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

Members of the Committee:

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

Substitute Members

Councillor Mrs C. Brooks
Councillor K. Girling
Councillor Mrs L.J. Tift
Councillor T. Wendels

MEETING: Policy and Finance Committee

DATE: Thursday 29 June 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.

AGENDA

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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, 6 April 2017 at 6.00pm.

PRESENT: Councillor R.V. Blaney (Chairman)

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

SUBSTITUTES: Councillor: Mrs C.A. Brooks for P. Peacock.

ALSO IN Councillors: Mrs I. Brown and Mrs G.E. Dawn.

ATTENDANCE:

80. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor P. Peacock.

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

There were no declarations of interest.

82. DECLARATIONS OF INTENTIONS TO RECORD THE MEETING

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

83. MINUTES FROM THE MEETING HELD ON 23 FEBRUARY 2017

The minutes from the meeting held on 23 February 2017 were agreed as a correct record and signed by the Chairman.

84. APPOINTMENT OF DIRECTOR - RESOURCES

The Chief Executive presented a report which sought to determine the appointment process for the Director - Resources and Section 151 Officer post. The post had been vacant since March 2016 at which time it was agreed 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.

Consideration had been given to a shared role with neighbouring Councils but it was concluded that this was not a viable option given the specific circumstances of potential partner authorities and the requirements of strategic financial management at a time of significant change. The current capacity in the finance function over recent months had also been considered which had confirmed the requirement for a permanent role. The role would include strategic financial management, the Section 151 Officer role, as well as operating alongside other director roles in discharging a wider range of leadership functions.

The Committee would need to establish a Chief Officer's Appointments Panel to consider and oversee the appointment of the post. It was suggested that the Panel comprise five members drawn from the whole of the Council which broadly reflected political balance.

The report also referred to the Council's Constitution which currently provides that the appointment of the Head of Paid Service, Monitoring Officer and Section 151 Officer must be approved by Council. The Committee were also asked to consider whether they wish to recommend to the Council that the Constitution be amended so the appointment of the Section 151 Officer and Monitoring Officer can be delegated to the Chief Officer's Appointments Panel which would be consistent with the Employment Procedure Rules.

AGREED (unanimously) 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 agree and undertake the recruitment process;
- (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) the Council be recommended that the delegated authority of the Chief Officer's Appointment Panel should include the appointment of the Section 151 Officer and Monitoring Officer.

Reason for Decision

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

85. NEWARK LORRY PARK EXTENSION PROJECT

The Business Manager – Environmental Health presented a report which provided options for the expansion and reinstatement of capacity to the Newark Lorry Park. The new Council HQ project occupies land previously used for lorry parking resulting in a reduction from 160 spaces to 122 and if there was to be any future development of the land adjacent to Castle House there would be a total loss of 60 spaces previously used.

The risk of income reduction has been mitigated by the unexpected ability to still use some 22 spaces in the upper part and a £1 increase in fees as from 1 April 2016. However, when the total upperpart was lost there would be a reduction in income and whilst rate increases could reduce any loss, the actual average number of vehicles using the facility had fallen from the levels experienced in 2015/16 possibly due to the difficulty in finding available spaces on the busy evenings of the week.

Therefore, 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 to pursue the option of retaining and expanding the existing lorry park. Detailed work on a scheme to expand the lorry park had now taken place and the design consultants had 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. The design consultants had worked with various stakeholders to develop a scheme that met the requirements of the Council, the needs of the lorry park users and provided a safer more user friendly environment for all the lorry park users including the Newark Livestock Market.

The proposed extension would provide for an additional 67 spaces which would provide the lorry park with a capacity of 167 spaces. There are two options proposed for the construction, the first providing for a concrete roadway and the second for a roadway of compacted stone/gravel. Although there was an increased cost with providing a concrete road, this provided a longer term solution with a more hard-wearing road surface. A business model which indicated the potential income from the various options available and the potential payback period for each option was attached as an appendix to the report.

The report was considered by the Economic Development Committee at their meeting held on 29 March 2017 and they had recommended the full lorry park expansion scheme with the concrete roadway.

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

- (a) the full lorry park expansion scheme with the concrete roadway and the required budget for this be approved;
- (b) the submission of a planning application and the preparation of tender documents for the project be approved; and
- (c) the approved scheme be included as part of the Council's Capital Programme.

Reason for Decision

To consider an extension to the Newark Lorry Park.

86. ALLOCATION OF SECTION 106 FUNDS TO SOUTHWELL TOWN COUNCIL

The Deputy Chief Executive presented a report which sought approval for the transfer of Section 106 funding to Southwell Town Council. In January 2017 the Council received Section 106 funding to the value of £69,208.26 from the Miller Homes development on Nottingham Road, Southwell. These were generated by a Section 106 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.

Southwell Town Council, in partnership with the Friends of Southwell Parks group, was planning improvements to the play facilities for older children on the War Memorial Park and had requested that the District Council release the full amount of Section 106 open space funds from AG966 to allow it to progress this project. Prior to the funds being transferred the Town Council would be required to enter into a legal agreement which binds it to spending the funds in a manner which is consistent with the Section 106 Agreement. The Section 106 Agreement stated that the funds had to be spent within 10 years of receipt and it was advised that this would be included in the legal agreement.

AGREED (unanimously) 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 Decision

To ensure that the Section 106 funds are spent in an appropriate and timely fashion.

87. ALLOCATION OF SECTION 106 FUNDS TO FARNSFIELD PARISH COUNCIL

The Deputy Chief Executive presented a report which sought approval for the transfer of Section 106 funding to Farnsfield Parish Council. In March 2016 the Council received Section 106 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 Section 106 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.

Farnsfield Parish Council were planning improvements to its community facilities and had requested that the District Council release the full amount of Section 106 community facilities funds from AG909 to allow it to progress its projects. Prior to the funds being transferred, the Parish Council would be required to enter into a legal agreement which bound it to spending the funds in a manner which was consistent with the Section 106 Agreement. The Section 106 Agreement stated that the funds had to be spent within 5 years of receipt and it was advised that this would be included in the legal agreement.

AGREED (unanimously) 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 Decision

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

88. “FIXING OUR BROKEN HOUSING MARKET” – HOUSING WHITE PAPER

The Business Manager – Planning Policy presented a report concerning the Housing White Paper. On 7 February 2017 the Government published for consultation a much delayed White Paper on the housing crisis which was currently affecting England. The document set the context of the current housing crisis and set out a range of potential solutions in four chapters: Planning for the right homes in the right places; Building homes faster; Diversifying the market; and Helping people now.

The report set out the various elements of the White Paper which impacted upon the Council and the appendices set out proposed detailed responses to the 38 consultation questions.

AGREED (unanimously) that:

- (a) the report be noted; and
- (b) the proposed consultation responses as set out in the appendices to the report be approved subject to the additional comments made at the meeting.

Reason for Decision

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

89. ESTATE REGENERATION FUND

The Business Manager – Strategic Housing presented a report which provided 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 was designed to accelerate and improve estate regeneration schemes.

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 Bridge Ward Neighbourhood Study. The Council’s bid was for £686,799 enabling grant and £300,000 capacity building grant. On 24 March 2017 DCLG announced that the Council’s funding bid had been successful and work had been undertaken to timetable the key activities required to deliver the early stages of this estate regeneration scheme. DCLG require that a programme of spend was drawn up and the identified finances committed to this. An indicative timetable of activities was set out in the report.

The early deliverables around enhancing the commercial capacity of the Council and re-appraising the financial elements of the estate regeneration scheme were essential to ensure that it was 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. In taking forward the delivery plan, reference would need to be paid to the three key requirements of the wider 'Estate Regeneration Fund', being able to demonstrate: viability; local authority backing; and community support.

AGREED (unanimously) 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 Decision

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.

90. HOUSING GROWTH: ASH FARM, FARNSFIELD (PHASE TWO)

The Business Manager – Strategic Housing presented a report concerning the proposed acquisition of 3 new build affordable rented homes on Barratt Homes phase 2 development at Ash Farm, Farnsfield. Barratt Homes had now secured residential planning consent for an additional 18 dwellings at Ash Farm and details of this phase 2 development were set out in the report.

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. The Council had discussed the situation with Newark and Sherwood Homes and the Company have indicated their interest in acquiring these units.

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. It was reported that the same scenario now existed for the acquisition of 3 additional affordable rents units on phase 2. It was therefore proposed that the Committee consider approving the submission of a transfer bid to Barratt Homes 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. The submission would be subject to on-going negotiations with Barratts, with the need to ensure that the Council achieved the best return for its

investment along with maintaining a viable Housing Revenue Account Business Plan. On completion of this activity it was 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.

The Committee also noted that if Newark and Sherwood Homes' Board did 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 Barratts to consider an appropriate commuted sum for these 2 units.

AGREED (unanimously) that 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 be approved.

Reason for Decision

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.

91. ESTABLISHMENT OF A DEVELOPMENT COMPANY

The Chief Executive presented a report which detailed the progress so far in considering the establishment of a wholly owned development company. The report sought approval to develop a business case for establishing a wholly owned development company and to make other preparations including land acquisition. The business case would include the rationale for setting up the company as was detailed in the report. The business case would also set out the governance arrangements and the financial case for setting up and operating a limited company.

In establishing the business case, a complete review of current council land holdings suitable for residential development would be carried out. Initial assessment suggested 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 was proposed that such land acquisitions were delegated to the Chief Executive following consultation with the Chairman, Vice Chairman and Opposition spokesman of the Policy & Finance Committee where timescales did not allow for a decision to be taken by the Committee which was in line with the current urgency procedures.

AGREED (unanimously) that:

- (a) the Committee agrees in principle, subject to first undertaking the detailed business case, 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;

- (c) delegated authority be given to the Chief Executive following consultation with the Chairman, Vice-Chairman and Opposition Spokesperson of the Policy & Finance Committee, to deal with appropriate land acquisitions where timescales do not allow for a decision to be taken by the Committee; and
- (d) the background to a Company and the evolving information around a business case should be considered through the Working Party established at the December meeting, before a final decision is taken by the Committee.

Reason for Decision

To initiate plans for the establishment of a development company.

92. RECOMMENDATIONS FROM OLLERTON HALL TASK AND FINISH GROUP

The Committee considered the report of the Deputy Chief Executive which advised that at the first meeting the Ollerton Hall Task & Finish Group it was 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. The funding was required in order to cover the incidental expenses including keeping the site safe, secure and in wind and water tight condition; agents fees; the feasibility study, condition survey and viability assessment and heritage significance report; and the commissioning of a design and planning brief.

AGREED (unanimously) 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 Decision

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

93. THE BEACON INNOVATION CENTRE

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

The Chief Executive presented a report which requested £75,000 be added to the Capital Programme for 2017/18 for the reconfiguration of some office space at the Newark Beacon Innovation Centre. Funding for this would be claimed from Nottinghamshire County Council acting as the accountable body for the Nottinghamshire Pre Development Fund.

Nottinghamshire County Council were successful in a bid to the Economic Prosperity Committee for support up to £75,000k for a programme of internal space re-configuration at Newark Beacon which was currently operating at 76% occupancy and followed on from major tenants successfully graduating to larger premises.

Despite a major digital marketing campaign, all demand evidence indicated that the current room offer was too large. A full re-modelling and repricing exercise had been undertaken and this together with car parking adjustments and internal upgrades would address current and emerging risks to the successful operation of the Centre. The addition of this funding had been recommended by the Economic Development Committee.

AGREED (unanimously) that £75,000 be added to the Council's Capital Programme for the Newark Beacon Innovation Scheme.

Reason for Decision

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

94. MOVING AHEAD UPDATE – AGILE WORKING

The Moving Ahead Programme Manager presented a report which updated the Committee on the successful implementation of agile working ahead of the occupation of Castle House.

AGREED (unanimously) that the progress made in respect of agile working be noted.

Reason for Decision

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

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

The Committee considered the report of the Deputy Chief Executive which detailed the exempt business considered by the Committee between 24 March 2016 and 31 March 2017. The report identified which reports, in the opinion of report authors, could now be released into the public domain.

AGREED (unanimously) that the report be noted with those items which are no longer considered as exempt being released into the public domain.

Reason for Decision

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.

96. REVIEW OF PROGRESS ON CORPORATE PEER CHALLENGE ACTION PLAN

The Deputy Chief Executive presented a report which advised the Committee of progress on the Corporate Peer Challenge Action Plan. At the meeting held on 1

December 2016 the Committee considered a report on the findings of the Corporate Peer challenge held in July 2016 and approved an action plan. It was further agreed that an interim report be submitted to this meeting with a detailed report being presented to the meeting in June 2017. The appendix to the report set out the approved action plan and agreed actions, together with a note of progress made and revised target dates for completion of relevant actions.

AGREED (unanimously) that progress on the Corporate Peer Challenge Action Plan be noted.

Reason for Decision

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

97. EXCLUSION OF THE PRESS AND PUBLIC

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

98. ACTIVITY AND COMMUNITY VILLAGE, BOWBRIDGE ROAD, NEWARK

The Committee considered the exempt report presented by the Deputy Chief Executive in relation to the Activity and Community Village at Bowbridge Road, Newark.

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

99. NEWARK LIVESTOCK MARKET

The Committee considered the exempt report presented by the Chief Executive in relation to the Livestock Market, Newark.

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

100. URGENCY ITEM – AUDIO VISUAL PROVISION AT CASTLE HOUSE

The Committee noted the exempt urgency item in relation to the provision of audio visual equipment at Castle House.

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

Meeting closed at 8.55pm.

Chairman

RECONSTITUTION OF WORKING PARTIES / TASK & FINISH GROUPS

1.0 Purpose of Report

1.1 To consider reconvening the Working Parties/Task & Finish Groups established by the Policy & Finance Committee.

2.0 Background Information

2.1 It is necessary to reconvene the Working Parties/Task & Finish Groups established by the Policy & Finance Committee that are still operational.

2.2 Details of these groups are attached as an **Appendix** to the report.

2.3 If Policy & Finance determine that the Working Party/Task & Finish Groups should be reconvened the membership of the Groups will require review.

3.0 Local Development Framework Task and Finish Group

3.1 In addition the Policy & Finance Committee has previously appointed a member to the Local Development Framework Task & Finish Group and the Committee are invited to appoint a representative in anticipation that the Group will be reconvened by the Economic Development Committee.

4.0 RECOMMENDATIONS that:

- (a) the Committee determine which Working Parties/Task & Finish Groups need to be reconvened and review the membership of those groups as required;**
- (b) the Committee appoint representatives to the reconvened bodies and also one representative to the Local Development Framework Task & Finish Group.**

Reason for Recommendations

To reconvene the appropriate Working Parties/Task & Finish Groups.

Background Papers

Nil

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

K.H. Cole
Deputy Chief Executive

WORKING PARTIES AND TASK & FINISH GROUPS

APPENDIX

Working Party/Task & Finish Group	Date First Established	Date of Last Meeting/ (Next Scheduled Meeting)	Previous Membership	Remit
Development Vehicle Working Party Karen White	1 December 2016 (Policy & Finance Committee)	3 May 2017 (To be arranged)	<ul style="list-style-type: none"> All Members of the Policy & Finance Committee. Vice-Chairman and Opposition Spokesperson (Homes & Communities Committee) 	<ul style="list-style-type: none"> To undertake a detailed analysis of the Council's aims and objectives in setting up a housing delivery vehicle To assess the aims and objectives against the Authority's strategic housing sites and different housing delivery models available To report back to the Committee with recommendations as to progressing the establishment of the most appropriate vehicle
Member Development and Training Working Party Kirsty Cole	18 December 2006 (Policy Overview and Scrutiny Committee) 30 June 2016 (Policy and Finance reconvened)	9 September 2015 (To be arranged)	<ul style="list-style-type: none"> Leaders of the three political groups on the Council Additional 3 Members from the Conservative Group (Councillors Duncan, Mison and Rainbow) Additional 2 Members from the Labour Group (Councillors Buttery and Peacock) 	<ul style="list-style-type: none"> To review the Member Induction Programme To produce a Member Training & Development Strategy for the life of the current Council To consider the feasibility of pursuing the Member Development Charter
Non Domestic Discretionary Rate Relief Review Panel Nicola Lovely	7 June 2007 (Cabinet) 30 June 2016 (Policy and Finance reconvened)	30 October 2012 (when required)	<ul style="list-style-type: none"> Panel of 3 Members drawn from Policy & Finance Committee <p>Note: Local Ward Members to be invited to attend if considered appropriate</p>	<ul style="list-style-type: none"> To hear appeals in respect of applications for Discretionary NNDR Relief
Ollerton Hall Task and Finish Group Kirsty Cole	26 January 2017 (Policy and Finance Committee)	29 March 2017 (To be arranged)	<ul style="list-style-type: none"> All Members of the Policy & Finance Committee. The three local Ward Members (Cllrs Mitchell, Truswell and Wells) as observers unless acting as a substitute for a Policy & Finance Committee member <p>Note: Cllr Wells to act as a member in substitution for Cllr Peacock</p>	<ul style="list-style-type: none"> To consider options as to the future use of Ollerton Hall and to make recommendations to Policy & Finance Committee accordingly

Working Party/Task & Finish Group	Date First Established	Date of Last Meeting/ <i>(Next Scheduled Meeting)</i>	Previous Membership	Remit
Strategic Housing Liaison Panel Karen White	4 July 2013 (Policy Committee) 30 June 2016 (Policy and Finance reconvened)	10 April 2017 <i>(19 June 2017)</i>	<ul style="list-style-type: none"> • Chairman, Vice-Chairman and Opposition Spokesman (Policy & Finance Committee) • Chairman & Opposition Spokesman (Homes & Communities Committee) 	<ul style="list-style-type: none"> • To strengthen the relationship, joint working and common purpose and understanding between the Council and its housing Company • To discuss the Council's longer term strategic view and direction for the Company • To develop the forward Delivery Plan; Key Performance Indicators and outcomes; • To review progress against the Delivery Plan at a strategic level

DEVELOPMENT COMPANY

1.0 Purpose of Report

- 1.1 To consider the recommendations of the Working Party concerning the establishment of a Development Company.
- 1.2 To inform the Committee of the progress so far in establishing the business case for a Development Company for Newark and Sherwood District Council and of the further work to be undertaken.

2.0 Background Information

- 2.1 At its meeting on 12th July, 2016, the Council reviewed its strategic priorities following a period of consultation with the public and other key stakeholders. The review took into account the strategic context for the District over the coming four years (2016 – 2020) including economic and social factors, the Government’s legislative programme and the financial context of the Council.
- 2.2 Under the theme of “Homes”, the Council set the following strategic objective: *“Establish a development company to act as a vehicle for new housing development”*
- 2.3 At its meeting on 1st December 2016, the Policy and Finance Committee considered an update report on the decision made at Council and agreed that:
 - (a) a Working Party be established to undertake a detailed analysis of the Council’s aims and objectives in setting up a housing delivery vehicle, assess these against the Authority’s strategic housing sites and the different housing delivery models available and report back to the Committee with its recommendations as to progressing the establishment of the most appropriate vehicle; and
 - (b) budget provision of £20k be allocated to cover the cost of external expert legal advice to facilitate the work referred to in recommendation (a) above.
- 2.4 In February 2017, an external adviser, Sanjiv Kohli, was appointed, to assist with the review of the budget for 2017/18 and the Council’s Medium Term Financial Strategy for 2017/18 to 2020/21. Fortuitously, Sanjiv Kohli has experience of establishing wholly owned companies, having previously done so successfully for Derbyshire County Council.
- 2.5 In addition, following a procurement process, Anthony Collins solicitors were appointed to provide legal support to the Council as it considered the options for establishing a wholly owned company.
- 2.6 At the meeting of the Policy & Finance Committee held on 6 April, it was agreed that:

- (a) the Committee approved in principle, subject to first undertaking a detailed business, the establishment of a wholly-owned Development Company to facilitate residential and commercial development;
- (b) a detailed business case should be brought to the Committee for approval;
- (c) delegated authority be given to the Chief Executive following consultation with the Chairman, Vice-Chairman and Opposition Spokesperson of the Policy and Finance Committee, to deal with appropriate land acquisitions where timescales do not allow for a decision to be taken by the Committee; and
- (d) the background to a Company and the evolving information around a business case, should be considered through the Working Party established at the December meeting, before a final decision is taken by the Committee.

3.0 Working Party

3.1 The Working Party met on 3 May to consider the background and context for the Council to set up a development company. It considered what should be the Council's aims and objectives in setting up the company and broadly supported the following objectives, with an emphasis upon the first objective as an overriding priority:

1. Provide an income stream for the Council to replace lost rate support grant and maintain service levels across the District;
2. Increase the rate of house building to help meet the Local development Framework and increase the Council tax base;
3. Re-build the capacity of SME's in the construction sector;
4. Bring forward sites for development; and
5. Build commercial and industrial property to support the economy.

3.2 There then followed a discussion about the different delivery models available, and which would be the best suited to achieve the aims and objectives set out above. The conclusion was that a company limited by shares was the most appropriate vehicle where the intention was to generate a return to the Council. It was noted that the purpose of the development company would be to deliver market housing and that affordable housing would only be developed where there was a planning requirement to do so for any given site (i.e. through a section 106 agreement). This was separate and distinct from the 5 year social housebuilding programme that the Council had already commenced, funded through its Housing Revenue Account.

3.3 It was agreed by the Working Party that:

- A report should be submitted to the next meeting of the Policy & Finance Committee recommending the aims and objectives listed above (1 to 5) for the setting up of a Council owned development company;
- Further work be undertaken by officers to assess sites within the Council's ownership for development, and possible purchase of additional sites;
- Officers develop a business case for the development company (to include detailed information on its establishment and governance arrangements etc.) to be submitted for consideration to the Policy and Finance Committee in September 2017.

4.0 Proposals

- 4.1 It is proposed to progress with the drawing up of the business case for the establishment of a wholly owned company which will include identification of sites for future development together with identification of site(s) that can be developed as pilot schemes.
- 4.2 This business case will be developed, taking into account the aims and objectives considered by the Working Party and recommended to the Committee for approval as detailed in paragraph 3.1 above.
- 4.3 It is suggested that the developed business case should be first presented to the Working Party and then brought to the Policy & Finance Committee in September 2017 for recommendation to the Full Council.

5.0 Equalities Implications

- 5.1 This report is essentially to update Members on the progress made in developing the business case for the establishment of a development company. The process of developing the business case (to be submitted for consideration to the Policy and Finance Committee in September) will take into account any Equality Impact Assessment required as an integral part of that process to ensure that any equalities issues are properly and appropriately identified.

6.0 Impact on Budget/Policy Framework

- 6.1 In order to meet the cost of establishing the wholly owned company and to fund the initial set up costs it is suggested that a sum of £105,000 should be set aside and this has been included for 2017/18 in the MTFS.

7.0 RECOMMENDATIONS that:

- (a) the Working Party's recommended aims and objectives for setting up the development company as set out and numbered 1. to 5. in paragraph 3.1 of this report, with an emphasis upon the first objective as an overriding priority, be agreed;**
- (b) a business case be developed, taking into account the agreed aims and objectives, for consideration by the Committee at its meeting in September 2017;**
- (c) further work be undertaken by officers to assess sites within the Council's ownership for development, and possible purchase of additional sites; and**
- (d) a recommendation be made to the Council that a sum of £105,000 be provisionally allocated to fund the production of the business case and the initial set up costs of the Company.**

Reason for Recommendations

To progress the Council's strategic priority of establishing a development company to act as a vehicle for new housing development.

Background Papers

Nil

For further information please contact Karen White on Ext 5240.

Karen White
Director - Safety

EQUALITIES UPDATE

1.0 Purpose of Report

- 1.1 To provide Members with an update on the progress made over the last year towards the Council's corporate equalities objectives.

2.0 Background Information

- 2.1 In 2016 the Council adopted its latest Equality and Diversity Strategy which sets out the Council's commitment on how it plans to meet the duties placed upon it by equality legislation. The Equality Act 2010 defines nine protected characteristics and specific duties for public authorities as outlined below. The Council's corporate equality objectives for 2016 – 2020 are:

Equality Objective 1: In delivering the Council's priorities and themes, we will have due regard to equalities implications through leadership, partnership and organisational commitment.

Equality Objective 2: To improve our services by better understanding our communities through the collection and analysis of information, and engaging with partners to share as appropriate.

Equality Objective 3: To ensure our services are accessible to meet the needs of our citizens.

Equality Objective 4: As an employer, promote an inclusive working environment to maintain and develop a modern and diverse workforce.

- 2.2 Equality and diversity forms an integral part of the Council's strategic aims and objectives. Our key priorities of Prosperity, People, Place and Public Service have equalities issues cutting through all of them. The Council's priorities include a range of activities that will help address inequalities and support vulnerable groups. By implementing our key priorities and equality objectives we endeavour to embed equalities in how we allocate resources, comply with our public duties, undertake service planning, engage with our communities, and plan and monitor our services.

3.0 The Equalities Act 2010

- 3.1 As a public authority, the Council is required to have due regard to the need to:

Eliminate unlawful discrimination, harassment and victimisation;

Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and

Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

- 3.2 The Public Sector Equality Duty covers the following protected characteristics:

- Age;
- Disability;

- Gender re-assignment;
- Pregnancy and maternity;
- Race – this includes ethnic or national origins, colour or nationality;
- Religion or belief – this includes lack of belief;
- Sex;
- Sexual orientation.

It also applies to marriage and civil partnership, but only in respect of the requirement to have due regard to the need to eliminate discrimination.

3.3 Having ***due regard*** means consciously thinking about the three aims of the Equality Duty as part of the process of decision-making. This means that consideration of equality issues must influence the decisions reached in terms of:

- how we act as an employer;
- how we develop, evaluate and review policy;
- how we design, deliver and evaluate services; and
- how we commission and procure from others.

3.4 Having due regard to the need to ***advance equality of opportunity*** involves considering the need to:

- remove or minimise disadvantages suffered by people due to their protected characteristics;
- meet the needs of people with protected characteristics; and
- encourage people with protected characteristics to participate in public life or in other activities where their participation is low.

Fostering good relations involves tackling prejudice and promoting understanding between people who share a protected characteristic and others.

3.5 As a local authority we also have a duty to collect and publish information on service users and our communities with regards to the protected characteristics and consider the impact of the decisions that we make on people with protected characteristics.

4.0 What the Council is Doing and Summary of Work Planned Over the Next 12 Months:

4.1 The Council has a number of projects, initiatives and work streams that contribute to the Equality and Diversity Strategy, which are managed through an officer corporate equalities working group.

4.2 One of the key pieces of work over the last 12 months has been to:

- **Integrate Corporate Equality Objectives into Business Unit Action Plans**

Following adoption by the Council of the revised Equality Strategy and associated objectives, a series of Business Manager Workshops have been held. These provided Business Managers with an overview of their responsibilities within the Strategy, and the process for translating the objectives into their business unit plans. During the workshop Business Managers were able to identify equality related activities that are already incorporated into their day-to-day activities as well as identifying further equality related objectives for the current financial year. This provides the golden thread between the objectives set out in the strategy and how this links to improving overall service delivery within each business unit.

Following completion of the workshops, business plans have been updated to include SMART equality based actions that will be actively managed and monitored through the Council's performance management system.

A summary of the Equality and Diversity Action plans for each Business Unit is included at **Appendix A**.

4.3 To ensure our ongoing compliance with the Equalities Act and an understanding of how our services meet the Act, equalities work will continue to be actioned and reviewed. Along with a review of the current documentation a summary of the actions to be completed over the forthcoming year are included below:

- delivering equalities based training tailored to the needs of all staff including reference to, and improved understanding of, the Council's Equality and Diversity Strategy and Objectives;
- providing equality and diversity training through e-learning 'PageTiger' linked to an online Equality and Diversity Certificate [ACAS];
- identifying staff to act as equality champions;
- promotion of specific equality based days e.g. Holocaust Memorial Day;
- increasing Member awareness of equality and diversity related issues with particular reference to equality implications relating to policy decisions contained within committee reports to demonstrate that the Council is paying due regard to equality issues.

5.0 Representative Employment Base

5.1 Officers were previously asked to consider what action could be taken to achieve a more representative employment base. As a result the following actions have been identified/taken:

- a 'refresh' of our workforce diversity monitoring has taken place with staff actively being encouraged to make a diversity declaration. This information helps us to understand key equality issues in our workforce and to make informed decisions on changes to our policies and practices. Whilst we encourage our staff to provide equality monitoring data, supplying it is voluntary, and individuals can choose what they wish to declare.
- we continue to strengthen our internal communications to further improve staff engagement and identify staff equality representatives from across the Council;
- we have increased our use of social media to promote our vacancies externally, enabling us to attract applicants from a broader and more diverse field; we have also undertaken targeted external advertising in specific media, for example the Timewise website;
- we continue to use positive action for external recruitment to attract applicants from under-represented groups, for example targeting of job adverts within specific media and increasing the use of our social media and LinkedIn to advertise vacancies;
- recruitment takes place through fair and open competition (except in certain circumstances, where redeployment or reorganisation policies apply) based on merit, with individuals assessed for their ability to demonstrate the required competences, knowledge and skills for the role. We are committed to ensuring that all recruitment is free from unfair and unlawful discrimination. Reasonable adjustments for disabled people are made at all stages of the recruitment process, as required including provision of a guaranteed interview if the candidate meets the essential criteria;

- we use exit interviews to gather the views of people who leave the organisation and to help identify what factors have contributed to an individual's decision to move on and their experience in the workplace;
- we offer opportunities for staff to work flexibly in a fair and objective way, in line with our flexible working policy and have recently signed up to the Timewise initiative.

6.0 Equalities Champion

6.1 Councillors have an important role to play in ensuring that Equality issues are integral to the local authority's strategic aims/performance and that there is a strong vision and public commitment to equality across Council services. To this end, it is recommended that the Committee consider identifying an elected member to become an Equalities Champion and to take a lead role in driving Equality on behalf of Members. In addition, the role of the Champion will be to promote understanding and development of relevant issues and promote awareness amongst fellow Councillors of Equalities and Equality related issues.

7.0 Equalities Implications

7.1 This report is predominantly for information purposes and details the progress made in achieving the Council's Corporate Equality Objectives. A full Equality Impact Assessment was undertaken prior to the Corporate Equality Strategy 2016 – 2020 being agreed. Equalities Actions identified in this report support agreed Corporate Equality Objectives and aim to ensure Equality and Diversity issues are integral to the Council's performance and strategic aims as well as ensuring that there is a strong vision and public commitment to equality across services.

8.0 Impact on Budget/Policy Framework

8.1 Funding for the actions identified at paragraph 4.3 can be found from within existing budgets.

9.0 RECOMMENDATIONS that:

- a) **the report and the progress made against the Council's equality and diversity objectives be noted; and**
- b) **the Committee consider identifying an elected Member to act as an Equalities Champion on behalf of Members.**

Reason for Recommendations

To keep Members informed of progress made against the objectives included within the Council's adopted Equality and Diversity Strategy.

Background Papers Newark and Sherwood District Council Equality and Diversity Strategy 2016-2020

For further information, please contact Tracey Mellors on Ext 5219/John Bullock on Ext 5817.

Karen White
Director – Safety

APPENDIX A

Equality & Diversity Action plan - Operational status report



Equality Objective 1 – Leadership, Partnership & Organisational Commitment

In delivering the Council's priorities and themes, we will have due regard to equalities implications through leadership, partnership and organisational commitment.

Status	Code	Title	Responsible BU
✓	ADMIN_E&D1.01	As part of Business planning & service delivery, equality matters are routinely considered	(BU) Central Administration
✓	ARTS_E&D1.03	Provide discretionary grants for partner organisations that deliver services e.g. Home Start family support, Newark & Sherwood "Play in the Park", RCAN, CVS	(BU) Community & Arts
✓	ASS_MAN_E&D1.01	As part of Business planning & service delivery, equality matters are routinely considered	(BU) Asset Management
✓	COM-SAF_E&D1.01	Action plan through Partnership plus - costed and delivered	(BU) Community Safety
✓	COM-SAF_E&D1.02	Actively participate in Community Safety partnership which provides services such as: - Victim support worker - LMAP's vulnerable people - Framework worker - Hate crime awareness training - Community Cohesion Project	(BU) Community Safety
✓	COM-SAF_E&D1.03	Allocated funding through partnership plus to commission the Framework worker to work with vulnerable persons and promote the "Say no to hate" training	(BU) Community Safety
✓	CULTURE_E&D1.07	Friends of the Museum – local community group carry out charity fundraising for the Museum	(BU) Heritage, Culture & Visitors
✓	CUST-S_E&D1.04	Ollerton and Southwell Hubs open	(BU) Customer Services & External Communications
✓	ECO-GRO_E&D1.04	Ollerton Outreach service - provides access to jobseekers	(BU) Economic Growth
✓	ECO-GRO_E&D1.06	Provide events across the district to reach all communities and ensure accessibility	(BU) Economic Growth
✓	ECO-GRO_E&D1.08	Timewise project - working with employers to give them an understanding of different ways of working	(BU) Economic Growth
✓	FIN-SERV_E&D1.01	Ensure Financial Services meets the needs of all its (internal) customers. e.g., Provide paper payslips rather than Selima Online for those who require this.	(BU) Financial Services
✓	FIN-SERV_E&D1.04	Update contract procedure rules to align with latest E&D Legislation	(BU) Financial Services

Status	Code	Title	Responsible BU
✓	HSG-OPT_E&D1.01	Corporate safeguarding	(BU) Housing Options & Safeguarding Overview
✓	HSG-OPT_E&D1.02	EIA's – Policy and Strategy Development action planning with partners	(BU) Housing Options & Safeguarding Overview
✓	HSG-OPT_E&D1.04	Monitoring strategy development, action planning with partners	(BU) Housing Options & Safeguarding Overview
✓	ICT_E&D1.01	Online forms – straight into back office applications – alternative access/delivery channels prevents re-keying of info by staff	(BU) ICT
✓	REV&BEN_E&D1.02	Officers visit vulnerable claimants to assist with Benefit claims	(BU) Revenues & Benefits
✓	REV&BEN_E&D1.04	Providing alternative to cash payments at post offices (bar codes)	(BU) Revenues & Benefits
✓	STRAT_HG_E&D1.01	Develop & Inform health & housing agendas data policy, e.g. hospital discharge scheme; warm homes on prescription. (County Lead)	(BU) Strategic Housing
✓	STRAT_HG_E&D1.03	Monitor Newark & Sherwood Homes to provide assurance that they meet equality objectives through regular meetings and delivery plans	(BU) Strategic Housing

Equality Objective 2 - Collect & Share

To improve our services by better understanding our communities through the collection and analysis of information and engaging with partners to share as appropriate.

Status	Code	Title	Responsible BU
✓	COM-SAF_E&D1.04	Encourage making projects sustainable through long term funding with the Office of Police and Crime Commissioner	(BU) Community Safety
✓	CULTURE_E&D1.11	Conduct exit surveys & observation studies – TripAdvisor/Visitors Verdict	(BU) Heritage, Culture & Visitors
✓	DEM-SERV_E&D1.01	Accessibility of Council and Committee meetings, publication of agendas on the website, use of induction loops and paper copies of information in meeting rooms as required	(BU) Democratic Services
✓	DEM-SERV_E&D1.03	Collate equalities data for those applying to work on elections	(BU) Democratic Services
✓	ECO-GRO_E&D1.01	Economic Development projects delivered and ongoing - Women in Engineering event - Newark Business project for primary schools	(BU) Economic Growth
✓	ECO-GRO_E&D1.07	Raise awareness of the variety of employment opportunities available across the district e.g. Apprenticeships	(BU) Economic Growth

Status	Code	Title	Responsible BU
✓	ENV-H_E&D1.02	Consultation with all car park users	(BU) Environmental Health
✓	ENV-H_E&D1.03	Disabled Facilities Grants looking at discretionary funding for home repair assessments	(BU) Environmental Health
✓	ENV-H_E&D1.06	Health champions role, in sign posting and support	(BU) Environmental Health
✓	PERF_E&D1.01	Monitor Equality & Diversity actions across all Business Units	(BU) Performance
✓	PLAN-P_E&D1.02	Carry out research and policy making to support the development of Planning Policy to meet community requirements	(BU) Planning Policy
✓	REV&BEN_E&D1.01	Monitor payments made via post office	(BU) Revenues & Benefits
✓	STRAT_HG_E&D1.04	Policy Development and Implementation e.g. Allocation Scheme undertaken	(BU) Strategic Housing
✓	STRAT_HG_E&D1.05	When undertaking projects (Housing Needs Assessment and Neighbourhood studies), fully consider equality implications through EIS process and provide consultation materials in reasonable alternative formats.	(BU) Strategic Housing
✓	STRAT_HG_E&D1.06	Monitor Impact of policies	(BU) Strategic Housing

Equality Objective 3 - Accessibility

To ensure our services are accessible to meet the needs of our citizens.

Status	Code	Title	Responsible BU
✓	ARTS_E&D1.01	Provide opportunities for all members of the community to enable them to feel engaged and integrated locally. e.g. Activity and Community Village and health and wellbeing venue	(BU) Community & Arts; (BU) Community & Arts
✓	ARTS_E&D1.02	Provide arts and cultural activities for hard to reach groups so they feel valued and a part of their community. e.g. working with Memory Cafe	(BU) Community & Arts
✓	CULTURE_E&D1.02	Building accessible to all	(BU) Heritage, Culture & Visitors
✓	CULTURE_E&D1.03	Children's activities at permanent galleries (Pikes & Ladders/Events 4 kids)	(BU) Heritage, Culture & Visitors
✓	CULTURE_E&D1.04	Deaf and visual awareness training for L&P manager, Volunteer manager, front of house staff and volunteers	(BU) Heritage, Culture & Visitors
✓	CULTURE_E&D1.05	Subtitles and signing for films in cinema on request and signed performances of Panto	(BU) Heritage, Culture & Visitors
✓	CULTURE_E&D1.06	Free access for carers	(BU) Heritage, Culture & Visitors

Status	Code	Title	Responsible BU
✓	CULTURE_E&D1.08	Range of activities and events to encourage access and participation of all age groups	(BU) Heritage, Culture & Visitors
✓	CULTURE_E&D1.09	Makaton training for Front of House, Learning & Participation, Volunteers.	(BU) Heritage, Culture & Visitors
✓	CULTURE_E&D1.10	Newark and District Young Archaeologist Club (NADYAC) at National Civil War Centre	(BU) Heritage, Culture & Visitors
✓	CULTURE_E&D1.12	Signposting to access/car parking etc. on web and in print	(BU) Heritage, Culture & Visitors
✓	CUST-S_E&D1.01	Continue to ensure the website content is accessible -Browse Aloud, audible read and translate function - Review the content to ensure it's accessibility	(BU) Customer Services & External Communications
✓	CUST-S_E&D1.02	Ensure services are accessible	(BU) Customer Services & External Communications
✓	CUST-S_E&D1.03	Face to face services delivered in a number of locations	(BU) Customer Services & External Communications
✓	CUST-S_E&D1.05	Translation service provided	(BU) Customer Services & External Communications
✓	DEM-SERV_E&D1.02	Availability of information and specific forms in alternative formats to enable all citizens to register to vote	(BU) Democratic Services
✓	DEM-SERV_E&D1.04	Continued review to ensure polling stations are accessible to all electors in addition to the statutory review, promote the availability of postal voting	(BU) Democratic Services
✓	DEV_E&D1.01	Continue to consult with relevant organisations regarding areas of work – i.e. planning applications etc.	(BU) Development
✓	DEV_E&D1.02	Engagement with local branches of RNIB regarding content of letters – plain English	(BU) Development
✓	DEV_E&D1.03	Ensure appropriate access to venues as part of planning related events (e.g. planning appeals/Hearings)	(BU) Development
✓	DEV_E&D1.04	Provision of information in different formats (e.g. large print etc.) or face to face, telephone meetings	(BU) Development
✓	ECO-GRO_E&D1.02	Engage with and educate employers of sources of information available in respect of reasonable adjustments required by potential employees. e.g. Shift times, equipment	(BU) Economic Growth
✓	ECO-GRO_E&D1.03	Ensure customer facing staff are fully trained in Equality & Diversity	(BU) Economic Growth
✓	ECO-GRO_E&D1.05	Promotional material – available in reasonable alternative formats	(BU) Economic Growth
✓	ENV-H_E&D1.01	Equality Impact Assessment for Disabled parking policy completed and applied	(BU) Environmental Health
✓	ENV-H_E&D1.04	Food hygiene training in different languages	(BU) Environmental Health

Status	Code	Title	Responsible BU
✓	ENV-H_E&D1.05	Taxi Policy looks at wheelchair accessibility	(BU) Environmental Health
✓	ENV-H_E&D1.07	Local alcohol action scheme to target/protect young people	(BU) Environmental Health
✓	ENV-H_E&D1.08	Keep cash payments for dog control, Gypsy & Travellers	(BU) Environmental Health
✓	FIN-SERV_E&D1.02	Provide financial information in alternative formats where reasonable to both internal and external customers.	(BU) Financial Services
✓	HSG-OPT_E&D1.03	Health & Housing Alignment , Homelessness, Resettlement of asylum refugees, Fuel Poverty, Dementia Awareness training, Warm Homes on Prescription, Hospital Discharge, Severe weather provision for rough sleepers,	(BU) Housing Options & Safeguarding Overview
✓	ICT_E&D1.02	Promotion of Digital Services	(BU) ICT
✓	ICT_E&D1.03	Website – text to speech – alternative languages	(BU) ICT
✓	PARKS_E&D1.01	Engagement with different local communities e.g. Sconcefest event with Polish Food stand	(BU) Parks & Amenities
✓	PARKS_E&D1.02	Ensure Green spaces are physically accessible, e.g. Provision of appropriate footpaths	(BU) Parks & Amenities
✓	PARKS_E&D1.04	Maintain Green Flag status including community engagement to ensure appropriate services and accessibility	(BU) Parks & Amenities
✓	PLAN-P_E&D1.01	Carry out Equality Impact Assessments on new Planning Policy	(BU) Planning Policy
✓	PLAN-P_E&D1.03	Consultation documents available in reasonable alternative formats such as; paper copies in libraries as well as online	(BU) Planning Policy
✓	REV&BEN_E&D1.03	Provide financial assistance (Council Tax discounts, housing benefit, DWP)	(BU) Revenues & Benefits
✓	STRAT_HG_E&D1.02	Develop new housing to meet local need with reference to protected characteristics	(BU) Strategic Housing
✓	WASTE_E&D1.01	Assisted Bin collections	(BU) Waste, Litter & Recycling
✓	WASTE_E&D1.02	Staff awareness training	(BU) Waste, Litter & Recycling

Equality Objective 4 - Inclusivity

As an employer, promote an inclusive working environment to maintain and develop a modern and diverse workforce.



Status	Code	Title	Responsible BU
✓	CULTURE_E&D1.01	All groups welcomed and encouraged to apply for paid and volunteer roles	(BU) Heritage, Culture & Visitors
✓	DEM-SERV_E&D1.05	Employ election staff which reflects the make-up of our district – diverse workforce	(BU) Democratic Services
✓	ENV-H_E&D1.09	Agile working enables more home visits for people "less mobile" on grounds of disability/finance/age etc.	(BU) Environmental Health
✓	ENV-H_E&D1.10	Equality & Diversity Training embedded into team meetings	(BU) Environmental Health
✓	ENV-H_E&D1.11	Monitor performance against equality based objectives through team meetings and appraisals as necessary	(BU) Environmental Health
✓	ICT_E&D1.04	Agile working provision – home/life balance	(BU) ICT
✓	PARKS_E&D1.03	Involving volunteers from different backgrounds e.g. learning disabilities, Eden Housing Project, Rumbles Catering Project	(BU) Parks & Amenities

E&D Action Plan - Further Controls status report


















Equality Objective 1 - Leadership, Partnership & Organisational Commitment

Status	Progress	Responsible BU	Code	Title	Action Due Date	Milestone Description	Milestone Due Date	Milestone Completed	Completed Date
	<input type="text" value="0%"/>	(BU) Community & Arts	ARTS_E&D2.0 1	Monitor and progress the Activity and Community Village	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Community & Arts	ARTS_E&D2.0 2	Investigate planning gain process and identify an evidence of need to improve community infrastructure.	31-Mar-2018	Start an engagement process with parish Councils	30-Sep-2017	No	
	<input type="text" value="0%"/>	(BU) Community & Arts	ARTS_E&D2.0 2	Investigate planning gain process and identify an evidence of need to improve community infrastructure.	31-Mar-2018	Work with Parish councils to develop community social inclusion priorities based on need	31-Mar-2018	No	
	<input type="text" value="0%"/>	(BU) Economic Growth	ECO-GRO_E&D2.0 1	Consider Media resource for all schools to promote careers and Businesses across the district featuring young people, apprentices etc.	31-Dec-2017				
	<input type="text" value="100%"/>	(BU) Economic Growth	ECO-GRO_E&D2.0 2	Delivery of Careers Expo in May 17	31-May-2017				
	<input type="text" value="0%"/>	(BU) Economic Growth	ECO-GRO_E&D2.0 3	Survey of businesses that we work with regularly regarding Apprenticeships/Timewise	31-Mar-2018	Review of Businesses that we work with regularly regarding Apprenticeships/Timewise	30-Sep-2017	No	
	<input type="text" value="0%"/>	(BU) Environmental Health	ENV-H_E&D2.06	Consider Equality implications in respect of public spaces protection order	31-Mar-2018	Consultation with town/parish councils	30-Jun-2017	No	
	<input type="text" value="0%"/>	(BU) Environmental Health	ENV-H_E&D2.06	Consider Equality implications in respect of public spaces protection order	31-Mar-2018	Draft Public Space Protection Order and Equality Impact Assessment to L&E committee	30-Sep-2017	No	
	<input type="text" value="0%"/>	(BU) Environmental Health	ENV-H_E&D2.06	Consider Equality implications in respect of public spaces protection order	31-Mar-2018	Approval by full council	31-Jan-2018	No	
	<input type="text" value="0%"/>	(BU) Financial Services	FIN-SERV_E&D2.01	Ensure Procurement Equality guidance is updated to include latest legislation in support to BMs	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Financial Services	FIN-SERV_E&D2.02	Equality & Diversity clauses included in appropriate services & works invitation to tender and awarded contract documents	31-Mar-2018	Check E&D Clauses in Invitation to tender and awarded contract documents are relevant and up to date	30-Sep-2017	No	
						Check E&D Clauses in Invitation to	31-Mar-2018	No	

Status	Progress	Responsible BU	Code	Title	Action Due Date	Milestone Description	Milestone Due Date	Milestone Completed	Completed Date
						tender and awarded contract documents are relevant and up to date			
	<input type="text" value="0%"/>	(BU) Housing Options & Safeguarding Overview	HSG-OPT_E&D2.01	Increase regard to EIA in service design across systems/partnership	31-Mar-2018	Implementation of enhanced Housing Options self-serve facility	30-Jun-2017	No	
						New Rough Sleeper service	30-Jun-2017	No	
						Expanding Warm Homes on Prescription	30-Sep-2017	No	
						Homelessness Review	31-Mar-2018	No	
						Implementation of Housing Allocations policy	31-Mar-2018	No	
	<input type="text" value="0%"/>	(BU) Planning Policy	PLAN-P_E&D2.01	Continue to seek out representatives from community groups to achieve better communication with protected groups	31-Mar-2018				

Equality Objective 2 - Collect & Share

Status	Progress	Responsible BU	Code	Title	Action Due Date	Milestone Description	Milestone Due Date	Milestone Completed	Completed Date
	<input type="text" value="0%"/>	(BU) Community Safety	COM-SAF_E&D2.01	Improve consistency and accessibility to the service through re-design of processes	30-Sep-2017				
	<input type="text" value="0%"/>	(BU) Community Safety	COM-SAF_E&D2.02	Monitor performance against equality based objectives using Data from the partnership analyst; Analysis of data from Uniform	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Community Safety	COM-SAF_E&D2.03	Understand our communities through Bassetlaw and Newark & Sherwood Community Safety Partnership	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Heritage, Culture & Visitors	CULTURE_E&D2.01	Compare data set with overall community statistics and benchmark with similar heritage sites	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Customer Services & External	CUST-S_E&D2.03	To review numbers of customers using the Browse Aloud facility	31-Mar-2018				






Status	Progress	Responsible BU	Code	Title	Action Due Date	Milestone Description	Milestone Due Date	Milestone Completed	Completed Date
		Communications							
	<input type="text" value="0%"/>	(BU) Development	DEV_E&D2.03	Investigate who and who isn't contacting us and methods of contact – surveys etc. (Communities/individuals)	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Economic Growth	ECO-GRO_E&D2.04	Undertake Listening Project for hard to reach groups in order to assist them into employment	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Parks & Amenities; (BU) Parks & Amenities	PARKS_E&D2.02	Gather Information from events held on NSDC green spaces to identify participants in relation to equality considerations	31-Mar-2018	Develop a feedback survey	30-Jun-2017	No	
	<input type="text" value="0%"/>	(BU) Parks & Amenities	PARKS_E&D2.03	Repeat Survey work at S&D Park to establish different user group representation with a view to improving accessibility (2)	31-Mar-2018				
	<input type="text" value="100%"/>	(BU) Performance	PERF_E&D2.01	Implement new Equality & Diversity monitoring action plan to reflect new Equality Objectives	30-Jun-2017	Investigate further controls needed with all Business managers	30-Apr-2017	Yes	23-May-2017
	<input type="text" value="0%"/>	(BU) Planning Policy	PLAN_P_E&D2.03	Review consultations to increase effectiveness and better understand who responds to our consultations	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Planning Policy	PLAN-P_E&D2.02	Research potential to set requirements for more diverse housing through Planning Policy	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Revenues & Benefits	REV&BEN_E&D2.01	Set up regular monitoring of visits to Benefits claimants and types of visit	30-Jun-2017				
	<input type="text" value="0%"/>	(BU) Revenues & Benefits	REV&BEN_E&D2.02	Record take up of alternative format letters/forms	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Strategic Housing	STRAT-HG_E&D2.02	Review data collection relevance	31-Mar-2018				

Equality Objective 3 - Accessibility

Status	Progress	Responsible BU	Code	Title	Action Due Date	Milestone Description	Milestone Due Date	Milestone Completed	Completed Date
	<input type="text" value="0%"/>	(BU) Asset Management	ASS-MAN_E&D2.01	Continued review to ensure facilities are inclusive, safe, appropriate and fully accessible for all visitors/residents as appropriate	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Heritage, Culture & Visitors	CULTURE_E&D2.02	Investigate "Welcome All" training or alternatives	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Heritage, Culture & Visitors	CULTURE_E&D2.04	Investigate new Tourism website for scope for development , e.g. "ReadAloud"	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Heritage, Culture & Visitors	CULTURE_E&D2.05	Review and redevelop Audio described guides	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Customer Services & External Communications	CUST-S_E&D2.01	Identify customers who may require digital assistance	31-Oct-2017				
	<input type="text" value="0%"/>	(BU) Customer Services & External Communications	CUST-S_E&D2.02	Provide digital zones for customers	30-Sep-2017				
	<input type="text" value="0%"/>	(BU) Democratic Services	DEM-SERV_E&D2.02	Promotion of registering to vote online	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Democratic Services	DEM-SERV_E&D2.03	Wider training for canvas staff to assist citizens with completing registration forms	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Development	DEV_E&D2.01	Consider Equality Impact Assessments – service overall	31-Mar-2018	Initial EqIA assessments undertaken	30-Sep-2017	No	
						EqIA of overall service completed	31-Mar-2018	No	

Status	Progress	Responsible BU	Code	Title	Action Due Date	Milestone Description	Milestone Due Date	Milestone Completed	Completed Date
	<input type="text" value="0%"/>	(BU) Development	DEV_E&D2.02	Review the provision of clear and understandable information – e.g. Application forms/jargon busting	31-Mar-2018	Review of information provided	30-Sep-2017	No	
						Review completed	31-Mar-2018	No	
	<input type="text" value="0%"/>	(BU) Environmental Health	ENV-H_E&D2.01	Procurement considerations - Lorry Park Cafe	31-Mar-2018	Consider cultural food needs of customers of lorry park cafe	30-Sep-2017	No	
						Negotiate with leaseholder to provide a more diverse range of food	31-Mar-2018	No	
	<input type="text" value="0%"/>	(BU) Environmental Health	ENV-H_E&D2.02	Consider reasonable provision of suitable service information for all potential lorry park users	30-Sep-2017	Review signage and information and identify needs of non-English speaking users	30-May-2017	No	
						Assessment of language needs	30-Jun-2017	No	
						Make signage and information available	30-Sep-2017	No	
	<input type="text" value="0%"/>	(BU) Environmental Health	ENV-H_E&D2.04	Develop advice leaflets in other languages or picturegrams as necessary	31-Mar-2018	Identify communities we engage with	31-Jul-2017	No	
						Produce advice leaflets to address identified needs	30-Nov-2017	No	
	<input type="text" value="0%"/>	(BU) Environmental Health	ENV-H_E&D2.05	Make enforcement notices more accessible by including a multi lingual advice paragraph	30-Sep-2017				
	<input type="text" value="0%"/>	(BU) ICT	ICT_E&D2.01	Provision of self-service digital zone in new council offices	31-Mar-2018	Provision of self-services digital zone in Castle House	30-Sep-2017	No	
						Review of Service (Digital Zone)	31-Mar-2018	No	
	<input type="text" value="0%"/>	(BU) Parks & Amenities	PARKS_E&D2.01	Ensure ongoing project work properly considers equalities objectives/interactions/considerations e.g. Newark Castle Gatehouse, new Sconce play space, visitor centre extension	31-Mar-2018	Work towards creation of sensory play trail at Sconce Park	31-Mar-2018	No	
						Work towards stage 1 Application process for Access to Gatehouse	31-Mar-2018	No	
	<input type="text" value="0%"/>	(BU) Strategic Housing	STRAT-HG_E&D2.01	Embed regular E&D training and development within Business Unit	31-Mar-2018	Re-emphasise E&D training and development within Business Unit	30-Sep-2017	No	
						Re-emphasise E&D training and development within Business Unit	31-Mar-2018	No	
	<input type="text" value="0%"/>	(BU) Waste, Litter & Recycling	WASTE_E&D2.01	Consider fact sheet on bin collection in different languages i.e. Arabic/Syrian families as required	31-Mar-2018	Speak to Housing Options BM to discuss	31-Jul-2017	No	

Equality Objective 4 - Inclusivity




Status	Progress	Responsible BU	Code	Title	Action Due Date	Milestone Description	Milestone Due Date	Milestone Completed	Completed Date
	<input type="text" value="0%"/>	(BU) Heritage, Culture & Visitors	CULTURE_E&D2.03	Monitoring volunteer diversity and identifying gaps	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Democratic Services	DEM-SERV_E&D2.01	Provision of electronic voting, wider transparency and visibility of decision making	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Development	DEV_E&D2.04	Undertake training and awareness on a timely basis for team etc. (emphasis on development and control)	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Development; (BU) Development	DEV_E&D2.05	Consider equality needs as part of staff appraisals	31-Mar-2018				
	<input type="text" value="0%"/>	(BU) Environmental Health	ENV-H_E&D2.03	Investigate equality data for Penalty Charge Notice and tribunals for vulnerability etc.	30-Sep-2017				

E&D Action Plan - Audit Actions - Further Controls status report



Miscellaneous additional objectives in addition to those aligned to the four key priorities.

Status	Progress	Responsible BU	Code	Title	Action Due Date	Milestone Description	Milestone Due Date	Milestone Completed	Completed Date
▶	0%	(BU) Community Safety; (BU) Customer Services & External Communications; (BU) HR & Legal	04 E&D 17/18	Develop Training Strategy for staff below Business Manager Level	30-Mar-2018	Consideration to be given to e-training including use of PageTiger.	30-Sep-2017	No	
						Staff Training Strategy	30-Sep-2017	No	
▶	0%	(BU) Community Safety; (BU) Customer Services & External Communications	08 E&D 17/18	Develop a calendar of Equality Awareness display/days	31-Mar-2018				
▶	0%	(BU) Community Safety; (BU) HR & Legal	12 E&D 17/18	Review and update online equalities website information data	31-Mar-2018				
▶	0%	(BU) Community Safety	13 E&D 17/18	Equality Impact Assessments to be undertaken as appropriate.	31-Mar-2018	Undertake a sample review of 2 Equality Impact Assessments - Q1	01-Jul-2017	No	
						Undertake a sample review of 2 Equality Impact Assessments - Q2	30-Sep-2017	No	
						Undertake a sample review of 2 Equality Impact Assessments - Q3	31-Dec-2017	No	
						Undertake a sample review of 2 Equality Impact Assessments - Q4	31-Mar-2018	No	

Status	Progress	Responsible BU	Code	Title	Action Due Date	Milestone Description	Milestone Due Date	Milestone Completed	Completed Date
	<input type="text" value="0%"/>	(BU) Community Safety; (BU) HR & Legal (Human Resources)	14 E&D 17/18	Annual report for Policy and Finance Committee.	30-Jun-2017	Annual report considered by Policy and Finance Committee	30-Jun-2017	No	
	<input type="text" value="0%"/>	(BU) Community Safety; (BU) HR & Legal (Human Resources)	16 E&D 17/18	Review and update all Equality policy/guidance documents	31-Mar-2018	Collection of data in accordance with information governance	31-Mar-2018	No	
	<input type="text" value="0%"/>	(BU) Community Safety; (BU) HR & Legal	19 E&D 17/18	Investigate actions which could be taken to achieve an employment base more representative of the community.	30-Jun-2017				

GENERAL FUND BUDGET PERFORMANCE REPORT TO 31 MARCH 2017

1.0 Purpose of Report

- 1.1 This report compares the General Fund Policy & Finance Committee net expenditure for the period ending 31 March 2017 with the profiled budget for the period.

2.0 Background Information

- 2.1 The Council's Constitution states that the Section 151 Officer shall present to the Policy & Finance Committee, at least twice in each financial year, budgetary control statements showing performance against the approved estimates of revenue expenditure and income. The appropriate Chief Officer will report on any major variances from planned budget performance.
- 2.2 It also states that budget performance monitoring information shall be provided to the appropriate Committee on a quarterly basis.
- 2.3 Where it appears that the amount included under any head of the approved budget is likely to be exceeded or the budgeted amount of income under any head is unlikely to be reached then budget officers are required to find savings elsewhere in their budget. In circumstances where savings cannot be identified it will be necessary to consult with the Section 151 Officer and ultimately take a report to the Policy & Finance Committee.

3.0 Proposals

- 3.1 The attached appendices detail performance against budget for the period to 31 March 2017 for those budgets within the remit of the Policy & Finance Committee.
- 3.2 **Appendix A** comprises a statement of all transactions during the financial year, whilst **Appendix B** shows only expenditure and income on provision of services. A significant number of transactions take place 'below the line', i.e. shown in the General Fund account rather than identified to a particular service. This is in line with the CIPFA Code of Practice and includes such things as transfers to and from reserves.
- 3.3 Under the Accounting Code of Practice Local Authorities are required to show capital charges for the use of their assets based on the current market value. These amounts are included within the estimates to show the true cost of delivering local services however they are reversed 'below the line' in the overall cost of services therefore not impacting on the Council Tax payer. Variations on 'capital charges' are therefore not an area for concern.
- 3.4 The introduction of International Financial Reporting Standards (IFRS) for the financial year 2010/2011 has resulted in a change in the way the Council accounts for grants received from third parties. These changes mean that income and expenditure is charged direct to the service accounts and, at the year end, any under spend is transferred to reserves and any overspend is transferred from reserves. The base budget does not include grant funded expenditure or income, although at the year end these are included in the profiled budget and actual figures.

3.5 Support services (e.g. HR, Financial Services, Business Unit management – such as Leisure Centres) are charged to individual budget heads at the end of the financial year and are reported here for noting only.

3.6 Capital charges are applied to accounts at the end of the financial year and are reversed 'below the line' so have no impacts on the Council Tax payer. These are reported here for noting only.

4.0 Performance Comments

4.1 The total for service net expenditure shows an under spend of £1,550,864 against the profiled budget for the period to 31st March 2017. All managers are very aware of the current financial environment and challenges facing local government in the future and are ensuring that only essential expenditure is incurred. Officers from Financial Services are working with service managers to examine savings achieved in 2016/17 and where it is agreed that they are long term savings, future budgets will be amended to exclude these costs. The detailed performance figures are shown at **Appendix A**.

4.2 The main variations from the profiled budget to 31 March 2017 are itemised below:

4.2.1 Economic Development Committee – underspend £482k

- The anticipated income from the National Civil War Museum was underachieved by £176k however this was partly offset by Palace Theatre income which exceeded the budget by £58k.
- Development Management income exceeded the budget by £278k.
- Direct savings accruing from the transfer of the Building Control service amount to £23k, however the reallocation of central support services across other services inflates the amount of the saving to £85k.
- Scrutiny of prior years' income released £105k of historic debts into the Newark BIC income.
- Income from the lorry park exceeded income targets by £95k
- Workshop voids, and hence lost rent was £43k lower than anticipated.

4.2.2 Homes & Communities Committee – underspend £314k

- Housing Options – reduced management fee for homeless hostel and other third party costs £41k
- Strategic Housing – staffing & other expenditure reductions £22k
- A contribution was received from the HRA for the Ollerton and Boughton neighbourhood study but no expenditure was incurred during 2016/17 £50k
- Delays in recruitment within ICT £26k
- Additional income from Licensing £26k
- Reduced staffing costs – Licensing Admin £21k
- CCTV has an overall reduction in costs through a shared service £41k
- Energy & Home Support has achieved third party funding of £38k
- Reduction in payment of support for Parish Council loans as the loans cease £15k
- Emergency planning – Contractual services £10k
- The remainder of the underspend has been achieved through individual savings of less than £10k across a wide range of budget heads.

4.2.3 Leisure and Environment Committee – underspend £391k

- There are significant savings, (£189k), on refuse collection with the majority being achieved by reduced vehicle costs both as a result of fuel prices and the opening of the waste transfer station at Brunel Drive. These include fuel (£64k), tyres (£27k), and materials (£15k). (£26k) has been saved on the leasing budget where it proves more cost effective to buy vehicles outright. Income budgets have been exceeded by trade refuse (£36k) and garden waste collections (£21k).
- Savings on staffing, agency costs, fuel, and additional income from litter/dog bin collection have resulted in savings on Street Sweeping (£62k)
- The main savings across Environmental Health have been achieved on staffing (£22k) and income (£31k).
- Savings were achieved on the management fee to Active4Today (£130k) and on R&R funding draw down for Dukeries Leisure Centre which was invoiced to the company (£25k)
- Unbudgeted income in respect of officer secondment was received (£47k).
- Agreement has been reached on the final amount due in respect of rental at the livestock market for 2015/16 resulting in a reduction of £128k in the accrued income.

4.2.4 Policy & Finance Committee – underspent £363k

- The position on the Policy and Finance Committee is complex as it includes the budgets for a large number of central support services which are required by the professional accounting bodies to be fully reallocated at the end of the financial year. It is necessary to compare direct expenditure and income with their corresponding budgets and make comment on those.
- Vacant posts, net of central allowance (£143k).
- Utility budgets (£44k)
- Change Management budget (£32k).
- Review of 2015/16 estimated creditors not required (£38k).
- Recovery of additional housing benefit overpayments (£107k).

4.3 Lines 25 to 36 Of **Appendix A** show a breakdown of taxation and non-specific grant income. As predicted there was a shortfall on NDR baseline funding (lines 26 & 27) as a result of setting aside the necessary appeals provision. Additionally the NDR Section 31 grants were lower than anticipated (Line 29). Nottinghamshire Finance Officers have agreed those prior years' payments to the County and Fire preceptors should be repaid to the billing authorities (Line 34). Historically, the New Homes Bonus grant has not been included in the annual revenue budget (Line 36) and this, together with other adjustments, impacts on the transfers to reserves (line 42).

4.4 The overall underspend on service budgets amounts to £1.5m, however after applying 'below the line' adjustments and non-service specific expenditure and income to the figures, it can be seen that at the end of the financial year it has been possible to transfer a surplus of £973,069 (**Appendix A** Line 43)

4.5 **Appendix A** includes year end technical adjustments required by legislation and by accounting convention which will be reported to Audit and Accounts Committee on 31 July 2017. Full details can be found in the 2016/17 statement of accounts.

5.0 RECOMMENDATION

That the overall position of the Council's net expenditure compared to budget at 31 March 2017 be approved.

Reason for Recommendation

To advise Members of the draft outturn monitored against service budgets for the period ending 31 March 2017.

Background Papers

Nil

For further information please contact Amanda Wasilewski on Ext 5738

Nicky Lovely
Business Manager and Chief Financial Officer – Financial Services

A	B Approved Budget 2016/17	C Revised Budget 2016/17	D Actual outturn 2016/17	E Variance (D-C)
1 Economic Development Committee	2,172,520	2,588,497	2,106,487	(482,010)
2 Homes & Communities Committee	2,019,340	2,283,241	1,969,160	(314,081)
3 Leisure & Environment Committee	4,691,230	5,328,837	4,937,670	(391,167)
4 Policy & Finance Committee	3,379,530	5,359,633	4,996,027	(363,606)
5 Total Service Budgets	12,262,620	15,560,208	14,009,344	(1,550,864)
				Variance (D-B)
6 Parish Support Grant	64,310		64,310	0
7 Other Employee Expenses				
8 National Insurance rate increase	230,000		0	(230,000)
9 Pensions - employers lump sum	929,000		929,000	0
10 Pensions - auto enrolment	80,000		0	(80,000)
11 Pensions - pensions act	200,340		0	(200,340)
12 IAS 19 interest cost, cash payments & net charges	0		(17,000)	(17,000)
13 Accumulated Absence	0		25,684	25,684
14 Mansfield Crematorium Contribution	0		(98,334)	(98,334)
15 Revenue Expenditure Funded by Capital			(1,903,979)	(1,903,979)
16 Other capital contributions			(6,876)	(6,876)
17 Provision for doubtful debts	0		707,899	707,899
18 Net Gain/loss on disposal	0		5,325	5,325
19 Drainage Levy	501,870		501,864	(6)
20 Total other operating income & exp	2,005,520		207,893	(1,797,627)
21 Capital Financing Cost	840,760		779,807	(60,953)
22 Investment Interest received	(687,520)		(538,426)	149,094
23 Debt Management Expenses	0		11,955	11,955
24 Total financing & Invest income & exp	153,240	0	253,336	100,096
25 Revenue Support grant	(1,776,668)		(1,776,668)	0
26 NDR (Growth)/shortfall on baseline funding	110,380			
27 Retained NDR	(3,365,803)		(3,011,138)	244,285
28 Retained NDR - Renewable Energy	0		(197,873)	(197,873)
29 S31 Grants NDR	(757,500)		(647,882)	109,618
30 S31 Grants Council Tax	0		(10,663)	(10,663)
31 Rural Services Delivery Grant	0		(37,748)	(37,748)
32 DCLG Capacity Funding	0		(113,924)	(113,924)
33 NDR Levy payment	0		69,768	69,768
34 Refund of NDR Growth paid to preceptors	0		(496,106)	(496,106)
35 NDR Pool surplus returned from NCC	0		(183,230)	(183,230)
36 New Homes Bonus	0		(2,288,588)	(2,288,588)
37 Total Taxation and non Specific Grant income	(5,789,591)		(8,694,052)	(2,904,461)
38 Deferred Charges	(469,700)			469,700
39 Capital charges	(1,345,330)		(1,334,367)	10,963
40 Amortisation of intangible assets			(79,817)	(79,817)
41 Impairments			46,429	46,429
42 Contributions to(from) reserves & Balances	(654,920)		817,382	1,472,302
43 Surplus for year to reserves	0		973,069	973,069
44 Total Contribution to(from) usable reserves	(2,469,950)		422,696	2,892,646
45 Net Call on Collection Fund	6,161,839		6,161,839	
46 Council Tax Surplus	37,379		37,379	

A	B	C	D	E	F
		<u>Base Budget 2016/17</u>	<u>Profile Budget 2016/17</u>	<u>Actual Expenditure 2016/17</u>	<u>Variance (E-D)</u>
EMPLOYEES		11,401,400	11,471,195	11,148,583	(322,612)
	Pensions adj	0	173,720	205,793	32,073
PREMISES		1,527,310	1,757,863	1,515,262	(242,601)
TRANSPORT		1,254,270	1,240,683	1,051,723	(188,960)
SUPPLIES AND SERVICES		6,298,660	9,266,632	8,928,643	(337,989)
TRANSFER PAYMENTS		25,196,940	25,196,940	25,987,716	790,776
TOTAL EXPENDITURE		45,678,580	49,107,034	48,837,721	(269,313)
INCOME					
	<i>Fees & Charges</i>	(4,844,750)	(4,776,819)	(5,128,661)	(351,842)
	<i>Grants</i>	(27,301,130)	(29,057,585)	(29,808,141)	(750,556)
	<i>Other Income</i>	(2,329,860)	(2,320,152)	(2,454,572)	(134,420)
	<i>Culture</i>	(5,500)	(5,500)	(483)	5,017
TOTAL INCOME		(34,481,240)	(36,160,056)	(37,391,857)	(1,231,801)
NET EXPENDITURE		11,197,340	12,946,978	11,445,864	(1,501,114)
MEMORANDUM ITEMS					
	<i>Support</i>	6,896,900	6,896,900	6,964,737	67,837
	<i>Capital</i>	1,816,020	3,326,610	3,325,537	(1,073)
	<i>Support service recharges</i>	(7,647,640)	(7,610,280)	(7,726,793)	(116,513)
NET SERVICE EXPENDITURE		12,262,620	15,560,208	14,009,344	(1,550,864)

CAPITAL PROGRAMME OUTTURN AND FINANCING 2016/17

1.0 Purpose of Report

1.1 To advise Members on the final outturn of the Authority's Capital Programme for 2016/17 (subject to audit confirmation) and to request formal approval to re-profile specific programme budgets into 2017/18.

2.0 Background Information

2.1 The Capital Programme for 2017/18 to 2020/21, including variations to 2016/17 was approved by Council on 9 March 2017.

3.0 Items for Consideration

3.1 The final capital budget for 2016/17 is £22,100,944, with the outturn position being £18,430,452. The underspend of £3,670,492, includes budget carry forwards of £3,649,793 to be made available in 2017/18.

3.2 A review of the completed schemes is attached at Appendix A, and a detailed breakdown of all the projects undertaken in the course of the year is at Appendix B, along with the financing arrangements at Appendix C.

3.3 In order to comply with the Local Government Act 2003, certain matters have to be determined before 31 July 2017 in relation to the financing of the 2016/17 Capital Programme. These concern the use of capital receipts and contributions from third parties and the amount set aside from revenue as a prudent provision for the repayment of debt (the Minimum Revenue Provision or MRP).

3.4 Variations to the 2017/18 to 2021/22 Capital Programme since the budget was approved on 9 March 2017, a summary of the changes for approval, along with explanations, and the financing of the current and proposed programme are attached at Appendices D, E and F respectively.

4.0 RECOMMENDATIONS that:

- a) the outturn position as shown in Appendix B be accepted;
- b) the following determinations be approved in accordance with the Local Government Act 2003:
 - i) £770,736.01 of the Council's useable capital receipts be applied to meet expenditure incurred for capital purposes as shown in Appendix C;
 - ii) £2,739,212.38 of expenditure for capital purposes be met out of contributed by third parties as shown in Appendix C;
 - iii) A total of £776,157.46 be set aside from the revenue account to meet credit liabilities; and

- c) the Project Variations as detailed in Appendix D and summarised in Appendix E and F be approved.

Reason for Recommendations

To ensure that the Council complies with the Local Government Act 2003 and to complete the overall capital cycle for 2016/17.

Background Papers

Nil

For further information please contact Jenna Norton on extension 5327.

Nicky Lovely
Business Manager – Financial Services

Review of General Fund Completed Capital Schemes 2016/17

Leisure Centre Access Road Enhancement	Total scheme cost of £157k for the enhancement of the access road, resulting in a saving of £40k.
Ollerton Hall Acquisition	Ollerton Hall was purchased during 2016/17.
20 Baldertongate, Repairs	Repairs carried out in preparation for sale, funded by dilapidation receipt.
Rural Broadband	The total contribution towards the Rural Broadband plan of £250k was paid in instalments. The final one paid in 2016/17.

Review of HRA Completed Capital Schemes 2016/17 (managed by NSH)

Roof Replacements	125 properties had new roofs/flat roofs fitted.
Kitchen & Bathroom Conversions	496 Properties had kitchen and / or Bathroom replacement throughout the district.
External Fabric	926 properties benefitted from external repairs and painting
Doors & Windows	493 Properties benefitted from the installation of Composite doors.
Other Structural	96 solid wall properties had external wall insulation installed.
Electrical	388 rewires were completed across the district.
Heating	240 properties benefitted from the installation of new boilers and or full heating distribution systems
Energy Efficiency	Installation of Energy Efficient Boilers at 80 properties LED lights in communal areas at Grange Road and Chatham Court Newark.
Garage Forecourts	Resurfacing works were carried out in Ollerton, Rainworth, Southwell, Thurgarton and Newark.
Environmental Works	Examples include, Environmental schemes completed at Balderton, Ollerton, Edwinstowe, Boughton and Newark. Security gated access system renewed at Vineway Newark.

Asbestos	Asbestos removal work and survey's completed throughout the district.
Fire Safety	Major project to replace fire doors at Delacy Court Ollerton.
DDA Improvements	General improvements to disabled access at The Green Bilsthorpe, Lynds Close Edwinstowe, Vine Way and Howes Court Newark.
Disabled Adaptations	Adaptations needed as a result of care plans and OT1's for residents put forward by Social Services and other agencies. 574 properties benefitted from major or minor adaptation works.

CAPITAL PROGRAMME 2016/17 OUTTURN							APPENDIX B
			2016/17		Slippage and Under/(Over) spends		
	SCHEME	Final Budget 09.03.17	ACTUALS 2016/17	Under/(Over) Spends	Projects Stage	Underspends	Budget 16-17 adjustments - Slippage
HOUSING REVENUE ACCOUNT							
PROPERTY INVESTMENT PROGRAMME							
S91111	Roofing 2016/17	216,000	217,868	-1,868	Completed	-1,868	
S91112	Flat Roofing 2016/17	324,000	331,910	-7,910	Completed	-7,910	
S711	ROOF REPLACEMENTS	540,000	549,778	-9,778		-9,778	0
S91215	Kitchen & Bathroom 2016/17	1,296,000	1,307,245	-11,245	Completed	-11,245	
S91216	Kitchen & Bathroom materials 2016/17	324,000	269,991	54,009	Completed	54,009	
S712	KITCHEN & BATHROOM CONVERSIONS	1,620,000	1,577,237	42,763		42,763	0
S91300	EXTERNAL FABRIC	48	0	48	Completed	48	
S91330	External Fabric 2016/17 area 1	199,298	197,132	2,166	Completed	2,166	
S91331	External Fabric 2016/17 area 2	152,280	159,599	-7,319	Completed	-7,319	
S91332	Chatham Court Windows/Floors	16,200	15,984	216	Completed	216	
S91333	Ext Repairs, Meddo	0	8,009	-8,009	Completed	-8,009	
S91334	Ext Fab Works Area 1 2017/18						
S91335	Ext Fab Works Area 2 2017/18						
S713	EXTERNAL FABRIC	367,826	380,724	-12,898		-12,898	0
S91411	Doors & Windows 2016/17	183,600	181,991	1,609	Completed	1,609	
S714	DOORS & WINDOWS	183,600	181,991	1,609		1,609	0
S91500	OTHER STRUCTURAL	351	0	351	Completed	351	
S91511	Walls Re-Rendering	52,650	0	52,650	Completed	52,650	
S91520	H535a King Street	821	821	-0	Completed	0	
S91521	Delacy Court Canopy Removal	3,483	2,403	1,080	Completed	1,080	
S91522	DPM works 2016-17	10,800	10,925	-125	Completed	-125	
S91523	33 Nowood Gardens	1,825	1,825	0	Completed	0	
S91524	1 Manvers View Major Works	38,146	38,141	5	Completed	5	
S715	OTHER STRUCTURAL	108,076	54,115	53,961		53,961	0
S93111	Rewires 2016/17	594,000	601,927	-7,927	Completed	-7,927	
S93112	Disturbance allowance 2016/17	86,400	39,701	46,699	Completed	46,699	
S731	ELECTRICAL	680,400	641,628	38,772		38,772	0
S93500	HEATING	0	0	0	Completed	0	
S93508	Heating replacements 2016/17	594,000	594,230	-230	Completed	-230	
S735	HEATING	594,000	594,230	-230		-230	0
S93600	ENERGY EFFICIENCY	61,564	0	61,564	Completed	61,564	
S93618	EE Doors 2016/17	162,000	122,097	39,903	Completed	39,903	
S93619	21 Forge Close Air Supply	9,126	9,113	13	Completed	13	
S93620	EWI Winston Court	54,000	63,719	-9,719	Completed	-9,719	
S93621	EE Boilers 2016/17	183,600	183,735	-135	Completed	-135	
S93622	PV Invertors	0	59,508	-59,508	Completed	-59,508	
S93623	LED Schemes	31,910	31,247	663	Completed	663	
S736	ENERGY EFFICIENCY	502,200	469,419	32,781		32,781	0
S95112	Resurfacing works 2016-17	108,000	107,617	383	Completed	383	
S751	GARAGE FORECOURTS	108,000	107,617	383		383	0
S95200	ENVIRONMENTAL WORKS	293	0	293	Completed	293	
S95250	Communal Lighting	0	162	-162	Completed	-162	
S95254	Estate Remodelling	5,891	21,949	-16,058	Completed	-16,058	
S95276	Delacy Court Communal Doors	50,760	50,706	54	Completed	54	
S95277	Knotts Court Environmental	38,880	37,291	1,589	Completed	1,589	
S95278	Lovers Lane Flats Drying area	16,200	16,110	90	Completed	90	
S95279	St Marys Gardens	37,000	3,424	33,576	Ongoing		33,576
S95280	Yorke Drive Barrier	4,428	4,361	67	Completed	67	
S95281	Yorke Drive Communal Doors	3,460	3,460	0	Completed	0	
S95282	Play areas 2016-17	27,000	28,123	-1,123	Completed	-1,123	
S95283	Communal Gas Mains	63,845	63,817	28	Completed	28	
S95284	H581 Door King Street Conservation area	1,696	1,696	-0	Completed	0	
S95285	Vine Way Gated Access	19,332	19,304	28	Completed	28	

	SCHEME	2016/17			Slippage and Under/(Over) spends		
		Final Budget 09.03.17	ACTUALS 2016/17	Under/(Over) Spends	Projects Stage	Underspends	Budget 16-17 adjustments - Slippage
S95286	Forest Road Fencing	5,999	5,929	70	Completed	70	
S95287	Delacy Court Communal Fire Doors	57,240	49,965	7,275	Completed	7,275	
S95288	Boundary Walls 2-4 Lime tree close	5,400	0	5,400	Completed	5,400	
S95289	Garage/Site/Roofing	54,000	53,895	105	Completed	105	
S95290	Environmental improvements (various)	91,800	91,611	189	Completed	189	
S95291	Parking Boy Lane	21,600	21,393	207	Completed	207	
S95292	Communal Lighting 2016/17	21,600	21,529	72	Completed	72	
S95293	Fencing Various Locations	23,760	22,337	1,424	Completed	1,424	
S95294	Coghill Court Communal entrance doors	11,340	1,998	9,342	Completed	9,342	
S95295	Local Office Kiosk Project	20,174	20,173	1	Completed	1	
S95296	Delacy Court Scooter Stores	27,000	26,987	13	Completed	13	
S752	ENVIRONMENTAL WORKS	608,698	566,221	42,477		8,901	33,576
S97111	Asbestos Surveys 2016/17	43,200	43,091	109	Completed	109	
S97112	Asbestos Removal 2016/17	64,800	64,127	673	Completed	673	
S771	ASBESTOS	108,000	107,218	782		782	0
S97215	H522 Comm fire door Kings Court	33,480	23,628	9,852	Completed	9,852	
S97216	H580 Comm fire door Wolfit Ave	16,200	13,340	2,860	Completed	2,860	
S97217	Auto Closer Forge Close	2,160	2,111	49	Completed	49	
S97218	Fire Risk Assessments	23,760	26,546	-2,786	Completed	-2,786	
S772	FIRE SAFETY	75,600	65,625	9,975		9,975	0
S97307	DDA WORKS 2016/17	24,840	24,672	168	Completed	168	
S773	DDA IMPROVEMENTS	24,840	24,672	168		168	0
S97411	Adaptation care plans 2016/17	399,600	518,359	-118,759	Completed	-118,759	
S97412	Adaptation OT 1's 2016/17	32,400	30,148	2,252	Completed	2,252	
S774	DISABLED ADAPTATIONS	432,000	548,507	-116,507		-116,507	0
S97502	legionella Works 2016/17	32,400	30,909	1,491	Completed	1,491	
S791	UNALLOCATED FUNDING	32,400	30,909	1,491		1,491	0
S99100	UNALLOCATED FUNDING	29,160	0	29,160	Completed	29,160	
S99101	Grant Income	-145,780	-79,858	-65,922	Completed	-65,922	
S791	UNALLOCATED FUNDING	-116,620	-79,858	-36,762		-36,762	0
	SUB TOTAL PROPERTY INVESTMENT	5,869,020	5,820,033	48,987		15,411	33,576
	AFFORDABLE HOUSING						
SA1013	25 supported dwellings - Bilsthorpe	99,038	56,022	43,016	Ongoing		43,016
SA1015	Affordable Rural Housing Grant	110,000	0	110,000	Ongoing		110,000
SA1016	Site A - Wolfit Avenue, Balderton	0	1,050	-1,050	Ongoing		-1,050
SA1017	Site B - Wolfit Avenue, Balderton	0	1,466	-1,466	Ongoing		-1,466
SA1018	Coronation Street/Grove View Rd, Balderton	116,437	133,558	-17,121	Ongoing		-17,121
SA1019	Lilac Close	0	1,050	-1,050	Ongoing		-1,050
SA1020	Second Avenue, Edwinstowe	68,549	80,145	-11,596	Ongoing		-11,596
SA1021	Ash Farm Farnsfield	608,469	734,630	-126,161	Ongoing		-126,161
SA1023	Bowbridge Road	2,947,234	2,630,504	316,730	Ongoing		316,730
SA1030	HRA Site Development	196,560	154,470	42,090	Ongoing		42,090
		4,146,286	3,792,895	353,391		0	353,391
	SUB TOTAL HOUSING REVENUE ACCOUNT	10,015,306	9,612,928	402,379		15,411	386,967
	HOUSING GENERAL FUND						
TF6011	Private Sector Disabled Facilities Grants	540,627	529,492	11,135	Ongoing		11,135
TF6012	Discretionary DFG	175,000	20,190	154,810	Ongoing		154,810
		715,627	549,682	165,946		0	165,946
	TOTAL HOUSING REVENUE ACCOUNT	10,730,934	10,162,609	568,324		15,411	552,913
	GENERAL FUND						
TA1211	Newark, New Leisure Centre	932,114	786,006	146,108	Ongoing		146,108
TA1214	Leisure Centre Access Road Enhancement	155,791	155,791	0	Complete		0
TA3050	National Civil War Centre	327,646	141,670	185,976	Ongoing		185,976
TA3052	Palace Theatre/Museum Integration	242,462	134,529	107,933	Ongoing		107,933
TA3053	Museum Improvements	386,113	217,879	168,234	Ongoing		168,234

	SCHEME	2016/17			Slippage and Under/(Over) spends		
		Final Budget 09.03.17	ACTUALS 2016/17	Under/(Over) Spends	Projects Stage	Underspends	Budget 16-17 adjustments - Slippage
TA3286	Information Technology Investment	525,988	346,475	179,513	Ongoing		179,513
TA	CUSTOMERS	2,570,114	1,782,350	787,764		0	787,764
TB2253	Vehicles & Plant (NSDC)	768,331	766,298	2,033	Ongoing	2,033	
TB3158	Hawtonville School Playing Field	23,123	0	23,123	Ongoing		23,123
TB6145	Grant to Farndon Sports Pavilion	14,650	36	14,614	Ongoing		14,614
TB6149	Lorry Carpark - Health and Safety	19,700	3,880	15,820	Ongoing		15,820
TB	COMMUNITY	825,804	770,214	55,590		2,033	53,557
TC1000	New Council Offices	5,235,892	3,867,515	1,368,377	Ongoing		1,368,378
TC2280	Ollerton Hall acquisition and works	317,632	309,206	8,426	Complete	8,426	
TC3017	Workshop Frontage Improvements	109,940	92,830	17,111	Ongoing		17,111
TC3132	20 Baldertongate Repairs	262	14,538	-14,276	Complete	-14,276	
TC	RESOURCES	5,663,726	4,284,088	1,379,638		-5,850	1,385,488
TE3266	Growth Point (Internally Funded)	449,121	0	449,121	Ongoing		449,121
TE3267	Rural Broadband Provision	85,000	85,000	0	Complete		
TE3268	Southern Link Road Contribution	1,000,000	1,000,000	0	Ongoing		
TE	GROWTH	1,534,121	1,085,000	449,121		0	449,121
TF3161	Balderton land drainage	9,105	0	9,105	Complete	9,105	
TF3220	Major Flood Alleviation	150,000	10,000	140,000	Ongoing		140,000
TF3223	CCTV Relocation	500,000	266,656	233,344	Ongoing		233,344
TF3224	Seven Hills	69,023	68,375	649	Ongoing		649
TF3225	Maps & Signage Newark Town Centre	48,117	1,160	46,957	Ongoing		46,957
TF	SAFETY	776,245	346,190	430,055		9,105	420,950
	TOTAL GENERAL FUND	11,370,011	8,267,843	3,102,168		5,288	3,096,880
	TOTAL PROGRAMME	22,100,944	18,430,452	3,670,492		20,700	3,649,793

			APPENDIX C
CAPITAL PROGRAMME SUMMARY			
	2016/17		
	Final Budget 09.03.16	REVISED	DIFF.
COMMITTED SCHEMES EXPENDITURE			
Housing Services	10,730,934	10,162,609	-568,325
Other Services	11,370,010	8,267,843	-3,102,167
Total Expenditure	22,100,944	18,430,452	-3,670,492
CAPITAL EXPENDITURE FINANCING			
Net Internal and External Borrowing Approval	3,834,710	2,407,992	-1,426,718
Government Grants	2,241,004	2,676,064	435,060
Contributions from Third Parties	2,335,469	63,148	-2,272,321
Community Infrastructure Levy	0	0	0
Capital Receipts	768,397	770,736	2,339
Capital Reserve	5,897,604	4,284,850	-1,612,754
Revenue Support	7,023,759	8,227,661	1,203,902
Total Resources Available	22,100,944	18,430,452	-3,670,491
Net resources	0	0	0

CAPITAL PROGRAMME 2017/18 - 2021/22																	APPENDIX D
SCHEME	REVISED	2017/18 Final Budget 09.03.17	DIFF.	Slippage from 2016/17	Non Slippage changes	REVISED	2018/19 Final Budget 09.03.17	DIFF.	REVISED	2019/20 Final Budget 09.03.17	DIFF.	REVISED	2020/21 Final Budget 09.03.17	DIFF.	REVISED	2021/22 Final Budget 09.03.17	DIFF.
HOUSING REVENUE ACCOUNT																	
PROPERTY INVESTMENT PROGRAMME																	
S91100 ROOF REPLACEMENTS	0	432,000	-432,000			432,000	432,000	0	432,000	432,000	0	432,000	432,000	0	432,000	432,000	0
S91113 Roof Replacement Works 17/18	270,000	0	+270,000														
S91114 Flat Roof Replacement Wrks 17/18	162,000	0	+162,000														
S711 ROOF REPLACEMENTS	432,000	432,000	0	0	0	432,000	432,000	0	432,000	432,000	0	432,000	432,000	0	432,000	432,000	0
S91200 KITCHEN & BATHROOM CONVERSIONS	0	1,620,000	-1,620,000			1,620,000	1,620,000	0	1,620,000	1,620,000	0	1,620,000	1,620,000	0	1,620,000	1,620,000	0
S91217 Kitchen & Bathrooms 17/18	1,620,000	0	+1,620,000														
S712 KITCHEN & BATHROOM CONVERSIONS	1,620,000	1,620,000	0	0	0	1,620,000	1,620,000	0	1,620,000	1,620,000	0	1,620,000	1,620,000	0	1,620,000	1,620,000	0
S91300 EXTERNAL FABRIC	0	324,000	-324,000			324,000	324,000	0	324,000	324,000	0	324,000	324,000	0	324,000	324,000	0
S91334 Ext Fab Works Area 1 2017/18	162,000	0	+162,000														
S91335 Ext Fab Works Area 2 2017/18	162,000	0	+162,000														
S713 EXTERNAL FABRIC	324,000	324,000	0	0	0	324,000	324,000	0	324,000	324,000	0	324,000	324,000	0	324,000	324,000	0
S91400 DOORS & WINDOWS	0	183,600	-183,600			183,600	183,600	0	183,600	183,600	0	183,600	183,600	0	183,600	183,600	0
S91412 Doors & Windows 17/18	183,600	0	+183,600														
S714 DOORS & WINDOWS	183,600	183,600	0	0	0	183,600	183,600	0	183,600	183,600	0	183,600	183,600	0	183,600	183,600	0
S91500 OTHER STRUCTURAL	42,120	54,000	-11,880			54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S91511 Walls Re-Rendering	54,000	0	+54,000														
S91525 Structural Various Addresses	11,880	0	+11,880														
S715 OTHER STRUCTURAL	108,000	108,000	0	0	0	108,000	108,000	0	108,000	108,000	0	108,000	108,000	0	108,000	108,000	0
S93100 ELECTRICAL	0	648,000	-648,000			648,000	648,000	0	648,000	648,000	0	648,000	648,000	0	648,000	648,000	0
S93113 Rewires 2017/18	594,000	0	+594,000														
S93114 Disturbance allowance 2017/18	54,000	0	+54,000														
S731 ELECTRICAL	648,000	648,000	0	0	0	648,000	648,000	0	648,000	648,000	0	648,000	648,000	0	648,000	648,000	0
S93205 Carbon Monoxide Detectors	0	0	0			270,000	270,000	0	270,000	270,000	0	0	0	0	0	0	0
S732 SMOKE ALARMS	0	0	0	0	0	270,000	270,000	0	270,000	270,000	0	0	0	0	0	0	0
S93500 HEATING	0	594,000	-594,000			594,000	594,000	0	594,000	594,000	0	594,000	594,000	0	594,000	594,000	0
S93509 Heating/Boilers 17/18	594,000	0	+594,000														
S735 HEATING	594,000	594,000	0	0	0	594,000	594,000	0	594,000	594,000	0	594,000	594,000	0	594,000	594,000	0
S93600 ENERGY EFFICIENCY	162,000	162,000	0			162,000	162,000	0	162,000	162,000	0	162,000	162,000	0	162,000	162,000	0
S736 ENERGY EFFICIENCY	162,000	162,000	0	0	0	162,000	162,000	0	162,000	162,000	0	162,000	162,000	0	162,000	162,000	0
S95100 GARAGE FORECOURTS	0	81,000	-81,000			81,000	81,000	0	81,000	81,000	0	81,000	81,000	0	81,000	81,000	0
S95109 Garages	0	27,000	-27,000			27,000	27,000	0	27,000	27,000	0	27,000	27,000	0	27,000	27,000	0
S95113 Resurfacing works 2017/18	81,000	0	+81,000														
S95114 Garage Works 17/18	27,000	0	+27,000														
S751 GARAGE FORECOURTS	108,000	108,000	0	0	0	108,000	108,000	0	108,000	108,000	0	108,000	108,000	0	108,000	108,000	0
S95200 ENVIRONMENTAL WORKS	153,900	162,000	-8,100			162,000	162,000	0	162,000	162,000	0	162,000	162,000	0	162,000	162,000	0
S95250 Communal Lighting	0	21,600	-21,600			21,600	21,600	0	21,600	21,600	0	21,600	21,600	0	21,600	21,600	0
S95252 Flood Defence Systems	10,800	10,800	0			10,800	10,800	0	10,800	10,800	0	10,800	10,800	0	10,800	10,800	0
S95253 Play Areas	21,600	21,600	0			21,600	21,600	0	21,600	21,600	0	21,600	21,600	0	21,600	21,600	0
S95254 Estate Remodelling	70,200	70,200	0			70,200	70,200	0	70,200	70,200	0	70,200	70,200	0	70,200	70,200	0
S95279 St Marys Gardens	33,576	0	+33,576		+33,576												
S95297 Communal Lighting 2017/18	21,600	0	+21,600														
S95298 Caunton Reed Bed Replacement Phase 1	8,100	0	+8,100														
S752 ENVIRONMENTAL WORKS	319,776	286,200	+33,576	+33,576	0	286,200	286,200	0	291,600	291,600	0	291,600	291,600	0	286,200	286,200	0
S97100 ASBESTOS	0	108,000	-108,000			54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S97113 Asbestos Surveys 2017/18	64,800	0	+64,800														
S97114 Asbestos Removal 2017/18	43,200	0	+43,200														
S771 ASBESTOS	108,000	108,000	0	0	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S97200 FIRE SAFETY	54,000	54,000	0			54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S772 FIRE SAFETY	54,000	54,000	0	0	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S97300 DDA IMPROVEMENTS	0	21,600	-21,600			21,600	21,600	0	21,600	21,600	0	21,600	21,600	0	21,600	21,600	0
S97308 DDA WORKS 2017/18	21,600	0	+21,600														
S773 DDA IMPROVEMENTS	21,600	21,600	0	0	0	21,600	21,600	0	21,600	21,600	0	21,600	21,600	0	21,600	21,600	0
S97400 DISABLED ADAPTATIONS	0	432,000	-432,000			432,000	432,000	0	432,000	432,000	0	432,000	432,000	0	432,000	432,000	0
S97413 Major Adaptations 17/18	378,000	0	+378,000														
S97414 Minor Adaptations 17/18	32,400	0	+32,400														
S97415 Adaptations Stair Lifts/Hoists	21,600	0	+21,600														
S774 DISABLED ADAPTATIONS	432,000	432,000	0	0	0	432,000	432,000	0	432,000	432,000	0	432,000	432,000	0	432,000	432,000	0
S97500 LEGIONELLA	0	32,400	-32,400			32,400	32,400	0	32,400	32,400	0	32,400	32,400	0	32,400	32,400	0
S97503 legionella Works 2017/18	32,400	0	+32,400														
S791 UNALLOCATED FUNDING	32,400	32,400	0	0	0	32,400	32,400	0	32,400	32,400	0	32,400	32,400	0	32,400	32,400	0
S99100 UNALLOCATED FUNDING	54,000	54,000	0			54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S791 UNALLOCATED FUNDING	54,000	54,000	0	0	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
SUB TOTAL PROPERTY INVESTMENT	5,201,376.00	5,167,800	+33,576	+33,576	0	5,383,800	5,383,800	0	5,389,200	5,389,200	0						

SCHEME	REVISED	2017/18		17/18 Diff Explanation		2018/19			2019/20			2020/21			2021/22		
		Final Budget 09.03.17	DIFF.	Slippage from 2016/17	Non Slippage changes	REVISED	Final Budget 09.03.17	DIFF.	REVISED	Final Budget 09.03.17	DIFF.	REVISED	Final Budget 09.03.17	DIFF.	REVISED	Final Budget 09.03.17	DIFF.
TC3017 Workshop Frontage Improvements	17,110	0	+17,110	+17,110													
TC3133 BIC Internal Reconfiguration	75,000	0	+75,000	+75,000													
TC RESOURCES	3,118,008	1,657,520	+1,460,488	+1,285,488	+75,000	151,800	151,800	0	0	0	0	0	0	0	0	0	0
TE3266 Growth Point (Grant Funded)																	
TE3266 Growth Point (Internally Funded)	449,121	0	+449,121	+449,121													
TE3268 Southern Link Road Contribution	1,200,000	8,480,785	-7,280,785		-7,280,785	1,950,000	0	+1,950,000	2,250,000	0	+2,250,000	3,080,785	0	+3,080,785			
TE GROWTH	1,649,121	8,480,785	-6,831,664	+449,121	-7,280,785	1,950,000	0	+1,950,000	2,250,000	0	+2,250,000	3,080,785	0	+3,080,785	0	0	0
TF3161 Balderton land drainage																	
TF3220 Major Flood Alleviation	140,000	0	+140,000	+140,000													
TF3223 CCTV Relocation	254,444	0	+254,444	+233,344	+21,100												
TF3224 Seven Hills	10,485	0	+10,485	649	+9,836												
TF3225 Maps & Signage Newark Town Centre	46,957	0	+46,957	+46,957													
TF SAFETY	451,887	0	+451,887	+420,950	+30,937	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL GENERAL FUND	8,977,422	11,923,195	-2,945,773	+3,096,879	-6,042,653	2,283,800	1,328,800	+955,000	3,329,750	1,159,750	+2,170,000	3,792,785	867,000	+2,925,785	392,000	642,000	-250,000
TOTAL PROGRAMME	29,651,630	31,118,669	-1,467,039	+3,649,794	-5,116,833	14,136,850	13,181,850	+955,000	15,295,200	13,125,200	+2,170,000	14,876,985	11,951,200	+2,925,785	11,470,800	11,720,800	-250,000

Summary of proposed changes post Full Council - 9.03.17

Explanation of changes	2017/18		
	Revised / proposed 29,651,630	Full Council - 09.03.17 31,118,669	Difference -1,467,039
Slippage and Reprofiting			
Slippage from 2016/17 (numerous schemes - See Appendix D for detail)			3,649,794
Bowbridge Road - re spend in prior year			-95,387
Humberstone Road Open Space - fully funded			575
Contribution to Cycle Route Improvements - remaining funding			7,634
Ash Farm - re spend in prior year			-4,831
Second Avenue, Edwinstowe - re spend in prior year			6,171
Farndon Sports Pavilion - re spend in prior year			17
Disabled Facilities Grants - increased budget to match funding available			33,068
Southern Link Road - Reprofile to match milestones			-7,280,785
Additions - (Reduction)			
Seven Hills - Additional budget required to complete scheme			9,836
CCTV Relocation - unforeseen expenditure			21,100
Information Technology Investment			175,970
Estate Regeneration - following new funding approval			986,799
Lorry Park Extension - as per P&F 06.04.17			792,000
BIC Internal Reconfiguration - as per P&F 06.04.17			75,000
National Civil War Centre - addition to pay final bill as per urgency item			156,000
Total Explanation - Proposed changes for 2017/18			-1,467,039

Explanation of changes	2018/19		
	Revised / proposed 15,131,850	Full Council - 09.03.17 13,181,850	Difference 1,950,000
Reprofilng			
Southern Link Road - Reprofile to match milestones			1,950,000
Total Explanation - Proposed changes for 2018/19			1,950,000

Explanation of changes	2019/20		
	Revised / proposed 15,375,200	Full Council - 09.03.17 13,125,200	Difference 2,250,000
Reprofilng			
Southern Link Road - Reprofile to match milestones			2,250,000
Total Explanation - Proposed changes for 2019/20			2,250,000

Explanation of changes	2020/21		
	Revised / proposed 15,031,985	Full Council - 09.03.17 11,951,200	Difference 3,080,785
Reprofilng			
Southern Link Road - Reprofile to match milestones			3,080,785
Total Explanation - Proposed changes for 2019/20			3,080,785

CAPITAL PROGRAMME SUMMARY															APPENDIX F
	2017/18			2018/19			2019/20			2020/21			2021/22		
	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.
COMMITTED SCHEMES EXPENDITURE															
Housing Services	20,674,208	19,195,474	+1,478,734	11,853,050	11,853,050	0	11,965,450	11,965,450	0	11,084,200	11,084,200	0	11,078,800	11,078,800	0
Other Services	8,977,421	11,923,195	-2,945,774	3,278,800	1,328,800	+1,950,000	3,409,750	1,159,750	+2,250,000	3,947,785	867,000	+3,080,785	642,000	642,000	0
Total Expenditure	29,651,629	31,118,669	-1,467,040	15,131,850	13,181,850	+1,950,000	15,375,200	13,125,200	+2,250,000	15,031,985	11,951,200	+3,080,785	11,720,800	11,720,800	0
CAPITAL EXPENDITURE FINANCING															
Net Internal and External Borrowing Approval	397,084	1,687,290	-1,290,206	848,800	441,800	+407,000	2,865,228	2,940,228	-75,000	2,878,026	2,587,020	+291,006	1,649,250	1,724,250	-75,000
Government Grants	3,365,813	9,695,785	-6,329,972	2,415,000	465,000	+1,950,000	2,715,000	465,000	+2,250,000	3,179,779	465,000	+2,714,779	465,000	465,000	0
Contributions from Third Parties	5,554,296	3,440,523	+2,113,773	0	0	0	0	0	0	0	0	0	0	0	0
Community Infrastructure Levy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Receipts	6,570,302	1,844,473	+4,725,829	2,801,088	3,208,088	-407,000	75,000	0	+75,000	75,000	0	+75,000	75,000	0	+75,000
Capital Reserve	633,542	8,500	+625,042	8,500	8,500	0	8,500	8,500	0	8,500	8,500	0	8,500	8,500	0
Revenue Support	13,130,593	14,442,099	-1,311,506	9,058,462	9,058,462	0	9,711,472	9,711,472	0	8,890,680	8,890,680	0	9,523,050	9,523,050	0
Total Resources Available	29,651,629	31,118,669	-1,467,040	15,131,850	13,181,850	+1,950,000	15,375,200	13,125,200	+2,250,000	15,031,985	11,951,200	+3,080,785	11,720,800	11,720,800	0
Net resources before allowing for Earmarked Funds	0	0	-0	0	0	0	0	0	0	0	0	+0	0	0	0

MEDIUM TERM FINANCIAL PLAN 2017/18 TO 2020/21

1.0 Purpose of Report

- 1.1 To present the Council's Medium Term Financial Plan (MTFP) covering the period from 1 April 2017 to 31 March 2021.

2.0 Background Information

- 2.1 The MTFP (attached as an appendix to the report) is a Corporate Plan to assist both Members and Officers manage the Council's finances within a clear framework; it sets out the Council's spending plans to support its strategic priorities over the current financial year and the following three years; it details how that spend will be funded through grants, fees and charges, local taxation, reserves and other income.

- 2.2 The MTFP is not intended to lead policy development for the Council. It is a reflection, in financial terms, of the Corporate Plan of the Council and sets the financial framework for the resourcing of the aspirations set out in the Corporate Plan. It integrates revenue allocations, savings targets, reserves and capital investment, and provides indicative budgets and future Council Tax levels for the period covered by the plan. This approach is an essential part of the future budget setting process.

- 2.2 In the past an MTFP covering the subsequent three financial years was presented to Council, with the budget for the forthcoming financial year. During 2016/17, due to a fast changing economic and political environment, with further funding cuts promised by central government, the Council decided to delay the production of the MTFP until there was more certainty of the three year settlement and the position of the Council in respect of reserves and balances available for future funding of the capital programme and potential for future investments. The budget for the 2017/18 financial year was reported to full Council in March 2017.

- 2.3 An in-depth review of its financial position, together with analysis of future challenges and opportunities was therefore needed to ensure that the Council could continue to deliver its vision and priorities for the community. This review has been completed and has identified the complexities of planning for an uncertain future in terms of funding. The review has however, provided a better understanding of the finances of the Council and how available funding can be applied in order to meet its aims and objectives as set out in the Corporate Plan.

3.0 Proposals

- 3.1 The MTFP shows that whilst the Council managed to balance the budget for 2017/18 because of prudent decisions made in the past, future funding of its services will depend on its ability to raise additional income; otherwise it will need to make up funding gaps by increasing Council Tax or/and depleting its general fund reserves.

- 3.2 In summary, the funding gap at 3 different levels of average Band D Council Tax for the years 2018/19 to 20/21 is set out in the table below:

Ranges of Council Tax increase at average Band D	2018/19 £000	2019/20 £000	2020/21 £000
Worst- Council Tax Freeze	427	946	1,038
Middle- Increase of 1.94%	303	693	651
Best- Band D increases by £5	236	559	452

- 3.3 Notwithstanding, the sound financial position due to early difficult decisions, the Council will need to continue to consider demand management in areas such as homelessness, community safety and supporting people. It will also have to continually monitor and review areas where budget pressures will persist; such as welfare reform, asset management, meeting pension fund deficits, direct services such as refuse and recycling.
- 3.4 The MTFP highlights that the Council, since 2010, has made efficiency savings of £5.67m, or 33% of its service budgets. Further savings will inevitably have an impact on the delivery of its services. The alternative to savings is to increase income; however there are statutory, ethical and political restrictions on the amount that additional income can be raised through increases in fees and charges. Similarly, there are constraints on the ability to raise revenue through council tax increases. There is, therefore, a need to earn “new” income streams in order to bridge the gap in funding.
- 3.5 The Council is in a good position to utilise its reserves and potential to borrow to fund capital investment projects that will generate “new” income streams to the Council; this includes direct investments in corporate bonds, property funds and the establishment of a development company. A Commercialisation and Investment Plan that support this MTFP will be brought to the next meeting of the Policy and Finance Committee.
- 3.6 The MTFP also sets out forecasts of other funding available to the Council such as New Homes Bonus and growth in business rates, which could be invested in projects to improve the Council’s future sustainability. Projects currently under consideration are set out in paragraph 8.2 of the MTFP.
- 3.7 The approved Capital Programme of £11.923m is shown at paragraph 3.2 of the MTFP together with relevant funding sources.

4.0 Equalities Implications

- 4.1 Equalities implications will be identified within specific schemes and projects included in the revenue budget and capital programme.

5.0 Impact on Budget/Policy Framework

- 5.1 The MTFP sets out a framework to support budget and policy decisions. The impact of individual schemes will be detailed in supporting business cases.

6.0 RECOMMENDATION

That the Medium Term Financial Plan for 2017/18 to 2020/21 be approved.

Reason for Recommendation

To provide a framework to support the Councils future spending plans.

Background Papers

Revenue Budget and Council Tax Setting for 2017/18
Capital Programme 2017/18 to 2020/21
Statement of Accounts 2016/17

For further information please contact Sanjiv Kohli on 01636 655303

Nicky Lovely
Business Manager and Chief Financial Officer – Financial Services

NEWARK AND SHERWOOD MEDIUM TERM FINANCIAL PLAN 2017/18 to 2020/21

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2. INTRODUCTION AND CONTEXT

3. EXECUTIVE SUMMARY

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APPENDICES

One – Revenue Budget Forecast 2017/18 to 2020/21

Two – Capital Programme 2017/18 to 2020/21

1. FOREWORD

1.1 Welcome to the Council's Medium Term Financial Plan covering the period 2017/18 to 2020/21.

This Plan sets out how the Council will use its financial resources to play a key part in delivering the vision and priorities of the Council.

Since 2010, the Council, alongside the majority of other local authorities has experienced unprecedented financial challenges in various forms; central government funding reductions, all time low returns on investments and a national economic downturn affecting jobs, housing and business growth. This has, in turn, created pressure on the generation of local income streams together with a rising demand for council services from customers who rely on important services provided by local government.

During this same period, the basis on which local government is funded has undergone radical reform with changes that affect the council's financial position both directly and indirectly including National Welfare Reform, Localisation of Council Tax Relief, Business Rates Retention, New Homes Bonus and of course reduction, and in some cases removal, of a range of grant funding sources. Each change bringing elements of uncertainty in terms of impact; with further fundamental and radical changes through the 100% devolution of Business Rates Retention set to come by 2020.

The financial outlook for the Council continues to be challenging. The Chancellor of the Exchequer, since the Spending Review in November 2015, has continually reiterated that funding cuts to local government will continue until 2019/20 and on scale far greater than any other Government department.

The fundamental changes to the funding of local government represents a new era for local authorities; with a move to local government funded by local taxes. Whilst transferring significant financial risk and an inherent uncertainty this change also presents opportunities for authorities with the freedom from, and removal of reliance on, Central Government. This Council, because of its prudent financial performance in the past, is in a good position to meet these challenges and to take advantage of the opportunities that self- financing bring.

The Council has a track record of delivering against tough challenging financial positions and has in recent years undergone significant reviews of its services, delivering savings through service re-engineering, reduction in staff costs, smarter procurement and generating additional income. Whilst the Council will need to continue to deliver efficiency savings, the focus in the next three years will also be in growing the income base through increases in retained business rates, strategic partnerships with public and private service providers and by the establishment of commercial vehicles that will enable the Council to generate new revenue to sustain

and improve the services it delivers to the people of Newark and Sherwood. This Plan will be supported by the Council’s Commercialisation and Investment Plans.

The journey to new ways of working and thinking will be difficult and will present challenges at a number of fronts, however elected members and officers will face these challenge constructively and progressively, and will ensure that at the heart of decision making there remains a focus on the Council’s five main objectives of providing more homes, improving health, safety, cleanliness and having a positive impact on the local economy.

This Medium Term Financial Plan sets out how this Council will meet the challenges it faces, the areas of opportunity presented by the changes in the national, regional and local financial landscape and by doing so become a more efficient, sustainable and ensuring council which continues to deliver on its opportunities.

Roger Blaney
Leader of the Council

Andrew Muter
Chief Executive

2. INTRODUCTION AND CONTEXT

The purpose of the MTFP is to set out the overall framework on which the Council plans and manages its financial resources to ensure that they fit with, and support, the direction of the Council's Strategic Priorities.

The MTFP is a corporate plan to assist both Members and Officers manage the Council's finances within a clear framework.

The MTFP looks ahead over the coming four financial years to identify the resources likely to be required by the Council to finance its priorities and meet its spending pressures. It also looks ahead to determine the resources likely to be available to the Council over the same period. This plays a critical role in ensuring that the Council "lives within its means" in developing its key plans and strategies and continues to maintain a sustainable budget during the period of this Plan.

The MTFP integrates revenue allocations, savings targets, reserves and capital investment, and provides indicative budgets and future Council Tax levels for the period covered by the plan. This approach is an essential part of the future budget setting process.

The Council's Commercialisation Plan and Investment Plan are being developed and, when completed, will support the MTFP.

Although the MTFP is set against a four year medium-term time frame, it will exist for longer as it provides the overall direction and parameters for financial management at the Council and will be revised and refreshed on a rolling basis; with a mid- year summary review and a full annual review.

2.1 Objectives

The MTFP is not intended to lead policy development for the Council. It is a reflection in financial terms of the Corporate Plan of the Council and sets the financial framework for the resourcing of the aspirations set out in the Corporate Plan.

The MTFP seeks to achieve a number of specific objectives;

- Ensure the Council maintains a sound and sustainable financial base, delivering a balanced budget over the life of the MTFP.
- Maintain income levels and increase them where possible, including growing the Council Tax and Business Rates tax bases, whilst ensuring that Council Tax rate increases are kept an acceptable level.
- Continue to manage the Council's recurrent cost base to meet changes in local government funding and ensure the provision of efficient, effective and economic services which demonstrate value for money.

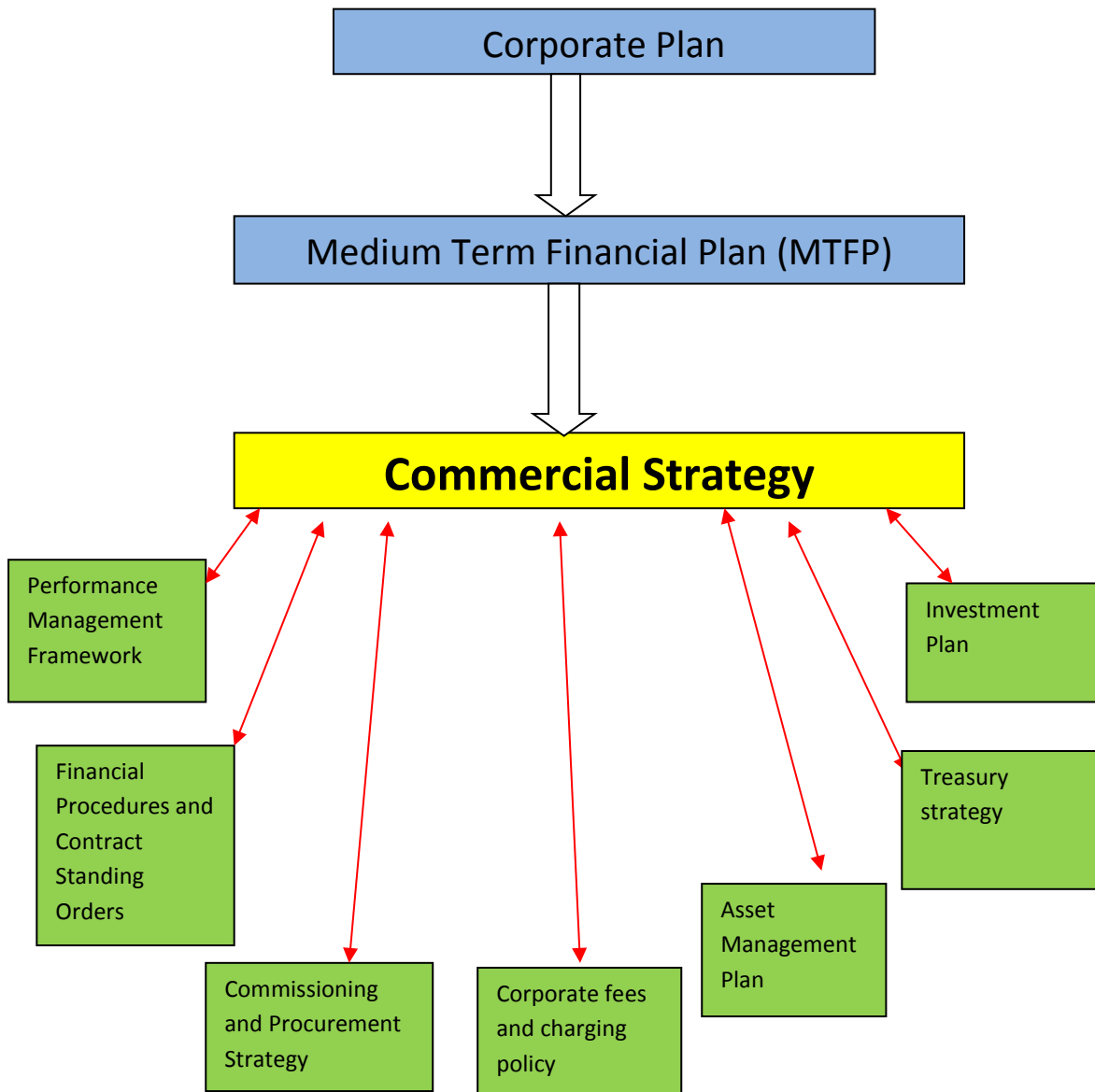
- Ensure the Council maintains robust, but not excessive, levels of reserves and balances to address any future risks and unforeseen events, without jeopardising key services and the delivery of outcomes.
- Ensure the Council's limited resources are directed towards its strategic priorities, redirecting where necessary to allow for improvement and investment.
- All new venture and projects are properly considered and costed.
- Ensuring value for money (VFM) is a key consideration in all investment decisions and proposed service improvements.
- To keep under review spending and service performance in the context of achieving VFM.
- To maximise return on assets through matching operational needs to accommodation needs, generating financial returns from investments or non-operational properties in excess of that achievable by cash investments.
- To work in partnership with other public, private or voluntary organisations with a view to managing costs and increasing income in order sustain and improve services.

2.2 Policy and Financial Planning Framework

The Council's Corporate Plan is the thread that links the Council's integrated policy and financial planning framework. It is underpinned by the MTFP, which is driven by the outcome requirements of the Corporate Plan and flows through to the Council's other key plans and strategies, service planning and individual staff performance appraisals. This ensures that the Council's vision and strategic priorities drive the activity and allocation of resources of the Council.

The Corporate Plan promotes a clear view of the Council's strategic focus and in particular its key priorities of providing more homes, improving health, safety, cleanliness and having a positive impact on the local economy, within the overarching strategic themes of Prosperity, People, Place, and Public Services . These priorities are a commitment by the Council to use the resources it has available to take 'action on the ground' through the services it provides to make a difference for local people

The Council's Policy and Financial framework is as follows:



3. EXECUTIVE SUMMARY

The MTFP highlights that the Council, since 2010, has made efficiency savings of £5.67m, or 33% of its service budgets. Further savings will inevitably have an impact on the delivery of its services. The alternative to savings is to increase income; however there are statutory, ethical and political restrictions on the amount that additional income can be raised through increases in fees and charges. Similarly, there are constraints on the ability to raise revenue through council tax increases. There is, therefore, a need to earn “new” income streams in order to bridge the gap in funding.

A synopsis of the projected financial position from 2017/18 to 2020/21 is set out in 3.1 to 3.3 below.

3.1 Financial Projections

3.1.1 The table below sets out the summary of the financial forecast from 2017/18 to 2020/21, assuming that Council Tax at average Band D will increase by the same amount as for the last two financial years, i.e. 1.94% (detailed forecasts are included in Appendix 1):

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Net Service Expenditure	12,659	12,326	12,465	12,633
Net Budget Requirement	11,811	11,583	11,669	11,793
Total Settlement Funding	5,583	4,557	4,174	4,134
Council Tax	6,319	6,512	6,711	6,917
Use of Earmarked Reserves	(90)	210	91	91
Use of General Fund Balances	0	303	693	651
Closing Balance of Earmarked Reserves				
Closing Balance of General Fund Balances				
Minimum General Fund Balances Requirement	1,663	1,683	1,696	1,708

3.1.2. If council tax is frozen or a £5 increase is applied the use of general fund balance to set a balanced budget will be as follows:

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Council Tax Freeze	0	427	946	1038
Band D increases by £5	0	236	559	452

3.1.3 The funding gap, therefore, assuming all other things are as in the forecasts, would range, depending on Council Tax increases as follows:

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Best : Increase by £5	0	236	559	452
Forecast: 1.94% increase	0	303	693	651
Worst : Freeze	0	427	946	1038

3.2 Capital Programme

3.2.1 The Council's current approved General Fund Capital Programme (approved by Council on 9th March 2017), is summarised in the table below:

	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
Committed Schemes	11,923,195	£1,328,800	£1,159,750	867,000	642,000
Funded by:					
Government Grants	8,480,785				
Contributions from third parties	92,600				
Capital receipts	1,657,520	882,000			
Capital reserves	5,000	5,000	5,000	5,000	5,000
Internal Borrowing	1,687,290	441,800	1,154,750	862,000	637,000
External Borrowing					
Total Funding	11,923,195	1,328,000	1,159,750	867,000	642,000

3.2.2 The revenue estimates of funding the above approved capital programme to 2020/21 have been included in the medium term financial forecasts.

The estimates in 2017/18 comprise of the following, funded, capital projects:

	£
Newark Leisure Centre (now completed, final account pending)	1,050,000
Museum Integration (integration complete; waiting final account)	107,933
Castle Gatehouse Project (phase 1)	117,600
Castle House Offices (to be completed in September 2017)	1,657,520
CCTV Relocation	254,444
Extension to the Lorry Park on Great North Road	792,000
Southern Link Road (externally funded)	8,480,785
Information technology	301,790
Vehicle and Plant renewals	18,000
Total Programme 2017/18	<u>£12,780,072</u>

Following completion of the above major projects in 2017/18, there are no other major projects included in the Council's approved capital programme for the period of this MTFP. The only capital expenditure included for the years 2018/19 to 2021/22 is on routine Information Technology renewals and Plant and Machinery renewals.

The Council will be considering a number of projects for the future in line with its corporate objectives and at the time of writing this Plan, officers are working on the following prospective schemes:.

- Sporting Hub on Bowbridge Road, Newark
- Extending the existing visitor centre at Sconce & Devon Park
- Castle Gatehouse Phase 2 (dependant on HLF Phase 2 Funding).
- Leisure Centre (West)
- Establishment of a wholly owned development company.

Details of these potential projects are set out later in section 8.2.

3.3 Funding of future capital schemes:

The Council's Capital Programme has historically been funded from capital receipts or contributions from revenue. As part of moving towards a financially sustainable programme, the Council is going to be carrying out a major review of all of its land and property assets aimed at achieving the following:-

- a reduction in revenue costs,
- increased rental income,
- capital receipts,
- reduced repairs liabilities
- use of the assets for the Council's growth plans.

The total capital funding, available to the Council from 2017/18 onwards is £3.191m, this is made up of Capital Receipts and the Capital Reserve.

Depending on future ambitions and objectives of the Council, this available funding can be used to fund schemes in full or to leverage external funding.

4. FUNDING AND INCOME

In order to set the framework for the Council's approach to policy and financial planning, it is important to understand the overall national policy context and economic conditions, as well as the policy and delivery priorities for the Council over the MTFP period.

4.1 Economic Climate

Government support for the economy means that there continues to be severe reductions in funding across the public sector and this looks set to continue for a number of years in order to reduce the level of government debt.

This Plan is also written in the context of an overall reduction in costs at Newark and Sherwood Council since 2010 of £5.67m, or 33%, including a 23% reduction in the number of staff through a corporate restructure of the Council and consequent redundancies in 2011/12. Further redundancies cannot be ruled out completely given that the Government's programme of public spending reductions is set to continue.

At the time of writing this Plan, the UK economy is in a state of uncertainty following the "leave" decision of the referendum on membership of the European Union and the Prime Minister has now formally given notice to leave under Article 50. The Prime Minister, following the triggering of Article 50, also announced that there will be a snap general election on the 8th of June 2017. This adds further uncertainty to the economic and financial market place.

4.2 Local Government Settlement

4.2.1 The table below shows the settlement figures for the years 2016/17 through to 2019/20, together with an estimate for 2020/21. The key figure is the "Settlement Funding Assessment" which is part Revenue Support Grant and part retained Business Rates and forms the overall amount of funding receivable by the Council (it should be noted that funding for the Council Tax Support Scheme is no longer separately identifiable).

	2016/17	2017/18	2018/19	2019/20	2020/21 (est)	Change since 2016/17
	£	£	£	£	£	£
Revenue Support Grant	1,776,668	1,048,592	592,374	82,785	0	(1,776,668)
Retained Business Rates	3,365,803	3,434,519	3,545,017	3,671,114	3,714,820	349,017

Total Settlement Funding Assessment	5,142,471	4,483,111	4,137,391	3,753,899	3,714,820	(1,427,651)
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This table illustrates that the core Revenue Support Grant (RSG) will have stopped by 2020/21. In 2014/15 and 2015/16 RSG totalled £3,728,523 and £2,623,636 respectively. The table also illustrates that the rate of growth in business rates funding has been well short of the decrease in Revenue Support Grant with an overall decrease in the Settlement Funding Assessment, projected over the term of this MTFP, of £1,427,651. This demonstrates the scale of the funding reduction for Newark and Sherwood.

4.3 New Homes Bonus

New Homes Bonus (NHB) was introduced in 2011 and supports Government policy on meeting the future housing needs of the country. The grant effectively rewards Councils for the development of new homes in their areas. It is only payable on completion and occupation of new properties, not on planning approvals. Additional sums are paid for the delivery of new affordable homes. The Government have recently reduced the number of years the grant is paid from six to four years, including for prior years grants.

4.3.1 Estimates of additional NHB have been calculated based on the assumptions contained in the Council's Local Plan. The actual amount of grant received is influenced by the council tax banding of the new property, i.e. the lower the band the lower the reward grant. At this stage the mix of properties is undetermined and therefore an accurate assessment of the total reward grant is not possible. The other critical determinant of the achievement of the estimated NHB is the timing of delivery of the properties. Given the level of uncertainty it is prudent in terms of financial planning to scale back the amount of grant received to allow for delay and Council Tax banding by up to 75%. The table below shows the estimated allocation of grant until 2020/21.

Year	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
2011/12	389				
2012/13	378				
2013/14	378	378			
2014/15	413	413			
2015/16	320	320	320		
2016/17	402	402	402	402	
2017/18 (est)		390	390	390	390
2018/19 (est)			390	390	390
2019/20				390	390

(est)					
2020/21 (est)					390
TOTAL	2280	1903	1502	1572	1560

It is reasonable to expect that NHB will decline and with proposed changes to Business Rate Retention scheme by 2020/21 (discussed below) it is likely to end altogether.

The Council is in a good position in that it has not used any of the historical NHB allocation to support its general fund budget and as a consequence the inevitable removal of NHB will have less of an impact on the Council's future finances. Nevertheless, it is a key financial resource that will be applied to partly fund key regeneration projects and therefore this resource will be a loss to the Council.

4.4 Business Rate Retention

Under the NDR system, the Department of Communities and Local Government sets the rate in the pound payable. For 2017/18, the rate in the pound has been set at 47.9p (46.6p where Small Business Rate Relief applies).

The present business rates scheme, which took effect from 1 April 2013, passes 50% of the rates collected locally to central Government, and 10% to major preceptors. The amount passed to central Government is redistributed as formula grant. The amount retained by councils is subject to a tariff or top-up to leave the amount that central Government determines is the Council's baseline funding need.

For 2017/18, Newark & Sherwood District Council's retained business rates have been assessed as £3.435m. This does not include any additional growth or amount generated through the Nottinghamshire Business Rates Pool.

Following the recent changes of the NDR valuations and the Government's change in the multiplier to reflect losses on appeals, there is growth of £1.1m in the 2017/18 financial year. However, since Government had indicated that these recent changes would have a neutral effect on the amount of retained business rates, members of the Policy and Finance Committee, at their meeting on 23rd February 2017, agreed to recommend to full Council that it would be prudent to earmark this growth in a reserve until the level of tariff payment is determined for certain next year. If the tariff does not increase, the money will be released back into the general fund to support the 2018/19 budget.

Since the potential impact of determination of historic appeals could have an impact on the Council's future funding plans, the Council, in 2016/17, sought independent external advice from Analyse Local who produced prudent estimates of potential losses in business rates resulting from historical and current appeals lodged with the Valuation Office. There are a number of very large companies who make up a significant amount of the Council's NDR base and if a successful appeal from any one of these companies is awarded, it would lead to the Council paying out a substantial

sum of money. It is therefore considered prudent to set aside a provision of £7.459m for appeals within the NDR collection fund. Accordingly, it was agreed at the Policy and Finance meeting of 23rd February 2017 to increase the provision for appeal liabilities in the 2017/18 budget.

4.4.1 The Baseline funding level for Newark and Sherwood District Council set by the Government for 2017/18 is £3.435m. Over the three years of the settlement, this is estimated to rise to £3.67m, an increase of £0.24m. In reality, however, it is expected that the actual income the Council achieves from Business Rates will be higher than the baseline over this period. The estimated amount of Business Rates income for 2017/18 shows that of the £42,028m collectable in the Newark and Sherwood area, the Council's share (after allowing for recovery of deficits) is expected to be £4.588m which includes a forecast growth of £1.153m, as follows:

	£000
Total Estimated 2017/18 Business Rate Income (after recovery of deficit)	37,970
50% Share to Government	18,818
40% Share to Newark and Sherwood (incl renewables and cost of collection)	15,388
9% to Nottinghamshire CC	3,387
1% to Nottinghamshire Fire Authority	376
	£000
Newark and Sherwood 40% Share from above	15,388
Tariff payment to Government	10,800
Net Business Rates Retained	4,588
NDR Baseline funding	3,435
NDR retained growth	1,153

4.4.2 Given the uncertainty of the timing of new development or/and new businesses moving into the District, the financial forecast assumes that growth in business rate income will reflect the Government forecast growth. This suggests that broadly income will rise by 2% per annum. The forecasts for retained business rates are as follows (the figures for 2016/17 have been included for comparison purposes):

	2016/17 (actual) £	2017/18 (budget) £	2018/19 £	2019/20 £	2020/21 £
Base line	3,365,800	3,434,500	3,545,020	3,671,140	3,714,820
Forecast Growth	(110,380)	1,100,000	420,000	420,000	420,000
Retained	3,255,420	3,534,500	3,965,020	4,091,140	4,134,820

4.5 Move towards 100% retention of Business Rates

The government are consulting on proposals to allow local government to retain 100% of business rate income locally. In total this Council collects in the order of £42.028m of business rate income net of reliefs and exemptions. Irrespective of the changes that are finally agreed it is envisaged that the existing system of tariffs and safety nets will still be in place in some form and that the level of income retained from business rates will be broadly similar to the current level.

4.6 Council Tax Policy and Projections

Where Councils do increase Council Tax, the Council Tax Requirement is used to determine the level which would trigger a referendum. DCLG have now issued the criteria for triggering a referendum which is that the relevant basic amount of council tax for 2017-18 is 2% or more, or the greater of 2% up to £5 more than its relevant basic amount of council tax for 2016-17.

Members agreed to an increase in average Band D Council Tax of 1.94% for 2016/17 and 1.94% for 2017/18. The Council's average band D Council Tax is £167.03 per household per year and 1% increase in average Band D Council Tax equates to around £63,185

For the purposes of the financial forecasts, it has been assumed that Council Tax at average Band D will increase by 1.94% each year (with comparative impact shown at a freeze or £5 increase)

4.7 Income from Fees and Charges

4.7.1 The generation of income from fees and charges is an essential element of the Council's revenue budget. The overall level of fees and charges is substantially affected by legislation with many chargeable services prevented from recovering more than their costs. The objective therefore is where services are chargeable (and the level of charges is determined by the Council) then they should achieve break-even. Opportunities will also be explored for premium pricing for discretionary services where the Council is able to deliver variable levels of service. The total income from fees and charges included in the projections is as follows (the figures for 2015/16 have been included for comparison purposes):

	2015/16 (actual) £	2016/17 (budget) £	2017/18 (budget) £	2018/19 (est) £	2019/20 (est) £
Statutory Charges	1,194,970	1,198,810	1,201,360	1,203,740	1,208,210
Discretionary Charges	4,522,380	4,326,290	4,530,110	4,656,970	4,669,870

Notes: New from 2017/18

Castle House income from partners £121,130, full year 2018/19 £242,260

The above table illustrates that the Council's income from fees and charges follows historical trends and is forecast to remain fairly static over the period of this Plan as no upward changes are planned for the Council's services that generate a large proportion of the total income forecasts.

The main sources of income from discretionary services are:

Services	2015/16 (Actual)	2016/17 (Budget) £	2017/18 (Budget) £
National Heritage Centre	167,151	0	0
Sconce & Devon	51,756	8,740	9,780
Palace Theatre (HCV)	640,811	0	0
Heritage, Culture & Visitors	0	1,072,710	873,500
Workshops	509,792	545,200	558,680
Surface Car Parks- Newark	880,292	814,400	786,770
Newark Lorry Park	345,137	239,400	375,390
Private Sector Speech Call	96,950	9,0000	90,000
Housing Options (and hostels)	49,119	66,250	78,230
Domestic Refuse	906,039	903,700	981,030
Street Sweeping	139,631	133,730	136,930
Environmental Health	49,566	41,310	52,150
Newark Livestock Market	156,000	230,000	218,000
Vehicle Pool Workshop	63,719	67,000	65,000
Castle House - rents	0	0	121,130

All of the main income sources will be reviewed in 2017/18 as part of the delivery of the outcomes set out in the Council's Commercial Plan.

5. PRESSURES AND OPPORTUNITIES

The increasing demand for council services and the Council's own ambitions will inevitably mean that some budgets will need to be increased if performance levels are to be maintained or improved and if the Council's ambitions are to be fulfilled.

The reduction in central government funding has meant that the Council is becoming reliant on generating income from fees and charges but its ability to do so from existing services is limited (as illustrated in 3.7 above). It also presents a risk if demand for the services decreases or if inflation exceeds forecasts. This means that the Council will need to look for opportunities for generating new income whilst continuing to operate efficiently, effectively and economically.

The Council has since 2010/11, successfully delivered efficiency savings of around £5.67m, or 33.6% of its service budgets and by taking appropriate action early the Council has been able, over the past year, to develop services in certain priority areas.

The Council has already taken some key decisions in respect of its property assets. It has developed a National Civil War Centre and the Newark Sports & Fitness Centre. Castle House is well under construction and staff will commence re-locating to Newark Town Centre in September 2017. This move has enabled the sale of Kelham Hall for a capital sum of £4m. This sum will provide additional funds to enable further regeneration projects to be developed that will contribute revenue to the Council. There will also be on-going annual cost savings to the revenue budget of around £200k (against 2016/17 budget) resulting from operating from more efficient purpose built accommodation. (Savings of around £300k per annum have previously been achieved as Kelham Hall Ltd are required to contribute to running costs and the 'shuffle up' has allowed parts of the building to be decommissioned). Additionally, only essential maintenance work is being undertaken at present at Kelham Hall.

5.1 Notwithstanding, the sound financial position due to early difficult decisions, the Council will continue to consider (with partners) demand management in areas such as homelessness, community safety and supporting people. It will also have to continually monitor and review the following areas where budget pressures will continue:

- Welfare reform and the continued impact of localisation of council tax and universal credit
- The triennial revaluation of the pension fund will continue to impact on the budgets of the Council. The 2016 valuation resulted in an funding level for this Council of 75.11% which is being funded over the next three years by lump sum payments amounting to £3,210,030, together with an increase in the annual contribution rate from 12.5% to 14.5%.
- Direct services such as refuse collection and ground maintenance which may require further funding due to increasing housing developments. Increased

house building and an increase in residents will however mean an increase in the Council Tax base and New Homes Bonus allocations.

5.2 Planning Policy and Development Control

Changes in Planning legislation to facilitate accelerated development of housing will continue to place pressures on Planning Services. Current known service pressures have been built into the MTFP forecasts and an earmarked reserve has been established in order to smooth over the financial impact of unforeseen in year peaks in demand.

5.3 Refuse, Recycling and Street Cleansing.

This key service of the Council will need to be kept under review as demand pressures increase with greater levels of house developments in the District.

The service has extended over the past 8 years (with the introduction recycling and commercial waste collections, and more recently the introduction of a garden waste collection service) whilst the budget allocations have remained fairly static. This has been possible through greater operational efficiencies, the development of the MRF at Mansfield and the more recent development of the Waste Transfer Station on Brunel Drive, all of which have enabled the service to continually make savings whilst maintaining a high quality and well regarded service to residents and customers. Further efficiencies are going to be difficult as the service is currently operating at its optimum and therefore there will come a point when further funding will need to be provided in order to add vehicles and workforce.

The Manager for this business unit will work with the accountants and strategic adviser to develop an operational and financial model that will seek to identify key milestones when additional funding may be required in order to build this into the next revision of the MTFP. In the meantime, £100, 000 has been set aside in an earmarked reserve to cushion any additional in- year funding requirements in 2017/18.

6. GENERAL FUND FINANCIAL PROJECTIONS

6.1 Financial Projections

The table below set out the summary of the financial forecast from 2017/18 to 2020/21 (detailed forecasts are included in Appendix 1):

6.1.1 Assuming Average Band D Council Tax Increases of 1.94%

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Net Service Expenditure	12,659	12,326	12,465	12,633
Net Budget Requirement	11,811	11,583	11,669	11,793
Total Settlement Funding	5,583	4,557	4,174	4,134
Council Tax	6,319	6,512	6,711	6,917
Use of Earmarked Reserves	(90)	210	91	91
Use of G.F Balances	0	303	693	6651
Closing Balance of Earmarked Reserves				
Closing Balance of General Fund Balances				
Minimum General Fund Balances Requirement				

The figures above assume a 1.94% increase in the level of council tax, if council tax is frozen or a £5 increase is applied the use of general fund balance to set a balanced budget will be as follows:

6.1.2 Alternative Average Band D Council Tax Increases:

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Council Tax Freeze	0	427	946	1038
Band D increases by £5	0	236	559	452

6.1.3 The funding gap, therefore, assuming all other things are as in the forecasts, would range, depending on Council Tax increases as follows:

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Best : Increase by £5	0	236	559	452
Forecast: 1.94% increase	0	303	693	651
Worst : Freeze	0	427	946	1,038

6.2 Underlying Assumptions

The following assumptions have been made in compiling the financial forecasts supporting this Plan:

6.2.1 Staff Costs

Figures for salaries and wages will be built up from the detailed base position, taking into account the numbers and salary of each employee per service unit. It has been assumed that within the Service Unit budgets, the Council will employ 100% of the establishment throughout the year with the exception of known unfilled vacancies where salaries are budgeted to commence on the anticipated starting date.

An increase of 1% has been assumed for 2017/18 and future years to include pay, increments and all other salary costs.

No allowance is made within Service Budgets for vacancies occurring during the year and the natural savings that this will bring as positions are recruited to. As it is not possible to predict precisely which Business Units will experience vacancies, there is an overall provision made each year of £150,000.

6.2.2 Employer's Superannuation

The actuarial review carried out as at 31st March 2016 increased the employer's superannuation contributions from 12.5% to 14.5% from 2017/18. An average amount of £1,070,010 per year for 3 years has been provided in 2017/18, 2018/19 and 2019/20 for historical debt and future provision has been made at 14.5%.

6.2.3 Provision for Inflation

The Consumer Prices Index (CPI) rose by 1.8% in the year to January 2017, compared with a 1.6% rise in the year to December 2016. Most forecasts show this measure of inflation remaining below the Government's inflation target of 2% in the medium term. In order to achieve a balanced budget it is necessary to limit budgets at or below current levels therefore any inflation built into budgets will be met by compensating savings.

6.2.4 Interest rate

The current approved capital programme can be financed without the need for any new borrowing. However, for any new schemes this will not necessarily be the case and it will be necessary to assess the extent to which new borrowing may be required.

Unlike many local authorities, the Council has not yet used any of the New Homes Bonus (NHB) to support the revenue budget and allocations to date have been transferred to earmarked reserves.. There remains scope for use of NHB to fund capital schemes to reduce the revenue impact of borrowing costs.

Should there however, be need to borrow externally for General Fund related projects this will be on the basis of prudential borrowing and the cost will depend on the prevailing rates at the time the funding is needed. Any cost of borrowing will need to be included in the Council's revenue budget. Based on current rates, the cost of borrowing £1m will be approximately 6%. This includes an estimate of Minimum Revenue Provision which will vary depending on the life of the asset.

6.3 Risk Assessment and Sensitivity

Under Section 25 of the Local Government Act 2004 the statutory Section 151 Officer, is charged with reporting on the robustness of estimates made. This section fulfils that statutory requirement.

In considering the overall level of budget proposed and the sensitivity of income and expenditure levels it should be noted that:-

6.3.1 Council Tax

- A 1% increase in Council Tax is equivalent to a sum of £63,185 net expenditure
- A £1 increase in Council Tax is equivalent to a sum of £37,830 net expenditure

6.3.2 Staff Costs

As with all District Councils the costs of staffing makes up a considerable part of the forecast costs. An increase of 1% has been made for each of the years in the MTFP forecasts for a national pay award and any increments. To the extent that any future national agreement exceeds the figure provided in that year, the impact will initially need to be met from the General Fund Balance. For every 1% increase (based on 2017/18 budget) in staffing costs a further £113,810 would require to be found from the Council's Balances assuming that other savings or staff reductions could not be made to offset the increase. This is not considered to present a great risk to the Council as any additional costs will be met from corresponding savings or temporary use of General fund Balances which, after adjustment (see paragraph 7.11) stand at just over £1.66m.

6.3.3 Income from Fees and Charges

A substantial part of the net budget is dependent on the buoyancy of income streams; thus offsetting the expenditure falling to be met from the General Fund and hence Council Taxpayers. Account has been taken within the forecasts of the levels of income which is considered to be achievable. However, any significant under performance on income will give rise to a subsequent increase in the net expenditure

in the year and therefore place an unbudgeted demand on the Council's revenue balances. A 1% drop in income from fees and charges across all service areas would be equivalent to (based on 2017/18 budget) an amount of £43,590. This is not considered to be a significant risk to the Council. The risk of a fall in income streams from Leisure facilities is met by Active4Today.

Income from most income streams is currently meeting budget targets. The income budget for the National Civil War Centre – Newark Museum has been revised in 2017/18 to reflect visitor numbers for the first year of operation.

It is important to monitor income levels throughout the term of this Plan and accordingly, the Corporate Management Team will continue to scrutinise income levels on a regular basis as part of the performance management framework.

6.3.4 Interest Rates

The Council pays and receives a significant amount of interest comprising estimated capital financing costs (2017/18: £747,410) and investment interest (2017/18 £554,390). The respective elements of interest payable and interest receivable are estimated taking into account various factors such as cash flow, level of capital receipts available, levels of anticipated balances and reserves, and the anticipated interest rates achievable during the year. To the extent that variations occur in the above areas, the level of interest paid and received in the year may fluctuate from that anticipated.

The net impact of a 1% interest rates change is not considered significant in terms of the Council's net budget requirement.

6.3.5 General Inflation

Inflation puts further pressure on non-pay budgets and there is a risk that this could impact on the level of expenditure included in the forecasts in this MTFP. Services Units are, however required to stand the impact of general inflation within their budget targets and therefore any variations up to 2% are not considered to present a significant risk to the Council.

The Bank of England forecasts that the level of inflation will remain around its target level of 2% and at the time of writing this report the figure for CPI for January 2017 was 1.6%.

7. GENERAL FUND RESERVES AND BALANCES

Each year the Section 151 Officer of a local authority is required under Section 26 of the Local Government Act 2005 to review the amount of reserves and provisions that the authority holds. This review is carried out primarily to ensure that reserves and provisions are not allowed to be 'run down' to an imprudent low level, taking into account their purpose and likely use. In undertaking this review it is also necessary to ensure that amounts do not become over provided for. With this in mind, a review of reserves held by the Council has been undertaken and the movements in earmarked reserves and general fund balances contained in the forecasts for each year have been influenced by this review.

7.1 General Fund Balance

At its meeting in September 2016, Policy & Finance Committee approved a recommendation that the District Council should aim to maintain General Fund balances at approximately £2.9m. In order to maintain this level of balances in each year of the financial forecast, it has been assumed that all other earmarked reserves will be used in the first instance to fund any one-off costs arising and balances will only be used when these reserves have been fully utilised.

7.1.1 After reviewing the level of Balances and Earmarked Reserves, it is proposed that the level of General Fund Balance be maintained at 15% of Net Budget Requirement. For 2017/18 this level will be £1,665,000. This will release almost £1.3million in to General Fund in 2017/18.

8. CAPITAL PROJECTS AND REGENERATION SCHEMES

When business cases for new schemes are brought to Committee, financing implications of capital expenditure are included in order to assess the viability of the scheme and to enable members to make informed decisions. Once the capital expenditure has been incurred, the financing of the Capital Programme as a whole is arranged by the Section 151 Officer, in line with the Council's Constitution.

In line with the Council's current Treasury Plan, wherever possible, it has been assumed that projects within the capital programme will be financed by temporarily 'borrowing' from internal reserves and balances. The Council may however consider revising this Policy to take advantage of low PWLB borrowing rates on schemes/projects where the borrowing is affordable and sustainable.

The analysis of the Council's Balance Sheet by its external Treasury advisers, Arlingclose, shows that as at 31st March 2016, the Council was under borrowed by £35 million

The Council has already successfully delivered some key projects such as the New Leisure Centre in Newark, the National Civil War Centre, the Palace Theatre and Museum Integration together with improvements to the latter. The total cost of these schemes delivered since 2012 is circa £19m of which £6.7m has been externally funded.

8.1 The Council's current approved General Fund Capital Programme (approved by Council on 9th March 2017), is summarised in the table below:

	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £
Committed Schemes	11,923,195	£1,328,800	£1,159,750	867,000	642,000
Funded by:					
Government Grants	8,480,785				
Contributions from third parties	92,600				
Capital receipts	1,657,520	882,000			
Capital reserves	5,000	5,000	5,000	5,000	5,000
Internal Borrowing	1,687,290	441,800	1,154,750	862,000	637,000
External Borrowing					
Total Funding	11,923,195	1,328,000	1,159,750	867,000	642,000

The revenue estimates of funding the above approved capital programme to 2021/22 have been included in the medium term financial forecasts.

8.2 The estimates in 2017/18 comprise of the following, funded, capital projects: £

Newark Leisure Centre (now completed, final account pending)	1,050,000
Museum Integration (integration complete; waiting final account)	107,933
Castle Gatehouse Project (phase 1)	117,600
Castle House Offices (to be completed in September 2017)	1,657,520
CCTV Relocation	254,444
Extension to the Lorry Park on Great North Road	792,000
Southern Link Road (externally funded)	8,480,785
Information technology	301,790
Vehicle and Plant renewals	<u>18,000</u>
Total Programme 2017/18	<u>£12,780,072</u>

Following completion of the above major projects in 2017/18 there are no other major projects included in the Council's approved capital programme for the period of this MTFP. The only capital expenditure included for the years 2018/19 to 2021/22 is on Information Technology renewals and Plant and Machinery renewals.

The Council will be considering a number of projects for the future in line with its corporate objectives and at the time of writing this Plan Officers are working on the following prospective schemes:

I. Extension to the Lorry Park on Great North Road:

This capital project has now received the appropriate Committee approval(s) and, subject to any call in, the planning application for the project will be submitted for approval. The tender documentation will also be prepared and advertised. It is envisaged that works will commence during September 2017, and the estimated cost of the project will be around £800,000.

II. Activity and Community Village Bowbridge Road Newark :

The Council's Policy and Finance Committee recently agreed terms for the leasing of the proposed sports hub site to YMCA, together with the transfer of specified section 106 monies to support the development of the facilities and their future maintenance. The council's primary role will be to facilitate the project, with the YMCA being responsible for its delivery and future sustainability. A small sum, however, has been set aside from reserves to support ongoing maintenance and ancillary expenses until the site is leased to YMCA.

III. Extend the existing visitor centre at Sconce & Devon Park :

A proposal for this capital project was submitted to a recent Economic Development Committee for approval. The decision of the Committee was not to approve the project at this time but to revisit the proposal as part of a wider appraisal of the Hawtonville area and the facilities/services available in this area of Newark. The project proposal is also reliant on a proportion of its funding

being provided by third party funders. As such, there is no revised timeline for the re-submission of this particular project.

IV. Castle Gatehouse Phase 2 (dependant on HLF Phase 2 Funding):

Phase 1 of this project has been approved and funding secured from the HLF and the capital programme (see para 3.2.2) for the 'design' phase of this project; work on which has now commenced. At the conclusion of the design phase, a full analysis and detailed business case will be prepared for CMT and Policy and Finance Committee to determine if the project is viable. If it is viable, then an application will be made to the HLF for phase 2 'development' funding and appropriate estimated funding will be applied for from the capital programme. The actual amount of funding will not be known until the 'design' phase is complete and any further progress of the project beyond the 'design' phase will be dependent on Committee approval and a successful phase 2 HLF applications.

V. Leisure Centre :

Officers continue to work in conjunction with Active4Today, the Council's leisure centre operator, to ensure that the Authority's leisure centres are appropriately maintained and efficiently operated to deliver services which meet customer expectations and deliver revenues for the Company. As part of this work, the Council is considering the appropriateness of its Leisure Centres and exploring any opportunities which could arise from future capital investment(s) in the centres.

VI. Establishment of a Development Company:

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.

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)

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 and/or external 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 market rates.

The Council's two main objectives are to provide more homes in Newark and Sherwood and improve the economic prosperity of the District. These objectives, together with the financial need to look at new ways to generate revenue to support its general fund services that it delivers to the people of Newark and Sherwood has led Members and Officers to consider the potential to establish a wholly owned development company.

Policy and Finance Committee at their meeting on 6th of April supported the development of a business case which is being progressed at the date of writing this Plan.

8.3 Funding of future capital schemes:

The Council's Capital Programme has historically been funded from capital receipts or contributions from revenue. As part of moving towards a financially sustainable programme, the Council is going to be carrying out a major review of all of its land and property assets aimed at achieving the following:-

- a reduction in revenue costs,
- increased rental income,
- capital receipts,
- reduced repairs liabilities
- use of the assets for the Council's growth plans.

The total capital funding, available to the Council from 2017/18 onwards is £3.191m, this is made up of Capital Receipts and the Capital Reserve.

Depending on future ambitions and objectives of the Council, this available funding can be used to fund schemes in full or to leverage external funding.

8.4 Prudential Borrowing

The Council does have sufficient internal funding to fund its current aspirations. This should not, however, preclude the Council from considering borrowing to fund capital schemes where there is a strong business case demonstrating that the revenue from such schemes will service the debt and yield a positive return to the Council. The Council has a window of opportunity whilst borrowing rates are low to identify schemes that would yield a positive net return to the general fund. It should not therefore disregard Prudential Borrowing from its decision making process.

The basic principle of the Prudential System is that local authorities are free to invest so long as their capital spending plans are affordable, prudent and sustainable. The

Council will need to meet the whole of the capital financing costs associated with any level of extra borrowing through its revenue account.

The use of unsupported prudential borrowing will, in the future, be a useful funding mechanism for some key projects and may be used as a short-term measure to fund capital expenditure prior to a capital receipt being received, or to replace capital receipts funding (although likely at reduced levels) over the longer term. In such cases, the revenue costs of borrowing will be met from income from the assets or from savings within the General Fund. The cost effectiveness of prudential borrowing as an alternative to capital receipts should be closely monitored.

Further details about the Council's borrowing requirements and the Prudential Indicators can be found in the Council's Treasury Management Plan. The Council's external Treasury advisers Arlingclose, carried out the annual Balance Sheet analyses as at 31st March 2016 and concluded the Council was under borrowed by £35million.

9. LOCAL AUTHORITY TRADING COMPANY (LATCO)

The Council's two main objectives are to provide more homes in Newark and Sherwood and improve the economic prosperity of the District. These objectives, together with the financial need to look at new ways to generate revenue to support its general fund services that it delivers to the people of Newark and Sherwood has led Members and Officers to consider the potential to establish a wholly owned development company.

9.1 The reasoning for this consideration is summarised as:

- The need to increase the supply of homes in Newark and Sherwood in order to meet wider housing demand
- The need to meet the challenging local housing targets set by central government.
- Increase investment in regeneration in the District.
- Have a positive impact on the local economy by increasing the number of people who live in the District.
- Make the very best use of land assets in the ownership of the Council.
- Safeguard the character of the District by controlling the housing mix and design standards to be complimentary to existing dwellings.
- Enable the Council to retain full control of the development and construction process, including the marketing
- Generate long term revenue for the Council. As stated throughout this Plan, it is imperative that new revenue streams are being delivered by 2020/21 when there will minimum (if any) support from Central Government.

The Council has identified land suitable for residential development and is at the time of writing this Plan working on an options appraisal followed by a business case to support, or not support, the setting up of a development company. It is anticipated that the business case will be presented to Council for approval by September 2017.

9.1.1 For the purposes of this business case the following preliminary cost estimates totalling £225,000 have been included in the financial forecasts:

	2017/18 £	2018/19 £
Options Appraisal, Business Case	35,000	
Legal and Finance	25,000	

Interim Managing Director	45,000	
Architects, QS, PM, Employers Agent		120,000
Funded from NHB	(105,000)	(120,000)

APPROVAL OF WRITE-OFFS ABOVE £10,000

1.0 Purpose of Report

1.1 To gain Committee approval to write-off a Business Rates debt amounting to more than £10,000.

2.0 Background Information

2.1 The Council's policy is to pursue all debts where it is economic to do so, and a comprehensive debt recovery process is followed. Debts are only put forward for write-off when there is no other option.

2.2 Approval to write off debts up to £10,000 is delegated to the Council's S151 Officer in the Constitution. Debt write-offs above that amount require the approval of Policy & Finance Committee.

3.0 Proposals

3.1 Newark Industrial Gym Ltd. ceased to trade in June 2016 leaving unpaid business rates of £7,441.46 relating to 2015 and £5,220.12 relating to 2016. There is no avenue open to the Council to pursue these debts. It is therefore proposed to write off these amounts.

4.0 Equalities Implications

4.1 There are no equalities implications in the report.

5.0 Impact on Budget/Policy Framework

5.1 There will be no impact on the Council's budget. Money is set aside each year in the Council's accounts to cover losses due to debts that are unrecoverable.

6.0 RECOMMENDATION

That the write-off of the debts, detailed at 3.1 totalling £12,661.58, be approved.

Reason for Recommendation

To ensure that only income which is collectible is included in the Council's accounts.

Background Papers - Nil

For further information please contact Phil Ward on Ext 5347.

Karen White
Director – Safety

MOVING AHEAD PROGRAMME – DECOMMISSIONING KELHAM HALL

1.0 Purpose of Report

- 1.1 The purpose of this report is to update Members on the final decommissioning process and the vacating of Kelham Hall.

2.0 Background Information

- 2.1 The decommissioning of Kelham Hall must be done in a methodical, ethical and organised way. The size of the task is vast and has progressed steadily over the past 18 months with a number of actions undertaken to declutter and reduce the number of residual furniture, general items and paper work prior to vacation. This has included storage audits, council wide “Bin It” days, the selling of unwanted furniture in accordance with the disposal strategy and the rationalisation of office occupancy.
- 2.2 Business Units have participated in a number of “Bin It” days, successfully clearing between 50-60 tonnes of paper documents which have accumulated over the 40 years that the Council has occupied the building. It is confirmed that the cellars are now empty of all documents.
- 2.3 The disposal strategy is in place to provide the guidance for the ethical disposal of unwanted items. To-date, a number of items of surplus office furniture and general items have been sold to staff for a nominal fee to assist with home working. Further requests for chairs will become available to staff as we vacate the building. A small number of items have been offered to charities and items that are unfit, unsafe, or materially damaged have been disposed of. Antiques and items of value will be disposed of via auction. The strategy does not cover electrical devices or ICT equipment which by law must be disposed of in accordance with the appropriate regulations.
- 2.4 Office occupancy has been rationalised where possible and in October 2016 the “shuffle up” involved moving teams from smaller offices to larger shared spaces, creating a working environment as similar as possible to Castle House. The Environmental Health wing and a number of other offices across the building were vacated as part of this exercise and in total 27 rooms were decommissioned.
- 2.5 Prior to the shuffle up the Council occupied 128 rooms, 27 of these have now been decommissioned however it is recognised that there is still a considerable amount of work to be done much of which cannot be done until staff have moved to Castle House.

3.0 Decommissioning Process

- 3.1 The final handover of the building to Kelham Hall Ltd will be on 2 November 2017 when the building must be clear of all Council property and meet the requirements of the contract of sale. With the volume of work to be done it is imperative that the decommissioning process gains impetus over the coming weeks. A decommissioning timetable has been drawn up beginning with a final storage audit being undertaken to identify the quantity of documents and general items left to declutter.

- 3.2 A large amount of documents that are in frequent use have been back scanned over the past year and are now stored electronically. However it is not practical to back scan all documents either because the paper and image is of poor quality or they will rarely be required but must be kept for legal reasons. The cost to back scan is greater than using an offsite storage solution, therefore a storage contract is being put in place for secure storage using Whitefields Storage of Bingham. Documents can be retrieved easily and quickly with a next day turnaround. The estimated cost for storage is £2K per annum and budget is in place. All documents will have a destruction date and therefore the cost will decrease over time. The documents will be moved to the storage company in July.
- 3.3 From early August the lesser used meeting rooms will be decommissioned including the Training Room, meeting pods and touchdown rooms.
- 3.4 The first group of staff will move out to Castle House on 4 September enabling these offices to be emptied immediately. This flow will continue over the next 3 weeks until all staff have moved.
- 3.5 Each room will be signed off by NSDC and Kelham Hall Ltd. and where possible locked to prevent further access.
- 3.6 Skips will be hired to dispose of items that are unfit for further use. Separate skips will be required for specific items such as scrap metal to ensure everything is disposed of appropriately.
- 3.7 Any items of furniture that are in good condition and have not been sold to staff will be referred to a general auctioneer to determine if there is sufficient value to contribute to a general sale. If all avenues are exhausted then the items will be scrapped.

4.0 Data Protection

- 4.1 The Council has a legal responsibility for the data it holds. All documents will be removed from offices by staff as they move to Castle House and it is essential that we have data protection controls in place during the decommissioning process to ensure any documents that may have been left in error are contained.
- 4.2 A decommissioning control checklist will be completed for each room to capture this information. The Information Governance Officer will be present for periods of time to provide guidance on Data Protection issues.

5.0 Resource

- 5.1 There are some difficulties to overcome, particularly with respect to resource, in order to keep two buildings operational during the two month decommissioning period and day to day business continuity is a risk that will need to be managed.
- 5.2 It will not be possible to keep both buildings open from 7am to 7pm therefore information will be sent to staff and members to inform them of any changes that need to be made.

5.3 Agency staff will be hired to provide manual assistance. The agency staff will need to be supervised therefore members of the Asset Management team will be onsite at Kelham Hall as much as possible and the Director - Community will oversee the whole process to the handover on 2 November.

6.0 Security

6.1 Security of the building will be maintained until 2 November including an external security firm which will be providing additional security once CCTV vacates the building. Door entry cards will be returned to Asset Management as staff transfer to Castle House and the cards will be deactivated before the system is handed over to Kelham Hall Ltd.

7.0 Finance

7.1 There is currently no budget for offline storage therefore it may be necessary to use the Change Management reserve to fund the part year storage for 2017/18, however in future years it will be necessary to include a budget within Administrative Services.

7.2 Caretaking services have been included in the budgets for both Kelham Hall and Castle House, should any additional hours be required it may be necessary to look for savings elsewhere. As the move to Castle House becomes closer there is more clarity on the likely utility and contractual costs and it is considered that savings will be achieved on the budget approved for 2017/18.

8.0 Communication

8.1 Communications are being prepared to inform staff and management of the decommissioning plan and will be included in the move pack.

9.0 RECOMMENDATION

That the report be noted.

Reason for Recommendation

To ensure Members are kept informed of all work relating to the Moving Ahead programme.

Background Papers

Nil

For further information please contact Diane Kirk on ext. 5454

Matthew Finch
Director – Customers

MOVING AHEAD UPDATE – ECONOMIC BENEFITS

1.0 Purpose of Report

- 1.1 To update members on the economic benefits during construction and post move for Castle House and Gladstone House. Following a tour for members of both sites it was suggested that an update report was developed which gave details on the economic impact including local employment and local spend in relation to these two schemes.

2.0 Background Information

- 2.1 The developments of Castle House, the new Newark public sector hub which will be the HQ for Newark and Sherwood District Council, and Gladstone House, which will provide 60 new residential units, have brought significant economic benefits to local businesses and the community, during their respective construction phases and this will continue when both buildings are completed and operational.

3.0 Details of Economic Impact – Castle House

- 3.1 RG Carter, main contractors for Castle House on Great North Road, have employed 37 sub-contractors and design team members throughout the 17 months up to the practical completion of the building. Additionally, three apprentices have been recruited and 5 new staff members have joined the company as a direct result of the district council's investment in this progressive project. It has employed a forklift operator, a gateman and an assistant site manager, all of whom are from the local community and a technician – now trainee contracts manager and a technician site agent, who was appointed through the Newark Jobs fair which RG Carter was involved with as part of the previous project to build the Newark Sports and Fitness Centre.
- 3.2 In total up to 80 per cent of workers employed on the construction site are based or have been recruited locally. The company has exceeded its target and 80.02 per cent of construction spend has been made within a 45-mile radius of the site, with 77.78 % of hired contractors from 45-mile radius of the site, thereby helping to support local businesses and jobs. There has also been the benefit of workers' secondary spend on goods and services in the town.
- 3.3 Castle House will be occupied in September 2017. At this point more than 230 council staff, in addition to the DWP, Probation Service and Citizen's Advice will be working in close proximity to town businesses and services, bringing a positive economic impact and supporting the council's prosperity agenda. Specifically, the additional presence of such a large workforce of town-based staff presents increased opportunities for lunchtime and end/beginning-of-day contributions to the local economy.
- 3.4 There will be options to business and other organisations for the private hire of meeting rooms and facilities for example, for conferences, and through easier access to the offices via public transport ie bus and rail, this will have additional benefits the economy. The project is not only forward-looking in terms of providing modern and purpose-built accommodation for the council and its public sector partners, but has brought wider benefits for employment and continued positive impact on the economy of the district.

4.0 Details of Economic Impact – Gladstone House

- 4.1 The council's extra care scheme Gladstone House is currently being constructed next to the Newark Sports and Fitness Centre, on Lord Hawke Way, off Bowbridge Road, and is project managed by Newark and Sherwood Homes. The construction is on target for completion by the end of October, and will make available 60 more flats for older and vulnerable people. Throughout development, NSH has sought and delivered benefits to the immediate area, district and wider, when planning the scheme and in looking forward to the utilisation of the premises and operating services.
- 4.2 Henry Boot has a national standard to ensure it employs local labour and 89 per cent of its direct and sub-contract labour comes from within a 50-mile radius of the contract site. Up to the end of April 2017, local labour has been employed for the equivalent of 1,152 days for the main contractor. Predominantly local trades people have been sourced and external specialist contractors have only been brought in where necessary (ie. where it has not available locally, or as part of a competitive purchase, e.g. scaffolding, steelworks, plant hire). A total of 3,098 hours have been worked from other trades based locally, including engineering, masonry, scaffolding, plant, windows and roofing.
- 4.3 A total of 344 days have been worked by trainees during the construction phase and a further 190 days have been worked by trainees employed by sub-contractors.
- 4.4 Additional housing and with it, an increased number of residents, will bring benefits to the local economy and throughout the construction phase there has been the benefit of workers' secondary spend on goods and services locally.

5.0 Equalities Implications

- 5.1 There are no equalities implications within this report. All equalities issues of occupation and operation have been considered and covered within other reports.

6.0 Comments of Assistant Business Manager (Financial Services)

- 6.1 This report considers the benefits of both schemes on the local economy and has no direct impact on the Council's budget.

7.0 RECOMMENDATION

That the report be noted

Reason for Recommendation

To ensure members are kept informed of all work relating to the Moving Ahead Programme.

Background Papers - Nil

For further information please contact Deborah Johnson, Moving Ahead Programme Manager on Ext 5800.

Matthew Finch
Director - Customers

ANNUAL STANDARDS REPORT FOR THE PERIOD 1 APRIL 2016 – 31 MARCH 2017

1.0 Purpose of the Report

- 1.1 To consider the Annual Standards Report for the period 1 April 2016 to 31 March 2017.

2.0 Background

- 2.1 Council at its meeting on 10 March 2016 agreed the recommendations of a report of the Councillor's Commission, that the Standards Committee be deleted from the committee structure with its remit being incorporated in to the Policy & Finance Committee. It was further agreed that an Annual Report relating to standards issues be brought to the Policy & Finance Committee.

3.0 Code of Conduct Complaints

- 3.1 The Monitoring Officer received six complaints within the period 1 April 2016 to 31 March 2017. The complaints have been considered by the Monitoring Officer in consultation with the Independent Person. All six complaints resulted in no further action being taken. Four of the six complaints related to Town and Parish Councillors. The remaining two complaints related to District Councillors.
- 3.2 A member of the public had submitted a complaint to the Local Government Ombudsman, regarding how Newark and Sherwood District Council had dealt with his complaint regarding the actions of parish councillors. The Ombudsman's decision, dated 13 September 2016, stated that the complaint had been made too late but that it was unlikely that the Ombudsman would find evidence of fault in how the Council had reaches its decision.
- 3.3 The Ombudsman has no jurisdiction to review decisions on their merits but can only investigate where there has been maladministration in the process.

4.0 Formal Investigation and Code of Conduct Hearing

- 4.1 A Code of Conduct Hearing took place on the 9 September 2016 in respect of three complaints relating to the same Parish Councillor of Fernwood Parish Council. The complaints had been received in the previous reporting year 2015 and a formal investigation undertaken.
- 4.2 The Hearing Panel concluded that the Parish Councillor had breached paragraphs 2.2 and 2.5 regarding two of the complaints. There was however insufficient evidence to conclude that there had been a breach relating to paragraph 2.2 in respect of the third complaint.
- 4.3 The Panel recommended to the relevant Parish Council that the Councillor who was the subject of the complaint should undergo training on the requirements of the code, aspects of corporate governance and the distinction between acting in his official capacity as a councillor and as a private individual and that the Parish Councillor should not be appointed to or hold the role of Chairman or Vice Chairman until he had completed the recommended training.

4.4 The Hearing Panel cannot impose sanctions but can only recommend sanctions where the complaint is in respect of a town or parish councillor. In this case the Parish Council rejected the recommendation of the Hearing Panel and resolved that no further action be taken.

5.0 RECOMMENDATION

That the report be noted.

Reason for Recommendation

To provide Members with details of the standards complaints in 206/17.

Background Papers

Nil

For further information please contact Kirsty Cole on extension 5210.

Kirstin H Cole
Deputy Chief Executive and Monitoring Officer

URGENCY ITEMS - MINUTE OF DECISION

Delegation arrangements for dealing with matters of urgency

Paragraph 7.2.1 of the Council's Constitution provides that Chief Officers may take urgent decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures. They shall, where practicable, first consult with the Leader and Chairman (or in their absence the Vice Chairman) and the Opposition Spokesperson of the appropriate committee (Constitution incorporating a scheme of delegation approved by the Council on 14th May 2013)

Subject: National Civil War Centre – Newark Museum - Final Account

Appropriate Committee: Policy and Finance

Details of Item (including reason(s) for use of urgency procedure):

Background Information

The National Civil War Centre – Newark Museum opened in May 2015. The construction project was extremely challenging, as it involved the restoration of a 16th Century Tudor Hall, Georgian frontage and Victorian wing, as well as a new circulation core to link all three buildings. When the NCWC opened in May, 2015, parts of the construction project were not completed and this had a damaging effect on the NCWC's launch.

Subsequently, Woodhead Heritage Limited have satisfactorily completed all outstanding defects and discussions have been taking place between the Company, the Council and the Council's client team, including the architect and quantity surveyor, about the Final Account for the project.

The contract price for the works was £4,357,525. It is accurate to state that Woodhead faced significant challenges with the Tudor roof which was in a much worse state than had been thought before the works began. Indeed, the true extent of the state of the Tudor beams could only be realised once the work began and the beams were revealed and there was a 17-week delay to completing this aspect of the project.

Proposal

Negotiations have taken place between Woodhead, the Council and the Council's client team and an agreement has been reached to pay Woodhead an additional £150,000 in recognition of the additional time and expense incurred in completing the works due to items that could reasonably be perceived as beyond their control. The additional £150,000 represents a 3.4% overspend on the contract price. The final overspend on the money allocated to the project in the Capital Programme is £156,000, with the £6,000 being incurred in additional client side team costs to bring the matter to a full and final settlement. The overspend will be met from the Council's capital reserves.

Reasons for Urgency Item

The reason for bringing this report as an urgency item is that the negotiations between Woodhead, the Council and the Council's client team have now concluded and part of the agreement related to the date for the full and final payment to be made, which is in advance of the next Policy and Finance Committee meeting. As such, it was advantageous in this instance to have the resources available from reserves to meet that timescale.

Recommendation

The Final Account for the National Civil War Centre – Newark Museum project is settled at £150,000 over the contract price as set out above. £156,000 is taken from the Council's Capital Reserves to be able to make the full and final payments to formally close the Capital Project.

Decision

The agreed Final Account for the National Civil War Centre – Newark Museum project is £4,507,525. £156,000 is taken from the Council's Capital Reserves to be able to make the full and final payments to formally close the Capital Project.

Members Consulted:

Councillor Roger Blaney (Leader of the Council and Chair of the Policy & Finance Committee)
Councillor David Staples (Opposition Spokesman, Policy & Finance Committee)

Signed



Date 30.05.17

Matthew Finch
Director - Customers

URGENCY ITEMS - MINUTE OF DECISION

Delegation arrangements for dealing with matters of urgency

Paragraph 7.2.1 of the Council's Constitution provides that Chief Officers may take urgent decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures. They shall, where practicable, first consult with the Leader and Chairman (or in their absence the Vice-Chairman) and the Opposition Spokesperson of the appropriate committee.

Subject: **Cash Collection from Car Park Machines**

Appropriate Committee: **Policy & Finance Committee**

Details of Item

1.0 Background

- 1.1 The collection of cash from the Council car park machines has been undertaken by in house staff for many years. Prior to the full devolution of the markets service in April of this year the service was provided by the staff within the Markets and Car Park's Business Unit.
- 1.2 Since the transfer of staff to the Newark Town Council in April the service has continued to be provided in –house, primarily by district council staff but with the support of the transferred NTC staff.
- 1.3 The cash collection is undertaken as a minimum three times per week from all the car parks in Newark. Following a spate of machine thefts this has temporarily been increased to 5 times per week. However, this is not considered necessary or appropriate in the long term.
- 1.4 The cash collected from the machines is all coins and this is transported back to the Newark office where it is separated into coin denominations and counted. The bulk coins are then collected by a security company on contract to the council for transport to the Councils bank provider's bulk coin facility in Coventry.
- 1.5 The cash collection is always undertaken by two members of staff for security and audit purposes.

2.0 Future Options

- 2.1 The level of staffing remaining within the Council's Parking Services team does not make an in house service viable. Therefore tenders have been sought for the service to be provided by a third party provider.

- 2.2 A full tender exercise has been undertaken with advice from the Procurement Manager and the bids submitted have been analysed and assessed.
- 2.3 The broad specification for the contract is to provide a cash collection service on three days per week (Monday, Wednesday and Friday), to empty all machines, count the coins, and transport the coins to the bulk coin facility of the Council's bank.
- 2.4 The evaluation of the bids is available.
- 2.5 The two highest scoring bids in the evaluation are those submitted by Kings Security and Security Plus Ltd.
- 2.6 The table below has been produced to provide a comparison between the two bids.

Company	Council terms agreed	Compliance with specification	Already trading in this field	Company Financial check	Overall evaluation score	Price
Kings Armoured Security	yes	No. will only collect on Mondays Thursdays and Saturdays/Sundays	yes	Equifax report score D	84.70	£15,163
Security Plus Ltd	Yes	Yes	Yes	Equifax report score C+	92.54	£17,316

- 2.7 As can be seen from the above Kings Security has submitted the lowest price. However they have not scored the highest evaluation score overall as they are not able to meet the councils specified collection days.
- 2.8 Kings Security currently Score D on the Equifax company assessment. This is outside the preferred scoring of A to C. As a result the s Section 151 officer will have the review the report and agree if the company is acceptable.
- 2.9 Officers from the car parking service have considered whether the collection days of Monday Thursday and Saturday/Sunday as proposed by Kings Security would be would be acceptable and it is considered that the time gap between Monday and Thursday is too great and poses a greater risk of theft and machines becoming over full leading to coin blockages.
- 2.10 Security Plus Ltd has scored a C+ on their Equifax score. Financial Services advise that they have sufficient financial stability to cover contracts up to £12m.

3.0 Financial Implications

- 3.1 There is currently no budget provision for the cash collection service within the car parks budget.
- 3.2 Ina addition to the tender price it is considered prudent to allow an additional amount to cover any emergency collections that may be required through the year, for example when there are weekend or special events. Therefore it is proposed that a budget of£20,000 be set aside for this service.

4.0 Comments of Business Manager and Chief Financial Officer – Financial Services

4.1 I have looked through both reports and I would be comfortable with the Council awarding the cash collection contract to Security Plus Limited. I would not, however, based on the Equifax report be comfortable with awarding the contract to Kings Armoured Security Services Limited as the company has a very low credit rating and insufficient financial information filed with Companies House (as it is exempt, due to it being classified as a “small company”).

Record of Decision:

1. Security Plus Ltd. are identified as the Council’s preferred supplier for the contract to provide a car parks cash collection contract; and that;
2. A budget of £20,000 is set aside for this purpose, with the funds for 2017/18 being found from reserves and a subsequent amendment to the base budget in future years.

Members Consulted:

Cllr Roger Blaney (Leader of the Council and Chair of the Policy & Finance Committee)

Cllr David Lloyd (Chair of the Economic Development Committee)

Cllr David Staples (Opposition Spokesperson, Policy & Finance Committee)

Signed 

Date 31.05.17

Andrew Statham
Director - Communities