



*Castle House
Great North Road
Newark
NG24 1BY*

Tel: 01636 650000
www.newark-sherwooddc.gov.uk

Tuesday, 19 June 2018

Chairman: Councillor D Lloyd
Vice-Chairman: Councillor K Girling

Members of the Committee:

Councillor R Jackson
Councillor B Laughton
Councillor P Peacock
Councillor D Staples
Councillor T Wendels

Substitute Members:

MEETING: Policy & Finance Committee

DATE: Thursday, 28 June 2018 at 6.00 pm

**VENUE: Civic Suite, Castle House, Great North Road,
Newark, Notts NG24 1BY**

**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 nigel.hill@newark-sherwooddc.gov.uk.

AGENDA

| | <u>Page Nos.</u> |
|--|------------------|
| 1. Apologies for Absence | |
| 2. Declarations of Interest by Members and Officers and as to the Party Whip | |
| 3. Declarations of Intention to Record the Meeting | |
| 4. Minutes of the Previous Meeting | 5 - 9 |
| 5. Forward Plan of Policy & Finance Items | 10 |
| Policy Items for Decision | |
| 6. Reconstitution of Working Parties/Task & Finish Groups | 11 - 14 |
| 7. Review of Leisure Centre Provision | 15 - 48 |
| 8. Proposed Land Transfer between Newark & Sherwood DC and Newark Town Council | 49 - 52 |
| 9. Extra Care Scheme - Ollerton | 53 - 59 |
| 10. Estate Regeneration - Bridge Ward | 60 - 70 |
| 11. Asset Transfer - Rainworth Village Hall | 71 - 72 |
| Finance Items for Decision | |
| 12. Financial Outturn Report to 31 March 2018 | 73 - 117 |
| 13. Newark and Sherwood Homes Limited - Remuneration of Board Members | 118 - 119 |
| 14. Sale of 82 Millgate, Newark | 120 - 121 |
| 15. Jubilee Bridge - Newark | 122 - 125 |
| 16. Tour of Britain 2018 - Budget Request | 126 - 128 |
| 17. Allocation of Section 106 Funds | 129 - 130 |
| 18. Lowdham Flood Risk Management Scheme | 131 - 146 |
| Policy Items for Information | |
| 19. Annual Standards Report for the Period 1 April 2017 to 31 March 2018 | 147 - 148 |
| 20. Equalities Update | 149 - 154 |

- | | | |
|-----|---|-----------|
| 21. | Progress Update on Child Poverty Issues | 155 - 170 |
| 22. | Progress Report on the Provision of a Second Pitch at Newark R&M Cricket Club | 171 - 172 |

Finance Items for Information

Confidential and Exempt Items

- | | | |
|-----|---|-----------|
| 23. | Purchase of Additional Parcel of Land from Tarmac | 173 - 176 |
| 24. | Newark Business Innovation Centre | 177 - 217 |
| 25. | Urgency Item - Quibells Lane | 218 - 220 |

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **POLICY & FINANCE COMMITTEE** held in the Civic Suite, Castle House, on Thursday, 5 April 2018 at 6.00pm.

PRESENT: Councillor R.V. Blaney (Chairman)

Councillors: R.J. Jackson, R.B. Laughton, D.J. Lloyd, A.C. Roberts and D.B. Staples.

ALSO IN ATTENDANCE: Councillors: K. Girling and D.R. Payne.

85. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor P. Peacock.

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

There were no declarations of interest.

87. DECLARATIONS OF INTENTIONS TO RECORD THE MEETING

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

88. MINUTES FROM THE MEETING HELD ON 22 FEBRUARY 2018

The minutes from the meeting held on 22 February 2018 were agreed as a correct record and signed by the Chairman.

89. FORWARD PLAN OF POLICY & FINANCE ITEMS

The Committee noted the Forward Plan items to be considered by the Committee over the next 12 months.

90. LOCAL GOVERNMENT ETHICAL STANDARDS: STAKEHOLDER CONSULTATION

The Acting Chief Executive presented a report which advised of a consultation being undertaken by the Committee on Standards in Public Life into local government ethical standards. The report set out the specific questions asked and offered some comments which could form the Councils response.

In considering their response to the consultation the Committee welcomed the proposed wording as set out in the report, but also requested the response include reference to concerns about the lack of effective sanctions available to district councils in respect of those parish councils which choose to ignore recommended actions in the event of a breach of the code of conduct and to the lack of effective sanctions generally within the current standards framework.

AGREED (unanimously) that delegated authority be given to the Acting Chief Executive to submit an appropriate response to the Committee on Standards in Public Life in connection with their review of local government ethical standards, following consultation with the Chairman, Vice-Chairman and Opposition Spokesperson of the Policy & Finance Committee.

Reason for Decision

To enable a response to be made to inform the Committee on Standards in Public Life review of local government standards by the 18 May 2018 deadline.

91. SOCIAL MOBILITY PROPOSAL

In accordance with Section 100(B)(4)(b) of the Local Government Act 1972, the Chairman agreed to take this item as a late item of business in order to progress the request for additional budget to support work relating to the Social Mobility Index.

The Committee considered a report which sought approval to provide an additional budget of up to £60,000 to support a programme of activities in relation to the Youth Indicator of the Social Mobility Index. This proposal had been recommended by the Economic Development Committee from their meeting held on 28 March 2018. The £60,000 was to be funded from the closing general fund balance at 31 March 2018.

Full details of the programme of action were set out in the report submitted to the Economic Development Committee which was attached as an appendix to the report.

AGREED (unanimously) that an additional budget of a maximum of £60,000 to support the programme of work as outlined in the Economic Development Committee report, be approved.

Reason for Decision

The budget will support those residents in the district on their journey to employment and provide school age children with opportunities to explore career opportunities available to them.

92. REFURBISHMENT OF SHERWOOD FOREST ART & CRAFT CENTRE AND ASSOCIATED BUILDING

In accordance with Section 100(B)(4)(b) of the Local Government Act 1972, the Chairman agreed to take this item as a late item of business in order to progress the request for additional budget to undertake the refurbishment of the Sherwood Forest Art and Craft Centre.

The Committee considered a report which sought approval for additional capital expenditure of £250,000 for the refurbishment of the Sherwood Forest Art & Craft Centre as recommended by the Economic Development Committee at their meeting held on 28 March 2018. The Sherwood Forest Art & Craft Centre was opened in 1998

and was in need of refurbishment and it was considered that the relocation of the Sherwood Forest Visitor Centre immediately adjacent to the Art & Craft Centre provided a unique opportunity to undertake this refurbishment.

Full details of the proposal were set out in the report submitted to the Economic Development Committee which was attached as an appendix to the report.

AGREED (unanimously) that additional capital expenditure for £250,000 for the refurbishment of the Sherwood Forest Art & Craft Centre, be approved for inclusion in the Council's Capital Programme.

Reason for Decision

The refurbishment allows for the upgrade of the Centre in order to enhance the visitor experience.

93. REVIEW OF PROGRESS ON CORPORATE PEER CHALLENGE ACTION PLAN

The Acting Chief Executive presented a report which advised Members of progress made against the Corporate Peer Challenge Action Plan. The appendix to the report set out the approved action plan which detailed the agreed actions together with a note of progress made and revised target dates for completion of relevant actions.

It was suggested that it would be appropriate to revisit the Council's governance arrangements once the new Chief Executive had taken up the post.

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.

94. ANNUAL REVIEW OF THE EXEMPT REPORTS CONSIDERED BY THE POLICY AND FINANCE COMMITTEE

The Committee considered a report which detailed the exempt business considered by the Committee between 16 May 2017 and 31 March 2018. 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 16 May 2017 to date and those items which can now be released into the public domain.

95. URGENCY ITEM - SOUTHWELL FLOOD ALLEVIATION SCHEME

The Committee noted the decision to increase the Capital Programme by £233,421 in respect of the Southwell Flood Alleviation Grant Scheme.

AGREED (unanimously) that the urgency item be noted.

Reason for Decision

To ensure that grant monies are received by the Council before the end of the financial year.

96. 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 item of business on the grounds that it 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.

97. LAND ACQUISITION - LINCOLN ROAD, NEWARK

The Committee considered the exempt report presented by the Acting Chief Executive in relation to the acquisition of land at Lincoln Road, Newark.

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

Meeting closed at 6.35pm.

Chairman

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Forward Plan of Policy & Finance Committee Decisions from 1 June 2018 to 31 May 2019

This document records some of the items that will be submitted to the Policy & Finance Committee over the course of the next twelve months.

These committee meetings are open to the press and public.

Agenda papers for Policy & Finance Committee meetings are published on the Council's website 5 days before the meeting <http://www.newark-sherwooddc.gov.uk/agendas/>. Any items marked confidential or exempt will not be available for public inspection.

| Meeting Date | Subject for Decision and Brief Description | Contact Officer Details |
|---------------------|--|--|
| 20 September 2018 | Annual Budget Overall Strategy 2019/20 | nick.wilson@newark-sherwooddc.gov.uk |
| 20 September 2018 | Capital Programme Monitoring Q1 2018/19 | nick.wilson@newark-sherwooddc.gov.uk |
| 20 September 2018 | General Fund and HRA Revenue Monitoring Q1 2018/19 | nick.wilson@newark-sherwooddc.gov.uk |
| 20 September 2018 | Medium Term Financial Plan 2019/20-2022/23 | nick.wilson@newark-sherwooddc.gov.uk |
| 29 November 2018 | Capital Programme Monitoring Q2 2018/19 | nick.wilson@newark-sherwooddc.gov.uk |
| 29 November 2018 | General Fund and HRA Revenue Monitoring Q2 2018/19 | nick.wilson@newark-sherwooddc.gov.uk |
| 24 January 2019 | HRA Budget and Rent Setting 2019/20 | nick.wilson@newark-sherwooddc.gov.uk |
| 24 January 2019 | Policy & Finance Committee Revenue Budget 2019/20 | nick.wilson@newark-sherwooddc.gov.uk |
| 11 February 2019 | Capital Programme Monitoring Q3 2018/19 | nick.wilson@newark-sherwooddc.gov.uk |
| 11 February 2019 | General Fund and HRA Revenue Monitoring Q3 2018/19 | nick.wilson@newark-sherwooddc.gov.uk |
| 11 February 2019 | Council Revenue Budget 2019/20 | nick.wilson@newark-sherwooddc.gov.uk |
| 11 February 2019 | Capital Programme Budget 2019/20-2022/23 | nick.wilson@newark-sherwooddc.gov.uk |

POLICY & FINANCE COMMITTEE

28 JUNE 2018

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 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 Strategic Housing Liaison Panel

4.1 The Strategic Housing Liaison Panel is currently made up of five councillors and five board members. However, members will be aware that in October last year the Council agreed to change the Company's constitution reducing the Board of Newark and Sherwood Homes Ltd from 12 to 9. Therefore it is recommended that the Committee consider reducing the current size of the Panel proportionately.

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) if the Committee reconvenes the Strategic Housing Liaison Panel, it considers reducing the size of the Panel; and**
- (c) the Committee appoint representatives to the reconvened bodies and also one representative to the Local Development Framework Task 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
Acting Chief Executive

APPENDIX

| Working Party/Task & Finish Group | Date First Established and last reconvened | Date of Last Meeting/ (Next Scheduled Meeting) | Current Membership | Remit |
|---|--|---|--|---|
| Member Development & Training Task Group Kirsty Cole | 18 December 2006 (Policy Overview & Scrutiny Committee) 29 June 2017 (P&F reconvened) | 23 April 2018 <i>(To be arranged)</i> | <ul style="list-style-type: none"> • Leaders of the 3 political groups on the Council • Additional 3 Members from the Conservative Group (Cllrs Duncan, Mison and Rainbow) • Additional 2 Members from the Labour Group (Cllrs 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 Nick Wilson | 7 June 2007 (Cabinet) 29 June 2017 (P&F reconvened) | 30 October 2012 <i>(when required)</i> | <ul style="list-style-type: none"> • Panel of three Members drawn from Policy & Finance Committee Note: Local Ward Members to be invited to attend if considered appropriate | <ul style="list-style-type: none"> • To hear appeals in respect of applications for Discretionary NNDR Relief |
| Strategic Housing Liaison Panel Karen White | 4 July 2013 (Policy Committee) 29 June 2017 (P&F reconvened) | 18 September 2017 <i>(To be arranged)</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 Newark and Sherwood Homes Limited (its wholly owned 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. |

| Working Party/Task & Finish Group | Date First Established and last reconvened | Date of Last Meeting/ (Next Scheduled Meeting) | Current Membership | Remit |
|---|--|--|--|--|
| Development Vehicle WP Karen White | 1 December 2016 (P&F Committee) 29 June 2017 (P&F reconvened) | 3 May 2017 (Recommendations presented to the Policy & Finance Committee on 29 June 2017) | <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. |
| Ollerton Hall Task and Finish Group Kirsty Cole | 26 January 2017 (P&F Committee) 29 June 2017 (P&F reconvened) | 19 April 2018 (10 July 2018) | <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 P&F 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. |

POLICY & FINANCE COMMITTEE

28 JUNE 2018

REVIEW OF LEISURE CENTRE PROVISION

1.0 Purpose of Report

1.1 To inform Committee Members of the progress made in considering the options available for improving and sustaining leisure centre provision in Sherwood. Members are asked to consider the contents of this report and the advice provided by the Councils Section 151 Officer in order to reach a decision on whether to progress this project, at this point in time. In addition, a recommendation is made to purchase land under delegated powers to enable opportunities for a leisure hub light model to be explored in the future.

2.0 Background Information

2.1 Newark & Sherwood District Council has made significant changes over recent years to the scope of its leisure centre services and in terms of how they are delivered.

2.2 The Council created a wholly-owned leisure company, Active4Today, in 2015, to deliver its leisure centre operations at the Grove Leisure Centre in Newark, Blidworth Community Leisure Centre and the Dukeries Leisure Centre in Ollerton. The Company also provides strategic management services to support the delivery of the Southwell Leisure Centre Trust.

2.3 In 2016, the Council opened the Newark Sports and Fitness Centre (NSFC) to replace the Grove, in recognition of the fact that the Grove was passed its useful life and was unable due to its limited size to cope with demand from customers. The changes have delivered significant savings, reducing the cost of the services from £1,271,365 in 2011/12 to £117,000 in 2017/18 – a reduction of 91%. The number of people partaking in physical activity has also improved. In terms of adults, the number of members was 2,562 in January 2016 and with the opening of NSFC in April 2016, the membership base increased to 4,302 in December 2017.

2.4 Officers were therefore tasked with undertaking a review of the options available to improve and sustain leisure centre provision in Sherwood.

3.0 Project Objectives

3.1 The aims of this review are aligned to those used when appraising options for leisure centre provision in Newark which led to the development of the NSFC:

- To undertake an options appraisal of leisure centre facilities in Sherwood, with the aim of increasing regular participation in exercise and provide encouragement for sporting participation
- Support the achievement of better health and wellbeing outcomes for the community, particularly but not exclusively in helping to tackle increasing levels of obesity
- Support recovery from illnesses and conditions which are life-threatening or are likely to reduce longevity, by providing appropriate opportunities to incorporate exercise in the recovery programmes
- Help overcome barriers to accessing leisure opportunities by providing welcoming, affordable and varied activities and facilities

- Further reduce the revenue costs of leisure, recognising the non-statutory nature of the service and the financial challenges that the Council continues to operate within.

4.0 Options

4.1 The options appraisal and market analysis (completed in February 2018) are attached at **Appendices A & B**. They take into consideration the wider strategic developments and master planning taking place in Ollerton and Boughton to address a range of needs. A separate report was considered by Members of the Leisure and Environment Committee on 20 March 2018, which provided an overview of these strategic projects.

The three options considered in the options appraisal attached are:

- **Option 1:** Stay the same - continue with fragmented offer in Sherwood. This option has no financial implications and does not deliver the project objectives.
- **Option 2:** New Leisure Centre provision on land immediately in front of the Dukeries. The estimated total cost of building a new Leisure Centre is just over £13m. This is not considered to be affordable and does not provide the best value for money solution for the community.
- **Option 3:** Dukeries improvement scheme and pool hall new build, at an estimated cost of £7.9m.

5.0 Proposals

- 5.1 As concluded in the attached options appraisal, it is proposed that a detailed business case be developed for **Option 3: Dukeries improvement scheme and pool hall new build** to be brought back to Members, which will include detailed cost plans and architect drawings to RIBA stage D. Option 3 was considered to be the best of the three options as it would make best use of an existing asset owned by the Council providing fit for purpose dry side facilities, address circulation and car parking issues whilst also providing a new pool hall, with new fun elements and a soft play area for children.
- 5.2 Positive meetings have been held with partners who have an interest in the site; Notts County Council, the Dukeries Academy and Notts Fire and Rescue. All partners are supportive with what the Council would be looking to achieve through the proposed Option 3 and wider vision for improving outdoor sport and leisure facilities on the land in front of the Dukeries - to increase opportunities for engagement in physical activity, delivering associated health benefits.
- 5.3 Indeed, Notts County Council has agreed to transfer the land required to develop out Option 3 to the Council at nil cost and have provided a valuation for the Council to purchase the freehold of the additional large piece of land at 100k, subject to member/committee and secretary of state (see map in the Options Appraisal Appendices).
- 5.4 Given the scope for improving outdoor sport and leisure facilities and the additional benefits purchasing this land would bring to the Ollerton and Boughton Neighbourhood Study in progressing their preferred option (details of which are to be presented in a report to the Economic Regeneration Committee on 20 June 2018), it is recommended that this land be purchased by the Council. This would provide some additional control over the development of the site in the future and a feasibility study could be carried out at a future point in time, to bring back to Members.

5.5. There is already a school, leisure centre, youth centre and multi-use games area on site. The development of outdoor facilities, such as green gyms for example, could compliment local provision and offer further opportunities to provide outreach work, particular to the two adjacent communities in need of such provision. This could be similar to the model being developed in Newark. Members will be aware that Newark has indoor facilities being provided by A4T at NSFC and outdoor facilities being provided by the YMCA.

6.0 Financial Appraisal

6.1 This project and initial feasibility costs of £60,000 were included within the Council’s revised Medium Term Financial Strategy, approved by Policy and Finance Committee on 29 June 2017, and has been included in the Council’s approved Capital Programme.

6.2 The cost of taking Option 3 onto the next phase is estimated to be around £250,000, which is included within the financial appraisal below:

Option 3: Dukeries Improvements Scheme and Pool Hall New Build

| | | |
|--|----------------|-------------------|
| Capital Costs | | |
| Construction costs | | £5,715,461 |
| Fee’s (including project management, design and planning fees, building condition, ecology/topographical surveys) | | £805,740 |
| Fixtures, Fittings and Equipment | | £381,500 |
| Project Contingency | | £ 1,004,430 |
| | Total | £7,907,131 |
| Costs incurred to date for feasibility (including cost of consultants and surveys) | | £60,000 |
| Demolition costs – Dukeries site | | Nil |
| Land Purchase – gifted | | Nil |
| | Total | £7,967,131 |
| NET Revenue | | |
| Projected Growth – per annum | £74,570 | |

6.3 The financial appraisal includes a large contingency provision due to the risks associated with opening up an existing building, which we would look to mitigate against through building conditions surveys etc. The Council’s capital programme is funded through a mixture of reserves and capital receipts supplemented by additional borrowing, if required.

6.4 In addition, the projected revenue growth forecasted by Active4Today on Option 3 if realised, would result in a £74,570 per annum increase in revenue income - to be recovered from a reduction in the management fee payable to Active4Today. In isolation, this is a low return on investment in financial terms and would not be realised for a couple of years. However, if this Option was taken forward to delivery it would contribute towards delivering a number of wider social, health and wellbeing benefits for residents, in line with the projects aims and wider master planning of the area.

6.5 It should be noted that Option 3 is also considerably cheaper than the new build option (Option 2) costing an additional £5m, which could be invested more prudently in line with the Council's Investment Strategy to generate a greater return on investment.

7.0 Equalities Implications

7.1 Equalities implications will be considered as part of further modelling and development of a detailed business case.

8.0 Section 151 Officer Financial Comments

8.1 As advised earlier in the report, the initial cost of £60,000 for carrying out the feasibility study was budgeted for and this amount has been expended to budget.

8.2 The cost of the next stage of developing a detailed business case for the proposed Option 3 is estimated at £250,000. This amount is programmed to be funded by transfer from the Council's Change Management Reserve to Capital Reserve and applied to this project.

8.3 The cost of delivering Option 3, as set out in the table in 6.2 above, is £7,967,131. The return from this investment by way of increase in income is £74,570, or less than 1%. Therefore, purely on an "invest to earn" basis (as set out in the Council's Commercialisation and Investment Plans) the project is not considered viable.

8.4 Prudential borrowing is not a funding option as the increased returns cannot service the debt.

8.5 The only funding route, therefore, would be to use the Council's capital and revenue reserves. At the date of writing this report, the Council's Useable Capital Reserves are £620,000 and the Council's Change Management Reserve, which has been established to fund service initiatives and capital schemes that generate a return of at least 6% (reference, the Council's Investment Plan) is £9.1m.

8.6 The total cost of delivering the enhancement to the current leisure centre and building a pool, i.e. Option 3, could, therefore, as a stand-alone project, if supported by Members, be funded from the Capital Receipts Reserve and the Change Management Reserve. This would, however, almost completely deplete the Council's combined reserves. This would not only severely limit the delivery of other projects but also mean a significant departure from the Council's approved Medium Term Financial Plan, Commercial Strategy and Investment Plan together with the business case for setting up the Council's development company; all of which plan for financial sustainability and independence by the year 2020/21. This, therefore, is not an option that the Council's s151 Officer can recommend.

8.7 Members could make the decision, instead to re-visit the development proposals as set out in Option 3, after delivery of the housing between the two communities of Ollerton & Boughton. The increase in New Homes Bonus, increase in Council Tax base and potential s106 could then be taken into consideration in putting together a possible funding package.

8.8 Again, Members could decide to support, in principle, the development of a “sports hub light” model, as set out in this report. Therefore, it is important to secure the purchase of the land from Nottinghamshire County Council as this will also facilitate the delivery of additional housing units and meet the requirements of the Neighbourhood Study and green open space. The **confirmed** value of this land purchase of £70,000 can be funded (assuming that Members will not support moving to a detailed business case for Option 3) from the £250,000 that has already been set aside from the Change Management Reserve to fund the detailed business case for Option 3. The purchase of the land at £70,000 is therefore considered to be a far more financially sustainable approach than spending £250,000 on a detailed business case, at this point in time.

9.0 **RECOMMENDATION**

This paper is due to be considered by the Leisure & Environment Committee on 26 June 2018. Their comments on this report and recommendations will be reported verbally for Policy & Finance Committee to consider and approve.

Background Papers

Nil

For further information please contact Leanne Monger, Business Manager – Housing & Safeguarding (Project Manager) on extension 5545 or Matthew Finch, Director – Customers (Project Director) on extension 5716.

Matthew Finch
Director – Customers

Options Appraisal – Leisure Centre Provision

February 2018

1.0 Purpose of Report

This report examines the options available for leisure centre facilities in the West of Newark and Sherwood.

The report looks at the facilities in the West of the District compared to the facilities elsewhere in Newark and Sherwood, in terms of their location and the facilities mix at our leisure centre sites.

Further, as part of a the attached market analysis it looks at population masses in the West of the District and locations which have the largest number of potential customers within a 20-minute drive time (after which it has been shown that customers are not likely to travel to use a facility). It goes on to look at local population factors which influence a preferred location of leisure facilities, such as health indicators, sport England profiles and considers the wider strategic developments taking place in the West of the District.

A summary of the options and their feasibility are considered in this report as it is anticipated that a full business case will be developed for the preferred option identified in the conclusion – subject to approval by Members.

2.0 Background

A review of leisure centre facilities in the west was included within the Council's revised Medium Term Financial Strategy, approved by Policy and Finance Committee on 29 June 2017.

A cross Council and Company Project Team was established in December 2017 led by Matthew Finch (Project Director) and Leanne Monger (Project Manager / member of the Council's Commercials Project Development Team) and Andy Carolan from Active4Today (Senior User). The Council also engaged suitably qualified and experienced project managers Turner & Townsend Project Management Ltd through a competitive tender exercise to help deliver, in the first instance, a feasibility study into the options discussed in this report for delivering leisure centre facilities in the West.

The agreed aims of the project are to:

- Undertake an options appraisal of leisure centre facilities in the West of the District, with the aim of increasing regular participation in exercise and provide encouragement for sporting participation
- Support the achievement of better health and wellbeing outcomes for the community, particularly but not exclusively in helping to tackle increasing levels of obesity
- Support recovery from illnesses and conditions which are life-threatening or are likely to reduce longevity, by providing appropriate opportunities to incorporate exercise in the recovery programmes
- Help overcome barriers to accessing leisure opportunities by providing welcoming, affordable and varied activities and facilities
- Further reduce the revenue costs of leisure, recognising the non-statutory nature of the service and the financial challenges that the Council continues to operate with

- Deliverables are items directly tied into the objectives and the scope of the project.

3.0 Current provision in Newark and Sherwood

Newark and Sherwood covers a large geographical area, representing one-third of Nottinghamshire. The population of Newark and Sherwood is 119,600 (LG Inform Plus) with the largest settlement in the West being in Ollerton and Boughton (10, 292).

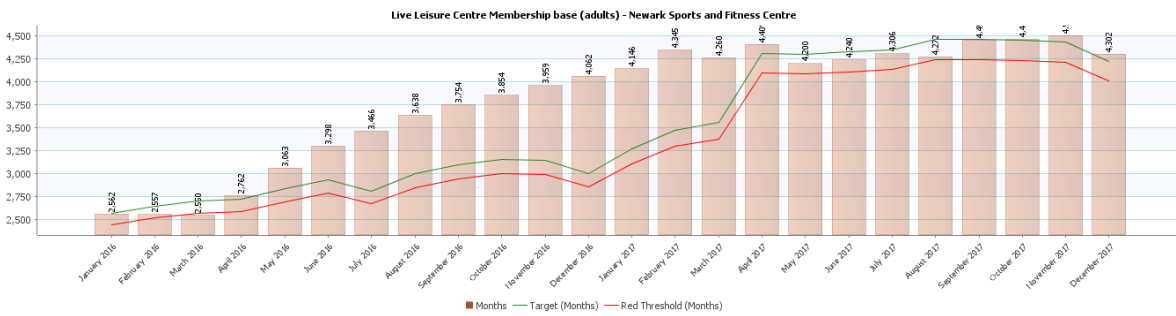
3.1 Newark

The Newark Sports and Fitness Centre (NSFC) opened in 2016 at a cost of £9.4-million. The Centre comprises a full facilities mix of wet and dry-side activities, including a six-lane 25 metre pool, a 20 metre learner pool, four court sports hall, 850 sq metre fitness suite, two dance studios and two squash courts.

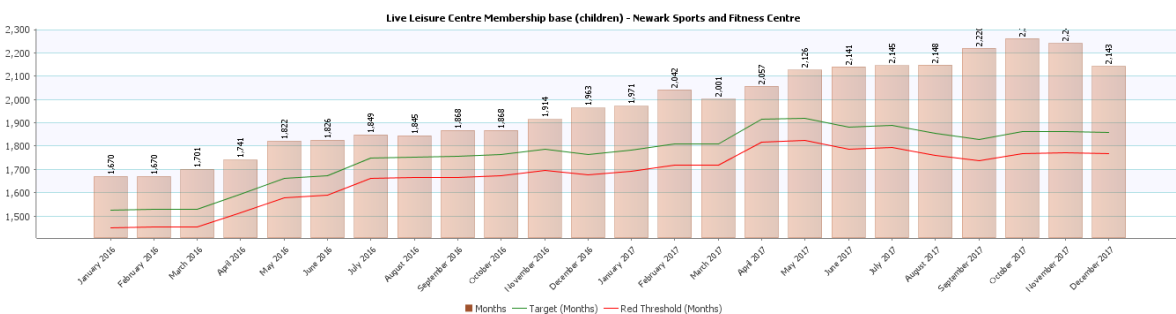
In addition, the Council is facilitating exciting plans from the YMCA to deliver a range of outdoor sporting activities on land next to the NSFC, which will create an integrated indoor and outdoor sporting hub on a single site in the town.

The membership base has seen huge growth since the opening of NSFC and closure of the former Nottinghamshire Council owned facility, Grove Leisure Centre. This has been achieved through a number of projects and developments which have been implemented, including regular reviews of programmes, club bookings, pay and play activities, technology, capacity, workforce planning, staff training and introducing new activities.

In terms of adults, the number of members was 2,562 in January 2016, with the opening of NSFC in April 2016; the membership base has increased to 4,302 in December 2017.



In terms of the children’s offer, there has also been a steady increase in the membership base following the opening of the new facility.



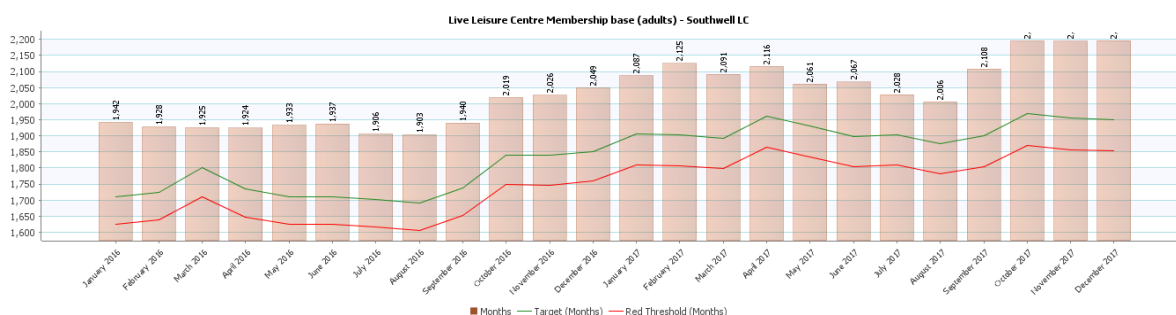
There are many other activities on offer for both adults and children in the Newark area and this includes participation within voluntary run sports clubs, other fitness and leisure providers, personal training academies, a cinema and the soon to be provided, outdoor sporting hub, which will be located on the site adjacent to the NSFC and offer an extensive range of outdoor sporting provision. The major strength of NSFC, is the combined wet side and dry side provision and the breadth of sporting activities on offer for all ages within the family, which is not offered or provided by other operator within the town.

Both children and adult membership bases appear to be at a plateauing now, following the expedient growth which was experienced within the first 12 months of operation at the NSFC. Currently there is very little movement month on month, however, it is anticipated 2018 data will start to see the seasonal trends of participation in the industry.

3.2 Southwell

Within Southwell, the leisure centre is run by a board of Trustees with support from Active4Today and Newark and Sherwood District Council. The leisure centre comprises of a full facilities mix of wet and dry-side facilities, including a 25 metre pool, a learner pool, four court indoor sports hall, fitness suite, dance studios and squash courts; the centre also has a 5-a-side, 3G multi-use games area (MUGA) adjacent to the leisure centre. The centre began its life in 1965 as a swimming pool only and over the years has seen substantial investment from both the Trustees and the Council, culminating in the impressive facility which exists today. Since 2004, approximately £2m capital investment has been made into this facility.

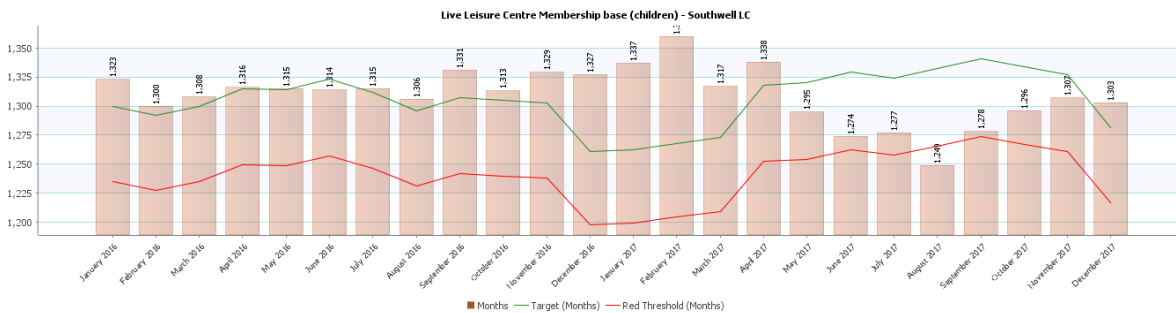
The centre receives services from A4T to support both the adult and children’s membership base. Although a separate Charitable Trust, the offer to the customer in terms of direct debit memberships is the same as the offer within the NSDC owned/A4T operated sites, allowing customers to have one membership, which allows access to all of the four sites.



The adult membership base at Southwell has seen some growth in the last 24 months as demonstrated in the graph. Memberships rose from 1,942 members in January 2016, rising to 2,196 members in December 2017. The large investment which was made to the fitness equipment of over £200,000 has contributed to the membership increase, which has been seen in the latter months of 2016.

A number of other refurbishments have been completed in 2016/2017, which has included the squash courts and wet side family changing rooms.

The children’s membership has remained quite stable over the past 24 months, with peaks and troughs taking place during the traditional seasonal variances. Currently the membership stands above the predicted target (green line); however, membership has seen a net reduction of 20 members throughout the last 12 months period, from 1,323 members in December 2016 to 1,303 members at December 2017.



3.3 Provision in the West

The situation in the West of the District is more complex and currently fragmented. Until recently, the Council was able to offer customers in Ollerton a full facilities mix in the same location, as it does in Newark and supports in Southwell. However, our leisure facilities in the West are now split over three sites:

3.3.1 Ollerton

The Dukeries Leisure Centre comprises of a four court sports hall, fitness suite, dance studios, a squash court and, until recently, had a pool (hired through an arrangement with the neighbouring Dukeries Academy to enable members to participate in swimming).

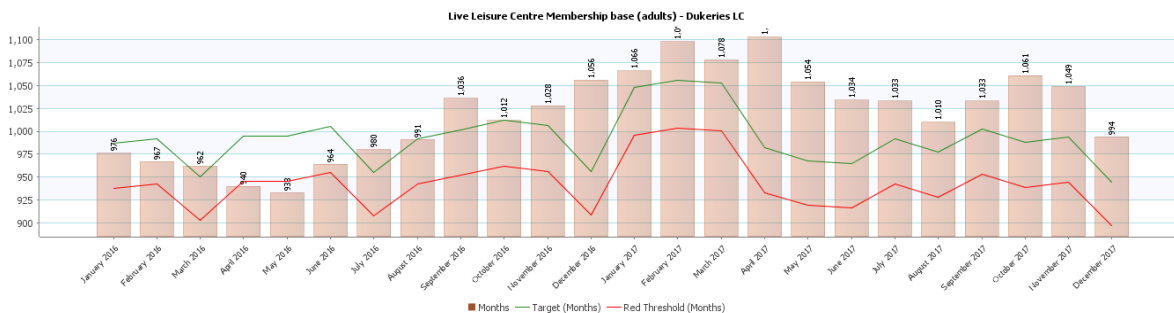
The leisure centre, which was refurbished within the mid 1980's, has seen a steady and continuous investment into its repairs and renewals since this time, ensuring the fabric of the building remains in very good condition and the offer to the customer is of a very good standard. Recently investment into the facility has included; fitness suite refurbishment, office refurbishments and main hall refurbishment, to the value of approximately £100,000.

In practice, the arrangement with the Academy over the pool hire was never completely ideal. The pool facility was very old (circa late 1960s) and lacked from adequate investment, resulting in a pool hall which did not provide a good environment for customers and was not accessible to all customers within the community. In addition, the pool was only available to customers outside of school hours and, because it sat in the physical footprint of the school, gave rise to security concerns and meant that customers who wished to use the gym before going for a swim, would have to change in the dry-side changing, move to the wet-side changing and change again before being able to swim.

In July 2017, this arrangement came to an end when the Trust which runs the Academy gave the Council limited notice that it would be closing the pool indefinitely.

Since that time, Active4Today have entered into an arrangement with the privately run South Forest Leisure Centre in Edwinstowe to hire its pool to be able to continue all swimming-based memberships and avoid a potential loss in members and revenue which could pass back to the Council by way of a request for an additional management fee.

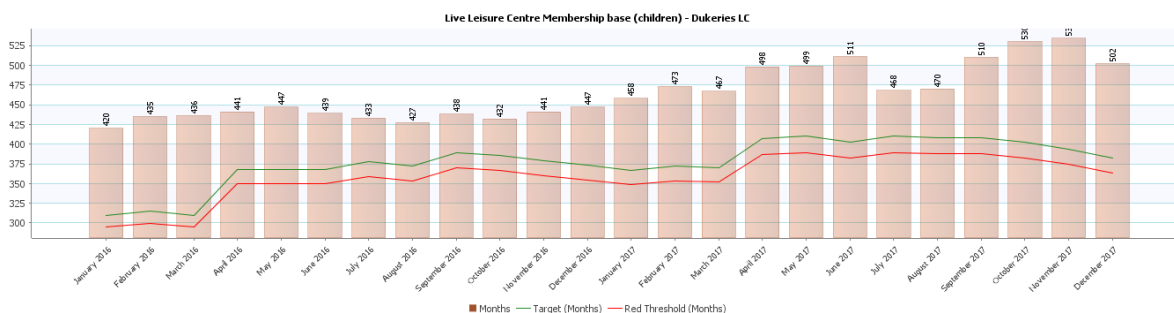
The adult membership base at Dukeries began to experience a steady increase following investment in the fitness suite and the introduction of new equipment in June 2016, along with the other sites and the opening of NSFC. Since this point, the membership base has also achieved the budgeted target number to ensure income levels are maintained. In July 2017 the adult membership began to suffer slightly, which it is thought could be attributed to the closure of the Dukeries Academy pool.



In comparison, the children’s membership saw a slight decline during July 2017 due to the closure of the academy pool; however, with some partnership working, and improvements made to the activity offer, the confidence of members is beginning to return and numbers are beginning to stabilise and slightly increase. In terms of the overall net effect, membership at the Dukeries is not experiencing growth like the other centres.

3.3.2 Edwinstowe

The South Forest complex, built late 1990 is owned privately and operates as a private business. The building is currently used as a community leisure centre with a freeform swimming pool, small gym, function rooms and restaurant.



A4T has signed up to a 12 month service level agreement from 31 July 2017 – 30 July 2018 with South Forest complex, based on the existing swimming lesson programme covering a set number of hours per week at key times. In addition, an agreement was reached to allow access for adult members to laned swimming on set days. This was accommodated for a set annual fee.

The current usage of South Forest is for approximately 400 children’s swimming lessons however as there is no front of house system in place there linked to membership base, we are unable to obtain usage data of swimming participation outside of lessons.

Feedback received since the relocation in the Summer, has been positive. A4T senior Management have worked with South Forest staff to improve cleanliness, viewing, shared equipment and marketing of the site, which has proved beneficial as anecdotally South Forest has seen an increase in secondary spend (catering/refreshments).

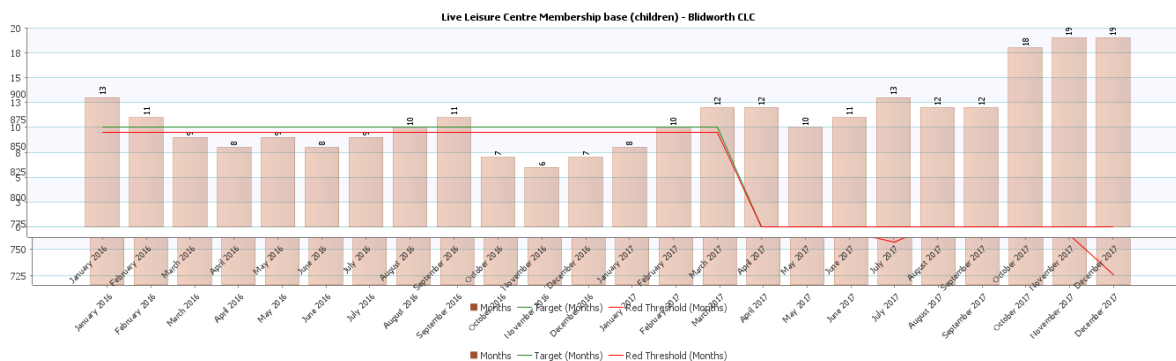
3.3.3 Blidworth

Within the West, the Council also provides Blidworth Leisure Centre. This centre is dry-side only facility, comprising a fitness suite and dance studios. The centre, which was originally a community centre was refurbished during 2008 to a value of approximately £900,000 and opened in January 2009, following the withdrawal from the Nottinghamshire County Council owned, Rainworth Leisure Centre.

With almost 900 members, it is the smallest of the Council-owned, A4T operated leisure centres within the District.

The offer at Blidworth targets the adult market with a ‘health club’ atmosphere, with very few junior or teenage users on a membership, as a result of the limited activities which take place at the facility. The current membership base in December 2017 was 858, experiencing seasonal peaks and dips from January 2016 where it was 817.

The junior usage at Blidworth is very low, with membership currently at 19 in December 2017. The membership data is monitored but it was agreed early in 2017 that no targets would be set for the forthcoming year.



4.0 Options Appraisal

The Project Team believe there are three broad options to appraise and have explored the feasibility of and potential for taking forward to delivery:

- **Option 1:** Stay the same and do nothing.
- **Option 2:** Provide a new Leisure Centre – on the land immediately in front of Dukeries site
- **Option 3:** Dukeries improvement scheme and pool hall new build

Each of these options will now be considered separately.

Some high level considerations were given to the potential opportunities offered through the partnership with South Forest. However, as evidenced in the market analysis, Edwinstowe is not considered to be the appropriate ‘place’ for investing in the development of Council owned leisure centre facilities given the needs identified. It is therefore proposed that the Council and A4T should continue to look at positive ways to work in partnership with South Forest separately to this project.

4.1 **Option 1: Stay the Same.**

This option would effectively mean that the current fragmented offer across the three sites at the Dukeries Ollerton, South Forest, Edwinstowe and Blidworth would remain the same and that there would be no capital or revenue investment in leisure facilities in the West of the District.

SWOT Analysis

| | |
|---|--|
| <p>Strengths</p> <p>Requires no capital investment No significant revenue loss Maintains current offer</p> | <p>Weaknesses</p> <p>Fragmented offer unequal to other facilities in the district No growth in membership and revenue Does not adequately address demand for swimming (market appraisal) Doesn't achieve project aims</p> |
| <p>Opportunities</p> <p>To increase sports development offer (requires additional revenue)</p> | <p>Threats</p> <p>Decline of membership/revenue Not tackling wider health objectives South Forest lease uncertainty</p> |

Under this option, maintaining the current offer would mean that future revenue growth and improved social, health and wellbeing outcomes for residents would be uncertain. This option would not respond to the concerns coming out of the Ollerton and Boughton Study and wider master planning of the area, discussed in the market analysis.

4.2 **Option 2: New Leisure Centre Provision**

Turner & Townsend Project Management Ltd have provided project management support to understand the feasibility and cost of building a new leisure centre on land immediately in front of the current centre. The brief provided to Turner and Townsend included a centre which would comprise of a pool hall for a 25-metre pool, fitness suite, fitness studio, wet and dry change, spectator area, ancillary areas (office, meeting rooms), reception, plant room and circulation.

SWOT Analysis

| | |
|---|--|
| <p>Strengths</p> <p>Provides a 'beacon' in the west of the district Likely to increase membership and subsequent revenue income Lift the community Address project aims Replacement of mixed use facility Supported by partners – NCC, the Academy, Notts. Fire and Rescue</p> | <p>Weaknesses</p> <p>Requires significant capital investment Increased revenue (increased maintenance) Demolition of Dukeries asset</p> |
|---|--|

| Opportunities | Threats |
|---|--|
| Greater awareness and pull for communities to engage in leisure opportunities Replicate the success of NSFC Compliments wider strategic developments taking place in the West of the District. Outdoor gym/sporting opportunities Re-invigorate Youth Centre Closer leisure facilities for academy pupils – especially for swimming lessons. | Potential loss and re-provision of car parking or sports pitches Possible land issues – County Council land on 125yr lease to the academy |

Whilst this option would provide a ‘beacon in the west’, boost memberships and revenue growth, it would require significant capital which is considered unaffordable and demolition of the existing Dukeries site – which is a fit for purpose dry-side facility. There may also be challenges with land acquisition and conversations with Sport England would need to be progressed sensitively as they would be statutory consultee’s on any proposals.

Financial Appraisal - Option 1: New Leisure Centre

| | |
|--|--------------------|
| Capital Costs | |
| | |
| Construction costs | £10,137,365 |
| Fee’s (including project management, design and planning fees) | £877,011 |
| Fixtures, Fittings and Equipment | £545,000 |
| Project Contingency | £ 1,165,938 |
| Total | £12,725,314 |
| Costs incurred to date for feasibility (including cost of consultants and surveys) | £60,000 |
| Demolition costs – Dukeries site | £200,000 |
| Land Purchase | £100,000 |
| Total | 13,085,314 |
| Revenue | |
| Projected Growth – per annum | £120,649 |

4.3 Option 3: Dukeries Improvement Scheme and Pool Hall New Build

Turner & Townsend Project Management Ltd also provided project management support to understand the feasibility of building a new pool hall and new central entrance onto the current facility. This would again be a 25-metre pool, potentially with a movable floor, and with changing facilities included. The most obvious space for such a facility would be on the current car park and consultants were also tasked with addressing, depending on the siting of the proposed pool hall, scope to look at an entrance which is more central and has a better spatial relationship to the facilities within the leisure centre and the new pool hall.

SWOT Analysis

| | |
|--|---|
| <p>Strengths</p> <p>Provides a 'beacon' pool facility in the west of the district Likely to increase participation, membership and subsequent revenue income Lift the community Address project aims Replacement of mixed use facility Investment in existing asset Removes cost as a barrier – with increased costs incurred for members travelling to South Forest. Supported by partners – NCC, the Academy, Notts. Fire and Rescue</p> | <p>Weaknesses</p> <p>Requires Capital Investment</p> |
| <p>Opportunities</p> <p>Greater awareness and pull for communities to engage in leisure opportunities Replicate the success of NSFC Compliments wider strategic developments taking place in the West of the District. Free from previous joint use restraints. Outdoor gym opportunities Re-invigorate Youth Centre Closer leisure facilities for academy pupils – especially for swimming lessons.</p> | <p>Threats</p> <p>Possible land issues – County Council land on 125yr lease to the academy</p> |

This option is considered to have the same strengths and opportunities as the new leisure centre option but at a cost that is a more proportionate amount of capital funding. The proposed improvements would also make best use of an existing asset owned by the Council providing excellent dry side facilities; address circulation and car parking issues whilst also providing a new pool hall, with new fun elements and a soft play/party area for children. Under this option it is also proposed that the facility at Blidworth remains as it is meeting a need in that community and is self-financing.

This option also provides an opportunity to achieve a wider vision for improving outdoor sporting and leisure facilities. Conversations with partners suggest there may be scope to consider further opportunities presented by the MUGA, Youth Centre and Green Gyms to deliver wider health benefits.

Financial Appraisal - Option 2: Dukeries Improvements Scheme and Pool Hall New Build

| | |
|--|------------|
| Capital Costs | |
| Construction costs | £5,715,461 |
| Fee's (including project management, design and planning fees, building condition, ecology/topographical surveys) | £805,740 |
| Fixtures, Fittings and Equipment | £281,500 |

| | | |
|--|----------------|-------------------|
| Project Contingency | | £ 1,004,430 |
| | Total | £7,907,131 |
| Costs incurred to date for feasibility (including cost of consultants and surveys) | | £60,000 |
| Demolition costs – Dukeries site | | Nil |
| Land Purchase – gifted | | Nil |
| | Total | £7,967,131 |
| Revenue | | |
| Projected Growth – per annum | £74,570 | |

5.0 Conclusion and Preferred Option

Given that the market analysis concludes that:

- Ollerton & Boughton is the most suitable location for a leisure facility as it has the highest population mass, largest growth, highest indices of deprivation and lower life expectancy; and
- further determines that this leisure facility should remain at the current Dukeries Leisure Centre site, with swimming provision re-provided addressing concerns arising from the Ollerton and Boughton study, making the case for a full facilities mix (of dryside and wetside facilities) under one roof.

It is concluded that **Option 3: Dukeries improvement scheme and pool hall new build** would address the findings in the market analysis and meet the aims of this review project set out in paragraph 2. Additionally conversations to develop a wider vision for improving outdoor sporting and leisure facilities could be progressed, complementing the master planning of the area.

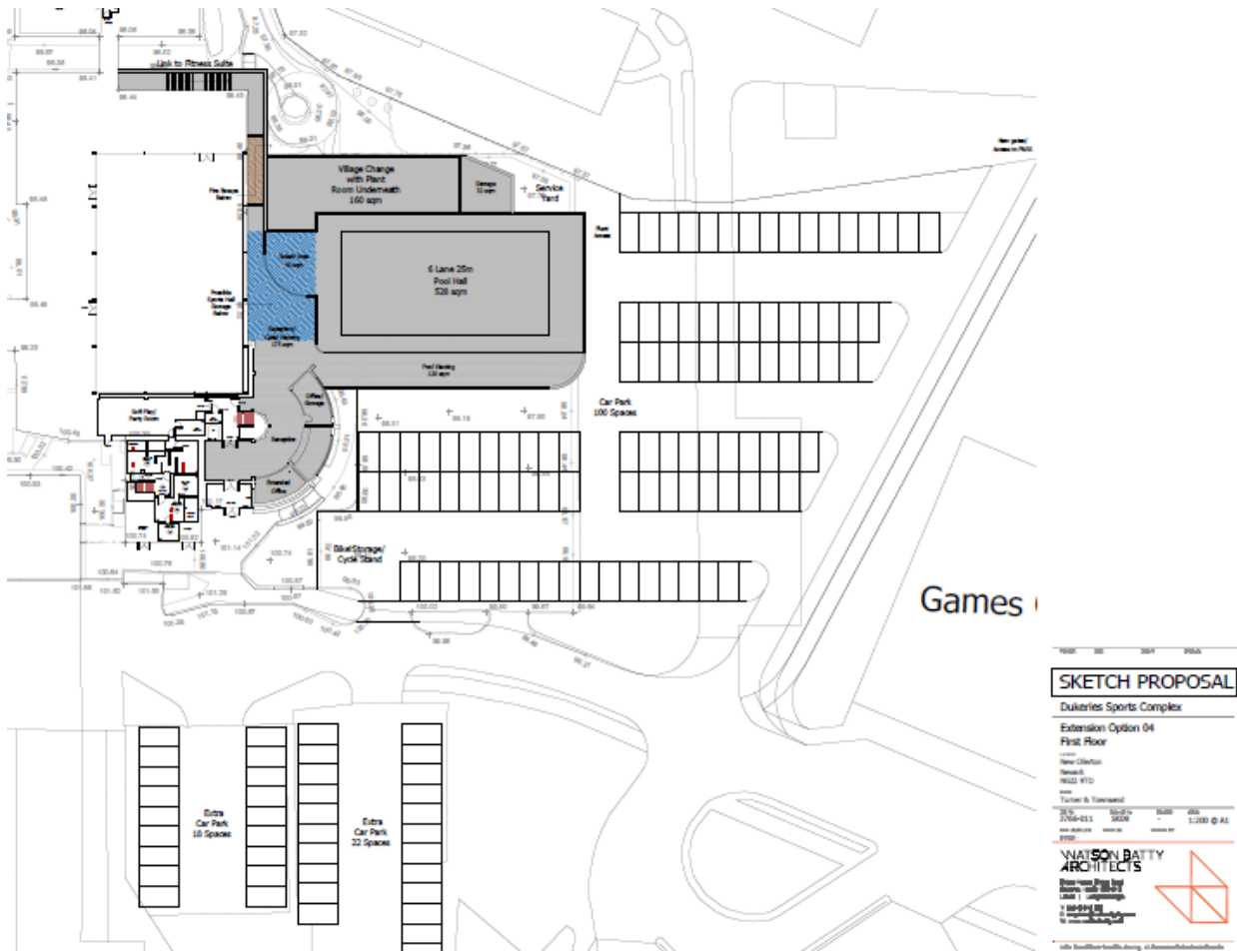
This option is also considered financially more proportionate to the new build option and would be making best use of an existing asset owned by the Council providing fit for purpose dry side facilities, address circulation and car parking issues whilst also providing a new pool hall, with new fun elements and a soft play area for children.

It should be noted that Option 3 is also considerably cheaper than the new build option (Option 2) costing an additional £5m, which could be invested more prudently in line with the Council's Commercial Strategy to generate a greater return on investment.

It is therefore recommended by the project team that a detailed business case be developed for Option 3: Dukeries improvement scheme and pool hall new build to be brought back to Members in Spring/Summer 2018, which will include detailed cost plans and architect drawings to RIBA stage D. If Members decided to take this option forward to delivery, practical completion is expected to be Spring/Summer 2020.

A feasibility layout drawing and map identifying the small piece of land the County Council has agreed to transfer to the Council at nil cost (subject to member and secretary of state approval) are provided as appendices.

Option 3 – Dukeries Improvement and Pool Hall New Build - Feasibility Layout Drawing



Proposed Land Transaction/Acquisition



Appendix B

Leisure Centre Provision in the West

'Desktop' Market Analysis

February 2018



Contents

| | |
|--|----|
| Introduction | 2 |
| Population..... | 2 |
| Housing Growth | 2 |
| Health..... | 4 |
| Deprivation | 4 |
| Transport and Connectivity..... | 5 |
| Drive and Walk Times | 5 |
| Sport England Market Segmentation..... | 9 |
| Strategic Developments..... | 12 |
| Ollerton and Boughton Neighbourhood Study..... | 12 |
| One Public Estate (OPE) | 13 |
| Community Sporting Infrastructure Improvements | 13 |
| Other Strategic Drivers | 13 |
| Conclusion..... | 14 |
| Appendix Place Report – Ollerton & Boughton Neighbourhood Study..... | 15 |

Introduction

This desk top market analysis supports the options appraisal of leisure centre facilities in the western areas of Newark and Sherwood. It considers population masses in the west of the district and identifies locations which have the largest number of potential customers within a 20-minute drive time (after which it has been shown that customers are not likely to travel to use a facility). The market analysis then reviews local population factors which influence a preferred location of leisure facilities, such as health indicators, Sport England profiles and considers the wider strategic developments and master planning taking place in the west of the district.

The west of the district comprises of seven wards (Bilsthorpe; Boughton; Edwinstowe and Clipstone; Farnsfield; Ollerton; Rainworth North and Rufford; and Rainworth South and Blidworth) and borders Ashfield; Bassetlaw and Mansfield. The western wards include several mining towns, villages and large areas of woodland, which form part of Sherwood Forest.

Population

The population of Newark and Sherwood is 119,600 (LG Inform Plus, 2015), with the areas in the west of the district accounting for 34% of the total population (approx. 40,862). The top five populous centres in the west are:

- Ollerton and Boughton: 10,292
- Rainworth: 6,674
- Edwinstowe: 5,207
- Clipstone: 4,674
- Blidworth: 4,473

Source: Population by Parish, LG Inform Plus, 2015

The population figures calculated by parish highlight that Ollerton and Boughton has the highest population mass in the west of the district. The population projection contained in the Boundary Review in 2012 indicates that the electorate is likely to increase by 6% by 2021 in the west of the district. It should be noted that this projection discounts residents who have not registered to vote, not entitled to vote, or are not of voting age. However, it does give an indication of the level of population growth in the area and provides a conservative estimate for the population of approximately 42,000 in the west of the district by 2021.

Housing Growth

The Council's Allocations & Development Management Development Plan Document (A&DM DPD) adopted in 2013 sets out allocations of land for new housing, employment and other development. In the west of the district, significant housing growth has been directed to this area:-

- Ollerton & Boughton is defined as a service centre and the Core Strategy directs 8% of the district's housing growth to this area. This equates to a need to provide 1133 dwellings in this settlement between 2006 and 2026. There is a residual requirement for the A&DM DPD to identify sites that are capable of delivering 487 new dwellings in Ollerton & Boughton.
- Clipstone is defined as a service centre and the Core Strategy directs 6% of the district's housing growth to this area. This equates to a need to provide 850 dwellings in this settlement between 2006 and 2026. There is a residual requirement for the A&DM DPD to identify sites that are capable of delivering 104 new dwellings in Clipstone.
- Rainworth is defined as a Service Centre and directs 3% of the district's housing growth to this area. This equates to a need to provide 425 dwellings in this settlement between 2006 and 2026. There is a residual requirement for the A&DM DPD to identify sites that are capable of delivering 247 new dwellings in Rainworth.
- Blidworth is defined as principal village and the Core Strategy directs 2.5% of the district's housing growth to this area. This equates to a need to provide 354 dwellings in this settlement between 2006 and 2026. There is a residual requirement for the A&DM DPD to identify sites that are capable of delivering 299 new dwellings in Blidworth.
- Edwinstowe was defined as a principle village in the Core Strategy which directs 2% of the district's housing growth to this area. This equates to a need to provide 283 dwellings in this settlement between 2006 and 2026. There is a residual requirement for the A&DM DPD to identify sites that are capable of delivering 121 new dwellings in Edwinstowe. In July 2017, Edwinstowe was redefined as a Service Centre, due to developments and growth due to take place in Thoresby.
- Farnsfield is defined as principal village and the Core Strategy directs 1% of the district's housing growth to this area. This equates to a need to provide 142 dwellings in this settlement between 2006 and 2026. There is however a residual requirement for the A&DM DPD to identify sites that are capable of delivering 105 new dwellings in Farnsfield.

The A&DM DPD has directed the largest proportion of housing growth in the western wards to the area of Ollerton and Boughton and this doesn't not include windfall sites. Ollerton & Boughton acts as a service centre to a large local population, both in the town and the surrounding area. Over the plan period it is anticipated that the town will see the provision of new housing, employment and associated facilities that will help regenerate the area and reinforce its role as the main centre within the area.

Health

In comparison to the national average, life expectancy in the west of the district is significantly lower compared to other areas in the district. In Ollerton specifically, life expectancy is 80.9 years for females and 77.6 years for males compared with 88.2 years for females in Muskham and 84.6 years in Sutton on Trent for males (LG Inform Plus, 2015).

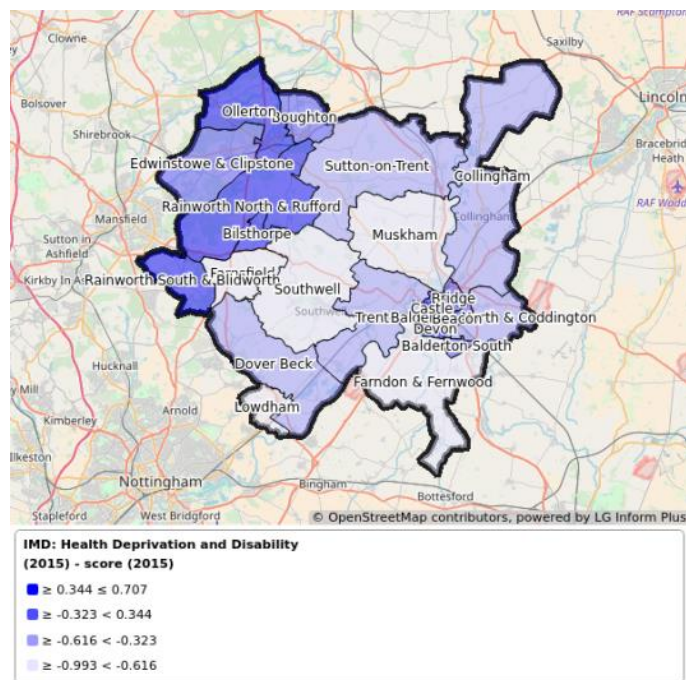
Approximately 20% of the population in the district lives with a long-term illness (e.g. diabetes). This is higher than the England average (18%) and is strongly correlated with the old mining communities in the north-west of the area. Rainworth South and Blidworth has the highest % of the population living with a long term illness or disability (27%), followed by Ollerton (25.9%), (LG Inform Plus, 2011).

Excessive weight in Adults indicates that 66.7% of Adults in the district were obese in 2015/16 compared to the national average of 61.3% nationally and 63.7% in the East Midlands (Public Health England, 2018). However in children, obesity rates are higher than the national average. 19.7 % of year 6 children (10 to 11 year olds) were classified as obese in Ollerton (LG Inform Plus, 2011) which is higher than the national average of 19%.

Deprivation

The district has 6 wards that rank the highest score for Indices of Multiple deprivation (IMD) Health deprivation and disability. Four are located in the west of the district:

- Ollerton 0.707
- Rainworth South & Blidworth 0.691
- Bilsthorpe 0.656
- Rainworth North & Rufford 0.344



Source: Indices of multiple deprivation, LG Inform Plus, 2015

Ollerton is ranking as the highest area for health deprivation and disability in the west with Rainworth South & Blidworth ranking second. Boughton; Edwinstowe & Clipstone and Farnsfield rank lower in the indices of multiple deprivation (IMD) Health deprivation and Disability.

The Nottinghamshire Joint Strategic Needs Assessment (JSNA): Child Poverty 2016 undertaken by Nottinghamshire County Council identifies 8 wards in Newark and Sherwood that are identified as target wards where child poverty levels exceed the national figure of 18%. In the west of the district, there are 4 areas that exceed this target for areas with high levels of child poverty:

- Boughton 31.0%
- Blidworth 23.5%
- Ollerton 20.9%
- Clipstone 20.2%

Edwinstowe, Rainworth and Farnsfield are areas that have lower levels of child poverty. In addition, the JSNA further identifies areas where over 30% of children live in poverty as hotspots, in the west of the district, Boughton Ward is identified as a hotspot (31%).

Transport and Connectivity

There are reasonable bus services throughout the West of the district, however for small villages buses tend to be infrequent. Most of the services are hourly and origins/destinations are the main towns of Newark, Mansfield, Retford and Nottingham, with the majority of services passing through Ollerton. Public transport from the North to the South of the western wards is difficult and would normally require two journeys, going via Southwell or Mansfield. There are no Motorways within the area; however there are three primary A roads which pass through the western wards:

- A614 travelling North to South
- A616 travelling East to west in the North
- A617 travelling East to west in the South of the area



Drive and Walk Times

Sport England recommends that a 20 minute drive time is the maximum time that individuals would be willing to spend travelling to access leisure facilities. The tables and maps below indicate the population and number of household’s within a 20 minute drive time and 8 minute walk time of the three leisure centres in the west where currently Council leisure facilities are provided (Dukeries Leisure Centre – dryside only; South Forest Leisure Complex – privately owned leisure complex where Active4Today has provided wetside provision since July 2016; Blidworth Leisure Centre– dryside only).

It is important to note that when reviewing this data, the population and households figures only include areas within the district, it does not include household or population data for areas that border the district, for example in Ollerton and Boughton, larger urban areas of Worksop and Retford would fall within a 20 minute drive time.

Dukeries Leisure Centre

| Distance | Population | Households |
|-----------------------------|------------|------------|
| 8 minute walk time | 3,621 | 1,417 |
| 20 minute drive time | 46,715 | 19,182 |



Source: LG Inform Plus; Population (2015); Households (2011)

The current location of the Dukeries Leisure Centre indicates that all of the wards in the west and part of Sutton on Trent are within a 20 minute drive time. It also includes the largest population within an 8 minute walk time, which is important to help tackle

engagement of communities in need. It also encompasses approx. 47,000 of the population and approx. 19,000 households.

South Forest Leisure Complex (where wetside provision is currently provided)

| Distance | Population | Households |
|-----------------------------|------------|------------|
| 8 minute walk time | 973 | 442 |
| 20 minute drive time | 40,862 | 16,758 |

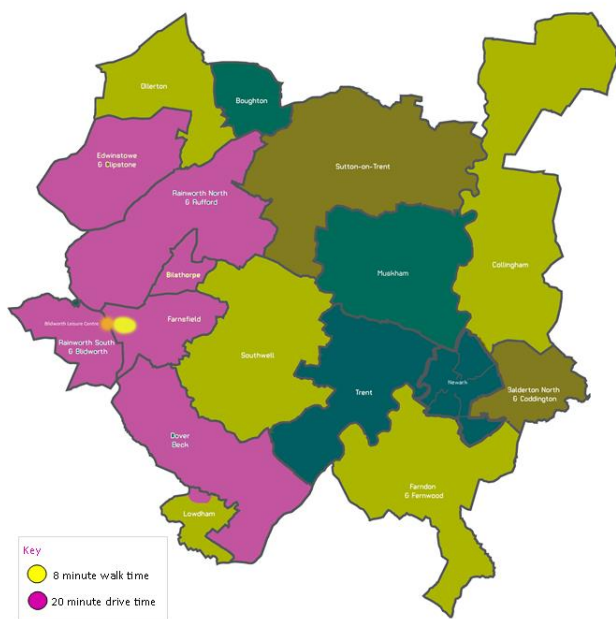


Source: LG Inform Plus; Population (2015); Households (2011)

The location of South Forest Leisure Centre covers all of the wards in the west of the district but encompasses far fewer population and households particularly within walking distance. This is considered a barrier for some households who would not have access to transport and would benefit from a leisure centre within walking distance.

Blidworth Leisure Centre

| Distance | Population | Households |
|-----------------------------|------------|------------|
| 8 minute walk time | 1,303 | 525 |
| 20 minute drive time | 32,069 | 12,821 |

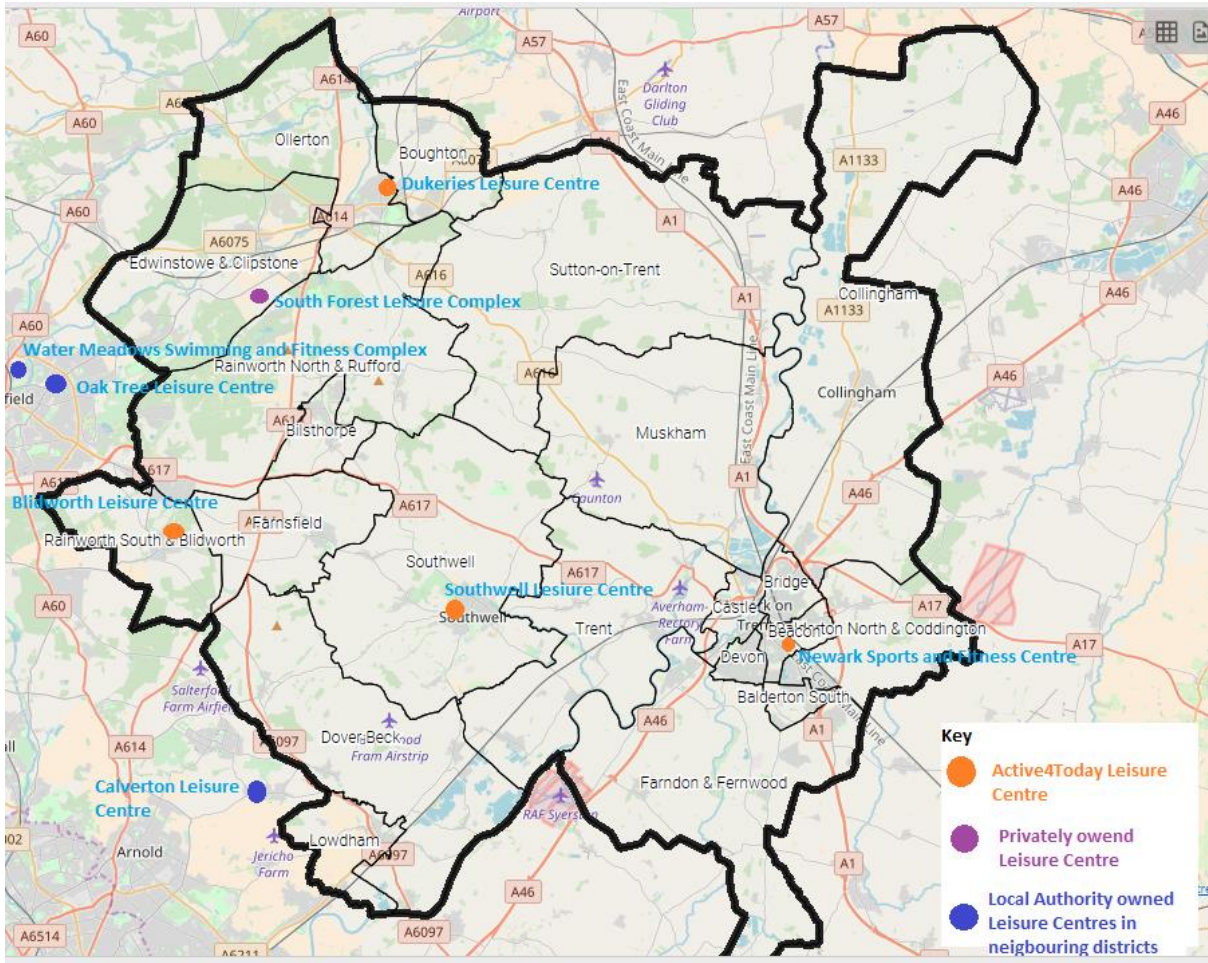


Source: LG Inform Plus; Population (2015); Households (2011)

The current location of Blidworth Leisure Centre does not cover the entire west of the district but it does include Dover Beck and Lowdham towards the South of the district. Blidworth Leisure Centre has the potential to reach approx. 32,000 of the population and approx. 13,000 households.

The tables and maps above indicate that the location of the Dukeries Leisure Centre in Ollerton and Boughton encompasses the largest population and number of households within an 8 minute walk time and a 20 minute drive time and therefore can reach the largest volume of residents for participation in sport and leisure. Whilst South Forest Leisure Complex also includes all of the western wards with a 20 minute drive time, it reaches slightly less households and population than the current Dukeries site.

There are also leisure facilities in neighbouring districts that would fall within a 20 minute drive time, where residents in our district could travel to. The nearest leisure facilities in the west of the district are indicated on the map below including leisure facilities in neighbouring districts.



Source: LG Inform Plus

As the map above indicates, Rainworth South and Blidworth; Rainworth North and Rufford and parts of Edwinstowe and Clipstone have local authority owned leisure centres within a 20 minute drive time that are located in neighbouring districts. It is also important to note that there a number of private providers offering leisure facilities in the west and in neighbouring towns.

Sport England Market Segmentation

Sport England (2014) identifies 19 ‘sporting’ market segments which includes profile types and their sporting habits. The most common profiles pertinent to the west of the district are typically for individuals aged between 16-64. The most popular participating sport which appears in the majority of the sport profiles is swimming which is indicated in the table below.

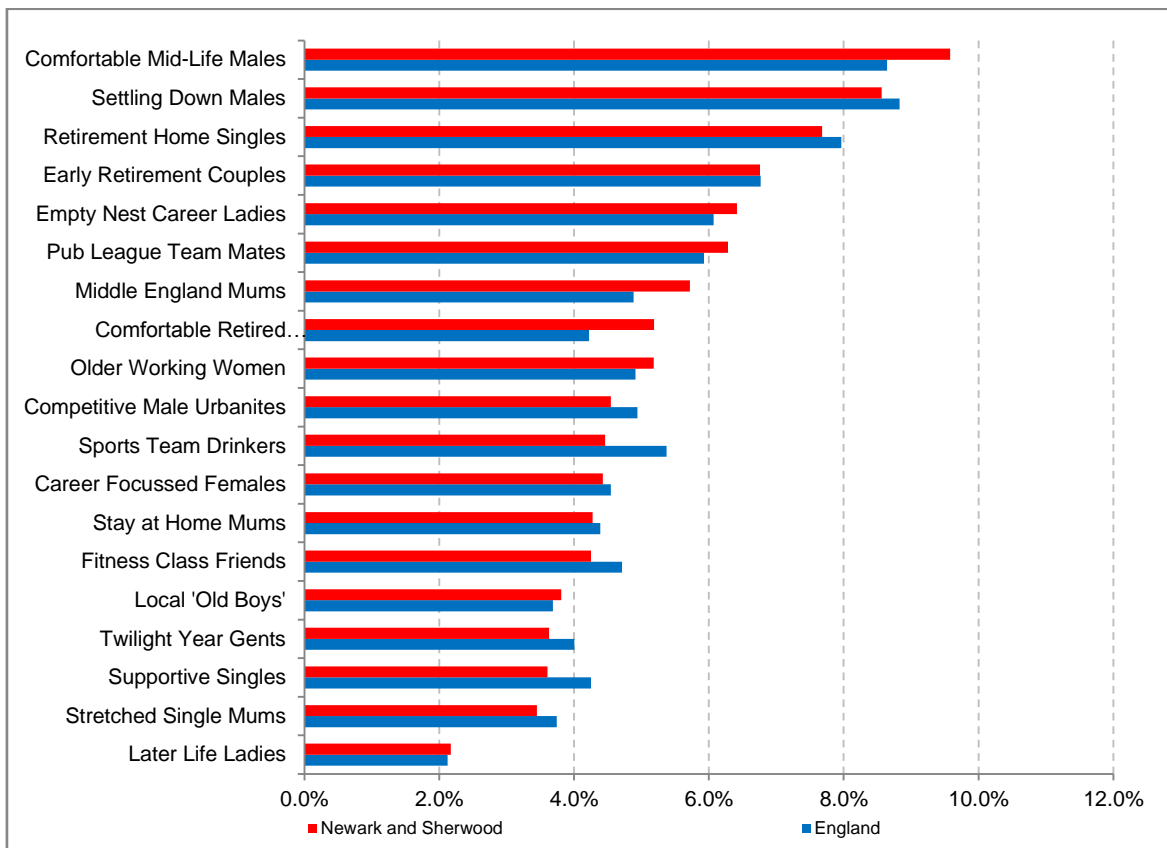
| Name | Title | Description | Top three participating sports nationally |
|--------------|----------------------------|--|---|
| Ben | Competitive Male Urbanites | Male (aged 18-25), recent graduates, with a ‘work-hard, play-hard’ attitude. Most sporty of 19 segments. | Football (33%) Keep fit/gym (24%) Cycling (18%) |
| Jamie | Sports Team | Young blokes (aged 18-25) enjoying | Football (28%) |

| | | | |
|----------------------------|----------------------------|---|---|
| | Drinkers | football, pints and pool. | Keep fit/gym (22%) Athletics (12%) |
| Chloe | Fitness Class Friends | Young (aged 18-25) image-conscious females keeping fit and trim. | Keep fit/gym (28%) Swimming (24%) Athletics (14%) |
| Leanne | Supportive Singles | Young (aged 18-25) busy mums and their supportive college mates. Least active segment of her age group. | Keep fit/gym (23%) Swimming (18%) Athletics (9%) |
| Helena | Career Focused Females | Single professional women, enjoying life in the fast lane (aged 26-45). | Keep fit/gym (26%) Swimming (23%) Cycling (11%) |
| Tim | Settling Down Males | Sporty male professionals (aged 26-45), buying a house and settling down with partner. | Cycling (21%) Keep fit/gym (20%) Swimming (15%) |
| Alison | Stay at Home Mums | Mums with a comfortable, but busy, lifestyle (aged 36-45). | Keep fit/gym (27%) Swimming (25%) Cycling (12%) |
| Jackie | Middle England Mums | Mums (aged 36-45) juggling work, family and finance. | Keep fit/gym (27%) Swimming (20%) Cycling (9%) |
| Kev | Pub League Team Mates | Blokes (aged 36-45) who enjoy pub league games and watching live sport. | Keep fit/gym (14%) Football (12%) Cycling (11%) |
| Paula | Stretched Single Mums | Single mum (aged 26-45) with financial pressures, childcare issues and little time for pleasure. | Keep fit/gym (18%) Swimming (17%) Cycling (5%) |
| Philip | Comfortable Mid-Life Males | Mid-life professional (aged 46-55), sporty males with older children and more time for themselves. | Cycling (16%) Keep fit/gym (15%) Swimming (12%) |
| Elaine | Empty Nest Career Ladies | Mid-life professionals who have more time for themselves since their children left home (aged 46-55). | Keep fit/gym (21%) Swimming (18%) Cycling (7%) |
| Roger & Joy | Early Retirement Couples | Free-time couples nearing the end of their careers (aged 56-65). | Keep fit/gym (13%) Swimming (13%) Cycling (8%) |
| Brenda | Older Working Women | Middle aged ladies (aged 46-65), working to make ends meet. | Keep fit/gym (15%) Swimming (13%) Cycling (4%) |
| Terry | Local 'Old Boys' | Generally inactive older men (aged 56-65), low income and little provision for retirement. | Keep fit/gym (8%) Swimming (6%) Cycling (5%) |
| Norma | Later Life Ladies | Older ladies (aged 56-65), recently retired, with a basic income to enjoy their lifestyles. | Keep fit/gym (12%) Swimming (10%) Cycling (2%) |
| Ralph & Phyllis | Comfortable Retired | Retired couples (aged 66+), enjoying active and comfortable lifestyles. | Keep fit/gym (10%) Swimming (9%) |

| | | | |
|---------------------------|-------------------------|--|--|
| | Couples | | Golf (7%) |
| Frank | Twilight Year Gents | Retired men (aged 66+) with some pension provision and limited sporting opportunities. | Golf (7%) Keep fit/gym (6%) Bowls (6%) |
| Elsie & Arnold | Retirement Home Singles | Retired singles or widowers (aged 66+), predominantly female, living in sheltered accommodation. | Keep fit/gym (10%) Swimming (7%) Bowls (3%) |

Source: Market Segmentation, Sport England, 2014

The dominant market segments in Newark & Sherwood are identified in the bar chart below. Comfortable Mid-Life Males; Settling down males and Retirement Home Singles are the dominant profiles for the district. In addition, the dominant market segments nationally are also displayed as a means of comparison. For example, the segmentation profile for Newark & Sherwood indicates 'comfortable mid-life males' to be the largest segment of the adult population at 9.6%, compared to a national average of 8.6%.



Source: Dominant Market Segments (Sport England, 2014).

The three dominant profiles for the district indicate a range of top three nationally participating sports including swimming and keep fit/gym as popular sporting activities throughout all three profiles. Therefore, when considering leisure centre provision in the west, it would be sensible to have at least one centre that offered a full facility mix with both wetside and dryside provision.

| Name | Title | Description | Top three participating sports nationally |
|---------------------------|----------------------------|--|---|
| Philip | Comfortable Mid-Life Males | Mid-life professional (aged 46-55), sporty males with older children and more time for themselves. | Cycling (16%) Keep fit/gym (15%) Swimming (12%) |
| Tim | Settling Down Males | Sporty male professionals (aged 26-45), buying a house and settling down with partner. | Cycling (21%) Keep fit/gym (20%) Swimming (15%) |
| Elsie & Arnold | Retirement Home Singles | Retired singles or widowers (aged 66+), predominantly female, living in sheltered accommodation. | Keep fit/gym (10%) Swimming (7%) Bowls (3%) |

Strategic Developments

There are number of strategic developments progressing in the west of the district which are contributing to the development of the western wards. In particular, due to the needs of the area, Ollerton and Boughton has necessitated the need to progress a number of these strategic developments.

Ollerton and Boughton Neighbourhood Study

A comprehensive assessment of the Ollerton and Boughton area is currently being undertaken through a neighbourhood study. The neighbourhood study focuses on the socio-economic ('People') characteristics, the built environment ('Place') and the opportunities and challenges these bring. The intention is to create a locally driven document that provides all local stakeholders with a strategic and long-term plan to guide future decision making and investment requirements for this area.

'Planning for Real', who have undertaken the 'People' element of the neighbourhood study have prepared a draft People report which identified that the Dukeries Leisure Centre was under utilised from the surrounding housing estates and that the loss of the swimming pool from this site was a concern. Residents surveyed as part of the neighbourhood study expressed disappointment at the closure of the Swimming Pool and loss of swimming lessons for their children which meant travelling some distance and joining waiting lists. The draft People report suggests a long term high priority for the need for a new swimming pool at the Dukeries Leisure Centre.

The 'Place' element of the Ollerton and Boughton Neighbourhood study has been undertaken by urban designers URBED and surveyors AspinalVerdi who are considering options for a new housing development between the Hallam Road and Retford Road Estates. The draft report is attached as an **Appendix** and will be taken forward through a number of workshops.

One Public Estate (OPE)

The One Public Estate (OPE) programme is an established national programme delivered in partnership by the Cabinet Office Government Property Unit (GPU) and the Local Government Association (LGA). It provides practical and technical support and funding to councils to deliver ambitious property-focused programmes in collaboration with central government and other public sector partners. In the district, Ollerton and Boughton has secured funding from the OPE programme and work is underway to establish a unique public services 'hub' at the centre of the community, aims to improve health deprivation and will include co-location with the CCG. ARCADIS, the consultants are currently undertaking a feasibility study.

Community Sporting Infrastructure Improvements

The District Council have been working with Ollerton and Boughton Town Council to consolidate the sporting infrastructure at the Walesby Lane site and linking this to the Open Space proposals at Petersmith Drive. This will create a larger more flexible outdoor sporting space to increase opportunity for physical activity and associated health benefits. The District Council has been working with the Football Association and Football Foundation to secure monies for facility improvements and s106 monies has also been attributed to this project.

Other Strategic Drivers

Getting Active Together Nottinghamshire Strategy

Active Notts (formerly Sport Nottinghamshire) has been leading on the development of a Nottinghamshire and Nottingham City Physical Activity and Sport Strategy: - Getting Active Together Nottinghamshire. The strategy will be finalised in early 2018 following consultation on the final draft document. The strategy vision and priorities have been developed with a range of partners across the public, private, community and voluntary sector. The final draft vision for the strategy is:

“to make physical activity the norm for the people who live and work in our communities by ensuring everyone can easily take part, volunteer and engage in sport and activity as part of their everyday life”.

To achieve this vision, the draft strategy sets out the need to change the culture and system that exists for physical activity based on insight into the barriers and motivations of people that are the least active in our communities.

It is intended to refresh the Council’s Sports and Recreational Facilities Improvement Plan 2014-2017 and Sport and Physical Activity Development Plan 201-017, once the Nottinghamshire wide strategy has been finalised, linking into the Councils Strategic priorities.

Strategic Priorities

The Council has four Strategic Priorities for 2016-2020, and one of the priorities focuses on Healthiness. The Healthiness strategic priority defines the Council’s commitment to encourage and support wellbeing and healthier lifestyles of the communities within Newark and Sherwood. The two ambitions for this priority are:-

1. Increase participation in leisure and wellbeing activities in the district
2. Support health promotion and illness prevention activities in Newark and Sherwood

Conclusion

This market analysis draws conclusions throughout, around the future location of a leisure centre and the provision of this facility in the west of the district. When considering the location of a leisure facility, this market analysis determines that the most appropriate place would be in Ollerton and Boughton. Ollerton and Boughton has the highest population mass in the west, the largest housing growth (in the west), directed to this area, and has a number of strategic development progressing. Ollerton in particular, has the highest child obesity levels, highest indices of deprivation and a significantly lower life expectancy when compared with other parts of the district and nationally. The drive times data suggests that the highest proportion of the population and largest number of households that would have access to a reasonable drive time and walk time would be from the current Dukeries site in Ollerton and Boughton. Taking into account the map of the district and leisure facilities currently located within our district or neighbouring areas within a 20 minute drive time, Ollerton and Boughton would be the area that should retain a leisure facility in the vicinity, as there is currently not a nearby local authority owned facility in the vicinity.

When reviewing provision of leisure facilities in the west, this market analysis determines that a facility offering wetside provision is vital. As indicated by the Sport England market segmentation earlier in this analysis, swimming is one of the most popular activities for the sport profiles in the district. Currently, there is not a council owned leisure facility that offers swimming, therefore it would be important to provide wetside from a facility offering a full facility mix (dryside and wetside). The Ollerton and Boughton neighbourhood study determines that swimming provision should be re-provided at the current Dukeries site as it is a concern for local residents.

In conclusion, Ollerton and Bougton is the most suitable location for a leisure facility and this leisure provision should include a site with a full facility mix (dryside and wetside). Taking into account, the drive times which have been drawn from the current Dukeries site, which indicates the largest population mass would be from this current location and the comments from residents in the recent neighbourhood study, it would be sensible to determine that the leisure facility should remain at the current Dukeries Leisure Centre and that better use be made of this Council asset with the re-provision of swimming facilities with a fun element to help tackle engagement with communities.

Appendix Place Report – Ollerton & Boughton Neighbourhood Study



Place Report -
Ollerton and Boughto

POLICY & FINANCE COMMITTEE

28 JUNE 2018

PROPOSED LAND TRANSFER BETWEEN NEWARK & SHERWOOD DISTRICT COUNCIL AND NEWARK TOWN COUNCIL

1.0 Purpose of Report

1.1 To agree a proposed land transfer between the District Council and Newark Town Council.

2.0 Background

2.1 Newark Town Council wishes to construct new staff and vehicle accommodation in Newark Cemetery and discussions have taken place with the District Council with a view to extending the current boundary which runs adjacent to Sparrow Lane to align with the new cycle track that has recently been constructed. This would provide the Town Council with a small but useful strip of additional land which would assist in providing suitable space for the proposed new facilities.

2.2 The area of land is shown edged red on the **attached Plan 1**.

2.3 At the same time the District Council are progressing proposals for the redevelopment of the area around Lincoln Road playing fields as part of the Bridge Ward Regeneration Project and have approached Newark Town Council with a view to their transferring a parcel of land at Lincoln Road playing fields to the District Council as shown edged red on the **attached Plan 2**. The site was transferred from the District to the Town Council in 1989 with a covenant that it be used for allotment purposes only. The covenant was subsequently varied in 2009 to permit its use for allotments or for recreational purposes (playing field use) only.

2.4 The land is effectively incorporated into the wider Lincoln Road playing fields and is not used for allotment purposes.

2.5 The land has a nominal value to the Town Council given the covenants restricting its use of which the District Council has the benefit.

2.6 It is recommended that the two sites are effectively swapped at no cost to either Council with each party meeting its legal and other associated costs in relation to the proposed transfer.

2.7 Approval by Newark Town Council to the proposed land swap was given on 18 April 2018.

3.0 Equalities Implications

3.1 There are no direct equalities implications arising from the report. The proposed new facilities would be fully accessible.

4.0 Implications on Budget/Policy Framework

As the two sites are being effectively swapped at no cost, there are no budgetary implications.

5.0 Comments of Director of Resources and s151

5.1 As per paragraph 2.6, no costs will be incurred in this land transfer. However, once the transfers take place, the Council's Asset Register will need to be updated with the disposal and addition accordingly.

6.0 RECOMMENDATIONS that:

- (a) a strip of land between Newark Cemetery and Sparrow Lane as shown edged red on the attached plan 1 be transferred to Newark Town Council in consideration for the transfer by Newark Town Council to the District Council of the parcel of land at Lincoln Road playing fields shown edged red on the attached plan 2; and**
- (b) each party bear their own legal and other associated costs in relation to the proposed transfers.**

Reason for Recommendations

To facilitate a land swap that would benefit both authorities.

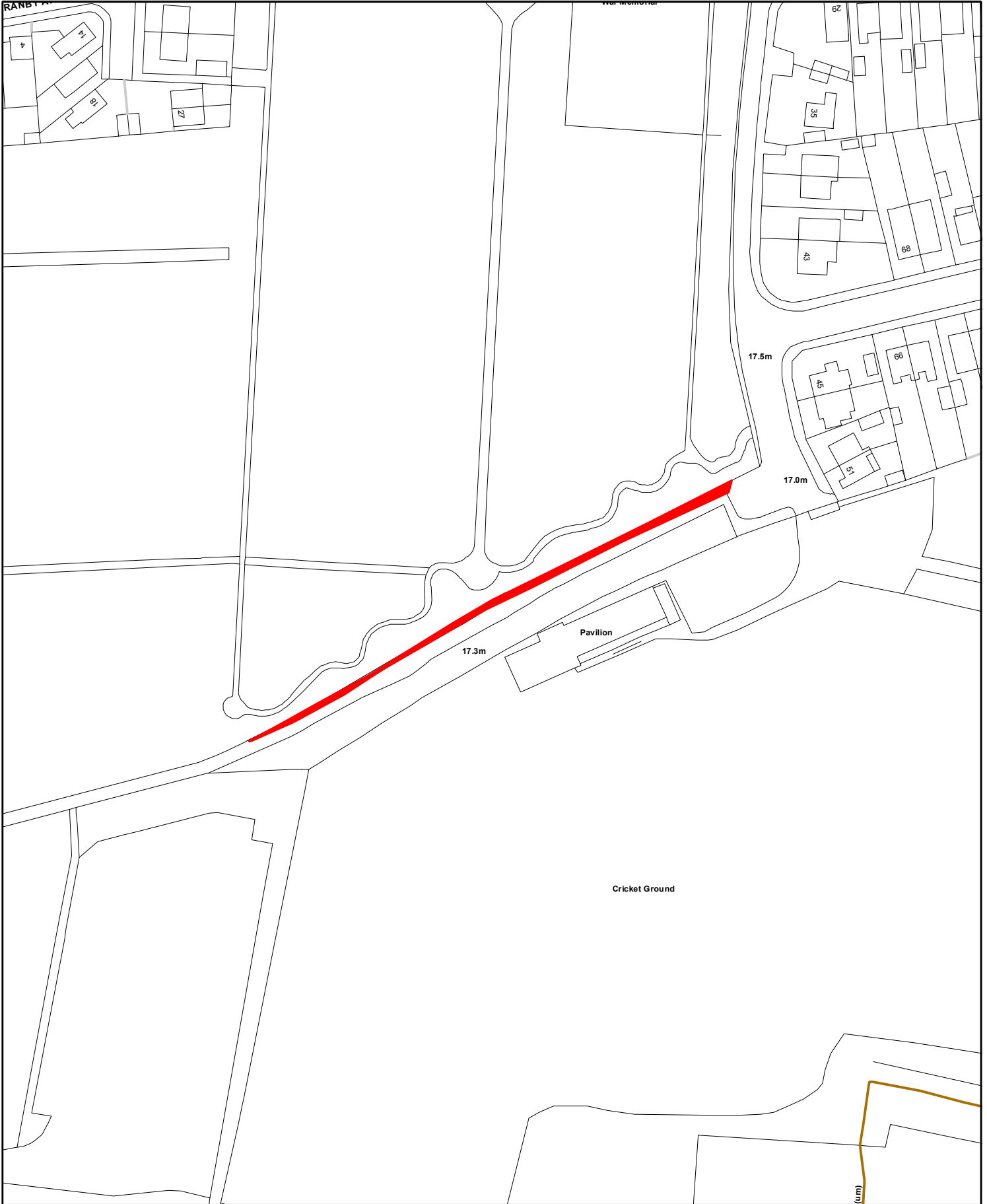
Background Papers

Nil

For further information please contact Kirsty Cole on 01636 655210

Kirstin H Cole
Acting Chief Executive

Asset Management



© Crown Copyright and database right 2018 Ordnance Survey. Licence 100022288. Date: 03/04/2018

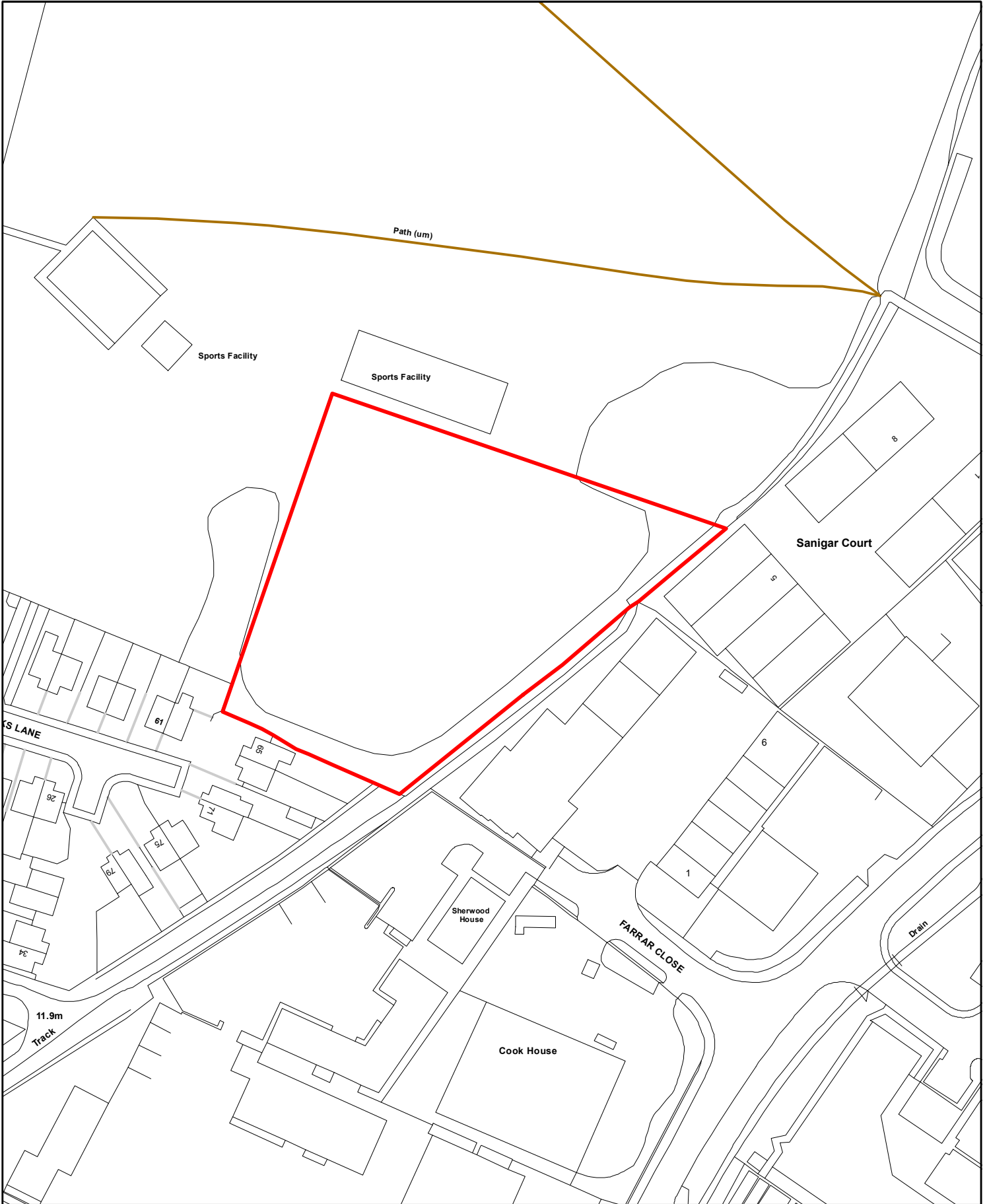
Land at
Sparrow Lane
Newark on Trent
Nottinghamshire
For Identification Purposes Only

Agenda Page 51

| |
|-------------------------------|
| Date:<Double click to insert> |
| <Double click to insert> |
| Scale:1:1,250 |



Asset Management



© Crown Copyright and database right 2018 Ordnance Survey. Licence 100022288. Date: 03/04/2018

Land at Rear of
Lincoln Road Playing Field
Newark on Trent
Nottinghamshire
For Identification Purposes Only



| |
|-------------------------------|
| Date:<Double click to insert> |
| <Double click to insert> |
| Scale:1:1,250 |

POLICY & FINANCE COMMITTEE

28 JUNE 2018

EXTRA CARE SCHEME – OLLERTON

1.0 Purpose of Report

1.1 To seek approval in principle to progress the development of an extra care scheme in Ollerton financed through the Housing Revenue Account (HRA) Business Plan, and subject to a successful housing grant bid submission to Homes England.

2.0 Background Information

2.1 Ollerton & Boughton has a population of 9,840 (*Census 2011*) residing in 2,861 properties, of these 18% are designated as social housing, which is higher than the rest of the district. The owner occupation rate of 69.70% is lower than the district average of 73.98% and 7.60% reside in private rented accommodation, (*Census 2011*).

2.2 The Council owns 356 properties in Ollerton and a further 334 properties in Boughton, of these 116 are flats and bungalows designated as supported housing, located at De-Lacy Court in Ollerton. Registered Providers own 320 properties in this locality.

2.3 The Council's housing register has 669 applicants who have registered an interest in social housing in Ollerton & Boughton. Nearly half of all applicants on the register are in Bands 1 – 3. There are 220 applicants eligible for supported housing (*Applicants 60 years and over or have medical needs*) and of these 90 have been assessed as having a medical need to move. Most of the applicants (498) require one or two bedroom properties.

2.4 Bidding history for Council accommodation in the Ollerton sub-area shows a strong demand, averaging 14 bids per property. The greatest need is for 1 and 2 bedroom bungalows receiving between 21 and 49 bids on average (*April 2018 data*).

2.5 The District's 'Housing Needs, Markets and Affordability Study' (2014) identifies that there is an acute affordable housing need shortfall in the 'Sherwood and Mansfield' sub-market (*of which the Ollerton & Boughton area is part of*).

2.6 The Study reports that in the affordable housing sector there is a net shortfall of 780 units. The main size of property required by existing households is two bedrooms, (453) and the concealed household need is for one bedroom only. Over 80% of the overall requirement is for smaller units (*one and two bedrooms*).

2.7 It also considers the future housing requirements of older people. The Study identifies the type of property required for the Sherwood and Mansfield sub-market and states that 7.8% of responses required supported accommodation.

2.8 The Nottingham Outer Strategic Housing Market Assessment (2015) projects population growth across Newark and Sherwood. The district's population is projected to increase from 116,817 to 129,521 (7,639 increase) to 2033, an increase of 10.4%. There are significant increases in the population groups 60 – 74 at 26.7% and over 75 at 78.2%.

- 2.9 The Census (2011) records that 45% of residents living in the Ollerton area are over the age of 45 and nearly 18% are over the age of 65, slightly higher than the UK average at 17%. 25% of all residents have a limiting long term illness and over 8% of residents do not enjoy good health. Further health data for this locality can be found in the report being presented to the Committee on 'Leisure Provision'.

Nottinghamshire Older Persons Housing with Care Strategy

- 2.10 On 16th April 2018 Nottinghamshire County Council's Adult Social Care and Public Health Committee recommended the '*Nottinghamshire Older Persons Housing with Care Strategy 2018 – 2025*' (<https://bit.ly/2Jl9cdL>) to their Policy Committee for approval, which is on the agenda for the 20th June 2018 meeting.
- 2.11 At the heart of the Strategy is a County Council commitment to increase the range of alternatives to residential care. The aspirations of older people are changing. National and local evidence shows that increasingly, older people prefer to remain as independent as possible and to retain their 'own front door' for as long as they can.
- 2.12 "Housing with care" is an intentionally broad term used by the County Council to cover a variety of different types of older adults housing, which benefits from readily available care. The County's Extra Care Services provide residents who are eligible for social care with planned and rapid response 24/7 care and support. This is funded by the County Council, which purchases the care and support services from independent sector homecare providers who are registered with the Care Quality Commission (CQC).
- 2.13 Newark and Sherwood District currently has the highest number (78) of existing housing with care places located in the County (*Newark, Southwell and Bilsthorpe*) and the needs analysis shown in the County Strategy shows a further 118 new housing with care nomination rights are required by 2025. The district will have the highest number of people over the age of 75 (15,700) in the County by 2025.

Gladstone House

- 2.14 As the Committee will note the Council is already working in partnership with the County Council to meet this agenda, which has recently seen the development of Gladstone House in Newark, a 60 unit (*48 x 1 bed & 12 x 2 bed units*) extra care scheme.
- 2.15 The scheme is let on an affordable rent basis, which includes meals at lunchtime, laundry and community facilities, with the intensive housing management service provided by Newark and Sherwood Homes who manage the scheme on behalf of the District Council.
- 2.16 Nottinghamshire County Council have nomination rights to 40 of the units (*32 extra care & 8 assessment units*) and provide extra care support to eligible residents in these units.
- 2.17 The Council has entered into a Co-operation Agreement with the County Council for the 40 nominated units, which guarantees a rental income to the HRA Business Plan should a unit continue to be void after a prescribed period of time.

3.0 Extra Care - Ollerton

3.1 Set against the matters outlined above officers of the District Council, the Company and the County Council have discussed the feasibility for the development of a new extra care scheme in Ollerton, where there is a specific identified need for around 40 nominated units.

3.2 Outline principles of the scheme have been reported to the Homes & Communities Committee, with the proposal to develop this on the allocated housing site in the Council's ownership held within the Housing Revenue Account (*Allocations & Development Management Development Plan Document - Policy OB/Ho/2 - Ollerton & Boughton - Housing Site 2*).

3.3 Most recently the Council has received a letter of support from Nottinghamshire County Council, stating:

'On 16th April 2018 Nottinghamshire County Council, Adult Social Care and Public Health Committee recommended it's new strategy for 'Housing with Care' to Policy Committee for approval. Following this the Council is now starting to formally engage with all relevant partners to develop an implementation plan.

In respect of the above development, as proposed by Newark & Sherwood District Council, I can confirm that Nottinghamshire County Council will be seeking to agree nomination rights to a proportion of the new homes to be created for use as 'housing with care' for its service users as part of the implementation plan.

The County Council will meet all of the ongoing eligible social care needs of all the occupants living in the units that the County Council's has nomination rights for, as well as occupants living in the other units at the scheme where these individuals develop future needs that are assessed as eligible for social care support.

The care support contract will be funded from the County Council's ongoing revenue budget.'

3.4 The County Council's position on the provision of capital finance for extra care schemes is now set out in its' draft '*Nottinghamshire Older Persons Housing with Care Strategy 2018 – 2025*', which states:

'The County Council will seek to work with partners to fully utilise available capital grants to develop housing with care schemes. The County Council will seek to minimise any requirement to borrow capital funds'

3.5 Whilst the County Council did contribute capital towards Gladstone House, the County no longer receives National Social Care Capital funding within the Better Care Fund, as this has been incorporated into District Disabled Facilities Grant discretionary allocations, and therefore a capital contribution has not been designated for this proposal.

3.6 In addition the Newark and Sherwood Homes are not making a capital contribution on this occasion, due to commitments within their existing housing growth programme.

- 3.7 Indicative scheme designs have been drawn up by Newark and Sherwood Homes, on the Council's behalf, showing that the site can accommodate 40 extra care units (*30 x 1 bed apartments in a main building and 10 x 2 bed bungalows on the remainder of the site*), as well as on-site communal facilities.
- 3.8 On the same principle as Gladstone House the accommodation specification will be in line with extra care design guidance, along with incorporating communal facilities including a dining area and kitchen for meal provision, laundry facilities, communal room and upstairs external balcony, assisted bathing provision, hobbies room, guest bedroom and interior designed themed communal areas.
- 3.9 To date a formal planning application has not been submitted, though pre-application advice has been sought. Despite considerable site constraints, including restrictions linked to overhead power cables and other neighbouring properties, pre-discussions with the Development Management Business Unit have been constructive with them being supportive of the indicative scheme drawn up.
- 3.10 The Company has commissioned feasibility work to estimate the cost of this development based on the indicative scheme design, incorporating the principles of the Gladstone House specification.
- 3.11 Due to the specialist nature of the proposed scheme, it will need to be procured outside of the existing approved 5 year HRA development programme that Robert Woodhead are contracted to deliver and financed separately to the programme.

HRA Capital Finance

- 3.12 The capital finance contributions for Gladstone House were as follows:

| Funding Source | Capital Contribution |
|---|-----------------------------|
| Homes England | 18% |
| Nottinghamshire County Council | 38% |
| Newark & Sherwood District Council <i>(Through Housing Revenue Account (HRA) Balances and/or Borrowing).</i> Newark and Sherwood Homes <i>(The Company's Board approved a contribution from their reserves).</i> | 44% |

- 3.13 Taking into consideration the current capital finance position set out paragraphs 3.4 – 3.6 an appraisal has been completed of the HRA Business Plan Financial Model, recently rebased set against approved assumptions and existing commitments, to ascertain whether there is available finance in the HRA to deliver the scheme.
- 3.14 The outcome of this work is that if the Committee wishes to support the proposal to develop an extra care scheme in Ollerton, it will be dependent on a housing grant bid being submitted and successful to Homes England through their Affordable Homes Programme , based indicatively on the below capital finance split.

| Funding Source | Capital Contribution |
|-----------------------|-----------------------------|
|-----------------------|-----------------------------|

| | |
|---|-----|
| Homes England | 30% |
| Newark & Sherwood District Council <i>(Through Housing Revenue Account (HRA) Balances and/or Borrowing).</i> | 70% |

- 3.15 Early discussions have been held with officers at Homes England on this matter who are supportive of a bid submission.
- 3.16 To clarify, the delivery of this scheme would be in addition to the current approved HRA development programme (335 units).
- 3.17 As with the current development programme and Gladstone House, it is anticipated that Newark & Sherwood Homes will project management the development, in line with the agreed project management specification and fee schedule, and follow the Council's Contract and Procedure Rules.
- 3.18 Should the scheme be approved and capital finance secured a very much indicative timescale for delivery will see commencement on site late 2018/early 2019, with the build programme lasting approximately 12-15 months.

HRA Revenue

- 3.19 As with the arrangements at Gladstone House and set out at paragraph 3.3, the County Council nominated units (*currently indicated at 30*) will be subject to a Co-operation Agreement. This guarantees a rental income to the HRA Business Plan should a unit continue to be void after a prescribed period of time.
- 3.20 All units will be charged at an affordable rent level, and have a service charge and provision of an intensive housing management service. (**NB:** *An Affordable Rent is set at up to 80% of the market rent (i.e. the average rent for local private lettings) inclusive of any service charges.*)
- 3.21 For Committee information the current affordable rent and service charge levels for Gladstone House are £264.31 for a two bedroom unit and £220.16 for a one bedroom unit. It is anticipated that the rent and service charges for the Ollerton proposed scheme will be at a similar level inflated to reflect the indicative letting at 2020/21, which would provide an estimated charge of £233.57 and £280.41 for a one and two bedroom unit respectively. At Gladstone House the affordable rent and service charges are housing benefit eligible, with the exception to a proportion of the midday meal, TV licence and care line facility.
- 3.22 Newark & Sherwood Homes will provide the housing management and repairs service to all the units in accordance with the existing Management Agreement and those units not under Co-operation Agreement will be allocated through the Council's housing register as general supported housing.

Housing Need

- 3.23 This proposal will assist in meeting the evidenced housing, and care & support needs of local residents, dependant on the current housing circumstances of any new tenants to the

scheme. However, it also has the potential to free up larger, under occupied accommodation in the area to meet the area's wider housing needs.

4.0 Proposals

4.1 As set out above the proposal is for the Committee to approve the development of a new extra care scheme on the allocated HRA housing site (*Policy OB/Ho/2 - Ollerton & Boughton - Housing Site 2*), in partnership with Nottinghamshire County Council, Newark and Sherwood Homes and Homes England.

4.2 The Scheme will be funded through the capital finances available within the HRA Business Plan and delivery of the scheme will be dependent on:

- a) Submission of a housing grant bid through Homes England's Affordable Homes Programme and subject to this being successful.
- b) Securing planning permission.
- c) Satisfactory procurement of a development partner within the prescribed cost envelope.
- d) Signing of a Co-operation Agreement with Nottinghamshire County Council.

5.0 Equalities Implications

5.1 As detailed in section 2 of this report the proposed extra care scheme will meet evidenced housing, health and social need for the older population in Ollerton & Boughton.

6.0 Impact on Budget/Policy Framework

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

7.0 Comments of Director of Resources and s151 Officer

7.1 As noted in 4.2 above, delivery of this scheme will be dependent on a successful Homes England bid. Without this, the scheme will be unaffordable.

8.0 RECOMMENDATIONS that:

- a) **the Committee approves in principle the development of a new extra care scheme on the allocated Housing Revenue Account housing site (*Policy OB/Ho/2 - Ollerton & Boughton - Housing Site 2*), to be delivered in partnership with Homes England, Newark and Sherwood Homes and Nottinghamshire County Council; and**
- b) **the development of the extra care scheme be financed through the Housing Revenue Account Business Plan and subject to successfully securing the matters set out at paragraph 4.2 of the report.**

Reason for Recommendations

To meet the Council's strategic priorities under the theme of 'home', set against the evidenced housing, health and social care need for this locality.

Background Papers

Nil

For further information please contact Rob Main, Business Manager - Strategic Housing on 01636 655930 or Jill Sanderson, Housing Development Officer on 01636 655624.

Karen White
Director – Safety

POLICY & FINANCE COMMITTEE

28 JUNE 2018

ESTATE REGENERATION - BRIDGE WARD

1.0 Purpose of Report

1.1 To provide the Committee with an update on the work being progressed on the Bridge Ward estate regeneration proposals, further to the Council successfully receiving ‘Capacity and Enabling’ funding through the Ministry of Housing, Communities and Local Government’s (MHCLG) Estate Regeneration Programme.

2.0 Background Information

2.1 The Bridge Ward Neighbourhood Study undertaken in 2012 presented a key output relating to the ‘transformational project’ focussing on the growth and regeneration of the Yorke Drive estate (*predominantly Housing Revenue Account assets*) in Newark; along with proposals for delivering new homes on the Lincoln Road playing fields (*general fund land*) and enhancing the local sport and play provision offer and creating a community hub.

2.2 The Yorke Drive estate and Lincoln Road playing fields is an allocated housing site in the Council’s Allocations & Development Management Development Plan Document, as illustrated at Appendix A.

2.3 The Study identified, in principle, a viable regeneration scheme of the Yorke Drive estate when cross subsidised by development of the adjacent Lincoln Road playing fields. However, work to progress this has been stifled due to the lack of: capital finance; internal officer resources; and skills and knowledge of the commercial sector.

2.4 As reported to the Committee on 21st September 2017, further to the successful Estate Regeneration funding bid (£986,799) to MHCLG the Council commissioned the housing and regeneration consultants Campbell Tickell (CT) to project manage the review and update of the ‘transformational project’ proposals in accordance with the below indicative timetable:

| Deliverable | Indicative Timeframe |
|---|---|
| (1) Commissioning commercial capacity building | April - August 2017 |
| (2) Due diligence | Spend throughout programme up until indicative December 2018 target |
| (3) Feasibility studies | August 2017 - April 2018 |
| (4A) Refresh viability assessment | September 2017 - December 2017 |
| (4B) Financial modelling completed | September 2017 – December 2017 |
| (5) Engagement strategy | December 2017- December 2018 |
| (6) Technical studies (<i>including the pre-planning application stage and initial outline master plan refresh</i>) | December 2017 –August 2018 |
| (7A) Procurement of a development partner | May 2018 - September 2018 |

| | |
|---|--------------------------|
| (7B) Revise and review the master planning & design | August - October 2018 |
| (7C) Planning application submitted and presented to Planning Committee for a decision. | November - December 2018 |

2.5 At the September Committee meeting it was also noted that the proposals had been shortlisted as a potential project under the Government's Accelerated Construction Programme (ACP) aimed at accelerating the release and development of public land to help meet housing targets. The principles underlying the programme are:

- Homes built out faster than the normal pace
- Use of local builders or smaller construction firms
- Increased use of modern methods of construction

Full details of the programme can be found below:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/581520/Accelerated_construction_EoI.pdf

3.0 Estate Regeneration – Progress

3.1 On the appointment of CT a Project Team has been established, represented by officers from a range relevant Business Units, the Corporate Management team and Newark & Sherwood Homes. A Terms of Reference has been set for the Project Team, with its main purpose to support CT's delivery of the project and inform the work being taken forward.

Feasibility Review

3.2 In accordance with the timetable set out at paragraph 2.4 the first activity for CT was to undertake a feasibility review of the 'transformational project' from the findings of the 2012 Study.

3.3 This work has now been concluded involving a high level appraisal of the financial modelling, informed by a desktop review of the original master plan, updated construction costs and a market appraisal of the locality.

3.4 The modelling was based on a planning policy compliant development (*70% Market Housing & 30% Affordable Housing*), to help cross subsidise the cost of the scheme and enable new affordable homes to rehouse tenants whose homes had been demolished.

3.5 The modelling included a developers' profit margin and contingencies to allow for unknown areas of cost. Despite the high proportion of private sales the feasibility review showed the scheme had a substantial funding gap.

3.6 In summary the low market sales value in the area do not provide sufficient cross-subsidy to fully fund the costs of the wider regeneration proposals. The Committee should note that the feasibility review was very much a broad brush, desk top review of the development

proposals. It did not consider any detailed technical information about the site; therefore the outcomes of this review have to be considered as indicative.

- 3.7 It was recognised that detailed proposals needed to be developed in order to provide a firmer basis for appraising the financial position, to establish the practicality of the project and to help secure public funding.
- 3.8 Through Member and corporate consultation it was agreed to proceed with community engagement and the master planning activity in accordance with the timetable set, while commencing a dialogue with Sports England aimed at securing their agreement to a package of proposals on the playing field.

Community Consultation Programme

- 3.9 Prior to launching the master planning work, an 'Engagement and Communications Strategy' was agreed by the Project Team covering:
- Customer contact and response structures
 - Website and social media outlets on Facebook and Twitter.
 - Briefings for customer facing staff.
 - Initial letter from the Council for all residents of the estate area.
 - Member briefings.
 - Stakeholder engagement.
 - Establishing a team of Campbell Tickell and Council staff to carry out a household survey.
 - Formulating and carrying out the survey through home visits and drop-in sessions.
 - Press briefings.
 - Project branding.
 - Project newsletters.
 - Establishing a resident's consultation panel.
- 3.10 A letter publicly launching the project was then delivered to residents on 6th February 2018, and followed by a door to door household survey carried out between 9th February and 9th March.

Household Survey

- 3.11 The survey was aimed at raising the profile of the project and gathering residents' views on a range of topics including perceptions of their home and the area, use of the playing fields, priorities for improvement and their attitude towards development of new homes. The survey also asked how residents would like to be involved in shaping the proposals.
- 3.12 The survey had 232 responses out of 355 households, including Council tenancies, tenants of housing association properties owned by Nottingham Community Homes and PA Housing, and residents of privately owned homes. This included 191 completed surveys and 41 refusals. This is a return rate of 60.5% (not including refusals in the baseline) or 53.5% (if refusals are included in the baseline), which is a relatively high level of response for estate regeneration

projects and gives confidence that the data is an accurate representation of residents' views. The response rate broadly reflected the tenure breakdown on the estate.

3.13 Key outcomes of the survey showed:

- a) The estate has a stable population with over three quarters of residents having lived in their current home for 5 years or more, with 44% living there for over 10 years.
- b) Residents were generally satisfied with the quality of their home – 79% were satisfied, while 18% were dissatisfied. Reasons for satisfaction were location, good neighbours and community, and size of home and garden. The main reasons for dissatisfaction were repairs, anti-social behaviour and size of home.
- c) Overall satisfaction with the neighbourhood was slightly lower, with 60% satisfied, 21% dissatisfied and 21% action increasing to 21%. Satisfaction amongst homeowners was highest at 84% compared with 46% for tenants living in flats. Location, community spirit and the quiet nature of the area were cited as positive factors, while anti-social behaviour (ASB), appearance of the estate and speeding traffic were the main reasons for dissatisfaction. Residents stated that gardens, litter and how neighbours maintained their homes were contributing factors to their dissatisfaction.
- d) The top priorities for neighbourhood improvements focussed on dealing with anti-social behaviour and increasing security for residents. This included more CCTV surveillance, traffic calming measures and improved street lighting.
- e) Just under half of residents regularly used the playing fields, mainly for dog walking, children's play and summer events. Only 10 residents stated that they took part in organised sports. The main improvements suggested were improved sports and play facilities, all weather pitches and improved lighting and security.
- f) Some 51% of residents indicated that they would support some form of housebuilding on the playing fields, while 23% were opposed and 26% were unsure. Support for building new homes was generally qualified by caveats such as the need to improve local infrastructure and routes, prioritising the new homes for local people, the need to maintain green spaces and ensuring that the estate should benefit directly from any development.
- g) When asked about parts of the estate being considered for demolition, the majority indicated that they wanted to stay on the estate or in the immediate area and only 18% wanted to move out of the area.

3.14 34 residents expressed an interest in joining a Consultative Panel, and were subsequently invited to an initial meeting on 27th March 2018 where over 20 residents attended. The Consultative Panel has now been established and will be used as a focus for consultation in developing masterplanning proposals. The panel will be supported by CT associates experienced in recruiting to, training and running similar groups, with the aim of handing this role over to Newark and Sherwood Homes in the longer term.

- 3.15 The issues regarding disrepair and ASB on the estate have been discussed between CT, the Council and Newark and Sherwood Homes. It has been agreed that a 'housing management action plan' will be implemented to tackle these issues and taken forward by Newark and Sherwood Homes in a multi- agency approach. Some physical aspects (such as road access) will be picked up as part of master planning.
- 3.16 Following consultation with the Consultative Panel, the project has been branded "Yorke Drive Focus" and an initial newsletter produced and circulated to residents. This is the first in a series of newsletters, which will be used to inform residents and promote involvement in the master planning events.
- 3.17 The newsletters will be available on the websites, and sent to non-resident stakeholders who have expressed interest in the project including representatives from local schools, local employers, users of the Pavilion and playing fields, the community centre management committee and user-groups, local retailers and other agencies.
- 3.18 Local Ward Members are involved and being kept updated on the progress with this project and all consultation material, e.g. resident newsletters, will be saved to the Members extranet.

Masterplanning

- 3.19 To take forward the physical aspect of this transformational project (*focussing on the growth and regeneration of the Yorke Drive estate; along with proposals for delivering new homes on the Lincoln Road playing fields and enhancing the local sport and play provision offer and creating a community hub*) work is now progressing at the detailed master planning stage.
- 3.20 In this respect officers have utilised Homes England's Multi-Disciplinary Framework to procure core members of the consultant team to take the project through to an outline planning application. The core members are:
- HTA Architects: Masterplanner
 - HTA Architects: Landscape Architect
 - GL Hearn: Planning Consultant
 - WSP: Transport Consultant
 - WSP: Engineer

Further members of the team will be procured at the appropriate time to provide cost construction, legal and market valuation advice.

- 3.21 The first meeting of the Design Team took place in May 2018, and work will be progressed via fortnightly meetings. WSP are currently carrying out site surveys and technical investigations to help inform the design process and these will be available by the end of June 2018.

3.22 CT has set out a consultation and masterplanning programme aimed at producing detailed development proposals by September 2018. This involves a mixture of design workshops and public exhibitions, including:

- a) **Workshop 1** - 30th May 2018: Masterplan Issues and Options
- b) **Workshop 2** - 27th June 2018: Focus on Playing Field and Road Access
- c) **Public Exhibition 1** – 13th/14th July 2018: Masterplan Options
- d) **Workshop 3** – 15th August 2018: Focus on New Homes and Estate Improvements
- e) **Public Exhibition 2** – 31st Aug/1st September: Masterplan Proposals.

The first workshop took place successfully on 30th May, attended by approximately 20 residents.

3.23 This is a tight timescale which assumes that it will be possible to reconcile a number of key issues and secure broad consensus behind a set of proposals. The aim is to report the outcome to the Committee at its meeting on 20th September 2018, including a full appraisal of financial viability.

4.0 Development Issues and Risks

Playing Fields & Sport England

4.1 The Lincoln Road playing fields are currently used for junior level games on Saturday mornings by the Fernwood Foxes. It is also used for evening training when light permits and some informal summer activities, but apart from this the playing field area is little used for sport or leisure activity during the rest of the week.

4.2 As a result of the Neighbourhood Study (2012) the Lincoln Road playing field was included in the sites allocated for housing in the Local Plan. Nevertheless, given Sport England's powers in terms of planning, it will still play a key role in determining whether part of the playing field land can be released for development. It is clear that there is little merit in submitting a planning application involving development on playing fields without first securing Sports England's agreement.

4.3 Officers held an initial meeting with a representative from Sport England in January 2018 to outline the Council's wider proposals for additional sports provision in the district, including the new Sports and Community Village. Sport England appeared sympathetic to the broad aim of increasing and diversifying sports and leisure use of the Lincoln Road playing fields, and indicated it was happy to enter into a dialogue to see how this can be achieved. The key criteria on which it will need to be satisfied is that any release of land is compensated for, by an increase in the quantity and/or quality of local sports and leisure provision.

4.4 The Council's planning consultants are currently carrying out a review of the Council's policy and local provision, with the aim of helping define the baseline, before outlining proposals to Sport England. The planned workshop on 27th June will also involve the Fernwood Foxes and other local stakeholders so will be important in determining the basis of this offer.

Land Acquisition

- 4.5 Integral to the proposals is the requirement to seek to consolidate the Council's ownership of key sites and properties in the immediate locality. In this respect the south west corner of the playing field land was formerly used for allotments and is currently owned by the Town Council. Discussions have now taken place with the Town Council regarding acquisition of this land and it has been agreed to exchange this land for a piece of Council owned land needed to extend the Newark cemetery. The Committee is considering this matter at Agenda Item 7.
- 4.6 The Committee will also note the '*Urgency item - Purchase of Land Quibell's Lane, Newark on Trent*' presented on this Agenda, its links to this project and a broader viability appraisal, which has looked at the Quibell's Lane site, adjacent to land already in the Council's ownership, and its potential for development. This is because of its relationship and close proximity to Yorke Drive and Lincoln Road playing field proposals
- 4.7 There are a number of properties owned by housing associations on the Yorke Drive Estate, including 9 properties at 1-9 Lincoln Court originally owned by ASRA HA, now merged as part of the PA Housing Group. PA is disposing these homes as part of a stock rationalisation programme, and the Council has agreed terms to acquire these properties which occupy a significant location in terms of the estate frontage onto Lincoln Road.
- 4.8 The Council is looking to progress this acquisition with PA Housing Group, for which approval has already been obtained at the Committee meeting on 5th April 2018. It has also secured the agreement of Homes England to permit the grant attached to the properties to be retained within the scheme if they are redeveloped.

Rehousing and Compulsory Purchase

- 4.9 Subject to the final outcome of the master planning process (*which will be dependent on securing planning permission, attracting the necessary finance and Committee approvals*), the masterplan proposals inevitably raise issues regarding rehousing from Council properties affected by the potential demolition as well as acquisition of any privately owned properties on land essential to redevelopment.
- 4.10 These matters will be fully reviewed as part of the current masterplanning process, which will seek to minimise the number of homes required for demolition while achieving the Council's aim for transformation of the area.
- 4.11 In this respect it is proposed to develop rehousing policies which will give tenants affected by demolition priority for new homes being developed in the area. It is important to the community consultation process that this principle is accepted by the Council, while detailed rehousing proposals are being worked out for approval by the Council. Once agreed, individual discussions can then take place about the housing needs and aspirations of the households affected.

- 4.12 Once the masterplan proposals are clear, and subject to the matters set out in paragraph 4.9, the Council will need to approach owners of privately owned properties affected by the potential demolition to seek to acquire their properties by agreement. The principles of purchase at market value plus statutory home loss compensation will apply, and the Council will need to seek to offer assistance in buying suitable alternative property if required. The Council will also have to consider the rehousing needs of any tenants in privately owned property.
- 4.13 The Council will need to safeguard the delivery of the project against the prospect that it may not be able to acquire individual privately owned properties by agreement, and will therefore need to agree, in principle, to use its Compulsory Purchase powers as a last resort where this is the case.

Finance

- 4.14 As indicated at paragraph 3.5 this ‘transformational project’ is most likely to require an injection of public funding to enable the scheme to be financially viable and therefore the Council is currently moving forward with this project at risk. The true extent of any funding gap will only be known when the masterplan proposals have been finalised and financially modelled, which includes appraising the impact on the Housing Revenue Account Business Plan.
- 4.15 The project has been shortlisted for the Accelerated Construction Programme (ACP) funding administered by Homes England. While many details of the programme remain unclear, this offers the promise of a bespoke public funding package for the scheme.
- 4.16 The Council submitted a series of development appraisals to Homes England in February 2018 and is currently awaiting the outcome of Homes England’s Technical Due Diligence process, which was originally due to be completed by the end of March 2018. If the Council is successful in getting past this step it will be invited to enter into negotiations for a Funding Agreement.
- 4.17 The position is complicated by the fact that the development appraisals are based on the feasibility study carried out in November 2018, which may not reflect the final outcome of the masterplan process. The Council is therefore looking for flexibility to adjust the proposals as the project is developed in detail.
- 4.18 Discussions are continuing with Homes England officers about the project and the ACP programme itself, which is still in development. It is not yet clear whether the programme can deliver the funding required in full or in part, Members will be informed as this becomes clearer.
- 4.19 As the proposal is already subject to successful funding under MHCLG’s Estate Regeneration Programme, officers continue to liaise with both MHCLG and Homes England officials to ensure the work proposed to be undertaken through the ACP complements and does not duplicate the work already being taken forward.

4.20 There is also still the potential for the Council to submit a funding bid through MHCLG's Estate Regeneration Programme: <https://www.gov.uk/government/publications/estate-regeneration-programme>), which offers low interest loans to private sector development partners.

5.0 Proposals

5.1 In reviewing the detail contained within the above paragraphs it is proposed that the Committee consider the activities being progressed through the 'Capacity and Enabling' funding of Estate Regeneration Programme, to meet the timetable set out at paragraph 2.4, noting that an indicative funding gap has been identified, the potential implications of this and work officers are progressing with Homes England and MHCLG to secure Government finance to bridge this gap.

5.2 Committee approval is also required for the proposal to develop rehousing policies giving priority to displaced residents and potential use of Compulsory Purchase powers for residents of properties potentially affected by demolition and redevelopment, the details of which are set out at paragraphs 4.9 – 4.13.

6.0 Equalities Implications

6.1 Equality implications for this regeneration scheme will be considered as detailed proposals are developed and in this respect work is being progressed to complete an Equality Impact Assessment for this project.

6.2 The community consultation and master planning programme is aimed at ensuring that the needs and priorities of the existing community on Yorke Drive are addressed in developing the proposals.

7.0 Impact on Budget/Policy Framework

7.1 The activities in developing a masterplan and proposals for the Yorke Drive Estate and Lincoln Road Playing Fields together with the site at Seven Hills are fully funded through to planning stage through MHCLG's Estate Regeneration Programme 'Capacity and Enabling' funding.

7.2 Delivery of the project itself is likely to require public funding to be financially viable. There will also be implications in terms of staff resources for the Council and the HRA in taking over delivery of the project post planning.

8.0 Comments of Business Manager – Financial Services

8.1 Once details of the outcome of Homes England's Technical Due Diligence process are received, more detailed cost implications can be derived. This will then lead to further testing against the HRA BP to ensure that this still remains viable going forward.

8.2 Currently, as mentioned in paragraph 3.5, the project appears to have a substantial funding gap, which without external investment will make the project un-viable.

9.0 RECOMMENDATIONS that:

- (a) the Committee consider the progress being made under the 'Estate Regeneration Programme' for the Yorke Drive estate and Lincoln Road playing field transformational project;**
- (b) note the ongoing funding discussions with Homes England and MHCLG and potential implications in terms of delivery of the project; and**
- (c) approve the development of rehousing policies giving priority to displaced residents and possible use of Compulsory Purchase powers for residents of properties potentially affected by demolition and redevelopment.**

Reason for Recommendations

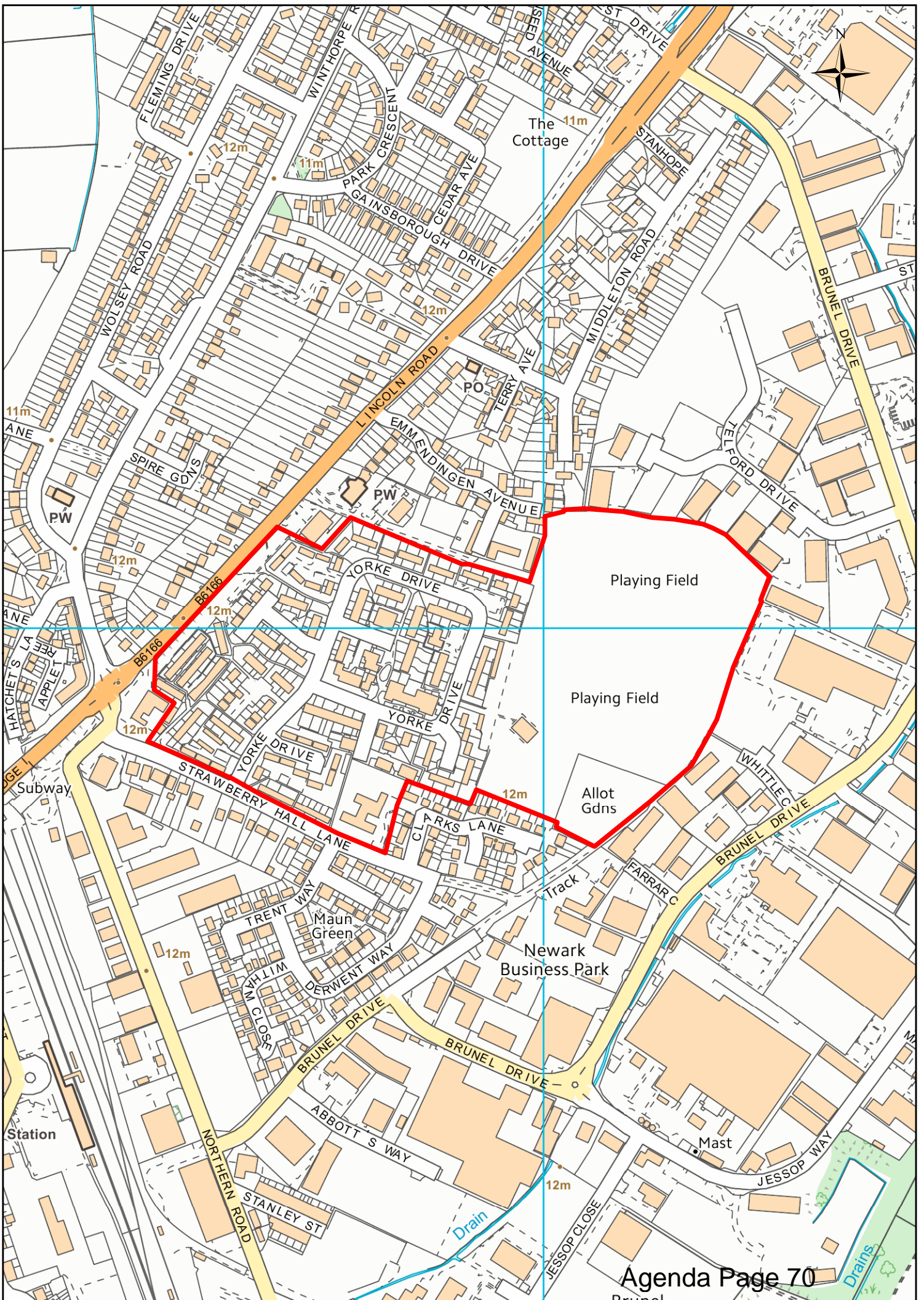
To progress the key outputs from the Bridge Ward Neighbourhood Study relating to the 'transformational project' focussing on the growth and regeneration of the Yorke Drive estate and Lincoln Road playing fields.

Background Papers

Nil

For further information please contact Rob Main, Business Manager - Strategic Housing on 01636 655930.

Karen White
Director – Safety



POLICY & FINANCE COMMITTEE

28 JUNE 2018

ASSET TRANSFER – RAINWORTH VILLAGE HALL

1.0 Purpose of Report

- 1.1 To seek Policy & Finance Committee's approval to transfer Rainworth Village Hall to Rainworth Parish Council under Asset Transfer Powers as detailed in the Council's Asset Transfer- Corporate Principles Policy.

2.0 Background Information

- 2.1 Cabinet considered and approved an Asset Transfer Policy – Corporate Principles in December 2008 in order to guide any future considerations regarding the transfer of community assets. This Policy ensures that the Council is able to consistently consider any requests or recommendations for the transfer of assets whilst also being able to treat each case individually so that a Council was able to fulfil its strategic priorities.
- 2.2 Since the adoption of the Policy the Council has exercised its powers and transferred Edwinstowe Village Hall and Coddington Community Centre to respective Parish Councils and Millgate Community Centre to the Newark and Sherwood Play Support Group, a registered charity, for a nominal consideration in each case. However, each transfer has appropriate provisions within the legal documentation to protect the Council's interest in terms of capital assets.
- 2.3 Rainworth Parish Council was granted a 99 year lease by the District Council in 1979 and has maintained the village hall as per the terms of the lease for almost 40 years. This has been achieved with the support of Rainworth Village Hall Management Committee, a registered charity, which is responsible for the day to day operational management of the facility through and on behalf of the Parish Council.

3.0 Proposals

- 3.1 Officers have been in dialogue with Rainworth Parish Council and the Village Hall Management Committee for some time to progress the transfer of the village hall to the Parish Council, which will assume freehold ownership of the asset and continue to work in partnership with the Management Committee to ensure that the hall continues to serve the community as intended.
- 3.2 As part of the process of transfer and at the request of the Parish Council a building condition survey was undertaken to identify building defects requiring rectification. The remedial works highlighted have been undertaken by the District Council as a condition of the Parish accepting the proposed transfer.
- 3.3 Given that such facilities can be expensive to manage and maintain it is also proposed that the District Council make available a commuted sum of £50,000 as part of the proposed transfer which it currently holds through Section 106 agreements linked to new residential development in Rainworth. The contribution was secured for Community Facilities in accordance with the Council's approved Supplementary Planning Document – Developer Contributions specifically intended to support the general improvement of the Village Hall.

3.4 The transfer of the Section 106 monies would be subject to a Side Agreement detailing the legal obligations that the Parish Council is required to agree to in order to take receipt of the money which satisfies the Council's audit responsibilities in respect of the allocation of Section 106 contributions.

4.0 Equalities Implications

4.1 Rainworth Parish Council is governed by the same equality law as the District Council therefore will be required to ensure compliance with the regulatory obligations. This would include the production of an Equality Policy Statement as a pre requisite of the transfer.

4.2 Under the transfer the Parish Council will covenant with the District Council as deemed necessary and appropriate to ensure that the asset continues to serve the community of Rainworth and its environs as is currently the practice in accordance with the Equality Act.

4.3 The village hall is currently deemed to be compliant with Equality Act Disability requirements and will be maintained as such by the Parish Council.

5.0 Impact on Budget/Policy Framework

5.1 There will be a long term positive impact of the Council's budget with risks associated with major repairs transferred to the Parish Council as freehold owner.

6.0 Comments of Director of Resources and Section 151 Officer

6.1 The s106 funds proposed in 3.3 are currently available via the Council's balance sheet.

7.0 RECOMMENDATIONS that:

- (a) the proposed transfer of the freehold for Rainworth Village Hall to Rainworth Parish Council, together with a commuted sum of £50,000 from Section 106 Receipts as outlined in paragraph 3.3 and 3.4 be approved; and**
- (b) the Acting Chief Executive be given delegated authority to progress the transfer.**

Reason for Recommendations

To ensure that corporate principles are followed to guide the consideration of the transfer of community assets.

Background Papers

Asset Transfer Policy – Corporate Principles

For further information please contact Andy Hardy on Extension 5708.

Kirsty Cole
Acting Chief Executive

POLICY & FINANCE COMMITTEE

28 JUNE 2018

FINANCIAL OUTTURN REPORT TO 31 MARCH 2018

1.0 Purpose of Report

1.1 To present to Members the 2017/18 financial outturn position on the Council's revenue and capital budgets, including:-

- General Fund Revenue
- Housing Revenue Account
- Capital Programme
- Provisions and Impaired Estimates on Debtors
- Usable Reserves
- Collection Fund
- Balance Sheet
- Treasury Management

1.2 This report provides Members with a summary of actual income and expenditure compared to the revised budget and how any surpluses/deficits have been allocated to/from reserves.

1.3 To seek Committee approval for the capital financing arrangements for 2017/18.

1.4 To seek Committee approval for the proposed capital programme.

1.5 To seek Committee approval for the 2017/18 carry forwards into 2018/19.

1.6 To seek Committee approval for the movement in Provisions and Impaired Estimates on Debtors, and the creation of additional Usable Reserves.

1.7 To seek Committee approval for the individual contributions to, and withdrawals from, Usable Reserves.

1.8 To present Members with the Annual Report on Treasury Management Activity for 2017/18 and to demonstrate how the Treasury Management activity links to the Treasury Management Strategy.

2.0 Background Information

Overview of General Fund Revenue Outturn for 2017/18

2.1 The accounts show an under spend of £0.761m on service budgets, with a total underspend variance of £3.316m, of which £1.911m is the New Homes Bonus allocation and £1.405m due to other positive variances) as follows:-

| | Budget £'m | Outturn £'m | Variance £'m |
|--|---------------|---------------|----------------|
| Economic Development | 2.351 | 2.154 | (0.197) |
| Homes & Communities | 2.657 | 2.474 | (0.183) |
| Leisure & Environment | 4.788 | 4.444 | (0.344) |
| Policy & Finance | 5.302 | 5.265 | (0.037) |
| Net Cost of Services | 15.098 | 14.337 | (0.761) |
| Other Operating Expenditure | 5.748 | 4.830 | (0.918) |
| Finance & Investment Inc & Exp | 1.415 | 1.284 | (0.131) |
| Taxation & Non Specific Grant Inc | (16.788) | (19.887) | (3.099) |
| Net Cost of Council Expenditure | 5.473 | 0.564 | (4.909) |
| Transfer to/-from Usable Reserves | 1.137 | 4.462 | 3.325 |
| Transfer to/-from Unusable Reserves | (6.610) | (5.017) | 1.593 |
| Transfer to/-from General Reserves | 0.000 | (0.009) | (0.009) |

2.2 The actual outturn for the year (the 'Outturn' column in the table above) is a net transfer to the General Fund Reserve of -£0.009m, which increases the balance from £1.746m at 1 April 2017 to £1.737m at 31 March 2018. This is in relation to moving the balance of the Land Charges reserve into the General Fund balance to consolidate the reserves.

2.3 As can be seen from the table above, there are significant variances in service areas and other budgets. Looking at the underlying trends, the net services underspends have not been achieved through reductions in service delivery. The main reasons for the underspends are due to overachievement of income, recovery of rent allowance overpayments and improved recovery of housing benefit together with delayed expenditure on setting up the housing development company:

- **Net Cost of Services - Underspend of £0.761m mainly relates to:-**
 - £0.086m – Related to the Development Company set up costs. The estimated profile of payments has not matched the actual profile of payments.
 - £0.149m – Development Management underspend mainly due to increased income relating to a large planning application at Fernwood.
 - £0.177m – Refuse collection underspend due to increased income from trade waste and garden waste together with changes in staffing profile.
 - £0.070m - Rent Allowances relates mainly to overpayments of Housing Benefit that have been recovered during the year.
 - £0.093m – 99.56% recovery of Housing Benefit payments from DWP (when 99.00% budgeted). Real Time Information (used in conjunction with the DWP) has led to a reduction in overpayments of Housing Benefit and hence a higher recovery through subsidy.
 - £0.094m – Additional income received for licences and fees and charges together with vacancies within the term contribute to this underspend.
 - £0.092m – Other minor variances.

The level of underspending on Service Budgets managed by the Business Managers of £0.761m represents 5.04% of the total service budgets. **Appendix A** provides a commentary on the detailed variances that make up this net underspend including the main variances detailed above.

- **Other Operating Expenditure – Underspend of £0.918m:-** This underspend includes a positive adjustment to the provision for bad debts of £0.905m. This adjustment relates mainly to a S106 invoice that was outstanding as at 31st March 2017. The decision was taken in the previous year to fully provide for this invoice. In 2017/18 officers liaised with the developer and this invoice has now been cancelled, due to a change in the S106 agreement, allowing the release of the provision. The S106 monies have been paid during 2018/19.
- **Finance & Investment Income and Expenditure – Underspend of £0.131m:-** This underspend relates to over achievement of interest receivable and underspends on superannuation budgets.
- **Taxation & Non Specific Grant Income – Underspend of £3.099m:-** The main variances relate to:
 - New Homes Bonus –The New Homes Bonus grant of £1.911m was not originally budgeted to be received. This has been transferred into the Council’s Usable reserves.
 - Net over-estimate of Business Rates growth of £0.849m – There has been an under estimate of £1.037m together with an over estimate of £1.866m included within Transfer from Unusable reserve. Within the Budget papers, for the 2017/18 financial year, £1.1m was identified as the amount of growth that the Council would generate from the Business Rates system. This growth, although achieved, has to be transferred to the Nottinghamshire Business Rates Pool and then distributed in accordance with the Business Rates Pool arrangement.
 - Other minor variances of £0.137m.
- **Transfer to Usable Reserves – Over transfer of £3.325m.** This is the additional appropriation of the New Homes Bonus (£1.911m) received and the additional appropriation to earmarked reserves (£1.414m).
- **Transfer to Unusable Reserves – Over transfer of £1.593m.** This mainly relates to the brought forward deficit on Business Rates (£1.886m) which offsets against the over-estimate of growth in Taxation and Non Specific Grant income. Minimum Revenue Provision (MRP) Underspent by £0.307m. Council approved a change to the MRP policy at its meeting 12th December 2017. This allowed the release of £0.307m against the original budget.

Carry Forwards

- 2.4 Previous years have seen officers requesting carry forwards of underspends that relate to the timing of payments that have extended past the year-end date of 31st March in year. Given the level of underspend achieved by the Council this year, £0.224m has been approved, by the s151 Officer, to be carried forward into 2018/19. These carry forward underspends are detailed in paragraph 2.19.
- 2.5 Any unspent grants are dealt with separately, and are transferred to the balance sheet for either repayment or expenditure in the following year dependent upon its terms and conditions.

Overview of Housing Revenue Account Outturn for 2017/18

- 2.6 With reference to the ‘Variance’ column in the table below, the accounts show an under spend variance against the approved budget of (£0.431m) for the HRA as follows:

| | Budget £'m | Outturn £'m | Variance £'m |
|--|-----------------|-----------------|----------------|
| NSH Management Fee | 8.118 | 8.118 | 0 |
| Council Managed Expenditure | (21.399) | (21.224) | 0.175 |
| Income | (21.815) | (22.543) | (0.728) |
| Net Cost of HRA Services | (35.096) | (35.649) | (0.553) |
| Other Adjustments | (2.618) | (2.496) | 0.122 |
| (Surplus)/Deficit on HRA Services | (37.714) | (38.145) | (0.431) |
| Movements in Reserves | | | |
| Transfer to/from Usable Reserves | 2.106 | 2.106 | 0 |
| Transfer to/from Unusable Reserves | 27.453 | 27.453 | 0 |
| Transfer to Major Repairs Reserve | 8.155 | 8.586 | 0.431 |
| Total | 0 | 0 | 0 |

2.7 A more detailed commentary of the variances is provided at **Appendix B**.

2.8 The actual outturn for the year (the 'Outturn' column in the table above) is a net transfer to the Major Repairs Reserve of (£8.586m), which increases the Reserve from that budgeted by £0.431m to £6.570m. The prudent level of reserve set on the HRA is still £2m.

Overview of Capital Outturn 2017/18

2.9 Policy and Finance Committee approves all variations to the Capital Programme and the revised budget of £32.163m was approved by Policy and Finance at the 22nd February 2018 meeting.

2.10 In summary, the accounts show lower levels of expenditure of (£25.022m) or 21% below budget, when compared against the approved revised capital programme budget as follows:

| | General Fund Programme | HRA Programme | REFCUS* | Total |
|--|------------------------|----------------|----------------|----------------|
| | £m | £m | £m | £m |
| Approved Programme | 11.923 | 18.676 | 0.519 | 31.118 |
| Variations to Programme approved in Year on 22 February 2018 | 0.678 | (1.194) | 1.121 | 0.605 |
| Revised Programme | 12.601 | 17.482 | 1.640 | 31.723 |
| Outturn | 8.383 | 15.047 | 1.592 | 25.022 |
| Variance overspend/(underspend) | (4.218) | (2.435) | (0.048) | (6.701) |

*REFCUS relates to Revenue Expenditure funded from Capital under Statute i.e. expenditure on non-Council-owned assets e.g. disabled facilities grants.

2.11 Capital spending in the year totalled £25.022m, and this expenditure has been funded by a combination of borrowing, external grants and contributions, receipts, major repairs reserve and revenue contributions. The committee is requested to approve the capital financing proposals as outlined in **Appendix C** and summarised below:

| | General Fund Programme £m | HRA Programme £m | Total £m |
|---------------------------------|------------------------------|---------------------|---------------|
| Borrowing | 3.577 | 8.056 | 11.633 |
| External Grants & Contributions | 1.666 | 6.765 | 8.431 |
| Capital Receipts | 1.573 | 0.427 | 2.000 |
| Revenue Contributions | 2.958 | 0.000 | 2.958 |
| Total | 9.774 | 15.248 | 25.022 |

- 2.12 The pace of delivery on the Capital Programme has been maintained during the year, resulting in an achievement of 79% spend of the revised programme budget. However, as with all financial programmes, there will always be an element of variation on capital schemes at the end of the financial year, and the Committee is requested to approve the re-profiling of capital schemes totalling £6.339m as detailed in **Appendix D**. This is because the majority of the schemes are already committed, with the funding for these held in the Council's reserves. For clarity, where a scheme has been completed, the balance will not be carried forward.

Provisions against Future Events

- 2.13 Provisions are made when an event has taken place that gives the Council an obligation that probably requires settlement, can be reasonably estimated, but where the timing of the payment is uncertain. Good practice requires that any movements in a Provision should be approved separately by Committee. The provisions provided for are as follows:

| Description | Balance B/Fwd 1.4.17 £m | Movement in Year £m | Actual Balance 31.3.18 £m |
|---|-------------------------------|---------------------------|---------------------------------|
| General Fund - Provisions | | | |
| Provision for Appeals – NNDR settled within 12 months | (0.799) | (0.725) | (1.524) |
| Provision for Appeals – NNDR settled after 12 months | (2.786) | 1.459 | (1.327) |
| Total: | (3.585) | 0.734 | (2.851) |

The above provisions relate to appeals against Rateable Values allocated against properties liable for Business Rates. The amounts shown in the Statement of Accounts (and hence in the table above) relate to NSDC's element for the provision for appeals. During the year £1.834m was charged against the provision in relation to settled claims, of which 40% is applicable to NSDC.

- 2.14 The Council receive external advice (from Analyse Local) relating to the level of provision that should be held. The Advisors suggest that there is a risk of £4.682m which relates to the Rateable Value list which began in 2010. From the revaluation of the 2010 ratings list which occurred in 2017, there has been limited information relating to the levels of appeals due to the Government's new "Check, Challenge, Appeal" process. Due to this, it is difficult to forecast the level of provision needed for the 2017 ratings list. As issues with appeals have been a national problem for Councils, the Government made an allowance of 4.7%

within the NNDR multiplier to compensate Council's for the potential loss in Business Rates. It is felt prudent to set aside 4.7% of Gross Rates payable due to the lack of information relating to potential losses. This amounted to £2.446m (including an extra allowance of £0.187m for larger properties) meaning together with the £4.682m an overall provision of £7.128m is needed. NSDC's share of this is 40% (£2.851m). The changes between long, after 12 months, and short, within 12 months, relate to the profile of the estimate settlement dates of the claims supplied by Analyse Local.

Impaired Estimates on Debtors

- 2.15 Impaired Estimates on Debtors is an estimation of the amount that will remain uncollectable after a certain time period and will require write off in the future accounts of the Council. They are calculated on the age and amounts of debt owed to the Council based on a hierarchical percentage i.e. the older the debt, the greater likelihood of non-collection. Good practice requires that movements in the Impaired Estimates on Debtors should be approved separately by Committee, and these are as follows:

| Description | Balance B/Fwd 1.4.17 £m | Movement in Year £m | Actual Balance 31.3.18 £m |
|---|-------------------------------|---------------------------|---------------------------------|
| General Fund - Impaired Estimates on Debtors | | | |
| Sundry Debts | (1.368) | 0.905 | (0.463) |
| Council Tax Debts | (0.151) | (0.008) | (0.159) |
| Business Rates Debts | (0.193) | 0.003 | (0.190) |
| Total: | (1.712) | (0.900) | (0.812) |
| HRA - Impaired Estimates on Debtors | | | |
| Former Tenants | (0.207) | 0 | (0.207) |
| Current Tenants | (0.079) | (0.008) | (0.087) |
| Total: | (0.286) | (0.008) | (0.294) |

The movement on Sundry Debts relates to a S106 invoice that was outstanding as at 31 March 2017. The decision was taken in the previous year to fully provide for this invoice. During 2017/18, officers have liaised with the developer and this invoice has been cancelled, due to a change in the S106 agreement, allowing the release of the provision. The new S106 monies have been paid during 2018/19.

Usable Capital Reserves

- 2.16 A Reserve is created for a specific future purpose or to cover contingencies. In accordance with the Code; these Usable Reserves must be separately identified between those that are retained for Capital purposes and those that are retained for Revenue purposes. Again, good practice dictates that any movements in existing reserves, or the creation of any new reserves, be approved by Committee.
- 2.17 Capital reserves are used to fund the approved capital programme within year, and the position as at 31 March 2018 is as follows:

| Description | Balance B/Fwd 1.4.17 £m | Cont'n in Year £m | Use in Year £m | Actual Balance 31.3.18 £m | Committed to future Projects |
|---------------------------------|-------------------------|-------------------|----------------|---------------------------|------------------------------|
| Capital - General Fund | | | | | |
| Usable Capital Receipts | 0 | 4.485 | 1.573 | 2.912 | 2.903 |
| Capital Grants Unapplied | 4.102 | 0.464 | 0.001 | 4.565 | 2.122 |
| Capital - HRA | | | | | |
| Usable Capital Receipts - DFG's | 0.044 | 0.685 | 0.729 | 0 | 0 |
| Usable Capital Receipts - HRA | 2.636 | 0.847 | 0 | 3.483 | 1.543 |
| Usable Capital Receipts - RTB's | 1.211 | 0.452 | 0.427 | 1.236 | 1.121 |
| Major Repairs Reserve (MRR)* | 9.708 | 8.587 | 11.723 | 6.572 | 6.572 |
| Total: | 17.701 | 15.512 | 14.445 | 18.768 | 14.261 |

* Resources will be added to the MRR to cover the budgeted commitments in the Capital Programme in addition to the above.

Usable Revenue Reserves

2.18 Revenue reserves are used to fund anything that is not capital in nature. They cover such areas as donations, external grants and contributions for future service provision, or specific sums of money held for a specific purpose. The movement on earmarked General Fund Reserves is as follows:

| | Balance b/fwd £ | Used in year £ | Added to in year £ | Balance at 31 Mar 2018 £ |
|------------------------------|-----------------|----------------|--------------------|--------------------------|
| General Fund Reserves | | | | |
| Investment Realisation Fund | (91,890) | 0 | 0 | (91,890) |
| Election Expenses Fund | (163,349) | | (56,975) | (220,324) |
| Insurance Fund | (399,664) | 14,000 | (12,792) | (398,456) |
| Repairs And Renewals Fund | (2,500,000) | 622,557 | (533,744) | (2,411,187) |
| Land Charges | 9,137 | | (9,137) | 0 |
| Building Control Surplus | 66,336 | | (59,259) | 7,077 |
| Museum Purchases Fund | (11,414) | | 0 | (11,414) |
| Training Provision | (199,798) | 48,616 | (1,000) | (152,182) |
| Community Safety Fund | (231,955) | 33,789 | (66,091) | (264,257) |
| Restructuring And Pay | (100,000) | | 0 | (100,000) |
| Court Costs | (95,325) | 36,606 | (1,050) | (59,769) |
| Change/Capital Fund | (10,907,366) | 6,739,962 | (4,877,971) | (9,045,375) |
| Planning Costs Fund | (400,000) | 129,855 | 0 | (270,145) |
| Palace Theatre Friends | (200) | 200 | 0 | 0 |
| Unlawful Occupation Of Land | (10,000) | 750 | 0 | (9,250) |
| Fly Tipping Fund | (100,000) | 17,500 | (17,500) | (100,000) |
| Homelessness Fund | (243,185) | 11,310 | (95,849) | (327,724) |
| Revenue Grants Unapplied | (117,740) | 22,665 | (90,155) | (185,230) |
| Fuel And Energy Reserve | (100,000) | 29,858 | 0 | (70,142) |
| Refuse Bin Purchase | (30,000) | 20,000 | (5,000) | (15,000) |

| | | | | |
|-------------------------------|---------------------|-------------------|---------------------|---------------------|
| Energy & Home Support Reserve | (142,350) | 25,770 | 0 | (116,580) |
| Growth And Prosperity Fund | (1,151,782) | 136,379 | (784,506) | (1,799,909) |
| WHOP Reserve | 0 | 0 | (110,849) | (110,849) |
| Emergency Planning Reserve | (50,000) | 0 | 0 | (50,000) |
| Other Earmarked Reserves | (466,209) | 466,209 | 0 | (0) |
| Welfare Reform | (60,000) | 34,226 | 0 | (25,774) |
| Management Carry Forwards | (0) | 0 | (224,268) | (224,268) |
| Development Company | (0) | 0 | (4,000,000) | (4,000,000) |
| Capital Financing Provision | (3,252,850) | 3,030,767 | (1,099,224) | (1,321,307) |
| Mansfield Crematorium | (161,000) | 20,785 | 0 | (140,215) |
| Gen Fund Bal Bfwd | (1,746,000) | 9,137 | 0 | (1,736,863) |
| Total General Fund | (22,656,604) | 11,450,941 | (12,045,370) | (23,251,033) |
| Revenue - HRA | | | | |
| HRA - Working Balance | (2,000,000) | 0 | 0 | (2,000,000) |
| Total HRA | (2,000,000) | 0 | 0 | (2,000,000) |

2.19 During the year two new reserves have been set up:

- The Management carry forward reserve £0.224m – This reserve was set up to pay for specific initiatives that Business Managers requested. These were:
 - £0.010 – Flood and Beacon Status grants
 - £0.014 – CCTV Control room use
 - £0.007 – Hawtonville Development Fund
 - £0.012 – Ollerton and Boughton Neighbourhood Study
 - £0.086 – Development Company set up costs
 - £0.035 – Lorry Park ANPR Controlled access
 - £0.060 – Contribution to Social Mobility Index
- Development Company Reserve £4.000m – This reserve was set up to pay for the equity funding needed to set up the Development Company as approved at Policy and Finance on 25 January 2018.

The Collection Fund 2017/18

2.20 The Collection Fund accounts for the income from the collection of Council Taxes and Business Rates, and their subsequent disbursement to local authority preceptors and central government.

2.21 The in-year surplus on the Council Tax account was £0.138m, which increased the overall balance from a surplus of £2.609m at 1 April 2017 to a surplus of £2.747m at 31 March 2018. A surplus of £0.077m was declared in January 2018 which will contribute to the 2018/19 budgets.

2.22 The Code prescribes that the Statement of Accounts only show the element of Council Tax that relates to Newark & Sherwood District Council. In this regard, the share of the Council Tax surplus of £2.747m that relates to Newark & Sherwood District Council as at 31 March 2018 is £0.348m.

- 2.23 This year, the Council's Business Rates account has benefitted from not having to increase the provision for outstanding appeals, which has meant that the appeals provision could be maintained at £7.128m of which £2.851m is the NSDC share.
- 2.24 The Code prescribes that the Statement of Accounts only show the element of business rates that relates to Newark & Sherwood District Council. In this regard, the share of the business rates deficit that relates to Newark & Sherwood District Council as at 31 March 2018 is £0.302m.

Pensions

- 2.25 The details regarding the Council's share of the Nottinghamshire County Council Pension Fund are provided for Members consideration at **Appendix E**.
- 2.26 Barnett Waddingham are the Pension Fund's appointed Actuary and their report sets out the assumptions used to prepare the IAS19 pension figures reported in the Council's accounts. It is best practice to consider these assumptions prior to agreeing their use and inclusion in the Statement of Accounts for 2017/18. For this reason, the Accounts & Audit Committee received and approved these assumptions at its meeting on 25 April 2018.

The Balance Sheet at 31 March 2018

- 2.27 Consideration of the Council's Balance Sheet does not feature significantly in budget setting and monitoring and yet, if not managed and reviewed correctly, a number of balances may be hidden that could have a major impact on the revenue outturn in any one year. Balance Sheet valuation and management is at the heart of the changes being driven by the International Financial Reporting Standards, and it is therefore important that in reviewing the Final Accounts, due consideration is given to the main features of the Balance Sheet and year to year changes as follows:
- 2.28 The significant movements on the Balance Sheet that are worthy of note are:
- Property, Plant & Equipment increased by £64.845m which relates in the main to an increase in the valuation of Council Dwellings (£50.000m) due to a full revaluation being completed on this. In year Capital expenditure amounted to £23.430m, other movements related to disposals and depreciation.
 - The Pension liability decreased by £3.09m from £71.926m to £68.836m culminating mainly from a change in financial assumptions (a change to the way that the discount rate applicable has been calculated from the Spot Rate approach to the Single Equivalent Discount Rate approach) from 31st March 2017.
 - Short Term Debtors has increased from £7.617m to £12.190m (£4.573m) mainly relating to an invoice to Notts County Council, which was not due by 31st March 2018, relating to their contribution to Gladstone House (£3.200m).
 - Cash and Cash Equivalents have reduced by £1.804m throughout the year to £15.230m which relates to the redemption of short term deposits with Money Market Funds in order to pay invoices throughout the year.

Treasury Management Outturn Report

- 2.29 Under the Treasury management Code of Practice, an annual outturn report is required to be presented to Council to explain activities in the year. The report is presented here for information at **Appendix F**, and it includes the Prudential Indicators that the Council is required to report and monitor.

- 2.30 The report details 4 occasions of which the Prudential Indicator relating to Interest rate exposure was exceeded. The maximum by which the limit was exceeded was £2.181m for 1 day during February 2018. The timing of receipt of income meant that excess funds were receipted into the bank account, which needed to be invested, as the money would have been at greater risk due to breaching the counterparty investment limit should they not have been. This has arisen as there is a cash limit on this indicator, rather than a percentage basis, as set within the Treasury Management Strategy approved at Council on 9 March 2017.

3.0 Options, Risks and Reasons for Recommendations

3.1 Statement of Accounts 2017/18

The unaudited Statement of Accounts for 2017/18 were presented to an informal meeting of the Accounts and Audit Committee on 6 June 2018 for consideration and onward submission to the external auditor (KPMG) for audit and certification. The Council must publish on its website prior to 31 May, its unaudited Statement of Accounts. The audited Statement of Accounts must then be approved by 31 July. There would be a serious impact on the council's accountability, reputation and standing nationally and locally if it were to miss this deadline.

3.2 Revenue Expenditure 2017/18

There are no options for Members to consider as the outturn represents the final position at the end of the financial year. Due consideration needs to be given to the ongoing effects of any reported in-year service overspends on the 2018/19 budgets, and early action is essential to mitigate further impacts on General Fund balances.

3.3 Capital Expenditure and Financing 2017/18

There are no options for Members to consider as the financing is in accordance with approvals already obtained. The reprofiling on the Capital Programme may present a challenge to the Council's capacity to deliver the full programme of planned works in 2018/19.

3.4 Treasury Management 2017/18

There are no options for members to consider at this stage since past performance is being reported. Treasury Management is an important Council function since it deals with large value money transactions. The potential risk in this area is very high, however the Council has in place sound systems of financial control to minimise these risks. These controls are reviewed on an annual basis in order to provide the assurance that risk is being minimised. Additionally, by monitoring the Prudential Indicators, this also serves to minimise the risk in this area.

4.0 RECOMMENDATIONS that:

- (a) the final outturn of revenue and capital spending for 2017/18 be approved;**
- (b) the capital financing proposals as set out in Appendix C, that will be passed to the external auditors as part of the 2017/18 Statement of Accounts, be approved;**
- (c) the net variations of £6.316m not spent in 2017/18 on the Capital Programme, be re-profiled and carried forward into 2018/19;**

- (d) the movement in Provisions and Impaired Estimates on Debtors be approved;**
- (e) the creations of the new reserves, as outlined in paragraph 2.20 to the report, be approved;**
- (f) the individual contributions to, and withdrawals from, the revenue and capital Usable Reserves be approved;**
- (g) the contents of the Pension Fund Actuary report and the proposed assumptions to be used in the IAS19 pensions report for inclusion in the 2017/18 Statement of Accounts be approved;**
- (h) the Policy & Finance Committee receives the Annual Report on Treasury Management Activity and comments as appropriate for referral onto the Council for information, as required by the Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management; and**
- (i) the Committee note that the Treasury Management activities are consistent with the objectives identified in the Treasury Management Strategy for 2017/18.**

Reasons for Recommendations

To approve the Financial Outturn for the Council for the 2017/18 financial year.

Background Papers

Statement of Accounts files & working papers 2017/18

Capital Finance Accounts 2017/18 files

Housing Revenue Accounts 2017/18 files

Treasury Management Strategy and 2017/18 files

Nick Wilson

Business Manager – Financial Services

GENERAL FUND REVENUE OUTTURN VARIANCES**Economic Development**

| Description | Variance from adjusted Budget £'000 | Explanation |
|------------------------------------|--|---|
| Employees across all Service Areas | (50) | Vacant posts in year within Community Infrastructure Levy, Grounds Maintenance and Heritage, Culture & Visitors |
| Development Company | (88) | The estimated profile of payments for the set-up costs, has not matched the actual profile |
| Development Management | (149) | Increased income in relation to a large planning application at Fernwood |
| Surface Car Parks Newark | 51 | Re-evaluation of business rates and small reduction in overall income particularly at the Livestock Market |
| Newark Lorry Park | 37 | Reduced income level in year |
| Other Variances | 2 | |
| TOTAL VARIANCES | (197) | |

Homes & Communities

| Description | Variance from adjusted Budget £'000 | Explanation |
|------------------------------------|--|--|
| Employees across all Service Areas | (63) | Vacant posts in year within Strategic Housing, Licensing and Customer Services |
| Housing Options | (21) | Lower than anticipated charge from NSH for managing the homeless hostels |
| ICT | 29 | Additional cost of Virgin Media provision at Castle House |
| Comms & Customer Services | (14) | Income from CCG for the Voice |
| CCTV | (31) | Reduction in control room staff and reduced investment until camera system is fully functional |
| Other Variances | (83) | Small underspends across a number of services |
| TOTAL VARIANCES | (183) | |

Leisure & Environment

| Description | Variance from adjusted Budget £'000 | Explanation |
|-------------------------|-------------------------------------|--|
| Environmental Health | (94) | Vacant posts in year within the service and higher than anticipated income |
| Refuse Collection | (177) | Increased income from trade waste and garden waste together with changes to staffing profile |
| Newark Livestock Market | (50) | Increase level of income generated |
| Other Variances | (23) | Small underspends across a number of services |
| TOTAL VARIANCES | (344) | |

Policy & Finance

| Description | Variance from adjusted Budget £'000 | Explanation |
|------------------------|-------------------------------------|---|
| Corporate Property | 49 | Underachievement on income from capital recharges and other non-general fund recharges offset in part by salary savings |
| Rent Allowances | (70) | Overpayments of Housing Benefits that have been recovered during the year |
| Housing Benefits | (93) | Higher recovery of HB payments from DWP has led to a reduction in overpayments of HB, hence a higher recovery through subsidy |
| Castle House | 35 | Overspend mainly due to under provision for Rates cost |
| Corporate printers | (22) | Direct charging to business units has been initiated along with the decommissioning of seven MFD's following move to Castle House |
| Other Variances | 64 | Pension costs offset partly by underspends across other services |
| TOTAL VARIANCES | (37) | |

APPENDIX B

HRA Accounts

| | Budget | Actual | Variance |
|---|---------------------|---------------------|--------------------|
| | 2017/18 | 2017/18 | 2017/18 |
| INCOME | | | |
| Dwelling rents | (20,459,470) | (21,216,006) | (756,536) |
| Garages | (233,670) | (183,797) | 49,873 |
| Shops | (31,630) | (35,115) | (3,485) |
| Sub Total Gross Rental Income | (20,724,770) | (21,434,918) | (710,148) |
| Charges for services & facilities | (353,770) | (355,629) | (1,859) |
| Contributions towards expenditure | (64,940) | (75,728) | (10,788) |
| General fund contribution to benefits | 0 | 0 | 0 |
| Capital Grants | 0 | 0 | 0 |
| Government subsidies received | 0 | 0 | 0 |
| Other Income | (671,610) | (677,027) | (5,417) |
| TOTAL INCOME | (21,815,090) | (22,543,301) | (728,211) |
| EXPENDITURE | | | |
| NSH Management fee | 8,118,810 | 8,118,813 | 3 |
| Council Managed Expenditure | | | |
| Management | 1,194,470 | 1,373,787 | 179,317 |
| Rents, Rates, Taxes and Other Charges | 0 | 0 | 0 |
| Government subsidies payable | 0 | 0 | 0 |
| Capital charges - Dwellings | 3,723,290 | 3,723,294 | 4 |
| Capital Charges - Others | 419,600 | 419,614 | 14 |
| Revenue Expenditure Funded by Capital | 200,900 | 200,916 | 16 |
| Revaluation of Assets - Dwellings | (27,069,000) | (27,068,908) | 92 |
| Revaluation of Assets - Others | 94,000 | 94,214 | 214 |
| Debt management expenses | 37,850 | 32,840 | (5,010) |
| | (21,398,890) | (21,224,243) | 174,647 |
| NET COST OF HRA SERVICES | (35,095,170) | (35,648,731) | (553,561) |
| Other Adjustments | | | |
| Profit/Loss on sale of HRA fixed assets | (25,067) | (25,067) | 0 |
| Interest Paid and similar charges | 4,058,600 | 4,077,157 | 18,557 |
| Interest receivable/charges payable | (8,400) | 3,619 | 12,019 |
| S106 Capital Income | (575,000) | (574,993) | 7 |
| Capital Gov'T Grant/Cont | (2,199,600) | (2,199,614) | (14) |
| Capital Other Grant/Cont | (3,908,400) | (3,908,366) | 34 |
| Provision for bad debt | 0 | 90,264 | 90,264 |
| Admin Fee on Council Houses | 40,300 | 40,300 | 0 |
| OTHER COMPREHENSIVE SERVICES | (2,617,567) | (2,496,700) | 120,867 |
| NET OPERATING EXPENDITURE | (37,712,737) | (38,145,432) | (432,695) |
| APPROPRIATIONS | | | |
| Transfers to Usable Reserves | | | |
| Tfr Sale Proceeds From Cies | 2,145,947 | 2,145,947 | 0 |
| Tfr Admin Cost Of Sales Re Crr | (40,300) | (40,300) | 0 |
| | 2,105,647 | 2,105,647 | 0 |
| Transfers to Major Repairs Reserve | | | |
| Revenue Contribution To Mrr | 5,344,230 | 4,443,913 | (900,317) |
| Depreciation Charged To Mrr | 2,809,530 | 4,142,908 | 1,333,378 |
| | 8,153,760 | 8,586,821 | 433,061 |
| Transfers to Unusable Reserves | | | |
| Employers contrib NCC | 260,000 | 260,000 | 0 |
| Assets Written Off Disposal | (2,120,880) | (2,120,880) | 0 |
| Refcus Expenditure To Caa | (200,900) | (200,916) | (16) |
| Dep&Imp Excl Hra Dwellings | (419,600) | (419,614) | (14) |
| Hra Depreciation | (3,723,290) | (3,723,294) | (4) |
| Capital Grant & Contr Applied | 6,683,000 | 6,682,973 | (27) |
| Tfr Cap Grant Cont To Unapplied | 0 | 0 | 0 |
| Revaluation of Assets - Dwellings | 27,069,000 | 27,068,908 | (92) |
| Revaluation of Assets - Others | (94,000) | (94,214) | (214) |
| | 27,453,330 | 27,452,964 | (367) |
| | 37,712,737 | 38,145,432 | 432,695 |
| (SURPLUS)/DEFICIT | 0 | 0 | (0) |
| HRA BALANCE AT 31.03 | | | |
| (SURPLUS)/DEFICIT AT BEGINNING OF YEAR | | (2,000,000) | (2,000,000) |
| (SURPLUS)/DEFICIT DURING YEAR | | 0 | 0 |
| (SURPLUS)/DEFICIT AT END OF YEAR | | (2,000,000) | (2,000,000) |

NOTES for variances on HRA

DWELLINGS RENT - over recovered income relating to dwellings (756K) - for the budget an allowance of 2% (426,239) was used to reduce the rents to account for potential voids - rent lost due to voids was 273,398. Also for the budget a 2% allowance (426,239) was used for an allowance for bad debts but the amount made to the provision was £90K (this was paid against an expenditure code)

GARGE RENTS - reduction in garage income of £50k due to the use of garage sites within the development programme

CONTRIBUTIONS TOWARDS EXPENDITURE - increased income relating to lifeline monitoring has resulted in an increase of £10,788

MANAGEMENT AND MAINTENANCE

MAINTENANCE - unbudgeted expenditure of £63,160 relating to disturbance allowances. As of 1718 paid out of HRA and not classed as capital expenditure

Unbudgeted management expenditure within 2017/18

| | |
|-----------|--|
| 40,300 | RTB Admin Fee 1718 |
| 60,400.97 | Fees for development programme stalled sites |
| 18,000.00 | Council Dwellings/other Valuation costs |

TRANSFER OF DEPRECIATION TO MAJOR REPAIRS RESERVE - increase of £1.3m is due to the change in policy to implement componentisation accounting in relation to the assets of the council

Provision for bad debt was £90,264 - this was not budgeted for as expenditure

| | SCHEME | Initial Budget | Variations to Budget approved in Year | Revised Budget | Actual Outturn | Variance to Revised Budget | Comments | EU & Gov't Grants | 3rd Party Contributions | Capital Reserve | MRR | Capital Receipts | Borrowing | Total 17/18 |
|--------------------------------|--|----------------|---------------------------------------|----------------|----------------|----------------------------|---|-------------------|-------------------------|-----------------|------|------------------|--------------|---------------|
| HOUSING REVENUE ACCOUNT | | | | | | | | | | | | | | |
| S9 | TOTAL PROPERTY INVESTMENT | 5,167,800.00 | 33,576.00 | 5,201,376.00 | 4,998,668.71 | (202,707.29) | Ongoing investment programme - no carry forward | 0.00 | 31,777.30 | 0.00 | 0.00 | 0.00 | 4,966,891.41 | 4,998,668.71 |
| AFFORDABLE HOUSING | | | | | | | | | | | | | | |
| SA1013 | 25 supported dwellings - Bilsthorpe | 0.00 | 43,016.04 | 43,016.04 | 714.67 | (42,301.37) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 714.67 | 714.67 |
| SA1015 | Affordable Rural Housing Grant | 0.00 | 110,000.00 | 110,000.00 | 100,000.00 | (10,000.00) | Scheme Complete | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 100,000.00 | 100,000.00 |
| SA1016 | Site A - Wolffit Avenue, Balderton | 29,326.00 | (1,049.71) | 28,276.29 | 2,093.25 | (26,183.04) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2,093.25 | 2,093.25 |
| SA1017 | Site B - Wolffit Avenue, Balderton | 28,229.00 | (1,465.63) | 26,763.37 | 1,833.26 | (24,930.11) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,833.26 | 1,833.26 |
| SA1018 | Cononaton Street/Grove View Rd, Balderton | 72,383.00 | (17,120.76) | 55,262.26 | 9,144.50 | (46,117.76) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 9,144.50 | 0.00 | 9,144.50 |
| SA1019 | Ullac Close | 59,522.00 | (1,050.00) | 58,472.00 | 5,992.62 | (52,479.38) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5,992.62 | 5,992.62 |
| SA1020 | Second Avenue, Edwinstowe | 57,014.00 | (5,425.01) | 51,588.99 | 5,036.28 | (46,552.71) | Carry forward required | 0.00 | 5,036.28 | 0.00 | 0.00 | 0.00 | 0.00 | 5,036.28 |
| SA1021 | Ash Farm Farnfield | 562,700.00 | (46,658.32) | 516,041.68 | 516,042.00 | 0.32 | Scheme Complete | 0.00 | 0.00 | 0.00 | 0.00 | 376,650.90 | 139,391.10 | 516,042.00 |
| SA1022 | St Leonards Hospital Trust | 330,000.00 | 3,300.00 | 333,300.00 | 333,300.00 | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 333,300.00 |
| SA1023 | Bowbridge Road | 5,894,500.00 | 221,342.63 | 6,115,842.63 | 5,185,250.69 | (930,591.94) | Carry forward required | 375,000.00 | 3,825,000.00 | 0.00 | 0.00 | 0.00 | 985,250.69 | 5,185,250.69 |
| SA1030 | HRA Site Development | 200,000.00 | 42,089.76 | 242,089.76 | 229,123.95 | (12,965.81) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 229,123.95 | 229,123.95 |
| SA1031 | Site Acquisition (incl RTB) | 800,000.00 | 0.00 | 800,000.00 | 800,000.00 | 0.00 | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| SA1032 | New Build Programme | 5,529,000.00 | (5,529,000.00) | 0.00 | 0.00 | 0.00 | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| SA1033 | Estate Regeneration | 0.00 | 304,214.00 | 304,214.00 | 128,629.11 | (175,584.89) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 128,629.11 | 128,629.11 |
| SA1041 | Phase 1 Cluster 1, Newark | 0.00 | 1,997,199.00 | 1,997,199.00 | 1,709,026.91 | (288,172.09) | Carry forward required | 542,000.00 | 574,992.54 | 0.00 | 0.00 | 0.00 | 592,034.37 | 1,709,026.91 |
| SA1042 | Phase 1 Cluster 2, Farndon HCA | 0.00 | 986,604.00 | 986,604.00 | 1,039,436.61 | 52,832.61 | Budget to be carried back | 506,490.00 | 0.00 | 0.00 | 0.00 | 0.00 | 532,946.61 | 1,039,436.61 |
| SA1043 | Phase 1 Cluster 2, Farndon 1-4-1 | 0.00 | 134,384.00 | 134,384.00 | 136,911.11 | 2,527.11 | Budget to be carried back | 0.00 | 0.00 | 0.00 | 0.00 | 41,073.33 | 95,837.78 | 136,911.11 |
| SA1044 | Phase 1 Cluster 3, West | 0.00 | 347,639.00 | 347,639.00 | 319,170.86 | (28,468.14) | Carry forward required | 319,170.86 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 319,170.86 |
| SA1045 | Phase 1 Cluster 4, Collingham | 0.00 | 134,365.00 | 134,365.00 | 153,574.79 | 19,209.79 | Budget to be carried back | 153,574.79 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 153,574.79 |
| SA1046 | Phase 1 Cluster 5, Balderton | 0.00 | 147,081.00 | 147,081.00 | 303,378.72 | 156,297.72 | Budget to be carried back | 303,378.72 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 303,378.72 |
| SA1047 | Phase 1A | 0.00 | 48,636.00 | 48,636.00 | 70,482.39 | 21,846.39 | Budget to be carried back | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 70,482.39 |
| SUB TOTAL AFFORDABLE HOUSING | | 13,562,674.00 | (1,081,898.98) | 12,480,775.02 | 10,249,141.72 | (2,231,633.30) | | 2,328,243.48 | 4,405,028.82 | 0.00 | 0.00 | 426,868.73 | 3,089,000.69 | 10,249,141.72 |
| TOTAL HOUSING REVENUE ACCOUNT | | 18,730,474.00 | (1,048,322.98) | 17,682,151.02 | 15,247,810.43 | (2,434,340.59) | | 2,328,243.48 | 4,436,806.12 | 0.00 | 0.00 | 426,868.73 | 8,058,892.10 | 15,247,810.43 |
| GENERAL FUND | | | | | | | | | | | | | | |
| TA1211 | Newark, New Leisure Centre | 1,050,000.00 | (823,237.08) | 226,762.92 | 215,688.27 | (11,074.65) | Scheme complete | 0.00 | 0.00 | 0.00 | 0.00 | 215,688.27 | 0.00 | 215,688.27 |
| TA1215 | Extension to Newark Leisure Centre Car Park | 0.00 | 205,500.00 | 205,500.00 | 0.00 | (205,500.00) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TA1216 | Leisure Provision in the West | 0.00 | 250,000.00 | 250,000.00 | 0.00 | (250,000.00) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TA3050 | National Civil War Centre | 0.00 | 341,976.28 | 341,976.28 | 341,976.00 | (0.28) | Scheme complete | 0.00 | 0.00 | 156,000.00 | 0.00 | 185,976.00 | 0.00 | 341,976.00 |
| TA3052 | Palace Theatre/Museum Integration | 0.00 | 20,278.00 | 20,278.00 | 20,277.54 | (0.46) | Scheme complete | 0.00 | 0.00 | 20,277.54 | 0.00 | 0.00 | 0.00 | 20,277.54 |
| TA3053 | Museum Improvements | 297,500.00 | 168,234.00 | 465,734.00 | 3,970.07 | (461,763.93) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 3,970.07 | 0.00 | 3,970.07 |
| TA3286 | Information Technology Investment | 301,790.00 | 291,705.00 | 593,495.00 | 498,186.78 | (95,308.22) | Ongoing replacement programme | 0.00 | 0.00 | 84,083.78 | 0.00 | 414,103.00 | 0.00 | 498,186.78 |
| TA | CUSTOMERS | 1,649,290.00 | 454,456.20 | 2,103,746.20 | 1,080,098.66 | (1,023,647.54) | | 0.00 | 0.00 | 260,361.32 | 0.00 | 819,737.34 | 0.00 | 1,080,098.66 |
| TB2250 | Vehicles & Plant (NSH) | | | | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TB2253 | Vehicles & Plant (NSDC) | 18,000.00 | 4,600.00 | 22,600.00 | | (22,600.00) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TB3154 | Castle Gatehouse Project | 117,600.00 | (37,600.00) | 80,000.00 | 12,353.83 | (67,646.17) | Carry forward required | 0.00 | 12,353.83 | 0.00 | 0.00 | 0.00 | 0.00 | 12,353.83 |
| TB3158 | Hawtonville School Playing Field | 0.00 | 23,123.00 | 23,123.00 | 0.00 | (23,123.00) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TB3159 | Humberstone Road Open Space, Southwell | 0.00 | 575.00 | 575.00 | 575.00 | 0.00 | | 0.00 | 575.00 | 0.00 | 0.00 | 0.00 | 0.00 | 575.00 |
| TB6145 | Grant to Farndon Sports Pavilion | 0.00 | 14,630.72 | 14,630.72 | | (14,630.72) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TB6147 | Contribution to Cycle Route Improvements | 0.00 | 7,634.00 | 7,634.00 | 725.00 | (6,909.00) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 725.00 |
| TB6148 | Lorry Carpark Extension | 0.00 | 100,000.00 | 100,000.00 | 51,553.85 | (48,446.15) | Carry forward required | 0.00 | 0.00 | 51,553.85 | 0.00 | 0.00 | 0.00 | 51,553.85 |
| TB6149 | Lorry Carpark - Health and Safety | 0.00 | 15,820.00 | 15,820.00 | 27,011.75 | 11,191.75 | Scheme complete | 0.00 | 0.00 | 27,011.75 | 0.00 | 0.00 | 0.00 | 27,011.75 |
| TB6150 | Farnfield PC S106 Re Ash Farm AG909 Comm Fac & SANGS | 0.00 | 128,544.04 | 128,544.04 | 128,544.04 | 0.00 | | 0.00 | 128,544.04 | 0.00 | 0.00 | 0.00 | 0.00 | 128,544.04 |
| TB6151 | Ollerton & Boughton TC S106 AG767 Trf of Open Space & Play | 0.00 | 164,615.77 | 164,615.77 | 164,615.77 | 0.00 | | 0.00 | 164,615.77 | 0.00 | 0.00 | 0.00 | 0.00 | 164,615.77 |
| TB6152 | Nottingham Road Southwell S106 AG966 Trf of Open Space provision | 0.00 | 69,208.26 | 69,208.26 | 69,208.26 | 0.00 | | 0.00 | 69,208.26 | 0.00 | 0.00 | 0.00 | 0.00 | 69,208.26 |
| TB6153 | Crickle Facilities, Kuhlham Rd - S106 | 0.00 | 54,319.29 | 54,319.29 | 4,619.00 | (49,700.29) | Carry forward required | 0.00 | 4,619.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,619.00 |
| TB6154 | S106 Community Facilities Provision Community & Activity Village | 0.00 | 30,770.00 | 30,770.00 | 30,770.00 | 0.00 | | 0.00 | 30,770.00 | 0.00 | 0.00 | 0.00 | 0.00 | 30,770.00 |
| TB6155 | S106 Cliptone Welfare | 0.00 | 49,180.00 | 49,180.00 | 49,180.00 | 0.00 | | 0.00 | 49,180.00 | 0.00 | 0.00 | 0.00 | 0.00 | 49,180.00 |
| TB | COMMUNITY | 135,600.00 | 625,420.08 | 761,020.08 | 539,156.50 | (221,863.58) | | 0.00 | 460,990.90 | 78,565.60 | 0.00 | 0.00 | 0.00 | 539,156.50 |
| TC1000 | New Council Offices | 1,657,520.00 | 1,429,397.17 | 3,086,917.17 | 2,941,600.34 | (145,316.83) | Carry forward required | 0.00 | 203,962.13 | 2,399,162.40 | 0.00 | 338,475.84 | 0.00 | 2,941,600.34 |
| TC2000 | Land at Lowfield Lane, Balderton | 0.00 | 4,618,000.00 | 4,618,000.00 | 3,985,872.40 | (632,127.60) | Carry forward required | 0.00 | 0.00 | 1,310.07 | 0.00 | 407,137.40 | 3,577,424.93 | 3,985,872.40 |
| TC3017 | Workshop Frontage Improvements | 0.00 | 17,110.40 | 17,110.40 | 11,492.16 | (5,618.24) | Carry forward required | 0.00 | 0.00 | 11,492.16 | 0.00 | 0.00 | 0.00 | 11,492.16 |
| TC3131 | Extension to London Road Car Park | 0.00 | 115,000.00 | 115,000.00 | 0.00 | (115,000.00) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TC3133 | BIC Internal Reconfiguration | 0.00 | 75,000.00 | 75,000.00 | 41,696.08 | (33,303.92) | Carry forward required | 0.00 | 41,696.08 | 0.00 | 0.00 | 0.00 | 0.00 | 41,696.08 |
| TC | RESOURCES | 1,657,520.00 | 6,254,507.57 | 7,912,027.57 | 6,980,660.98 | (931,366.59) | | 0.00 | 245,658.21 | 2,411,964.63 | 0.00 | 745,613.24 | 3,577,424.93 | 6,980,660.98 |
| TE3266 | Growth Point (Grant Funded) | | | | | | | 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TE3266 | Growth Point (Internally Funded) | 0.00 | 449,121.00 | 449,121.00 | | (449,121.00) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TE3268 | Southern Link Road Contribution | 8,480,785.00 | (7,280,785.00) | 1,200,000.00 | | (1,200,000.00) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TE | GROWTH | 8,480,785.00 | (6,831,664.00) | 1,649,121.00 | 0.00 | (1,649,121.00) | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TF3220 | Major Flood Alleviation | 0.00 | 140,000.00 | 140,000.00 | | (140,000.00) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TF3221 | Southwell Flood Mitigation | 0.00 | 220,000.00 | 220,000.00 | | (220,000.00) | Carry forward required | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TF3223 | CCTV Relocation | 0.00 | 254,444.33 | 254,444.33 | 254,239.40 | (204.93) | Scheme Complete | 0.00 | 67,505.00 | 179,234.40 | 0.00 | 7,500.00 | 0.00 | 254,239.40 |
| TF3224 | Seven Hills | 0.00 | 10,485.24 | 10,485.24 | 274.35 | (10,210.89) | Carry forward required | 0.00 | 0.00 | 274.35 | 0.00 | 0.00 | 0.00 | 274.35 |
| TF3225 | Maps & Signage Newark Town Centre | 0.00 | 46,957.00 | 46,957.00 | 27,824.54 | (19,132.46) | Carry forward required | 0.00 | 0.00 | 27,824.54 | 0.00 | 0.00 | 0.00 | 27 |

| | Capital Scheme | Amount £ |
|---------------------------|---|------------------|
| AFFORDABLE HOUSING | | |
| SA1013 | 25 supported dwellings - Bilsthorpe | 42,301 |
| SA1016 | Site A - Wolfit Avenue, Balderton | 26,183 |
| SA1017 | Site B - Wolfit Avenue, Balderton | 24,930 |
| SA1018 | Coronation Street/Grove View Rd, Balderton | 46,118 |
| SA1019 | Lilac Close | 52,479 |
| SA1020 | Second Avenue, Edwinstowe | 46,553 |
| SA1023 | Bowbridge Road | 930,592 |
| SA1030 | HRA Site Development | 12,966 |
| SA1031 | Site Acquisition (Incl RTB) | 800,000 |
| SA1033 | Estate Reperation | 123,871 |
| SA1041 | Phase 1 Cluster 1, Newark | 288,172 |
| SA1042 | Phase 1 Cluster 2, Farndon HCA | (52,833) |
| SA1043 | Phase 1 Cluster 2, Farndon 1-4-1 | (2,527) |
| SA1044 | Phase 1 Cluster 3, West | 7,540 |
| SA1045 | Phase 1 Cluster 4, Collingham | (19,210) |
| SA1046 | Phase 1 Cluster 5, Balderton | (156,298) |
| SA1047 | Phase 1A | (21,846) |
| | | |
| | SUB TOTAL AFFORDABLE HOUSING | 2,148,992 |
| GENERAL FUND | | |
| TA1215 | Extension to Newark Leisure Centre Car Park | 205,500 |
| TA1216 | Leisure Provision in the West | 250,000 |
| TA3053 | Museum Improvements | 461,764 |
| | | |
| TA | CUSTOMERS | 917,264 |
| | | |
| TB2253 | Vehicles & Plant (NSDC) | 22,600 |
| TB3154 | Castle Gatehouse Project | 67,646 |
| TB3158 | Hawtonville School Playing Field | 23,123 |
| TB6145 | Grant to Farndon Sports Pavilion | 14,631 |
| TB6147 | Contribution to Cycle Route Improvements | 6,909 |
| TB6148 | Lorry Carpark Extension | 48,446 |
| TB6153 | Cricket Facilities Kelham Rd - S106 | 49,700 |
| | | |
| TB | COMMUNITY | 233,055 |
| | | |
| TC1000 | New Council Offices | 145,317 |
| TC2000 | Land at Lowfield Lane, Balderton | 632,128 |
| TC3017 | Workshop Frontage Improvements | 5,618 |
| TC3131 | Extension to London Road Car Park | 115,000 |
| TC3133 | BIC Internal Reconfiguration | 33,304 |
| | | |
| TC | RESOURCES | 931,367 |
| | | |
| TE3266 | Growth Point (Internally Funded) | 449,121 |
| TE3268 | Southern Link Road Contribution | 1,200,000 |
| | | |
| TE | GROWTH | 1,649,121 |
| | | |
| TF3220 | Major Flood Alleviation | 140,000 |
| TF3221 | Southwell Flood Mitigation | 220,000 |
| TF3224 | Seven Hills | 10,211 |
| TF3225 | Maps & Signage Newark Town Centre | 19,132 |
| TF6012 | Discretionary DFG | 59,700 |
| | | |
| TF | SAFETY | 449,044 |
| | | |
| | TOTAL GENERAL FUND | 4,179,851 |
| | | |
| | TOTAL PROGRAMME | 6,328,842 |

Newark & Sherwood District Council

Nottinghamshire County Council

Pension Fund

Pension accounting disclosure as at 31 March 2018
Prepared in accordance with IAS19

Barnett Waddingham LLP

9 April 2018

Contents

| | |
|--|----|
| Introduction..... | 3 |
| Characteristics of defined benefit plans and associated risks..... | 4 |
| Valuation data | 5 |
| Data sources | 5 |
| Employer membership statistics..... | 5 |
| Scheduled contributions..... | 6 |
| Early retirements | 6 |
| Assets | 6 |
| Actuarial methods and assumptions | 9 |
| Valuation approach | 9 |
| Demographic/Statistical assumptions..... | 9 |
| Financial assumptions..... | 10 |
| Past service costs/gains | 11 |
| Curtailments | 11 |
| Settlements | 12 |
| Results and disclosures..... | 13 |
| Appendix 1 Statement of financial position as at 31 March 2018..... | 14 |
| Appendix 2 Statement of profit and loss for the year to 31 March 2018 | 15 |
| Appendix 3 Asset and benefit obligation reconciliation for the year to 31 March 2018 | 16 |
| Appendix 4 Sensitivity analysis..... | 18 |
| Appendix 5 Re-measurements in other comprehensive income..... | 19 |
| Appendix 6 Projected pension expense for the year to 31 March 2019..... | 20 |

Introduction

We have been instructed by Nottinghamshire County Council, the administering authority to the Nottinghamshire County Council Pension Fund (the Fund), to undertake pension expense calculations in respect of pension benefits provided by the Local Government Pension Scheme (the LGPS) to employees of Newark & Sherwood District Council (the Employer) as at 31 March 2018.

This report is addressed to the Employer and its advisers; in particular, this report is likely to be of relevance to the Employer's auditor.

These figures are prepared in accordance with our understanding of International Accounting Standard 19 (IAS19).

This advice complies with Technical Actuarial Standard 100: Principles for Technical Actuarial Work (TAS 100).

The figures quoted will form the basis of the balance sheet and funding status disclosures to be made by the Employer as at 31 March 2018 in respect of its pension obligations under the LGPS. The projected pension expense calculations for the year to 31 March 2019 may be used for the purpose of any interim financial reporting during the year to 31 March 2019. However, it may subsequently be necessary to adjust these projections following the occurrence of any material events such as curtailments, settlements or the discontinuance of the Employer's participation in the Fund.

Please note we have not made any allowance for IFRIC14 in our calculations. We would be happy to speak to the Employer or their auditor if more information is required.

IAS19 also requires the disclosure of any other employer provided pension benefits which are not paid from the Fund itself: examples include additional pensions paid on retirement under the Discretionary Payment Regulations. We have only valued such additional liabilities, which would not be covered in the formal LGPS valuation, to the extent that they have been notified to us and are as disclosed in the Valuation data section of this report.

Characteristics of defined benefit plans and associated risks

The LGPS is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings.

The administering authority for the Fund is Nottinghamshire County Council. The Pension Fund Committee oversees the management of the Fund whilst the day to day fund administration is undertaken by a team within the administering authority. Where appropriate some functions are delegated to the Fund's professional advisers.

As administering authority to the Fund, Nottinghamshire County Council, after consultation with the Fund Actuary and other relevant parties, is responsible for the preparation and maintenance of the Funding Strategy Statement and the Investment Strategy Statement. These should be amended when appropriate based on the Fund's performance and funding.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2019 and will set contributions for the period from 1 April 2020 to 31 March 2023. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

On the Employer's withdrawal from the Fund, a cessation valuation will be carried out in accordance with Regulation 64 of the LGPS Regulations 2013 which will determine the termination contribution due by the Employer, on a set of assumptions deemed appropriate by the Fund Actuary.

In general, participating in a defined benefit pension scheme means that the Employer is exposed to a number of risks:

- Investment risk. The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges;
- Interest rate risk. The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way;
- Inflation risk. All of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

In addition, as many unrelated employers participate in the Nottinghamshire County Council Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the risks above may also benefit the Employer e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employers.

Valuation data

Data sources

In completing our calculations for pension accounting purposes we have used the following items of data, which we received from Nottinghamshire County Council:

- The results of the valuation as at 31 March 2016 which was carried out for funding purposes and the results of the 31 March 2017 IAS19 report which was carried out for accounting purposes;
- Estimated whole Fund income and expenditure items for the period to 31 March 2018;
- Estimated Fund returns based on Fund asset statements provided (or estimated where necessary) as at 31 March 2016, 31 March 2017 and 31 December 2017, Fund income and expenditure as noted above, and estimated market returns thereafter for the period to 31 March 2018;
- Estimated Fund income and expenditure in respect of the Employer for the period to 31 March 2018; and
- Details of any new early retirements for the period to 31 March 2018 that have been paid out on an unreduced basis, which are not anticipated in the normal employer service cost.

Although some of these data items have been estimated, we do not believe that they are likely to have a material effect on the results of this report. Further, we are not aware of any material changes or events since we received the data. The data has been checked for reasonableness and we are happy that the data is sufficient for the purposes of this advice.

Employer membership statistics

The table below summarises the membership data, as at 31 March 2016 for members receiving funded benefits, and as at 31 March 2016 for any members receiving unfunded benefits.

| Member data summary | Number | Salaries/Pensions | Average age |
|---------------------|--------|-------------------|-------------|
| | | £000s | |
| Actives | 344 | 8,119 | 47 |
| Deferred pensioners | 581 | 1,086 | 46 |
| Pensioners | 578 | 3,196 | 72 |
| Unfunded pensioners | 115 | 201 | 76 |

The service cost for the year ending 31 March 2018 is calculated using an estimate of the total pensionable payroll during the year. The estimated total pensionable payroll during the year is £8,518,000, as advised by the Employer. The projected service cost for the year ending 31 March 2019 has been calculated using an estimated payroll of £8,462,000, as advised by the Employer.

Scheduled contributions

The table below summarises the minimum employer contributions due from Newark & Sherwood District Council to the Fund over this inter-valuation period. The calculated cost of accrual of future benefits is 14.5% of payroll p.a.

| Minimum employer contributions due for the period beginning | 1 Apr 2017 | 1 Apr 2018 | 1 Apr 2019 |
|---|------------|------------|------------|
| Percent of payroll | 14.5% | 14.5% | 14.5% |
| plus monetary amount (£000s) | 1,299 | 1,330 | 1,362 |

Newark & Sherwood District Council may pay further amounts at any time and future periodic contributions, or the timing of contributions may be adjusted on a basis approved by us.

Early retirements

We requested data on any early retirements in respect of the Employer from the administering authority for the year ending 31 March 2018.

We have been notified of one new early retirement during the year which was not allowed for at the previous accounting date. The total annual pension that came into payment was £3,600.

Assets

The return on the Fund (on a bid value to bid value basis) for the year to 31 March 2018 is estimated to be 3%. The actual return on Fund assets over the year may be different.

The estimated asset allocation for Newark & Sherwood District Council as at 31 March 2018 is as follows:

| Asset breakdown | 31 Mar 2018 | | 31 Mar 2017 | |
|------------------------------|---------------|-------------|---------------|-------------|
| | £000s | % | £000s | % |
| Equities | 51,544 | 66% | 54,177 | 70% |
| Gilts | 1,796 | 2% | 2,368 | 3% |
| Other bonds | 9,157 | 12% | 4,673 | 6% |
| Property | 9,847 | 13% | 8,612 | 11% |
| Cash | 1,549 | 2% | 3,897 | 5% |
| Inflation-linked pooled fund | 1,939 | 2% | 1,934 | 2% |
| Infrastructure | 2,558 | 3% | 1,800 | 2% |
| Total | 78,390 | 100% | 77,461 | 100% |

We have estimated the bid values where necessary. Please note that the individual percentages shown are to the nearest percentage point for each asset class and may not sum to 100%. The final asset allocation of the Fund assets as at 31 March 2018 is likely to be different from that shown due to estimation techniques.

Based on the above, the Employer's share of the assets of the Fund is approximately 2%.

We received the following information from the administering authority regarding the detail of their assets as at 31 December 2017, representing the percentages of the total Fund held in each asset class (split by those that have a quoted market price in an active market, and those that do not).

| Asset breakdown | | 31 Dec 2017 | |
|---|----------------------------|--------------|--------------|
| | | % Quoted | % Unquoted |
| Fixed Interest Government Securities | | | |
| | UK | 2.3% | - |
| Corporate Bonds | | | |
| | UK | 11.2% | - |
| | Overseas | 0.5% | - |
| Equities | | | |
| | UK | 24.7% | 0.1% |
| | Overseas | 39.4% | - |
| Property | | | |
| | All | - | 12.6% |
| Others | | | |
| | Private Equity | - | 1.6% |
| | Infrastructure | - | 3.3% |
| | Inflation Linked | - | 2.5% |
| | Cash/Temporary Investments | - | 2.0% |
| Total | | 78.0% | 22.0% |

We do not have any further detail on the current asset allocation of the Fund; we suggest that if further information is required the administering authority is contacted in the first instance. Please note that as above, no adjustments for presentational purposes have been made to the percentages shown.

Actuarial methods and assumptions

Valuation approach

To assess the value of the Employer's liabilities at 31 March 2018, we have rolled forward the value of the Employer's liabilities calculated for the funding valuation as at 31 March 2016, using financial assumptions that comply with IAS19.

The full actuarial valuation involved projecting future cashflows to be paid from the Fund and placing a value on them. These cashflows include pensions currently being paid to members of the Fund as well as pensions (and lump sums) that may be payable in future to members of the Fund or their dependants. These pensions are linked to inflation and will normally be payable on retirement for the life of the member or a dependant following a member's death.

It is not possible to assess the accuracy of the estimated value of liabilities as at 31 March 2018 without completing a full valuation. However, we are satisfied that the approach of rolling forward the previous valuation data to 31 March 2018 should not introduce any material distortions in the results provided that the actual experience of the Employer and the Fund has been broadly in line with the underlying assumptions, and that the structure of the liabilities is substantially the same as at the latest formal valuation. From the information we have received there appears to be no evidence that this approach is inappropriate.

To calculate the asset share we have rolled forward the assets allocated to the Employer at 31 March 2016 allowing for investment returns (estimated where necessary), contributions paid into, and estimated benefits paid from, the Fund by and in respect of the Employer and its employees.

The Employer currently participates in the Newark & Sherwood District Council pool with other employers in order to share experience of risks they are exposed to in the Fund. At the 2016 valuation, the deficit for the whole pool was calculated and allocated to each employer in proportion to their value of liabilities. The next reallocation will be carried out at the 2019 valuation, should the Employer remain in the pool. Each employer within the pool pays a contribution rate based on the cost of benefits of the combined membership of the pool.

Demographic/Statistical assumptions

We have adopted a set of demographic assumptions that are consistent with those used for the most recent Fund valuation, which was carried out as at 31 March 2016. The post retirement mortality tables adopted are the S2PA tables with a multiplier of 100% for males and 90% for females. These base tables are then projected using the CMI 2015 Model, allowing for a long-term rate of improvement of 1.5% p.a.

The assumed life expectations from age 65 are:

| Life expectancy from age 65 (years) | | 31 Mar 2018 | 31 Mar 2017 |
|-------------------------------------|--|-------------|-------------|
| Retiring today | | | |
| Males | | 22.6 | 22.5 |
| Females | | 25.6 | 25.5 |
| Retiring in 20 years | | | |
| Males | | 24.8 | 24.7 |
| Females | | 27.9 | 27.8 |

We have also assumed that:

- Members will exchange half of their commutable pension for cash at retirement;
- Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age; and
- The proportion of the membership that had taken up the 50:50 option at the previous valuation date will remain the same.

Financial assumptions

The financial assumptions used to calculate the results are as follows:

| Assumptions as at | 31 Mar 2018 | 31 Mar 2017 | 31 Mar 2016 |
|-------------------|-------------|-------------|-------------|
| | % p.a. | % p.a. | % p.a. |
| Discount rate | 2.55% | 2.70% | 3.60% |
| Pension increases | 2.30% | 2.70% | 2.30% |
| Salary increases | 3.80% | 4.20% | 4.10% |

These assumptions are set with reference to market conditions at 31 March 2018.

Our estimate of the Employer's past service liability duration is 19 years.

An estimate of the Employer's future cashflows is made using notional cashflows based on the estimated duration above. These estimated cashflows are then used to derive a Single Equivalent Discount Rate (SEDR). The discount rate derived is such that the net present value of the notional cashflows, discounted at this single rate, equates to the net present value of the cashflows, discounted using the annualised Merrill Lynch AA rated corporate bond yield curve (where the spot curve is assumed to be flat beyond the 30 year point). The approach has changed from the "spot rate" approach adopted at the previous accounting date to reflect national auditor preferences.

Similarly to the approach used to derive the discount rate, the Retail Prices Index (RPI) increase assumption is set using a Single Equivalent Inflation Rate (SEIR) approach, using the notional cashflows described above. The single inflation rate derived is that which gives the same net present value of the cashflows, discounted using the annualised Merrill Lynch AA rated corporate bond yield curve, as applying the BoE implied inflation curve. As above, the Merrill Lynch AA rated corporate bond yield spot curve is assumed to be flat beyond the 30 year point and the BoE implied inflation spot curve is assumed to be flat beyond the 40 year point. The approach has changed from the "spot rate" approach adopted at the previous accounting date to reflect national auditor preferences.

As future pension increases are expected to be based on the Consumer Prices Index (CPI) rather than RPI, we have made a further assumption about CPI which is that it will be 1.0% p.a. below RPI i.e. 2.3% p.a. We believe that this is a reasonable estimate for the future differences in the indices, based on the different calculation methods and recent independent forecasts. This is a slightly higher deduction than at the last accounting date where we assumed that CPI was 0.9% lower than RPI.

Salaries are assumed to increase at 1.5% p.a. above CPI in addition to a promotional scale. However, we have allowed for a short-term overlay from 31 March 2016 to 31 March 2020 for salaries to rise in line with CPI. This is a slightly different assumption from the previous year where salaries were assumed to increase by 1.0% p.a. to 31 March 2020.

Past service costs/gains

Past service costs/gains arise as a result of introduction or withdrawal of, or changes to, member benefits. For example, an award of additional discretionary benefits to a member such as added years by a member would be considered a past service cost.

We are not aware of any additional benefits which were granted over the year ending 31 March 2018.

Curtailments

We have calculated the cost of curtailments arising as a result of the payment of unreduced pensions on early retirement. The Employer may also have to account for non-pension related costs (e.g. lump sum payments on redundancy) but for the avoidance of doubt, we have only calculated the cost of curtailments which affect the Employer's LGPS pension liabilities.

We calculate the cost of curtailments at the point of exit, with interest applied to the accounting date accounted for separately.

Over the year, we understand that one former employee became entitled to unreduced early retirement benefits.

The capitalised cost of the additional benefits on IAS19 compliant assumptions is calculated at £64,000. This figure has been included within the service cost in the statement of profit or loss.

Settlements

We are not aware of any liabilities being settled at a cost materially different to the accounting reserve during the year.

Results and disclosures

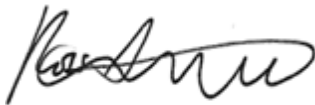
We estimate that the value of the net liability as at 31 March 2018 is a liability of £68,836,000.

The results of our calculations for the year ended 31 March 2018 are set out in the appendices below:

- Appendix 1 sets out the Statement of financial position as at 31 March 2018;
- Appendix 2 sets out the Statement of profit and loss for the year ended 31 March 2018;
- Appendix 3 details a reconciliation of assets and liabilities during the year;
- Appendix 4 shows a sensitivity analysis on the major assumptions;
- Appendix 5 shows the Re-measurements in other comprehensive income for the year;
- Appendix 6 contains our estimates of the projected profit and loss account costs for the year ending 31 March 2019. Please note that no allowance has been made for the costs of any early retirements or augmentations which may occur over the year and whose additional capitalised costs would be included in the value of liabilities. It is only an estimate so actual experience over the year is likely to differ. We have not provided balance sheet projections on the basis that they will depend upon market conditions and the asset value of the Fund at the end of the following year.

The figures presented in this report are prepared only for the purposes of IAS19. In particular, they are not relevant for calculations undertaken for funding purposes or for other statutory purposes under UK pensions legislation.

We would be pleased to answer any questions arising from this report.



Ross Anderson FFA
Actuary

Appendix 1 **Statement of financial position as at 31 March 2018**

| Net pension asset as at | 31 Mar 2018 | 31 Mar 2017 | 31 Mar 2016 |
|---|---------------|---------------|---------------|
| | £000s | £000s | £000s |
| Present value of the defined benefit obligation | 144,173 | 146,163 | 118,271 |
| Fair value of Fund assets (bid value) | 78,390 | 77,461 | 64,490 |
| Deficit / (Surplus) | 65,783 | 68,702 | 53,781 |
| Present value of unfunded obligation | 3,053 | 3,224 | 2,907 |
| Unrecognised past service cost | - | - | - |
| Impact of asset ceiling | - | - | - |
| Net defined benefit liability / (asset) | 68,836 | 71,926 | 56,688 |

Appendix 2 **Statement of profit and loss for the year to 31 March 2018**

| The amounts recognised in the profit and loss statement are: | Year to | Year to |
|--|--------------|--------------|
| | 31 Mar 2018 | 31 Mar 2017 |
| | £000s | £000s |
| Service cost | 3,461 | 2,176 |
| Net interest on the defined liability (asset) | 1,906 | 1,998 |
| Administration expenses | 30 | 23 |
| Total loss (profit) | 5,397 | 4,197 |

Appendix 3 **Asset and benefit obligation reconciliation for the year to 31 March 2018**

| Reconciliation of opening & closing balances of the present value of the defined benefit obligation | Year to | Year to |
|---|----------------|----------------|
| | 31 Mar 2018 | 31 Mar 2017 |
| | £000s | £000s |
| Opening defined benefit obligation | 149,387 | 121,178 |
| Current service cost | 3,397 | 2,165 |
| Interest cost | 3,983 | 4,294 |
| Change in financial assumptions | (5,790) | 30,377 |
| Change in demographic assumptions | - | 610 |
| Experience loss/(gain) on defined benefit obligation | - | (5,371) |
| Liabilities assumed / (extinguished) on settlements | - | - |
| Estimated benefits paid net of transfers in | (4,203) | (4,260) |
| Past service costs, including curtailments | 64 | 11 |
| Contributions by Scheme participants and other employers | 567 | 557 |
| Unfunded pension payments | (179) | (174) |
| Closing defined benefit obligation | 147,226 | 149,387 |

| Reconciliation of opening & closing balances of the fair value of Fund assets | Year to | Year to |
|--|---------------|---------------|
| | 31 Mar 2018 | 31 Mar 2017 |
| | £000s | £000s |
| Opening fair value of Fund assets | 77,461 | 64,490 |
| Interest on assets | 2,077 | 2,296 |
| Return on assets less interest | (16) | 12,355 |
| Other actuarial gains/(losses) | - | (199) |
| Administration expenses | (30) | (23) |
| Contributions by employer including unfunded | 2,713 | 2,419 |
| Contributions by Scheme participants and other employers | 567 | 557 |
| Estimated benefits paid plus unfunded net of transfers in | (4,382) | (4,434) |
| Settlement prices received / (paid) | - | - |
| Closing Fair value of Fund assets | 78,390 | 77,461 |

The total return on the fund assets for the year to 31 March 2018 is £2,061,000.

Appendix 4 Sensitivity analysis

| Sensitivity analysis | £000s | £000s | £000s |
|--|---------|---------|----------|
| Adjustment to discount rate | +0.1% | 0.0% | -0.1% |
| Present value of total obligation | 144,550 | 147,226 | 149,953 |
| Projected service cost | 3,064 | 3,139 | 3,216 |
| Adjustment to long term salary increase | +0.1% | 0.0% | -0.1% |
| Present value of total obligation | 147,461 | 147,226 | 146,992 |
| Projected service cost | 3,139 | 3,139 | 3,139 |
| Adjustment to pension increases and deferred revaluation | +0.1% | 0.0% | -0.1% |
| Present value of total obligation | 149,722 | 147,226 | 144,775 |
| Projected service cost | 3,216 | 3,139 | 3,063 |
| Adjustment to life expectancy assumptions | +1 Year | None | - 1 Year |
| Present value of total obligation | 152,887 | 147,226 | 141,780 |
| Projected service cost | 3,239 | 3,139 | 3,042 |

Appendix 5 Re-measurements in other comprehensive income

| Remeasurement of the net assets / (defined liability) | Year to | Year to |
|--|--------------|-----------------|
| | 31 Mar 2018 | 31 Mar 2017 |
| | £000s | £000s |
| Return on Fund assets in excess of interest | (16) | 12,355 |
| Other actuarial gains/(losses) on assets | - | (199) |
| Change in financial assumptions | 5,790 | (30,377) |
| Change in demographic assumptions | - | (610) |
| Experience gain/(loss) on defined benefit obligation | - | 5,371 |
| Changes in effect of asset ceiling | - | - |
| Remeasurement of the net assets / (defined liability) | 5,774 | (13,460) |

Appendix 6 **Projected pension expense for the year to 31 March 2019**

| Projections for the year to 31 March 2019 | Year to 31 Mar 2019 £000s |
|---|---------------------------------|
| Service cost | 3,139 |
| Net interest on the defined liability (asset) | 1,721 |
| Administration expenses | 30 |
| Total loss (profit) | 4,890 |
| Employer contributions | 2,557 |

Note that these figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2018. These projections are based on the assumptions as at 31 March 2018, as described in the main body of this report.

ANNUAL TREASURY REPORT 2017/18

1. Background

- 1.1. The Council's treasury management activity is underpinned by CIPFA's Code of Practice on Treasury Management ('the Code') which requires local authorities to produce annually Prudential Indicators and a Treasury Management Strategy Statement on the likely financing and investment activity. The Code also recommends that members are informed of treasury management activities at least twice a year. Scrutiny of treasury policy, strategy and activity is delegated to the Audit and Accounts Committee.
- 1.2. Treasury management is defined as: 'The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.'
- 1.3. Overall responsibility for treasury management remains with the Council. No treasury management activity is without risk; the effective identification and management of risk are integral to the Council's treasury management strategy.

2. Economic Background

- 2.1. 2017-18 was characterised by the push-pull from expectations of tapering of Quantitative Easing (QE) and the potential for increased policy rates in the US and Europe and from geopolitical tensions, which also had an impact.
- 2.2. The UK economy showed signs of slowing with latest estimates showing GDP, helped by an improving global economy, grew by 1.8% in calendar 2017, the same level as in 2016. This was a far better outcome than the majority of forecasts following the EU Referendum in June 2016, but it also reflected the international growth momentum generated by the increasingly buoyant US economy and the re-emergence of the Eurozone economies.
- 2.3. The inflationary impact of rising import prices, a consequence of the fall in sterling associated with the EU referendum result, resulted in year-on-year CPI rising to 3.1% in November before falling back to 2.7% in February 2018. Consumers felt the squeeze as real average earnings growth, i.e. after inflation, turned negative before slowly recovering. The labour market showed resilience as the unemployment rate fell back to 4.3% in January 2018. The inherent weakness in UK business investment was not helped by political uncertainty following the surprise General Election in June and by the lack of clarity on Brexit, the UK and the EU only reaching an agreement in March 2018 on a transition which will now be span Q2 2019 to Q4 2020. The Withdrawal Treaty is yet to be ratified by the UK parliament and those of the other 27 EU member states and new international trading arrangements are yet to be negotiated and agreed.

- 2.4. The Bank of England's Monetary Policy Committee (MPC) increased Bank Rate by 0.25% in November 2017. It was significant in that it was the first rate hike in ten years, although in essence the MPC reversed its August 2016 cut following the referendum result. The February Inflation Report indicated the MPC was keen to return inflation to the 2% target over a more conventional (18-24 month) horizon with 'gradual' and 'limited' policy tightening. Although in March two MPC members voted to increase policy rates immediately and the MPC itself stopped short of committing itself to the timing of the next increase in rates, the minutes of the meeting suggested that an increase in May 2018 was highly likely.
- 2.5. In contrast, economic activity in the Eurozone gained momentum and although the European Central Bank removed reference to an 'easing bias' in its market communications and had yet to confirm its QE intention when asset purchases end in September 2018, the central bank appeared some way off normalising interest rates. The US economy grew steadily and, with its policy objectives of price stability and maximising employment remaining on track, the Federal Reserve Open Market Committee (FOMC) increased interest rates in December 2017 by 0.25% and again in March, raising the policy rate target range to 1.50% - 1.75%. The Fed is expected to deliver two more increases in 2018 and a further two in 2019. However, the imposition of tariffs on a broadening range of goods initiated by the US, which has led to retaliation by China, could escalate into a deep-rooted trade war having broader economic consequences including inflation rising rapidly, warranting more interest rate hikes.
- 2.6 **Financial markets:** The increase in Bank Rate resulted in higher money markets rates: 1-month, 3-month and 12-month LIBID rates averaged 0.32%, 0.39% and 0.69% and at 31st March 2018 were 0.43%, 0.72% and 1.12% respectively.
- 2.7 Gilt yields displayed significant volatility over the twelve-month period with the change in sentiment in the Bank of England's outlook for interest rates. The yield on the 5-year gilts which had fallen to 0.35% in mid-June rose to 1.65% by the end of March. 10-year gilt yields also rose from their lows of 0.93% in June to 1.65% by mid-February before falling back to 1.35% at year-end. 20-year gilt yields followed an even more erratic path with lows of 1.62% in June, and highs of 2.03% in February, only to plummet back down to 1.70% by the end of the financial year.
- 2.8 The FTSE 100 had a strong finish to calendar 2017, reaching yet another record high of 7688, before plummeting below 7000 at the beginning of 2018 in the global equity correction and sell-off.
- 2.9 **Credit Metrics:** In the first quarter of the financial year, UK bank credit default swaps reached three-year lows on the announcement that the Funding for Lending Scheme, which gave banks access to cheaper funding, was being extended to 2018. For the rest of the year, CDS prices remained broadly flat.
- 2.10 The rules for UK banks' ring-fencing were finalised by the Prudential Regulation Authority and banks began the complex implementation process ahead of the statutory deadline of 1st January 2019. As there was some uncertainty surrounding which banking entities the Authority would be dealing with once ring-fencing was implemented and what the balance sheets of the ring-fenced and non-ring-fenced entities would look like, in May 2017 Arlingclose advised adjusting downwards the maturity limit for

unsecured investments to a maximum of 6 months. The rating agencies had slightly varying views on the creditworthiness of the restructured entities.

- 2.11 Barclays was the first to complete its ring-fence restructure over the 2018 Easter weekend; wholesale deposits including local authority deposits will henceforth be accepted by Barclays Bank plc (branded Barclays International), which is the non-ring-fenced bank.
- 2.12 **Money Market Fund regulation:** The new EU regulations for Money Market Funds (MMFs) were finally approved and published in July and existing funds will have to be compliant by no later than 21st January 2019. The key features include Low Volatility Net Asset Value (LVNAV) Money Market Funds which will be permitted to maintain a constant dealing NAV, providing they meet strict new criteria and minimum liquidity requirements. MMFs will not be prohibited from having an external fund rating (as had been suggested in draft regulations). Arlingclose expects most of the short-term MMFs it recommends to convert to the LVNAV structure and awaits confirmation from each fund.

Credit Rating Developments

- 2.13 The most significant change was the downgrade by Moody's to the UK sovereign rating in September from Aa1 to Aa2 which resulted in subsequent downgrades to sub-sovereign entities including local authorities.
- 2.14 Changes to credit ratings included Moody's downgrade of Standard Chartered Bank's long-term rating to A1 from Aa3 and the placing of UK banks' long-term ratings on review to reflect the impending ring-fencing of retail activity from investment banking (Barclays, HSBC and RBS were on review for downgrade; Lloyds Bank, Bank of Scotland and National Westminster Bank were placed on review for upgrade).
- 2.15 Standard & Poor's (S&P) revised upwards the outlook of various UK banks and building societies to positive or stable and simultaneously affirmed their long and short-term ratings, reflecting the institutions' resilience, progress in meeting regulatory capital requirements and being better positioned to deal with uncertainties and potential turbulence in the run-up to the UK's exit from the EU in March 2019. The agency upgraded Barclays Bank's long-term rating to A from A- after the bank announced its plans for its entities post ring-fencing.
- 2.16 Fitch revised the outlook on Nationwide Building Society to negative and later downgraded the institution's long-term ratings due to its reducing buffer of junior debt. S&P revised the society's outlook from positive to stable.
- 2.17 S&P downgraded Transport for London to AA- from AA following a deterioration in its financial position.
- 2.18 **Other Developments:** In February, Arlingclose advised against lending to Northamptonshire County Council (NCC). NCC issued a section 114 notice in the light of severe financial challenge and the risk that it would not be in a position to deliver a balanced budget.
- 2.19 In March, following Arlingclose's advice, the Authority removed RBS plc and National Westminster Bank from its counterparty list. This did not reflect any change to the creditworthiness of either bank, but a tightening in Arlingclose's recommended minimum credit rating criteria to A- from BBB+ for FY 2018-19. The current long-term ratings of RBS

and NatWest do not meet this minimum criterion, although if following ring-fencing NatWest is upgraded, the bank would be reinstated on the Authority's lending list.

3. Local Authority Regulatory Changes

- 3.1. Revised CIPFA Codes: CIPFA published revised editions of the Treasury Management and Prudential Codes in December 2017. The required changes from the 2011 Code have been incorporated into Treasury Management Strategies and monitoring reports.
- 3.2. The 2017 Prudential Code introduces the requirement for a Capital Strategy which provides a high-level overview of the long-term context of capital expenditure and investment decisions and their associated risks and rewards along with an overview of how risk is managed for future financial sustainability. Where this strategy is produced and approved by full Council, the determination of the Treasury Management Strategy can be delegated to a committee. The Code also expands on the process and governance issues of capital expenditure and investment decisions.
- 3.3. The Council approved a Capital Strategy on 8 March 2018 alongside the Treasury Management Strategy.
- 3.4. In the 2017 Treasury Management Code the definition of 'investments' has been widened to include financial assets as well as non-financial assets held primarily for financial returns such as investment property. These, along with other investments made for non-treasury management purposes such as loans supporting service outcomes and investments in subsidiaries, must be discussed in the Capital Strategy or Investment Strategy. Additional risks of such investments are to be set out clearly and the impact on financial sustainability is to be identified and reported.
- 3.5. MHCLG Investment Guidance and Minimum Revenue Provision (MRP): In February 2018 the MHCLG (Ministry of Housing, Communities and Local Government) published revised Guidance on Local Government and Investments and Statutory Guidance on Minimum Revenue Provision (MRP).
- 3.6. Changes to the Investment Guidance include a wider definition of investments to include non-financial assets held primarily for generating income return and a new category called "loans" (e.g. temporary transfer of cash to a third party, joint venture, subsidiary or associate). The Guidance introduces the concept of proportionality, proposes additional disclosure for borrowing solely to invest and also specifies additional indicators. Investment strategies must detail the extent to which service delivery objectives are reliant on investment income and a contingency plan should yields on investments fall.
- 3.7. The definition of prudent MRP has been changed to "put aside revenue over time to cover the CFR"; it cannot be a negative charge and can only be zero if the CFR is nil or negative. Guidance on asset lives has been updated, applying to any calculation using asset lives. Any change in MRP policy cannot create an overpayment; the new policy must be applied to the outstanding CFR going forward only.
- 3.8. MiFID II: As a result of the second Markets in Financial Instruments Directive (MiFID II), from 3 January 2018 local authorities were automatically treated as retail clients but could "opt up" to professional client status, providing certain criteria was met which includes having an

investment balance of at least £10 million and the person(s) authorised to make investment decisions on behalf of the authority have at least a year's relevant professional experience. In addition, the regulated financial services firms to whom this directive applies have had to assess that that person(s) have the expertise, experience and knowledge to make investment decisions and understand the risks involved.

- 3.9. The Authority has met the conditions to opt up to professional status and has done so in order to maintain its erstwhile MiFID II status prior to January 2018. The Authority will continue to have access to products including money market funds, pooled funds, treasury bills, bonds, shares and to financial advice.

4. Local Context

- 4.1. At 31/03/2018 the Council's underlying need to borrow for capital purposes as measured by the Capital Financing Requirement (CFR) was £122m, while usable reserves and working capital which are the underlying resources available for investment were £42.5m.
- 4.2. At 31/03/2018, the Council had £89m of borrowing and £24m of investments. The Council's current strategy is to maintain borrowing below the underlying level indicated by the CFR, and to use internal resources to cover the gap. This is referred to as internal borrowing.
- 4.3. The Council has an increasing CFR over the next 2 years of £1.64m, due to the borrowing requirement of £5.7m (GF £1.6m / HRA £4.1m) for financing the capital programme over the forecast period, if reserve levels permit internal borrowing will be considered. The CFR requirement reduces when minimum revenue provisions are made and the repayment of debt, over the forecast period there are three loans due for repayment with a combined total value of £3.0m.

5. Borrowing Strategy

- 5.1. Borrowing Activity in 2017/18

| | Balance 1/4/17 £000 | New Borrowing £000 | Debt Maturing £000 | Balance 31/3/18 £000 |
|--|------------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|
| CFR | 114,489 | | | 124,681 |
| Short Term Borrowing | 3,917 | 12,853 | 13,477 | 3,293 |
| Long Term Borrowing | 87,123 | 0 | 1,020 | 86,103 |
| Total Borrowing | 91,040 | 12,853 | 14,497 | 89,396 |
| Other Long Term Liabilities | 224 | 0 | 0 | 224 |
| Total External Debt | 91,264 | 12,853 | 14,497 | 89,620 |
| Increase/(Decrease) in Borrowing £000 | | | | (1,644) |

- 5.2. The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

- 5.3. Affordability remained an important influence on the Council’s borrowing strategy alongside the “cost of carry” - consideration that, for any borrowing undertaken ahead of need, the proceeds would have to be invested in the money markets at rates of interest significantly lower than the cost of borrowing. As short-term interest rates have remained, and are likely to remain lower than long-term rates, at least over the forthcoming two years, the Council determined it was more cost effective in the short-term to use internal resources instead of borrowing.
- 5.4. The benefits of internal borrowing were monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise. Arlingclose assists the Council with this ‘cost of carry’ and breakeven analysis.
- 5.5. **LOBOs:** The Council holds £3.5m of LOBO (Lender’s Option Borrower’s Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. All of the £3.5m of LOBOs had options during the year, none of which were exercised by the lender.
- 5.6. **Debt Rescheduling:** The premium charge for early repayment of PWLB debt remained relatively expensive for the loans in the Council’s portfolio and therefore unattractive for debt rescheduling activity. No rescheduling activity was undertaken as a consequence.

6. Investment Activity

6.1. Investment Activity in 2017/18

| | Balance 1/4/17 £000 | New Investments £000 | Investments Redeemed £000 | Balance 31/3/18 £000 |
|---|------------------------------------|-------------------------------------|--|-------------------------------------|
| Short Term Investments | 27,864 | 135,611 | 139,003 | 24,472 |
| Long Term Investments | 0 | 0 | 0 | 0 |
| Total Investments | 27,864 | 135,611 | 139,003 | 24,472 |
| Increase/(Decrease) in Investments £000 | | | | (3,392) |

- 6.2. The Council has held invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2017/18 the Council’s investment balances have ranged between £21.1 and £39.5 million. The Guidance on Local Government Investments in England gives priority to security and liquidity and the Council’s aim is to achieve a yield commensurate with these principles.
- 6.3. Security of capital remained the Council’s main objective. This was maintained by following the Council’s counterparty policy as set out in its Treasury Management Strategy Statement for 2017/18.
- 6.4. Counterparty credit quality is assessed and monitored by Arlingclose, the Council’s treasury advisors, with reference to credit ratings; credit default swap prices, financial statements, information on potential government support and reports in the quality financial press.

Arlingclose provide recommendations for suitable counterparties and maximum investment periods.

7. Compliance with Prudential Indicators

7.1. The Council can confirm that it has complied with its Prudential Indicators for 2017/18, which were set on 9 March 2017 as part of the Council's Treasury Management Strategy Statement, other than the Interest Rate Exposure indicator (see para 7.2 below).

7.2. **Interest Rate Exposure:** These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates for both borrowing and investments. The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments. The figure shown below for the variable rate for investments has exceeded the limit, although the Net effect is within the limit. All our investments are short term and there were no fixed rates that were comparable to variable rates, over the short term.

| | Approved Limit for 2017/18 £m | Maximum during 2017/18 £m |
|---|-------------------------------------|---------------------------------|
| <u>Fixed Rate</u> | | |
| Borrowing | 124.2 | 87.1 |
| Investments | -5 | 0 |
| Net Upper Limit for Fixed Rate Exposure | 119.2 | 87.1 |
| <i>Compliance with Limit</i> | | <i>Yes</i> |
| <u>Variable Rate</u> | | |
| Borrowing | 31 | 4.9 |
| Investments | -37.3 | -39.5 |
| Net Upper Limit for Variable Rate Exposure | -6.3 | -34.6 |
| <i>Compliance with Limit</i> | | <i>No</i> |

7.3. **Maturity Structure of Fixed Rate Borrowing.** This indicator is to limit large concentrations of fixed rate debt and control the Council's exposure to refinancing risk.

| | Upper Limit % | Fixed Rate Borrowing 31/03/18 £m | Fixed Rate Borrowing 31/3/18 % | Compliance? |
|----------------------|------------------|---|---|-------------|
| Under 12 months | 15% | 4.5 | 5.3% | Yes |
| 12 months to 2 years | 15% | 2 | 2.4% | Yes |
| 2 years to 5 years | 30% | 13.6 | 15.8% | Yes |
| 5 years to 10 years | 100% | 22.7 | 26.4% | Yes |
| 10 years and above | 100% | 43.3 | 50.1% | Yes |

7.4. **Principal Sums Invested for over 364 Days.** All investments were made on a short-term basis and there were no investments for more than 364 days.

7.5. **Authorised Limit and Operational Boundary for External Debt.** The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit, irrespective of their indebted status. This is a statutory limit which should not be breached. The Operational Boundary is based on the same estimates as the Authorised Limit but reflects the most likely, prudent but not worst case scenario without the additional headroom included within the Authorised Limit. The s151 Officer confirms that there were no breaches to the Authorised Limit and the Operational Boundary during 2017/18; borrowing at its peak was £92.7m.

| | Approved Operational Boundary 2017/18 £m | Authorised Limit 2017/18 £m | Actual External Debt 31/03/18 £m |
|-----------------------------|---|--|---|
| Borrowing | 141.8 | 155.2 | 89.4 |
| Other Long Term Liabilities | 0.4 | 0.6 | 0.2 |
| Total | 142.2 | 155.8 | 89.6 |

7.6. In compliance with the requirements of the CIPFA Code of Practice this report provides members with a summary of the treasury management activity during 2017/18. A prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

7.7. The Council also confirms that during 2017/18 it complied with its Treasury Management Policy Statement and Treasury Management Practices.

POLICY & FINANCE COMMITTEE

28 JUNE 2018

NEWARK AND SHERWOOD HOMES LIMITED – REMUNERATION OF BOARD MEMBERS

1.0 Purpose of Report

1.1 To consider the payment levels for remuneration of Board Members of the Company.

2.0 Background Information

2.1 At its meeting on 10 October 2017, Full Council approved an honorarium payment of £6,500 per annum to the current Chairman of the Board. It also agreed to introduce the facility to make an honorarium payment to other board members to be determined by the Board from time to time and subject to the Council's approval. Following this approval the Constitution of the Company was changed accordingly.

2.2 The Company's Board has now requested the Council's approval, as shareholder, to implement an honorarium payment of £2,000 to board members (excluding the Chair and Vice Chair) and £4,000 per annum to the Vice Chair of the Board. The honorarium would be made available to those wishing to claim it. Honorarium payments to Council Board Members would be subject to the restrictions imposed by the Local Government Companies Order 1995.

3.0 Equalities Implications

3.1 There are no direct equalities implications arising from the report.

4.0 Budgetary Implication/Policy Framework

4.1 As per the detail provided in the Council report on 10 October 2017, the additional cost will be between £20,000 and £22,000 (dependant on the timing of the reduction in membership).

5.0 Comment from Deputy S151 Officer

5.1 No provision has been made for this additional cost within the HRA, so will need to be met from Newark & Sherwood Homes existing management fee.

6.0 RECOMMENDATION

That the Committee consider the request received from the Company to approve the level of honorarium payments to the Board Members.

Reason for Recommendation

To enable the Company Board Members level of remuneration to be determined.

Background Papers

Nil

For further information please contact Karen White on Ext. 5240.

Karen White
Director - Safety

POLICY & FINANCE COMMITTEE

28 JUNE 2018

82 MILLGATE, NEWARK - PROPOSED DISPOSAL

1.0 Purpose of Report

1.1 To consider the future use of 82 Millgate, Newark.

2.0 Background

2.1 82 Millgate is a property owned by the District Council, held within the Housing Revenue Account, which is currently used to provide bed-sit type accommodation for single persons with additional needs. There are 6 units, of which five are currently occupied.

2.2 The property is managed by Newark and Sherwood Homes on behalf of the Council. At the Council's request the Company has recently undertaken a review of the future use of the property, including a financial appraisal, following concerns regarding the future viability of 82 Millgate due to its constraints and maintenance issues given its small size and age of the building. There has also been a number of housing management issues over a sustained period leading to complaints from neighbouring residents arising from the use of the building.

2.3 The financial appraisal looked at the viability of the property in terms of the following options:

- a) Maintain the status quo – let as social housing with planned levels of investment;
- b) Disposal on the open market with vacant possession in its current condition;
- c) Retain and remodel to convert to flats for market rent; or
- d) Remodel and refurbish to higher specification units for market sale

After taking into account the higher than average costs associated with managing this building due to its age and type of units etc. and the questions over the suitability of accommodation of this type in this location, it is recommended that the most sustainable option in the management of the Housing Revenue Account Business Plan is option b).

3.0 Proposal

3.1 It is proposed that consideration be given to disposing of the property on the open market with vacant possession. If this option is supported by the Committee in principle, there should be consultation with the existing tenants over the proposal, which can then be reported back to the next meeting of the Committee before a final decision is taken whether or not to proceed with the disposal.

3.2 If the Council proceeds with the disposal option, the existing tenants will be offered suitable alternative accommodation. There may also be a legal requirement to make home loss payments to the tenants.

4.0 Equalities Implications

4.1 The property is currently occupied by single occupants housed with Priority 1 and 2 housing need from the Council's allocation scheme. There will be a requirement to rehouse the existing tenants in suitable alternative accommodation. Consultation with the residents will be undertaken prior to a final decision being made concerning the disposal of the building.

5.0 Comments from Deputy S151 officer

5.1 The sale of this property will generate a capital receipt, which will ring-fenced to the HRA. This will then support the HRA Capital Programme for future investment.

5.2 There is currently no budget provision for the home loss payments. These would have to be met from within HRA revenue resources.

6.0 RECOMMENDATIONS that:

- (a) the Committee consider the proposed disposal of 82 Millgate, Newark; and**
- (b) if disposal is supported in principle, the existing tenants be consulted over the proposed sale and a report be submitted to the next meeting of the Committee for the results of the consultation to be considered and a final decision made concerning the future of the property.**

Reason for Recommendations

To effectively manage the Council's assets to deliver a viable 30 year HRA Business Plan.

Background Papers

Nil

For further information please contact Karen White on 01636 655240

Karen White
Director - Safety

POLICY & FINANCE COMMITTEE

26 JUNE 2018

JUBILEE BRIDGE - NEWARK

1.0 Purpose of Report

- 1.1 To inform Members of the cost of maintaining the Millennium Jubilee Bridge for the next 20 years and to seek approval for a general fund capital and revenue budget for 2018/19.

2.0 Background Information

- 2.1 The Millennium Jubilee Bridge was built in 2002 and spans over the River Trent. It is located approximately 400 metres down stream of Newark Town Bridge. It caters for both foot and cycle traffic linking Mather Road, the towpath and Kings Marina to Cow Lane. The bridge is a cable-stayed structure with a main span over the river of 45 metres and a back span to the West side of approximately 11 metres. The West embankment pier carries a pair of steel support masts of approximately 20 metres height.
- 2.2 The options considered for on-going maintenance are (i) for the Asset Management Service of the Council to be responsible for the on-going maintenance, or (ii) reach an agreement with Nottinghamshire County Council to maintain the bridge.

3.0 Proposals

- 3.1 The Council commissioned an inspection report from Via East Midlands Ltd (Via) which was completed on 2 May 2018 and the report issued on 30 May 2018.
- 3.2 The Via Report noted that structurally the bridge is in generally good condition with no significant defects in urgent need of repair. The recommendation is that with a regular maintenance and cleaning regime, structure deterioration is checked and minimised, thereby avoiding unforeseen major expense items.
- 3.3 Specific items that have been noted relate to isolated deck boards that require re-fix and/or repair and loose traction strips to be re-attached.
- 3.4 Other items include cleaning and decorating.
- 3.5 Enhancements to the bridge such as improving the lighting with vandal resistant LED lights and a CCTV installation are also considerations, especially alongside town and tourism strategies to improve the attractiveness and footfall in this area.
- 3.6 Nottinghamshire County Council have estimated a commuted sum of £430,000 to take on the responsibility for maintenance for the remainder of the life of the bridge. If the useful remaining life is estimated at 44 years, then this equates to an average cost of around £9,800 per year.
- 3.7 Asset Management, alternatively, have reviewed the Via bridge inspection report and noted the recommendations they have made. These recommendations have been categorised as annual maintenance, recommended work to carry out 2018/19 year and re-

occurrence period noted. Further, the cost of one-off items – for example replacing timber handrails with ‘lifetime’ stainless steel items – has also been identified. Finally, the cost of regular inspections and their durations is included. The maintenance and inspection costs are estimated at £4,300p/a. The one-off cost, as detailed in Appendix is £51,500. The total cost of maintenance estimated by the Asset Management team (including the one-off cost) is £156,000 over 20 years, or a cost on average of £7,800 per year.

- 3.8 It is proposed that the maintenance of the Millennium Jubilee Bridge for the next 20 years be given to the Council’s asset Management Team.

4.0 Equalities Implications

- 4.1 None.

5.0 Impact on Budget/Policy Framework

The financial implications of the proposal for Asset Management to carry out the maintenance of the Millennium Jubilee Bridge is set out in 3.7 above and in **Appendix A** of this report.

The required budget for the current, 2018/19 year of £51,500 will be funded from general fund balances and the on-going annual maintenance costs of £4,300 will be built into the base budget from 2019/20 onwards.

6.0 Comments of Director of Resources

- 6.1 Asset Management have compiled the estimated budget on the basis of retaining the Jubilee Bridge in NSDC ownership. The ongoing maintenance compares favourably with the required commuted sum that has been put forward by Nottinghamshire County Council of £430,000 (Report CMT 3 April 2018). The Jubilee Bridge forms a strategic part in the continued development of this area. It is currently in good condition.

7.0 RECOMMENDATIONS that:

- (a) the proposal for the maintenance of the Millennium Jubilee Bridge to be carried out by the Council’s Asset Management Team, be approved;**
- (b) the budget for 2018/19 of £51,500, to be funded from General Fund Balances, be approved; and**
- (c) the annual maintenance cost of £4,300 be included in the General Fund base budget from 2019/20 onwards.**

Reason for Recommendations

The Millennium Jubilee Bridge needs to be maintained for Health and Safety reasons as well as to ensure its longevity.

The ongoing maintenance costs estimated by the Council’s Asset Management Team compares favourably with the required commuted sum that has been put forward by Nottinghamshire County and therefore provides better value for money for the Council.

Background Papers

Via East Midlands Ltd Principal Bridge Inspection Report issued 31 May 2018, reference 3608P_PI-Report_2018

For further information please contact Steven Syddall, Business Manager – Asset Management on extn. 5385.

Sanjiv Kohli
Deputy Chief Executive/Director – Resources

| Recommended work 2018/19 | Estimated cost £ | Repeat | 20 yr cost | Notes |
|---|-------------------|-----------------|--------------------|--|
| Clean bridge steelwork and decking | £5,000.00 | 6yr intervals | £15,000.00 | Not done for 16yrs |
| Replace rotten handrails with stainless | £9,500.00 | Never | £9,500.00 | Broken and rotten in parts. Suggest replace with stainless steel handrails (vandal proof fixings to avoid theft) |
| Lighting - LED | £10,000.00 | 20 yrs. | £10,000.00 | Vandalised repeatedly, footlights are not working, uplighters cage is rusted lights vandalised |
| Decking repairs | £5,000.00 | 10 yr intervals | £10,000.00 | Generally ok but loose and moving in parts, antislip strips missing, broken timbers |
| Decoration | £4,000.00 | 6 yr intervals | £12,000.00 | Touch up along whole bridge especially at low level, including surface corrosion on steel, plus concrete work areas. |
| CCTV | £3,000.00 | 10 yrs | £6,000.00 | |
| | £36,500.00 | | £62,500.00 | |
| Recommended Annual Maintenance | | | 20yr cost | |
| General repairs graffiti cleaning and vandalism | £1,000.00 | | £20,000.00 | |
| Lighting repairs | £800.00 | | £16,000.00 | Blown lamps and vandalism |
| Timber decking repairs | £500.00 | | £10,000.00 | General wear and tear |
| antislip strip repairs | £500.00 | | £10,000.00 | General wear and tear |
| | £2,800.00 | | £56,000.00 | |
| Other maintenance | | | | |
| Tie rods, support mast and upper structural members | £5,000.00 | 10 yr intervals | £10,000.00 | Attend to surface corrosion, apply anti corrosion |
| Painting & decorating complete structure | £10,000.00 | 10 yr intervals | £20,000.00 | Possibly not been decorated for 16 yrs? |
| | £15,000.00 | | £30,000.00 | |
| Inspections | | | | |
| Principal inspection - NB carried out May 2018 | £1,500.00 | 6yr intervals | £6,000.00 | |
| General inspection | £250.00 | 2 yr intervals | £1,500.00 | |
| | £375.00 | av/yr | £7,500.00 | |
| Estimated expenditure 2018 - 2038 | | | £156,000.00 | 20 year costs exclude indexation |

Note

- NCC indicated a dowry of approx £430,000 required for the lifetime of asset. If this is assumed as a 60 year life, there are approx 44 years remaining.
- That equates to an approximate sum per annum of **£9,800.00**
- Our estimate shows an average spend per annum of **£7,800.00** if all items were carried out as indicated in table
- This does include enhancement (lighting and CCTV) to benefit tourism plan and improvements to this area
- Excludes unforeseens - eg foundation deterioration (but no evidence of this)
- Regular maintenance will minimise/remove major expenditure items
- Future year costs exclude indexation

| Recommended Annual Maintenance | | |
|---|-----------|------------------|
| General repairs graffiti cleaning and vandalism | £1,000.00 | |
| Lighting repairs | £800.00 | |
| Timber decking repairs | £500.00 | |
| antislip strip repairs | £500.00 | |
| | | £2,800.00 |

| Inspections | | |
|--|-----------|------------------|
| Principal inspection - NB carried out May 2018 | £1,500.00 | £1,500.00 |

| Recommended Work 2018/2019 | | |
|---|------------|-------------------|
| Clean bridge steelwork and decking | £5,000.00 | |
| Replace rotten handrails with stainless | £9,500.00 | |
| Lighting - LED | £10,000.00 | |
| Decking repairs | £5,000.00 | |
| Decoration | £4,000.00 | |
| CCTV | £3,000.00 | |
| | | £36,500.00 |

| Other maintenance | | |
|---|------------|-------------------|
| Tie rods, support mast and upper structural members | £5,000.00 | |
| Painting & decorating complete structure | £10,000.00 | |
| | | £15,000.00 |

POLICY AND FINANCE COMMITTEE

28 JUNE 2018

TOUR OF BRITAIN 2018 – BUDGET REQUEST

1.0 Purpose of Report

1.1 To secure approval for budget provision of £10,000 to cover the costs associated with the District Council being a project partner hosting Stage 7 of the 2018 Tour of Britain in Nottinghamshire.

2.0 Background Information

2.1 Members will be aware that Policy & Finance agreed at its meeting on 25 January that the Council gives 'in principle' support to the County Project team to deliver the 2018 stage of the Tour in Nottinghamshire.

2.2 It has now been confirmed that Nottinghamshire will host Stage 7 of the Race on Saturday 7 September 2018 which is the penultimate stage before the race concludes in London the following day.

2.3 The 2018 race will start in Rushcliffe (West Bridgford) and finish in Mansfield. It will cover 220 kilometres of the county's roads with Newark & Sherwood hosting approximately 73 kilometres of the course, taking in 20 of our towns and villages. Route details are attached in **Appendix A**.

2.4 The success of the 2017 event and the associated positive exposure brought to Nottinghamshire and in particular our District through live international media coverage had a positive impact on tourism and generated significant additional visitor spend during the event.

2.5 Although the District is not hosting the start or finish in 2018, it will be necessary to have a budget provision to enable the Project Team to improve on the community engagement that was palpable last year and thereby promoting the District in the best possible light. This includes ensuring that the route is clean and well-presented and that communities are supported and encouraged to mobilise and embrace the event as they did in 2017 which was recognised by the Tour organisers last year as an exceptional effort in Newark and Sherwood.

2.6 Accordingly the £10,000 budget request would cover a contribution towards partner hosting costs of £5,000 and £5,000 towards costs associated with ensuring that exposure opportunities are maximised for the District Council and its communities and in doing so support the Council's corporate themes in respect of People, Place and Public Service.

2.7 In addition a proposal is in development for a 'Notts. Tour Ride' event on the Sunday after the Stage which it is hoped will encourage some visitors to stay in the area overnight and others to participate in a special event which will further highlight Newark and Sherwood.

3.0 Proposals

3.1 Policy & Finance Committee approve a budget provision of £10,000 to cover the costs associated with the District Council being a project partner hosting Stage 7 of the 2018 Tour of Britain in Nottinghamshire.

4.0 Equalities Implications

4.1 This event is being organised nationally by Sweet Spot Promotions on behalf of the Tour of Britain and will be delivered in accordance with the Equalities Act. The District Council will be mindful of its obligations under the Equalities Act in respect of its contribution to the event in the District.

5.0 Impact on Budget/Policy Framework

5.1 There is no budget approval for the 2018 Tour of Britain event therefore Members of the Policy & Finance Committee need to approve the request for a budget in accordance with the Council's Financial Procedure Rules.

6.0 Comments of Business Manager – Financial Services

6.1 The £10,000 budget will be funded from general fund balances within the current financial year.

7.0 RECOMMENDATION

That a budget provision of £10,000 to cover the costs associated with the District Council being a project partner hosting Stage 7 of the 2018 Tour of Britain in Nottinghamshire be approved.

Reason for Recommendation

To ensure suitable budget provision exists to cover all costs associated with staging the 2018 event.

Background Papers

Nil

For further information please contact Andy Hardy on Ext 5708

Kirsty Cole
Acting Chief Executive

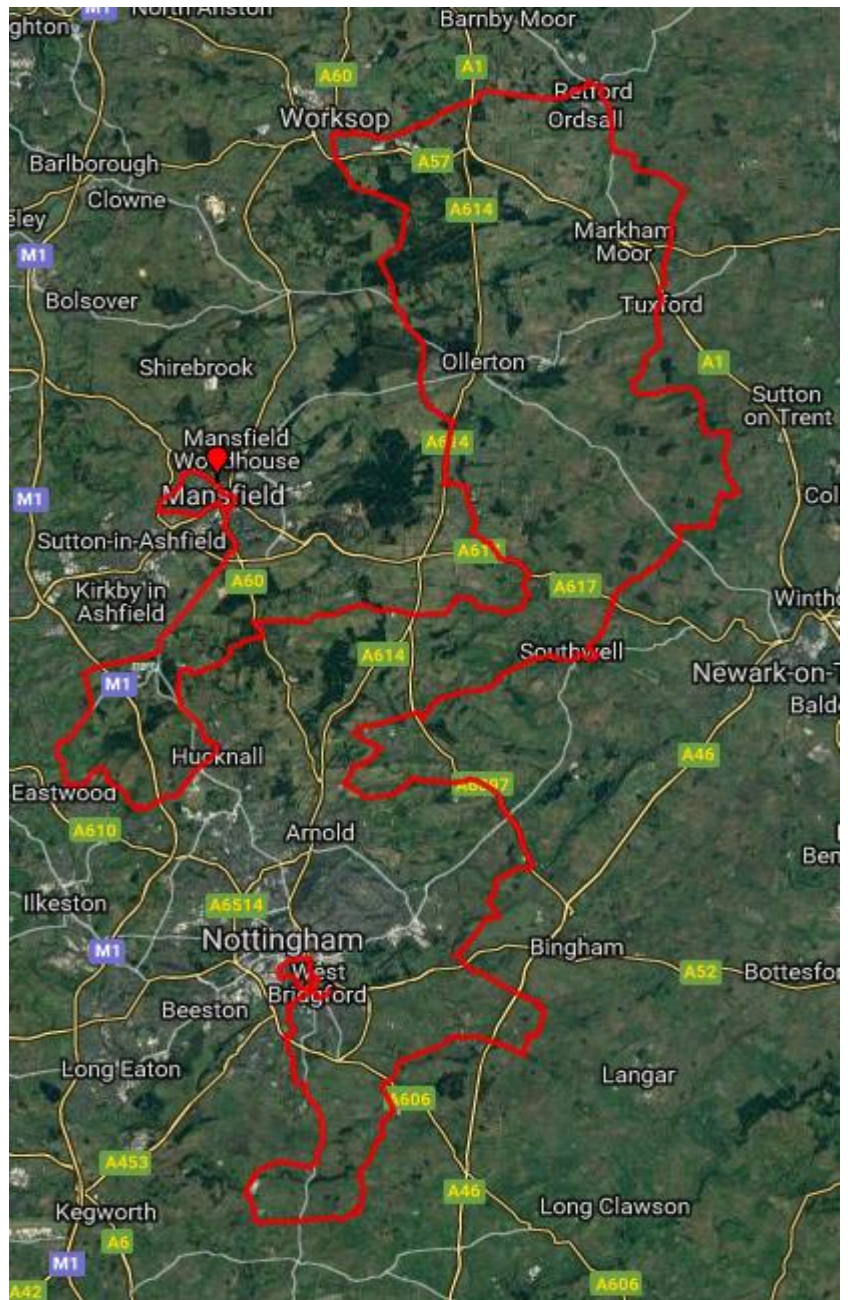
OVO Energy Tour of Britain Stage 7 – Saturday, 8 September 2018

Course Distance: approx. 220km

Two sprints identified in Bilsthorpe and Blidworth and King of the Mountain stage in Oxton which attract larger numbers to these locations and focussed tv coverage.

Route through the district will reach the following communities:

- Gunthorpe
- Lowdham
- Oxton
- Southwell
- Normanton
- Hockerton
- Knapthorpe
- Caunton
- Norwell
- Ossington
- Moorhouse
- Laxton
- Egmanton
- Budby
- Edwinstowe
- Bilsthorpe
- Kirklington
- Edingley
- Farnsfield
- Blidworth



The route will showcase many of our communities and some of the less well known locations and the added bonus of having two sprints and one King of the Mountains point in the District will attract larger crowds to these locations and a greater focus from the media.

POLICY & FINANCE COMMITTEE

28 JUNE 2018

ALLOCATION OF SECTION 106 FUNDS

1.0 Purpose of Report

1.1 To seek Committee approval for the transfer of S106 funds to Ollerton & Boughton Town Council.

2.0 Background

2.1 At its meeting of 22 February 2017 the Councillor's Commission agreed that the remit of the Policy & Finance Committee should be amended to make clear that the determination of how s106 monies should be applied or obligations fulfilled falls within the remit of that committee rather than the Planning Committee;

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

3.0 Proposals

3.1 Over a number of years and via several contributions, the Council has received s106 funds from the Miller Homes development on Newark Road in Ollerton. These have been generated by a s106 agreement (AG767b) which states that in relation to open space there should be a financial contribution for 'the provision and maintenance of children's playing spaces and playing pitches within the vicinity of the Site or for the provision of access to such children's play space or pitches as the Council in its absolute discretion shall decide'. Funds generated by this agreement have previously been transferred to Ollerton & Boughton Town Council and the current amount available is £100,000, with a spend-by date of 10 February 2021.

3.2 In addition the Council is holding £220,000 of s106 funds which were generated by a unilateral undertaking (AG884) linked with the development of a site off Newark Road in Ollerton. The funds were received in lieu of the provision of off-site open space and there is no time limit governing their expenditure.

3.3 Ollerton & Boughton Town Council is planning improvements to the play facilities for children and young people on their Whitewater Road open space and has requested that the District Council release s106 funds to the value of £110,000 to allow it to progress this project. The Town Council has consulted with local people about the scheme and the local community has raised funds towards it. The Town Council will also be contributing funds from its own budgets.

3.4 It is proposed that the full amount of the funds held against AG767b (£100,000) be transferred with the balance (£10,000) coming from the funds held against AG884. Prior to the funds being transferred the Town Council will be required to enter into a legal agreement which will bind it to spending the funds in a manner which is consistent with the S106 agreements.

4.0 Equalities Implications

None.

5.0 Impact on budget/Policy Framework

5.1 The £100,000 and the £10,000 proposed for transfer in this report are held on the Balance Sheet of the Council and are therefore available for transfer to Ollerton and Boughton Town Council.

6.0 RECOMMENDATION

That the transfer of the open space Section 106 funds totalling £100,000 arising from AG767b and £10,000 arising from AG884 to Ollerton & Boughton Town Council, subject to an appropriate legal agreement being entered into by the Town Council, be approved.

Reason for Recommendation

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

Background Papers

Relevant s106 Agreements

For further information please contact Phil Beard on Extension 5714.

Kirsty Cole
Acting Chief Executive

POLICY AND FINANCE COMMITTEE

28 JUNE 2018

LOWDHAM FLOOD RISK MANAGEMENT SCHEME

1.0 Purpose of Report

- 1.1 To update the Committee on the current situation with delivery of a flood risk management scheme in Lowdham and for the Committee to consider a financial contribution to assist in the delivery of such a scheme.

2.0 Background Information

- 2.1 The village of Lowdham has suffered from repeat flood events in 1999, 2007, 2012 and 2013. The Lowdham Flood Risk Management Scheme aims to protect up to 200 residential properties at risk of flooding for an estimated investment of **£6m**.
- 2.2 The scheme currently has indicative funding identified of **£3.45m**, which consists of: £1.4m Flood Defence Grant in Aid; £1.5m Local Levy on behalf of the Trent Regional Flood and Coastal Committee; £500k contribution from Nottinghamshire County Council; and £55k raised by the local community via Lowdham Parish Council. Following a review of the scheme's benefits, the Environment Agency are requesting an increase in Flood Defence Grant in Aid to £3m, which if approved, will bring the total funding available for the scheme to around **£5m**.

3.0 Proposals

- 3.1 The Outline Business Case (OBC) for the scheme is due to be complete by summer 2018. Following this, if an affordable and technically viable solution is identified, the scheme will progress through to detailed design in 2019. Construction could then begin in 2020 for a two year duration, with scheme completion expected by late 2022.
- 3.2 The current solution identified is a large scale diversion of water to the west of the village. The aim is to divert water in flood conditions only, allowing the Cocker Beck to remain unchanged in normal conditions. To achieve this, there will be a combination of flood storage areas, culverts under two main roads and raised defences in the form of embankments, walls or hedgerows. The draft design of the scheme is shown in **Appendix One**.
- 3.3 The design is currently conceptual and open for comment from all stakeholders. It was presented to the community at an open evening held on 24 May 2018, so that feedback and suggestions could be gathered to inform the scheme going forwards. District Council officers were involved with the event in order to provide support and advice to the consultation.
- 3.4 In previous discussions between the District Council and the Environment Agency, it has been recognised that finding a solution to flooding in Lowdham is a priority for both organisations. To this end, a suitable contribution from the Council has been suggested as essential for the scheme to go ahead.

- 3.5 In September 2017 Members may recall that the Policy & Finance Committee, on recommendation from this committee, approved the allocation of £220k from capital reserves to support the Southwell Flood Alleviation scheme, which is a more complex scheme of works affecting multiple catchments and floodwater sources including surface water flooding risks (pluvial flooding). The proposed Lowdham scheme focusses more on flooding from the Cocker Beck (fluvial flooding) which by its nature is more predictable, making it easier to model and design an engineering solution for.
- 3.6 As set out at paragraph 2.2, the scheme has a potential funding shortfall of £1m, therefore any contribution the Council provides will be integral to securing the delivery of a solution to flooding at Lowdham.
- 3.7 A more accurate calculation of any shortfall in funding will be possible once the current investigations into ground conditions and other site specific issues have been completed e.g. location of underground utility infrastructure. Costs may increase or decrease depending on the complexity of any engineering works once the Outline Business Case has been finalised. The Environment Agency anticipates that this investigative work will be completed by the end of July 2018.
- 3.8 The Council has a remaining grant funded allocation of £140,000 for 'Major Flood Alleviation' within the capital programme and an additional capital Flooding Defence reserve of £250,000 set aside. A total of £390,000 is therefore available for allocation.
- 3.9 At the meeting of the Homes and Communities committee held on the 11th June 2018, it was agreed unanimously that the Committee consider committing a level of funding towards the cost of the Lowdham Flood Alleviation Scheme in the region of £200,000, and make a recommendation to the Policy & Finance Committee for that amount to be allocated from the current major flood alleviation scheme currently included in the District Council's capital programme. This recommendation takes into account other schemes that are currently being investigated and have the possibility of being developed over the next few years e.g. Gunthorpe and Girton. It also takes account the recent flash flooding at Sutton on Trent and any demand this may have on the funding available.

4.0 Equalities Implications

- 4.1 A full Equalities Impact Assessment has been completed and can be viewed in full at **Appendix Two**. It is considered that the scheme will have no negative impacts on equality issues and will be likely to have positive impacts on the protected characteristics of disability and pregnancy & maternity. There will also be a positive impact on other vulnerable groups such as older persons who may be more adversely impacted by flooding.

5.0 Impact on Budget/Policy Framework

- 5.1 The Council currently holds an uncommitted balance of £140,000, allocated to Major Flood Alleviation, within its approved Capital Programme that could be allocated to this scheme. In addition to this, the Council approved at its meeting 8th March 2018, within the budget report, to create a reserve for £250,000 as a Flooding Defence Reserve.

6.0 RECOMMENDATION that:

The Committee considers an allocation of funding towards the cost of the Lowdham Flood Alleviation Scheme in the region of £200,000.

Reason for Recommendation

The District Council's funding support will assist the Lowdham Flood Alleviation Scheme to achieve the total funding necessary to make the scheme deliverable.

Background Papers

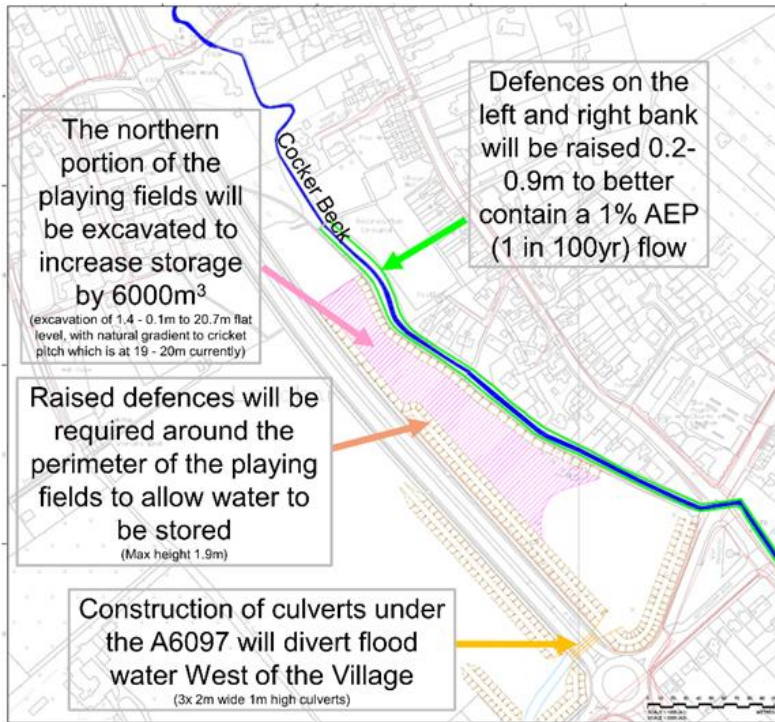
Nil

For further information please contact Ben Adams on Ext 5232

Karen White
Director - Safety

PROPOSED FLOOD ALLEVIATION SCHEME DIAGRAMS

Draft Design: Area A



With these 4 key interventions we aim to:

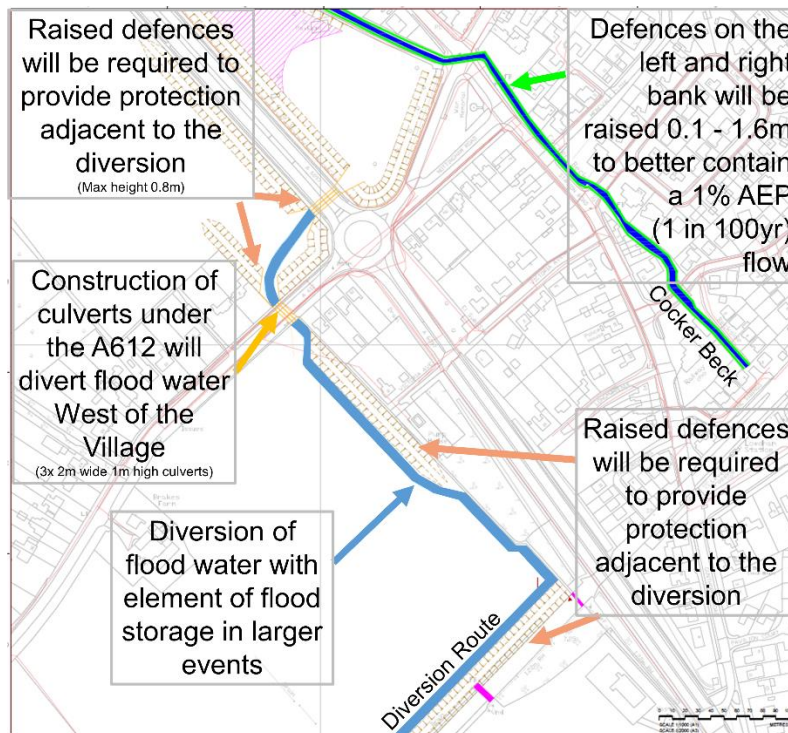
Increase the capacity of the storage area

Better contain water stored

Improve the ability to keep water in channel

Divert flood water West of the village to protect properties

Draft Design: Area B



With these 4 key interventions we aim to:

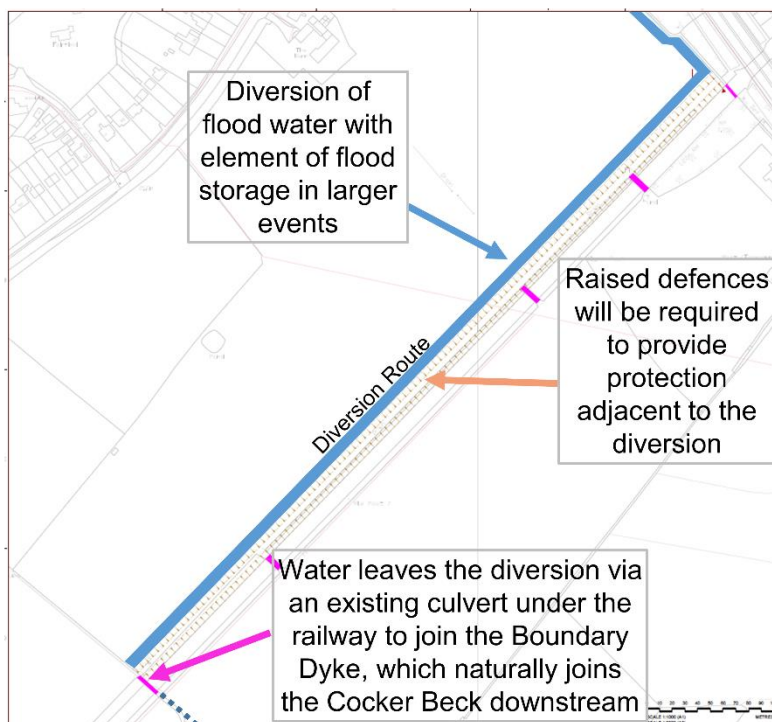
Improve the ability to keep water in channel

Protect areas surrounding the diversion

Divert flood water West of the village to protect properties

Provide additional flood storage for larger events

Draft Design: Area C



With these 3 key interventions we aim to:

Protect areas surrounding the diversion

Provide additional flood storage for larger events

Better manage the movement of flood water to naturally re-join the Cocker Beck downstream

EQUALITIES IMPACT ASSESSMENT

EQUALITIES



LOWDHAM FLOOD ALLEVIATION SCHEME

Equality Impact Assessment

This document should be completed only after the Equalities Checklist has been completed and it has been determined that a full Equality Impact Assessment is required.

Service Area

SAFETY / COMMUNITY SAFETY

Section/service delivery/policy covered by the assessment

FLOOD ALLEVIATION SCHEME FUNDING

Stage 1 - what is being assessed?

Name of strategy / policy /service / review being assessed:

The impact of making a contribution to the proposed flood allevation scheme in Lowdham

Stage 2 - who is carrying out the assessment?

Members of the assessment team:

Ben Adams

Others involved in the assessment (external challenge):

John Bullock

Stage 3 - aims of the strategy or service

Briefly describe the aims of the strategy or service:

The Environment Agency have developed a proposed scheme to alleviate the impact of flood water in and around the village of Lowdham. The Council is considering the amount of funding it will commit to support delivery of the scheme.

Stage 4 - knowing our customers, communities and employees

List the main customers, employees, users or groups receiving, delivering or affected by, this strategy or service:

Once delivered the flood alleviation works will benefit 200 properties in the village of Lowdham.

Stage 5 - background information

List any information from previous surveys, customer feedback or any relevant performance information that relates to this strategy or service:

The people of Lowdham are keen for the scheme to go ahead so that they are better protected from flood water in the future.

Stage 6 - this stage looks at the barriers to accessing services and any possible discrimination that customers and communities may face

Age

| Access to Service | | | Delivery of Service | | |
|--|--|--|--|--|--|
| <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact | <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact |

Please describe any positive impact, negative impact, any barriers or potential discrimination:

People of all ages will benefit from the scheme as the risk of being affected by flood water would be reduced. This would allow better access to services and continued delivery of services during periods when high water levels are experienced. It may be that older persons who are vulnerable during times of evacuation during flooding incidents would be positively impacted by being more likely to be able to stay in their home during such events.

Please describe any measures you have already got in place to reduce inequality to ensure customers can access this service:

The scheme is a new development and previous measures to help the people of Lowdham during flooding have been limited to responsive services rather than preventative schemes such as this one.

Race

| Access to Service | | | Delivery of Service | | |
|--|--|--|--|--|--|
| <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact | <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact |

Please describe any positive impact, negative impact, any barriers or potential discrimination:

The scheme is positive for all those whose property is protected by it regardless of race.

Please describe any measures you have already got in place to reduce inequality to ensure customers can access this service:

See 'age' response

Gender

| Access to Service | Delivery of Service |
|-------------------|---------------------|
|-------------------|---------------------|

| | | | | | |
|--|--|--|--|--|--|
| <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact | <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact |
|--|--|--|--|--|--|

Please describe any positive impact, negative impact, any barriers or potential discrimination:

The flood alleviation scheme will provide protection regardless of gender

Please describe any measures you have already got in place to reduce inequality to ensure customers can access this service:

See 'age' response

Disability

| Access to Service | | | Delivery of Service | | |
|---|--|-------------------------------------|---|--|-------------------------------------|
| <input checked="" type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input type="checkbox"/> Nil Impact | <input checked="" type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input type="checkbox"/> Nil Impact |

Please describe any positive impact, negative impact, any barriers or potential discrimination:

The scheme will provide protection regardless of disability. In times of flooding evacuation disabled people may be particularly vulnerable and so this scheme will benefit people by minimising the likelihood of that situation arising.

Please describe any measures you have already got in place to reduce inequality to ensure customers can access this service:

Records of vulnerable households in the event of a flooding evacuation are held by the County Council however this scheme is preventative in nature and should enable vulnerable disabled residents to stay in their homes rather than be evacuated.

Sexual Orientation

| Access to Service | | | Delivery of Service | | |
|--|--|--|--|--|--|
| <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact | <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact |

Please describe any positive impact, negative impact, any barriers or potential discrimination:

The scheme will provide protection from flooding regardless of sexual orientation.

Please describe any measures you have already got in place to reduce inequality to ensure customers can access this service:

See 'age' response

Gender Reassignment

| Access to Service | | | Delivery of Service | | |
|--|--|--|--|--|--|
| <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact | <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact |

Please describe any positive impact, negative impact, any barriers or potential discrimination:

The scheme provides protection against flood water regardless of gender reassignment

Please describe any measures you have already got in place to reduce inequality to ensure customers can access this service:

See 'age' response

Marriage and Civil Partnership

| Access to Service | | | Delivery of Service | | |
|--|--|--|--|--|--|
| <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact | <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact |

Please describe any positive impact, negative impact, any barriers or potential discrimination:

The scheme provides protection against flood water regardless of marriage and civil partnership

Please describe any measures you have already got in place to reduce inequality to ensure customers can access this service:

See 'age' response

Pregnancy and Maternity

| Access to Service | | | Delivery of Service | | |
|--|--|-------------------------------------|---|--|-------------------------------------|
| <input checked="" type="checkbox"/> Postive Impact | <input type="checkbox"/> Negative Impact | <input type="checkbox"/> Nil Impact | <input checked="" type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input type="checkbox"/> Nil Impact |

Please describe any positive impact, negative impact, any barriers or potential discrimination:

A person who is pregnant or has very young children may be adversely affected during an evacuation situation. This scheme will reduce the likelihood of the need to evacuate during heavy rainfall events and is therefore potentially beneficial to a vulnerable group such as pregnancy and maternity.

Please describe any measures you have already got in place to reduce inequality to ensure customers can access this service:

People who are pregnant or who have very young children would be prioritised in the event of an evacuation situation, however, this scheme is designed to reduce the likelihood of the need to evacuate.

Religion or Belief

| Access to Service | | | Delivery of Service | | |
|--|--|--|--|--|--|
| <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact | <input type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input checked="" type="checkbox"/> Nil Impact |

Please describe any positive impact, negative impact, any barriers or potential discrimination:

The scheme protects premises and people regardless of religion of belief

Please describe any measures you have already got in place to reduce inequality to ensure customers can access this service:

See 'age' response

Other Groups or Issues (e.g. socio-economic)

| Access to Service | | | Delivery of Service | | |
|---|--|-------------------------------------|---|--|-------------------------------------|
| <input checked="" type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input type="checkbox"/> Nil Impact | <input checked="" type="checkbox"/> Positive Impact | <input type="checkbox"/> Negative Impact | <input type="checkbox"/> Nil Impact |

Please describe any positive impact, negative impact, any barriers or potential discrimination:

Because the scheme is designed to increase resilience to flooding of property in Lowdham then it will have economic benefits which are outlined as part of the Environment Agencies submission for grant funding. The community will be better protected against the disruption and distress caused by flooding.

Please describe any measures you have already got in place to reduce inequality to ensure customers can access this service:

See 'age' response

Stage 7 – Action Plan and Policy Review

From the previous section list the specific actions required to address any problems you have identified:

| Action: | Service Plan / Delivery Plan: | Officer Responsible: | Timescale: | Resources: | Milestones, Monitoring and Review Details: |
|---------------------------|-------------------------------|---------------------------|---------------------------|---------------------------|--|
| Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. | Click here to enter text. |

Date of next review

Click here to enter a date.

Stage 8 – Outcomes(s) of equality impact assessment

No major change needed Adjust the policy/proposal Adverse impact but continue Stop and remove the policy and proposal

Further description:

This scheme is broadly neutral in terms of impact on the protected characteristics set out in the Equality Act 2010, however, there are some positive benefits for the more vulnerable groups in relation to flooding evacuation.

Stage 9 – Confirmation and Publish the Results

I confirm that these actions are being adopted as everyday practise and if necessary incorporated into the Service Plan or Delivery Plan

Signed by Lead Officer: Ben Adams

Date 24/5/2018

POLICY & FINANCE COMMITTEE

28 JUNE 2018

ANNUAL STANDARDS REPORT FOR THE PERIOD 1 APRIL 2017 – 31 MARCH 2018

1.0 Purpose of the Report

1.1 To consider the Annual Standards Report for the period 1 April 2017 to 31 March 2018.

2.0 Background

2.1 At its meeting on 10 March 2016 the Council deleted the Standards Committee 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 eight complaints within the period 1 April 2017 to 31 March 2018. The complaints have been considered by the Monitoring Officer in consultation with the Independent Person. All eight complaints resulted in no further action being taken. Six of the eight complaints related to Town and Parish Councillors, three of which related to the same Parish Council. Two of the Town and Parish Council complaints were separate complaints but related to one Parish Councillor. Two complaints related to District Councillors.

4.0 Formal Investigation and Code of Conduct Hearing

4.1 There were no formal investigations or Code of Conduct Hearings required for the period 1 April 2017 to 31 March 2018.

5.0 Register of Members Interests

5.1 Register of Interests Forms for Newark & Sherwood District Council Members have recently been updated to include two additional questions regarding details of any related party interests. All District Members forms have been updated and can be found on the Newark & Sherwood District Council website.

5.2 Town and Parish Councils are reminded on an annual basis to keep their Register of Interests forms updated and newly co-opted parish councillors are also required to submit completed forms. These forms are also published on the Newark & Sherwood District Council website.

6.0 RECOMMENDATION

That the report be noted.

Reason for Recommendation

To provide Members with details of the standards complaints in 2017/18.

Background Papers

Nil

For further information please contact Kirsty Cole on extension 5210.

Kirstin H Cole
Acting Chief Executive

POLICY & FINANCE COMMITTEE

28 JUNE 2018

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 and gender pay gap information.

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:

- deliver equalities based briefing sessions tailored to the needs of all staff including reference to, and improved understanding of, the Council's Equality and Diversity Strategy and Objectives as well as an understanding of the Council's and employees obligations under the Equality Act. This programme is ongoing with further sessions planned for this year. 71% of Castle House staff has now completed the sessions and these will be extended to include all staff.

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 ongoing equalities based briefing sessions tailored to the needs of all staff including reference to, and improved understanding of, the Council's Equality and Diversity Strategy and Objectives
- continuing to integrate Corporate Equality Objectives into Business Unit Action Plans
- providing equality and diversity training through e-learning 'PageTiger' linked to an online Equality and Diversity Certificate [ACAS];
- develop Gypsy Roma Traveller awareness training
- identify and support staff to act as equality champions;
- promotion of specific equality based days e.g. Holocaust Memorial Day;
- Supporting Member and Business Manager 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 **Measuring the Gender Pay Gap**

5.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires all employers with more than 250 employees to report the following information on an annual basis:

- the difference between the mean and median average hourly rate of pay for male and female employees;
- the proportion of men and women in each quartile of the pay bands;
- the gender pay gap for any bonuses paid out during the year.

(Council does not pay bonuses and therefore there are no figures to report in this regard).

This report provides to the Committee the Council's first published results at the 'snapshot' date of 31 March 2017. The results have been published on the Council's public website and on the Government dedicated Gender pay gap reporting website.

5.2 **Workforce Profile**

On the 'snapshot' date of 31 March 2017 there were 391 employees; 203 females, representing 52.5% of the workforce, and 188 males representing 47.5 % of the workforce.

5.3 **Our Gender Pay Gap**

The data set out in this report has been calculated using the standard methodologies referenced in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. This includes calculating an hourly rate for all staff paid on the snapshot date (31 March 2017) using ordinary pay.

Ordinary pay includes: basic pay; allowances such as market supplements; shift pay, on-call and stand-by allowances. Payments that are excluded are: payments for overtime; redundancy payments and sums relating to termination of employment. Also excluded are employees on reduced pay due to family or sick leave.

- 5.4 The **gender pay gap** is based on the difference between the average hourly pay received by men and women across the Council. We are required to report two measures for this purpose the **mean** and the **median** gender pay gap.

MEAN – The mean is calculated by adding up the total salary for each gender (e.g. females) and then dividing the result by the number of female employees. We have calculated the mean average for both men’s and women’s hourly pay and have included the percentage difference below.

MEDIAN - The median is calculated by producing a list of salaries in numerical order for each gender. The median is determined by identifying the middle number for each gender. We calculate the median for both men’s and women’s hourly pay and report the percentage difference. The median gender pay gap removes any influences of very high and very low pay.

| Hourly Rate | Men | Women | % Difference |
|-------------|--------|--------|--------------|
| Mean | £13.23 | £12.25 | 7.4% |
| Median | £10.33 | £10.33 | 0% |

5.5. Our Quartile Pay

The quartile data shows the Council’s workforce divided into four equal sized groups based on calculated hourly rates of pay. Each quartile is made up of 25% of the workforce. The lower quartile includes employees in receipt of the lowest pay. The upper quartile represents those in receipt of the highest pay. Our pay quartiles by gender are listed below:

| QUARTILE | Men | Women | Number of Men | Number of Women | Total |
|-----------------------|-----|-------|---------------|-----------------|-------|
| Lower Quartile | 46% | 54% | 45 | 53 | 98 |
| Lower Middle Quartile | 52% | 48% | 51 | 47 | 98 |
| Upper Middle Quartile | 37% | 63% | 36 | 62 | 98 |
| Upper Quartile | 58% | 42% | 56 | 41 | 97 |

5.6 Analysis

Following completion of the review it is noted that the Gender Pay Gap for the Council is relatively small at 7.4% which means that on average men are paid 98p more per hour than women. The median is the same for both men and women at £10.33 per hour.

The lower two quartiles have broadly similar numbers in terms of men and women although women occupy more posts that fall within the lower quartile. Many of the jobs included in the lower pay scales are lower skilled and occupied by part time employees.

The upper middle quartile shows a greater disparity with a higher percentage of women than men.

There are a higher proportion of men who fall within the top quartile and are in receipt of the highest levels of pay.

The Equality Act 2010 requires that men and women must receive equal pay for the same or broadly similar work or work of equal value. In line with this we have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex, or any other characteristic. We do this through the use of a job evaluation scheme which robustly evaluates job roles and pay grades to ensure a fair and transparent pay structure.

The Council is therefore confident that the 7.4% Gender Pay Gap does not stem from paying men and women differently for the same, broadly similar or equivalent work/work of equal value; it is as a result of the type of roles in which men and women work within the Council and the salaries that these roles, having been evaluated, attract.

5.7 Actions to Further Reduce the Gender Pay Gap

Although the Council's gender pay gap is relatively small, over the coming months we will be taking a more detailed look at the gender pay gap data to determine what actions could be taken to have a positive impact and help further reduce the gap.

The following are areas for consideration:

- Our Recruitment processes
- Succession planning/career development

Due consideration will also need to be given to any possible impact on the gender pay gap as a result of any new grading structure introduced as a result of the 2019 NJC pay award.

6.0 Equalities Implications

6.1 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. The Gender Pay Gap Report should have positive impact on equality and diversity in terms of putting in place developing actions with the aim of reducing the gender pay gap.

7.0 Impact on Budget/Policy Framework

7.1 Funding for the actions identified in this report can be found from within existing budgets.

8.0 RECOMMENDATIONS that:

- a) the report and the progress made against the Council's equality and diversity objectives be noted; and
- b) the Committee note the outcomes and findings of the Gender Equality Pay Gap report.

Reason for Recommendations

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

Background Papers

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

For further information, please contact Ben Adams on Ext 5232 /Tracey Mellors on Ext 5219/John Bullock on Ext 5817.

Karen White
Director – Safety

POLICY & FINANCE COMMITTEE

28 JUNE 2018

PROGRESS UPDATE ON CHILD POVERTY ISSUES

1.0 Purpose of Report

- 1.1 To provide a progress update to Members on the work undertaken in relation to reducing Child Poverty in the district; with a focus on the 2011 Child poverty pledges and the outcomes following the Social Mobility Commission report - State of the Nation (2017).

2.0 Background Information

- 2.1 The Child Poverty Act 2010 places a statutory duty upon top tier local authorities and their named partners to prepare a joint child poverty strategy which sets out the measures to reduce the effects of child poverty. The government has since amended the Child Poverty Act, replacing the income targets with a duty to report on Life Chances, contained in the Welfare Reform and Work Act 2016.
- 2.2 Nottinghamshire County Council developed a countywide strategy in 2011, *Building Aspiration: Working Together to Tackle Child and Family Poverty in Nottinghamshire*. The Council supported the Strategy at its Cabinet meeting in September 2011 and were asked to contribute pledges that the District Council would undertake in order to reduce child poverty in the district.
- 2.3 The Nottinghamshire Joint Strategic Needs Assessment (JSNA): Child Poverty 2016 identifies **8 target wards** within the District where child poverty levels exceed the national figure of 18% (**Appendix A**). There are **54 wards** across Nottinghamshire in total. It is worth noting that the latest data available is from 2014, however following the boundary review in 2015, there are some wards that no longer exist. In addition, the JSNA further identifies **2 hotspots (Devon Ward and Boughton Ward)** where over 30% of children live in poverty. There are 12 hotspots across the County in total.
- 2.4 Since the last update, the State of the Nation 2017 report published by the Social Mobility Commission in November 2017 indicated that Newark and Sherwood was ranked second worst in the overall table for Social Mobility. The East Midlands region had the lowest social mobility scores in the country with the worst outcomes for disadvantaged children during early years, school and life stages.

3.0 Proposals

3.1 Child Poverty

The District Council made a commitment in 2011 to work in accordance with a number of pledges as set out within the Nottinghamshire County Council countywide strategy; *Building Aspiration: Working Together to Tackle Child and Family Poverty in Nottinghamshire*. A progress update on each of the pledges is attached at **Appendix B**.

- 3.2 Key areas of work include:
- working with schools to develop skills and aspiration;
 - delivering the Nottinghamshire Warm Homes on Prescription project to support low income residents including families; and
 - supporting residents to ensure that benefits are processed accurately.
- 3.3 It is important to note that the pledges are broader than child poverty and cover vulnerable families, which encompasses a range of other factors such as securing employment, preventative measures to tackle homelessness, and access to leisure activities in the District.
- 3.4 The Joint Health and Wellbeing Strategy for Nottinghamshire (2018-2022) makes a commitment to addressing child poverty through supporting ‘a good start in life’. There is overwhelming evidence that making healthier decisions as a child can influence someone’s health throughout their life. Through tackling issues which affect life chances, support for an individual’s health can be improved.
- 3.5 The Policy and Projects Officer also attends the countywide Life chances and Families Strategic Partnership Group led by the County Council to discuss poverty issues within the district and County. In particular, recent updates include work around foodbanks in the district, barriers to the take up of funded hours child care in early year provision, and roll out of universal credit. The Life Chances partnership group are currently finalising the action plan for 2018 – 2020. A draft version is attached at **Appendix C**. Outcomes identified by the group within the plan are summarised below:
- **Children and Families experience fewer negative outcomes from the effects of poverty;**
 - **Families and Children are able to move out of poverty;**
 - **The Cycle of Poverty is broken as children are prevented from becoming poor adults.**
- 3.6 Each of the outcomes are aligned to aims/objectives and measures of success. Responsibilities aligned to District Councils are highlighted in red. Once the plan has been finalised a discussion will take place with relevant Business Managers to ensure actions are being progressed locally in accordance with the timescales specified.
- 3.7 Child Poverty data for 2015 has recently been published (February 2018) and the County Council are now working on some analysis of the data and preparing some county maps to indicate the profile of the District. Early analysis of the data indicates that Newark and Sherwood has 2400 children under 16 living in Income Support/Job Seekers Allowance (IS/JSA) households. Rushcliffe has the lowest number of children under 16 living in IS/JSA with 880 in the County and Ashfield has the highest number of children under 16 living in IS/JSA households with 3,855. Following the publication of the County Council’s analysis of this data, we will be able to analyse the District profile in more detail and provide an update at a later date.
- 3.8 Early research suggests that the outcome of the Brexit negotiations could have an impact on poverty in the district. The Joseph Rowntree Foundation (2016) indicates that Brexit could return the UK to lighter employment regulation (currently governed by EU regulations) which could see a rise in temporary staff having varying employment rights

which could lead to individuals being out of work for longer periods of time. The Food Foundation (a think tank fighting against nutritional inequality) indicate that an increase in food prices particularly products which are imported from overseas has risen as a result of inflation leading from the Brexit decision. As families struggle to pay for food, poverty is likely to prevail in these areas.

- 3.9 For a more localised context, the Nottinghamshire Life Chances and Families Strategic Partnership Group will be considering the impact of Brexit on poverty issues and undertake collaborative activity at future meetings. The Organisational Development team are also undertaking a scoping exercise reviewing the potential impacts of the Brexit negotiations on a variety of Council services.

4.0 Social Mobility

- 4.1 The Social Mobility Index (SMI) explores how geographical location can affect social mobility for individuals growing up and choosing to live in different areas. The index combines a range of indicators into one figure and uses this to provide a ranking between different areas. The index is divided into four sections which are: early years, school, youth and working lives.

- 4.2 Although there is some discussion as to the methodology utilised, Newark and Sherwood was ranked second worst in the overall table for Social Mobility. The East Midlands region has the lowest social mobility scores in the country with the worst outcomes for disadvantaged children during early years, school and life stages.

- 4.3 The Council are undertaking pro-active work in addressing the Social Mobility issues in particular the Economic Growth Business Unit are addressing issues around access to early years provision, employment skills in schools and focus on building aspiration for families. The Economic Development Committee in January approved a maximum budget of £60k to address Social Mobility issues, acknowledging the proposed collaborative work that the Council is undertaking to tackle social mobility in the district. Housing Options and Safeguarding will also be working collaboratively to address social mobility issues particularly around working with local partners such as Citizens Advice, Nottingham Credit Union and HomeStart.

5.0 Budgetary Implications/Policy Framework

- 5.1 Any spend identified within this report will be contained within existing budget provision.

6.0 Comments from the Deputy S151 Officer

- 6.1 £60,000 was approved at the 5th April 2018 Policy and Finance Committee to be carried forward from the 2017/18 financial year in order to fund the commitment to the Social Mobility Index. This was found within the underspend from the 2017/18 financial year and the carry forward is contained within the financial outturn report for 2017/18.

7.0 RECOMMENDATIONS that:

- (a) the progress made against the Child Poverty pledges made by the Council in 2011 be noted;**
- (b) the outcomes identified within ‘improving the life chances of children, young people and families action plan 1st April 2018 – 31st March 2020’ (refer to para 3.5 / Appendix C) be noted; and**
- (c) the update regarding Social Mobility be noted.**

Reason for Recommendations

To inform Members on the progress around Child Poverty pledges and the outcomes on the Social Mobility Commission report – State of the Nation.

Background Papers

Building Aspiration: Working Together to Tackle Child and Family Poverty in Nottinghamshire (2011) <http://cms.nottinghamshire.gov.uk/childandfamilypovertystrategy0911.pdf>

Building Aspiration: Working Together to Tackle Child and Family Poverty in Nottinghamshire (2014) <http://www.nottinghamshire.gov.uk/media/110475/child-poverty-strategy-2014.pdf>

The EU referendum and UK poverty – Joseph Rowntree Foundation (2016) - <https://www.irf.org.uk/report/eu-referendum-and-uk-poverty>

Food and the EU referendum (2016) – The Food Foundation - <https://foodfoundation.org.uk/wp-content/uploads/2016/07/food-and-eu-ref-policy-briefing-1.pdf>

Joint Health and Wellbeing Strategy (2018-2022) – Nottinghamshire Health and Wellbeing Board (2018) <http://www.nottinghamshire.gov.uk/care/health-and-wellbeing/health-and-wellbeing-board/health-and-wellbeing-strategy>

Personal Tax Credits: Children in Low Income Families – Snapshot as at 31 August 2015 – HM Revenues and Customs (2018) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/683403/Commentary_CiLIF_2015.pdf

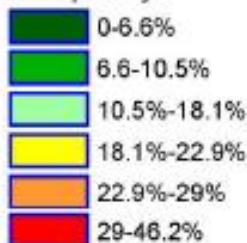
Nottinghamshire Joint Strategic Needs Assessment: Child Poverty (2016) <http://www.nottinghamshireinsight.org.uk/research-areas/jsna/children-and-young-people/child-poverty-2016/>

State of the Nation: Social Mobility in Great Britain – Social Mobility Commission (2017) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/662744/State_of_the_Nation_2017_-_Social_Mobility_in_Great_Britain.pdf

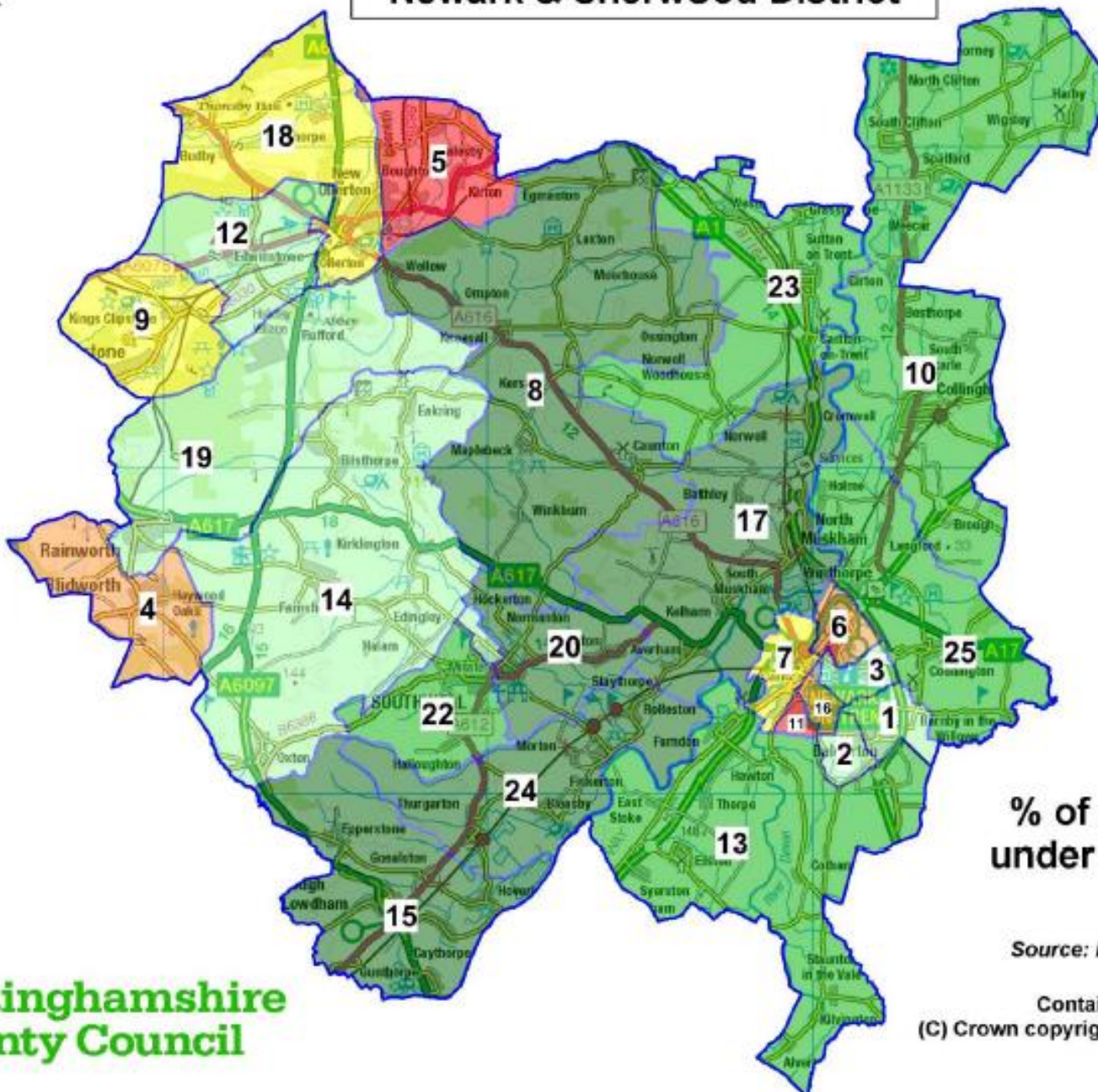
For further information please contact Natalie Cook, Policy and Projects Officer on ext 5275
Tracey Mellors
Business Manager – HR, OD and Legal Services

Newark & Sherwood District

Percentage of Children in each census ward aged under 20 in poverty



| Code | Ward Name | % |
|------|-----------------------|-------|
| 1 | Bickelton West | 14.1% |
| 2 | Bickelton East | 13.3% |
| 3 | Beverley | 11.8% |
| 4 | Blithworth | 23.3% |
| 5 | Blithworth | 31.0% |
| 6 | Blithworth | 24.8% |
| 7 | Coventry | 16.0% |
| 8 | Coventry | 8.7% |
| 9 | Clystone | 20.5% |
| 10 | Collegers & Bladon | 8.8% |
| 11 | Clare | 22.7% |
| 12 | Eltham | 14.4% |
| 13 | Harwood | 11.0% |
| 14 | Farnsfield & Wollaton | 12.4% |
| 15 | Lowdham | 11.8% |
| 16 | Highdham | 24.3% |
| 17 | Lowdham | 2.9% |
| 18 | Cheriton | 20.5% |
| 19 | Blithworth | 17.3% |
| 20 | Blithworth East | 4.3% |
| 21 | Blithworth West | 11.4% |
| 22 | Blithworth West | 7.3% |
| 23 | Blithworth East | 10.1% |
| 24 | Trout | 2.7% |
| 25 | Widborough | 7.4% |



% of children aged under 20 in poverty, 2014

Source: DWP data, October 2016

Contains Ordnance Survey data
 (C) Crown copyright & database rights 2016
 Produced by : J Hall
 Date : 07/11/2016

Progress Update on District Council Child Poverty Pledges

| | | |
|-----------------|---|---|
| 1. | Pledge: | We will work with partners to ensure that local people have access to employment opportunities |
| | Lead Officer: | Julie Reader-Sullivan, Business Manager Economic Growth |
| | Activities undertaken to support pledge: | <p>The Economic Growth Team:</p> <ul style="list-style-type: none"> • Developed and implemented the Ollerton Outreach Service - delivered by the Council and a number of partners (DWP, Ollerton and Boughton Town Council, Sure Start, Academy Transformation Trust). The Outreach Service engages with local people regarding their job search, and facilitates placements with local employers. The Outreach Service has strong links with a range of employers in the district such as Ambitions Personnel, KnowHow, Bakkavor, Center Parcs; Thoresby Hall, Forest Town Chip Shop; Farm in Blidworth; Local Care Homes; • Undertake regular activities in primary and secondary schools which focuses on aspiration for young people including a CODE club and business projects in schools which also engage parents; • Hold a Career Expo once a year; • Deliver regular workshops encouraging employers and residents to engage and provide skills, e.g. employability courses including training in Food Hygiene, First Aid and manual handling; • Host apprenticeship and advice days for 18-24 years old in conjunction with other organisations; • Support the Sherwood Forest Education Partnership to deliver the Lifeskills Framework which is an innovative approach to support skill development of individuals, to acquire the skills necessary to support employment. |
| 2. | Pledge: | We will work with partners to encourage all homes in the district to be safe, warm and of a decent standard |
| | Lead Officer: | Leanne Monger, Business Manager Housing and Safeguarding |
| | Activities undertaken to support pledge: | <p>The Housing Options and Energy Home Support Team:</p> <ul style="list-style-type: none"> • Deliver the Nottinghamshire Warm Homes on Prescription project to support low income residents including families with cold sensitive long term health conditions to achieve affordable warmth; • Maintain regular liaison with the Newark and Sherwood CCG. |
| Agenda Page 160 | Pledge: | We will seek to reduce the rate of homelessness by providing a range of housing advice and support |
| | Lead Officer: | Leanne Monger, Business Manager Housing and Safeguarding |
| | Activities | The Housing Options Team: |

| | | |
|----|---|--|
| | undertaken to support pledge: | <ul style="list-style-type: none"> • Fulfil the Councils statutory homelessness and prevention responsibilities, ensuring information and advice is available to all residents; • Continually review the Council's homelessness prevention strategy, in partnership with the Homelessness Interagency Forum. |
| 4. | Pledge: | We will continue to provide access to affordable leisure and cultural activities |
| | Lead Officer: | Andy Hardy, Community Arts/Active4Today |
| | Activities undertaken to support pledge: | <ul style="list-style-type: none"> • Active4Today offer a discretionary pricing structure including concessionary rates available for members who may find cost a barrier to access. • The Sports Development team deliver and create opportunities in sport within communities, schools and for partners which remove barriers to access and are affordable. For example the Street Games project which allows sport sessions to be delivered on peoples doorsteps. • Active 4 Today are a proactive partner on the Together for Newark Group (previously 'closing the gap' a funded project by Nottinghamshire County Council) which addresses gaps in vulnerable student groups. Local partners, business, charities sit on this group to look to improve life chances for the most vulnerable. One project that has been funded by Together for Newark is Newark Youth College to encourage children to take part in enrichment activities in and out of school – try new things, learn new skills and meet new people – this is free project to engage in removing the biggest barrier to participation. |
| 5. | Pledge: | We will review local support available to vulnerable families, the impact these services have and identify opportunities for improvement |
| | Lead Officer: | Leanne Monger, Business Manager Housing and Safeguarding |
| | Activities undertaken to support pledge: | <p>The Housing Options and Energy Home Support Team:</p> <ul style="list-style-type: none"> • Have established links with the Nottinghamshire Life Chances for Families and Children (formerly known as the Child Poverty Reference Group); • Work with the Newark and Sherwood CCG/ Sherwood and Newark Citizens Advice/DWP and other third sector partners to support vulnerable families. |
| 6. | Pledge: | We will collaborate with and assist a range of voluntary and community organisations that provide support and services to residents vulnerable to child poverty |
| | Lead | Andy Hardy, Community Arts |

| | | |
|----|---|--|
| | Officer: | |
| | Activities undertaken to support pledge: | <p>We help to facilitate the provision of:</p> <ul style="list-style-type: none"> • Free activities for young people in the Council’s Parks through Newark and Sherwood Play Support; • Local clubs such as the Newark Town Football club, to help keep costs low; • Low costs to hire the community centres to local groups such as the Hawtonville Community Centre; • Outreach activities in our open spaces e.g. Vicar Water Park. |
| 7. | Pledge: | We will maximise benefit take up of families in poverty and turnaround applications quickly and accurately |
| | Lead Officer: | Phil Ward, Business Manager, Revenues and Benefits |
| | Activities undertaken to support pledge: | <p>The Revenues and Benefits Team:</p> <ul style="list-style-type: none"> • Are trained and skilled to deal with all enquiries which supports speedy processing of claims; • Process applications within 28 days; • Ensure that accuracy rates for processing claims is excellent allowing residents to access benefits in a timely manner; • Signpost residents to other benefits where relevant such as child tax credits; • Offer a visiting service to include visiting vulnerable claimants/ families in their homes when required; • Work with the Housing Options team to provide discretionary housing payments where appropriate; • Provide website links to the benefits available and signposts to other benefits that may be applicable; • Have close links with social landlords; Newark and Sherwood Homes, Nottingham Community Housing; Leicester community housing and have trained staff from these organisations to assist claimants to complete benefit forms. |

Improving the Life Chances of Children, Young People and Families Action Plan 1st April 2018 – 31st March 2020

This action plan is part of the Nottinghamshire Child Poverty Strategy and is performance managed and developed by the Nottinghamshire Life Chances for Children and Families Partnership. The plan focuses on improving life chances and social mobility with a particular focus on tackling child poverty in Nottinghamshire.

This action plan has been informed by the Child Poverty and Life Chances JSNA 2016 which can be found here: <http://jsna.nottinghamcity.gov.uk/insight/Strategic-Framework/Nottinghamshire-JSNA.aspx>

For more information for professionals please go to <http://www.nottinghamshire.gov.uk/care/childrens-social-care/nottinghamshire-childrens-trust/child-poverty>

Information for children, young people and families is available at: www.nottshelpyourself.org.uk/

| Expected Outcome | Aims (what do we want to achieve?) | Objectives (How) | Lead (By Who) | Deadline (By When) | Measure of success |
|---|--|--|----------------------------------|--------------------|---|
| Children and Families experience fewer negative outcomes from the effects of poverty | To improve the life chances of children and families by working in partnership to reduce levels of child poverty and reduce the impact of poverty. | <ul style="list-style-type: none"> Continue to facilitate Life Chances for Children and Families partnership group. Develop, implement and review the Life Chances Action Plan across the partnership. Improving Life Chances and Child Poverty work are considered by the Children's Trust. Actively target and direct resources to localities and community groups with higher rates of child poverty. | Early Childhood Services, NCC | Review annually | Engagement of partners through the Life Chances Partnership. Child Poverty levels decline (awaiting national data). Inequalities are reduced across localities evidenced through child poverty data (awaiting national data). |
| | Workers recognise the importance of tackling child poverty in improving outcomes for families. | <ul style="list-style-type: none"> Scope the creation of an e-learning course to help increase understanding of child poverty and what frontline staff can do to effectively support families. This will include links to identifying neglect and the | NCC & Homestart NCC Early | July 2018 | Evaluation from e-learning. NCC Child Poverty webpage hits. Attendance at briefing events. |

| Expected Outcome | Aims (what do we want to achieve?) | Objectives (How) | Lead (By Who) | Deadline (By When) | Measure of success |
|---|---|---|--------------------|--|---|
| | | links with poverty. <ul style="list-style-type: none"> Refresh the child poverty webpages on the NCC website Roll out Universal Credit Briefings for frontline staff. | Childhood Services | | |
| | Children, young people and families in poverty have improved health and well-being outcomes. | To close the health inequalities gap for low income groups and their peers by targeting localities and target groups with poorer health and wellbeing outcomes. | NCC Public Health | Measured annually in the Public Health Outcomes Framework | The gap is narrowed between affluent and disadvantaged localities of Nottinghamshire using the following outcome data: <ul style="list-style-type: none"> Teenage pregnancy Life expectancy Infant mortality Childhood obesity Low birth weight Breastfeeding rates All life expectancy SII/gap measures from birth (Public Health Outcomes Framework 0.2i, 0.2iii, 0.2iv, 0.2v) |
| | To improve the quality and quantity of private sector rented housing for those in housing need, reducing the need for temporary accommodation used by families. | To undertake a survey to collate the activities and interventions offered by all District Councils to improve the quality and quantity of housing for families in need. | District Councils | Measured annually in District Council reports and the Public Health Outcomes Framework | Statutory Homelessness and households in temporary accommodation (Public Health Outcomes Framework 1.5ii) |
| Families and Children are able to move out of poverty | To increase uptake of funded childcare provision to and support parents into work. | <ul style="list-style-type: none"> Remove the barrier of the cost of childcare for all parents by promoting the universal offer of 15 hours per week funded childcare for all 3 and 4 year olds. | | | Increased take up of the universal 15 hours childcare for all 3 and 4 year olds. Baseline Autumn 2017 requested from SE by DT. |

| Expected Outcome | Aims (what do we want to achieve?) | Objectives (How) | Lead (By Who) | Deadline (By When) | Measure of success |
|------------------|--|---|--|--------------------|---|
| | | <ul style="list-style-type: none"> Remove the barrier of the cost of childcare for working parents with a sustained increase in the number of 3 and 4 year olds (whose parents are in work) accessing their <u>additional</u> 15 hours of free childcare. | | | <p>Increased take up rates across all districts of 3 and 4 year olds from working households claiming their 30 hours funded childcare entitlements. Baseline Autumn 2017 requested from SE by DT.</p> |
| | <p>To provide opportunities for parents to be job ready, by improving skills, confidence and aspirations for their families.</p> | <ul style="list-style-type: none"> Adult learning programmes Family Learning Volunteering opportunities for parents are promoted and encouraged e.g. across local voluntary and community services, in local Children’s Centres, Homestart etc Successful delivery of the ‘Towards Work’ programme. Successful delivery of District Council Job Clubs Successful delivery of the Talent Match programme. Promotions of DWP work coaches. | <p>NCFP Inspire DWP</p> | <p>June 2018</p> | <p>Increasing numbers of parents accessing adult education programmes.</p> <p>Children’s Centres impact reports highlight progress re. Job readiness.</p> |
| | <p>More parents into sustained employment.</p> | <ul style="list-style-type: none"> Family Support provision through the NCC Family Service and Children’s Centres. DWP Building Better Opportunities District council work Other | <p>NCC, DWP, Building Better Opportunities</p> | <p>March 2019</p> | <p>Successful Troubled Families claims indicate parents in employment.</p> <p>Employment levels and analysis.</p> |

| Expected Outcome | Aims (what do we want to achieve?) | Objectives (How) | Lead (By Who) | Deadline (By When) | Measure of success |
|------------------|--|---|---|--------------------|---|
| | <p>Working across agencies to consider the effectiveness of work programmes in helping those furthest away from the labour market back into work, in particular adults with mental health difficulties</p> | <ul style="list-style-type: none"> Active promotion of schemes to support parents with mental health problems into work 'health and work programme', 'Recovery College' (Notts Help Yourself) Review of work programmes. | <p>NCC Economic Development</p> | <p>March 2019</p> | <p>Gap in the employment rate between those with a long term condition / mental health and the overall employment rate (Public Health Outcomes Framework 1.08i, 1.08ii, 1.08iii)</p> |
| | <p>Increase families' money management skills and build financial resilience for children and families in poverty.</p> | <ul style="list-style-type: none"> Launch and roll out money management tools and information through Building Better Opportunities programmes. Families are signposted to and supported to access online benefit eligibility checkers and money management tools. Local partners are aware of and using money management tools in their settings. Scope partnership arrangements with high street banks. | <p>Better Opportunities Lead</p> | <p>March 2019</p> | <ul style="list-style-type: none"> Increased use of money management tools and resources. More families report increased confidence in money management |
| | <p>Support families reliant on welfare to navigate the system</p> | <ul style="list-style-type: none"> Roll out of Universal Credit District Briefings to enable frontline workers to correctly support families. Map digital access points across Nottinghamshire to support families to apply for Universal Credit and childcare online. Support the roll out of RCAN digital champions. | <p>DWP & District Councils, CAB</p> | <p>March 2019</p> | <ul style="list-style-type: none"> Universal credit claims Evaluation following briefing events Completion of mapping report Local case studies |

| Expected Outcome | Aims (what do we want to achieve?) | Objectives (How) | Lead (By Who) | Deadline (By When) | Measure of success |
|--|--|---|--|---|---|
| | <p>Increase families' income and improve outcomes through tackling fuel poverty.</p> | <ul style="list-style-type: none"> • Work with partners to identify where families are affected by fuel poverty. • Support interventions to tackle fuel poverty are effectively promoted to families' experiencing fuel poverty. • Successful delivery of the Big Difference Scheme (prepayment meters etc). District Councils are represented on the Tackling Fuel Poverty partnership group. | <p>NCC Public Health, District Councils; Local Energy Partnership, CAB</p> | <p>Reviewed annually.</p> | <p>Localities where families are most affected by Fuel Poverty levels are identified</p> <p>Fuel Poverty levels decline across Nottinghamshire (measured annually).</p> |
| | <p>Increase families' income and improve outcomes through tackling food poverty.</p> | <ul style="list-style-type: none"> • Improve data collection around the nature and extent of food poverty in families with children. By undertaking a survey of foodbanks in Nottinghamshire. • Active promotion of social eating, food banks and fair share schemes, holiday kitchens across the county. • Evaluate the impact of Children's Centre food poverty work (cooking on a budget, holiday kitchens etc.) | <p>All Life Chances / Child Poverty partners</p> | <p>Reviewed annually.</p> | <p>A clear picture of services to tackle food poverty is developed across the County</p> |
| <p>The Cycle of Poverty is broken as children are prevented from becoming poor adults</p> | <p>To improve educational outcomes for our poorest children and close the attainment gap for children eligible for Free School Meals and their peers</p> | <ul style="list-style-type: none"> • Successful implementation of the Closing the Gap Strategy with an enhanced focuses on partnership working with all stakeholders, including businesses and parents. • Successful implementation of the Early Years Improvement Plan. • Encourage and increase take up of Free School Meals, by supporting low income parents to assess their eligibility and register. • 2 year olds from low income groups access their free childcare and early | <p>NCC Early Childhood Services and School Improvement</p> | <p>Autumn Term annually</p> <p>Termly</p> | <p>Attainment levels increase across all Key Stages (Early Years Foundation Stage, Key Stages 1-5).</p> <p>Attainment gap reduces across all key stages.</p> <p>Ofsted judgements for early year's settings improve.</p> <p>Parents are aware of services to help them and their families to be school ready and job ready and are encouraged</p> |

| Expected Outcome | Aims (what do we want to achieve?) | Objectives (How) | Lead (By Who) | Deadline (By When) | Measure of success |
|------------------|---|---|--|--------------------------|--|
| | | <p>education entitlements using early year's settings that are 'good' or 'outstanding'.</p> | | | <p>to access these.</p> <p>Eligible 2 year olds accessing their free early education entitlements (measuredly termly). Baseline Autumn 2017 requested from SE by DT.</p> |
| | <p>Have a collaborative approach to support young people (16-18 yrs) to not become not in education, training or employment (NEET) and Not Known, maximising opportunities.</p> | <ul style="list-style-type: none"> • Better awareness and understanding of range of opportunities and programmes, including promotion of careers fairs • Agencies to work collaboratively to provide a pathway. • Be aware of priority groups within this cohort, ensuring all relevant services engage • Family Service – NEET UNIT • Futures – range of programmes for 18+ • Apprenticeships – opportunities in public and private sector organisations, supported by Apprenticeship Agencies • Schools - collaborative approach by NCC/Futures to capture data, including destination info and identify hotspots • | <p>NCC Family Service and School Improvement</p> | <p>Annual</p> | <p>As at 20.12.17. EET 93.4% NEET 1.4% Not known 5.3%</p> |
| | <p>To raise the aspirations of children and young people.</p> | <ul style="list-style-type: none"> • Successful implementation of 2 academic resilience programmes across 30 Nottinghamshire Schools, driven by 'Future in Mind' 2015. • Outcomes based commissioned with short and long term sustainable measures of success. | <p>NCC Public Health (ICH)</p> | <p>1.4.17 to 31.3.20</p> | <p>Outcomes based commissioned with 9 short and 8 long term sustainable measures of success (detailed in Appendix 1).</p> |

| Expected Outcome | Aims (what do we want to achieve?) | Objectives (How) | Lead (By Who) | Deadline (By When) | Measure of success |
|------------------|---|--|---------------|--------------------|--|
| | Consider how to effectively support couple relationships and identify successful models for achieving this. | <ul style="list-style-type: none"> • Successful delivery of Family Support work led by Children’s Centres and the Family Service. | NCC and NCFP | | Model identified in CC plan and performance framework. |

This action plan compliments and has interdependencies with the following plans and strategy

- District/ Borough Council plans
- Family Outcomes Plan
- Nottinghamshire Children and Young People’s Mental and Emotional Wellbeing Strategy Add year
- Nottinghamshire Children, Young People and Families Plan
- Nottinghamshire Closing the Gap Strategy
- Nottinghamshire Early Years Improvement Plan
- Nottinghamshire Health and Well Being Strategy

APPENDIX ONE

Outcome Measures for Academic Resilience work

Short term outcomes

- Developing inner resources for self-awareness, self-confidence, self-esteem and self-efficacy
- Improved behaviour – responding rather than reacting and managing self and challenge
- Improved relationships and sense of belonging
- Improved attendance at school
- Increased focus, attention and ability to learn
- Sustainability in the school setting
- Early identification of and intervention with emotional mental health and wellbeing difficulties.
- Appropriateness of referrals to Child and Adolescent Mental Health services CAMHS
- Improved mental health and well-being and reduced Children and Adolescent Mental Health Services (CAMHS)

Long term outcomes

- Increased academic achievement of A*- C grades and to reduce the gap between achievers
- Increased participation in vocational courses and achievement of skills and qualifications
- Increased life chances
- Reduction in young people not in education employment and training (NEETS)
- Reduced reliance on state support and increased economic activity and independence
- Increased mental health and wellbeing
- Building on personal resilience for sustainable and resilience families and communities
- Increased quality of life for individuals and communities.

POLICY & FINANCE COMMITTEE

28 JUNE 2018

PROGRESS REPORT ON THE PROVISION OF A SECOND PITCH AT NEWARK R&M CRICKET CLUB

1.0 Purpose of Report

1.1 To update Policy & Finance Committee on progress with the project.

2.0 Background Information

2.1 Members will be aware that the redevelopment of the former RHP Sports and Social Ground resulted in the loss of the cricket pitch and in order to satisfy Sport England's Planning Policy requirements it was agreed that a replacement pitch would be provided in a timely manner to mitigate this loss.

2.2 Accordingly the District Council has worked in partnership with Newark R&M Cricket Club, the English Cricket Board (ECB), Newark Town Council and the William E Knight Trust to develop a three phased scheme which would deliver the replacement pitch at the Club's Kelham Road site as phase 1.

2.3 Phase 2 involves the development of suitable changing facilities for the new pitch and Phase 3 the refurbishment of the existing club house will follow and work is ongoing in respect of phase two currently.

2.4 Contractors were appointed through the Council's Procurement process to undertake the work which commenced on Monday, 4 June 2018 at a cost of £89,700.00 inclusive of fees and project contingency and it is anticipated that the main works will be completed by September 2018. Thereafter there will be a year's maintenance delivered through the contract to ensure that the required quality standards for the pitch are achieved prior to handover to the Club.

2.5 The costs associated with Phase 1 of the scheme are covered by £40,000 Section 106 funding from Newark and Sherwood District Council (as detailed in the report to Policy and Finance Committee of 25 January 2018), £30,000 grant funding from the ECB and the balance of £19,700 from Newark Town Council.

2.6 Further information in respect of the development of Phase 2 will be provided to members in due course when further information is available in respect of design and costs elements of the scheme. However funding has already been secured of £100,000 from the WE Knight Trust and £80,300 from Newark Town Council and it is anticipate that there will be further grant investment from the ECB which has intimated that it views the proposal as a priority project to support as a future scheme.

3.0 Proposals

3.1 That the Policy & Finance members note the progress of the scheme.

4.0 Equalities Implications

4.1 Newark R&M CC is an inclusive ECB Clubmark accredited Cricket Club which is determined to improve access for all to engage in cricket and cricket related activities. The development of the new provision at the club's existing site will have a positive impact in respect of meeting its challenge of being inclusive and is to be welcomed.

5.0 Impact on Budget/Policy Framework

5.1 There is no impact on the budget policy framework in respect of this project as all costs are contained as detailed in paragraph 2.5 above.

6.0 Comments of Director

6.1 Phase 1 of this scheme is included in the current Capital Programme as per paragraph 2.5 above. Phase 2 will not include a monetary commitment from the District Council as this phase is funded in full by the ECB and the Town Council.

7.0 RECOMMENDATION

That the report be noted

Reason for Recommendation

To ensure Members are aware of the progress being made in respect of this project.

Background Papers

Nil

For further information please contact Andy Hardy on Extension 5708

Kirsty Cole
Acting Chief Executive

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted