

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Cabinet** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Tuesday, 21 January 2025 at 6.00 pm.

PRESENT: Councillor P Peacock (Chair)

Councillor R Cozens, Councillor L Brazier, Councillor C Penny, Councillor P Taylor and Councillor J Kellas

ALSO IN ATTENDANCE: Councillor N Allen, Councillor P Harris, Councillor S Haynes, Councillor R Holloway, Councillor R Jackson, Councillor J Lee, Councillor K Melton, Councillor S Michael, Councillor P Rainbow and Councillor K Roberts

APOLOGIES FOR ABSENCE: Councillor S Crosby and Councillor S Forde

224 NOTIFICATION TO THOSE PRESENT THAT THE MEETING WILL BE RECORDED AND STREAMED ONLINE

The Leader advised that the proceedings were being audio recorded and live streamed by the Council.

225 DECLARATIONS OF INTEREST FROM MEMBERS AND OFFICERS

Sanjiv Kohli – Director – Resources and Deputy Chief Executive declared an Interest in Agenda Item No. 9 –Lowfield Lane Disposal, as a Director of Arkwood Developments Limited.

226 MINUTES FROM THE PREVIOUS MEETINGS HELD ON 3 DECEMBER AND 10 DECEMBER 2024

The minutes from the meetings held on 3 December 2024 and 10 December 2024 were agreed as a correct record and signed by the Chair, subject to Minute No. 210 – being amended to reflect a recorded vote in full.

227 CHAIR'S UPDATE

The Chair advised that the final report following the Corporate Peer Challenge had now been received and would be published later in the week. He added that an action plan to take forward the report recommendations would be considered in due course.

228 2025/26 HOUSING REVENUE ACCOUNT BUDGET AND RENT SETTING (KEY DECISION)

The Director – Housing, Health & Wellbeing and Business Manager – Financial Services presented a report which examined the proposed income and expenditure on the Housing Revenue Account (HRA) for the 2025/26 financial year for both revenue and capital, in accordance with Section 76 of the Local Government and Housing Act 1989. The report also provided indicative amounts of income and expenditure for the 2026/27 to 2028/29 financial years for both revenue and capital income and

expenditure, and proposed rent levels and service charges for 2025/26, with effect from the first Monday in April 2025.

The setting of the HRA budget and the approval of rent levels would be presented to the Full Council Meeting in February 2025, which would allow the required time to notify tenants of proposed changes to rents in accordance with the legislation.

AGREED (with 5 votes for and 1 against) that Cabinet recommend to Council at its meeting on 11 February 2025:

- a) the HRA budget for 2025/26, as set out in Appendix A to the report;
- b) an increase of 2.7% in the 2025/26 rents of all current HRA tenancies will be applied from 7 April 2025;
- c) the 2025/26 service charges, as set out in Appendix C to the report; and
- d) the Capital Budget set out in Appendix D to the report are committed expenditure in the Capital Programme for 2025/26 to 2028/29.

Reason for Decisions:

To advise Members of the proposed HRA budget and charges in rent and service charge levels for 2025/26 and for these to be recommended to Council at its meeting on 11 February 2025.

Options Considered:

Various modelling was undertaken to assess the impact of different rent levels on the viability of the HRA 30-year business plan to arrive at the recommendation above.

Consideration was also given to varying increases between general needs and supported (sheltered and extra care) accommodation but no rationale was found to support this, alongside the equitable nature of any decision to do so.

229 DEVOLUTION WHITE PAPER

The Chief Executive provided the Cabinet with an update on the latest position in respect of local government reform following the Government's White Paper on Devolution published in December. He reported that further clarity was awaited from the Government, but unitary authorities were to be created across the country in two tranches in April 2027 and April 2028. He confirmed that Nottinghamshire County Council had not requested a postponement of their elections scheduled to take place on 1 May 2025.

He added that the indicative Government timetable was for draft proposals for unitary authorities being submitted in March, and final proposals in the autumn. Given the tight timeframe, Members would be invited to various briefings and workshops to identify potential options for unitary Councils.

230 IMPLEMENTATION OF AN INFORMATION SECURITY MANAGEMENT SYSTEM

The Business Manager – ICT & Digital Services presented a report which outlined the design and implementation of the Information Security Management System (ISMS) for the Council. The purpose of the ISMS was to protect the Council's information assets from various threats, ensuring confidentiality, integrity and availability.

In respect of next steps for the ISMS implementation, the Cabinet emphasised the importance of Member training to raise awareness.

AGREED (unanimously) that Cabinet approve the Implementation of the Information Security Management System for the Council.

Reason for Decision:

To align with the community plan objective 8: To be a top performing, modern and accessible Council.

Community trust in the Council to manage and use their data in a secure and compliant way, whilst demonstrating transparency.

Options Considered:

Various alternative frameworks and the option to take no action have been evaluated. However, this international standard for information security is mandated by the Council for procuring systems and technology, where applicable.

231 LOWFIELD LANE DISPOSAL (KEY DECISION)

The Chief Executive presented a report which sought to agree revised terms for the disposal of land at Lowfield Lane, Balderton, to Arkwood Developments. It was reported that in January 2022, the Policy & Finance Committee agreed to the exclusive disposal of land at Lowfield Lane, Balderton to Arkwood Developments Ltd, for the sum of £4.4m. Since January 2022, there had been a number of matters that had impacted on the scope and viability of the development. Give those matters, following the granting of planning permission on 11 November 2024, the Council received a revised offer letter from Arkwood Developments Ltd on 13 December 2024 which proposed a revised offer to purchase Lowfield lane.

The revised offer (attached as an appendix to the exempt report given it was commercially sensitive) was made as a result of a number of changes to the proposed scheme for the site through the planning process and wider market conditions which were outside of the company's control. In order to demonstrate best value, the Council had commissioned two further valuations of the land which were based on the planning consent granted. These were included as appendices to the exempt report.

AGREED (unanimously) that Cabinet approve the revised sale price of £XXXXXX for the land at Lowfield Lane, Balderton as detailed in the report, subject to confirmation from Nottinghamshire County Council on the Green

Adoption at £XXXXXX; any adjustment in the offer in relation to the Green Adoption sum to be delegated to the Portfolio Holder for Strategy, Performance and Finance for decision following consultation with the Cabinet.

Reason for Decision:

In order to ensure that the Council secures the best consideration for the land which was previously purchased by the Council for residential redevelopment on the basis that it was both a largely allocated housing site and was entirely within the Newark Urban Area where the principle of residential development is acceptable.

Options Considered:

The Council could refuse the revised offer outright and request Arkwood to proceed to complete the sale on the original terms or seek to negotiate a higher sale value somewhere between the original and revised offers. Neither of these options are considered realistic, deliverable or in the Council's interest. Arkwood has set out its position that it is entitled to terminate the contract for sale in the circumstances if the revised offer is not accepted; Officers consider this position to be justified as the viability of the development has been materially affected due to the factors set out in exempt Appendix A. The revised offer exceeds the independent valuations obtained and detailed at paragraph 2.6 above, therefore it is not considered necessary to seek to negotiate a higher sale value.

The Policy & Finance Committee report of 27 January 2022 explored the alternative option of selling the land on the open market; this option was rejected as it did not deliver the Council's strategic aims of both housing delivery, and financial sustainability relative to the Council's Medium Term Financial Plan provided by Arkwood's involvement. In addition, as the Council's wholly owned company, Arkwood does not seek as high a commercial return as other developers and is therefore able to deliver a more diverse mix of housing including lower value units which generate lower returns, but which are much needed in the community. The position on this alternative option has not changed, in particular with reference to the independent valuations referenced at paragraph 2.6 of this report. The Council's Acquisitions and Disposals Policy allows for disposal to be negotiated with a single party such as Arkwood. There is also a risk that by going to the open market the Council could fail to secure a buyer at all if Arkwood withdraw interest.

The Policy & Finance Committee report of 29 June 2017 confirmed the land purchase based on use for strategic residential development, as most of the land was already allocated for that purpose. The proposal offers the best disposal value that can reasonably be obtained, together with associated benefits of delivering much needed housing especially considering new targets now being introduced by Government, and the Medium-Term Financial Plan benefits already set out in this report. There are no alternative uses that would offer a viable and comparable return which achieves Best Value to the Council as landowner given the constraints of the site.

232 UPDATE ON JUBILEE BRIDGE - CONDITION OF BRIDGE AND USAGE

The Development Manager – Corporate Property presented a report which provided the Cabinet with an update on the current condition of the Jubilee Bridge and set out some options for the Cabinet in respect of future maintenance and ownership.

The report conveyed the findings of the Principal Bridge Inspector which was conducted in June 2024. This report advised that the bridge was in generally sound condition with no significant defects in urgent need of repair, with some minor maintenance / repairs being required. Based on this report, the report advised that the planned refurbishment could be deferred until 2030. Given that, four options were presented to the Cabinet for consideration. Costings for some of these options were excluded from the open report and included in an exempt version of the report given their commercial sensitivity.

AGREED (unanimously) that Cabinet approve:

- a) option 3 as set out in the report, to continue to carry out annual safety inspections and the required remedial maintenance, until the next Principal Bridge Inspection is due in 2030 at a cost of up to £XXXXXX; and
- b) the Capital budget be reduced from £333,500 to £XXXXXX which will decommit £XXXXXX from the Asset Maintenance Reserve.

Reason for Decision:

To ensure the bridge remains in a safe condition, the most viable option to the Council, based on the current condition of the bridge.

Options Considered:

Option 1 - Pay Commuted sum to Nottinghamshire County Council to have the bridge adopted and to remove future liability of the bridge from NSDC.

Option 2 - To retain the bridge and to carry out a bridge major refurbishment.

Option 3 - Continue to carry out annual safety inspections, remedial and recommended maintenance, until the next Principal Bridge Inspection is due, 2030.

Option 4 - Close the bridge and decommission.

233 MOTION FOR THE OCEAN - ACTION PLAN UPDATE

The Director – Communities & Environment presented a report which provided the Cabinet with a detailed update on the Council's Motion for the Ocean commitments, activities to date and future plans. The Leader of the Council read a statement from the former Portfolio Holder, Councillor E Oldham acknowledging the Council achievements to date following the adoption of the Motion for the Ocean.

The Cabinet considered the hugely successful activities undertaken to date, and potential options for future initiatives which would require budget provision. It was considered that any decision on allocating further funding to Motion for the Ocean activities be deferred pending the impending review of Community Plan priorities.

AGREED (unanimously) that Cabinet defer any decision on the allocation of funds to further Motion for the Ocean activities given the impending review of Community Plan objectives.

Reason for Decision:

To further consider allocation of budgets linking into the review of Community Plan priorities.

Options Considered:

Alternative options in relation to Motion for the Ocean activities were set out in detail in paragraph 6 of the report and summarised at paragraph 7.

234 EXCLUSION OF THE PRESS AND PUBLIC

AGREED (unanimously) that, under Section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraphs 3 and 5 of Part 1 of Schedule 12A of the Act.

235 LOWFIELD LANE DISPOSAL (KEY DECISION)

The Cabinet considered the exempt report in relation to the Lowfield Lane Disposal.

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

236 UPDATE ON JUBILEE BRIDGE - CONDITION OF BRIDGE AND USAGE

The Cabinet considered the exempt report in relation to the Jubilee Bridge in Newark.

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

Meeting closed at 7.00 pm.

Chair