mandatory discussion with an Officer before the application is submitted would save all parties much time and expense.</p>	<p>The Core Strategy has been subjected to examination in public by an independent Inspector and was found to be sound.</p> <p>All planning applications are considered on their own merits.</p>	None.
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District resident	005	<p>Regarding my comments on the Sci I feel that putting large housing projects in certain areas will put too much strain on small local services. Spreading housing for local people over the county in small as well as large villages would be a much better option. It seems ridiculous to overpopulated big areas and let small villages become unsustainable therefore, producing even more traffic as especially parents try and find the smaller schools for their children.</p> <p>I have a daughter with her partner who wishes to stay in the village she has spent her whole life in, yet when we tried to get a modest planning application through your planning policy we were turned down because our village is UNSUSTAINABLE. Despite having a very good primary school a busy schedule of events the young are not encouraged to stay here because of your planning policy. I would urge you to consider these points when consulting with your planners.</p>	<p>The spatial policies set out in the Core strategy are intended to facilitate sustainable development, as is the whole Local Plan. This is in line with national planning policy and guidance.</p> <p>Limited development in smaller villages within the District may be considered acceptable if the criteria of Spatial Policy 3 of the Core Strategy are fulfilled and other material considerations do not indicate otherwise.</p>	None.
Caunton resident	006	<p>The new Plan review is beginning and I'm happy to help with county planning, especially with affordable housing and young people's planning, mainly if they are local as we have a school to support and don't want to lose it.</p> <p>You cannot allow villages to fade away, so a small amount of building should be allowed by local people - for local people suitable to surroundings.</p>	<p>These comments are noted and welcomed. It is the policy of the District Council to permit some development in smaller villages if local need has been demonstrated and the other criteria of Spatial Policy 3 of the Core Strategy have been fulfilled, unless other material considerations indicate otherwise.</p>	None.
The Coal Authority	007	<p>I am pleased to see that The Coal Authority is on your list of 'Specific Consultees (Appendix 4 – Consultation bodies). However, having reviewed your document, I confirm that we have no specific comments to make on this document at this stage.</p>	<p>Noted.</p>	None.



Southwell Town Council	008	<p>Southwell Town Council notes that a considerable amount of work seems to have already been undertaken prior to this consultation which in itself seems to be contrary to the idea of 'Community Involvement'.</p> <p>The Town Council suggests NSDC engages with people at the <b>start of any process</b> to obtain their thoughts and then incorporate into any proposed consultation. A recent example of this being the process of community involvement undertaken when developing the Southwell Neighbourhood Plan.</p>	<p>The document being consulted on is an updated version of the existing SCI which was adopted in 2006. This new version represents a review of council procedure rather than an entirely new document and is in draft form. It is intended that comments made about this draft will be taken account of in the production of the finalised document.</p>	None.
English Heritage	009	<p>Thank you for consulting English Heritage upon the draft SCI. I confirm that we have no detailed comments to make.</p>	Noted.	None.
Farndon Residents Environment Group (F.R.E.G.)	010	<p><b>NB – The Farndon Residents Environment Group raised points and asked questions that were unconnected with the consultation on the draft SCI. These have not been included in this document and will be addressed by other means.</b></p> <p>Thank you for the opportunity to comment on this statement.</p> <p>We have been a group that has had a long engagement with you in the planning process – particularly the last 2 LDFs and the Newark Growth point.</p> <p>Overall the planning process is particularly difficult to follow as a non-expert group.</p> <p>We also attended the Regional Assembly and felt that our individual voice was overwhelmed by the battery of lawyers/experts attending on behalf of Developers/Councils.</p>	<p>The supportive nature of these comments is welcomed. It is acknowledged that the planning system is complicated and members of the public can feel at a disadvantage when participating in it.</p> <p>The draft SCI sets out how planning officers in Newark &amp; Sherwood seek to engage with local communities when forming planning policy and determining planning applications. The resources that are available are limited and it is not always possible to brief individual parishes and community organisations about every issue. Consultations and events need to be targeted so that they are most effective. Farndon Residents Environment Group have been</p>	<p>No changes to the SCI. The Farndon Residents Environment Group have been invited to meet with Council Officers to discuss the issues that they have raised.</p>

	<p>consulted about all policy documents that make up the LDF (the Local Plan), and will continue to be consulted in the future. Their participation in the planning system will be facilitated as much as possible.</p> <p>While a range of methods are used to consult local communities, the publicising of material on the District Council's website is a cost effective way to make information available.</p>
<p>This statement now &amp; your potential policy is important – you need to ensure Community opinion gets a voice that has EQUAL or better weighting against the interests of developers.</p> <p>I complement you on the recent restructure of your website, the key documents are now much easier to access and their relationship to each other and their position on the overall process has been made much clearer.</p> <p>Please be encouraged that generally we feel N&amp;SDC have taken an enlightened approach to trying to engage Community opinion and to consult on recent new topics, such as Wind Turbines, through the SPD process.</p> <p>We intend these comments to be “constructive criticism”, as Cllr Blaney requested, to attempt to strengthen the process.</p> <p>This recent consultation is a welcome initiative as I feel there is still more you can do to make this process more accessible and to engage more meaningfully.</p> <ul style="list-style-type: none"> <li>• There is a mass of detail – we encourage you to produce briefings by Parish - we work closely with Farndon Parish Council – we would like items specific to our locale briefed to us more concisely.</li> <li>• Publication on a website is NOT engagement. We wish to have more direct contact with your teams on items that concern us. Your document suggests, “consider organising</li> </ul>	

		<p>exhibitions, briefing sessions, workshops or meetings". We strongly support this. Is it not possible to attend Parish Council meetings, come to ours or schedule Parish public briefings when there is a planning issue with significant local impact?</p> <p>As I am sure you can see we are a group passionate about our local Village Character and its environment.</p> <p>We have an understanding and history of engagement with the planning processes. We have a respect for what you do and a desire to engage with you more directly. We welcome your initiative to improve the level of Community engagement. We look forward to feedback on these comments and to seeing how you improve the level of local engagement.</p>	
<p>Nottingham Trent University</p>	<p>011</p>	<p>It is our view that important providers of education including NTU should be added to the list of main consultee groups in paragraph 2.10 of the SCI. The University has an important educational, social and economic role in the district, and is a major landowner in the area.</p> <p>Accordingly, NTU should also be added to the list of specific consultees in Appendix 4 of the SCI.</p>	<p>Specific consultees are defined under regulation 2 of the Town and Country Planning (Local Planning) (England) Regulations 2012 and Nottingham Trent University does not meet this definition.</p> <p>Representatives of Nottingham Trent University are included in the list of general consultees.</p>



**APPENDIX B**

**Schedule of Proposed Changes to the Draft Statement of Community Involvement**

<b>Section</b>	<b>Proposed Change</b>
Paragraph 1.5	In order to avoid repetition, change the last sentence from:  'In January 2015, the Government published a plain English guide to the planning system which may also be useful to those unfamiliar with the planning system (see web link below)' to:  'In January 2015, the Government published a plain English guide to the planning system which may also be useful to those unfamiliar with the specialist language associated with planning (see web link below)'
Paragraph 1.8	Insert the word 'to' into the first sentence of this paragraph between 'communities' and 'have' so the sentence reads:  'The Localism Act 2011 introduced new powers for local communities to have greater influence over the way their area is developed by participating in neighbourhood planning'. A new bullet point will be added:
Paragraph 3.16	'Environmental constraints including flood risk and water management'. The Trent Valley Internal Drainage Board will be included in the list of specific consultees.
Appendix 4	



**NEIGHBOURHOOD PLANNING – AREAS FOR DESIGNATION & SOUTHWELL DRAFT NEIGHBOURHOOD PLAN**

**1.0 Purposes of the Report**

- 1.1 To update Members on the current applications for Neighbourhood Area Designations, including seeking approval from this committee for the designation of Thurgarton Parish as a Neighbourhood Area, and approve a new way for designating future areas.
- 1.2 To set before members the proposed consultation response to the Southwell Draft Neighbourhood Plan.

**2.0 Background Information – Neighbourhood Area Designation**

- 2.1 Currently four Parish Councils are in the process of seeking Neighbourhood Area designation:
- **Thurgarton Parish Council** - The period of six weeks consultation for the Designation has been completed;
  - **Kneesall, Kersall & Ompton Parish Council** - currently part way through consultation;
  - **Epperstone Parish Council** - currently part way through consultation; and
  - **Fernwood Parish Council** - recently submitted an application to seek designation.
- 2.2 Thurgarton Parish Council wrote to the District Council on 8<sup>th</sup> December 2014 applying to have the whole of the civil parish of Thurgarton designated as a Neighbourhood Area for the purposes of Neighbourhood Planning.
- 2.2 To meet the requirements of the Neighbourhood Planning Regulations a 6 six week representation period was held between the 19<sup>th</sup> January and 27<sup>th</sup> February 2015. Copies of the application and details of how to respond were placed on the District Council's website and at Kelham Hall. A public notice was placed in the Bramley Newspaper, week ending 16<sup>th</sup> January 2015.

**3.0 Proposals – Neighbourhood Area Designation**

- 3.1 Economic Development Committee has approved the designation of all the Neighbourhood Areas which have come forward in the District, however as set out in 2.1 a number of Parishes will soon require a decision on their applications. Under present arrangements this will not now be possible until the Committee meets again after the election of the new Council. Furthermore the Government has proposed that Local Planning Authorities will be under strict deadlines for designating Neighbourhood Plans which cover whole Parishes - as all of our designations have so far done - and therefore given committee cycles in future we would need a new approach to approving designations.

- 3.2 It should be noted that not one single objection has ever been received for designation of a neighbourhood area, and in most circumstances it is expected to remain the case. Therefore it proposed that the Deputy Chief Executive be given delegated authority to designate such Areas where no objections are received. Whilst we have so far received no objections to the designation of Neighbourhood Areas it is conceivable that in some locations this may not be the case. It is therefore proposed that if objections are received that the Deputy Chief Executive will consult with the Local Development Framework Task Group before making any decision (under delegated authority) regarding designation. As set out in the Task Group terms of reference this would be an appropriate situation for local ward members to also be invited along to contribute to any discussion.
- 3.3 The District Council received no representations regarding Thurgarton Parish Council's application. The proposed area does not conflict with the implementation any of the Strategic Policies of the Newark and Sherwood Local Development Framework and therefore it is proposed that the District Council formally designate Thurgarton Civil Parish as a Neighbourhood Area for the purposes of Neighbourhood Planning.

#### **4.0 Background Information – Southwell Draft Neighbourhood Plan**

- 4.1 The Parish of Southwell was designated by Cabinet as a Neighbourhood Area for the purposes of producing a Neighbourhood Plan on the 6 December 2012. The Town Council formed a Steering Group to manage the production of the Neighbourhood Plan. This is made up of Town and District Councillors, local residents and representatives of local interest groups and stakeholders. The Steering Group has been assisted by Planning Aid England and by the District Council in the production of the Plan.
- 4.2 The Steering Group have carried out a range of consultation exercises including initial consultation through the insertion of a questionnaire in copies of the Bramley Newspaper seeking community views on the issues which residents wished to see included with any Neighbourhood Plan.
- 4.3 The District Council have engaged extensively with the Steering Groups and attendant theme groups during the production of a consultation draft; however it should be noted that this is the first opportunity for the District Council to comment on the substance of the proposals set out in the Plan. The Town Council have published a Draft Southwell Neighbourhood Plan – Draft for Consultation which is currently the subject of six weeks consultation ending on the 16th March 2015.
- 4.4 The Draft Plan contains introductory chapters setting out the context and background to the Plan, proposed Vision and Objectives along with chapters which include policies on the following matters:
- Sustainable Development
  - Environment Policies
  - Design and Heritage
  - Transport and Access
  - Community Facilities
  - Housing and Employment
  - Site Specific Policies



The document also contains a chapter on Monitoring and Review and a number of Appendices including the Southwell Design Guide and a proposals map. The Plan is available to view on its own dedicated website [www.southwellnp.org/#!/documents/cgi9](http://www.southwellnp.org/#!/documents/cgi9) and a copy has been placed in the Members Room.

## **5.0 Proposed District Council Response**

- 5.1 It is proposed that in order to facilitate progress on the development of the Neighbourhood Plan that the District Council will provide formal comments as Local Planning Authority (LPA) on the contents of the Draft Plan. It is important to provide the Town Council with detailed comments at this stage to allow any changes to be made by them before the plan is formally submitted to us, after which time it will be for an independent examiner to suggest changes to the District Council. It is proposed that the comments contained within this section of the report will form the formal response from the District Council.

### Comments of the Business Manager – Planning Policy

- 5.2 The production of the Draft Southwell Neighbourhood Plan is to be welcomed as this is the first Plan in Newark & Sherwood to get to this stage. The comments I set out below are based on an evaluation of the policies it contains against the National Planning Policy Framework (NPPF), planning policy guidance, national legislation, and the contents of the Newark & Sherwood Local Development Framework (LDF). In order for any examination of the Plan to be successful it will need to satisfy the 'Basic Conditions' set out in legislation. These are that the Neighbourhood Plan:

- has regard to national policies and advice contained in guidance issued by the Secretary of State;
- has special regard to the desirability of preserving any listed building or its setting or any features of special architectural or historic interest that it possesses;
- has special regard to the desirability of preserving or enhancing the character or appearance of any Conservation Area;
- contributes to the achievement of sustainable development;
- is in general conformity with the strategic policies contained in the development plan for the area;
- does not breach, and is otherwise compatible with, EU obligations; and
- has met the prescribed conditions and the prescribed matters have been complied with (these relate to European Sites and development that requires an Environmental Impact Assessment).

- 5.3 The first conclusion is that a large amount of the Draft Plan does not conflict with existing planning policy (both national and local) and legislation, however an important caveat to this is an understanding that detailed discussions on policy wording will need to be conducted with the plan authors to ensure conformity with the NPPF and clarify the meaning and implementation of policies (for which of course the District Council as Local Planning Authority will be responsible). This detailed technical work is required for most of the Neighbourhood Plan Policies.

5.4 Alongside minor rewording however are a number of more fundamental issues which will need addressing:

- 1) A number of policies carry very general requirements for developers to make contributions toward infrastructure improvements. It is taken that these are contributions secured by payment of planning agreement commonly referred to as Section 106 Agreements. Unless such a contribution can be related to the specific impact of the development, it is not possible to collect them. This is because this would not meet the tests set out in the Community Infrastructure Levy (CIL) legislation and developer contributions regulations.

It should be noted that this is not the same as Southwell Town Council setting out in the policies where they intend to spend their own 'meaningful proportion' of CIL which is welcome; however the District Council is not able to pool Section 106 monies in the way proposed nor spend District Council CIL monies which are not on our approved list of infrastructure.

- 2) The Draft Plan identifies "safeguarded land for the future" in Policy HE5. The policy states:

*"The Neighbourhood Plan identifies sites to the east of Southwell adjacent to the Crew Lane allocated sites as a broad location as suitable for development in the next plan period (as shown on the plan at Appendix 6), or in place of an allocated site where it can be demonstrated that there is not a realistic chance of the site being delivered in the plan period.*

*Sites that are brought forward within these broad locations must demonstrate compliance with the following criteria:*

- *Consideration and minimisation of landscape impact, with particular concern for the landscape setting of Southwell.*
- *Protection of key views as defined by Policy So/VP of the NSDC A&DM DPD*

*Any release of the above land will require formal consideration and amendment to the Urban Boundary set out in the A&DM DPD.*

*The land which is safeguarded for the delivery of the Southwell Bypass, north of Fiskerton Road, may also be considered as appropriate for residential development should it be determined that the bypass is no longer required. Land south of Fiskerton Road must revert to being classed as Open Countryside in this instance.*

*The employment land that is allocated as So/E/3 may also be considered a suitable alternative for residential development subject to it being demonstrated that there is no requirement for the site to meet the employment need within Southwell."*

Two problems are identified with this approach; firstly the identification of this area of land appears without justification or evidence and the mechanisms for release are vague and to some extent contradictory. Secondly because of this lack of clarity it would suggest that the policy is allocating additional land for housing or employment use and therefore a Strategic Environment Assessment (SEA) may need to be carried out on this element of the Plan to meet the basic conditions in relation to EU obligations. Up until now it had been understood that additional sites would not be identified in this way by the Neighbourhood Plan.

- 3) The Draft Plan sets out a policy on the Protected Views and Setting of Southwell. Policy DH 6 states:

*“Development which will significantly alter any public view or vista, including but not limited to those views protected as part of policy So/VP [sic] of the Allocations and Development Management DPD, of the following assets will be resisted unless subject to effective mitigation:*

- *The Southwell Minster*
- *Holy Trinity Church*
- *The Archbishops Palace*
- *Thurgarton Hundred Workhouse*
- *Prebendal Houses*

*Within these key views, tall and large-mass buildings (e.g. wind turbines or large agricultural barns) are considered unacceptable. Outside of these views, similar features are unlikely to be acceptable unless it can demonstrated through a full Landscape and Visual Impact Assessment that the proposed development will have a minimal effect on the setting and character of the settlement and the wider landscape.*

*Where vegetation screening or planting is introduced as mitigation, the maintenance of this will be subject to a planning condition (or obligation if provided off-site) requiring that the owner maintain the screening to a specified standard in perpetuity to a pre-agreed Management Plan. Guidance on the design and management of this screening is provided within the Southwell Design Guide (Appendix1).”*

The Neighbourhood Plan states that it endorses the policy contained in the Allocations & Development Management DPD on this matter and that the Neighbourhood Plan policy set out above provides more detail and complements it. Unfortunately this is not the case as currently worded it undermines the existing Southwell Views policy by setting out different and contradictory requirements. The views policy in the Allocations & Development Management DPD was produced following the production of a detailed evidence base which makes an assessment regarding the relative importance of the various views of Principal Heritage Assets in and around Southwell. In those areas which are identified as having a higher importance (identified in view cones) the test for allowing development is higher than the other areas. By wording the Neighbourhood Plan policy in the way that it does the Neighbourhood Plan tries to say that all views are special without a value judgement – including not allowing for the potential for the positive impact of development. Therefore it undermines the protection we have tried to put in place through SoAP1 Role and Setting of Southwell and Policy So/PV. Unless this policy is rewritten it will fail to meet the basic conditions on conformity.

- 4) There are a number of requirements for allocated sites which require further consideration, these relate to various requirements for ‘landscape buffers,’ buffering around footpaths, buffering around sites and alongside water courses. All buffers should be 8 metres wide. Whilst it is understood that access to watercourses for maintenance is important, many of these requirements are not evidence based and would to some extent impact on viability, additionally Site Specific policies later in the plan contradicts these perimeter requirements.

- 5) The site specific policies as currently set out and worded are not complimentary and easy to understand in the context of the existing Allocations & Development Management DPD. In some instances rewording of DPD requirements are unnecessary and contradictory and could undermine the ability of the LPA to implement the DPD and the Neighbourhood Plan. It is proposed that the policies are reworded to focus on the additional elements which the Town Council wishes developers to address rather than try to partially reword the DPD.

#### Comments of the Local Development Framework Task Group

- 5.5 Local Development Framework Task Group considered a report by the Business Manager – Planning Policy on this matter at their meeting on the 16 February 2015. Members endorsed the comments which have formed the basis of paragraphs 5.1 to 5.4 above; however they were additionally concerned that some of the requirements in site specific policies were too restrictive, by way of example they highlighted particular requirements for two storey dwellings on one allocation and the selection of another site for 10 self-build dwellings.
- 5.6 Task Group concluded that it would be important for the District Council to continue its dialogue with the Town Council and Steering Group to ensure that the finalised plan is fit for purpose.

#### Comments of the Conservation Team of the Development Business Unit

- 5.7 The Conservation Team welcomes the Town Council’s commitment to the conservation of the historic environment of Southwell, which is recognised as a special place defined by numerous designated heritage assets of a diverse range, including the internationally significant Minster at its centre.
- 5.8 We ultimately believe that the document has the same aspirations for the historic environment of the town as the Newark & Sherwood LDF, but unfortunately it is poorly worded, adds confusion and undermines LDF polices that are already in place (for example Policy So/PV of the Allocations & Development Management DPD seeks to protect certain views, rather than all views). Our principal areas of concern are:
  - 1) The document repeats technical information on principles and objectives already set out by the legal and policy frameworks in place, in the Planning (Listed Buildings and Conservation Areas) Act 1990, the NPPF, other relevant guidance documents, and the LDF, which is unnecessary and in the way it is drafted in some case incorrect and misleading. In addition, local validation requirements have been adopted by the LPA which are necessary to the proper consideration of an application; the requirement of full archaeological assessments for all applications is unreasonable.
  - 2) Design Guide is over-prescriptive and not relevant for many types of application, and as such is likely to be unworkable, unreasonable and not enforceable. What is likely to be acceptable on a 1970’s bungalow in the Conservation Area or barn conversion is unlikely to be acceptable on a listed Georgian property. Each proposal needs to be considered on its own merits, with careful consideration given to the context and site specific significance of each one. Furthermore the Design Guide is inherently contradictory on a number of perspectives, both within itself and policies within the plan. For example requiring standardised solutions to design issues whilst Policy DH1 states that such solutions area unacceptable.

- 5.9 The Conservation Team would welcome the chance to discuss in detail the contents of the plan with the Town Council and Steering Group.

#### Impact on other District Council Services

- 5.10 Clearly the Plan will have the most impact on the Planning Business Units which will have to interpret and implement the policies and proposals contained within it. Policies on Affordable Housing and mix of dwellings will impact on the work of the Strategic Housing Business Unit. The Plan also contains a number of proposals which relate to buffers around new development, dependent on who is responsible for the maintenance of such features it may be that the Council's Parks and Amenities Business Unit could become involved, however as the Council is pursuing a programme of devolution this may not be the case. It is proposed that as part of any detailed discussions with the Town Council and Steering Group relevant officers from the Council are engaged.

#### Next Steps

- 5.11 It is proposed that the comments in this section (5) form the basis of the District Council's formal response and the Business Manager Planning Policy seeks to engage the Town Council and the Steering Group in detailed discussions on these elements and the technical matters as outlined in 5.3.

### **6.0 Equalities Implications**

- 6.1 As part of the production of the Neighbourhood Plan Parish Councils will need to consider the equalities implications of whatever they propose.

### **7.0 Impact on Budget/Policy Framework**

- 7.1 Currently the District Council receives additional funding to pay for the various responsibilities which it has to undertake in relation to Neighbourhood Planning. The funding is £30,000 per plan. The funding is delivered in three tranches – on initial designation of the area (£5000), upon submission of a draft plan to the Local Planning Authority (£5000) and upon completion of a successful independent examination (£20,000). The funding has only been guaranteed until April 2016 therefore the District Council could be exposed to the costs of seven Neighbourhood Plans examination and referenda. Whilst it is hoped that the Government would continue to fund existing plans in production even if funding was not continued for new plans; there is no guarantee of this. Therefore the District Council would need to identify alternative ways of funding these obligations from the Council's own balances. This will need to be considered once confirmation of future Neighbourhood Plans funding is announced.

### **8.0 RECOMMENDATIONS that:**

- a) **delegated authority be given to the Deputy Chief Executive to designate Neighbourhood Areas for the purposes of Neighbourhood Planning. In circumstances where objections to the proposed designation have been received this should be in consultation with the Local Development Framework Task Group and local ward Members;**

- b) the Civil Parish of Thurgarton be designated as a Neighbourhood Area for the purposes of Neighbourhood Planning;
- c) the comments set out in section 5 of the report form the District Council's response to Southwell Draft Neighbourhood Plan and basis for continuing dialogue with Southwell Town Council and Southwell Neighbourhood Plan Steering Group; and
- d) District Council Planning Policy Officers seek to engage with Southwell Town Council and Southwell Neighbourhood Plan Steering Group in addressing the various issues raised by the District Council's response.

#### **Reason for Recommendations**

**To allow for timely decision making in relation to Neighbourhood Area designation.**

**To allow Thurgarton Parish Council to undertake Neighbourhood Planning.**

**To enable the District Council to respond to Southwell Draft Neighbourhood Plan consultation.**

#### **Background Papers**

Thurgarton Parish Council application for designation of a neighbourhood area  
Southwell Draft Neighbourhood Plan ([www.southwellnp.org/#!/documents/cgi9](http://www.southwellnp.org/#!/documents/cgi9))

For further information please contact Matthew Norton on Ext 5852

Kirstin H Cole  
Deputy Chief Executive

**EAST COAST MAIN LINE LEVEL CROSSING CLOSURE PROPOSALS**

**1.0 Purpose of Report**

- 1.1 To set out the District Council's proposed response to Phase 2 of the East Coast Main Line level crossing closure programme feasibility study, and to seek the Committee's endorsement of this response.

**2.0 Background Information**

- 2.1 Phase 1 of the East Coast Main Line level crossing closure programme feasibility study took place in the summer of 2014. Phase 2 sets out the preferred options that have been selected following the first round of consultation.

**3.0 Proposed Consultation Response and Emerging Issues**

- 3.1 Councillor Mrs. Saddington and representatives of both North Muskham Parish Council and South Muskham Parish Council have met with a Planning Policy Officer to express their concerns about some of the measures that are being consulted upon. These concerns are summarised in Appendix A. The proposed District Council response to this consultation is in Appendix B, and the main issues that have arisen are set out below.
- 3.2 One of the main issues raised by the proposals being consulted on is the protection of heritage assets. The schemes proposed for the replacement of the level crossings called Eaves Lane, Carlton, Cromwell Lane and Church Lane have the potential to impact upon listed structures and their settings. As well as various Grade II and Grade II\* listed structures, there are two Grade I Listed Buildings that could be affected - the Church of St. Giles, near the Cromwell Lane crossing and St Wilfred's Parish Church which is near the Church Lane crossing.
- 3.3 The Grassthorpe Lane scheme involves the closure of a route connecting Sutton-on-Trent and Grassthorpe to the A1. Although this crossing appears to be little used at the moment, its closure has the potential to create problems. Concern about the levels of traffic in Sutton-on-Trent has been reported during consultation on the Local Development Framework, and the removal of an alternative route that avoids the village clearly has the potential to exacerbate this.
- 3.4 The preferred option being taken forward for the Carlton crossing avoids putting a road through Carlton Manor mobile home park. This was the option supported by the District Council in the first phase of consultation, so this is welcomed. Care will need to be taken to ensure that impacts upon the residential amenity of the permanent inhabitants are avoided or minimised during construction and in terms of the final design.
- 3.5 The proposal to close the Whitehouse Lane (Hatchet's Lane, Newark) crossing involves diverting pedestrians through an existing underpass that would be improved. This could be a problem as people, particularly women and older adults, may be deterred from using the underpass due to fear of crime.

3.6 New bridges close to dwellings are proposed at both the Barnby and Bullpit Lane crossings. It will be important that impacts upon residential amenity are avoided or minimised during construction and in terms of the final design. The proposed provision of a bridleway bridge at Bullpit Lane is welcomed, as it was initially proposed to simply close the crossing and divert pedestrians and cyclists down alternative existing routes.

#### **4.0 Equalities Implications**

4.1 The District Council's proposed response in itself has no equalities implications. The proposal to replace the pedestrian crossing known as Whitehouse Lane with an improved pedestrian underpass may have a negative impact if groups such as women and older adults are deterred from using it by fear of crime. Any other significant equalities implications are unlikely.

#### **5.0 Impact on Budget/Policy Framework**

5.1 None.

#### **6.0 RECOMMENDATION**

**That Committee give approval for the content of Appendix B to be submitted as the District Council's response to Phase 2 of the East Coast Main Line level crossing closure programme feasibility study.**

#### **Reason for Recommendation**

**To allow the District Council to respond to Phase 2 of the East Coast Main Line level crossing closure programme feasibility study.**

#### **Background Papers**

Details of the level crossing closure proposals are available in the Members Room and on Network Rail's website at the address below:

<https://consultations.networkrail.co.uk/east-coast-main-line-lx-team/east-coast-main-line-level-crossing-closure-feasib/consultation/intro/view>

For further information please contact Adrian Allenbury on 5862

Kirstin H Cole  
Deputy Chief Executive



Concerns of North Muskham Parish Council, South Muskham Parish Council and Councillor Mrs Saddington

The representatives of the PCs and Councillor Saddington are in favour of the provision of new highway for the Bathley Lane crossing and a new highway bridge for the Church Lane crossing. They suggest a different scheme than any currently proposed. They suggest that a new roundabout be constructed on the B6325 (the Great North Road), with exits for the existing road, the new highway for the Bathley Lane crossing, and to a new highway linking to the highway bridge that would replace the Church Lane crossing. The point at which the new road currently being proposed joins the B6325 was not considered to be a safe place for a junction. It was also thought that a roundabout would help to reduce the speed of vehicles using the B6325 – it was reported that the speed limit is often exceeded here.

Concern was expressed that the pedestrian route proposed to replace the Bathley Lane crossing was too long and would be unpleasant to walk along because it would involve walking beside a busy road and round a roundabout.

It was felt strongly that a highway bridge at Church Lane would be preferable to a bridleway bridge. This would maintain or improve connectivity between North Muskham and South Muskham, and avoid increasing journey times and distances, and displacing traffic. It was thought that the removal of the highway would inevitably increase car dependency and would act as a constraint on new development. It was thought that the visual and landscape impacts of a highway bridge at Church Lane would not be significantly greater than those of a bridleway bridge, and would be justified by the greater benefits.

The removal of a highway crossing at Church Lane would divert traffic from local rural businesses through the village, leading to a significant increase in vehicle movements, particularly agricultural vehicles. This would create congestion, increase pollution from vehicle emissions and it raises safety concerns. It was felt to clearly be inappropriate for more large farm machines to be moving through the village. It was reported that the head teacher of the school was concerned that problems would be created with pupils crossing to the Community Centre which was used for a number of activities including a breakfast club and various after school clubs.

Rather than a highway crossing at Church Lane increasing traffic in the village, it was felt that by providing better access to the school and other facilities from the south, there would be less traffic because fewer vehicles would need to make longer journeys to enter the village from the north. It was considered that it was important to maintain access for emergency vehicles. Although the crossing is not used heavily at the moment, it was stated that many more vehicles used it in the past, before the number of trains on the ECML increased, meaning that delays were more frequent. If a highway route without these delays existed, then perhaps more drivers would choose it.

The representatives of the PCs and Councillor Saddington are keen that a route further to the north be chosen for the new highway at Church Lane. The route currently proposed would separate a number of dwellings from the rest of the village, and this was considered to be very undesirable. Maintaining the coherence of the settlement was felt to be important.

There was firm support for a new highway bridge to replace the Norwell Lane level crossing. It was, however, thought that the current proposal would involve the construction of an embankment too close to the properties north of Vicarage Lane and east of the East Coast Main Line (ECML). It was suggested that the new bridge be constructed further to the south to minimise the impact on residents.

The representatives of the PCs and Councillor Saddington mentioned no concerns with the proposed closure of the crossing known as North Muskham.

## APPENDIX B

### Proposed NSDC response to Phase 2 of the ECML level crossing closure feasibility study

<b>Level crossing name:</b>	<b>Comments:</b>
Grassthorpe Lane	<p>NSDC commented in response to Phase 1 of this consultation that the closure of the road between Grassthorpe and the B1164 will increase journey times and would be likely to lead to an increase of traffic in Sutton-on-Trent including its Conservation Area. The issue of traffic was raised by local residents on a number of occasions during the consultation on the Local Development Framework, so we know that this is a concern locally.</p> <p>While it is noted that the survey of the level crossing undertaken by Network Rail indicates that it is used infrequently, the closure of a route connecting Sutton-on-Trent and Grassthorpe to the A1 is nevertheless a source of concern. The existing route avoids Sutton-on-Trent and its Conservation Area and its closure has the potential to create problems, including increasing lorry movements through the village. Although the crossing may not be used much currently, it has value as an alternative connection to the A1. It is possible that a replacement highway crossing would be used more in the future because of existing businesses expanding or taking up new routes, new businesses opening and the local population increasing.</p> <p>The shorter diversion route for pedestrians and horse riders proposed as part of this option is welcomed.</p>
Barrel Lane and Eaves Lane	<p>The survey of the Barrel Lane crossing indicates that it is barely used so the impacts of its closure are likely to be minimal. The crossing at Eaves Lane is used more, and the construction of the proposed bridge would provide a safer and better way of crossing the railway line.</p> <p>The flat landscape means that any new bridge constructed is likely to be visible from some distance. It is not a protected landscape, and it is not otherwise free of significant human influence, so the visual impact may be acceptable. There is the potential to impact on the Sutton on Trent Conservation area, and on the setting of Grade II Listed Buildings including Sutton Windmill, The Grange and The Manor House. If these impacts, if any, are acceptable, then the proposed scheme could represent an improvement on the current situation overall.</p>
Carlton	<p>This proposal would have a significant impact on the landscape, although this may be considered acceptable. A new bridge would obviously be a prominent feature. It is not a protected landscape, and it is not otherwise free of significant human influence. There are two large industrial sites to the north, many pylons nearby and the A1 is just to the east.</p>

	<p>The proposed scheme has the potential to impact on the setting of Carlton Hall, a Grade II* Listed Building to the east which has Grade II Listed structures in its grounds including a stable block, a sundial and the boundary wall. To the north of Carlton Hall is Yew Tree Farm, with its Grade II Listed farm house, barn, pigeoncote and stable. Impacts upon these Listed structures including their settings should be avoided or minimised as much as possible.</p> <p>The fact that this proposal avoids putting a road through Carlton Manor mobile home park is welcomed. Although the road to the north of the mobile home park would be much quieter and would not carry through traffic if this proposal were to go ahead, the residents of Carlton Manor would be surrounded by roads and the railway. It is hoped that care will be taken to ensure that impacts on their amenity would be minimised as far as possible, including during the construction phase of this project.</p> <p>Where the proposed new junction connects with the A1 slip road, the impact upon the highways would need to be carefully assessed by the County Council and Highways Agency.</p>
Flyfish Lane	<p>Given the low level of usage of this crossing and the limited response to consultation on its closure, there seems to be no reason to object to this proposal.</p> <p>It is hoped that the intended provision of a new permissive right of way goes ahead.</p>
Cromwell Lane	<p>The fields to the west of the proposed development contain the remains of a settlement and are identified as a Scheduled Ancient Monument. Regard should be had for this during construction and careful thought should be given to any archaeological implications.</p> <p>The replacement of a level crossing with a highway bridge is welcomed and would probably improve safety and reduce motor vehicle journey times, contributing to sustainability objectives.</p> <p>The owners of Sapphire Lakes, the fishery to the south of the level crossing, have expressed concerns about the proposed scheme. They are worried that the new bridge will harm their business by making the lakes a less peaceful place to fish. They are also concerned about pollution and potential harm to ecology.</p> <p>The Church of St. Giles is a Grade 1 Listed Building and is associated with a Grade II Listed headstone. Just south of the church is the Old Rectory, which, with an attached cottage, is Grade II Listed, and there is a Grade II Listed pigeoncote on Norwell Lane. Impacts upon these Listed structures including their settings should be avoided or minimised as much as possible.</p>
Cromwell	<p>This is a private crossing and so NSDC has no comment to make.</p>

Norwell Lane	<p>If a new bridge is to be constructed here, care should be taken to minimise negative impacts on residents of Vicarage Lane.</p> <p>The District Council supports the Parish Councils of North Muskham and South Muskham, and Councillor Saddington, in wishing to enhance connectivity between North Muskham and South Muskham.</p> <p>Please also see Appendix A – ‘Concerns of North Muskham Parish Council, South Muskham Parish Council and Councillor Mrs Saddington.’</p>
North Muskham	<p>The provision of a new pedestrian route to replace this level crossing is welcomed.</p>
Bathley Lane	<p>While the proposed replacement of the level crossing with a highway bridge is welcomed, the District Council is concerned that the proposed new pedestrian route is excessively lengthy and is not suitable due to its proximity with the A1.</p> <p>The District Council supports the Parish Councils of North Muskham and South Muskham, and Councillor Saddington, in wishing to enhance connectivity between North Muskham and South Muskham.</p> <p>Please also see Appendix A – ‘Concerns of North Muskham Parish Council, South Muskham Parish Council and Councillor Mrs Saddington.’</p>
Church Lane	<p>The proposed removal of a highway connection between North Muskham and South Muskham would be likely to increase motor vehicle journey times and distances and undermine sustainability objectives.</p> <p>St Wilfred’s Parish Church in South Muskham is a Grade I Listed Building. It is important that any impact on this church including its setting is minimised. Significant harmful impact could make any proposal unacceptable.</p> <p>Please also see Appendix A – ‘Concerns of North Muskham Parish Council, South Muskham Parish Council and Councillor Mrs Saddington.’</p>
Whitehouse Lane	<p>In response to the first phase of public consultation, the District Council supported the option of constructing a new footbridge, which Network Rail now consider to be not proportionate. While this may be the case, there are concerns about diverting pedestrians into an underpass.</p> <p>Fear of crime may well be a barrier to people using a pedestrian underpass. This is often considered to be a more significant issue for women and older adults. It may also be true that underpasses are environments in which crime is more likely to occur.</p> <p>The proposed scheme involves putting a footpath through an area of land allocated for housing, which is referred to as NUA/Ho/2 in the Newark &amp; Sherwood Allocations &amp; Development Management</p>

	<p>Development Plan Document (A &amp; DM DPD). The impacts of this need to be carefully considered. It should be noted that part of NUA/Ho/2 is owned by NSDC, although this part is not directly affected by the current proposals.</p>
Barnby	<p>In response to the first round of consultation, the District Council supported Option 1, so the fact that this option is being taken forward is welcomed.</p> <p>This proposal will impact on one of the District Council's strategic sites for new development in Newark as identified in our Core Strategy – NAP 2B Land East of Newark. This is on the north side of the ECML and Barnby Road. The new bridge may create the possibility of easier access to land south of Barnby Road and north of the ECML. The current proposal may have implications for the Council's forthcoming Plan Review.</p> <p>There are a large number of dwellings near the site of the proposed new bridge and it is hoped that care will be taken to minimise impacts on residential amenity during the construction phase and also in terms of the final design.</p>
Bullpit Lane	<p>The proposed bridleway bridge would maintain or enhance connectivity for pedestrians and users of non-motorised transport, and this is welcomed. It is agreed that the construction of a highway bridge would not bring enough benefits to justify the impacts and costs.</p> <p>The flat landscape means that any new bridge constructed is likely to be prominent. It is not a protected landscape, and it is not otherwise free of significant human influence, so the visual impact may be acceptable.</p> <p>The new bridge would be close to a number of dwellings. Care should be taken to minimise impacts on residential amenity during the construction phase and also in terms of the final design.</p>

**OLLERTON OUTREACH SERVICE**

**1.0 Purpose of Report**

- 1.1 To provide information and recommendations regarding the outreach service that has now been in operation for one year and is based in Ollerton and Boughton Town Hall.

**2.0 Background Information**

- 2.1 Councillor Crawford identified concerns regarding the level of job search and benefit advice available to people living in the west of the district during 2013. In September 2013, negotiations commenced with the Department for Work and Pensions (DWP), Ollerton and Boughton Town Council (OBTC) and Newark and Sherwood District Council (NSDC). At the initial meeting, it was agreed that a support service would be provided in some form, located in the OBTC building and that this would commence in January 2014. A project plan was established and all parties were involved in progressing the delivery of this service for local residents.
- 2.2 Following on from complex risk assessments, negotiations with DWP Trades Union representatives and innovative resolutions to some of the technology issues, the service commenced in January 2014, each Wednesday between 10.00 and 15.00. A soft launch was the agreed approach for the first few weeks in order to test out how the service would operate and overcome any staffing, technical and logistical issues. Publicity of the service was then increased with distribution of flyers, information provision in local media, promotion via social media and communication with partners.
- 2.3 Each Wednesday morning, OBTC and NSDC staff set up five desk top computers in the community room at the Town Hall. Two are for public use for job search activities and the remaining three are for NSDC and DWP staff. The location of desks and general layout was agreed with all safety advisers. Initially two staff were provided from DWP and two from NSDC in order to assess level of demand and health and safety implications. It became clear that this volume of staff was unnecessary as a representative from the Dukeries Community College is also present each Wednesday. Since June 2014 only one member of staff from each service attends on a Wednesday. OBTC deliver the initial reception service and deal with any enquiries specifically relating to OBTC. Enquiries directly for DWP or NSDC are then referred and people wishing to use the job search service are supported appropriately.
- 2.3 There have been start up issues, the main one being the low take up of the service. Regular meetings (every six weeks) are held in Ollerton with the involved partners in order to review progress, look at ways to enhance take up of the service and support the residents of Ollerton and surrounding villages.
- 2.4 NSDC staff do access systems and therefore are able to progress with other work activities during the quiet periods during the day. DWP staff cannot access their systems due to security issues and therefore this does create more unproductive time if the enquiries are not forthcoming.

### 3.0 Outcomes

#### 3.1 Take up of the Outreach Support

Usage of the service by local residents is increasing. Demand is mainly for job search help or DWP benefits enquiries and this is what was anticipated. OBTC are open to the public each day and the Newark and Sherwood Homes Office historically have dealt with NSDC enquiries. However, undertaking a partnership venture was the pragmatic method to introduce a small support hub taking into consideration the following factors:

- ❖ eventual introduction of Universal Credit,
- ❖ potential impact of daily signing,
- ❖ providing support for the 'hard to reach' job seekers
- ❖ providing tailored support for the high number of ESA claimants in the area
- ❖ devolving services to the nearest point to the community
- ❖ high travel costs for those who can least afford it to either Mansfield or Newark to undertake job search activities

#### 3.2 Statistics

The table below highlights the trends and increasing use of the support service. The aim is that by April 2015, enquiries received on a Wednesday must be in the Mid 20 range so that DWP can justify their Adviser support continuing. DWP Advisers would need to be working with at 12 clients per day in order to utilise their resource effectively. There is also a need to increase use of the NSDC service so that this is again effective use of resource. It is hoped through providing additional workshops and activities as well as a further flyer drop to every house in Ollerton and Boughton that the momentum will continue to build. An Apprenticeship and Jobs Fair combined will be held at the Lifespring Centre in Ollerton on 14 May 2015 and this will also be used as an opportunity to promote the outreach activity.

In the year from January 2014 to January 2015 inclusive 651 enquiries have been received at the one day per week outreach service and 530 of these have been job related. Many enquiries cover more than one service and there have been 176 visits related to NSDC services. Often people ask other questions whilst they are in the building and receive additional help from another service that is available on the day.



**JOB CENTRE PLUS/NSDC ATTENDANCE**

Date	Work Related (1)	NSDC	OBTC	Total
08/01/2014	0	0	0	0
15/01/2014	2	1	1	4
22/01/2014	4	0	0	4
29/01/2014	8	1	0	9
				17
05/02/2014	7	2	0	9
12/02/2014	5	1	2	8
19/02/2014	0	2	0	2
26/02/2014	8	0	0	8
				27
05/03/2014	8	1	0	9
12/03/2014	9	0	0	9
19/03/2014	5	5	1	11
26/03/2014	8	2	0	10
				39
02/04/2014	15	3	0	18
09/04/2014	10	1	0	11
16/04/2014	7	1	1	9
23/04/2014	10	1	0	11
30/04/2014	12	3	0	15
				64
07/05/2014	10	0	0	10
14/05/2014	9	2	0	11
21/05/2014	8	1	0	9
28/05/2014	8	3	0	11
				41
04/06/2014	10	1	0	11
11/06/2014	10	0	2	12
18/06/2014	8	2	0	10
25/06/2014	4	1	1	6
				39
02/07/2014	5	2	0	7
09/07/2014	9	1	0	10
16/07/2014	5	1	0	6
23/07/2014	10	4	1	15

**Work related (breakdown of (1))**

JC+ Advisor	Sharon from Dukeries	Job Search Activities
0	0	0
2	2	0
2	2	1
6	5	2
4	4	1
2	2	3
0	0	0
1	4	4
5	5	4
2	7	5
2	4	3
3	8	5
8	7	5
3	6	6
2	4	3
3	5	3
3	7	6
2	4	6
2	5	5
1	4	4
0	5	7
2	5	4
1	5	4
1	4	3
4	3	2
1	1	4
5	4	3
0	2	4
5	5	2

Date	Work Related (1)	NSDC	OBTC	Total
30/07/2014	16	3	0	19
				57
06/08/2014	8	1	0	9
13/08/2014	9	1	0	10
20/08/2014	18	3	0	21
27/08/2014	8	3	0	11
				51
03/09/2014	16	5	0	21
10/09/2014	23	5	0	28
17/09/2014	9	3	0	12
24/09/2014	14	2	0	16
				77
01/10/2014	17	4	0	21
08/10/2014	18	2	0	20
15/10/2014	7	4	0	11
22/10/2014	16	5	0	21
29/10/2014	18	1	1	20
				93
05/11/2014	18	3	0	21
12/11/2014	12			12
19/11/2014	14	4	0	18
26/11/2014	8	3	0	11
				62
03/12/2014	12	4	0	16
10/12/2014	10	1	0	11
17/12/2014	9	1	0	10

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JC+ Advisor	Sharon from Dukeries	Job Search Activities
2	11	5
2	4	4
3	2	4
4	6	9
5		2
8	7	5
6	12	10
1	4	5
2	6	8
3	9	9
5	9	6
2	2	5
4	8	8
5	9	9
5	4	10
1	6	5
3	6	8
1	4	7
2	4	6
2	5	3
0	4	5

**2015**

Date	Work Related (1)	NSDC	OBTC	Total
07/01/2015	9	0	3	12
14/01/2015	8	2	2	12
21/01/2015	9	2	0	11
28/01/2015	10	2	0	12
				47

JC+ Advisor	Sharon from Dukeries	Job Search Activities
2	2	5
3	3	6
3	5	4
2	6	4

### 3.3 Case Studies/Success Stories

In terms of learning from the outreach service, people come into to see the person from the Job Centre and like the fact that they can see NSDC to help sort out their Housing Benefit, rather than go to another office and therefore it can all be done under one roof. NSDC have the knowledge to deal with the enquiry – anything from council tax to planning and this does reduce the number of customers either travelling to Kelham or Newark in order to receive the information. The outreach service is used as general signposting for other services as finding out what help is available can appear incredibly complex and customers often can be directed to the right place quickly. 16 people are confirmed as having started work as a result of using the outreach facility, although the challenges of cross checking information indicate that this figure is higher than recorded. Efforts are now being made to ensure that accurate figures can be recorded for the forthcoming year.

The Dukeries Academy provide excellent support in terms of referrals to training opportunities and development of CV's. An excellent example of success within the outreach service is provided and the Dukeries Academy were instrumental in achieving this success. Jonathan, 21, who had been living in New Zealand since emigrating with his family when he was 10, returned to Nottinghamshire with qualifications that are not so well-recognised here, yet has embarked upon a whole new career.

He is an early success story for the Work Club after he joined its very first session in January, then was taken on as an apprentice lab technician at the Dukeries Academy in March. "The work club helped me with everything," said Jonathan. "They let you know about any benefits you can receive, help you tailor your CV to different jobs, give advice, the whole shebang."

### 3.4 One Year Review – held in January 2015 and aims for 2015

All those involved in supporting the delivery of the service undertook a review at the January 2015 meeting and the comments and outcomes are reflected below.

Summary from review meeting:

- ❖ Learning outcomes have been achieved and people have gained employment
- ❖ Progression and possible job opportunities for people
- ❖ Achieved one job start per month from one day per week
  
- ❖ Partnership working works; Great relationships built with Town Hall staff, Sharon Ryan and JCP
- ❖ Strategic goals are identified and planning is in place
- ❖ Offers a free training venue each week
- ❖ Fabulous for people to share ideas/workload and good practice

#### Aims for 2015

- ❖ Achieve mid 20's in numbers attending the outreach each week (if you divide the number of people using service provided to date by the number of weeks to date – this would be 651 enquiries by 54 weeks so would be 12 enquiries per week, although of course there is a trend to show an increasing use of the service following the soft launch

- ❖ Involve employers, increase awareness in local community and advertise local vacancies
- ❖ Begin to address numeracy, literacy and ICT challenges within the area
- ❖ Establish destination tracking and data for all participants and referrals to the Dukeries
- ❖ Agree targets for job outcomes
- ❖ Promote the outreach through social media, flyers, newsletters, events
- ❖ Continue to identify and promote success stories
- ❖ Focus activities with ESA register, hard to reach clients and single parent families
- ❖ If the service is to continue, review IT facilities and identify any options for a more permanent solution. (the set up and take down of the room and PCs each week is time consuming and not effective use of resources)

#### **4.0 Equalities Implications**

4.1 The outreach support service provides additional opportunities to anyone requiring support from DWP, OBTC and NSDC. Referrals to employability information and Universal Jobmatch undertaken by the Dukeries Academy provide further positive impact. All these activities help to develop awareness of opportunities throughout the district. The Equalities implications are therefore positive.

#### **5.0 Impact on Budget/Policy Framework**

5.1 Additional resources via the Customer Service team include one staff member for one day per week which equates to £4680. The initial IT expenditure was minimal as existing desk top computers were utilised.

#### **6.0 Comments of Director of Resources**

6.1 Although the use of the job search facilities and enquiries regarding DWP benefits has increased, the number of enquiries dealt with by Council staff are still relatively low one year on, averaging out at only two per week. Consideration should be given as to whether this is an appropriate use of Council resources.

6.2 However, the future of this service provision also needs to be considered in the context of the proposal to develop a “hub and spoke” model along with the Council’s new office accommodation.

6.3 If it is agreed that a more permanent solution is practicable, consideration will need to be given to how this will be funded, and what contribution the Council should make.

#### **7.0 RECOMMENDATIONS that:**

- (a) the Committee considers the continuation of this service;**
- (b) a representative of the Committee meets with DWP representative to discuss and obtain agreement to the continuation of the Outreach service;**
- (c) the Committee agree to the aims identified for 2015 in paragraph 3.4; and**

- (d) the Committee support a review of the IT equipment and layout in order to establish whether options other than the current weekly set up and take down arrangement could be implemented**

Reason for Recommendations

Providing the Ollerton Outreach service seeks to support residents within the district to gain the support and information they require.

Background Papers

None

For further information please contact Julie Reader-Sullivan on Ext 5258

Andy Statham  
Director



**THINK BIG LOAN FUND**

**1.0 Purpose of Report**

1.1 To provide an update for the Economic Development Committee regarding the performance and progress for Growth Investment Fund (Think BIG) and to propose a recommendation that the option in certain circumstances for a Convertible Loan to be a path available to NSDC be progressed to full Council.

**2.0 Background Information**

2.1 The loan fund was introduced in order to provide Growth businesses in the district that could not access lending from traditional sources, given the economic climate with another option. The loan has achieved this in terms of the loans approved and drawn down to date. Although lending for businesses from traditional sources has improved, there is still an ongoing interest in the loan fund from businesses and therefore the loan fund continues to offer a valuable service for businesses in the district. There are currently three applications close to signature, two in the immediate pipeline and another three in initial discussions.

**3.0 Proposals**

**3.1 General Update**

Twelve loans have been approved since the Think BIG Loan fund commenced in January 2013 and although this is below predicted targets, it has provided support for business growth in the district and has created jobs. Eight loans of the loans have been drawn down, one is awaiting draw down and a further three are agreed in principle. To date, £710,500 has been loaned to the businesses and the following details the current financial situation.

Total Loans Granted:	£710,500
Capital repaid:	£176,183
Capital outstanding:	£534,317
Interest paid:	£54,963
Fees Paid:	£14,350

All loans are being repaid and the monitoring visits are ongoing. The jobs created figure currently stands at 50 jobs created in total since the start of the loan fund.

<b>Successful applicants</b>	<b>Turnover</b>	<b>Amount and Date Loaned</b>	<b>Actual jobs created to Dec 2014</b>	<b>Potential jobs created</b>
A	£250,000	£50,500 Dec 2012	Now 7 staff so an increase of 2 (1 apprentice and 1 fte) <b>No change 5/1/15 2 2 created</b>	4

B	£340,000	£50,000 April 2013 2 tranches of £25k and second tranche released in Oct 2013	Now 8 staff so an increase of 2. Total staff increased to 20 in the summer 2014 but these were temporary positions  <b>5/1/15 – no change 2 created</b>	7 – 12 (temporary summer positions should continue)
C	£1,000,000 (now £1,300,000)	£85,000 April 2013 A further £40k was approved in October 2013, so now at £125,000	20 staff at start -Now 38 staff, so an increase of 18 staff <b>Update 5/1/15 – now 51 staff 31 created</b>	20 (By 2015)
D	£1,100,000 (now £2,000,000)	£100,000 May 2013	Now 12 staff so an increase of 3 <b>Update 5/1/15 – now 18 staff 6 created</b>	7
E	£800,000	£50,000 October 2013 for first tranche of £25,000	<b>Update 5/1/15 2 fte staff with 15 contractor staff</b>	12 FTE but sub contractor status
F	£520,000	£45,000 December 2013	8 staff at loan start <b>5/1/15 now 10 staff 2 created</b>	2
G	£13.759m	£250,000 April 2014	75 employed <b>5/1/15 Now 80 staff and 2 apprentices Increase of 7</b>	25
H	£154,000	£40,000 October 2014	4 staff and no change	
<b>Totals</b>		<b>£710,500 loaned in total</b>	<b>50 jobs created to date</b>	

Awarded but not drawn down as yet

£7,500 (Newark)

Loans agreed in principle

- £75,000 (Blidworth)
- £250,000 (Newark)
- £20,000 (Boughton)



### 3.2 Proposal Regarding Future Direction of the Loan Fund

The loan fund was set up to help encourage growth in the local economy and create jobs. It was never intended to be a long term solution. Less loans than anticipated have been awarded in spite of regular publicity, events and relationship meetings with intermediaries.

The Business Analyst, as per the previous report, has undertaken some research with intermediaries – mainly the Banks and Accountants as this was the main source of referrals. The general outcome is that there are still areas where lenders are unable to assist businesses and banks are now obliged to provide unsuccessful business loan applicants with other options if possible. The Think BIG Loan fund is an option available to businesses in this situation.

The Think BIG Loan fund has performed exceptionally well to date in comparison to National Grant and Loan schemes. The current cost of the loan per job created is £14,200. The Regional Growth Fund (grant funding) National Audit Report for 2012 states that the expected cost per job varies considerably between projects, from under £4,000 per job to over £200,000 per job. If the Regional Growth Fund delivers the expected 41,000 extra jobs, then the average cost per job would be £33,000, which would be broadly similar to the average cost of jobs under past programmes with comparable objectives. The calculation of £14,200 for the Think BIG Loan Fund is on actual jobs created to date and not anticipated or expected jobs. It does not include an estimate of potential positive impact on other businesses in the district as a result of supply chain or increased wealth.

There are now other capital funds available for businesses in Nottinghamshire via the Local Enterprise Partnership (D2N2) and Nottinghamshire County Council. Recently activity has been focussed with the larger loan applications on reviewing opportunities for a partnership approach to supporting the business where the finance may come from a number of sources including grant and loan in order to assist the business in the most appropriate manner. Coaching support is also available for growth businesses via programmes such as Growth Accelerator. There is also a new business support service (online and telephone) via D2N2 ([www. D2n2growthhub.co.uk](http://www.D2n2growthhub.co.uk)). These options are signposted to businesses where appropriate.

### 3.3 Opportunities to Support Businesses

From the previous report, ‘feedback from calls taken by the Economic Growth team specifically relating to our district; from events such as the Chamber of Commerce (East Midlands Chamber) meetings and from a national funding picture suggests that the current area where there is little support for businesses is the start-up/early stage businesses. There is also a need for support in terms of coaching and mentoring for start-up/early businesses.’

The Panel have undertaken some initial piloting with early stage businesses and this has proved useful and resulted in one smaller loan being awarded in partnership with a grant from Nottingham University.

Following the initial success of this work, the Panel wish to pilot the approach for a further two panel meetings and report back to the Policy Group on whether this is successful and to provide a potential model for future adoption.

### 3.4 Status of the Loan Fund Policy Group Agreed Amendments

In order to monitor the impact of the fund more closely the Policy Group have requested an additional report when the amount lent approaches £1m in order confirm that the second tranche of £1m is to be made available to the fund. This report provides that information as the amount loaned in principle from the fund is now at £1 million.

For information, the current interest rates are 4.5% to 8% over base and the following options were agreed at the last meeting to relax Loan Repayment Terms where appropriate:

- i) The overall maximum term of a loan to be increased to 5 years from first drawdown
- ii) Where cash flow justifies for limited companies only:
  - a) Permit interest roll up for up to 6 months
  - b) Capital repayments may be deferred for up to 12 months

All loans are to be assessed and approved on the basis of the business plan demonstrating viability and capability to repay. In order to protect the longer term position of the council, where capital and interest repayments are not scheduled to commence in the first 2 months, convertible option terms could be incorporated into the loan agreement.

### 3.5 Convertible Option Terms to be considered:

A full draft policy is attached and this has been considered by the Policy Group. This convertible loan option would only be considered in circumstances where no other option is appropriate. Loans are monitored quarterly in order to ensure that the business is operating effectively. If the convertible loan option is to be utilised for a business, if the schedule allows the decision should be made by committee or alternatively delegated to the Chief Executive in consultation with the Chairman, Vice-Chairman and Opposition Spokesman. Existing loan agreements would not be altered. Agreement is sought from the Economic Development Committee and then this proposal will progress to Full Council for agreement.

Any Equity share is classed as a capital investment and therefore the decision must go through the above process. The ability to make equity investments would also need to be included in the Treasury Strategy, and the Constitution amended. To provide the opportunity for an equity option to be available, approval must be sought from Policy & Finance Committee to add an amount (possibly £250,000 as the amount of the highest loan awarded to date) to the capital programme with delegated authority to the Chief Executive to determine that a loan should be converted, in the event of the equity option being considered for a business. This would then be funded from the Think BIG Loan Fund. The Think BIG Panel would make a recommendation to the Chief Executive in this case and a clear process followed for the decision to be made.

The draft policy is available at Appendix 1 for discussion and below is the information discussed at the previous meeting and provided in order to ensure the proposal is stated correctly.

Clearly the role of the local authority is not one of an Equity Investor, however, there may be circumstances when converting the loan to an equity agreement for a short period of time may allow the business to recover and continue to add value to the district economy.

This situation has not arisen but a discussion was held at the Policy Group meeting and the following was outlined as an option to consider as a last resort:

- i) The loan agreement would incorporate terms that may trigger an option to convert the loan to equity, usually by way of time or financial performance.
- ii) No need for valuation of the business to be agreed at the outset.
- iii) The business owners are required to agree or accept an independent valuation of the business at the time the option is triggered.
- iv) The Investment Panel may recommend to the council that the conversion option terms should incorporate a nominal discount on the valuation of the business to recognise support already given and potentially, preferred terms if other investors join the funding round.
- v) Convertible Equity stakes likely to be in the region of 5% - 25% on the basis that:
  - i) the minimum is a meaningful percentage stake
  - ii) The maximum should leave room for further rounds of equity funding such that the principal owners to not lose overall control.
- vi) Timetable for conversion: within 28 days of notice being served to the business.

There would of course be the requirement to control the level of risk of the fund portfolio by limiting convertible loans plus converted equity to 50% of the number of loans and by amount of debt outstanding or equity invested. Loans not set up as convertible that default may be offered convertible terms if appropriate in the future.

#### **4.0 Equalities Implications**

- 4.1 There are only positive implications in this report as to expanded access for those seeking employment and also support to develop their business.

#### **5.0 Impact on Budget/Policy Framework**

- 5.1 The provision of coaching or mentoring to start-up/early stage businesses is not currently included in the revenue budget. If the decision is taken to provide this service in the future any extra cost would need to be found from within the Think BIG Fund, potentially reducing the amount available for loans.
- 5.2 In the event of an existing loan being considered for conversion, appropriate external advice will need to be sought as to the value of the business and the level of an appropriate equity stake for the Council. Specialist external legal advice may also be necessary. The cost of any external advice would also need to come from the Think BIG Fund
- 5.3 There are considerably higher financial risks to the Council in undertaking equity investment, with more work and different skills involved in monitoring those risks. The level of equity funding that the Council could offer, would be below the level considered economic by a fund manager. Fund management would therefore need to be undertaken by the Council, and as these skills are not available in-house, again this would have to be bought-in; this would be funded from the Think BIG Fund, again reducing the amount available for loans to businesses.

#### **6.0 Comments of Director – Resources**

- 6.1 I can confirm that the figures given in paragraph 3.1 reflect the position of the Think BIG fund as at 18th December 2014.

- 6.2 Should the decision be taken in the future to award loans to start-up/early stage businesses, consideration must be given to the higher risks inherent in lending to these businesses. This could be reflected in more stringent assessment criteria, higher interest rates and a higher level of monitoring. It is not thought appropriate to include the option for conversion to equity loans for this type of business.
- 6.3 Extending the terms of loans or deferring capital repayments, both mean that the money set aside for the fund is unavailable for other use for a longer period of time. Forecasts of future cash-flows need to be considered as part of the Medium Term Financial Plan to determine the impact on the Council's financial situation in future years.
- 6.4 Convertible loans also present a considerable reputational risk to the Council. It was set out in the initial reports on the implementation of the fund that there was a potential risk of default and this was accepted by Members. However, if the Council was seen to invest directly in a business that could potentially be seen to be failing, criticism could be forthcoming that this is not an appropriate use of taxpayer's money. Should the business subsequently fail, reputational damage would be considerable.
- 6.5 Potential conversion of loans to equity in circumstances outlined by the policy will require an agreed sum to be added to the capital programme as set out in paragraph 3.5.
- 6.6 When an equity investment is withdrawn, the money returned would count as a capital receipt and would therefore be lost to the Think BIG fund. This would reduce the amount that could be "recycled" as new loans. The equity could not just be re-converted back to a loan; the company would have to take out a new loan. This process would add to the administration costs of the Think BIG fund. In these circumstances, consideration would need to be given to the level of any new loan that should be offered and also whether any further conversions would be permitted.
- 6.7 The legal form of a company determines the liabilities that are the responsibilities of shareholders should the company fail. The Council should only offer the option of convertible loans to a company "limited by shares." The shareholders are not then responsible for the debts of the business if it fails.

**7.0 RECOMMENDATIONS that:**

- (a) the Committee note the contents of the report as an update regarding progress of the Loan Fund;**
- (b) the Committee receive an update regarding the start up/early stage business pilot approach;**
- (c) the Committee supports the continuation of the Loan Fund up to £1.5 million with a further review at this point by the Policy Group;**
- (d) the Committee adopts the Policy Proposal for Convertible Loans and agrees to the presentation of the Policy and paper to Full Council; and**
- (e) the Committee recommends to Policy & Finance Committee the addition of £250,000 to the Council's capital programme to facilitate the conversion of loans to equity in line with the policy, should the need arise.**

**Reason for Recommendations**

**To gain feedback and direction from the Committee regarding options for the Loan Fund.**

Background Papers

Policy Document

For further information please contact Julie Reader-Sullivan on ext 5258

Andy Statham  
Director – Community



## **Newark & Sherwood District Council**

### **Growth Investment Fund: Think BIG: Business Investment for Growth**

**DRAFT:**

#### **Policy Proposal for Convertible Loans**

##### **Summary:**

The purpose of this paper is to formulate a policy to have ready and available an option of Convertible Loans within the Business Investment for Growth Fund.

The Convertible Option is designed for situations where a business begins with the intention of repaying the loan, identifies the need for more capital for the business to have a stronger base to grow and become successful.

In each case the business would be required to demonstrate a plan that would make a significant impact on the district economy.

##### **Background**

The Think BIG Loan Fund was set up in 2012 to help encourage growth in the local economy and create jobs. Whilst fewer loans have been awarded than expected, there has been a material impact on new jobs created and further new jobs are planned from loans approved. A summary of the present portfolio is given in appendix 1.

##### **Current Funding Climate**

In reaction to changes in the funding market the criteria and terms of loans were extended earlier in 2014. However, gaps still exist where local businesses are unable to obtain funding:

- i) Banks continue to be reluctant to lend to businesses that do not have a track record of profitability and without full security cover.
- ii) Crowdfunding platforms are growing fast but are not a natural or comfortable choice for most businesses.
- iii) Grant funding is available for businesses in Nottinghamshire via the Local Enterprise Partnership (D2N2) and Nottinghamshire County Council, usually contributing 20%-30% of a capital project. A new Invest to Grow grant and loan fund for the East Midlands run by the University of Derby will consider applications to fund 30% of project costs for SMEs.

##### **Demand**

After a quiet period earlier in 2014, over the last few months there has been a significant increase in loan applications and a steady flow of interest is now being received. The better prospects are coming from introductions by local banks and accountants and from council connections.

Government owned banks have recently been instructed to signpost businesses that they have declined to support to alternative funders.

## **Purpose**

This paper describes the nature of a convertible loan for the purpose of use within the Growth Investment Fund. It outlines the criteria under which this option may be incorporated in a loan agreement, the terms under which a conversion would be made and the process of agreement to each conversion by the Council.

## **Strategic Fit of Growth Investment Fund**

The chart in appendix 2 outlines the nature of funding required at each stage of business development. The Growth Investment Fund is positioned to assist existing businesses with repayment loans to fund growth where the business is unable to get bank funding. The Convertible Loan extends the options for the Council beyond loan repayment into equity investment.

## **Make-up of the Growth Investment Fund Portfolio:**

All loans have an agreed repayment programme at the start:

- Most repay monthly from the start
- Some may have deferred capital repayments
- Some may roll-up interest initially

During the course of the loan:

- All businesses are monitored regularly with support provided as appropriate
- Some may have cash flow problems during the course of the loan and seek deferment of monthly repayments until cash flow improves
- Some may be unable to meet repayments and not recover

By extending terms and options the Fund is able to be more flexible in meeting the nature of funding best suited to a business and is able to react to difficulties that arise during the course of the loan period.

## **Convertible Loans**

### **What is a Convertible Loan?**

A loan agreed to a limited company (limited by shares), in accordance with the Assessment Criteria and with an agreed repayment schedule that includes an option that may be exercised under specified circumstances and terms by the Council to convert some or all of the debt outstanding into an equity shareholding.

### **Why is a Convertible Loan option being considered?**

The Policy Group requested a report in January 2014 to consider how the qualifying criteria and terms of the Think BIG Loan Fund might be extended.

This included the possibility of including terms in loan agreements that give the option to the Council to convert a loan to an equity investment at a later date.



The Policy Group now wishes to consider a proposal to make such an option ready and available for use if an appropriate situation arises.

### **What it means for the Council**

The Council would have the option to convert a loan to a local business that has good growth potential into an equity investment. The key implications are:

- i) This changes the view of risk from a medium risk level based on “Monthly Repayment and Security” to a much higher risk and an extended term with more emphasis on Reward and Return.
- ii) Reward would continue to include jobs created; equity investments are likely to involve a higher number of jobs and higher level skills.
- iii) As an equity shareholder the Return on Capital is only achieved on exit from the investment by way of sale of the shareholding.
- iv) Additional processes and decisions are involved at each stage of the loan agreement, conversion, shareholding and exit.
- v) More extensive Legal Agreements would be required and financial assessments and controls would be more detailed.

### **Principles Around Convertible Loans:**

- i) Each application considered individually on its merits and subject to detailed scrutiny
- ii) Not seeking equity investments from the start
- iii) The Fund should not finance business ventures that are highly speculative where a repayment programme is not realistically achievable
- iv) A convertible option should only be exercised for a business case that demonstrates significant longer term added value to the district economy.

The key question for the analysis and assessment of a loan application is the viability of the business and a plan that demonstrates the capability and intention to repay the loan.

### **Loan Assessment Criteria**

The role of the local authority is not intended to be one of an Equity Investor. All loans would continue to be assessed and approved on the basis of the business plan demonstrating viability and capability to repay.

In order to protect the longer term position of the Council, where capital and interest repayments are not scheduled to commence in the first 2 months, for limited companies only, the Investment Panel may recommend to the Council that convertible option terms are incorporated into the loan agreement at the outset.

### **Loan Repayment Terms - Existing Criteria Applies:**

The overall maximum term of a loan: 5 years from first drawdown where cash flow justifies:

- a) permit interest roll up for up to 6 months
- b) capital repayments may be deferred for up to 12 months

**Interest Rate:**

The range for Convertible Loans to be the same: assessed on overall risk in the range 4.5% over Base Rate - 8 % over Base Rate.

**Fees:**

Maintain existing Initial Fee of 1% and Monitoring Fee of £250 per quarter with flexibility to adjust the fee to recognise extent of monitoring and support required.

**Working Alongside other Funders and Investors**

The Fund is already working with the bank and accountant of each business. In some cases the Fund is able to provide the balance required to enable the business to access other grant or loan funding.

Early stage and growing businesses requiring funding of this nature often have gaps in management skills and require closer control and discipline. The Think BIG package includes regular support reviews depending upon the progress of the business.

If equity becomes a viable and acceptable option, attracting the expertise and experience of a business angel alongside the Think BIG investment could help the business significantly.

**The Process for Agreeing Convertible Loan Option Terms**

There are two distinct stages to the process of agreeing criteria and terms for conversion:

- The Initial Loan Agreement to incorporate:  
triggers for conversion  
outline terms on which equity would be valued  
the process for conversion
- On exercising the option to convert:  
valuation of the business  
shareholding  
legal issues: Articles of Association; investment agreement; service agreements

There are therefore two decision points for the Council.

**Features of Businesses that might benefit from a Convertible Loan:**

- Well prepared Business Plan with good profit margins
- Good market growth potential
- Good management team
- Needs longer term capital

A loan with deferred repayments and Convertible Option terms could be suitable for:

- i) an earlier stage business that has not established reliable cash flow

- ii) an established business requiring more capital to expand where loan repayments would put undue pressure on short term cash flow

### **Milestone Approach to Mitigate Risk**

Loans may be made available in tranches linked to milestones in the business plan (used twice so far); this helps exercise more control over spending by the business and achievement of the plan.

However, there is a danger that by not funding the full amount required to deliver a plan at the outset, the milestone approach (whilst giving protection for the investor) could strap the business too tightly and in itself cause the business to be underfunded.

Close monitoring and understanding of the business is essential to avoid unnecessarily early withdrawal of funding when problems arise.

### **Features of Convertible Loans:**

- For limited companies only
- Structured as a loan at the outset with the interest rate based on the existing risk-based assessment and interest charged from day 1
- Interest may be rolled up and capitalised for up to 6 months initially in line with the cash flow forecast.
- Capital repayments may be deferred for up to 12 months, then repayable over a period of up to 5 years from drawdown
- Security by way of mortgage debenture and personal guarantees (as at present).
- No need for valuation of the business to be agreed at the outset.
- Needs a broader approach to appraisal and analysis as a potential equity investment.
- It is highly unlikely that such equity stakes receive any dividends. Eventual financial return will come from an exit to a trade buyer; a sale to the business owners (a Management Buy Out) or to other investors.

If all goes well with the business and the agreed schedule of repayments is met, the loan would be repaid, the convertible option would lapse and the owners can avoid giving up equity.

However, there is often a tipping point when cash flow difficulties arise, usually through a shortfall in orders or delayed payments from debtors. Where a business is growing quickly it may also need longer term capital.

In these situations not only could conversion be triggered but more funding might also be required. The lender may need to put more money into the business to keep it going or help it to seek other funders or investors.

### **Convertible Option Terms to be incorporated in the Loan Agreement**

- The loan agreement would incorporate terms that trigger an option, usually by way of repayments not being made or financial performance significantly behind plan.
- The business owners are required to agree the principle of an independent valuation of the business (at the expense of the business) at the time the option is triggered such that the value of the loan is converted into a shareholding based on a percentage of equity

- It may be appropriate to agree the principle of a nominal discount on the valuation of the business at the time of conversion to recognise support already given and potentially enable preferred terms for the Council if other investors join the funding round. The Council's involvement could give confidence to leverage other funding or could make up the balance of money required to undertake a contract or project
- Legal and administrative costs to be met by the business
- Timetable for conversion: within 28 days of notice being served to the business or aligned to the introduction of other funding.
- If exit has not been achieved within 5 years, agreement to an independent report, at the expense of the business, on valuation and exit routes, perhaps a management buy back or a trade sale.

### **Level of Exposure:**

By amount:

- The maximum amount invested would represent the capital and interest outstanding on the loan.
- Part of the outstanding loan may be converted with the remainder restructured as a repayment loan

By stake in the business:

Convertible Equity stakes likely to be in the region of 5% - 25% on the basis that:

- the minimum is a meaningful percentage stake
- the maximum should leave room for further rounds of equity funding such that the principal owners do not lose overall control.

### **Under what circumstances the option to convert might be exercised:**

- when a business is unable to meet agreed loan repayments and longer term cash flow indicates a need for longer term capital investment
- when a good business management team makes a business case for longer term success by way of growth in sales with sustainable profit margin
- when converting the loan to an equity investment allows the business time to recover from trading difficulties
- when alternative funders or investors are not willing to provide any or all of the money required
- as a last resort option to business failure and loss of the money loaned to the business

### **Under what circumstances the option to convert should not be exercised:**

- Where an acceptable period of capital repayment deferment and interest roll up provides the cash flow relief required to see the business through to recommencing repayments
- To maintain a businesses that is not able to present a convincing case for success and growth
- Where funds invested are less than £25,000

## **The Process of Converting a Loan to Equity**

### **Conversion Process:**

Based on the recommendation of the Business Analyst following a visit and assessment of the business, the Investment Panel would firstly consider deferring capital repayments and rolling up interest for a number of months.

If:

- i) there is no likelihood of repayments being made in the foreseeable future without putting undue strain on the cash flow, and
- ii) the business has a realistic chance of becoming successful and make a significant contribution to the local economy in the medium term then the Investment Panel would assess the business case for conversion of all or part of the loan to equity and may make a recommendation to the CEO to commence the conversion process.
  - ❖ An independent valuation of the business would be undertaken; fees and costs would be charged to the business.
  - ❖ The Investment Panel may also recommend an external financial review of the business to validate the business plan
  - ❖ The investment may require an amendment to the Articles of Association of the company
  - ❖ The financial and legal processes would be arranged by council officers and the timetable for conversion would be within 28 days of notice being served to the business or aligned to the introduction of other funding.
  - ❖ The Investment Panel would recommend the extent of involvement and monitoring to be undertaken by the Business Analyst following conversion. As a minimum this would involve a programme of visits and updates to the Investment Panel with a view to monitoring the risk, providing support and seeking an opportunity for an exit in due course.

### **Existing Portfolio Loans**

In the event of repayment issues arising on existing loans that have not been set up with a convertible option, the Investment Panel may recommend to the Council that conversion terms are offered to the business if appropriate in the future.

### **Challenges for the business owner of converting debt to equity:**

- Giving up a percentage ownership in the company
- The valuation of the business, upon which a share of the business for the loan outstanding would be calculated.
- Influence of the shareholder over the management of the business
- Legal documentation and commitment
- Continuation of Service requirements

### **Return on Investment**

The overriding objective of the Growth Investment Fund is growth, job creation and full return of capital with interest. The Think BIG Fund has not been designed for high risk/high return.

By way of comparison, when Business Angels or Venture Capital Funds invest they are looking for businesses that demonstrate the potential to make a 10x multiple return. However, a typical portfolio of their equity investments would include:

- i) a number of losses (20% to 30% of the portfolio) most businesses work hard to survive and return the money invested
- ii) a small number of longer term success stories returning 2x to perhaps 10x multiple (10% to 20% of the portfolio)

A representative of Business Angels or Venture Capital investors would join the board of each invested company and the business would be managed to objectives agreed between the management team and investors. Increasing jobs would not be a specified objective in equity investments but usually more jobs and higher skill levels are often required to achieve the growth sought.

If conversion of a Think BIG loan to equity happens alongside other equity investors, it may increase the chance of success that the business will grow and increase the potential financial return but require agreement about the Return expected from an increase the number of jobs.

In cases where the alternative for the business is closure or downsizing the Council may also recognise the short term jobs safeguarded.

### **Risk of Loss for the Council**

As long as the Assessment Criteria, the Repayment Loan terms and the monitoring programmes are maintained the overall risk profile for the Council should not change materially. So far only one loan has required repayments to be deferred (on two occasions reflecting seasonal slowdown) and all others are repaying on the terms agreed. However, failures will occur as the portfolio grows and businesses experience trading difficulties over time.

However, once a loan has been converted to equity the risk profile of this element of the portfolio would be different. Full return of capital becomes dependent upon exit over what may become an extended period of time. As an equity investment, the risk of total loss is therefore much greater than that of a repaying loan. As a guide from fund manager experience, 20%-30% of the equity element of the portfolio may fail.

### **Balance of Risk and Overall Financial Parameters**

By way of controlling the level of risk in the overall fund portfolio, convertible loans plus converted equity should be limited to 50% by:

- i) number of loans
- ii) total amount of debt outstanding and equity invested.

### **Reputational Risk**

In order to address the potential reputational risk to the Council in the event of a business failing, justification for a loan to be converted into an equity investment would need to be based on a clear business case around longer term potential for the business and the impact on jobs.

### **Monitoring & Assurance:**

It is likely that a portfolio business facing issues that may lead to consideration of exercising the convertible option would have “high alert” status within the existing loan monitoring system. As such the business would already be providing regular management information to the Business Analyst as part of a monthly or bi-monthly review and report to the Investment Panel.

As a significant shareholder the Council would have the opportunity to influence controls on the management and would require regular information on the performance of the business. It may involve the Business Analyst or a member of the Investment Panel attending formal board meetings to focus the directors and management on the issues key to success. There may also be a need to encourage more experience or expertise to be introduced to the board or to the management team.

Through the Investment Panel the Council would have a say in how the business is run and how it can be helped to achieve growth.

Overall the cost of monitoring an equity investment would need to be measured against the value of the investment and the risk of not achieving a significant return.

The Investment Panel would continue to provide an update on the portfolio to the Economic Development Policy Group on a regular basis.

### **Exit Routes**

It will be important for potential exit routes to be identified on a case by case basis; for example this may include:

- buy-back by management (if a further loan is sought, this would be subject to a separate loan application)
- refinancing involving equity and debt funders
- full or partial sale to business angels or other investors
- trade sale

### **Dealing with Worst Case Scenarios**

A convertible option does not commit the Council to exercising the option. If a business is in difficulties and an equity stake does not look an attractive position for the Council the Investment

Panel would be seeking all possible avenues of funding and support.

Shortage of cash to pay creditors causes businesses to fail. Where all other options have been exhausted and the business cannot meet agreed commitments to the Council the Investment Panel would report the position to the Council, including an assessment of the security that may be used to repay some or all of the loan outstanding.

### **Performance Indicators:**

- i) Jobs created

- ii) Number of businesses receiving support
- iii) Funding obtained by businesses, including funding from other sources as a result of Think BIG involvement

### **Role of the Investment Panel**

The Investment Panel would receive reports from the Business Analyst and make recommendations to the Council when appropriate for a loan to be agreed on convertible option terms at the outset.

The panel would continue to oversee the portfolio of investments and where considered appropriate make recommendation to the Council to exercise an option to convert a loan to equity.

The existing Investment Panel has 2 members experienced in Business Angel equity investment and could provide approval recommendations to the CEO.

Revised Terms of Reference of the Investment Panel to incorporate Convertible Loan considerations together with extended Assessment Criteria for Think BIG Loan Applications are given in appendices 3 and 4.

### **Role of the Council**

- The Council sets policy objectives for the Growth Investment Fund and the criteria to be used for Convertible Loans to be made available.
- Each Loan Agreement and any convertible loan terms contained therein would be approved on an individual basis and signed off by the CEO
- The Economic Development Policy Group receives an update on the portfolio from the Investment Panel on a regular basis.
- The Council considers recommendations and proposed terms to exercise a convertible option from the Investment Panel
- CEO signs an Investment Agreement
- The Council receives Investment Reports and exit recommendations from the Investment Panel

### **Legal Considerations:**

- A Convertible Loan Agreement form could be created as an extension of the present Loan Agreement.
- Cost of legal agreements need to be kept to a minimum by using standard agreement templates
- In order to protect the council against future legal issues arising, business owners should have separate legal advice around the potential investment nature of an undertaking that incorporates convertible terms.
- **The Council should check whether any legal requirements of the Financial Conduct Authority need to be considered.**



## **NSDC Budget Policy Framework**

The proposal will, if agreed at this stage progress to Economic Development Committee, then to Policy Committee and Full Council. The Treasury Management Strategy will require amendment as will the constitution. An agreed amount of the loan fund (£250,000 is the maximum loan and therefore this is the amount proposed) will be allocated for possible equity funding with decision making delegated to the Chief Executive.

### **Summary of Key Factors for the Council:**

- This would be an evolutionary step; the existing processes can be adapted
- Conversion of a loan to equity would be an option which may or may not be exercised in the future.
- In the event that a loan cannot be repaid within the agreed time, conversion to an equity stake is likely to be the alternative to an extended period with no or minimal repayments or writing off the loan or the business being closed.
- It is not necessary to agree a valuation of the business when the convertible loan is approved.
- Any decision to give notice to exercise the option would be subject to approval of the CEO.
- A valuation of the business would need to be agreed for conversion of the loan outstanding into equity.
- Extended monitoring and support is likely to be required to help businesses become successful
- The investment in a business is likely to extend for a longer period of time.
- Dividend payments would not be expected unless and until cash flow permits.
- By adopting a higher risk approach to funding, shorter term losses may be seen before successful businesses realise their longer term potential

### **Recommended Next Steps for Implementation:**

- 1) The Council to approve the availability of Convertible Loan Option as part of the Growth Investment Fund.
- 2) The Council's legal department to prepare a Convertible Loan Option Agreement

Steve Blount  
12 December 2014

**Newark & Sherwood District Council: Growth Investment Fund  
Investment Panel: Revised Terms of Reference**

**Summary**

The Investment Panel to consist of an independent chairman and two professionals. The Panel will have responsibility for the management and performance of the Growth Investment Fund and will be accountable to members of Newark & Sherwood District Council. The Panel will receive reports and recommendations from the Business Analyst, with operational support provided by the Council's Economic Growth Team.

**Terms of Reference**

- To oversee the implementation of systems, procedures, criteria, loan agreements, convertible terms and security terms to operate a Growth Investment Fund in accordance with policy and direction given by the Economic Development Policy Group of the Newark and Sherwood District Council with support from the Finance and Legal departments of the Council.
- To review applications received from businesses and assessed by the Business Analyst, seeking further information including due diligence reports where required, making lending recommendations on individual business merit to the Chief Executive Officer.
- The Panel to meet in a timely manner together where possible but also by conference call to avoid undue delay in responding to businesses.
- To review opportunities for leverage and alternative sources of funding available to growth businesses to avoid duplication or competition with other funders.
- To make recommendations to the Council about exercising an option to convert a loan to equity including terms of conversion and monitoring the business following investment
- To be aware of the local and national growth business support programmes available.
- To review applications received where equity funding is more appropriate, particularly from innovative and early stage businesses, where Investment Readiness coaching support is required and make grant recommendations to the Chief Executive Officer.
- To provide ongoing review of the management, criteria and performance of the Fund.
- To receive individual loan monitoring reports from the Business Analyst and consider recommendations for action to be taken; including amendments to the terms of individual loans or the need to instigate recovery action.
- To receive monitoring reports from the Business Analyst on equity investments and consider recommendations for action to be taken, including exit plans

- Review the performance of the portfolio and submit reports with any recommended changes in criteria and eligibility or management of the Fund to the Policy Group.
- To be ambassadors of the Growth Investment Fund and to assist the Council in dialogue with the local business community and other Councils.

December 2014

**Newark & Sherwood District Council  
Think BIG: Business Investment for Growth Fund**

**Investment Panel: Revised Assessment Criteria**

**Purpose:**

- The fund will encourage business growth in Newark & Sherwood District
- It is aimed at small and medium-sized enterprises with clear ambition and potential to grow
- It will provide loan or convertible loan funding where banks and other debt financing providers are unable to lend - it will not duplicate or compete with other sources of business financing
- As a guideline, loans are expected to range from £25,000 and £250,000
- Loans may be for capital expenditure or for working capital

**Who can apply:**

- Business located in Newark and Sherwood District
- As a guideline, existing businesses with turnover between £150,000 and £25m, minimum 5 employees
- Preferred sectors: manufacturing, engineering, information and communication technologies, food processing, logistics, and low carbon technologies
- Exclusions: gambling, religion, pornography
- Unlikely to support: property purchase or development, shops, vehicle purchase

**Businesses will need to provide:**

- The most recent two years financials: Balance Sheet, Profit & Loss Accounts
- Up-to-date Management Accounts
- 2-3 years financial projections:
  - Cash Flow Forecast
  - Profit & Loss Account
  - Balance Sheet
- Business Case for funding
- A personal guarantee may be required
- Independent due diligence may be required for loans over £100k

**Terms of Loan:**

- Term: 6 months to 5 years from drawdown with monthly repayments
- Interest rate: between 4.5% and 8% above bank base rate depending on security & risk profile
- Security: business assets and personal guarantee may be required
- An Initial arrangement fee of 1% of the loan (may be added to the loan) and a monitoring fee of £250 per quarter will be charged. Any associated legal or other costs are to be borne by the applicant (may also be added to the loan)

December 2014

**ECONOMIC GROWTH UPDATE**

**1.0 Purpose of Report**

- 1.1 To provide an update for the Committee on current and planned activities within Economic Growth and partners.

**2.0 Background Information**

- 2.1 The priorities for the Economic Growth team are Inward Investment, Business Growth, Employability and Skills, Infrastructure, Key Sectors and Tourism. Our vision, as agreed with the Committee on 26<sup>th</sup> March 2014 is **Building a Shared Prosperity** and the three main objectives identified in the strategy which are:

- ❖ Objective 1: **To develop and maintain an in-depth understanding of the Newark and Sherwood economies, business stock and sector strength.** This will ensure that all activities and resources available to support our vision are appropriately focussed.
- ❖ Objective 2: **To develop appropriate place marketing to visitors and investors.** To achieve this we will work with partners such as Experience Nottinghamshire for Tourism and Invest in Nottingham and UKTI for Inward Investment opportunities
- ❖ Objective 3: **To plan and support Growth for our district.** This incorporates a number of areas which the council can directly affect or can exercise influence.

- 2.2 This report provides a short update in these key areas as well as a summary of the current national and local economy.

**3.0 Proposals**

**3.1 The Economy**

The Price Waterhouse Coopers (PWC) economic predictions for the UK economy in 2015 from John Hawksworth, Chief UK Economist:

UK economic growth was around 2.6% in 2014, the fastest in the G7, but is projected to slow to around 2.5% in 2015. This would be behind the US and Canada, but still the strongest of the large European economies.

The projected UK slowdown reflects the drag on exports from the ongoing malaise in the Eurozone and an expected intensification of the fiscal squeeze after the general election on 7 May 2015. Uncertainty over the outcome of this election could also dampen business investment in the short-term.

Despite this slowdown, the UK appears to be on course to be a £2 trillion economy by 2017, the fifth largest in the world.

London and the South East will continue to lead the way with real output growth of around 3% in 2015, with Northern Ireland bringing up the rear with growth of just under 2%.

Inflation should remain well below its 2% target rate in 2015, which should help to produce a return to positive average real wage growth for the first year since the recession.

Unemployment should continue to fall steadily through the year, potentially returning to pre-recessionary rates of around 5% of the labour force by the end of 2015.

House price inflation will moderate over the course of 2015, but could still average around 7% over the year. The average UK house could cost around £290,000 by the end of 2015, or around £560,000 in London.

UK official interest rates could rise slightly to around 1% by the end of 2015.

#### Additional information regarding the Economy

The RPI figures for the last three months are: October 2.3%, November 2.0% and December 1.6% and CPI at October 1.3%, November 1.0% and January 0.5%. The Bank of England's target rate for CPI is 2%. Latest figures showed CPI inflation fell to 0.5 per cent in December, equalling its lowest level on record. The figure has been driven down by tumbling oil prices, leading to lower petrol costs as well as the supermarket price war. The Confederation of British Industry has reacted to the news by saying a rise in interest rates any time soon seems "off the cards".

Britain is heading for its first period of falling prices since records began in 1989, but is not at risk of falling into a dangerous deflationary spiral, according to the Bank of England.

The Bank's quarterly health-check of the economy forecast that inflation would remain "close to zero" for the rest of 2015, and stated that it was "more likely than not" that inflation, as measured by the consumer prices index (CPI) will turn negative at some point during the first half of the year. This would be the first time the CPI recorded a negative reading since 1989. The Centre for Economics and Business Research (CEBR) believes inflation will fall to -0.3pc in March

Jobseekers Allowance claimants for Newark and Sherwood in December 2014 numbered 1,027 which is 1.4% of the population. The East Midlands figure is 1.8% and the national figure is 1.9%

The most recent NOMIS report is available as background reading if required.

### 3.2 Inward Investment & Business Growth

Inward investment and business growth enquiries being received show positive signs of increased interest in expansion for businesses across a number of sectors. Property search for small units with a combination of warehouse and office space are proving challenging to find within the east of the district.

Liaison with our neighbouring districts regarding representation of our district at conferences and exhibitions, as well as opportunities to promote the East Midlands offer are continuing and include:

Regen 2015 – takes place on 24 and 25 March 2015 and NSDC are sharing a stand with Ashfield and Mansfield in order to jointly promote our districts

MIPIM – our documentation has been forwarded to Invest in Nottingham and this includes the Inward Investment video. Our district will therefore be represented at this high level property and land investment event.

MIPIM UK – October 2015. NSDC will be sharing a stand with Gedling and Rushcliffe, following the success of the event last year.

Inward Investment Event – June 2015 in Newark with the support of our Business Leaders. A proposal has been discussed with our Business Leaders’ to facilitate an event for up to 20 potential inward investors that are known by our key businesses and may relate to their supply chain. This event will provide the potential investors with a perspective regarding the fabulous offer we have for our district and the opportunities for growth.

Regular meetings are held with Economic Development colleagues in Lincolnshire and Nottinghamshire in order to ensure we discuss methods to promote the broad offer that the East Midlands region provides for businesses.

### 3.3 Technology Offer

At the Business Leaders’ breakfast meeting held in February 2015, Wes Thompson from Reconnix (Newark) presented a vision and a plan to promote the technology companies and expertise that exists within our district in order to enhance our technology community as well as our reputation. It was agreed that ‘Silicon Forest’ as a title for this project was appropriate and encompassed the district, rather than an alternative suggestion of ‘Tech Town’. The concept is in very early stages and work is happening to gain commitment from local businesses to offer support free of charge in order to develop a brand and concept. An activity plan will be agreed which will include seminars, events and in the longer term a high profile technology based conference. Contributory activities will include the promotion of the expertise available in our district via our website and those of our local businesses, support for events in our district and encouragement within our supply chains for local procurement of all solutions including technology based opportunities. This activity also links in with our Inward Investment strategy in terms of promoting our district to both businesses and potential employees, particularly graduates and those entering the Science and Technology related professions (STEM).

### 3.4 Recruitment

Following the presentation of the proposed new structure for the Economic Growth team in September 2014, the recruitment exercise has been completed. As from 20 April 2014 a new structure which will include a Senior Project Officer, Economic Growth Officer and part time project support will be in place. This follows agreement of a new structure and two existing post holders in the Economic Growth Officer role being successful in their applications for new roles in both Bassetlaw and Gedling Local Authorities.

### 3.5 Employability and Skills

#### **Apprenticeship Academy**

Clipper Logistics launched their Apprenticeship Academy at the Boughton Site on 24<sup>th</sup> February 2014. Clipper is a major employer in the district and NSDC worked closely with all partners in order to provide the support for Clipper in order to launch this Academy. The first 70 graduates from the Apprenticeship Academy will be celebrated this year.

### **National Apprenticeship Week**

An Apprenticeship Fair will be held at Newark Town Hall on 10 March 2015 with over 20 employers attending, all of whom will be looking to recruit Apprentices in the coming year.

### **Ollerton Jobs and Apprenticeship Fair**

A combined Jobs and Apprenticeship Fair will take place on 14 May 2015 at the Lifespring Centre in Ollerton. This will be actively promoted in the district. A flyer drop to all residential addresses in Ollerton and Boughton will also be arranged nearer to the event which will promote the outreach service as well as the Jobs/Apprenticeship Fair. The event will be organised via the Ollerton Outreach service and the partners involved.

### **Jobs Fair**

Consideration will be given to holding a Jobs Fair in Newark during September/October 2015. The usual Jobs Fair will not take place during May 2015 in Newark as the Jobs Fair organised by Robert Jenrick MP on 19 February 2015 will provide jobseekers with this opportunity and employers will then not be overburdened with events that take time out of the workplace for non revenue earning activities.

### **What Next? Newark and Sherwood Careers Event**

The event will take place in October 2015 and is organised in partnership with Lincoln College. The event is open from 9am-3pm for pre-arranged school visits then open to the general public from 4-7pm. Other venues have been considered, however feedback from stakeholders and schools suggests that Kelham Hall still makes the most appropriate venue.

## **4.0 Equalities Implications**

4.1 There are only positive implications in this report as to expanded access for those seeking employment and also support to develop their business.

## **5.0 Impact on Budget/Policy Framework**

5.1 All these activities are within existing budget

## **6.0 Comments of Director - Resources**

6.1 No comment required

## **7.0 RECOMMENDATIONS that:**

- (a) the Committee note the contents of the report as an update regarding Economic Growth activities and progress towards the strategy; and
- (b) the Committee support the concept of developing the promotion of the technology businesses offer in order to further promote the expertise available in our district

## **Reason for Recommendation**

To provide an update on aspects of the Economic Development Strategy and endorsement of the approach to promoting the technology offer within the district.



Background Papers

NOMIS statistical report for the district.

For further information please contact Julie Reader-Sullivan on ext 5258

Andy Statham  
Director – Communities



**ANNUAL REPORT DETAILING THE EXEMPT REPORTS CONSIDERED BY THE ECONOMIC DEVELOPMENT COMMITTEE**

**1.0 Purpose of Report**

1.1 To provide the Economic Development Committee with a list of the exempt business considered by the Committee for the period May 2014 to date. Members have the opportunity to review the exempt reports and request further information. The rule is defined in paragraph 18 of the Constitution entitled 'Right of Members to Request a Review of Exempt Information'.

**2.0 Background Information**

2.1 The Councillors' Commission at its meeting held on 25<sup>th</sup> September 2014 proposed a number of changes to the Constitution, one of which being that 'the Committees undertake an annual review of their exempt items at their last meeting prior to the Annual Meeting in May', this was ratified by the Council on 14<sup>th</sup> October 2014.

2.2 Members will be aware that, they have the opportunity to request under Rule 18 of the Access to Information Procedure Rules, that exempt information should be released into the public domain if there are substantive reasons to do so.

**3.0 Proposals**

3.1 The following table provides the exempt business considered by the Economic Development Committee for the period May 2014 to date:

<b>Date Of Meeting</b>	<b>Exempt Item</b>	<b>Reason For Being Exempt</b>
12 <sup>th</sup> November 2014	Newark Market Stalls	Paragraph 3 of Schedule 12A of the Act

3.2 The Business Manager – Markets & Car Parks has indicated that the report noted in the above paragraph is no longer considered to be exempt information.

**4.0 RECOMMENDATION**

**That the report be noted.**

**Reason for Recommendation**

**To advise Members of the exempt business considered by the Economic Development Committee for the period May 2014 to date.**

Background Papers - Nil

For further information please contact Nigel Hill – Business Manager Democratic Services on Ext: 5243.

David Dickinson  
Director - Resources

