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

Members of the Committee:

Councillor P.C. Duncan
Councillor R.J. Jackson
Councillor R.B. Laughton
Councillor P. Peacock
Councillor D. Staples (Opposition Spokesperson)

Substitute Members

Councillor Mrs C. Brooks
Councillor A.C. Roberts
Councillor Mrs L.J. Tift
Councillor T. Wendels

MEETING: Policy and Finance Committee

DATE: Thursday 6 April 2017 at 6.00pm

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 Nigel Hill on 01636 655243.

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NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **POLICY & FINANCE COMMITTEE** held in Room G21, Kelham Hall, Newark on Thursday, 23 February 2017 at 6.00pm.

PRESENT: Councillor R.V. Blaney (Chairman)

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

70. APOLOGIES FOR ABSENCE

There were no apologies for absence.

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

There were no declarations of interest other than a general interest from officers in respect of the Pay Policy Statement 2017.

72. DECLARATIONS OF INTENTIONS TO RECORD THE MEETING

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

73. MINUTES FROM THE MEETING HELD ON 26 JANUARY 2017

The minutes from the meeting held on 26 January 2017 were agreed as a correct record and signed by the Chairman.

74. PAY POLICY STATEMENT 2017

The Deputy Chief Executive presented a report which sought to review the content of the Pay Policy Statement for 2017 and subject to any necessary revisions to recommend the Statement to the Council for approval.

In accordance with Section 38 (1) of the Localism Act 2011 the Council was required to produce a Pay Policy Statement for each financial year. The Pay Policy Statement must set out the authority's policies for the financial year relating to:

- the remuneration of the authority's lowest-paid employees (together with a definition of "lowest-paid employees") and the reasons for adopting that definition;
- the relationship between remuneration of Chief Officers and that of other officers (pay multiples); and
- the remuneration of Chief Officers.

A copy of the Pay Policy Statement for 2017 was attached as an appendix to the report. Changes to the Pay Policy Statement for 2017 were summarised as:

- the statement had been updated to reflect revisions to the Living Wage recommended by the Living Wage Foundation during November 2016 (increase from £8.25 to £8.45 per hour);
- updates to salary scales to reflect recent pay awards;

- updates to Market Supplements paragraph to reflect national guidance; and
- insertion of additional clause regarding arrangements for pay for officers engaged on JNC terms carrying out a corporate (as opposed to Business Manager) role at senior level below the post of Director.

When considering the Pay Policy Statement the Committee sought to understand why the Council do not move to paying the National Living Wage rather than the Living Wage Foundation rate as there was a significant difference between the two and the proposal for the National Living Wage to be significantly increased by 2020.

AGREED (unanimously) that:

- (a) the Pay Policy Statement for 2017 be recommended to the Council for approval; and
- (b) the Committee receive a report during 2017/18 which reflected on the difference between the National Living Wage and the Living Wage Foundation and set out the implications for the Council if it were to move towards the National Living Wage.

Reason for Decision

To comply with Section 31 (1) of the Localism Act 2011.

75. HOUSING GROWTH: ACCELERATED CONSTRUCTION - LOCAL AUTHORITIES

The Business Manager – Strategic Housing presented a report which sought approval to submit an expression of interest to the Homes and Communities Agency’s (HCA) Accelerated Construction Programme. The programme was aimed to support the government in meeting its objective to deliver one million new homes by 2020. Expressions of interest needed to be submitted by 28 February 2017.

In the short period time given to consider the Accelerated Construction Programme relevant officers had met to discuss the potential opportunities of this, along with considering the availability and status of land in the Council’s ownership. It was proposed that an expression of interested was submitted to the HCA under its Accelerated Construction Programme for the Council owned site at Lincoln Road playing fields, associated with the growth and regeneration of the Yorke Drive estate in Newark.

The Business Manager – Strategic Housing advised that this site was already subject to a ‘Capacity & Enabling’ funding bid to government under the Estate Regeneration Programme but the HCA had confirmed that the inclusion of a site being considered under another government programme was acceptable.

AGREED (unanimously) that an expression of interest be submitted to the HCA under its Accelerated Construction Programme for the Council owned site at Lincoln Road playing fields, associated with the growth and regeneration of the Yorke Drive estate in Newark.

Reason for Decision

The acceleration of housing delivery will contribute to the Council's housing growth agenda and wider strategic priorities, meeting the evidenced housing need across the district for all tenures.

76. REVENUE BUDGET - PROPOSED BUDGET 2017/18

The Assistant Business Manager – Financial Services presented a report which enabled Members to consider spending proposals and recommendations to the Council for the budget in 2017/2018.

The report set out the details of the proposed budget for the Council in 2017/2018. The budget proposals had been formulated in accordance with the framework set out in the Council's Constitution with the initial report having been presented to the Policy Committee on 22 September 2016. It was noted that the level of discretionary fees and charges for services provided by the Council were considered as part of the budget process rather than being implemented piecemeal throughout the year. The proposed fees and charges for 2017 were detailed in the report and would be included in the budget book which forms part of the agenda for the full Council Meeting.

The Local Government Finance Settlement provided key figures for Government Grant that formed a major part of the Council's budget. The draft settlement was announced on 15 December 2016 with the final settlement being received on 22 February 2017 with no changes having been made.

In presenting the report the Assistant Business Manager – Financial Services advised that correspondence had been received from the government which would enable local authorities to increase the fees for planning applications by 20% as from July 2017. The Chief Executive further advised that any additional income from an increase in fees would be ring fenced to support the planning function. It was considered necessary to discuss this with the other Nottinghamshire authorities in order to ensure some consistency around the approach to any increase in fees.

The forecast of NDR income was a significant part of the Council's budget. For the 2017/18 financial year, the forecast was based on a new valuation list produced by the Valuation Office. The revaluation had led to an increase in NDR income, which was partially offset by an increase in the tariff paid to government in 2017/18. However, it was possible that a further element of this income may have to be paid to the government in 2018/19 due to uncertainties around their calculation of the impact due to the revaluation. The Council had also been working with a company, Analyse Local, to produce sound and prudent estimates of potential losses in business rates resulting from appeals lodged with the Valuation Office. There were a number of large companies who made up a significant amount of the Council's NDR base and if an appeal from one of these was awarded, it would lead to the Council paying out a substantial sum of money. As a result of this it was prudent to set aside a large provision for appeals within the NDR collection fund. This year it had been necessary to increase the provision to take account not only of appeals already lodged and under consideration, but also any appeals which may result from the 2017 revaluation.

After setting aside the appeals provision, there was some growth in Business Rates, but as indicated it was possible that this may need to be paid to government in 2018/19. It was therefore prudent to keep this growth in a reserve until the level of tariff payment was determined next year. If the tariff did not increase, the money would be released back into the general fund to support the 2018/19 budget.

The report had been prepared by the Resources Directorate in conjunction with the appropriate Committees and relevant budget holders. In accordance with the Constitution, all Members, Directors and Business Unit Managers had been involved with the preparation of the budget.

AGREED (with 5 votes for and 2 abstentions) that it be recommended to Council on 9 March 2017 that:

- (a) the Employee Plan shown in Appendix C to the report be noted;
- (b) the following amounts be now calculated by the Council for the year 2017/2018 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011:-
 - (i) £76,994,930 being the aggregate of the amounts which the Council estimates for items set out in Section 31A(2)(a) to (f) of the Act (the gross District Council expenditure for 2017/18);
 - (ii) £64,998,740 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act (the gross District Council income for 2017/18); and
 - (iii) £11,996,190 being the amount by which the aggregate at (a)(i) above exceeds the aggregate at (a)(ii) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax Requirement for the year;
- (c) the figures shown as (b)(i) and (b)(iii) above to be increased only by the amount of Parish Precepts for 2017/2018;
- (d) the budget figures included in the report be the Council's budget for 2017/2018 and Medium Term Financial Plan for 2017/2018 to 2021/2022; and
- (e) the fees and charges shown in Appendices D to Z to the report be implemented with effect from 1st April 2017.

Reason for Decision

To enable Policy & Finance Committee to make recommendations to full Council of the amounts to be calculated in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011 for the purposes of setting Council Tax levels for the year 2017/2018.

77. CAPITAL PROGRAMME 2017/18 TO 2021/22

The Financial Services Accountant presented a report which detailed the available capital resources, the Council's existing committed Programme and the priority schemes identified. The current Capital Programme included an estimate of the amount available from useable capital receipts over the period 2016/17 – 2021/22 of £8.1 million.

In line with the Council's current Treasury Strategy, wherever possible expenditure would be financed by temporarily 'borrowing' from internal reserves and balances. A number of projects within the capital programme had already and would continue to benefit from external funding. The amount of external funding estimated to be applied in 2016/17 and also in future years against the major schemes were detailed in the report.

Proposals for the General Fund Capital Programme were set out in Appendix A to the report. The Housing Revenue Account property investment programme was attached as Appendix B to the report. A schedule of the vehicle, plant, equipment and technology together with their planned replacement dates was shown as Appendix C to the report. Variations to the programme since the last meeting were shown in Appendix D to the report while the current proposals for financing were given in Appendix E to the report.

AGREED (with 5 votes for and 2 abstentions) that it is recommended to Council on 9 March 2017 that:

- (a) the General Fund schemes shown in Appendix A, the housing services programme in Appendix B and the vehicles, plant and equipment replacement programme in Appendix C be approved as committed expenditure in the Capital Programme;
- (b) the Capital Programme be managed in accordance with Financial Regulation 6.2.3;
- (c) in accordance with the delegation to the Section 151 Officer in the Council's Constitution to arrange financing of the Council's Capital Programme, the Capital Programme for the financial years 2017/18 to 2021/22 be financed so as to maximise the resources available, having regard to the provisions of the Local Government and Housing Act 1989 and subsequent legislation;
- (d) with effect from 10 March 2017, the appropriate Directors be authorised to incur expenditure in respect of all schemes included in the committed Capital Programme; and
- (e) any changes above the limit delegated to the Section 151 Officer (i.e. £10,000), either in funding or the total cost of the capital scheme, be reported to the Policy & Finance Committee for consideration.

Reason for Decision

To enable the Capital Programme to be considered by the Policy & Finance Committee in accordance with Financial Regulation 6.2.3 prior to its submission to Council.

78. MOVING AHEAD UPDATE - SOUTHWELL AND OLLERTON UPDATE

The Business Manager – Customer Services and External Communications presented a report which provided the Committee with an update on the developments of providing services in Southwell and Ollerton. The enquiry service in Southwell library commenced in September 2016 and it was reported that the take up of this service was improving and had been warmly received by customers. The service would be reviewed after it had been operating for 6 months to identify if the provision met the demand.

In respect of the service at Ollerton the report gave details of the ongoing dialogue between the District Council, Ollerton and Boughton Town Council and the Clinical Commissioning Group, and the latest progress in developing a public services hub. One of the ways the Council could facilitate the Town Council vision was through the One Public Estate (OPE) programme which provided practical support and funding to Councils to deliver ambitious property focused programmes in collaboration with central government and other public sector partners. A bid was submitted by the Council to the OPE for funding to support a feasibility study to investigate the creation of a public sector hub in Ollerton. This bid was successful and £50,000 had been approved for the procurement of consultants to carry out the feasibility study which would identify which services could be delivered from the public sector hub and whether the site would be large enough to accommodate these services together.

The Moving Ahead Programme Manager also provided Members with an update in respect of Castle House. She advised that the build was progressing well and the practical completion was on target for June with occupation of the building in September. An early site visit for Members was to be arranged in due course.

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

Reason for Decision

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

79. URGENCY ITEM – SECTION 106 FUNDING – OLLERTON AND BOUGHTON

In accordance with Section 100(B)(4)(b) of the Local Government Act 1972, the Chairman agreed to take this urgency item as a late item of business in order to publish the decision taken prior to the next scheduled meeting of the Committee.

The Committee noted the decision to approve the allocation of Section 106 funds to Ollerton and Boughton Town Council.

AGREED (unanimously) that the urgency item be noted.

Reason for Decision

To allow for the improvement and maintenance of the central park facility in Ollerton and Boughton.

Meeting closed at 6.48 pm.

Chairman

APPOINTMENT OF DIRECTOR – RESOURCES

1.0 Purpose of Report

- 1.1 To determine the appointment process for the Director - Resources and Section 151 Officer.

2.0 Background

- 2.1 The Council has gone out to formal advertisement for the role of Director - Resources. It is the intention that the successful appointee will also take on the role of Section 151 Officer to the Council. This role is currently being undertaken by Nicola Lovely, Business Manager - Financial Services on an interim basis.

3.0 Introduction

- 3.1 The post of Director - Resources has been vacant since March 2016 following the retirement of the previous post-holder. It was agreed at the time that the Deputy Section 151 Officer would act as Section 151 Officer for a period of time so that the future requirements for a Director could be reviewed.
- 3.2 In reviewing the role, consideration has been given to a shared role with neighbouring Councils. It has been concluded that this is not a viable option at this time because of the specific circumstances of potential partner authorities and the requirements of strategic financial management at a time of significant change.
- 3.3 In considering future requirements the current capacity in the finance function over recent months has been taken into account. In addition, an interim resource has been brought into the organisation in order to provide assurance and capacity in strategic financial management and this has provided assurance about the requirements of the permanent role.
- 3.4 As a result of this, a clearer picture has been gained of the capacity that is needed within the corporate management team in order to ensure that the corporate leadership team has sufficient capacity and that the Council is properly advised. Continuing with the current interim arrangements is not sustainable and a shared option with another organisation is not available. In reaching a view about recruiting to the vacant role, account has been taken of the reduction in senior management costs by around 50% since 2008 and that further reductions in those costs would result in significant risks for the organisation because of insufficient capacity and breadth of skills.
- 3.5 It is therefore recommended that recruitment to the role of Director - Resources takes place as soon as possible. The role would include strategic financial management (the Section 151 role) as well as operating alongside other director roles in discharging a wider range of leadership functions. These would include the asset management function, revenues and benefits, audit, democratic and administrative services initially. In common with other director functions, the role will take on other functions as required as well as fulfilling roles in relation to major projects and external partnerships.

4.0 Recruitment and Appointment

4.1 Under the Council's Constitution it is clear that the appointment of the Section 151 Officer must be approved by Council. The remit of Council provides as follows:

"7. Confirming the appointment of or dismissal of the Head of Paid Service, Monitoring Officer and Chief Financial Officer (Section 151 Officer)".

4.2 Whilst the Council's Constitution currently provides that the appointment of the Head of Paid Service, Monitoring Officer and Section 151 Officer must be approved by Council, the only legislative requirement is for the appointment of the Head of Paid Service to be approved by the Council.

4.3 Members may therefore wish to consider whether they wish to recommend to Council that the Constitution be amended and that the appointment of the Section 151 Officer and Monitoring Officer be delegated in respect of any future appointments.

4.4 The Constitution is currently unclear regarding the appointment of Chief Officers. Policy & Finance Committee's remit clearly includes the appointment and dismissal of staff. The Constitution also provides for the establishment of a Chief Officers Appointment Panel whose remit is as follows:

"1. to interview candidates for the Head of Paid Service and to recommend an appointment to the Council.
2. to interview and recommend to Council the appointment of Chief Officers".

4.5 However, the Officer Employment Procedure Rules, which are contained in part three of the Constitution, and to which the Chief Officers Appointment Panel expressly refers, states that the Panel has delegated authority to make appointments with the exception of the Head of Paid Service which must, by law, be approved by Council.

4.6 It is recommended that the remit of the Chief Officers Appointment Panel be amended to make it clear that it has full delegated authority to appoint Chief Officers with the exception of the Head of Paid Service. Members will need to consider whether this delegated authority should also extend to the appointment of statutory officers, other than the Head of Paid Service, in respect of any future appointments.

4.7 Given the ambiguity within the Constitution and the fact that the appointment of the successful candidate as Section 151 Officer will need to be approved by Council under the current Constitution in any event it is recommended that the appointment of the successful candidate as both Director - Resources and Section 151 Officer should be expressly approved at the Council meeting on 16 May 2017.

4.8 Policy & Finance Committee will need to establish a Chief Officer's Appointments Panel to conduct interviews and make a recommendation to Council on the appointment.

4.9 The Constitution provides that the Council should determine the size and composition of the Panel. However, since the appointment of staff expressly falls within the remit of the Policy & Finance Committee, it is considered that it can properly determine the composition of the Panel on behalf of the Council.

4.10 It is suggested that the Panel comprise five members drawn from the whole of the Council, broadly reflecting political balance, with three members of the Panel drawn from the controlling group and two members of the Panel drawn from the major opposition group. A draft timetable is appended to this report (**Appendix A**).

5.0 RECOMMENDATIONS that:-

- (a) recruitment to the post of Director - Resources takes place as soon as possible;**
- (b) a Chief Officer Appointment's Panel be constituted comprising three Members drawn from the controlling group and two Members from the major opposition group drawn from the whole of the Council to interview candidates for the role of Director - Resources and Section 151 Officer and to recommend an appointment to the Council meeting on 16 May 2017;**
- (c) the Council be recommended to amend the remit of the Chief Officer's Appointment Panel to make it clear that:
 - (i) The Panel may be constituted by the Policy & Finance Committee or Council;**
 - (ii) The Panel has delegated authority to appoint Chief Officers other than the Head of Paid Service whose appointment must be approved by Council; and****
- (d) Members consider whether they wish to recommend to Council that the delegated authority of the Chief Officer's Appointment Panel should include the appointment of the Section 151 Officer and Monitoring Officer.**

Reasons for Recommendations

To determine the process for the appointment of the Director of Resources and Section 151 Officer.

Background Papers

Nil

For further information please contact Kirsty Cole on Extension 5210.

Kirsty Cole
Deputy Chief Executive

APPENDIX A

<u>DRAFT Timetable</u>	Timescales
<p><u>Recruitment Advertising</u></p> <p>Council website Jobs go public MJ/LG Jobs Microsite http://www.newark-sherwooddc.gov.uk/resourcedirector/</p>	16 March – 3 April
<p><u>Selection Process</u></p> <p>Review number of applicants. TM to notify AM. Long listing</p> <ul style="list-style-type: none"> • If 12+ applicants, B&C to carry out longlisting <ul style="list-style-type: none"> ○ TM/AM to carry out initial sifting exercise to determine whether they meet the person specification. ○ Referral to B&C to review candidates that meet the person specification. ○ Feedback from B&C required by no later than 7th April • <12 applicants carry out short listing in-house – TM/AM/SK <p>Recommendation to Panel Members regarding how many candidates to carry forward for assessment purposes.</p>	<p>3 April</p> <p>4 April</p> <p>4 April 7 April 4 April - 5 April 10 April</p>
<p><u>Initial Assessment</u></p> <p>Talentoday – on-line assessment to be carried out by B&C. Target profiles created for each candidate identifying personality traits/motivation and competencies that are most closely aligned with our job role.</p> <p>B&C - technical assessment interview involve SK if appropriate. Assess fit in terms of competencies for the role using insight obtained from the on-line assessment process.</p> <p>B&C – provide recommendations for short listing based on assessment process.</p> <p>Update to Panel Members regarding how many candidates have been short-listed for next interview stage.</p>	<p>w/c 10 April</p> <p>w/c 17 April</p> <p>Noon - 21 April</p> <p>w/c 27 April</p>

NEWARK LORRY PARK EXTENSION PROJECT

1.0 Purpose of Report

- 1.1 For Members to consider options for the expansion and reinstatement of capacity to the Newark Lorry Park.

2.0 Background Information

- 2.1 The new Council HQ project occupies land previously used for lorry parking. Currently this has resulted in a reduction from 160 spaces to 122 and ultimately if the land adjacent to Castle House is developed in the future there will be a total loss of some 60 spaces previously used by HGVs parking overnight.

- 2.2 The risk of income reduction with the loss of 60 spaces in the upperpart of the lorry park has been mitigated by the unexpected ability to still use some 22 HGV spaces in the upperpart. That, with the £1 increase in fees from 1 April 2016 has mitigated the predicted loss of income. However, when the total upperpart is lost there will be a reduction in income and whilst rate increases can reduce any loss the actual average number of vehicles using the facility has fallen from the levels experienced in 2015/16 possibly due to the difficulty in finding available spaces on the busy evenings of the week.

- 2.3 At such times of current full capacity on a Monday - Thursday evenings, there have been some incidents where vehicles have parked on Newark Livestock Market areas in front of the unloading pens causing issues with access for attending livestock deliveries and parking of HGVs on nearby roads in residential areas

- 2.4 The Council commissioned specialist consultants to identify various options to mitigate the loss of capacity and at its meeting on 30 March 2016 the Economic Development Committee considered these and agreed the following:

AGREED (unanimously) that Option A, to retain and expand the existing lorry park, be approved.

- 2.5 Detailed work on a scheme to expand the lorry park has now taken place and the design consultants have concluded that with expansion of the lorry park and provision of additional adequate hardstanding approximately 160 vehicles could be accommodated whilst still providing sufficient circulation space and adequate access and egress points. They have confirmed also that there is additional work required to protect a main water supply to British Sugar that passes through the site and divert an overhead electricity line.

- 2.6 The design consultants have worked with various stakeholders to develop a scheme that meets the requirements of the Council, the needs of the lorry park users and provides a safer more user friendly environment for all the lorry park users including the Newark Livestock Market.

- 2.7 The consultants estimate that the expanded site would cover an area of 13,350m² and have calculated the approximate cost for excavation, rolled stone construction with granular type 1 material and the recommended provision of a Geotextile membrane, landscaping and additional lighting. In addition they suggest that it is appropriate to allow an additional 10% for preliminaries and a contingency figure.

3.0 Items for Consideration

- 3.1 The consultants have continued to progress the preparation for the project, including consultation with various agencies and the Environment Agency and the carrying out of various ecology surveys. A specification for the work is now prepared and the project can be brought back into house and a planning application compiled for submission and determination, following which a procurement process will be implemented with an expected start date on site of September 2017.
- 3.2 The proposed extension will provide for an additional 67 spaces which would provide a lorry park with a capacity of 167. A plan showing the layout of the proposed lorry park is attached as **Appendix One**.
- 3.3 There are two options proposed for the construction. The first option provides for a concrete roadway and the second option for a roadway of compacted stone/gravel. The detailed costings for the scheme options are attached as **Appendix Two**. The total scheme costs for a concrete roadway are £792, 224 and for a compacted gravel roadway £747,571 a difference of £44,653.
- 3.4 Although there is an increased cost with providing a concrete road, this provides a longer term solution with a more hard-wearing road surface. The current lorry park has a concrete roadway with compacted stone parking areas. Maintaining a compacted stone roadway would increase the maintenance cost due to constant traffic movements. The average annual repair costs for the parking areas is approximately £4000 pa. If the roadway is also compacted stone, it is estimated that this could result in an annual repair cost of approximately £8000 p.a. If a concrete roadway was provided this would be to a high specification incorporating a re-enforced structure. As such little if any repair would be required in the first five to six years. From that point on 'patch' repairs would be likely on an annual basis due to wear and tear, costing around £1,500 per annum.
- 3.5 The other rationale supporting a concrete roadway is one of safety. A concrete roadway clearly differentiates between what is roadway and what is a parking area as in the current lorry park. If a compacted stone roadway option were chosen some means of identifying/differentiating between roadway and parking area would be necessary (concrete block set intermittently in the surface) and these as a result of their location would also require regular maintenance.
- 3.6 There is potential to deliver the project in two phases as the design is such that there are two distinct parts of the expansion.
- 3.7 The north east extension creates an additional 30 spaces but the provision of the new roadway to allow access would require the loss of 11 spaces from the current capacity and therefore there is a net gain of 19 spaces giving a total capacity of 119.

- 3.8 The north west part of the extension has a loss of 9 spaces to create the access road but provides for 57 new spaces giving net gain of 48 spaces giving a total capacity of 148.
- 3.9 The business model attached as **Appendix Four** indicates the potential income from the various options available and the potential payback period for each option.
- 3.10 The costs of delivering a phased scheme will be more than those for the single scheme. This is due to the fact that some costs will be present in both schemes. It should also be noted that completion either of the separate phased part extensions, with the additional spaces to the 100 already present on the lower lorry park will still provide a capacity below that which is often required on the busy nights of the week.

4.0 Comments of the Business Manager and Chief Financial Officer - Financial Services

- 4.1 I can confirm that the financial modelling shown in **Appendix Four** sets out the estimated capital costs and projected income of the four options. However, consideration also needs to be given to the revenue costs and whilst the maintenance cost of the different surfaces is considered at 3.4, this is only an estimate based on current costs and usage for stationary vehicles. The revenue impact could be higher or lower than this. Similarly capital costs could be higher or lower than estimated. These will not be known until the tendering process is completed.
- 4.2 The costs of the project have increased since the earlier estimate, due to the fact that it did not take full account of the costs of removal of excavated material from site. It was initially thought that some of this could be retained and used on site but this is no longer considered a viable option.
- 4.3 Income at the lorry park has remained buoyant due to increasing the tariff and being able to use spaces in the upper part of the lorry park which could be lost at a later date dependent on future plans for the site. Consideration should be given to the impact the different options could have on occupancy levels, income, and perception of users, whilst work is ongoing.
- 4.4 The figures provided in **Appendix Four** suggest that the option of extending to the northwest part of the site would bring income levels almost to those currently being forecast for 2017/18 with a new tariff in place, but with no works being carried out (the “do nothing” option). The northwest option also achieves income above the level forecast to be achieved in 2016/17. It should also be noted that this option with a compacted stone roadway provides the shortest payback period.
- 4.5 The Council currently has several large projects under consideration, and this one should not be looked at in isolation. Depending on which projects are brought forward and the funding applicable to them, it could become necessary for the Council to borrow. If this is the case, the revenue cost of borrowing is approximately £60k per year per £1million borrowed. For this project the revenue cost would therefore increase by approximately £48k if it is funded by borrowing. The decision on how to fund the capital programme is delegated to the Council’s S151 Officer and is determined by many factors including the life of the asset.

5.0 Comments of Director - Communities

- 5.1 The current Lorry Park has seen a reduction in spaces from its original capacity of 160 down to a current capacity of 122 due to the construction of the new office building. The remaining 22 spaces on the upper lorry park will not be available in the near future leaving the lower lorry park containing 100 spaces available to the Council.
- 5.2 The loss of income from the initial reduction in capacity was mitigated by increasing the fee from £12.50 to £13.50 and still retaining 22 spaces on the upper lorry park. The loss of income when the remaining 22 spaces are no longer available will also be mitigated by the proposed fee increase from £13.50 to £14.50 for financial year 2017/18. However, this new tariff now places Newark Lorry Park in the upper quartile for fees charged. To increase the fee any further would probably have a negative impact of users and be counter-productive for income generation.
- 5.3 By extending the current lorry park it will be possible to increase income by being able to ensure there is sufficient capacity for drivers wishing to use the facility. It is essential that, if the lorry park is extended, steps are taken via marketing and communications to re-establish driver confidence that spaces are and will be available at the lorry park. Officers are confident that if the lorry park is extended, usage will return to the 2015/16 when the Council last had a 160 capacity lorry park and with an improved facility more drivers can be attracted to the site. This confidence is under pinned by the recent announcement that the Government are considering banning the parking of HGV's by the roadside, in lay-byes and on hard shoulders in an attempt to combat the growing problem of "fly parking" as it is described.

6.0 Equalities Implications

- 6.1 None identified.

7.0 Impact on Budget/Policy Framework

- 7.1 A detailed Capital project Appraisal is attached to this report as **Appendix Three** outlining the Business case for the expansion of the lorry park and associated costings. It should be noted that the costings are considered by the consultants to be in the upper quartile for prices and given that the majority of spoil to be removed from the site is of an "acceptable standard" it may be able to be re-used elsewhere. If so this has the potential to significantly reduce costs. The feasibility of this will be explored in the tendering process.
- 7.2 If the lorry park is extended it will enable the Council to continue to provide sufficient capacity to ensure that a secure facility is provided in a key strategic highway location and in so doing have the potential to reduce nuisance parking by lorries in the Town and surrounding communities.
- 7.3 Details of the financial modelling carried out to support the business case for extending the lorry park are attached to this report as **Appendix Four**.

8.0 Economic Development Committee

8.1 This report is to be considered by the Economic Development Committee at their meeting to be held on 29 March 2017. The decision of this Committee will be reported to the meeting for ratification by Policy & Finance.

9.0 RECOMMENDATION

That the Committee consider the recommendation of the Economic Development Committee.

Reason for Recommendation

To consider an extension to the Newark Lorry Park.

Background Papers

Nil

For further information please contact Alan Batty on Ext 5567

Andy Statham
Director - Communities

Gravel Access					
Highways - Cost Planning Tool			Project:		
Reference	Description	Quantity	Unit	Rate	Amount
Series 200 - Site Clearance					
	Rogue items				£0.00
	Vegetation clearance to surfaces sloping at 10 degrees or less to the horizontal.	13200	m ²	£11.00	£145,200.00
	"stated SPECIESof tree" cross-sectional width greater than 0.25m but less than 1.00m diameter, surfaces sloping at 10 degrees or less to the horizontal.	19	no	£191.00	£3,629.00
					£0.00
				Series 200 Total =	£148,829.00
Series 500 - Drainage and Service Ducts					
	Service Ducts				
	Machine Excavated Trenches for Service Ducts				
05.007.01	Single 100mm diameter service duct specified design D6 in trench in verge or footway, depth to invert not exceeding 1.0 metre, average depth to invert 0.7 metre. (Standard Detail ESD 3/48)	170	lin.m	£29.00	£4,930.00
					£0.00
				Series 500 Total =	£4,930.00
Series 600 - Earthworks					
	Excavation.				
06.001.01	Excavation of acceptable material Class 5A.	4000	m ³	£7.00	£28,000.00
06.002.01	Excavation of unacceptable material Class U1 in cutting and other excavation.	2000	m ³	£10.00	£20,000.00
	Disposal of Material				
06.005.01	Acceptable Material	4000	m ³	£20.00	£80,000.00
06.005.02	Unacceptable Material, Class U1A	2000	m ³	£25.00	£50,000.00
	Imported Fill, concrete and sub base				
06.006.01	Imported acceptable material Class 6F5 or similar in embankments and other areas of fill.	3960	m ³	£25.00	£99,000.00
	Compaction				
06.007.01	Compaction of Imported acceptable material in embankments and other areas of fill.	5500	m ³	£6.00	£33,000.00
	Geotextiles				
06.008.01	Geotextile Terram T1500, or approved equivalent.	13200	m ²	£0.80	£10,560.00
				Series 600 Total =	£320,560.00
Series 700 - Pavements					
	Sub-Base				

Reference	Description	Quantity	Unit	Rate	Amount
07.001.01	Granular sub-base Type 1 in carriageway, hardshoulder and hardstrip.	1980	m ³	£35.00	£69,300.00
	Saw cutting of Existing Pavements				
07.015.03	Saw cutting of existing flexible pavement exceeding 75mm deep but not exceeding 100mm deep.	60	lin.m	£5.00	£300.00
	Rogue items				
					£0.00
	Grade C20 concrete	72	m ³	£80.00	£5,760.00
	A39 Mesh	240	item	75.83	£18,199.20
					£0.00
		Series 700 Total =			£93,559.20
Series 1100 - Kerbs, Footways and Paved Areas					
	Timber Edging mounted on softwood pegs (Standard Details - ESD 4/9).				
11.009.02	150mm deep	1350	lin.m	£10.00	£13,500.00
		Series 1100 Total =			£13,500.00
Series 3000 - Landscape and Ecology					
	Ground Preparation and Cultivation				
30.001.01	Vegetation clearance to surfaces sloping at 10 degrees or less to the horizontal.	0	m ²	£11.00	£0.00
	Project Summary				
	Series 100 - Preliminaries				£0.00
	Series 200 - Site Clearance				£148,829.00
	Series 300 - Fencing				£0.00
	Series 400 - Road Restraint Systems (Vehicle and Pedestrian)				£0.00
	Series 500 - Drainage and Service Ducts				£4,930.00
	Series 600 - Earthworks				£320,560.00
	Series 700 - Pavement				£93,559.20
	Series 1100 - Kerbs, Footways and Paved Areas				£13,500.00
	Series 1200 - Traffic Signs and Road Markings				£0.00
	Series 1300 - Road Lighting Columns and Brackets				£0.00
	Series 1400 - Electrical Work for Road Lighting and Traffic Signs				£0.00
	Series 1700 - Structural Concrete				£0.00
	Series 2000 - Waterproofing				£0.00
	Series 2400 - Brickwork, Blockwork and Stonework				£0.00
	Series 2800 - Patching in footway or carriageway within a scheme				£0.00
	Series 3000 - Landscape and Ecology				£3,629.00
	Series 3100 - Traffic Control Equipment				£0.00
	Series 3700 - Dayworks				£0.00
	General Rogue Items				£0.00

Reference	Description	Quantity	Unit	Rate	Amount
				Total	£585,007.20
	Summary				
	Measured works			£585,007.20	
	Extra for lighting	1	item	£ 50,000.00	
	Risk allowance	10%		£58,500.72	
		Total of Cost Plan			£693,507.92

Concrete Road					
Highways - Cost Planning Tool		Project:			
Reference	Description	Quantity	Unit	Rate	Amount
Series 200 - Site Clearance					
	Rogue items				
	Vegetation clearance to surfaces sloping at 10 degrees or less to the horizontal.	13200	m ²	£11.00	£145,200.00
	"stated SPECIESof tree" cross-sectional width greater than 0.25m but less than 1.00m diameter, surfaces sloping at 10 degrees or less to the horizontal.	19	no	£191.00	£3,629.00
Series 200 Total =					£148,829.00
Series 500 - Drainage and Service Ducts					
	Service Ducts				
	Machine Excavated Trenches for Service Ducts				
05.007.01	Single 100mm diameter service duct specified design D6 in trench in verge or footway, depth to invert not exceeding 1.0 metre, average depth to invert 0.7 metre. (Standard Detail ESD 3/48)	170	lin.m	£29.00	£4,930.00
Series 500 Total =					£4,930.00
Series 600 - Earthworks					
	Excavation.				
06.001.01	Excavation of acceptable material Class 5A.	4000	m ³	£7.00	£28,000.00
06.002.01	Excavation of unacceptable material Class U1 in cutting and other excavation.	2000	m ³	£10.00	£20,000.00
	Disposal of Material				
06.005.01	Acceptable Material	4000	m ³	£20.00	£80,000.00
06.005.02	Unacceptable Material, Class U1A	2000	m ³	£25.00	£50,000.00
	Imported Fill, concrete and sub base				
06.006.01	Imported acceptable material Class 6F5 or similar in embankments and other areas of fill.	3300	m ³	£25.00	£82,500.00
	Compaction				
06.007.01	Compaction of Imported acceptable material in embankments and other areas of fill.	5500	m ³	£6.00	£33,000.00
	Geotextiles				
06.008.01	Geotextile Terram T1500, or approved equivalent.	13200	m ²	£0.80	£10,560.00
Series 600 Total =					£304,060.00
Series 700 - Pavements					

Reference	Description	Quantity	Unit	Rate	Amount
	Sub-Base				
07.001.01	Granular sub-base Type 1 in carriageway, hardshoulder and hardstrip.	2200	m ³	£35.00	£77,000.00
	Saw cutting of Existing Pavements				
07.015.03	Saw cutting of existing flexible pavement exceeding 75mm deep but not exceeding 100mm deep.	60	lin.m	£5.00	£300.00
	Rogue items				
					£0.00
	Grade C40 concrete	510	m ³	£110.00	£56,100.00
	Grade C20 concrete	72	m ³	£80.00	£5,760.00
	Dowel bars at 25mm dia, 600mm length	72	item	£11.81	£850.32
	A39 Mesh	240	item	75.83	£18,199.20
Series 700 Total =					£158,209.52

Series 1100 - Kerbs, Footways and Paved Areas					
	Timber Edging mounted on softwood pegs (Standard Details - ESD 4/9).				
11.009.02	150mm deep	600	lin.m	£10.00	£6,000.00
Series 1100 Total =					£6,000.00

Project Summary					
	Series 100 - Preliminaries			£0.00	
	Series 200 - Site Clearance			£148,829.00	
	Series 300 - Fencing			£0.00	
	Series 400 - Road Restraint Systems (Vehicle and Pedestrian)			£0.00	
	Series 500 - Drainage and Service Ducts			£4,930.00	
	Series 600 - Earthworks			£304,060.00	
	Series 700 - Pavement			£158,209.52	
	Series 1100 - Kerbs, Footways and Paved Areas			£6,000.00	
	Series 1200 - Traffic Signs and Road Markings			£0.00	
	Series 1300 - Road Lighting Columns and Brackets			£0.00	
	Series 1400 - Electrical Work for Road Lighting and Traffic Signs			£0.00	
	Series 1700 - Structural Concrete			£0.00	
	Series 2000 - Waterproofing			£0.00	
	Series 2400 - Brickwork, Blockwork and Stonework			£0.00	
	Series 2800 - Patching in footway or carriageway within a scheme			£0.00	
	Series 3000 - Landscape and Ecology			£3,629.00	
	Series 3100 - Traffic Control Equipment			£0.00	

Reference	Description	Quantity	Unit	Rate	Amount
	Series 3700 - Dayworks			£0.00	
	General Rogue Items			£0.00	
				Total	£625,657.52
	Summary				
	Measured works			£625,657.52	
	Extra for lighting	1	item	£ 50,000.00	
	Risk allowance	10%		£62,565.75	
		Total of Cost Plan			£738,223.27

**NEWARK & SHERWOOD DISTRICT COUNCIL
CAPITAL PROJECT APPRAISAL FORM**

COMMITTEE:	Policy & Finance
SERVICE AREA:	Car Parks & Markets
PROJECT OFFICER:	Business Manager Markets and Car Parks
1. PROJECT TITLE:	Newark Lorry Park Expansion

2. DESCRIPTION OF PROJECT
 A project to expand the extent of useable Lorry Parking space at Newark Lorry Park developing hardstanding to current areas of brash and wasteland, equivalent to 67 HGV spaces lost in the top part of the Lorry Park, as a result of the Council HQ development.

3. DEMONSTRATION OF NEED (Please include any supporting information at the end of this document e.g. references to legislation, results of surveys, extract from strategies)
 A lorry park survey undertaken in 2015 indicated strong support by drivers of the need to maintain the lorry park in its current position and maintaining capacity for approximately 160 vehicles. The Newark location is an essential stopping off and rest point for many HGVs travelling to and from southern and eastern ports and the north and west of the UK. This is supported by Highways England and Nottinghamshire Police who have confirmed that it is essential to provide adequate safe rest facilities in the area for HGV drivers but also to minimise the parking of HGVs on laybys and rural roads, which increases the risk of inquisitive crime including theft and robbery of loads.
 Importantly the expansion is needed to mitigate loss of 60 spaces in the top part of the lorry Park.

3a Detail how the project meets Regional and National Strategies (include details of any statutory obligations to undertake the scheme):
 Consultations have been carried out with Highways England and the Road Haulage Association, both of whom confirm that a lorry park in the vicinity of Newark is a vital asset with regard to enabling hauliers and their drivers to have access to an essential stop off facility. Newark is at a junction of two major truck roads and is therefore strategically important as a location.
 Recent indications from central government have indicated that the issue of ‘fly parking’ of lorries will be addressed by legislation and therefore demand for permanent facilities may increase.

3b Detail how the Project meets links to the Council’s Key priorities:
 Consultation with the police confirmed that theft from freight vehicles namely fuel and cargo is an ongoing problem in the Newark corridor of the A1. The provision of a secure overnight provision for these types of vehicles that can be reached within the time constraints of tachograph legislation is clearly beneficial from a policing perspective. The security provided by the Newark lorry park greatly assists in the reduction of inquisitive crime and has a direct impact on community safety.

3c Provide details of consultation undertaken with the Community: Lorry Driver survey undertaken in 2015. A planning application is currently being submitted and the appropriate consultations have/will be made as part of this process including the Newark Town Council.

<p>3d Describe the impact of this project on other Council Services:</p> <p>The expansion of the lorry park will enable the revenue stream to be sustained and grown from the lorry park for the medium to long term and the provision of a secure location will / does have a positive impact of the Councils community safety function. It is acknowledged that the Council needs to maintain and grow revenue streams. This project will have a positive impact on this ambition.</p> <p>The expansion of the lorry park on its lower ground level will allow for the development of the area of land that forms the higher lorry park behind Castle House.</p>
<p>3e Detail any outputs (quality) and outcomes (effects) the project will deliver in the short/long term:</p> <p>The lorry park in its current and extended form provides a secure location with quality services provided (café and showers and lorry wash) for drivers.</p> <p>A key outcome of the current /extended lorry park will be the provision of a secure lorry park in a key strategic highway location that consultees have acknowledged is an important and ongoing requirement. Another significant outcome will be the potential to reduce nuisance parking in the Town and surrounding communities.</p>
<p>3f Detail alternative strategies for meeting this need:</p> <p>At its meeting of the 30th March 2016 the Economic Development Committee received a report outlining regarding consultation undertaken, an option for extending the existing lorry park and options for relocating the lorry park to 5 different locations around Newark identified and costed in a consultant's report. The outcome of this meeting was that Members determined the option to retain and expand the current lorry park as the most appropriate option.</p>
<p>4 OTHER INFORMATION</p>
<p>4a Crime and Disorder CT 1998 (reduction and preventative measures):</p> <p>This project will assist in the management of inquisitive crime in the District by providing a suitable capacity of facility to enable HGVs to park safely within a fenced and CCTV monitored area rather than laybys and rural roads.</p>
<p>4b Planning Implications:</p> <p>Consultants have been engaged to seek pre application planning advice to consult with the relevant statutory undertakers and to submit a full planning application. The majority of this work is now complete and an application is to be submitted.</p>
<p>4c Listed Building Implications:</p> <p>None</p>
<p>4e Risk Assessment of planning/legal issues and financial/partnership funding uncertainties:</p> <p>Risks:</p> <p>1. Financial: An estimated income loss was calculated in late 2015 based on the loss of 60 lorry spaces equivalent to the capacity of the upper lorry park (this capacity loss to be mitigated by the proposed expansion). The worst case scenario is a loss of up to £85,000 per annum. Risk of this loss of income has been mitigated with the unexpected ability to continue with the use of part of the top part of the lorry park by some 25 vehicles each night. That with the £1 fee increase from 1 April 2016 is preventing loss. However this will not be feasible when the upperpart is lost to HGV parking. Notwithstanding recent difficulties on some nights for drivers to find available spaces the reputation and attractiveness of the facility for drivers remains high although there is some anecdotal evidence to suggest that the reduction in capacity and the uncertainty of being able to secure a vacant parking space has resulted reduction in the number of vehicles using the facility.</p>

The owner of the lorry park café has however seen a marked decline in trade since the project work started on the upper lorry park but this may be down to the changing profile and behaviour of drivers. Following a request he has been granted a reduction in his rent.

2. Reputational: Currently the facility is regarded by hauliers and drivers as a safe and reliable, and importantly an easily accessible overnight facility. Loss of the 60 spaces will result in loss of that reputation as vehicles entering late at night will struggle to find an available space. In addition there will be a greater number of vehicles parking in laybys and on busy evenings on industrial estates and residential areas causing annoyance and disturbance to residents as well as increasing the risk of acquisitive crime. When the reduced vehicle spaces have been full there has been an increased number of incidents where drivers are parking on the Newark Livestock market areas in front of their loading bays causing issues with their required deliveries for livestock deliveries.

3. Health and Safety: Without the extended hardstanding the remaining 100 spaces will quickly be filled on busy nights (Tues, Wed, Thurs) and this will result in lorry drivers parking inappropriately with an increasing potential collision risk but more importantly blocking access and egress routes for the vehicles which will result in tensions between drivers in the early hours of the morning.

4f Procurement. Has the Council’s procurement strategy been considered when developing the project. For example has the possibility of procuring the scheme with partners been considered and the issues raised in “rethinking construction in local government”

The Councils Procurement Officer and technical consultants will be engaged to develop the project post the full specification stage and planning consent; at which point the project will be brought back into the Council and an open tender process carried out in line with the Councils procurement strategy.

5 RESOURCE REQUIREMENTS

Please attach details of the basis of estimates and wherever relevant confirmation from technical services or third party of the costing.

See attached details.

5a Details of Land/Buildings (including current condition):

The actual lorry park is constructed of crushed and rolled aggregates. The proposed extension will be constructed in a similar manner. There is a café and shower facility on site which is in good condition. There is a lorry wash facility also on site which is run by a third party. There is also three large lighting gantries, all in good condition.

5b Estimated Capital Costs	Concrete Roadway	Compacted Roadway
Construction: £	£625,658	£585,070
Lighting £	£50,000	£50,000
Fees	£54,00	£54,00
Contingencies/prelims £	£62,566	£58,501
TOTAL £	£792,224	£747,571

6 FUNDING ARRANGEMENTS

External Finance	N/A	Status	N/A
Internal Finance	Required		C

Total Finance already identified:

Status = (A) Application in process, (B) Bid submitted or (C) Committed Funding
Internal Finance from existing Revenue Budgets will need Committee approval

7 REVENUE IMPLICATIONS (Detailed estimates have been prepared to support these figures)

£'000's (see notes)

Employee Costs
Running Costs
Other (please specify)
TOTAL
Income
NET REVENUE COSTS

VAT Status

Comments (see notes)

This project requires no additional revenue funding All current costs budgeted for the existing lorry park are appropriate and applicable to the proposed extension

8 ANTICIPATED TIMESCALE FOR COMMENCEMENT AND COMPLETION OF SCHEME:

Please detail key milestones for grant aid to be received and time for project to be completed and for full year effect of revenue consequences.

Planning Consent - April 2017

Out to tender – April 2017

Commence work – July 2017

Completion – September 2017

9 DATE FORM COMPLETED:

February 24 2017

10 APPROVED BY HEAD OF SERVICE

SIGNED

DATE 7 March 2017

Lorry Park Extension Income Modelling

Current Income

	Capacity	Low Occupancy	High Occupancy	Income	Tariff
Existing	122	40	101 (83)	£308,749	£13.50

Notes

Based on current budget performance over 10 months extrapolated to 12 month

Projected Income

Project	Capacity	Tariff	Income	Additional income after scheme	Cost of works concrete	Payback concrete (years)	Cost of works compacted	Payback compacted (years)
Do Nothing	122	£14.50	£359,484	N/A	N/A	N/A	N/A	N/A
Remove top of lorry park	100	£14.50	£264,636	N/A	N/A	N/A	N/A	N/A
Full extension	167	£14.50	£381,732	£117,096	£792,000	6.7	£748,000	6.4
NW extension	148	£14.50	£358,313	£93,677	£533,551	6.4	£507,958	5.4
NE extension	119	£14.50	£302,107	£37,471	£335,097	8.9	£295,975	7.8

Notes

1. Completing the extension in two phases increases the overall costs to £868,648 (concrete) and £803,933 (compacted)
2. Income modelled on 40 vehicles on 3 nights per week and 83% of capacity on 4 nights per week.
3. All future predictions based on £14.50 (£11.48 minus VAT and SNAP)
4. All modelling in based on top area of lorry park 22 spaces not being available

ALLOCATION OF SECTION 106 FUNDS TO SOUTHWELL TOWN COUNCIL

1.0 Purpose of Report

1.1 To seek approval for the transfer of S106 funds to Southwell Town Council.

2.0 Background Information

2.1 At their meeting held on 9 March 2017 the Full Council agreed that the remit of the Policy & Finance Committee should be amended to make clear that the determination of how S106 monies should be applied or obligations fulfilled falls within the remit of that Committee rather than the Planning Committee;

2.2 The Council further agreed that the scheme of officer delegation be extended to give all the Chief Executive and Chief Officers delegated powers to determine how S106 monies should be applied or obligations fulfilled where the terms of the s106 Agreement are sufficiently precise or where the amount of the proposed expenditure does not exceed £50,000. However in cases where the amount of money in question is significant it was agreed that there should be some member input into this process.

3.0 Proposals

3.1 In January 2017 the Council received S106 funds to the value of £69,208.26 from the Miller Homes development on Nottingham Road, Southwell. These were generated by a S106 agreement (AG966) which stated that in relation to open space there should be a financial contribution for the purposes of providing off-site open space for children and young people at the War Memorial Park on Bishop's Drive or on land in the vicinity of Southwell Leisure Centre.

3.2 Southwell Town Council, in partnership with the Friends of Southwell Parks group, is planning improvements to the play facilities for older children on the War Memorial Park and has requested that the District Council release the full amount of S106 open space funds from AG966 to allow it to progress this project.

3.3 Prior to the funds being transferred the Town Council will be required to enter into a legal agreement which binds it to spending the funds in a manner which is consistent with the S106 agreement. The S106 agreement states that the funds have to be spent within 10 years of receipt and this will be included in the legal agreement.

4.0 Equalities Implications

4.1 Nil.

5.0 Comments of Business Manager & Chief Financial Officer – Financial Services

5.1 I confirm that £69,208.26 of S106 funding in respect of agreement AG966 is held by the Council.

6.0 RECOMMENDATION

That the transfer of the open space Section 106 funds totalling £69,208.26 arising from AG966 to Southwell Town Council be approved, subject to an appropriate legal agreement being entered into by the Town Council.

Reason for Recommendation

To ensure that the S106 funds are spent in an appropriate and timely fashion.

Background Papers

The relevant S106 agreement is available upon request.

For further information please contact Phil Beard on Ext5714.

Kirsty Cole
Deputy Chief Executive

ALLOCATION OF SECTION 106 FUNDS TO FARNSFIELD PARISH COUNCIL

1.0 Purpose of Report

1.1 To seek approval for the transfer of S106 funds to Farnsfield Parish Council.

2.0 Background Information

2.1 At their meeting held on 9 March 2017 the Full Council agreed that the remit of the Policy & Finance Committee should be amended to make clear that the determination of how S106 monies should be applied or obligations fulfilled falls within the remit of that committee rather than the Planning Committee;

2.2 The Full Council further agreed that the scheme of officer delegation be extended to give all the Chief Executive and Chief Officers delegated powers to determine how S106 monies should be applied or obligations fulfilled where the terms of the S106 Agreement are sufficiently precise or where the amount of the proposed expenditure does not exceed £50,000. However, in cases where the amount of money in question is significant it was agreed that there should be some Member input into this process.

3.0 Proposals

3.1 In March 2016 the Council received S106 funds to the value of £107,728.95 from the Barratt David Wilson Trading Limited development at Ash Farm Farnsfield. These were generated by a S106 agreement (AG909) which stated that the community facilities contribution would be used for the provision or maintenance of a village hall, tennis, football and cricket facilities in the Parish of Farnsfield.

3.2 Farnsfield Parish Council are planning improvements to its community facilities and has requested that the District Council release the full amount of S106 community facilities funds from AG909 to allow it to progress its projects.

3.3 Prior to the funds being transferred, the Parish Council will be required to enter into a legal agreement which binds it to spending the funds in a manner which is consistent with the S106 agreement. The S106 agreement states that the funds have to be spent within 5 years of receipt and this will be included in the legal agreement.

4.0 Equalities Implications

4.1 Nil.

5.0 Comments of Business Manager & Chief Financial Officer – Financial Services

5.1 I confirm that £107,728.95 of S106 funding in respect of agreement AG909 is held by the Council.

6.0 RECOMMENDATION

That the transfer of the open space Section 106 funds totalling £107,728.95 arising from AG909 to Farnsfield Parish Council be approved, subject to an appropriate legal agreement being entered into by the Parish Council.

Reason for Recommendation

To ensure that the S106 funds are spent in an appropriate and timely fashion.

Background Papers

The relevant S106 agreement is available upon request.

For further information please contact Andy Hardy on Ext5708.

Kirsty Cole
Deputy Chief Executive

“FIXING OUR BROKEN HOUSING MARKET” - HOUSING WHITE PAPER

1.0 Purpose of Report

1.1 To present to Members the various elements of the Housing White Paper which impact upon the work of the Committee and set before Members a proposed response to the White Paper consultation.

2.0 Background Information

2.1 On 7 February 2017 the Government published for consultation a much delayed White Paper on the housing crisis which is currently affecting England. The document sets the context of the current housing crisis and sets out a range of potential solutions in four chapters:

- Planning for the right homes in the right places
- Building homes faster
- Diversifying the market
- Helping people now.

An accompanying Annex contains further details and 38 consultation questions. This report highlights the major proposals within the white paper, whilst the accompanying appendices set out the consultation questions and proposed detailed responses from the District Council.

3.0 Proposals

3.1 The White Paper states out that “The housing market in this country is broken and the cause is very simple: for too long, we haven’t built enough homes.” This is quantified as “Since the 1970s, there have been on average 160,000 new homes each year in England. The consensus is that we need from 225,000 to 275,000 or more homes per year to keep up with population growth and start to tackle years of under-supply.” The analysis over the next few pages of the paper sets out the various challenges faced in England and makes clear that the crisis of affordability is not just a London problem, but is increasingly affecting places as diverse as Manchester and Boston.

Planning for the Right Homes in the Right Places

3.2 The Government has identified a range of measures to ensure swifter plan making, these include the following:

- Powers of intervention to speed up plan making in poorly performing Councils including directing authorities to work together;
- Requirement for authorities to prepare Statements of Common Ground on Plan Making;
- Requirement to update development plans at least once every five years;

- Introduce flexibility in plan making so that authorities can produce more than one Local Plan document (as under the Local Development Framework approach) and that plans can be prepared by groups of authorities or by combined authority or Mayor;
- Accept the Local Plan Expert Groups proposals in relation to plan making including making clear that a ‘sound’ plan is one that has ‘an’ appropriate rather than ‘the’ most appropriate strategy to allow for a more proportionate approach to plan making;
- Proposing a more standardised methodology to assessing housing requirements.

3.3 The White Paper also sets other policy proposals to encourage good quality house building:

- Changes and extensions to the land registration system to increase transparency, including comprehensive registration by 2030
- Clarifying the NPPF, to make clear the circumstance which would prevent an LPA from delivering their housing requirements, the presumption in favour of sustainable development and the importance of brownfield land
- Measures to promote the re-use of brownfield land
- Measures to relax rules around local authority land disposal
- Promotion of thriving rural communities by promoting development on small windfall sites in settlements, the allocation of small sites in Neighbourhood Plans, stronger encouragement for rural exceptions sites and supporting small sites in development plans
- Increased importance of design, both in planning policy and as part of the consideration of the planning application process
- Changes to the NPPF to encourage more efficient use of land, including higher densities where appropriate

3.4 Proposed responses to the accompanying Questions 1 to 15 are included at **Appendix 1**

Building Homes Faster

3.5 The Government are proposing a number of measures which aim to provide greater capacity in LPAs. They propose the following;

- An annualised approach to agreeing a housing land supply for Local Planning Authorities to tackle the problem of 5 year land supply issues dominating planning appeals
- To increase Planning Application fees by 20% for those LPAs which commit to invest the additional resource in their Planning Departments
- Proposals to consult on introducing a fee for making a planning appeal to deter unnecessary appeals

3.6 The Government is also proposing that it will consult on requiring LPAs to have high quality digital infrastructure policies within their Plans. The other major area within this chapter refers to holding developers and local authorities to account for the delivery of housing. This element is noteworthy because it begins to make requirements of the development industry in this area for the first time, not just the LPA. These proposals include:

- Greater transparency with regard to build out rates
- Taking into account a developers past record on housing delivery
- Making the serving of completion notices on unfinished sites easier
- Housing delivery test to make sure that LPAs are delivering against their housing targets

3.7 Proposed responses to the accompanying Questions 16 to 30 and 34 to 38 are included at **Appendix 2.**

Diversifying the Market

3.8 The White Paper identifies that the housing market has become dominated by small number of major volume housebuilders, who in 2015 enjoy a 59% market share as opposed to a 31% share in 2008. They propose a number of measures to diversify the market;

- Government will encourage greater diversity of homebuilders, by partnering with smaller and medium-sized builders and contractors in the Accelerated Construction Programme and helping small and medium-sized builders access the loan finance.
- The Home Building Fund launched in October 2016 will provide £1 billion of loan finance to small and medium sized builders (SMEs) to deliver up to 25,000 homes this Parliament. The fund will also support a further £2 billion of long-term loan funding for infrastructure and large sites, unlocking a further 200,000 homes.
- Government wants to support the growth in off-site construction and custom built homes to increase choice, speed up construction and address labour shortages in the industry.
- Aim to encourage institutional investors to invest more widely in the housing market including building homes specifically for market rent, increasing choice and driving up standards for people living in the private rented sector.
- Both housing associations and councils encouraged to explore all avenues to build more homes and improve efficiency.
- Encourage Build to Rent products which will be the subject of separate consultation.
- Proposals that a rent policy for social housing for beyond 2020 will be prepared to provide long term certainty to borrow against future income.
- Confirms that the Homes & Communities Agency will become Homes England focusing on the need “To make a home within the reach for everyone.”

Helping People Now

3.9 The White Paper identifies that whilst many of the proposal within it will take some time to come into fruition therefore there is a requirement to help people in need currently. There are a wide range of proposals to assist:

- Help to Buy - £8.6 billion committed for the scheme to 2021, to support homebuyers and stimulate housing supply; will work with the sector to consider the future of the scheme beyond 2021.
- The proposed Starter Homes programme will not require 20% of Starter Homes as part of new development; instead it proposes that the NPPF will be amended to introduce a clear policy expectation that housing sites deliver a minimum of 10% ‘affordable home ownership units’. It also sets out a new definition of affordable housing for consultation.
- The £1.2 billion Starter Home Land Fund will be invested to support the preparation and release of more brownfield land for development. These sites will include a higher proportion of starter homes.
- Clarification that starter homes can be acceptable on rural exception sites in conjunction with appropriate local connection tests.

- Government will introduce the Lifetime ISA in April 2017 to support younger adults to save flexibly for the long term. This will give a 25% bonus on up to £4,000 of savings a year. Savings and the bonus can be put towards the purchase of a first home, or withdrawn once they reach the age of 60.
- Extending the right to buy to Housing Association tenants – the Autumn Statement included funding for an expanded regional pilot to allow over 3,000 housing association tenants exercise the Right to Buy. There is no reference to a wider roll within the White Paper.

3.10 The White Paper also trails a number of schemes which aim to protect those in the private rented sector;

- Government will consult early this year, ahead of bringing forward legislation to ban letting agent fees to tenants.
- Government is keen improve safety and standards in the private rented sector, and drive out the rogue landlords. Measures introduced in the Housing and Planning Act 2016 include banning orders to remove the worst landlords or agents from operating, and enable local councils to issue fines as well as prosecute.
- Proposals to make the private rented sector more family-friendly by taking steps to promote longer tenancies on new build rental homes.
- Government will consult on a range of measures to tackle unfair and unreasonable abuses of leasehold.

3.11 Proposed responses to the accompanying Questions 31, 32 and 33 are included at **Appendix 2**.

Conclusion

3.12 This white paper is significant for a number of reasons; but perhaps most striking is the commitment of the government, and in particular the personal commitment of the Minister for Housing & Planning, in seeking to accelerate housing delivery and his stated preference to work with anyone who will deliver this whether private, public or housing association. Many elements of the white paper are still to be consulted upon and discussed over the coming year but it is clear that the Government wants action on all fronts.

3.13 This requirement for action on all fronts is particularly welcome for authorities such as Newark & Sherwood who are seeking innovative ways to help address the housing crisis, including through our Council House building programme, estate regeneration work and the delivery of extra care housing in partnership with the County Council. The Government is supportive of innovation and in particular welcomes approaches such as local housing companies and joint venture models which deliver market as well as affordable housing, something which of course the District Council is already considering. The Government is also committed to a 'place based' approach meeting with local authorities and helping them to deliver more housing, something which should be an advantage to authorities such as Newark & Sherwood.

3.14 It is also recognised that the link between the Housing White Paper and the Government's Industrial Strategy Green Paper published recently. Local Government plays a critical role through its planning, housing and place-making functions in joining together these key aspirations at a local level.

4.0 Equalities Implications

4.1 The overall aim of the White Paper is to increase the supply of new homes and therefore help tackle issues of affordability and need. There is a particular emphasis on ensuring that homes for older people and people with disabilities are secured as part of the new development.

5.0 Comments of the Business Manager – Financial Services - Chief Finance Officer

5.1 The Council has confirmed to the Government that it will raise planning application fees by 20% from July 2017 and committed this increase to provide additional resource to the Council's Planning services.

6.0 RECOMMENDATIONS that:

- (a) the report be noted; and**
- (b) the proposed consultation responses as set out in the appendices to the report be endorsed.**

Reason for Recommendations

To submit an appropriate Council response to the Government White Paper.

Background Papers

Housing White Paper

For further information please contact Matthew Norton on Ext 5852 or Rob Main on Ext 5930.

Kirsty Cole
Deputy Chief Executive

Karen White
Director – Safety

Question	Proposed Council Response
<p>Question 1 Do you agree with the proposals to:</p> <p>a) Make clear in the National Planning Policy Framework that the key strategic policies that each local planning authority should maintain are those set out currently at paragraph 156 of the Framework, with an additional requirement to plan for the allocations needed to deliver the area’s housing requirement?</p> <p>b) Use regulations to allow Spatial Development Strategies to allocate strategic sites, where these strategies require unanimous agreement of the members of the combined authority?</p> <p>c) Revise the National Planning Policy Framework to tighten the definition of what evidence is required to support a ‘sound’ plan?</p>	<p>The Council welcomes the proposals in the White Paper to speed up the process of producing Plans.</p> <p>a) In terms of the requirement to plan for an areas housing need though allocation, given the emphasis on windfall and other forms of delivering sites such as the Brownfield Register etc. it might be more appropriate to set out that the strategic priority to identify a supply of housing including through allocation.</p> <p>b) Agreed – this should be allowed were unanimous support is required.</p> <p>c) The Council particularly welcomes the changes the support for the Local Plans Expert Panel proposals including to clarify that it is ‘an’ appropriate strategy, pursuit of the ‘most appropriate’ strategy can sometimes lead to unnecessary level of work to support a reasonable approach. This coupled with the tighter definition of evidence should assist greatly.</p>
<p>Question 2</p> <p>What changes do you think would support more proportionate consultation and examination procedures for different types of plan and to ensure that different levels of plans work together?</p>	<p>As it is proposed to amend the NPPF to clarify that a plan is sound if is an appropriate strategy rather than the most appropriate strategy it might now be a good time to require Neighbourhood Plans to meet this requirement as part of their examination process. This would have the effect of strengthening the status of Neighbourhood Plans and reduce legal challenge from developers.</p>

Question 3

Do you agree with the proposals to:

- a) amend national policy so that local planning authorities are expected to have clear policies for addressing the housing requirements of groups with particular needs, such as older and disabled people?

- b) from early 2018, use a standardised approach to assessing housing requirements as the baseline for five year housing supply calculations and monitoring housing delivery, in the absence of an up-to-date plan?

- a) The Council welcomes the proposal to focus on addressing housing requirements for particular groups. The Council and Nottinghamshire County Council are currently building a 60 unit extra care scheme in Newark as part of addressing elderly housing need. The Council's Core Strategy contains policies supporting such housing needs however the barrier to provision, other than where the Council works with partners to provide such specialist housing, is the use of viability by developers as an argument against the provision of none standard housing products or the contribution towards meeting such needs.

- b) Much debate and effort is spent on agreeing that the process behind identifying Objectively Assessed Housing Need and thus housing requirements is appropriate. This takes away from other important areas of plan making. An agreed methodology will allow everyone involved in the process to concentrate on other important matters such as the strategic approach to delivering house building.

One important issue that does need to be addressed is the impact of introducing the standard approach on existing up-to-date plans and those currently going through the process. It should not be used as another stick by which developers can beat the LPA. If an inspector has stated that the plan is sound with an approach that subsequently is at variance from the standard approach this should remain valid. Equally plans currently in the system should not have to start again if the standard methodology developed is at variance with their method for developing their OAN. Such an

	<p>approach was advocated by the Local Plan’s Expert Group who proposed that “a ‘lock down’ of the OAN evidence for a period of two years from the point of submission of the Plan to the Secretary of State. The effect of this is to limit the prospect of a local plan being found unsound simply because a new set of data has been produced after plan submission. The intention is that this approach would dramatically reduce the length, cost and uncertainty associated with current SHMAs and, thereby would simplify and free up local plan examinations.”</p>
<p>Question 4</p> <p>Do you agree with the proposals to amend the presumption in favour of sustainable development so that:</p> <ul style="list-style-type: none"> a) Authorities are expected to have a clear strategy for maximising the use of suitable land in their areas?; b) It makes clear that identified development needs should be accommodated unless there are strong reasons for not doing so set out in the NPPF?; c) the list of policies which the Government regards as providing reasons to restrict development is limited to those set out currently in footnote 9 of the National Planning Policy Framework (so these are no longer presented as examples), with the addition of Ancient Woodland and aged or veteran trees? d) its considerations are re-ordered and numbered, the opening text is simplified and specific references to local plans are removed? 	<p>Overall the proposed changes to the presumption in favour of sustainable development are welcomed as providing clarity on what is expected of Local Planning Authorities. However in terms of C) the Council believes that consideration should be given to including reference to “an overriding infrastructure shortcoming which cannot be remedied by the actions of the Local Planning Authority.” This would allow for those circumstances where an insurmountable infrastructure problem could be taken into account in line with the concepts of sustainable development.</p>

<p>Question 5</p> <p>Do you agree that regulations should be amended so that all local planning authorities are able to dispose of land with the benefit of planning consent which they have granted to themselves?</p>	<p>The Council is very keen to support housing development in as many ways as possible and allowing District Council's the same freedoms as unitary authorities to sell on land with Planning Permission will only increase such flexibility.</p>
<p>Question 6</p> <p>How could land pooling make a more effective contribution to assembling land, and what additional powers or capacity would allow local authorities to play a more active role in land assembly (such as where 'ransom strips' delay or prevent development)?</p>	<p>The Council would consider taking a more active role in land assembly; however at present the risks involved in this approach is high for the local authority, particularly through methods such as compulsory purchase. It would be helpful if when granting planning permission authorities could ensure that ransom strips or other restrictive covenants that would scupper the delivery of future phases of development (especially of allocated land) could be prevented, potentially by legal agreement.</p>
<p>Question 7</p> <p>Do you agree that national policy should be amended to encourage local planning authorities to consider the social and economic benefits of estate regeneration when preparing their plans and in decisions on applications, and use their planning powers to help deliver estate regeneration to a high standard?</p>	<p>The Council has a current scheme in the government's Estate Regeneration Programme. This scheme has been included within the Council's Core Strategy. The Council is supportive of further encouragement of this approach as set out in the 2016 National Strategy for Estate Regeneration.</p>
<p>Question 8</p> <p>Do you agree with the proposals to amend the National Planning Policy Framework to:</p>	

<p>a) highlight the opportunities that neighbourhood plans present for identifying and allocating small sites that are suitable for housing?;</p> <p>b) encourage local planning authorities to identify opportunities for villages to thrive, especially where this would support services and help meet the authority's housing needs?;</p> <p>c) give stronger support for 'rural exception' sites – to make clear that these should be considered positively where they can contribute to meeting identified local housing needs, even if this relies on an element of general market housing to ensure that homes are genuinely affordable for local people?;</p> <p>d) make clear that on top of the allowance made for windfall sites, at least 10% of sites allocated for residential development in local plans should be sites of half a hectare or less?;</p> <p>e) expect local planning authorities to work with developers to encourage the sub-division of large sites?; and</p>	<p>a) Agreed – such an approach will assist in widening the type of sites that come forward.</p> <p>b) Agreed – the District Council is currently reviewing its policies on development in villages to support appropriate and proportionate housing growth</p> <p>c) The District Council is supportive of such schemes and has an active programme of delivery within the District. In allowing for cross-subsidy in such schemes the District Council is mindful that market housing should never constitute the majority of houses built and nor should anymore that the minimum amount of market housing needed to allow the delivery of the affordable housing be permitted. This approach is more likely to maintain the support of local communities.</p> <p>d) Allocating smaller sites to increase the supply of land available to small and medium housebuilders should be encouraged. Although the size of the site is not necessarily an indicator of the level of development which could be appropriately accommodated. Some flexibility could usefully be introduced as not all of the site may be developable and sites of around 0.75 ha or less would still be attractive to medium sized builders and prevent available sites being artificially and unnecessarily divided with the associated risk of leaving small areas of land undevelopable.</p> <p>e) Our experience on larger sites in the district is that one housebuilder is unlikely deliver all the housing and will break such sites down into manageable cells once planning permission is secured. The problem therefore is not that sites are not sub-divided but they</p>
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<p>f) encourage greater use of Local Development Orders and area-wide design codes so that small sites may be brought forward for development more quickly?.</p>	<p>are normally sold to other similar national volume house builders. It is hard to see what measures the LPA could take to alter this approach other than to be able to coerce developers into selling to small and medium size builders.</p> <p>f) Whilst LDOs and Design Codes can in certain circumstances provide increased certainty to developers they are not a panacea. LDOs are costly and time consuming for LPAs to undertake and often the same aims can be delivered by a site design brief or master plan. Design Codes can assist developers in understanding the parameters of design in an area but only when the details of the application are before the LPA can a decision be taken, firstly whether the scheme is appropriate in overall terms, let alone in aspects of its design.</p>
<p>Question 9</p> <p>How could streamlined planning procedures support innovation and high-quality development in new garden towns and villages?</p>	<p>No comment</p>
<p>Question 10</p> <p>Do you agree with the proposals to amend the National Planning Policy Framework to make clear that:</p> <p>a) authorities should amend Green Belt boundaries only when they can demonstrate that they have examined fully all other reasonable options for meeting their identified development requirements?</p> <p>b) where land is removed from the Green Belt, local policies should require compensatory improvements to the environmental quality or accessibility of remaining Green Belt land?</p>	<p>The Council supports the Government’s proposals to clarify and make clear the approach that should be taken by LPAs in relation to Green Belt Review. With regards to f) the Council believes that the starting point for the assessment of the suitability of Green Belt land should be the role it plays in meeting the various roles of the Green Belt.</p>

<p>c) appropriate facilities for existing cemeteries should not to be regarded as ‘inappropriate development’ in the Green Belt?</p> <p>d) development brought forward under a Neighbourhood Development Order should not be regarded as inappropriate in the Green Belt, provided it preserves openness and does not conflict with the purposes of the Green Belt?</p> <p>e) where a local or strategic plan has demonstrated the need for Green Belt boundaries to be amended, the detailed boundary may be determined through a neighbourhood plan (or plans) for the area in question?</p> <p>f) when carrying out a Green Belt review, local planning authorities should look first at using any Green Belt land which has been previously developed and/or which surrounds transport hubs?</p>	
<p>Question 11</p> <p>Are there particular options for accommodating development that national policy should expect authorities to have explored fully before Green Belt boundaries are amended, in addition to the ones set out above?</p>	<p>No comment</p>
<p>Question 12</p> <p>Do you agree with the proposals to amend the National Planning Policy Framework to:</p> <p>a) indicate that local planning authorities should provide neighbourhood planning groups with a housing requirement figure, where this is sought?;</p>	<p>a) Whilst this may appear helpful in broad terms to provide this information, in practice this may be very difficult in rural LPAs such as Newark & Sherwood. Covering a third of Nottinghamshire we have 75 Parish Councils/Meetings within the District. Of those</p>

<p>b) make clear that local and neighbourhood plans (at the most appropriate level) and more detailed development plan documents (such as action area plans) are expected to set out clear design expectations; and that visual tools such as design codes can help provide a clear basis for making decisions on development proposals?;</p>	<p>the current housing target is split down into the 14 largest parishes. It is hard to know how given that approach the Council could arrive at figures for the other parishes and furthermore how this would interact with higher level planning policy. Furthermore in many cases the provision of a number would give a community a false hope that the figure was a ceiling for future development numbers not a target. Potentially for those communities not identified for housing development specifically in Core Strategies/Local Plans the figure could derive from a local housing needs survey approach. Something which we have facilitated for Neighbourhood Plan Groups in rural communities.</p> <p>With regard to authorities that do not have a Core Strategy/Local Plan in place 'dividing the cake up' before a plan has been approved is effectively removing proper scrutiny from the spatial choices that an LPA makes as part of its plan making. For lots of reasons taking the extra houses and dividing them by current population (or some such method) effectively leaves out the important constraints and opportunities analysis that needs to occur. And if an approach does take them into account you are effectively half doing a statutory plan.</p> <p>b) Agreed</p>
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<p>c) emphasise the importance of early pre-application discussions between applicants, authorities and the local community about design and the types of homes to be provided?;</p> <p>d) makes clear that design should not be used as a valid reason to object to development where it accords with clear design expectations set out in statutory plans?; and</p> <p>e) recognise the value of using a widely accepted design standard, such as Building for Life, in shaping and assessing basic design principles – and make clear that this should be reflected in plans and given weight in the planning process?</p>	<p>c) Agreed</p> <p>d) The individual design of new development could, even if in general conformity with design expectations be inappropriate in a particular context – to invalidate legitimate concerns about design is not supported.</p> <p>e) Whilst this approach is supported the Council is concerned that along with other requirements placed on housing developers as part of new development an argument of viability will be used to justify non-compliance with standards.</p>
<p>Question 13</p> <p>Do you agree with the proposals to amend national policy to make clear that plans and individual development proposals should:</p> <p>a) make efficient use of land and avoid building homes at low densities where there is a shortage of land for meeting identified housing needs?;</p> <p>b) address the particular scope for higher-density housing in urban locations that are well served by public transport, that provide opportunities to replace low-density uses in areas of high housing demand, or which offer scope to extend buildings upwards in urban areas?;</p>	<p>At the heart of the NPPF is a desire to create sustainable communities, which cater for a range of needs. On new large developments, as in the Cambridge case study within the White Paper it is possible to secure a range of house types and strategic open space within the development. A potential danger of implementing such standards in existing urban areas is that it reduces the diversity of neighbourhoods by driving a particular type of development on individual sites, without regard to the existing character of an area, and the availability of existing facilities.</p>

<p>c) ensure that in doing so the density and form of development reflect the character, accessibility and infrastructure capacity of an area, and the nature of local housing needs?;</p> <p>d) take a flexible approach in adopting and applying policy and guidance that could inhibit these objectives in particular circumstances, such as open space provision in areas with good access to facilities nearby?</p>	
<p>Question 14</p> <p>In what types of location would indicative minimum density standards be helpful, and what should those standards be?</p>	<p>The District Council believes that in some circumstances density standards, particularly in locations such as town centres and edge of centres; however the setting of local standards can be best addressed through the Local Plan process.</p>
<p>Question 15</p> <p>What are your views on the potential for delivering additional homes through more intensive use of existing public sector sites, or in urban locations more generally, and how this can best be supported through planning (using tools such as policy, local development orders, and permitted development rights)?</p>	<p>The District Council has been working with the NHS locally through the Local Estates Forum to better engage with public sector partners on potential opportunities as part of estate rationalisation.</p> <p>A particular problem for the LPA is often public sector partners do not engage effectively at the correct stage to secure appropriate re-development of their sites. The inclusion of such sites as part of the local planning policy is often the best way to secure appropriate redevelopment.</p> <p>The District Council does not support the extension to public sector bodies permitted development rights in this area; many sites in public ownership are relatively large and there redevelopment under such rights would be inappropriate.</p>

Questions	Proposed Council Response
<p>Question 16</p> <p>Do you agree that:</p> <p>a) where local planning authorities wish to agree their housing land supply for a one-year period, national policy should require those authorities to maintain a 10% buffer on their 5 year housing land supply?;</p> <p>b) the Planning Inspectorate should consider and agree an authority's assessment of its housing supply for the purpose of this policy?</p> <p>c) if so, should the Inspectorate's consideration focus on whether the approach pursued by the authority in establishing the land supply position is robust, or should the Inspectorate make an assessment of the supply figure?</p>	<p>a) It is likely that only those Authorities who are very close to having 5 years' worth of supply will want to have it agreed for a one year period. If there is a 10% buffer added here and the possibility of an additional buffer as a result of the delivery test this could mean an Authority having to provide a buffer of 30% on a target which is already proving difficult to achieve. Issues of undersupply and buffers are adequately addressed through the provision of the delivery test.</p> <p>b) Agreed</p> <p>c) As the housing supply statement is to be prepared in consultation with developers and other interests, it should be sufficient for the Inspectorate to establish that the land supply position is robust without needing to make a detailed assessment of the supply figure.</p>
<p>Question 17</p> <p>In taking forward the protection for neighbourhood plans as set out in the Written Ministerial Statement of 12 December 2016 into the revised NPPF, do you agree that it should include the following amendments:</p>	

<p>a) a requirement for the neighbourhood plan to meet its share of local housing need?;</p> <p>b) that it is subject to the local planning authority being able to demonstrate through the housing delivery test that, from 2020, delivery has been over 65% (25% in 2018; 45% in 2019) for the wider authority area?</p> <p>c) should it remain a requirement to have site allocations in the plan or should the protection apply as long as housing supply policies will meet their share of local housing need?</p>	<p>a) Agreed – provided a higher tier plan allocates housing requirements to a particular community.</p> <p>b) Agreed</p> <p>c) The Council believes that it is appropriate to include within the protection those Neighbourhood Plans which include appropriate housing supply policies. In some communities facilitative policies which seek to secure additional housing through small scale development are much more appropriate than allocation and this approach should secure for that community the same level of protection.</p>
<p>Question 18</p> <p>What are your views on the merits of introducing a fee for making a planning appeal? We would welcome views on:</p> <p>a) how the fee could be designed in such a way that it did not discourage developers, particularly smaller and medium sized firms, from bringing forward legitimate appeals;</p> <p>b) the level of the fee and whether it could be refunded in certain circumstances, such as when an appeal is successful; and</p> <p>c) whether there could be lower fees for less complex cases.</p>	<p>The Council believes there is some merit in considering a fee for making a planning appeal. However it is difficult to see how a system could be designed to distinguish between ‘unnecessary’ and ‘necessary’ appeals. One approach to consider however could be that in certain circumstances where applicants have not taken up the option of a ‘free go’ then going straight to appeal would be strongly discouraged by a prohibitive fee structure. This would assist in encouraging positive engagement with an LPA where the matter is resolvable.</p>

<p>Question 19</p> <p>Do you agree with the proposal to amend national policy so that local planning authorities are expected to have planning policies setting out how high quality digital infrastructure will be delivered in their area, and accessible from a range of providers?</p>	<p>The Council is keen to ensure that new development is equipped for the digital age; however to what extent the planning system can require this is at this stage unclear.</p>
<p>Question 20</p> <p>Do you agree with the proposals to amend national policy so that:</p> <p>a) the status of endorsed recommendations of the National Infrastructure Commission is made clear?; and</p> <p>b) authorities are expected to identify the additional development opportunities which strategic infrastructure improvements offer for making additional land available for housing?</p>	<p>No comment</p>
<p>Question 21</p> <p>Do you agree that:</p> <p>a) the planning application form should be amended to include a request for the estimated start date and build out rate for proposals for housing?</p> <p>b) that developers should be required to provide local authorities with basic information (in terms of actual and projected build out) on progress in delivering the permitted number of homes, after planning permission has been granted?</p>	<p>a) Agreed - however many applicants for very small sites seek outline planning permission before selling the land on to the eventual developer. The information may be more useful for applications for full permission or reserved matters consent.</p> <p>b) Agreed - although where development has commenced the requirement should be broadened to include reasons why development has not been brought forward at the anticipated rate where appropriate and measures which are being considered to get build rates back on track.</p>

<p>c) the basic information (above) should be published as part of Authority Monitoring Reports?</p>	<p>c) Agreed</p>
<p>d) that large housebuilders should be required to provide aggregate information on build out rates?</p>	<p>d) Agreed</p>
<p>Question 22</p> <p>Do you agree that the realistic prospect that housing will be built on a site should be taken into account in the determination of planning applications for housing on sites where there is evidence of non-implementation of earlier permissions for housing development?</p>	<p>A deliverability test at the point of determination could be useful if the LPA is well aware that the site is undeliverable, however it is important to consider the impact of such an approach. Failure in the past by an applicant to deliver a site may be perfectly acceptable if there are mitigating circumstances; for instance the permission was secured just before a recession or the finance behind a scheme fell away. The applicant may well have an asset which they cannot dispose at a reasonable price if the LPA is unwilling to grant permission. The land may then stay undeveloped. Careful consideration needs to be given to what would constitute evidence in such circumstances. Of more concern are the applicants who make a lawful start – by discharging conditions and carrying out minimal onsite work and then do no more work.</p>
<p>Question 23</p> <p>We would welcome views on whether an applicant’s track record of delivering previous, similar housing schemes should be taken into account by local authorities when determining planning applications for housing development.</p>	<p>Slow delivery by a particular developer, does not change the extent to which a particular site is suitable in planning terms for development. Therefore in taking forward proposals to look at an applicant’s track record consideration must be given to what a slow record would result in the LPA doing? To deny planning permission would seem extreme and be counterproductive (it would definitely slow down development!), potentially those developers who have a poor track record could have shorter permissions to incentivise performance or a system of penalty for none delivery could be instituted.</p>

<p>Question 24</p> <p>If this proposal were taken forward, do you agree that the track record of an applicant should only be taken into account when considering proposals for large scale sites, so as not to deter new entrants to the market?</p>	<p>Agreed</p>
<p>Question 25</p> <p>What are your views on whether local authorities should be encouraged to shorten the timescales for developers to implement a permission for housing development from three years to two years, except where a shorter timescale could hinder the viability or deliverability of a scheme? We would particularly welcome views on what such a change would mean for SME developers.</p>	<p>As discussed above (Question 23) it could be an incentive for those that are slow performers and would make the monitoring of housing supply easier as the permission would be granted and then need to be delivered in two years. However on the other hand it could lead to more applications in the system if a sites permission lapses.</p>
<p>Question 26</p> <p>Do you agree with the proposals to amend legislation to simplify and speed up the process of serving a completion notice by removing the requirement for the Secretary of State to confirm a completion notice before it can take effect?</p>	<p>Agreed – speeding this process up may help to provide a useful tool to act in situations where sites have stalled and the threat of loss of planning permission may force action.</p>
<p>Question 27</p> <p>What are your views on whether we should allow local authorities to serve a completion notice on a site before the commencement deadline has elapsed, but only where works have begun? What impact do you think this will have on lenders’ willingness to lend to developers?</p>	<p>Not sure to what extent this would be used on a regular basis.</p>

<p>Question 28</p> <p>Do you agree that for the purposes of introducing a housing delivery test, national guidance should make clear that:</p> <p>a) The baseline for assessing housing delivery should be a local planning authority's annual housing requirement where this is set out in an up-to-date plan?</p> <p>b) The baseline where no local plan is in place should be the published household projections until 2018/19, with the new standard methodology for assessing housing requirements providing the baseline thereafter?</p> <p>c) Net annual housing additions should be used to measure housing delivery?</p> <p>d) Delivery will be assessed over a rolling three year period, starting with 2014/15 – 2016/17?</p>	<p>a) Agreed</p> <p>b) It is not clear what figure will be used from the published household projections where no local plan is in place. The annual household projections can fluctuate quite significantly year on year. This should be smoothed out by using an appropriate average such as a 20 year period that any new local plan would cover. Agreed that the standard methodology for assessing housing requirements would be appropriate to provide the baseline thereafter.</p> <p>c) Agreed</p> <p>d) Agreed, averaging the figure out over a three year period smooths out minor fluctuations from year to year but is not so long a period that it will risk being distorted by the effects of boom or recession disproportionately.</p>
<p>Question 29</p> <p>Do you agree that the consequences for under-delivery should be:</p>	<p>Agreed. An accepted methodology for determining whether under delivery requires a buffer of 5% or 20% to be added to the five year land supply is to be welcomed. This can take up significant time at S78 appeals.</p>

<p>a) From November 2017, an expectation that local planning authorities prepare an action plan where delivery falls below 95% of the authority's annual housing requirement?;</p> <p>b) From November 2017, a 20% buffer on top of the requirement to maintain a five year housing land supply where delivery falls below 85%?;</p> <p>c) From November 2018, application of the presumption in favour of sustainable development where delivery falls below 25%?;</p> <p>d) From November 2019, application of the presumption in favour of sustainable development where delivery falls below 45%?; and</p> <p>e) From November 2020, application of the presumption in favour of sustainable development where delivery falls below 65%?</p>	<p>Setting out the different tears over a phased timescale will allow the Local Planning Authority to get there plans in place and take appropriate action to seek to rectify delivery issues, whilst still making determinations in accordance with the Development Plan. This will provide greater certainty for all parties involved.</p>
<p>Question 30</p> <p>What support would be most helpful to local planning authorities in increasing housing delivery in their areas?</p>	<p>The Council has recently submitted a 'HRA Capacity' proposal to DCLG to enable its development programme to deliver 335 Council homes to be accelerated from 5 to 3 years. The proposals has requested the following is considered:</p> <ol style="list-style-type: none"> 1. The HRA borrowing cap to be increased by increased debt cap of £18M from 2017/18. 2. Annual rent increases to be confirmed as CPI+1%, for a period of 30 years and subject to a minimum of 2% in any particular year. 3. Existing land ownership to be invested and disregarded as subsidy for HCA grant assessment. 4. A facility to combine RTB receipts and HCA grants/to a maximum (say) of 50% of total scheme costs.

	A Council such as Newark & Sherwood committed to a programme of housing growth should be encouraged and not constrained by financial regulations.
<p>Question 31</p> <p>Do you agree with our proposals to:</p> <p>a) amend national policy to revise the definition of affordable housing as set out in Box 4?;</p> <p>b) introduce an income cap for starter homes?;</p> <p>c) incorporate a definition of affordable private rent housing?;</p> <p>d) allow for a transitional period that aligns with other proposals in the White Paper (April 2018)?</p>	<p>a) The revised definition covers a range of affordable housing products and perhaps to simplify this and to avoid any inconsistency in approach, the main headings should cover Social Rented Housing, Affordable Rented Housing and Affordable home ownership products (involving Starters Homes & Intermediate housing with the need to ensure that such products meet the needs of local residents through local policy making).</p> <p>b) Though an introduction of an income cap for starter homes is a sensible approach, there needs to be regional variations to reflect affordability levels in the local housing markets and to ensure this product is benefitting the appropriate residents (set against local income and local house prices).</p> <p>c) No, a definition for affordable private rented housing has no value set against prevailing market rates, and would most probably create inconsistency with the wider definition of affordable housing. For this type of product to work the appropriate legislation would need to be in place to ensure a 20% discount is applied.</p> <p>d) Agreed</p>

<p>Question 32</p> <p>Do you agree that:</p> <p>a) national planning policy should expect local planning authorities to seek a minimum of 10% of all homes on individual sites for affordable home ownership products?</p> <p>b) that this policy should only apply to developments of over 10 units or 0.5ha?</p>	<p>a) The Council’s current affordable housing policy (reflecting local need), on qualifying sites, allows for an indicative tenure split of 60% rent and 40% intermediate housing. It may also be necessary for consultation with developers operating in the district to gauge whether this proposal is appropriate locally, set against their own affordable home ownership products and other such schemes, e.g. ‘Help to Buy’</p> <p>b) Though this approach is consistent with current local policy, as the district is predominantly rural a lower threshold would be welcome to ensure local residents in our villages have the opportunity to access affordable home ownership products.</p>
<p>Question 33</p> <p>Should any particular types of residential development be excluded from this policy?</p>	<p>No</p>
<p>Question 34</p> <p>Do you agree with the proposals to amend national policy to make clear that the reference to the three dimensions of sustainable development, together with the core planning principles and policies at paragraphs 18-219 of the National Planning Policy Framework, together constitute the Government’s view of what sustainable development means for the planning system in England?</p>	<p>Agreed – this will make clear what sustainable development in terms of national planning policy.</p>

<p>Question 35</p> <p>Do you agree with the proposals to amend national policy to:</p> <p>a) Amend the list of climate change factors to be considered during plan-making, to include reference to rising temperatures?</p> <p>b) Make clear that local planning policies should support measures for the future resilience of communities and infrastructure to climate change?</p>	<p>Agreed</p>
<p>Question 36</p> <p>Do you agree with these proposals to clarify flood risk policy in the National Planning Policy Framework?</p>	<p>Agreed</p>
<p>Question 37</p> <p>Do you agree with the proposal to amend national policy to emphasise that planning policies and decisions should take account of existing businesses when locating new development nearby and, where necessary, to mitigate the impact of noise and other potential nuisances arising from existing development?</p>	<p>Agreed</p>
<p>Question 38</p> <p>Do you agree that in incorporating the Written Ministerial Statement on wind energy development into paragraph 98 of the National Planning Policy Framework, no transition period should be included?</p>	<p>Agreed – the policy has been unchanged since June 2015 and therefore no transitional arrangements are requirement.</p>

ESTATE REGENERATION FUND

1.0 Purpose of Report

- 1.1 To provide the Committee with further detail on the recent 'Capacity and Enabling' funding bid submitted to the Department for Communities and Local Government's (DCLG) Estate Regeneration Fund, which is designed to accelerate and improve estate regeneration schemes.

2.0 Background Information

- 2.1 At the Committee meeting on 26 January 2017 background detail was provided on the Bridge Ward Neighbourhood Study (2012) and the key output relating to the 'transformational project' focussing on the growth and regeneration of the Yorke Drive estate (*predominantly Housing Revenue Account assets*) in Newark; along with proposals for delivering new homes on the Lincoln Road playing fields (*general fund land*) and enhancing the local sport and play provision offer and creating a community hub.
- 2.2 The Yorke Drive estate and Lincoln Road playing fields is an allocated housing site in the Council's Allocations & Development Management Development Plan Document.
- 2.3 The Study identified, in principle, a viable regeneration scheme of the Yorke Drive estate when cross subsidised by development of the adjacent Lincoln Road playing fields. Work, however, to progress this has been stifled due to the lack of: capital finance; internal officer resources; skills and knowledge of the commercial sector.
- 2.4 In December 2016 DCLG published details of their £140m 'Estate Regeneration Fund' (<https://www.gov.uk/government/publications/estate-regeneration-fund>) and subsequently announced that an additional £32m funding was available for 'Capacity & Enabling' to assist local authorities with the completion of viability assessments, planning and community engagement.
- 2.5 As reported to the Committee in January, a bid was submitted to the 'Capacity & Enabling' fund in order to give the Council the opportunity to appraise and refresh the key transformational project identified in the Neighbourhood Study. The Council's bid was for £686,799 enabling grant and £300,000 capacity building grant.
- 2.6 To accompany the bid a work programme was drawn up, detailed at **Appendix A**, which identifies that additional capacity and technical expertise (*internal and external activities*) will be required to accelerate this transformational project, enabling the delivery of an updated viability appraisal of the master-plan (including sensitivity analysis), identification of the finance/funding mechanisms, completion of the necessary due diligence work, updating the original master plan and undertaking a procurement exercise to identify the most appropriate public/private partnership delivery vehicle, along with commissioning the relevant 'enabling' feasibility/technical studies and developing an engagement programme.

3.0 Estate Regeneration - Progress

- 3.1 DCLG announced on 24 March 2017 that the Council’s funding bid has been successful (<https://www.gov.uk/government/news/more-than-100-housing-estates-receive-regeneration-cash-boost>) and work has been undertaken to timetable the key activities required to deliver the early stages of this estate regeneration scheme.
- 3.2 DCLG require that a programme of spend is drawn up and the identified finances committed to this.
- 3.3 The indicative timetable of activities is detailed below:

Deliverable	Allocation	Indicative Timeframe
(1) Commissioning commercial capacity building	£300,000	April - August 2017
(2) Due diligence	£50,000	Spend throughout programme up until indicative December 2018 target
(3) Feasibility studies	£30,000	August 2017 - April 2018
(4A) Refresh viability assessment	£30,000	September 2017 - December 2017
(4B) Financial modelling completed	£20,000	September 2017 – December 2017
(5) Engagement strategy	£25,000	December 2017- December 2018
(6) Technical studies (<i>including the pre-planning application stage and initial outline master plan refresh</i>)	£284,000	December 2017 –August 2018
(7A) Procurement of a development partner	£100,000	May 2018 - September 2018
(7B) Revise and review the master planning & design	£100,000	August - October 2018
(7C) Planning application submitted and presented to Planning Committee for a decision.	£47,799	November - December 2018

- 3.4 The early deliverables around enhancing the commercial capacity of the Council and re-appraising the financial elements of the estate regeneration scheme are essential to ensure that it is still a viable proposition and to then enable progression of the remaining deliverables, including engaging with residents, local stakeholders and importantly the localities Ward Members.
- 3.5 In taking forward the delivery plan, reference will need to be paid to the three key requirements of the wider ‘Estate Regeneration Fund’, being able to demonstrate:
1. Viability
 2. Local Authority backing
 3. Community support

3.6 The Committee should also note that the activities to be undertaken within the delivery plan are a precursor to formal Committee approval to submit a bid to the main 'Estate Regeneration Fund' of £140m. The government state that this element of funding:

'.....is designed to accelerate and improve estate regeneration schemes through recoverable investments, helping to boost housing supply and improve the quality of life for residents in estates across England.'

4.0 Proposals

4.1 In considering the detail contained within the above paragraphs it is proposed that the Committee approve the indicative timetable and spending allocation presented at paragraph 3.3.

5.0 Equalities Implications

5.1 Equality implications will be considered and assessed against delivery of this proposed estate regeneration scheme, to ensure the evidenced housing need across all tenures and communities is addressed.

6.0 Impact on Budget/Policy Framework

6.1 Within the contents of the main report all the budgetary and policy framework requirements have been considered.

7.0 Comments of Business Manager & Chief Financial Officer – Financial Services

7.1 As previously mentioned in the report, there is a lack of capital finance to progress the 'transformational project' for funding growth and regeneration of the Yorke Drive estate and the Lincoln Road playing fields. As the Council has now been successful in its Capacity and Enabling funding bid with DCLG, we can progress our timetable for the key activities ensuring the Council would be in a strong position to successfully bid for part of the main 'Estate Regeneration Fund'.

8.0 RECOMMENDATIONS that:

- a) the indicative timetable and spending allocation as set out in the report be approved, and
- b) the capital spending elements of the Estate Regeneration funding received for the Bridge Ward scheme be added to the Council's Capital Programme.

Reason for Recommendations

To progress the key outputs from the Bridge Ward Neighbourhood Study relating to the 'transformational project' focussing on the growth and regeneration of the Yorke Drive estate and Lincoln Road playing fields.

Background Papers

Nil

For further information please contact Karen White (5240) or Rob Main (5930).

Karen White
Director – Safety

ESTATE REGENERATION: PROPOSED WORK PROGRAMME

Phase	Current Status	Actions Required
A. Scoping	Detailed master plan for Bridge Ward included in the Neighbourhood Study.	<p>Review of master plan to focus on:</p> <ul style="list-style-type: none"> ▪ Sustaining a viable HRA Business Plan (<i>HRA 5 year development programme = sensitivity analysis</i>). ▪ Land and key elements of each transformational project. ▪ Relationship between projects and the strategic vision across the Ward. ▪ Identification of current barriers and opportunities. ▪ Relationship between the master plan, housing need, unit numbers and tenure. ▪ Create additional capacity within the Council to project manage the programme, ensuring the Council has the necessary commercial acumen.
B. Reappraise Viability and Delivery	Initial appraisal completed as part of Neighbourhood Study Delivery Strategy	<p>Review of initial appraisal, updated to current values and in greater detail, including assessment of:</p> <ul style="list-style-type: none"> ▪ Full viability appraisal (cost analysis) and examine the cross subsidy principles of the HRA asset and General Fund land. ▪ Review risk analysis. ▪ Position of the HRA Business Plan. ▪ Clarification on the treatment of HRA demolition set against the 2012 self- financing settlement, use of 1-4-1 receipts, rent increases, increasing the HRA borrowing cap. ▪ Gearing on HRA now and then (impact on demolition, when to demolish and when to replace). ▪ Review site delivery (unit numbers/ tenure type and marketability) to meet existing housing need. ▪ Update existing Master Plan: <ul style="list-style-type: none"> ○ Detailed design of regeneration proposals and development brief. (<i>Looking at mix and density of units, the infrastructure and any abnormal costs in order to quantify in greater detail.</i>) ○ Assessing key infrastructure requirements and costs (roads, reconfiguration of the playing field, key development costs, enhancing the sports offer, etc.), including undertaking all relevant feasibility and technical studies. ○ Submission of a full planning application, including all preparation work, e.g. design & access statement and pre-planning activities. ▪ Undertake a procurement exercise, market appraisal/testing to assess the most appropriate delivery partner and delivery mechanism, (e.g. LLP, Joint Vehicle, etc.) ▪ Undertake all necessary due diligence work.

		<ul style="list-style-type: none"> ▪ Revenue benefits and costs to the General Fund (CIL, Council Tax, New Homes Bonus, tax implications, SDLT, legal requirements, risk analysis) ▪ Liaising with statutory agencies, e.g. Highways Agency, Sports England. ▪ Assessing impact on the five year land supply and identifying possible planning mechanisms that may add value e.g. a Local Development Order. ▪ Identify complimentary funding sources that may unlock wider strategic opportunities/transformational projects identified by the Study, e.g. D2N2, HCA, Highways, railway station regeneration. ▪ Appraise impact of wider national policies, e.g. Housing & Planning Act (starter homes, higher value homes). ▪ Update the delivery project timetable, identifying key stages and phasing.
C. Engagement		<p><i>Engagement programme to be undertaken on completion of Phase B, dependant on outcome.</i></p> <p>Exercise to engage and give support to project:</p>
(i) Community/ Stakeholders	Residents involved in Bridge Ward Neighbourhood Study	<ul style="list-style-type: none"> ▪ Tenant Panel ▪ Local Members ▪ Community Groups ▪ Need to capture wider voluntary and statutory stakeholders. ▪ Sports facility
(ii) Community Offer	Neighbourhood Study identified potential to invest in sports provision, community facilities, address issues around ASB and health	<ul style="list-style-type: none"> ▪ Investment in current assets and infrastructure ▪ Football academy or other scheme ▪ Employment (direct and indirect) ▪ Infrastructure (for broader community) ▪ Health
(iii) Political	Members engaged in Study and approved Final Report	<ul style="list-style-type: none"> ▪ Develop cross-party support ▪ Engage with the County Council ▪ Engage with D2N2

HOUSING GROWTH: ASH FARM, FARNSFIELD (PHASE TWO)

1.0 Purpose of Report

- 1.1 To provide the Committee with detail on the proposed acquisition of 3 new build affordable rented homes on Barratt Homes phase 2 development at Ash Farm, Farnsfield.

2.0 Background Information

- 2.1 At the Policy & Finance Committee meeting held on 28 July 2015 detail was provided on the Council's housing growth agenda, finances available within the Housing Revenue Account Business Plan (HRA BP) and the mechanism to secure housing growth through the acquisition of Section 106 affordable housing units, enabling the Council to intervene in the market where it is appropriate and necessary in order to ensure the delivery of affordable housing.
- 2.2 Traditionally Registered Providers have acquired Section 106 affordable housing units, however due to changes in housing finance for local providers they do not have capacity within their current Business Plans to enter into negotiations for additional Section 106 units, which they have not already committed to, until 2018. (*The Council's Core Strategy (Adopted March 2011) Core Policy One – Affordable housing provision seeks to secure 30% affordable housing contribution on all qualifying site thresholds of 11 units or more*).
- 2.3 Against this background the Committee gave approval for the submission of a transfer bid to Barratt Homes for the acquisition of 16 new build affordable homes, forming part of the Section 106 affordable housing contribution at Ash Farm, Farnsfield.
- 2.4 Further to submission of the bid, the Council was successful in acquiring these units and has now taken possession of the first three in December 2016.
- 2.5 Barratt Homes have now secured residential planning consent for an additional 18 dwellings at Ash Farm (phase 2), on land previously allocated for employment purposes. The affordable housing requirement is 5 units (30%), 3 for affordable rent and 2 for shared ownership.

3.0 Ash Farm, Farnsfield - (Phase 2)

- 3.1 Details of the phase 2 development, which commenced on site in January 2017, are provided in the table below:

Developer	Barratt Homes
Development Name	St Michaels Mount
Planning References	16/00769/FULM: Approved Full planning application (8 December 2016)
Total No of Houses	18 (Mix of 2, 3, bed units)
Total No of Market Homes	13

Total No of Affordable Homes	5 (representing 30%)
Total No of Shared Ownership Homes	2 x 2b4ph (type 14 - 750 sq ft)
Total No of Social Rented Homes	1 x 2b4ph (type 14 – 750 sq ft or similar) 2 x 2b4p Bungalow (Hazel – 659 sq ft or similar)
Section 106	States: 'not to occupy or permit to be occupied more than 12 of the individual completed properties constructed on the Site until the affordable housing to be provided on the site has been completed and transferred to an affordable housing provider.

3.2 Barratt Homes approached the Council in January 2017 to enquire whether there was interest in acquiring the 3 additional affordable rented units due to local Registered Providers being unable to make a bid for these units.

3.3 In terms of the 2 shared ownership units Derwent Living registered an interest but subsequently withdrew this. The Council have discussed the situation with Newark and Sherwood Homes and the Company have indicated their interest in acquiring these units, which will be subject to their Board's approval at the end of March 2017.

4.0 Housing Need - Farnsfield

4.1 The DCA Housing Market, Needs and Affordability Study 2014 and accompanying sub area report provides information on housing need across the district. Farnsfield is part of the Sherwood Sub-area and the study shows a high demand for smaller units (669). In January 2008 a local parish housing needs survey revealed that 33 people were in need of affordable housing in Farnsfield for both 2 and 3 bed units. The housing register also shows that there is a strong demand for affordable units in this locality.

5.0 Financial and Risk Appraisal

5.1 When the Council acquired the 16 units, in phase one of the Ash Farm development, Innes England were commissioned to undertake an external valuation report and advice on values was also sought from local Registered Providers. In considering this information the Council successfully offered an average of 40% of the open market value for these units.

5.2 Based on this information the table below illustrates an indicative offer for the 3 affordable rent units in phase 2 of the development, considering Barratt's estimated open market valuations (OMV), though inflationary increases since 2015 have not been considered.

Unit Type	No of Units	Est. OMV	Indicative offer
Type 14 - 2 bed four person house	1	£154,250	£61,000
Hazel 2 - bed four person bed bungalow	2	£174,950	£71,000 per unit
Total			£203,000

HRA Development Programme

- 5.3 The Council's HRA development programme was approved by the Committee at its meeting on 30 June 2016 to deliver an indicative 335 additional Council housing units over a 5 year programme.
- 5.4 The acquisition of the 3 units at Ash Farm can be financed through this mechanism with the Council making use of its 1-4-1 RTB receipts. These receipts are time limited and an interest charge is applied if not spent, which is then payable to government.
- 5.5 For the Committee's information when the Council purchased the original 16 units Newark and Sherwood Homes undertook a financial appraisal to determine the return on the investment over a 30 year period set against best estimates. This showed a favourable return and payback period of 15.6 years. (*The payback period is the years required for the net expenditure to reach zero*).
- 5.6 If the Council were to complete a new build scheme of the same type and scale, an approximate build cost for each unit would be in excess of £100,000, excluding land costs. Therefore, the opportunity to invest in this proposal does offer a more favourable return rate when comparing to a traditional new build scheme.
- 5.7 In assessing such a housing growth proposal the principle aim is to ensure that any gain or opportunity is considered against the long term impact to the Council and the viability of the HRA BP. In addition there is a need to ensure the proposal offers the best return for the Council on its investment in terms of scale of growth or numbers of units that it is able to deliver – i.e. that it maximises the outputs achievable, along with meeting the strategic priorities of the Council.

Risks

- 5.8 The following factors need to be considered in making a tender bid to the developer:
- a) Inflationary increases from the valuation exercise completed in 2015.
 - b) A legal review of the documentation between the Council and the Developer.
 - c) Permission will be required from the Homes & Communities Agency to charge an affordable rent, which was provided for the 16 units in phase one of the development.
 - d) Implications on the future impact of Right to Buy, set against the 10 year cost floor calculation.

6.0 Proposals

- 6.1 The financial appraisal undertaken for the acquisition of the 16 units in phase one of the Ash Farm development offered the Council a satisfactory return from its initial investment, met evidenced local housing need and delivered against the Councils housing growth agenda. It also ensured on site delivery of the Section 106 affordable housing units and negated the developer from entering into a commuted sum negotiation process.

- 6.2 The same scenario now exists for acquisition 3 additional affordable rents units on phase 2 of the Barratt development at Ash Farm. It is therefore proposed that the Committee consider approving the submission of a transfer bid to Barratt Homes, based on the information set out a Section 5 of this report, for the acquisition of the 3 affordable rented units (1 x 2 bed house and 2 x 2 bed bungalows), forming part of the Section 106 affordable housing contribution.
- 6.3 The submission will be subject to on-going negotiations with Barratts, with the need to ensure that the Council achieves the best return for its investment along with maintaining a viable HRA BP. On completion of this activity it is proposed that the Director – Safety be given delegated authority after consultation with the Chairman, Vice Chairman and Leader of the Opposition to progress the acquisition of the 3 units with Barratt Homes.
- 6.4 The Committee should also note that if Newark and Sherwood Homes’ Board does not give approval to proceed with the acquisition of the 2 shared ownership units, then there would be potential for the Council to enter into negotiations with Barratt’s to consider an appropriate commuted sum for these 2 units. If this was acceptable to the Council this could mean that the sum paid for the Council’s proposed acquisition of the 3 affordable rented units is offset from this.

7.0 Equalities Implications

- 7.1 In submitting a tender bid for the affordable units at Ash Farm, Farnsfield equality implications will be considered and assessed against the delivery of additional housing to ensure the evidenced housing need across all tenures and communities is addressed.

8.0 Impact on Budget/Policy Framework

- 8.1 Within the contents of the main report all the budgetary and policy framework requirements have been considered.

9.0 Comments: Business Manager and Chief Financial Officer – Financial Services

- 9.1 The transfer bid, once agreement has been reached with Barrett Homes, will be for 3 affordable rent units. The indicative offer of £203,000 as per the table in paragraph 5.2, will be funded from 1-4-1 receipts and from the Council’s Major Repairs Reserve (MRR).
- 9.2 With regards to the use of 1-4-1 receipts as a possible contributing funding source, the scheme at Ash Farm, Farnsfield used an average build cost of £100,000 per unit. Therefore, under current regulations around the use of 1-4-1 receipts, the Council could allocate £90,000 from such receipts (30% of £300,000). The remaining balance of £113,000 would come from the MRR within the Housing Revenue Account Capital Programme.

10.0 RECOMMENDATION

That the Committee approve the submission of a transfer bid to Barratt Homes for the acquisition of 3 new build affordable rented homes, which form part of the Section 106 affordable housing contribution at Ash Farm, Farnsfield.

Reason for Recommendation

The acquisition of the Section 106 affordable homes at Ash Farm, Farnsfield will contribute to delivering housing growth, meet the wider strategic priorities of the Council, meet locally evidenced housing need and help maintain a viable Housing Revenue Account Business Plan.

Background Papers

Nil

For further information please contact Rob Main (5930).

Karen White
Director – Safety

ESTABLISHMENT OF A DEVELOPMENT COMPANY

1.0 Purpose of Report

- 1.1 To inform Committee Members of the progress so far in considering the establishment of a wholly owned development company and to seek approval for the production of a business case.

2.0 Background Information

- 2.1 Newark & Sherwood Council, in response to successive cuts in central government funding has reduced its costs by £5.67m, or 33%, since 2010. Government have stated that further reductions in government funding will continue until at least 2020/21 and have intimated that further services may be devolved to local councils.

Whilst the Council has managed to balance its budget for 2017/18, and can continue to operate within its means, it will face on going funding pressures to maintain existing services let alone take on more services which government propose to pass on.

The net service expenditure of the Newark & Sherwood has decreased from £13.442m in 2012/13 to £9.811m in 2017/18 and will continue to decrease unless the Council can generate additional income. The Council is, however, restricted to how much revenue it can generate through increases in fees and charges and therefore needs to look at new ways to generate significant income.

- 2.2 Increasingly, local authorities are looking to act more commercially in order to generate revenue income to meet local priorities, particularly since the Localism Act 2011 has given greater freedoms and flexibilities to Councils wishing to establish companies.

With specific regard to acting more commercially in the housing market, the national Elphicke-House report (2015) set out how Councils could and should become Housing Delivery Enablers. The report suggests that a move towards Councils acting as developers and private landlords would be a positive shift, helping to ensure that the local housing needs and demands of an area can be best met.

In Ministerial Housing Statement on 20 March 2015, Brandon Lewis MP signaled the Government's support for Councils setting up local housing companies. This includes developing new homes for market sale. It must be noted that the Government does not support the setting up of such companies where this is done to deliberately avoid the right to buy or Housing Revenue Account debt caps.

On 7 February 2017, government published the Housing White Paper, "Fixing our Broken Housing Market" which emphasizes the need for "quicker house building" and "helping people now". Setting up a housing development company will contribute significantly to this government objective.

The Council already has a substantial commercial property portfolio and expansion of this portfolio would also offer opportunities for further income generation.

Housing and commercial developments would help the Council to stimulate the local housing and property markets. In recent years, the capacity of small and medium-sized construction companies has shrunk significantly and active involvement of a Council Company could help to share risk and expand the capacity of small and medium-sized companies.

2.3 A company limited by shares is a good way to operate a development delivery vehicle for the following reasons:

- by clearly asserting the Company's commercial character, it is unlikely to be considered by any parties as being a 'body governed by public law', this means that it would not be obliged to follow European Union procurement regulations and the Company would act on the same basis as its competitors, although it could opt to follow these rules if, on a scheme-by-scheme basis, this was considered beneficial.
- a company vehicle established to develop housing can potentially extend its operations to wider trading functions, subject to Shareholder approval. For example, the Company could develop commercial buildings where this makes a commercial return if it supports the Company's primary purpose of providing housing.
- a company structure affords flexibility for the future in that it would allow subsidiary companies to be set up or/and joint ventures with other authorities (or the private sector)

2.4 There are a series of ways in which the Council will be able to generate financial income through a wholly-owned company. Notably:

- **receipts from land sold by the Councils to the Company.** Land would be sold at market value, in line with State Aid regulations.
- **interest on loans to the Company.** The Council has the power to make loans; commercial rates would need to be applied to be compliant with State Aid regulations. This would attract a margin over the Councils' own cost of (internal) borrowing
- **distributions of profit made by the Company through dividends.** The Company will derive an income from (a) ground rents, (b) rental income, net of management and maintenance costs, and/or (c) sales and uplift in the capital value of its assets, net of any overage agreements in place. These profits, net of tax, would be distributed to the Shareholders (the Council).
- **purchase of services from any of the Councils.** The Company may wish to purchase services such as, Legal, HR, Finance or IT support from the Council at a market rate.

3.0 Proposals

3.1 The proposal is to seek the Committee's approval to develop a business case for establishing a wholly owned development company and to make other preparations including land acquisition.

3.2 The business case will include the rationale for setting up of a company as follows:

- instead of continually reducing costs, to be more innovative and more commercial to address revenue shortfalls while addressing local issues. Establishing a development company would contribute toward generating revenue and capital income at a greater level than simply selling the land assets
- direct investment by the Council, which may involve using existing cash reserves or prudential borrowing, would be on a commercial basis generating an investment return to the Council, far exceeding that being received presently.
- building residential housing is consistent with meeting the government's ask of local authorities as set out in the recent white paper on housing "**fixing our broken housing market**"
- the ability to operate on a commercial basis coincides with addressing certain demand in the housing market, notably the demand for good quality private rented housing
- the relative immaturity of the Private Rented Sector (PRS) provides this council an opportunity to shape the sector.
- it is widely recognised that housing growth and development are key drivers to stimulating wider economic growth and community regeneration.
- it is an opportunity for the Council to stimulate the local construction industry by engaging with local small to medium size builders.
- It presents an opportunity to be an exemplar of good practice in housing development, for example by offering apprenticeships, training and lifetime homes, with the aim of deriving reputational and commercial benefits for the Council.

3.3 The business case will also set out the governance arrangements and the financial case for setting up and operating a limited company.

3.4 In establishing the business case, a complete review of current council land holdings suitable for residential development will be carried out. Initial assessment suggests that additional land would be required over time and therefore appropriate land acquisition would need to be carried out. Given the need to be responsive in market acquisitions, it is proposed that such land acquisitions are delegated to the Chief Executive in consultation with the Chairman, Vice Chairman and Opposition spokesman of the Policy & Finance Committee where timescales do not allow for a decision to be taken by the Committee (in line with the current urgency procedures).

4.0 Equalities Implications

4.1 The implications will be considered within the business case.

5.0 Finance

5.1 Initial set up costs of £100,000 have been included in the Council's revised Medium Term Financial Strategy which will be presented to Policy and Finance Committee in April 2017. This amount, which includes £25,000 for carrying out a full options appraisal, legal advice and developing a business case, will be funded from the New Homes Bonus Reserve which currently has a balance of £3.4m.

5.2 Financial implications of operating a wholly owned development company will be included in the financial appraisals contained in the business case. Any land acquisitions will be made taking into account appropriate land values.

6.0 RECOMMENDATIONS that:

- (a) the Committee agrees in principle to the establishment of a wholly-owned Development Company to facilitate residential and commercial development;**
- (b) a detailed business case should be brought to Committee for approval; and**
- (c) appropriate land acquisitions should be dealt with under delegated powers.**

Reason for Recommendations

To initiate plans for the establishment of a development company.

Background Papers

Elphicke- House Report - From statutory provider to Housing Delivery Enabler:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/398829/150126_LA_Housing_Review_Report_FINAL.pdf

LGIU Policy Briefing – Appendix A

Councils with Established Housing Companies - Appendix B

For further information please contact Andrew Muter on Ext 5200.

Andrew Muter
Chief Executive

POLICY BRIEFING

From LGIU (The Local Government Think Tank):

Housing

There has also been a proliferation of housing LATCs. A [survey](#) published in August 2015 indicated that more than 50 councils in England have either set up or are considering setting up their own housing company. This has been particularly attractive for those authorities who do not have sufficient borrowing headroom within their Housing Revenue Account (HRA) or who want to explore other funding opportunities to develop housing outside the HRA. The most common approach is the creation of a 100% council owned subsidiary or council owned company, usually constituted as a company limited by shares with council officers acting as directors and company secretaries. Purposes include the provision of new build private sale, mixed tenure and affordable homes; the purchase and repair of affordable homes; the provision of affordable rented property by leasing empty property, etc. However, not all local authorities are attracted to the idea. A common reason is that the expected revenue is not high enough to make a business case for such a company. This is often the case where house prices are very low. Uncertainty also arises from a lack of clarity over the government's position and the threat to take measures against council owned housing companies that circumvent Right to Buy legislation.

Thurrock Council set up a wholly owned housing company, [Gloriana Thurrock Ltd](#). Gloriana will enable the Council to kick start house building through directly developing around 1,000 new homes. It aims to accelerate housing delivery over the next five years and support regeneration objectives in growth locations. Council land is sold to the company at a commercially valued rate and Gloriana borrows prudentially against the council general fund to fund the housing development. Gloriana pays the interest on the loan through its rental income and the debt can be repaid when the homes are sold. The design of the first Gloriana development at the St Chad's scheme in Tilbury for over a hundred homes has secured a top [national award](#)

Nuneaton and Bedworth Council set up its trading established trading arm, named Nuneaton and Bedworth Community Enterprises LTD (NABCEL) in March 2014. The first business stream chosen for [NABCEL](#) was the purchase of properties to rent out at full market rent. As well as generating income, this also helps address the local need for affordable rented properties. A capital budget of £1m was approved as part of the 2014/15 budget. This has so far secured seven properties and with a further two to three being planned. Forecast income generation for 2015/16 is £50k, which will go towards protecting services and jobs.

Ashford Borough Council has set up a council owned housing company to build new homes for rent because its housing market is not keeping pace with demand for privately rented accommodation or providing alternatives for people without sufficient income to buy their own homes. The council is seeking to target this gap in the housing market through a new trading company to provide additional housing capacity. The new property company will be council owned and funded initially by council borrowing. The company will offer homes to rent and sale, with a mix of rent levels. It will also provide an income stream for the council through the borrowings.

South Cambridgeshire District Council set up Ermine Street Housing in 2014 and invested £7 million in property to rent as an "ethical commercial landlord". During the pilot Ermine Street Housing generated £100,000 of income for the Council. The company now owns 34 properties worth a total of £6,837,970 providing homes for people who cannot get an affordable housing tenancy. South Cambridgeshire District Council have now expanding a Council owned housing company investing £100 million to acquire a property portfolio of 500 homes over the next five years.

STEPS IN DEVELOPING A LATC:

Each of the steps in developing a LATC merits careful examination or problems will be experienced. In addition, there are a range of major issues or sticking points which cause problems across most LATCs and these warrant closer attention.

Strategic Fit of the Company Vision with the Local Authority Vision – This is sometimes overlooked by local authorities because income generation usually overwhelms other considerations. But the strategic fit needs to be examined in far more detail. The council and the LATC need to have clarity about how the LATC will fit with the council's longer term strategic priorities and how the company will grow. A failure to properly address this can and will cause tensions between the council and the LATC, particularly over company growth and expansion and the redistribution of profits. In addition, it is almost inevitable that the vision and strategy will need to be refreshed as the company develops.

Most problems arise when council and company are not on the same wavelength and where councils set 'heroic' savings targets. CORMAC appear to have negotiated this issue 'well'. The council was clear it was not just about achieving savings. It was about increasing its client base and offering increased job opportunities for the people of Cornwall. CORMAC sees commercial opportunities and partnerships with other councils as the future, while the council describes the current position as a "nice little corridor between the public and private sector".

Business Planning - Business planning is a key element. The lack of a business plan for the transfer of council services into the company is a common failing.

[Buckinghamshire Care](#) saw the first step as developing a business case as it enabled the council to determine whether the business would be a success but also gave a clear objective in the first year of trading.

For more details of LATC business planning, please access publicly available reports and models produced in respect of [Tricuro](#). The report considered in October 2014 anticipated that the LATC would save £6.8m over five years or around £1.4 million per year from the base budget. The report contains a high level options appraisal and detailed business plan and a risk assessment, equality impact account, a five year profit and loss and balance

Other References used by LGIU

West Lindsey District Council Commercial Plan 2015 to 2020
South Hams District Council – Creating a LACT
Folkestone – Regeneration and Housing Company – Purpose and Options
Guardian – Gloriana Thurrock – Is this the future of council house building
AgendaNi – Service and Savings: the ALMO model
www.dorsetforyou.com Tricuro – LATC – Adult and Community Services in Dorset
Wokingham BC – range of LACTS
Range of articles and publications relating to the Barnet Group
Range of LGA Case studies

Analysis: The rise of the council housing company

19 October 2016 by Josephine Smit , [Be the First to Comment](#)

Local authorities are facing budget cuts and challenges in their housing markets, so some are responding by growing their own housing companies, finds Josephine Smit.



The first scheme by Thurrock Council's Gloriana is St Chads, designed by Bell Phillips Architects Gloriana, WV Living and Brick by Brick are little known names in UK housebuilding today, but they are part of a growing breed. They are three of around 50 housing and development companies estimated to have been established by local authorities over recent years.

It was the 2011 Localism Act that paved the way for local authorities to establish private companies and gave councils greater powers to borrow money. They have several reasons for wanting to seize the opportunity. Local authorities are already dealing with challenges within their local housing markets, including homelessness, lack of affordability, poor quality private rented properties, and decline caused by low value or vacant housing stock.

They are also under government pressures, to release public land for housebuilding, cut budgets and services, and sell off their high value social housing to help fund right to buy discounts for housing association tenants. At the same time, the government has shifted the focus of affordable housing delivery from rental properties to low cost sale starter homes, while changes in the housing association sector have constrained development programmes, both factors influencing the supply pipeline of affordable rented housing.

A Better Return

It's a complex picture, and one that some councils are responding to by adopting a variety of business models, ranging from buying homes to building them. "Across the country, we're seeing local authorities recognising that they have assets, and asking how they can get a better return from them, while fulfilling their social and community remit," says Atam Verdi, director of Aspinnall Verdi, a Leeds based regeneration and property development consultant.

It is not an enterprise to be undertaken lightly, as Hinckley and Bosworth Borough Council decided last month, when it was reported to have drawn back from plans to establish a development company. Joint ventures, partnership deals and buying ready stock are often preferred where development is complex, costly, large scale and considered to pose key risks, which can particularly apply to city locations, points out Verdi. "But in traditional low-rise housing developments, the amount of capital lock up can be quite modest," he adds.

Although the numbers of homes being delivered by local authority housing companies are relatively small, Verdi says the emergence of council housing companies is to be welcomed: "We've all seen the graph showing reduced housebuilding levels over the years, and the only time when we delivered significantly on housing was when the public sector was building homes. If local authorities delivered 20,000 to 30,000 homes a year, it would make a difference."

Unlike conventional council housing, these homes can be offered on a range of tenures, and rented homes are not subject to the right to buy requirement so the asset can be retained, benefitting the council and its community. These are just a few of the advantages, say those driving change. Councillor Mike Rowley, board member for housing at Oxford City Council, which announced the formation of its council housing company in March, says: "Because our objective is not to rake in profit or pay shareholders - as is the case with private developers, we will be able to provide a better deal to meet the affordable housing needs of the people of Oxford."

WV Living has been established by City of Wolverhampton Council and will develop mainly market sale homes initially. "The rationale for doing this is to drive the pace of the market, and to create a commercial entity that'll generate a return for the council," says Tim Jackson, the council's strategic director for place. Its first wave of development will be largely traditional housing, to give confidence for sales. "We're initially being conservative with the product, because we have to work with the market," he explains. That doesn't mean design and placemaking are low priorities, he stresses. "We have aspirations to create sustainable communities. We are ambitious. We want to create distinctive places that are sustainable. We will look to clever designs."

Jackson has confidence in the council's venture. "We know our sites very well, and we understand our market well," he says. For him the approach offers the potential to take a more unified approach to citymaking, which has already seen the council work to improve schools, in recognition of the links between good schools and thriving housing areas. "We are taking the broad view of the city, almost as a corporate landlord," he says. "So, for example, if in the future we can liberate some health assets in the city, they could provide great locations for homes."

Councils with Established Development Companies

Council	Company	Target Market	Plans/Projects
Birmingham	Existing Birmingham Municipal Housing Trust provides affordable homes. Has added INReach	INReach provides market rented homes	INReach has 92 city centre apartments under development and plans to develop 300 apartments and houses
Brent	Brent Housing Partnership - existing arms length management organisation (ALMO) and community housing company	Rented homes - targeting 700 units by 2019	In July delivered Brent's first council homes in three decades. In August won consent for 24 home scheme on the Kilburn Square Estate
Cambridge	Cambridge City Housing Company	Submarket rent homes	Buys rather than builds. 23 homes let and 22 more on the way
Croydon	Brick by Brick	Wants to deliver 1,000 homes by 2018	Has identified around 50 sites and is carrying out feasibility studies
Havering	Mercury Land Holdings	To develop homes mostly for market rent	Has earmarked site for first scheme
Lambeth	Homes for Lambeth	To develop homes for council, intermediate and private rent	Focusing on regeneration and development on seven existing estates
Oxford	-	To buy and manage affordable rented homes, develop new homes and carry out regeneration	Plans to buy and manage affordable rented homes at Barton Park, where up to 885 homes will be built
Suffolk, St Edmundsbury Borough and Forest Heath District	-	Plans to develop nearly 200 homes for sale, rent and shared ownership	Four sites in west Suffolk have been identified
Thurrock	Gloriana	To build 500 homes of all tenures/types	Scheme of 128 homes at St Chads, Tilbury, due to complete next year. Scheme is designed by Bell Phillips Architects
Wolverhampton	WV Living	Aims to deliver 800 homes over four years	Has earmarked four sites for 400 homes to be built by 2018, with 25% being affordable

	Name of Company	Political Leadership	Activity	Established
Derbyshire County Council	Derbyshire Developments Limited	Labour	Work on 2 pilot sites commenced. 78 Units. Further 2 sites identified for 2017. Total 150 sites identified as surplus to requirement.	August 2016
Suffolk County , St Edmundsbury Borough, Forest Heath District		Conservative	200 homes for sale, rent and shared ownership.	Nov 2015
Telford and Wrekin District Council	Nuplace Limited	Labour	Approximately 425 houses and apartments will be constructed on up to 8 sites initially. Market rents and affordable rents. £52.6m Prudential Borrowing.	Jan 2015
Thurrock District Council	Glorina Ltd	Conservative	500 homes of all tenure type. Scheme of 128 homes at St Chads, Tilbury being developed and to be completed in August 2017. Balance Sheet Value of development £11.5m National Award- Q&A with Sean Clark on www.room151/interviews .	Oct 2013
City of Wolverhampton	WV Living Ltd	Met	800 homes over 4 years with 25% affordable	
London Borough of Southwark	Southwark Housing Company Limited	Labour	Plans to build 11,000 homes For mixed tenure	May 2015
Guildford Borough Council	North Downs Housing Limited	Conservative	Houses for sale and market rent	April 2016
Broxbourne District Council	Badger BC Investments Limited	Conservative	Pilot of 14 homes. Purchasing and renting properties at market rents. Last filed accounts to 31 March 2016 show small profit before tax (circa £35K) and Balance Sheet value of £5.5m which is about £55K over book value.	November 2013
Reading Borough Council		Labour	500 new homes over 5 years. 57 delivered	March 2016
Telford and Wrekin	Nuplace Limited	Labour	425 New Homes and Apartments	April 2015 £2,500,000 Share Capital
Mansfield District Council		Elected Mayor	500 New Homes over 7 years	June 2014

Authority	Name of Company	Political Leadership	Activity	Established
Mendip District Council		Conservative	Homes to rent at market rents	March 2015
Wokingham District Council	Wokingham Housing Limited (WHL)	Conservative	<p>Deliver the initial 130+ homes by end of 2017</p> <ul style="list-style-type: none"> • After year three - develop an ongoing pipeline of future affordable and market homes of between 75-100 homes per annum, investing in the region of £10-13m per annum On-going yield on investment of between 7-8% • Provide Holdco with an annual profit of between £600 to 750k by year 7 • Repay initial working capital loans and interest between years 5-6 	<p>June 2011</p> <p>Houses for sale and rent at market value. £1.9m share capital</p>
London Borough of Ealing	Broadway Living Limit	Labour	Mix Tenure 800 units. 10 Delivered	March 2014

RECOMMENDATIONS FROM THE OLLERTON HALL TASK & FINISH GROUP

1.0 Purpose of Report

1.1 To consider the recommendation from the Ollerton Hall Task & Finish Group.

2.0 Background Information

2.1 The Ollerton Hall Task & Finish Group held their first meeting on 29 March 2017.

2.2 At that first meeting the Task & Finish Group agreed that Policy & Finance Committee be recommended to allocate a sum of up to £30,000 from reserves to finance the necessary expenditure in order to bring Ollerton Hall to market.

2.3 The funding was required in order to cover the costs associated with the contingency fund; agents fees; the feasibility study, condition survey and viability assessment and heritage significance report; and the commissioning of a design and planning brief.

3.0 RECOMMENDATION

That a sum of up to £30,000 be allocated from reserves to finance the necessary expenditure in order to bring Ollerton Hall to market.

Reason for Recommendation

To cover costs needed in order to bring Ollerton Hall to market.

Background Papers

Nil

For further information please contact Kirsty Cole on 5210.

Kirsty Cole
Deputy Chief Executive

THE BEACON INNOVATION CENTRE

In accordance with Section 100(B)(4)(b) of the Local Government Act 1972, the Chairman has agreed to take this urgency item as a late item of business in order to undertake relevant internal space reconfiguration at Newark Beacon Innovation Centre as soon as possible.

1.0 Purpose of Report

1.1 The purpose of the report is to request £75,000 be added to the Capital Programme for 2017/18. Funding for this will be claimed from Nottinghamshire County Council acting as the accountable body for the Nottinghamshire Pre Development Fund (NPDF).

2.0 Background Information

2.1 The report attached as **Appendix A** was considered and agreed by the Economic Development Committee on 29 March 2017. Through the NPDF process, funding of £75,000 has been agreed to reconfigure some office space at Newark Beacon Innovation Centre. The works will be approved through the NSDC Asset Management Team and then reclaimed from Nottinghamshire County Council

3.0 Proposals

3.1 Nottinghamshire County Council were successful in a bid to the Economic Prosperity Committee for all three centres. In relation to Newark Beacon, this is for support up to £75k for a programme of internal space re-configuration at Newark Beacon which is currently operating at 76% occupancy (to end Q3 16/17) and follows on from major tenants successfully graduating to larger premises. Despite a major digital marketing campaign, all demand evidence indicates that the current room offer is too large. A full re-modelling and repricing exercise has been undertaken and this together with car parking adjustments (to increase capacity where possible) and internal upgrades would address current and emerging risks to the successful operation of the Centre. NSDC are working with Oxford Innovation Centre on the design and delivery of the works to take place at Newark Beacon.

4.0 Equalities Implications

4.1 The Newark Beacon complies with legislation regarding accessibility and Oxford Innovation support all businesses that operate out of the Beacon.

5.0 Impact on Budget/Policy Framework

5.1 Income generated for the Council is not the only consideration in the operation and management of the Newark BIC. Support for local businesses is in line with the Council's priorities. Financial performance is reported on a quarterly basis and income is currently below target.

6.0 Comments Business Manager & Chief Financial Officer – Financial Services

6.1 The cost of reconfiguring the space available at the centre will be met from funding awarded by the Economic Prosperity Committee and there will be no requirement for any financial contribution from the Council. This work should improve occupancy rates and thus income. The impact of the changes will be kept under review.

7.0 RECOMMENDATION

That £75,000 be added to the Council’s Capital Programme for the Newark Beacon Innovation Scheme.

Reason for Recommendation

To ensure that the reconfiguration of the Centre is undertaken early in the new financial year.

Background Papers

Nil

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

Andrew Statham
Director - Communities

ECONOMIC DEVELOPMENT COMMITTEE
29 MARCH 2017

AGENDA ITEM NO. 5

THE BEACON INNOVATION CENTRE

1.0 Purpose of Report

- 1.1 The report provides an update on performance at the Beacon Innovation Centre and information regarding the current contract extension

2.0 Background Information

- 2.1 The Newark Beacon Innovation Centre is owned by Newark & Sherwood District Council with the Homes & Communities Agency (HCA) retaining an equity share in the building. This is in line with the two other centres managed within the contract (Worksop Turbine and Mansfield I-Centre) detailed below.

The Integrating Innovation Centres in Nottinghamshire Contract provides day-to-day operational and facilities management to 3 Centres in the County together with an overarching mentoring and business support programme for tenants. Oxford Innovation Ltd. (OI) was contracted from 1 April 2011 for a period of 5 years with 2 single year options to extend. The contract is now entering into year 7 and will cease on 31 March 2018.

3.0 Proposals

- 3.1 Extending the lease to 31 March 2018

During 2016, discussions were held with Officers and Members regarding the most appropriate method of delivering this contract and of re-tendering the contract. Partners have agreed the benefits of continuing the “three centre model” believing it could still be operationally beneficial to run the three buildings collectively whilst building on the qualitative offer to tenants. Soft Market Testing has been undertaken to determine what will be attractive to the market and what it will support going forward – this has led to work on the form of contract which is currently still being developed. Partners are however being guided by lessons learned from the current contract and wish to:

- ❖ Improve the certainty of income from the centres with better forecasting, improved cost efficiency and improved local cost competitiveness of the 3 centres
- ❖ Reduce financial risk (deficits) for the owning authorities and
- ❖ Simplify processes and achieve lighter touch contract management

- 3.2 Internal Space Re-configuration

Nottinghamshire County Council were successful in a bid to the Economic Prosperity Committee for all three centres. In relation to Newark Beacon, this is for support up to £75k for a programme of internal space re-configuration at Newark Beacon which is currently operating at 76% occupancy (to end Q3 16/17) and follows on from major tenants successfully graduating to larger premises. Despite a major digital marketing campaign, all demand evidence indicates that the current room offer is too large. A full re-modelling and repricing exercise has been undertaken and this together with car parking adjustments (to increase capacity where possible) and internal upgrades would address current and emerging risks to the successful operation of the Centre. NSDC are working

with Oxford Innovation Centre on the design and delivery of the works to take place at Newark Beacon.

3.3 Performance of the Centres

As already noted, performance at Newark Beacon in terms of occupancy rates, is below profile and actions are underway to support the improvement of the performance. As identified, this does reflect well for the business support provided at the Beacon in that two larger businesses graduated in 2016 and both are now in larger premises in Newark. Performance information is received on a quarterly basis and regular meetings are held in order to update on progress. Economic Growth and Asset Management from within NSDC have been working with the new team at the Beacon in order to identify opportunities to promote the offer at the Beacon.

Ensuring a balance between occupancy rates and ensuring innovative businesses develop within the Beacon and then graduate is challenging and unfortunately during 2016 this happened at the same time as some significant staff changes within the management team for centre. The focus for the virtual office offer is start up and early stage businesses whereas the target group for tenants is businesses that have been trading for over two years and are looking for the next steps.

Financial Performance for Jan 2017 (month only, not year to date)

Nottinghamshire County Council - Combined Innovation Centres				
Occupancy and Conferencing Summary Report				
January 2017				
Year Reference	C			
Period Number - from	9			
Period Number - to	9			
		Mansfield	Newark	Worksop
Net Internal Area		21,923 sqft	24,049 sqft	23,711 sqft
Total Area		21,923 sqft	20,160 sqft	22,701 sqft
Area Let		19,698 sqft	11,651 sqft	21,259 sqft
Occupancy		90%	58%	94%
Income for the month of :	January 2017			
Licence Fees		£32,932	£20,498	£33,377
Lease		£1,609	£0	£0
Virtual		£753	£970	£1,490
Hot Desking		£0	£350	£0
Conferencing Income				
December 2016		£1,376	£1,205	£952
Less Catering		£0	£0	£0
Total NCC Conferencing		£1,376	£1,205	£952

3.4 The Pioneer 10 Programme

This is a programme launched by Oxford Innovation in 2016 and hosted across the three Nottinghamshire Innovation Centres, Mansfield i-Centre, Newark Beacon and Worksop Turbine. The finalists in a programme to find Nottinghamshire's leading business pioneers have been announced. After months of submissions ten county businesses have been shortlisted to go head-to-head for the chance to win a support package worth £15,000. All the shortlisted firms have received one-to-one coaching and guidance, opening up new commercial opportunities and boosting each business's chance of success. The judging panel includes a representative from NSDC.

The shortlisted finalists and their companies are:

- Os Morgan – Kraft Werks
- Teri England – Red Fox ID
- Irma Gilbert – Co Fabrico Ltd
- Rebecca Aldridge – Balance: Wealth Planning Limited
- Tim Calnan – CS Design Software
- Paul Belshaw – Smartersoft
- Steve Harrison – The Coaching Company
- John Morley – i-Sourcer
- Kiyth G Fotitt – Newark Hoverflights UK
- Billie-Anne Warriner – Fosse Cashflow Solutions

The judging takes place on 1 March 2017 and Newark businesses are in the above list.

4.0 **Equalities Implications**

4.1 The Newark Beacon complies with legislation regarding accessibility and Oxford Innovation support all businesses that operate out of the Beacon.

5.0 **Impact on Budget/Policy Framework**

5.1 Income generated for the Council is not the only consideration in the operation and management of the Newark BIC. Support for local businesses is in line with the Council's priorities. Financial performance is reported on a quarterly basis and income is currently below target.

6.0 **Comments of Business Manager & Chief Financial Officer – Financial Services**

6.1 The cost of reconfiguring the space available at the centre will be met from funding awarded by the Economic Prosperity Committee and there will be no requirement for any financial contribution from the Council. This should improve occupancy rates and thus income. The impact of the changes will be kept under review.

6.3 Financial modelling of all proposals being considered for future management arrangements after 31 March 2018 will be carried out and reported to Committee at a later date.

7.0 RECOMMENDATIONS

It is recommended that the Committee note the contents of the report and agrees to the following recommendations that:

- (a) the re-configuration at Newark Beacon takes place following approval by Asset Management within NSDC, and that it is recommended to Policy & Finance Committee that the scheme be added to the capital programme; and**
- (b) the opportunity to re-tender the contract for the three Nottinghamshire Innovation Centres is progressed in a timely and considered manner.**

Reason for Recommendations

To ensure that the Newark Beacon continues to deliver an appropriate service to business.

Background Papers

None

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

Andrew Statham
Director - Communities

Innovation Centre Performance Report

Ref	KPI Description	Target 16/17	Q1 Performance	Q2 Performance	Q3 Performance	Q4 Performance	Notes
1	Occupancy	Ave min occupancy 16/17: Mi 88% NB 88% WT 88% Composite – 88%	End of Quarter: Mi 92.8% NB 76.4% WT 94.3% Composite – 88%	End of Quarter Mi 89% NB 76% WT 91.7% Composite – 86%	End of Quarter Mi 89% NB 76% WT 91.7% Composite – 86%		
2	Enquiry Conversion Rates	Combined averages – Offices 35% Virtuals 70%	Combined averages: Offices 18% Virtuals 80%	Combined averages: Offices 13% Virtuals 60%	Combined averages: Offices 23% Virtuals 67%		Q3 – 30 Qualified Office Leads 7 Office Deals 6 Virtual Leads 4 New Virtual Customers Q3 conversion rates based upon 'qualified leads'
3	Customer Satisfaction (Tenant and Virtual)	Achieve: Individual Centre 60% return rate 85% responses to score services as excellent Business Support – Survey to be separate and targeted	Separate report	Recorded annually	Recorded annually		

4	Customer Satisfaction (non-tenant users – e.g. conferencing)	85%	Good or Excellent Mi 80% NB 85% WT 80%	Good or Excellent Mi 80% NB 75% WT 75%	Excellent Mi 99% NB 99% WT 98%	Conference Customer Satisfaction Survey Results – Q3			
							Mi	WT	NB
						% Satisfactory - Excellent			
						Car Parking	98%	96%	100%
						Reception Service	100%	100%	100%
						Cleanliness of Building	100%	100%	100%
						Presentation of the Room	100%	100%	100%
						Comfort of the Room	100%	97%	94%
Quality of Refreshments	100%	100%	100%						
5	External Graduations	5 (based on 5% of tenant businesses)	Mi 0 NB 0 WT 0 Cum 0	Mi 1 NB 0 WT 1 Cum 2	Mi 0 NB 1 WT 0 Cum 3	Q3 – Primary Site			
6	Number of Tenant Businesses	108	Mi 32 NB 23 WT 38 Total 93	Mi 29 NB 23 WT 38 Total 90	Mi 34 NB 20 WT 41 Total 95				
7	Number of Virtual Customer Businesses	110	Mi 35 NB 20 WT 41 Total 96	Mi 36 NB 21 WT 43 Total 100	Mi 33 NB 19 WT 41 Total 93				
8	FTE Jobs in Tenant Businesses	585 (same as 14/15)	Mi 187 NB 168 WT 219 Total 574	Mi 187 NB 170 WT 222 Total 579	Mi 189 NB 107 WT 225 Total 521	Impact of Primary Site exit at NB			

9	New Jobs Tenant Businesses	70	Mi 0 NB 7 WT 15 Total 22 Cum 22	Mi 7 NB 1 WT 10 Total 18 Cum 40	Mi 12 NB 3 WT 5 Total 20 Cum 60		
10	FTE Jobs in Virtuals	150 (uplift based on YE position 14/15)	Mi 48 NB 46 WT 77 Total 171	Mi 50 NB 48 WT 85 Total 183	Mi 51.5 NB 50 WT 84 Total 185.5		
11	Tenant Businesses using business support services	Mi – 17 NB – 12 WT – 21 YE Target 50 (based on 50% of businesses at each centre receiving business support)	Mi 4 NB 5 WT 5 Cumulative Total 14	Mi 5 NB 2 WT 5 Cumulative Total 26	Mi 6 NB 3 WT 6 Cumulative Total 41		
12	New 'Virtual Business' Users	No measurement against target in 15/16, included so that a baseline can be established for measurement in 16/17	Mi 1 NB 1 WT 2	Mi 1 NB 1 WT 2	Mi 1 NB 2 WT 1		

MOVING AHEAD UPDATE – AGILE WORKING

1.0 Purpose of Report

1.1 To update Members on the Councils successful implementation of agile working ready for occupation of Castle House.

2.0 Background Information

2.1 At the commencement of the Moving Ahead Programme the Council operated on the basis of one desk per person with most officers having a fixed pc. In addition to the fixed desk each officer had a telephone handset which was programmed with their extension number. Officers also need regular access to paper documents which were stored on site. A number of challenges were identified which needed to be met to enable an efficient and effective workforce who were able to work in an agile manner ready for the move to Castle House.

2.2 The level of change that would be experienced by staff was not underestimated and there was the aspiration that at the point of the move officers would experience nothing new except the building itself.

2.3 To meet this aspiration it was required that the following challenges were met prior to the move:-

- No fixed desks
All staff to be able to work from any desk as would best suit business need.
- 7:10 ratio
To move from one desk per person to 7 desks for every 10 employees.
- Enable working from other sites
Staff should be able to work from other NSDC sites to suit business need.
- Enable working from home
Staff should be able to work from home to suit business need. At a 7:10 ratio staff would need to work 1 or 2 days per week from home where appropriate.
- Contactable by telephone whatever the location
Staff should be equally contactable regardless of their location. That contact should be by telephoning the officer's normal extension number and that the caller would receive the same level of service regardless of the call takers location.
- Reduce reliance on paper
To reduce reliance on paper including reducing paper entering the system.
- Ability to access all documents wherever staff are working
Whether at home or at other sites staff need to be able to undertake all of their normal activities, this requires access to all the documents to undertake the task.
- Specialist software
All staff should be flexible even if they use specialist software, software should therefore be able to move with the officers location and not remain on a fixed pc.

- Standard equipment on each desk
Every desk has to be compatible for every member of staff.
- Enable staff to maximise the different work settings; collaboration, touchdown and interactive meetings.
To have the technology to support collaborative working, touchdown points and interactive meetings.
- Partners technology
Ensure partner occupation of the building is sustainable and they have the technology they need to work efficiently in the new building.

3.0 Implementation & Support

- 3.1 To meet the aspirations and challenges set out above, the decision was taken to equip all staff with an encrypted laptop, remote access capability, a soft phone and where business appropriate, a smart phone for ease of accessing emails and calendar appointments whilst away from the office.
- 3.2 In line with the ICT partnership between Newark & Sherwood DC, Rushcliffe BC and Broxtowe BC Dell laptops and Android smart phones were procured.
- 3.3 The already established Citrix remote access solution was upgraded and expanded to accommodate one hundred concurrent connections and an additional VPN (Virtual Private Network) environment was also introduced giving a total of 150 concurrent remote connections.
- 3.4 The existing telephone system was upgraded which allowed the removal of physical desk phones and the rollout of soft phones was introduced, staff were issued with a client on their laptop and a headset to allow communication and contact wherever the officer is located.
- 3.5 Additional software solutions have been implemented across the Council, especially around Document Management Storage (DMS). This has had two-fold benefits; it has assisted with the resolution of the paper storage problem at Kelham Hall in preparation for the move to Castle House and the much more limited storage capacity there and has also given staff access to customers files and history remotely which they require to deliver their services.
- 3.6 In line with service specific requirements, work has been undertaken to ensure that all specialist items of software are fully operational on the laptops thus ensuring flexibility and removing the requirements for fixed desk location for individual officers.
- 3.7 It was recognised that staff would require additional support to help them through this period of change so ICT developed a suite of guidance documents held on the intranet and to which all staff have been signposted. A series of training sessions were also facilitated and to date have been attended by in excess of 80 staff.

3.8 ICT having been working closely with the partner organisations who will be joining the council at Castle House to ensure that their IT requirements are met and the appropriate levels of security are maintained. Provision has been built into Castle House to provide digital access for partners and NSDC's customers, by mediated means if required, to access online services.

3.9 In order to maximise the different work settings and collaboration requirements, Castle House will be fully covered by Wi-Fi, both for corporate and guest access, with an Audio Visual (AV) solution being implemented to provide electronic message and promotional delivery channels for staff and customers.

4.0 Equalities Implications

4.1 Whilst Castle House and its workstations have been designed to accommodate the majority of employees it should be noted that a small number of personnel will require reasonable adjustments to suit/manage existing ill health conditions/disabilities.

4.2 Business Managers have provided details of all employees with known ill health conditions that may require adjustments. This exercise identified over 30 employees requiring consideration of adjustments.

4.3 To evaluate the need and determine actual need a formal assessment has been undertaken by the Safety & Risk Management Officer for each request.

4.4 Adjustments considered have related to chairs, height of workstations, need of footrests, provision of other specialised postural equipment and adjustments to environmental factors such as heat, light and noise.

4.5 Equipment and furniture purchased is suitable for adjustment for future changes which may be required.

5.0 Impact on Budget/Policy Framework

5.1 All work undertaken to date has been financed from within existing budgets.

6.0 RECOMMENDATION

To note the progress made in respect of agile working.

Reason for Recommendation

To keep Members updated on the implementation of agile working ahead of the move to the new Council offices.

Background Papers

Nil.

For further information please contact Deborah Johnson, Moving Ahead Programme Manager ext. 5800, or Sharon Parkinson, Business Manager – ICT ext. 5404

Matthew Finch
Director - Customers

ANNUAL REVIEW OF THE EXEMPT REPORTS CONSIDERED BY THE POLICY & FINANCE COMMITTEE

1.0 Purpose of Report

1.1 To provide the Policy & Finance Committee with a list of the exempt business considered by the Committee for the period 24 March 2016 to date.

2.0 Background Information

2.1 The Councillors' Commission at their meeting held on 25 September 2014 proposed a number of changes in respect of exempt information, 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 October 2014.

2.2 Members will also be aware that the Council agreed a review mechanism for exempt items which was incorporated into the Access to Information Procedure Rules. Rule 18 provides Members with a mechanism to request a review of exempt information with a view to this being released into the public domain should there be substantive reasons to do so.

3.0 Proposals

3.1 The following table provides the exempt business considered by the Policy & Finance Committee for the period 24 March 2016 to date:

Date of Meeting	Agenda Item	Exempt Paragraph	Opinion of Report Author as to current status of the report
24.03.16	Former Municipal Buildings, 20 Baldertongate, Newark	3	No longer exempt
24.03.16	Moving Ahead Update – Travel to work proposals	4	No longer exempt
30.06.16	Former Municipal Buildings, 20 Baldertongate, Newark	3	No longer exempt
30.06.16	Moving Ahead Update – Customer Service Delivery	4	No longer exempt
30.06.16	Urgency Item – Ollerton Hall	3	Information remains confidential
22.09.16	Proposed Support for Local Business	3	Information remains confidential
22.09.16	Discretionary Rates Relief Policy	3	No longer exempt
22.09.16	Newark Livestock Market Assistance	3	Information remains confidential
22.09.16	Keepers Cottage – Options Appraisal	3	Information remains confidential
22.09.16	Sports Hub, Bowbridge Road, Newark	3	Information remains confidential

22.09.16	Urgency Item – Former Municipal Buildings, 20 Baldertongate, Newark	3	No longer exempt
01.12.16	Sports Hub, Bowbridge Road, Newark	3	Information remains confidential
01.12.16	Markets & Car Parks	4	Information remains confidential
01.12.16	Land adjacent 157 Boundary Road, Newark	3 & 5	No longer exempt

4.0 RECOMMENDATION

That the report be noted with those items which are no longer considered as exempt being released into the public domain.

Reason for Recommendation

To advise Members of the exempt business considered by the Policy & Finance Committee for the period 24 March 2016 to date and those items which can now be released into the public domain.

Background Papers

Nil

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

Kirsty Cole
Deputy Chief Executive

REVIEW OF PROGRESS ON CORPORATE PEER CHALLENGE ACTION PLAN

1. Purpose of Report

- 1.1 To advise Members of progress on the Corporate Peer Challenge Action Plan.

2. Background

- 2.1 At its meeting on 1 December 2016 the Policy & Finance Committee considered a report on the findings of the Corporate Peer challenge held on 19 to 21 July 2016 and approved an action plan. It was further agreed that an interim report be submitted to their meeting in April 2017 with a detailed report being presented to the meeting in June 2017.

3. Introduction

- 3.1 Attached as an **Appendix** to this report is the approved action plan which details the agreed actions together with a note of progress made and revised target dates for completion of relevant actions.
- 3.2 As Members will be aware, the Councillors' Commission have commenced a detailed review of the Councils' existing governance arrangements which will pick up a number of agreed actions.
- 3.3 Work is ongoing on developing and improving the Member extranet and improving communications and engagement generally both internally and externally.
- 3.4 Regarding Member and Officer development and succession planning, it is intended to reconvene the Member Training and Development Task & Finish Group to review the Member Training and Development Strategy.
- 3.5 Regarding officer training and development, the Council has launched a third cohort of the MPA programme together with Gedling and Rushcliffe Borough Councils, but is currently exploring alternatives in the medium term. The National Graduate Development Programme will continue in the short term, in partnership with Rushcliffe Borough Council, but the Council is reviewing this in the light of the Apprenticeship Levy and the opportunities this might offer. The appraisal process, HR Strategy and Workforce Development Plan are currently being reviewed and will link to succession planning.

4. RECOMMENDATION

That progress on the Corporate Peer Challenge Action Plan be noted.

Reasons for Recommendation

To inform Members of progress against the corporate peer challenge action plan.

Background Papers

Nil

For further information please contact Kirsty Cole on Extension 5210.

Kirsty Cole
Deputy Chief Executive

RECOMMENDATION 1

Undertake a review of the impact of your governance arrangements and consider how effective the Council's political decision-making machinery is.

AGREED ACTIONS	ACTION BY	DATE	NOTES
1. Consider C21 century public servant, C21 Councillor and future issues facing Council and determine what governance system presents the 'best fit' – report to be considered by Councillors Commission.	Councillors Commission (KHC/NH).	Report to be presented to Councillors Commission April 2017.	
2. Look at areas of duplication in current committee structure. Can existing system be streamlined? Can overview and scrutiny be strengthened?	Councillors Commission (KHC/NH).	Ongoing.	Initial report considered by Councillors Commission. Scope of a comprehensive review to be agreed by Councillors Commission in April 2017.
3. Consider the Council's experience of the Committee system since its reintroduction and assess options for retaining or adapting the current arrangements or changing to a Cabinet and Scrutiny system – to be considered by Councillors Commission and Council.	Councillors Commission (KHC/NH).	Ongoing – target of 31 December 2017 for completion of review.	See notes above. Member and Officer survey to be approved by Councillors Commission in April 2017 with a view to survey being undertaken in May/June 2017 with a report back to Councillors Commission September 2017.

RECOMMENDATION 2

Improve communications with and involvement of back bench Councillors.

AGREED ACTIONS	ACTION BY	DATE	NOTES
1. Can overview and scrutiny role be strengthened?	Councillors Commission (KHC/NH).	Target date of 31 December 2017 for completion of review.	Survey of Officer/Members views to be considered by Councillors Commission in April 2017.
2. Further develop Member extranet to i) Develop the range of information available ii) Improve the interface for users iii) Support councillors in their ward/community leadership roles	Nigel Hill/ Sharon Parkinson.	Ongoing.	
3. Continuing consultation with and involve all Councillors so that their views on future communications and the extranet are taken into account.	Nigel Hill/Sharon Parkinson/ communications team.	Ongoing.	

RECOMMENDATION 3

Take steps towards achieving greater influence over other decision-makers and service providers in the area.

AGREED ACTIONS	ACTION BY	DATE	NOTES
1. Set out the Council's partnership/collaboration agenda and how we intend to develop it in the future.	CMT.	31/12/17.	
2. Engage actively outside bodies/partnerships where they are relevant to the Council's objectives and cease involvement where the Council does not actively engage at present.	CMT/Karen White/Nigel Hill.	31/12/17.	
3. Review membership of/attendance by officers on outside bodies to determine relevance and review member representation on outside bodies.	CMT Nigel Hill.	31/12/17.	

RECOMMENDATION 4

Embed the changes to operational culture to make the move to the new office a success. Maximise the benefits of the 'my themes' groups, which staff value, to help establish a collaborative and inclusive working culture across business units.

AGREED ACTIONS	ACTION BY	DATE	NOTES
1. Draw on the experience of the Moving Ahead project and consider whether a 'Transformation Team' is required for future changes following the move to the new offices.	CMT	September 2017	

RECOMMENDATION 5

Consider how to future-proof the organisation with succession planning, building on the investment in staff development.

AGREED ACTIONS	ACTION BY	DATE	NOTES
1. Continue to encourage and support development through the MPA programme and use of development programmes such as the NGDP.	HR	Ongoing	Cohort 3 of MPA programme launched but review ongoing as to possible alternatives going forward. NGDP will be continued in short term in partnership with Rushcliffe Borough Council, but subject to review in light of potential opportunities offered through the Apprenticeship Levy.
2. Identify and nurture 'future stars' and talent throughout the organisation through the GNSR Talent Development Framework.	CMT/HR		
3. Update competency framework for NSDC (and wider GNSR if possible) to reflect skills/attributes of the 21 st Century Public Servant	CMT/HR	31/12/17	
4. Ensure that any skills/knowledge gaps are addressed through personal appraisals/training and development plans.	CMT/HR	31/12/17	Personal appraisal scheme currently being reviewed. Review of HR Strategy and Workforce Development Plan currently ongoing and will link to succession planning.
5. Facilitate formal mentoring/shadowing/secondments involvement in projects where appropriate in line with the Talent Development Framework.	HR.	Ongoing	

RECOMMENDATION 6

Refine your strategy for joint working and shared services to make it more focused. Develop a more coherent approach with nearby districts and other agencies to improve resilience and reduce costs.

AGREED ACTIONS	ACTION BY	DATE	NOTES
1. Continue to actively explore opportunities for joint working with local partners including: i) seeking to develop agreement to clear goals around shared service development with partners ii) actively promoting and resourcing change programmes to accelerate shared services where agreement can be reached iii) clearly communicating goals around shared services so they are understood throughout the Council	CMT	Ongoing	Work ongoing on formulating Notts CCTV Partnership.

RECOMMENDATION 7

Develop a co-ordinated engagement strategy – with staff, residents, external stakeholders and Members, enabling all parties to influence service changes into the future.

AGREED ACTIONS	ACTION BY	DATE	NOTES
1. Development an engagement strategy which pulls together the communication, consultation and engagement priorities of the Council into a single approach.	CMT	31/9/17	A desk top review is currently ongoing to look at best practice.
2. Review/update of communications strategy to ensure that it remains fit for purpose in accordance with above.	HR/Communications	31/9/17	A desk top review is currently ongoing to look at best practice.

RECOMMENDATION 8

The Council has achieved a lot and is looking to do a lot more for the benefit of its community so those successes should be celebrated.

AGREED ACTIONS	ACTION BY	DATE	NOTES
1. Continue to take a pro-active approach to engaging with media and the community in demonstrating the Council's successes.	Communications	Ongoing	
2. Pursue recognition through national awards where appropriate.		Ongoing	The Council has recently been shortlisted in the Public Finance Innovation Awards for its devolution initiative. The Council will continue to pursue recognition through national and regional awards where appropriate.
3. Build the Council's reputation through promotion of our achievements		Ongoing	