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**Tuesday, 11 September 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:**

**Councillor R Blaney  
Councillor Mrs C Brooks  
Councillor Mrs L Tift  
Councillor N Mison**

**MEETING: Policy & Finance Committee**

**DATE: Thursday, 20 September 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](mailto:nigel.hill@newark-sherwooddc.gov.uk).



## AGENDA

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To consider resolving that, under section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of part 1 of Schedule 12A of the Act.

- |     |  |           |
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# Agenda Item 4

## NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Policy & Finance Committee** held in the Civic Suite, Castle House, Great North Road, Newark, Notts NG24 1BY on Thursday, 28 June 2018 at 6.00 pm.

PRESENT: Councillor D Lloyd (Chairman)  
Councillor K Girling (Vice-Chairman)

Councillor R Jackson, Councillor P Peacock, Councillor D Staples and  
Councillor N Mison

APOLOGIES FOR ABSENCE: Councillor B Laughton and Councillor T Wendels

1 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

There were no declarations of interest.

2 DECLARATIONS OF INTENTION TO RECORD THE MEETING

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

3 MINUTES OF THE PREVIOUS MEETING

The minutes from the meeting held on 5 April 2018 were agreed as a correct record and signed by the Chairman.

4 FORWARD PLAN OF POLICY & FINANCE ITEMS

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

5 ORDER OF BUSINESS

With the agreement of the Committee, the Chairman changed the order of business and Agenda Item Nos. 19, 20, 21 and 22 were taken after Agenda Item No. 5. The Agenda resumed its stated order thereafter.

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

The Committee considered the Annual Standards Report for the period 1 April 2017 to 31 March 2018. The Monitoring Officer had received eight Code of Conduct complaints during the period, none of which had been referred for formal investigation. Register of Interest forms for Newark & Sherwood District Councillors had been recently updated to include two questions regarding related party interests. Town and Parish Council were reminded annually to update their forms, which were published on the District Council's webpage.

AGREED that the report be noted.

### Reason for Recommendation

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

## 7 EQUALITIES UPDATE

The Committee considered a report with an update on the progress made over the last year towards the Council's corporate equalities objectives and gender pay gap information. The Committee considered information regarding the projects, initiatives and work streams that were being undertaken to contribute to the Equality and Diversity Strategy, which were managed through an Officer Corporate Equalities Working Group. The report also detailed an analysis of the gender pay gap and actions considered to help reduce the gap.

AGREED (unanimously) 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.

## 8 PROGRESS UPDATE ON CHILD POVERTY ISSUES

The Committee considered a report which sought 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). The report contained information on some of the work undertaken by the Council to tackle child poverty and promote social mobility within the District.

A Member of the Committee commented that the report showed no actual progress with tackling the issue of child poverty. He acknowledged that there were some initiatives but these did not directly address the issue. In response, the Business Manager – HR, OD & Legal advised that it was a high level report and was in response to the Social Mobility Commission Report – State of the Nation published in 2017. She added that the Council worked with Nottinghamshire County Council and that some of the actions undertaken were at both a county and district level. Work was carried out in the socially deprived areas by the Business Manager – Economic Development. It was noted that should Members wish to see further information on the work ongoing this could be provided.

The Chairman of the Committee requested that a further update report be added to the Forward Plan for consideration at a future meeting and noted that the pledges had been set by the County Council.

A Member of the Committee acknowledged that the increase in child poverty was due to factors beyond the control of the Council and queried how the effectiveness of the pledges was to be monitored. The Business Manager – HR, OD & Legal advised that they had been developed with the Nottingham Strategic Group and that the outcomes would be firmed up at their next meeting.

AGREED (unanimously) 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.

### 9 RECONSTITUTION OF WORKING PARTIES/TASK & FINISH GROUPS

The Committee considered a report regarding the reconvening of various working parties and task and finish groups established by the Committee, which were detailed in the appendix to the report. The Committee were also invited to appoint a representative for the Local Development Framework Task Group.

The Committee also noted that the Strategic Housing Liaison Panel was currently made up of five councillors and five board members. However, 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 was recommended that the Committee consider reducing the current size of the Panel proportionately.

AGREED (unanimously) that

- (a) the Working Parties/Task & Finish Groups, as set out in the appendix to the report, be reconvened with the memberships as detailed;
- (b) the size and makeup of the membership of the Panel of the Strategic Housing Liaison Panel remain unchanged; and
- (c) Councillor D.J. Lloyd be appointed as the Committee’s representative on the Local Development Framework Task Group.

#### Reason for Recommendations

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

## 10 REVIEW OF LEISURE CENTRE PROVISION

The Committee considered the report presented by the Business Manager – Housing Options & Safeguarding which provided progress made in considering the options available for improving and sustaining leisure provision in Sherwood.

The report set out the background to the review of leisure centre provision in Sherwood and the objectives of the project. An options appraisal was appended to the report with the three options summarised at paragraph 4.1. Details of the proposals were reported together with a financial appraisal and comments of the Council's Section 151 Officer.

The matter had been considered by the Leisure & Environment Committee at its meeting held on 26 June 2018 with a recommendation being made to the Policy & Finance Committee not to progress, at the present time, with Option 3 contained within the report. The Leisure & Environment Committee also recommended that approval be given for appropriate land transfers from Nottinghamshire County Council and the Dukeries Academy to the District Council with delegated powers being given to the Director – Customers to effect those transfers, to support the development of sports hub light model linked to the Ollerton & Boughton Neighbourhood Study.

In noting the current swimming provision at Wellow House School, a Member of the Committee, who was also the Local Member for Boughton, commented that there were no changing facilities and also that it was difficult for the public to access a private facility. He suggested that the Dukeries Academy be contacted to ascertain whether it was possible to reactivate the existing swimming facility with a view to the Council taking over responsibility for its operation. The Member therefore suggested that consideration of the matter be deferred to allow those discussions to take place.

In response, another Member of the Committee advised that the Dukeries had taken the decision to close the facility with no consultation or negotiation and had also filled in the swimming pool area so the suggested negotiation to reactive the facility would not be possible. He acknowledged that the provision of a swimming facility was difficult and that it had been unfortunate that the arrangement with the South Forest Leisure facility had not been sustainable. He noted that use of the Wellow House facility had only been in operation for a short time and that it would likely improve. If the Council chose to fund and build a swimming facility in Sherwood it would almost completely wipeout the Council's available reserves. He stated that it was important that the suggested acquisition of land from Nottinghamshire County Council be progressed, noting that the outcome of the survey had been that residents preference was for outdoor leisure facilities.

AGREED (with 4 votes for and 2 against) that:

- (a) Option 3 contained in the report should not be progressed at the present time; and

- (b) approval be given for the transfer of land from Nottinghamshire County Council and the Dukeries Academy to the District Council with delegated powers being given to the Director – Customers to effect those transfers, to support the development of a sports hub light model linked to the Ollerton & Boughton Neighbourhood Study.

11 PROPOSED LAND TRANSFER BETWEEN NEWARK & SHERWOOD DC AND NEWARK TOWN COUNCIL

The Acting Chief Executive presented a report which detailed proposed land transfers between the District Council and Newark Town Councils.

Newark Town Council wished to construct new staff and vehicle accommodation in Newark Cemetery and discussions had 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 had 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.

The District Council were progressing proposals for the redevelopment of the area around Lincoln Road playing fields as part of the Bridge Ward Regeneration Project and had approached Newark Town Council with a view to them transferring a parcel of land at Lincoln Road playing fields to the District Council. 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.

It was recommended that the two sites should be swapped at no cost to either Council in respect of the proposed transfers but with each party meeting its legal and other associated costs in relation to the proposed transfer. Approval by Newark Town Council to the proposed land swap had been given on 18 April 2018.

AGREED (with 4 votes for) 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.

*Councillor Girling and Councillor Lloyd did not participate or vote on the above item.*

## 12 EXTRA CARE SCHEME - OLLERTON

The Committee considered the report of the Director - Safety which sought 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.

The Committee considered the evidenced need for the proposed development and heard that Officers of the District Council, the Company and the County Council had 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.

The proposal was for 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.

The Scheme would be funded through the capital finances available within the HRA Business Plan and delivery of the scheme and 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.

AGREED (unanimously) 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 be 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.

## 13 ESTATE REGENERATION - BRIDGE WARD

The Committee considered a report providing an update on 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.

In considering the report, the Committee noted the activities being progressed through the 'Capacity and Enabling' funding of Estate Regeneration Programme, to meet the timetable set out at paragraph 2.4 and that an indicative funding gap had been identified. Officers were working with Homes England and MHCLG to secure Government finance to bridge this gap to mitigate its potential implications.

Members also considered 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 Local Members for the Bridge Ward, who were in attendance at the meeting, addressed the Committee advising that the workshop held the previous day had been well received. However, residents had expressed some concern that they were unable to have access to a plan for the proposed regeneration scheme as referred to by the Leader of the Council during his interview with Radio Newark. The Local Member addressing the Committee requested that recommendation (c) of the report be amended to remove reference to the possible use of compulsory purchase powers.

The Business Manager – Strategic Housing advised that the reference to the possible use of compulsory purchase powers was in order for the Council to be able to be proactive in developing an appropriate offer for residents who may be affected and for them to have a single point of contact to discuss the matter.

The Director – Safety advised that it was necessary to begin the development of rehousing policies giving priority to displaced residents but that reference to the possible use of compulsory purchase powers could be removed at this stage. She added that the Council wanted the residents to feed into the consultation process and that if they did support the proposals and they came to fruition it would involve the displacement of some residents.

The Chairman clarified that his reference to a plan, when being interviewed by Radio Newark, was in relation to sporting facilities and green space provision and not in relation to housing provision. He stated that it may be necessary for the Council to make difficult decisions in the future but that the use of compulsory purchase was a last resort measure. Every effort was being made to protect the existing green space and enhance the open space and that in order to tackle some of the issues experienced by residents it would be necessary for direct intervention measures to be taken. He confirmed that any resident affected by the proposals would be contacted directly prior to any information being released to the public.

AGREED (unanimously) that:

- (a) the Committee note the progress being made under the 'Estate Regeneration Programme' for the Yorke Drive Estate and Lincoln Road playing field transformational project;
- (b) the ongoing funding discussions with Homes England and MHCLG and potential implications in terms of delivery of the project be noted; and

- (c) the development of rehousing policies giving priority to displaced residents be approved.

### 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.

#### 14 ASSET TRANSFER - RAINWORTH VILLAGE HALL

The Committee considered a report proposing the transfer of Rainworth Village Hall to Rainworth Parish Council under asset transfer powers as detailed in the Council's Asset Transfer- Corporate Principles Policy.

Rainworth Parish Council would assume freehold ownership of the Hall and continue to work in partnership with the Management Committee to ensure that the village hall continued to serve the community as intended. 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 had been undertaken by the District Council as a condition of the Parish accepting the proposed transfer.

Given that such facilities were expensive to manage and maintain it was also proposed that the District Council make available a commuted sum of £50,000 as part of the proposed transfer which it currently held 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.

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

All Members agreed that the Local Member for Rainworth North & Rufford, Councillor Mrs L.M.J. Tift, be thanked for her efforts in developing the village hall into the successfully run facility it was today.

A Member expressed some concern as to the relationship between the Parish Council and the Village Hall Management Committee and that there was not a formal agreement between the two parties for the running of the building. The Acting Chief Executive advised that it was usual to have a restrictive covenant in place and that model documentation for an agreement was available if required. The Community Projects Manager advised that the Council would look to build into the transfer robust requirements for the relationship between the two parties.

AGREED (unanimously) 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 effect the transfer.

Reason for Recommendations

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

15 FINANCIAL OUTTURN REPORT TO 31 MARCH 2018

The Committee considered the 2017/18 financial outturn position on the Council's revenue and capital budgets including details regarding the: General Fund Revenue; Housing Revenue Account; Capital Programme; Provisions and Impaired Estimates on Debtors; Usable Reserves; Collection Fund; Balance Sheet; and Treasury Management.

In noting the information provided in the report a Member queried what the underspend of £0.761m meant in terms of money collected from Council Tax receipts. The Business Manager – Financial Services advised that he would provide the information in a written response.

The Chairman advised that the underspend had not been planned and that the monies would be utilised and invested back into the community.

AGREED (unanimously) 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 Annual Report on Treasury Management Activity be received, as required by the Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management; and
- (i) it be noted that Treasury Management activities were 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.

#### 16 NEWARK AND SHERWOOD HOMES LIMITED - REMUNERATION OF BOARD MEMBERS

The Committee received a report which considered the payment levels for remuneration of Board Members of the Company.

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.

The Company's Board had 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.

AGREED (unanimously) that payment of honoraria to Board members as set out in the body of the report be approved.

#### Reason for Recommendation

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

#### 17 SALE OF 82 MILLGATE, NEWARK

The Committee considered a report regarding 82 Millgate, which was owned by the District Council, held within the Housing Revenue Account and used to provide bed-sit type accommodation for single persons with additional needs. There were six units, of which five were occupied.

The property was managed by Newark and Sherwood Homes, who had undertaken a financial appraisal to look at the future viability of the property. Four options had been identified. After taking into account the higher than average costs associated with managing the building due to its age and type of units, the questions over the suitability of accommodation of this type in this location, it was recommended that the most sustainable option in the management of the Housing Revenue Account Business Plan was disposal on the open market with vacant possession in its current condition.

AGREED (unanimously) that:

- (a) the proposed disposal of 82 Millgate, Newark be supported; and
- (b) existing tenants be consulted over the proposed sale and a report be submitted to the next meeting of the Committee for the outcome of that 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.

#### 18 JUBILEE BRIDGE - NEWARK

The Committee considered a report from the Director – Resources/Deputy Chief Executive regarding the cost of maintaining the Millennium Jubilee Bridge for the next 20 years and seeking approval for a general fund capital and revenue budget for 2018/19.

A recent inspection had reported that the bridge was in generally good condition with no significant defects in urgent need of repair. The recommendation was that with a regular maintenance and cleaning regime, structure deterioration would be minimised, thereby avoiding unforeseen major expense items.

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

In considering the report a Member queried whether it was possible to transfer the bridge to Newark Town Council (NTC) with an appropriate commuted sum. He also noted the proposed increase in cost for the maintenance of the bridge from that of recent years.

The Acting Chief Executive advised that efforts had been made to transfer the bridge to NTC as part of a devolution deal but that they were not in a position to accept it. Discussions had also been held with Nottinghamshire County Council but they had requested a commuted sum in the order of £430,000 and this was considered too high. Asset Management had also made enquiries as to whether any other organisations would be interested but no expressions of interest had been received.

In relation to the increased cost for maintaining the bridge it was reported that the Parks Team had previously undertaken the maintenance but in order to ensure that future maintenance met with all current health and safety guidance it was deemed necessary for it to be undertaken by experts in that field. Also in the past the maintenance costs had not included sufficient funds to be set aside for future repairs and the proposed budget provision would address this.

AGREED (unanimously) that:

- (a) Responsibility for the Millennium Jubilee Bridge be transferred to the Asset Management Team who would make appropriate arrangements in respect of its future inspection, repair and maintenance;
- (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.

In order to achieve an appropriate level of inspection and maintenance it is necessary to set aside appropriate budgetary provision for this purpose.

#### 19 TOUR OF BRITAIN 2018 - BUDGET REQUEST

The Committee considered a report regarding the 2018 Tour of Britain. It had been confirmed that Nottinghamshire would host Stage Seven of the Tour, taking in 20 towns and villages within the District. The proposed budget provision would enable the Project Team to improve on the community engagement that was palpable last year thereby promoting the District in the best possible light. This included ensuring that the route was clean and well-presented and that communities were 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 & Sherwood.

A Member noted that half of the budget provision requested would be used for a contribution towards partner hosting costs which left a sum of £5,000 for the Project Team towards costs associated with ensuring that exposure opportunities were maximised for the District Council and its communities. The Member suggested that the amount should be increased to £20,000.

The Community Projects Manager stated that the event would be different from the previous year. The increased cost to the Council in the previous year had resulted in funds being requested retrospectively but these had been due to circumstances beyond the control of the Project Team and primarily related to the fact that the

closing stage was held within the district. He added that the Project Team had some concerns with the route chosen for September 2018 but that these had been raised with the organisers. It was anticipated that there would be a bigger clear-up needed as the event was to be held at a weekend.

The Chairman stated that the amount of funding requested and available to the Project Team should not include any costs associated with litter clearing following the race and that any further request for funding to cover costs was likely to be favourably considered.

AGREED (with 4 votes for with 2 abstentions) 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 their part of the 2018 event taking place within the district.

20 ALLOCATION OF SECTION 106 FUNDS

The Acting Chief Executive presented a report detailing Section 106 funding received from the Miller Homes development on Newark Road, Ollerton. Ollerton & Boughton Town Council was planning improvements to the play facilities for children and young people on their Whitewater Road open space and had requested that the District Council release s106 funds to the value of £110,000 to allow it to progress this project. The Town Council had consulted with local people about the scheme and the local community had raised funds towards it. The Town Council would also contribute funds from its own budgets.

AGREED (unanimously) 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.

21 LOWDHAM FLOOD RISK MANAGEMENT SCHEME

The Committee considered a report regarding a flood risk management scheme at Lowdham. The Homes & Communities Committee had considered the report at their meeting on 11 June 2018 and agreed that the request for funding should be considered by the Policy & Finance Committee.

The village of Lowdham had suffered from repeat flood events in 1999, 2007, 2012 and 2013. The Lowdham Flood Risk Management Scheme aimed to protect up to 200 residential properties at risk of flooding for an estimated investment of £6m.

The Council had 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 was therefore available for allocation.

At the meeting of the Homes & Communities Committee held on 11 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 included in the District Council's capital programme. The recommendation took into account other schemes that are currently being investigated and had the possibility of being developed over the next few years, for example, Gunthorpe and Girton. It also took into account the recent flash flooding at Sutton on Trent and any demand this may have on the funding available.

In noting recent flooding events in Egmanton and Sutton-on-Trent a Member queried whether there were any forthcoming schemes for those areas. In response he was advised that the event in Sutton-on-Trent had been flash flooding and that the scheme for Egmanton had been delayed due to issues with the landowners.

The Director – Safety advised that the Environment Agency had a programme of schemes that were currently being worked on but that these would not all receive funding and that any decision in this regard would be dependent on the result of a cost benefit analysis.

AGREED (unanimously) that the allocation of funding towards the cost of the Lowdham Flood Alleviation Scheme up to a maximum of £200,000 be approved.

#### 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.

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

The Committee considered the report of the Acting Chief Executive with regard to progress with the project to provide a second cricket pitch at Newark R&M Cricket Club. 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 to mitigate this loss.

Contractors had been appointed to undertake the work which had commenced on Monday, 4 June 2018 at a cost of £89,700.00 inclusive of fees and project contingency and it was anticipated that the main works would be completed by September 2018. Thereafter there would be a one year maintenance period, delivered through the contract, to ensure that the required quality standards for the pitch were achieved.

AGREED that the report be noted.

Reason for Recommendation

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

23 EXCLUSION OF PRESS & 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 this item of business on the grounds that it involves 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 outweighs the public interest in disclosing the information.

24 PURCHASE OF ADDITIONAL PARCEL OF LAND FROM TARMAC

The Committee considered the exempt report presented by the Acting Chief Executive in relation to the purchase of an additional parcel of land from Tarmac.

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

25 NEWARK BUSINESS INNOVATION CENTRE

The Committee considered the exempt report presented by the Deputy Chief Executive & Director – Resources in relation to Newark Business Innovation Centre.

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

26 URGENCY ITEM - QUIBELLS LANE

AGREED (unanimously) that the urgency item be noted.

Meeting closed at 7.40 pm.

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 October 2018 to 30 September 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.

<b>Meeting Date</b>	<b>Subject for Decision and Brief Description</b>	<b>Contact Officer Details</b>
29 November 2018	Capital Programme Monitoring Q2 2018/19	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
29 November 2018	General Fund and HRA Revenue Monitoring Q2 2018/19	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
29 November 2018	Commercials Project – Update Report on Commercial Projects Team	<a href="mailto:deborah.johnson@newark-sherwooddc.gov.uk">deborah.johnson@newark-sherwooddc.gov.uk</a> <a href="mailto:natalie.cook@newark-sherwooddc.gov.uk">natalie.cook@newark-sherwooddc.gov.uk</a>
29 November 2018	HRA Business Plan and Financial Model Refresh	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a> <a href="mailto:rob.main@newark-sherwooddc.gov.uk">rob.main@newark-sherwooddc.gov.uk</a>
29 November 2018	Estate Regeneration Programme: Bridge Ward	<a href="mailto:rob.main@newark-sherwooddc.gov.uk">rob.main@newark-sherwooddc.gov.uk</a>
29 November 2018	Provisional - Municipal Buildings Car Park - Exempt	<a href="mailto:kirsty.cole@newark-sherwooddc.gov.uk">kirsty.cole@newark-sherwooddc.gov.uk</a>
24 January 2019	HRA Budget and Rent Setting 2019/20	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
24 January 2019	Policy & Finance Committee Revenue Budget 2019/20	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
11 February 2019	Capital Programme Monitoring Q3 2018/19	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
11 February 2019	General Fund and HRA Revenue Monitoring Q3 2018/19	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
11 February 2019	Council Revenue Budget 2019/20	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
11 February 2019	Capital Programme Budget 2019/20-2022/23	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
11 February 2018	Medium Term Financial Plan 2019/20-2022/23	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
21 February 2019	Pay Policy Statement 2019	<a href="mailto:tracey.mellors@newark-sherwooddc.gov.uk">tracey.mellors@newark-sherwooddc.gov.uk</a>

**POLICY & FINANCE COMMITTEE**  
**20 SEPTEMBER 2018**

**PAY AND GRADING ARRANGEMENTS 2019 FOR EMPLOYEES ON NJC TERMS AND CONDITIONS OF SERVICE**

**1.0 Purpose of Report**

1.1 This report seeks to obtain delegated authority for the Head of Paid Service (or his designated deputies ) in consultation with the Leader (or, in his absence his deputy) to negotiate any changes to the current pay and grading arrangements that are required in order to implement the 2019 NJC pay award. Negotiations will be undertaken with the recognised Trades Unions through the Council's Joint Consultative Committee.

**2.0 Background Information**

2.1 Policy and Finance are currently responsible for carrying out negotiations with the recognised Trades Unions in relation to any proposed amendments to Part 3 of the National Agreement on Pay and Conditions of service (NJC terms). This includes arrangements regarding pay and grading. Negotiations were last conducted through the Council's Joint Consultative Committee during 2005/06 as part of the implementation of Single Status.

2.2 During April 2018 agreement was reached between the National Employers and the NJC Trades Unions Side on rates of pay applicable from 1 April 2018 and 1 April 2019. Whilst the 2018 pay award was straight forward to implement the 2019 is more challenging.

2.3 Approximately 400 employees are currently engaged on NJC terms. In accordance with the national terms and conditions of service all employees must be aligned to the relevant scale point on the national pay scale on 1 April 2019.

2.4 A project group has recently been established to oversee/deliver the project. A summary of objectives included with the project brief are set out:

- 1) To carry out a review of the current pay and grading arrangements for employees engaged on NJC terms and conditions of service;
- 2) To propose a revised pay and grading framework for the Council that is affordable whilst also being fair and equitable from a gender pay perspective across all grades;
- 3) To undertake an equality impact assessment to ensure there are no negative equalities implications associated with the proposed revised grading structure;
- 4) To review/update the local conventions attached to the job evaluation scheme to ensure that they are fit for purpose and reflective of a modern working environment;
- 5) To consult/negotiate with the recognised trades unions to reach an agreement on amendments to the single status agreement as set out above;
- 6) To implement the 2019 Pay Award on 1 April 2019;

### **3.0 Proposals**

- 3.1 Given the timescales associated with progressing the project it is proposed that negotiations are conducted through the Joint Consultative Committee (similar to Single Status negotiations) and that the Head of Paid Service (or his deputy) is provided with the necessary delegated authority to conduct negotiations on behalf of the Council in consultation with the Leader (or his deputy).
- 3.2 The project plan requires an update to be provided to Policy & Finance once the final costs relating to the various options are known prior to commencing formal negotiations with the Trades Unions.

### **4.0 Equalities Implications**

- 4.1 A full Equalities Impact Assessment will be carried out as part of the review process and shared with the Trades Unions during negotiations.

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

- 5.1 A high level mapping exercise has already been undertaken to assess the minimum cost associated with aligning employees engaged on NJC terms to the new scale points to be implemented with effect from 1 April 2019.
- 5.2 Further modelling has also been undertaken to assess progression through pay points based on existing contractual terms and what this might cost in relation to a revised pay and grading structure. Various assumptions have been made in terms of what a new pay and grading model might look like given the necessity to include some provision within the budget for the forthcoming year. This information will be refined as pay modelling progresses with further updates being brought to committee in due course.

### **6.0 RECOMMENDATION**

**That delegated authority be given to the Head of Paid Service and/or his designated deputies, in consultation with the Leader (or, in his absence the Deputy Leader) to negotiate and agree changes to the current pay and grading arrangements with the recognised Trades Unions through the Joint Consultative Committee.**

#### **Reason for Recommendation**

**To agree revised pay and arrangements that meet the objectives set out above and in doing so enable the Council to implement the national scale points with effect from 1 April 2019.**

#### **Background Papers**

National Joint Council for Local Government Services - 2018 and 2019 Payscale and Allowances, April 2018

For further information please contact Tracey Mellors on Extension 5219.

T J Mellors

Business Manager – HR, Legal, OD/Director – Parks and Amenities/SAG.

**POLICY & FINANCE COMMITTEE**  
**20 SEPTEMBER 2018**

**82 MILLGATE, NEWARK – PROPOSED DISPOSAL**

**1.0 Purpose of Report**

1.1 To make a decision concerning the disposal of 82 Millgate, Newark.

**2.0 Background Information**

2.1 82 Millgate is a property owned by the District Council, held within the Housing Revenue Account, which is currently used to provide 6 units of bed-sit type accommodation for single persons with additional needs. The property is managed by Newark and Sherwood Homes on behalf of the Council.

2.2 At its meeting on 28 June 2018, the Committee resolved to support the proposed disposal of 82 Millgate. This proposal was supported 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 also agreed that the existing tenants be consulted over the proposed sale, with a report coming to this meeting on the outcome of that consultation for a final decision to be made concerning the future of the property.

**3.0 Consultation with Tenants**

3.1 Since the last committee meeting, officers from Newark and Sherwood Homes have consulted with each tenant over the future of the property. All tenants were keen to be rehoused rather than to remain in the property and it has been possible during July and August to secure suitable alternative accommodation for them in Council properties. 82 Millgate is now empty, it has been secured and utility supplies capped off to ensure that it is safe pending a final decision regarding disposal.

**4.0 Proposal**

4.1 It is proposed that final consideration be given to disposing of the property on the open market with vacant possession.

**5.0 Equalities Implications**

5.1 The property was previously occupied by single occupants housed with Priority 1 and 2 housing need from the Council's allocation scheme. Consultation was undertaken with the residents which led to them all being rehoused in suitable alternative accommodation. The property is now empty and there are no equalities issues with the disposal of the empty property.

**6.0 Comments of Business Manager – Financial Services (FIN18-19/7462)**

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

**7.0 RECOMMENDATION**

**That the Committee approve the disposal of 82 Millgate, Newark in its current condition on the open market with vacant possession.**

**Reason for Recommendation**

**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 – Director Safety on 01636 655520

Karen White  
Director – Safety

**POLICY & FINANCE COMMITTEE**  
**20 SEPTEMBER 2018**

**CLEANER, SAFER AND GREENER - A PLACE WE ARE ALL PROUD OF - ENFORCEMENT POSTS**

**1.0 Purpose of Report**

1.1 For Members to consider the creation on new community based Enforcement Officers to support the Cleaner Safer Greener Strategy.

**2.0 Background**

2.1 The Cleaner Safer Greener Strategy was approved by Full Council on 17 July 2018. The Strategy set out key objectives relating to littering, graffiti, dog fouling and other environmental offences.

2.2 A successful launch of the new strategy has been undertaken with good media coverage and a significant set of initiatives already achieved.

2.3 A day of action was undertaken on 30 August 2018 covering Yorke Drive and Winthorpe Road areas. This was well supported by the local communities and well received by the residents. Two further dates already being planned within the district.

2.4 The Strategy seeks to encourage a partnership approach to securing our objective of a cleaner, safer and greener environment together with residents, businesses, key partners and parish and town councils. A set of performance indicators has been developed to measure our success in achieving those objectives.

2.5 Whilst this Strategy has a keen focus on community litter picks and other partnership initiatives one of the elements of the Strategy was to ensure that the Strategy was promoted and where appropriate enforcement of the penalties for environmental crime.

2.6 In addition the Business Manager - Environmental Health & Licensing brought a report to Leisure & Environment Committee on 26 June 2018 which refreshed and set new maximum charges for fixed penalty notices issued in relation to environmental crimes.

2.7 Recommendation (b) of that report stated:

“a report be brought to the September meeting of the Policy & Finance Committee with a view to the appointment of 2 dedicated officers to promote and enforce the strategy on a pilot basis with consideration being given to the allocation of additional resources in the 2019/2020 budget to further increase the officer capacity and associated resources to promote the cleaner, safer, greener agenda.”

2.8.1 This report brings forward further details in relation to the enforcement posts that were introduced in the report to Full Council.

### **3.0 Introduction**

- 3.1 The role of community based Enforcement Officers in addressing antisocial behaviour and environmental crime is well established and they can prove highly effective in increasing the public awareness of these issues and providing effective enforcement of place based environmental crime.
- 3.2 Whilst there are already a small number of posts within the Council which are appropriately trained to serve Fixed Penalty Notices (FPNs) there is currently no post where this forms part of the day to day function of the role.

### **4.0 Proposals**

- 4.1 The initial vision was for two dedicated officers. Having visited other local authorities with similar posts the suggestion and discussed the issues with them the view is that two officers could present issues in relation to lone working, resilience of the team and responsiveness. The appointment of four officers would address these issues and would have a visible and demonstrable impact in the community.
- 4.2 It is therefore proposed that 4 posts are created to provide a dedicated function for the issuing of FPNs and promoting a responsible approach to the environment.
- 4.3 It is proposed that the new posts will take the title of Neighbourhood Wardens will have a variety of responsibilities, the main emphasis of the role will be:-
- Tackling the issues of – littering in the street, littering from cars, low level anti-social behaviour, dog fouling including issuing FPNs for all of the above
  - Investigating small fly tips and removing the waste
  - And take forward the enforcement of public spaces protection orders (around, drinking, begging, dog controls etc.)
  - Gathering local intelligence to assist the council as a whole in its understanding of 'place'.
- 4.4 It is anticipated that Neighbourhood Wardens will spend 90% of their time in the community, working directly with the public. They will become a valuable source of information for the Council gathering local intelligence. They will work closely with partner organisations and across a range of business units. They will also work closely with the Police on relevant issues.
- 4.5 The Neighbourhood Wardens will report to the Business Manager – Environmental Health & Licensing who will provide regular updates on their progress to both CMT and the relevant committees.
- 4.6 The Neighbourhood Wardens will require two corporate vehicles to enable to move around the district, as this service is district wide. The vehicles will be appropriately liveried which will add a visible presence in the district, highlighting the work of team and providing an additional deterrent to anti-social behaviour. They will be uniformed so that they are easily recognisable.

- 4.7 Training and Development  
Relevant and training will be provided to cover all aspects of their work. The Neighbourhood Wardens will also work towards completing the Community Safety Accreditation Scheme. The scheme creates a framework for public and private bodies to work in partnership with the police, providing additional uniformed presence in communities and capitalising on the skills and information captured by those already engaged with the community.
- 4.8 It is anticipated that the training of the wardens will partly be delivered in house, but will also involve external training and coaching and shadowing with other local authorities. Nottingham City Council have employed similar wardens for a number of years and offer 4 week intensive training courses as part of an induction process. Discussions with the city council have also resulted in an offer from officers at the council to provide onsite (within Newark and Sherwood) local assistance with training for any Newark & Sherwood Wardens.
- 4.9 An intensive training programme will be delivered within the first few weeks of employment. This will then be followed by a period of supervision to allow the officers to put some of the training into practice. Over time the level of day to day supervision will be reduced and it will be replaced with additional training and development to fully gown and nature the full potential of these posts.
- 4.10 Fixed Penalty Notices  
Any fixed penalty notices issued will require accurate monitoring and administering to ensure that any none payments are identified and appropriate action taken. All none payments will be considered with reference to the Fixed Penalty Notices Policy and the Council's Corporate Enforcement Policy and the appropriate action taken.
- 4.11 Experience from other authorities has indicated that a payment rate up to 80% for FPNs can be achieved, however, a figure of around 50% is more likely, particularly as there is currently no history of issuing large numbers of this type of penalty and the public response is unknown. Where a FPN is not paid there is an option to take these to the Magistrates' Court. As stated above any legal action will need to be appropriate, however, failure to follow up on none payments does undermine the enforcement process. At this stage it is not known what additional legal resources will be required to support the FPN process. However this is met it will be delivered in the most cost effective and appropriate way.
- 4.12 Partnerships  
The role of the new posts will cross cut across a number of Business Units. This will require co-ordination to ensure that best use is made of the new posts. The daily work load will be a mixture of responsive work where they will react to complaints and ongoing incidents and programmed patrols in geographical areas based on local intelligence and high risk areas.
- 4.13 It is difficult to predict with any certainty how these roles will develop over time. It is envisaged that they will remain community based, becoming an important source of local intelligence and forming a bridge between the community based environmental activities and actions initiated at Castle House. It will be crucial that they form effective partnerships with other locally based agencies such as the police beat officers, Police Community Support Officers, tenancy officers (from both NaSH and other social housing providers), youth workers and crucially locally elected community representatives.

4.14 A job description and person specification has been produced and has been subject to the Council's job evaluation process to determine the grading of the post.

## **5.0 Equalities Implications**

5.1 An equalities impact assessment has been completed for this enforcement role. It has included the considerations around issuing fixed penalty notices to young people and people with disabilities.

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

6.1 If approved these posts will be advertised immediately and it is envisaged that following the recruitment process and any notice period required, the successful candidates will commence work straight after the Christmas break.

6.2 Costs for 2018/19 are estimated as £45,687 and sufficient reserves have been set aside to cover these costs.

6.3 The costs for the Neighbourhood Wardens for 2019/20 onwards will be built into the base budget.

6.4 A breakdown of the indicative costs for the posts is set out in the table below.

<b>2018/19 Jan - Mar</b>	Revenue cost per post	Revenue cost total
Salary (NS 7)	£5,268.50	£21,074.00
On costs	£1,218.25	£4,873.00
Vehicles		£8,100.00
Uniform (2 full sets plus boots and wet weather gear) at commencement	£300.00	£1,200.00
Cameras x4	£250.00	£1,000.00
Other Equipment	£200.00	£800.00
Training & Support		£8,000.00
Mobile phones	£160.00	£640.00
<b>Total Expenditure</b>		<b>£45,687.00</b>

<b>2019/20 Full Year</b>	Revenue cost per post	Revenue cost total
Salary	£21,589.00	£86,356.00
On costs	£4,965.00	£19,860.00
Vehicles		£18,000.00
Uniform (allow one new set per year)	£150.00	£600.00
Cameras (replace every 5 years)	£ -	£ -
Revenue budget (equipment, consumables, and general replacements)	£500.00	£2,000.00
<b>Total Expenditure</b>		<b>£126,816.00</b>

## **7.0 Comments of Business Manager – Financial Services (FIN18-19/7924)**

7.1 The income likely to be generated from the issuing of fixed penalty notices cannot at this stage be assessed. However, any income generated can be retained by the local authority and can be used to support a range of services. **Appendix One** to the report indicates which services the income can be used to support.

## **8.0 Comments of Business Manager – HR, OD & Legal**

8.1 A job description and person specification has been produced and has been subject to the Council's job evaluation process to determine the grading of the post.

## **9.0 RECOMMENDATIONS that:**

- (a) Members consider the creation of four new posts of Neighbourhood wardens;**
- (b) additional revenue budget as shown in the report for 2018/19 and 2019/20 be approved; and**
- (c) a review of these posts be undertaken after six months of operation and the results of the review reported to the Leisure & Environment Committee.**

## **Reason for the Recommendations**

**To support the Cleaner Safer Greener Strategy with a dedicated community based advice education and enforcement posts.**

## **Background Papers**

Fixed Penalty Notices: Issuing and Enforcement by Councils - DEFRA  
Community Safety Accreditation Scheme - Home Office

For further information please contact Deborah Johnson on Ext. 5800

Matthew Finch  
Director - Customers

**Income from FPNs**

There are rules for how different authorities can use income from FPNs.

<b>Offence</b>	<b>FPN money can be spent on functions relating to:</b>
Litter	Litter, dog control, graffiti and fly-posting
Graffiti	Litter, dog control, graffiti and fly-posting
Dog control	Litter, dog control, graffiti and fly-posting
Fly-posting	Litter, dog control, graffiti and fly-posting
Unauthorised distribution of free printed material on designated land	Litter, dog control, graffiti and fly-posting
Nuisance parking	Road traffic, litter and refuse
Abandoning a vehicle	Road traffic, litter and refuse
Fly-tipping	There are no restrictions on how councils can use income
Noise exceeding permitted levels - domestic premises	Statutory noise nuisance, noise at night and audible intruder alarms
Noise exceeding permitted levels - licensed premises	Statutory noise nuisance, noise at night and audible intruder alarms
Alarm noise - no keyholder	Statutory noise nuisance, noise at night and audible intruder alarms
Failing to show waste documents	Waste on land
Community Protection Notice	Litter, dog control, graffiti, fly-posting and community protection
Breach of Public Spaces Protection Order	Litter, dog control, graffiti, fly-posting and community protection

**POLICY AND FINANCE COMMITTEE**  
**20 SEPTEMBER 2018**

**OLLERTON HALL**

**1.0 Purpose of Report**

1.1 For Members to consider the recommendations of the Ollerton Hall Task & Finish Group for disposal of Ollerton Hall.

**2.0 Background Information**

2.1 The Ollerton Hall Task & Finish Group met on 6 September to consider options around the renovation and disposal of Ollerton Hall.

2.2 The Task & Finish Group were provided with full details of the history of the Grade II\* listed Hall which was now back in the Council's ownership.

**3.0 Proposals**

3.1 The Task & Finish Group considered options for the disposal of Ollerton Hall and a process for disposal. The unanimous recommendations of the Task & Finish Group to the Committee were as follows:

- To agree the open market disposal of the property on the basis of a long leasehold disposal with an option to purchase the freehold on satisfactory completion of the renovation works;
- To agree that the successful purchaser be selected on the basis of best satisfying the range of criteria set out in the body of the report to the Task & Finish Group with price not being the overriding consideration and the property be marketed accordingly;
- To instruct Innes England to undertake the marketing of the property; and
- To agree that delegated authority be given to the Deputy Chief Executive, following consultation with a Member Panel comprising Councillors Girling, Lloyd and Wells, to select the preferred bidder in accordance with the criteria agreed by the Task & Finish Group.

**4.0 Equalities Implications**

4.1 Equalities issues will be considered as part of any redevelopment proposals.

**5.0 Impact on Budget/Policy Framework**

5.1 There is a budget of £11,375 to keep the building safe, secure, wind & watertight. As it is unlikely that all of this budget will be required as all essential works have been completed this budget will be used for agent fees for marketing and sale.

## **6.0 Comments of Director – Resources and S151 Officer**

6.1 The disposal of Ollerton Hall is supported from an Asset Management and Finance perspective; offering no value, in its current state to the taxpayer. The disposal will generate a capital receipt which will be used to fund other capital projects.

## **7.0 RECOMMENDATIONS that:**

- (a) open market disposal of the property be agreed on the basis of a long leasehold disposal with an option to purchase the freehold on satisfactory completion of the renovation works;**
- (b) the successful purchaser be selected on the basis of best satisfying the range of criteria set out in the report to the Task & Finish Group with price not being the overriding consideration and the property be marketed accordingly;**
- (c) Innes England be instructed to undertake the marketing of the property; and**
- (d) delegated authority be given to the Deputy Chief Executive, following consultation with a Member Panel comprising Councillors Girling, Lloyd and Wells, to select the preferred bidder in accordance with the criteria agreed by the Task & Finish Group.**

## **Reason for Recommendations**

**To dispose of Ollerton Hall and secure the long term future of the building.**

### **Background Papers**

Exempt Report to the Ollerton Hall Task & Finish Group – available to Members on request.

For further information please contact Nigel Hill on 01636 655243.

Kirsty Cole  
Deputy Chief Executive

**POLICY & FINANCE COMMITTEE**  
**20 SEPTEMBER 2018**

**GENERAL FUND AND CAPITAL PROJECTED OUTTURN REPORT TO 31 MARCH 2019 AS AT 31 JULY 2018**

**1.0 Purpose of Report**

1.1 This report compares the Revised Budgets with the Projected Outturn forecast for the period to 31 March 2019, based on meetings with Financial Services staff and the appropriate Business Manager. The forecast to the year end is based on the four months' performance to 31 July 2018 on the Council's revenue and capital budgets, including:-

- General Fund Revenue
- Capital Programme

1.2 To inform Committee of the individual contributions to, and withdrawals from, Usable Reserves.

**2.0 Background Information**

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

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

**3.0 Proposals**

**Overview of General Fund Revenue Projected Outturn for 2018/19**

3.1 The accounts show a projected over spend of £0.048m on service budgets, and a total projected adverse variance of £0.094m as shown in the table below:

	Original Budget £'m	Revised Budget £'m	Projected Outturn £'m	Variance £'m
Economic Development	1.412	1.835	1.775	(0.060)
Homes & Communities	2.903	3.236	3.213	(0.023)
Leisure & Environment	4.331	4.364	4.332	(0.032)
Policy & Finance	4.044	4.122	4.285	0.163
<b>Net Cost of Services</b>	<b>12.690</b>	<b>13.557</b>	<b>13.605</b>	<b>0.048</b>
Other Operating Expenditure	1.752	1.752	1.836	0.084
Finance & Investment Inc & Exp	0.252	(0.369)	(0.369)	0.000
Taxation & Non Specific Grant Inc	(14.375)	(14.512)	(14.550)	(0.038)

<b>Net Cost of Council Expenditure</b>	<b>0.319</b>	<b>0.428</b>	<b>0.522</b>	<b>0.094</b>
Transfer to/-from Usable Reserves	1.924	1.191	1.191	0.000
Transfer to/-from Unusable Reserves	(2.245)	(1.618)	(1.618)	0.000
Transfer to/-from General Reserves	0.000	0.000	(0.094)	(0.094)

3.2 As can be seen from the table above, there are small variances projected in service areas and other budgets. Looking at the underlying trends, the detailed movements can be further summarised (see **Appendix A**). The items below give Members an indication of the issues that have caused these projected variances:

- Net Cost of Services – adverse variance of £0.048m –
  - Overall underachievement of vacancy savings target                      £0.122m
  - Anticipated savings from managing the Newark Beacon                      (£0.076m)

**The forecast position will be kept under review to ensure at least a break-even position at the end of the financial year.**

3.3 The level of adverse variance on Service Budgets managed by the Business Managers is **£0.048m** and represents 0.35% of the total service budgets. The breakdown below of variances by type of income/expenditure (CIPFA classification), shows where outturn is projecting to be favourable or unfavourable, when compared to the revised budget figure.

Employees	£0.122m
Premises	£0.069m
Transport	(£0.168m)
Supplies	(£0.087m)
Income	£0.620m
Rent Allowances/HB	(£0.508m)
<b>Total</b>	<b>£0.048m</b>

3.4 Non-Service expenditure is expected to have an adverse variance against the revised budget by **£0.046m**. This is due to the delay in delivery of the corporate savings target of £0.084m, allocated to the Councils' Commercial Project Team. Any savings made are highlighted within the appropriate Committee area. The other £0.038m is additional grant income from Rural Services Delivery Grant which was not budgeted for.

3.5 Should this adverse variance materialise, it will contravene the requirement within the Medium Term Financial Plan agreed at Policy & Finance Committee on 29 June 2017, which stated that the General Fund balance should be maintained at 15% of the net Budget Requirement, which for 2018/19 should be £1.707m. This adverse variance would reduce the General Fund balance to £1.643m.

**Overview of Projected Capital Outturn 2018/19**

3.6 The table below summarises the first four months position for the Capital Programme, and is split between General Fund and Housing Revenue Account.

	<b>Revised Approved Budget</b>	<b>Revised budget updated for Approval</b>	<b>Actual Spend to July 2018</b>	<b>Forecast Outturn</b>
	<b>£m</b>	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
General Fund	11.173	12.532	2.261	12.532
HRA	19.763	19.878	8.843	19.878
<b>Total</b>	<b>30.937</b>	<b>32.410</b>	<b>11.105</b>	<b>32.410</b>

3.7 The capital programme changes during the year as projects are developed and spending commitments are made. It is a requirement that Policy & Finance Committee approves all variations to the Capital Programme, for which the budget approved at 28 June 2018 meeting was £30.937m. The additions and amendments that now require approval for April - July 2018 are detailed in **Appendix B** as follows:

- Additions/Reductions **£1.569m**
- Re-profiles **(£0.096m)**
- **Total** **£1.473m**

3.8 If these variations are approved, then the revised budget will be increased to £32.410m. A more detailed breakdown of this, including some comments on projects progress, can be found at **Appendix C** (General Fund) and **Appendix D** (HRA).

#### **Capital Programme Resources**

3.9 The Capital resources available to the Council are not static. Capital receipts are generated throughout the year, additional grants and contributions are paid to the Council and borrowing may be increased to fund some projects.

3.10 In summary, the estimated outturn of £32.410m will be financed as follows, with every attempt to minimise the impact on the Council's revenue budget.

	<b>General Fund</b>	<b>HRA</b>	<b>Total</b>
	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
Borrowing	1.987	4.400	6.734
External Grants & Contributions	6.257	3.211	9.468
Capital Receipts	3.200	1.211	4.411
Revenue Contributions	0.741	11.056	11.797
<b>Total</b>	<b>12.532</b>	<b>19.878</b>	<b>32.410</b>

#### **Capital Receipts**

3.11 The Council has been successful in securing a number of capital receipts for both general fund and HRA in previous years, and continue to do so. The current level of capital receipts is detailed in the table over:

	General Fund £'m	HRA Receipts £'m	HRA 1-4-1 Receipts £'m	Total £'m
<b>Balance at 1 April 2018</b>	<b>2.912</b>	<b>3.483</b>	<b>1.236</b>	<b>7.631</b>
Received up to the end of July 2018	0.181	0.368	0.164	<b>0.713</b>
Approved to use for financing	3.200	1.533	1.211	<b>5.944</b>
Estimated receipts for remainder of the financial year	0.35	0.236	0.105	<b>0.691</b>
<b>Available Capital receipts balance at 31 March 2019</b>	<b>0.243</b>	<b>2.554</b>	<b>0.294</b>	<b>3.091</b>
Estimated Receipts 2019/20 - 2021/22	0.350	1.833	0.786	<b>2.969</b>
Approved for Financing 2019/20 - 2021/22	0.593	3.000	0.000	<b>3.593</b>
<b>Estimated Uncommitted Balance</b>	<b>0.000</b>	<b>1.387</b>	<b>1.080</b>	<b>2.467</b>

- 3.12 The Right to Buy (RTB) receipts for Replacement Homes (known as 1-4-1 Receipts) are retained through a RTB agreement. Under the terms of that agreement, the RTB receipts have to be spent on new supply of affordable housing within 3 years of their arising, or have to be returned to Government with penalty interest applied. In addition to this, the receipts cannot be used where a scheme is funded wholly or in part by grant income. Those receipts used for Council new build supply can only be used to fund up to 30% of the cost of any scheme, with the Council required to fund the remaining 70% through the HRA.

### Other Capital Resources

The table below represents the resources remaining after financing the expenditure in the current financial year, the amount committed for future capital schemes and the current unallocated balance.

	General Fund			HRA	
	Grants & Contributions £'m	CIL £'m	Capital Reserve £'m	Grants & Contributions £'m	MRR £'m
Expected Balance Carried Forward at 31 March 2019	5.105	3.423	0.867	0	3.545
Committed for future Capital Schemes	5.105	0	0.06	0	3.545
<b>Unallocated balance</b>	<b>0</b>	<b>3.423</b>	<b>0.807</b>	<b>0</b>	<b>0</b>

The Community Infrastructure Levy (CIL) balance is only available to fund infrastructure needed to support the development of the area. The levy is intended to focus on the provision of new infrastructure and should not be used to remedy pre-existing deficiencies in infrastructure provision unless those deficiencies will be made more severe by new development. The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, if that is necessary to support development.

**4.0 Impact on Budget/Policy Framework**

4.1 All of the financial implications are set out in the body of the report.

**5.0 RECOMMENDATIONS that:**

- (a) the General Fund projected outturn variance of £0.094m be noted;
- (b) the variations to the Capital Programme of £1.473m be approved; and
- (c) the Capital Programme projected outturn of £32.410m be noted.

**Reasons for Recommendations**

**To advise Members of the projected outturn monitored against service budgets for the period ending 31 March 2019, as at 31 July 2018.**

**Background Papers**

General Fund Monitoring Reports to 31 July 2018  
Capital Financing Monitoring Reports to 31 July 2018  
Housing Revenue Accounts Monitoring Report to 31 July 2018

For further information please contact Nick Wilson on Ext. 5317

Nick Wilson  
Business Manager – Financial Services

**Variance Analysis by Committee – Projected Outturn as at 31 July 2018****Economic Development – (£0.060m)**

- Void Allowance savings due to increased occupancy (£0.026m)
- Lorry parking income short of budgeted level £0.028m
- Increased security costs at lorry park £0.011m
- Savings anticipated from taking over the management of the Newark Beacon (£0.076m)
- Admission income at the NCWC anticipated to be down due to roadworks in the town and less marketing £0.015m
- Reduced spending on exhibits & displays to offset loss of income at NCWC (£0.017m)
- Other variances £0.005m

**Homes & Communities – (£0.023m)**

- Housing Options salary savings, proportion charged to Syrian resettlement scheme (£0.015m)
- Strategic Housing salary savings (£0.023m)
- Reduced income from HRA due to less salary charged £0.019m
- Increase in ICT employee costs due to additional post £0.025m
- Comms & Customer Services salaries over spend due to maternity cover and modern apprentice agreed £0.020m
- Currently projecting an increased ICT recharge to NSH (£0.015m)
- Additional income to fund the Voice magazine (£0.013m)
- CCTV underspends due to line rental savings and Terminations (£0.021m)

**Leisure & Environmental – (£0.032m)**

- Increased Income from trade waste disposal (£0.050m)
- Increased trade waste costs, offset by income £0.029m
- Env Health salary under spend due to less than full establishment all year (£0.020m)
- Vehicle pool oncosts no longer charged to services £0.026m
- Other variances (£0.017m)

**Policy & Finance - £0.163m**

- Vacancies within Financial Services Team (£0.065m)
- Salary savings in Admin Team due to long term sickness (£0.026m)
- Council tax reduction in summons notices issued £0.040m
- Rent Rebates from Housing Benefits (£0.065m)
- Electricity at Castle House not reflective of budget £0.034m
- No capital recharges from Asset Management as not working on capital projects £0.058m
- Overall vacancy provision – actual savings in cost centres £0.320m
- Printing costs reduced (£0.014m)
- Mileage – Castle House, costs shown in service areas (£0.030m)
- Apprentice Allowance – costs shown in service areas (£0.031m)
- Additional income from 3dr party legal fees (£0.012m)
- Other variances (£0.046m)

**General Fund Additions**

Project	Capital Description	Additions/ Reductions 18-19	Additions/ Reductions 19-20	Additions/ Reductions 20-21	Additions/ Reductions 21-22	Additions/ Reductions 22-23	Comments
TA1216	Leisure Provision in the West	-250,000					scheme not going ahead
TA3286	Information Technology Investment	224,270					Increased laptops and citrix licences only part covered by reprofiling below along with additional budget for FMS upgrade also on this agenda
TB2253	Vehicles & Plant (NSDC)		5,000				increased vehicle cost
TB3154	Castle Gatehouse Project	76,000					as per ED Committee on 12.9.18
TB6148	Lorry Park Extension	347,021					more information in report on this meetings agenda.
TB6149	Lorry Carpark Barrier	48,344					as per urgency item
TB6158	Ollerton & Boughton Play Facilities S106	110,000					as per P&F 28.6.18
TC2000	Land Acquisition	604,932					additional costs re SDLT and sites added at P&F on 28.6.18
TF3222	Lowdham Flood Alleviation		70,000				approved at P&F on 29.06.18
TF6011	Private Sector Disabled Facilities Grants	110,641					Grant received higher than initial budget
TF6012	Discretionary DFG	89,090					Grant received higher than initial budget
TF6807	Warm Homes on Prescription	93,852					Grant received higher than initial budget
<b>Total General Fund additions/Reductions</b>		<b>1,454,150</b>	<b>75,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**General Fund - Reprofiling**

Project	Capital Description	Additions/ Reductions 18-19	Additions/ Reductions 19-20	Additions/ Reductions 20-21	Additions/ Reductions 21-22	Additions/ Reductions 22-23	Comments
TA3286	Information Technology Investment	34,000	-20,000	-14,000			reprofile to facilitate above increased cost
TF3220	Major Flood Alleviation	-130,000					see below
TF3222	Lowdham Flood Alleviation		130,000				see below
<b>Total General Fund Re profiling</b>		<b>-96,000</b>	<b>110,000</b>	<b>-14,000</b>	<b>0</b>	<b>0</b>	

**HRA Additions/Reductions**

Project	Capital Description	Additions/ Reductions 18-19	Additions/ Reductions 19-20	Additions/ Reductions 20-21	Additions/ Reductions 21-22	Additions/ Reductions 22-23	Comments
SA1044	Phase 1 Cluster 3, West	232,320					increased to match original budget from below
SA1044	Phase 1 Cluster 3, West	62,499					increased cost due to contract variations
SA1045	Phase 1 Cluster 4, Collingham	37,457					increased cost due to contract variations
SA1046	Phase 1 Cluster 5, Balderton	14,726					increased cost due to contract variations
SA1047	Phase 1A	-232,320					see above - any costs here will now be coded to phase 2.
<b>Total HRA additions/Reductions</b>		<b>114,682</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## General Fund - Spend against budget - Estimated in year

Project	Capital Description	Project Manager	Revised Budget 18-19 (Following P&F 28.06.18)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Comments - Spend to date
TA1215	Extension to Newark Leisure Centre Car Park	Matt Finch/Darren Wardale	205,500	205,500	3,036	700	201,764	205,500	Tenders for scheme due back on 15/08/18
TA1216	Leisure Provision in the West	Matt Finch	250,000	0	0	0	0	0	
TA3053	Museum Improvements	Carys Coulton-Jones	461,764	461,764	27,506	0	434,258	461,764	Working up tender for 'world turned upside down'
TA3286	Information Technology Investment	Sharon Parkinson	415,000	673,270	45,812	27,581	599,877	673,270	Citrix scheme is out to tender. Laptop purchase is being worked through with Procurement - costs have increased due to additional laptops required and docking station compatibility along with the addition of FMS upgrade.
<b>TA</b>	<b>CUSTOMERS</b>		<b>1,332,264</b>	<b>1,340,534</b>	<b>76,354</b>	<b>28,281</b>	<b>1,235,899</b>	<b>1,340,534</b>	
TB2250	Vehicles & Plant (NSH)	Andrew Kirk (Veh) / NSH	675,000	675,000	0	675,000	0	675,000	
TB2253	Vehicles & Plant (NSDC)	Andrew Kirk (Veh) / Matt Finch (Leis Equip)	426,845	426,845	159,881	158,196	108,768	426,845	
TB3154	Castle Gatehouse Project	Phil Beard	105,246	181,246	28,020	0	153,226	181,246	Additional £76k as per Ec Dev 12.09.18 to be funded from reserves to take us to RIBA stage 3.
TB3158	Hawtonville School Playing Field	Phil Beard	23,123	23,123	0	0	23,123	23,123	
TB6145	Grant to Farndon Sports Pavilion	Phil Beard	14,631	14,631	14,631	0	-0	14,631	
TB6147	Contribution to Cycle Route Improvements	Phil Beard	6,909	6,909	4,900	0	2,009	6,909	
TB6148	Lorry Carpark - Extension	Alan Batty	740,446	1,087,467	1,375	3,600	1,082,492	1,087,467	project group set up, go to planning in October running along side (open) tender exercise. ED in March 17. Project plan with Asset Mgt. Will need to rephase. probably won't be ready to start until Dec/Jan so most spend in 19/20 - will rephase budget when tender comes back in. increase in budget is on this meetings agenda.
TB6149	Lorry Carpark - Health and Safety	Alan Batty	0	48,344	0	48,344	0	48,344	Barrier - onsite completion end of august.
TB6153	Cricket Facilities Kelham Rd - S106	Andy Hardy	85,081	85,081	2,507	3,911	78,664	85,081	Tender evaluation. Won't be ready to hand over until next season. Will need to rephase as some spend due in 19/20
TB6154	Community & Activity Village - S106	Andy Hardy	306,183	306,183	0	0	306,183	306,183	No triggers met on this one yet. JN to go through triggers with AH to look at rephasing
TB6155	S106 Off Site Sports Provision Community & Activity Village	Andy Hardy	166,068	166,068	85,000	0	81,068	166,068	Only 1 trigger met on this one so far. JN to go through triggers with AH to look at rephasing
TB6157	Comm & Act Village NCC UU Payment	Andy Hardy	1,000,000	1,000,000	550,000	0	450,000	1,000,000	will all be spent by March 19

Project	Capital Description	Project Manager	Revised Budget 18-19 (Following P&F 28.06.18)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Comments - Spend to date
TB6158	Ollerton & Boughton Play Fac	Phil Beard	0	110,000	110,000	0	0	110,000	
<b>TB</b>	<b>COMMUNITY</b>		<b>3,549,532</b>	<b>4,130,897</b>	<b>956,314</b>	<b>889,051</b>	<b>2,285,533</b>	<b>4,130,897</b>	
TC1000	New Council Offices	Matt Finch	304,597	304,597	0	45,806	258,791	304,597	Budget remaining for retention
TC2000	Land Acquisition	Kirsty Cole	632,128	1,237,060	0	0	1,237,060	1,237,060	Increase budget to include SDLT and additional land purchase as approved by P&F on 29.06.18
TC3017	Workshop Frontage Improvements	David Best	5,618	5,618	2,351	0	3,267	5,618	Scheme complete
TC3131	Extension to London Road Car Park	Darren Wardale	115,000	115,000	0	5,595	109,405	115,000	Currently undertaking surveys for Planning App
TC3133	BIC Reconfiguration	David Best	33,304	33,304	4,293	0	29,012	33,304	
TC3134	Works to Sherwood Forest Arts & Craft Centre	David Best	250,000	250,000	0	840	249,160	250,000	Hoping to complete from September - October
<b>TC</b>	<b>RESOURCES</b>		<b>1,340,647</b>	<b>1,945,579</b>	<b>6,644</b>	<b>52,241</b>	<b>1,886,694</b>	<b>1,945,579</b>	
TE3266	Growth Point (Grant Funded)	Andrew Muter	449,121	449,121	0	0	449,121	449,121	Due to contb to SLR
TE3268	Southern Link Road Contribution	Andrew Muter	3,150,000	3,150,000	0	0	3,150,000	3,150,000	ML has a meeting with HE - to discuss potential funding package
<b>TE</b>	<b>GROWTH</b>		<b>3,599,121</b>	<b>3,599,121</b>	<b>0</b>	<b>0</b>	<b>3,599,121</b>	<b>3,599,121</b>	
TF3220	Major Flood Alleviation	Ben Adams	140,000	10,000	0	10,000	0	10,000	Payment to NCC re Girton Flood Defence
TF3221	Southwell Flood Mitigation	Ben Adams	220,000	220,000	0	0	220,000	220,000	
TF3223	CCTV	Ben Adams	0	0	-5,000	5,000	0	0	Project complete, just final payment to be made.
TF3224	Seven Hills	Leanne Monger	10,211	10,211	0	9,451	760	10,211	
TF3225	Maps & Signage Newark Town Centre	Julie Reader Sullivan	19,132	19,132	0	11,883	7,249	19,132	Newark and Southwell both will be complete in this financial year
TF3226	Southwell Flood Grant	Ben Adams	233,421	233,421	0	0	233,421	233,421	
<b>TF</b>	<b>SAFETY</b>		<b>622,764</b>	<b>492,764</b>	<b>-5,000</b>	<b>36,334</b>	<b>461,430</b>	<b>492,764</b>	
TF6011	Private Sector Disabled Facilities Grants	Alan Batty	589,359	700,000	149,510	10,620	539,871	700,000	Performing well - looking like full spend by year end. Large carry over of work in the new financial year and demand still high.
TF6012	Discretionary DFG	Alan Batty	59,700	148,790	10,000	15	138,775	148,790	full year spend.
TF6807	Warm Homes on Prescription	Leanne Monger	80,000	173,852	38,162	12,736	122,953	173,852	full year spend.
<b>TF</b>	<b>HOUSING GENERAL FUND</b>		<b>729,059</b>	<b>1,022,642</b>	<b>197,672</b>	<b>23,371</b>	<b>801,599</b>	<b>1,022,642</b>	
<b>TOTALS</b>			<b>11,173,390</b>	<b>12,531,537</b>	<b>1,231,983</b>	<b>1,029,277</b>	<b>10,270,277</b>	<b>12,531,537</b>	

## HRA - Spend against budget - Estimated in year

Project	Capital Description	Project Manager	Revised Budget 18-19 (Following P&F 28.06.18)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Comments - Spend to date
<b>PROPERTY INVESTMENT PROGRAMME</b>									
S91100	ROOF REPLACEMENTS	NSH	32,000	32,000	0.00	0.00	32,000	<b>32,000</b>	
S91113	Roof Replacement Works 17/18	NSH	0	0	-13,117.00	28,786.44	-15,669	0	only retention left to pay of £13,117
S91115	Roof Replacement Works 18/19	NSH	200,000	200,000	68,069.40	131,930.60	0	<b>200,000</b>	onsite
S91116	Flat Roof Replacement Wrk18/19	NSH	200,000	200,000	35,266.41	164,733.59	0	<b>200,000</b>	onsite
<b>S711</b>	<b>ROOF REPLACEMENTS</b>		<b>432,000</b>	<b>432,000</b>	<b>90,218.81</b>	<b>325,450.63</b>	<b>16,331</b>	<b>432,000</b>	
S91200	KITCHEN & BATHROOM CONVERSIONS	NSH	120,000	120,000	0.00	0.00	120,000	<b>120,000</b>	
S91217	Kit & Bathrooms 2017/18	NSH	0	0	-21,560.75	29,020.13	-7,459	0	only retention left to pay of £21,560.75
S91218	Kit & Bathrooms 2018/19	NSH	1,500,000	1,500,000	448,443.66	110,544.15	941,012	<b>1,500,000</b>	onsite
<b>S712</b>	<b>KITCHEN &amp; BATHROOM CONVERSIONS</b>		<b>1,620,000</b>	<b>1,620,000</b>	<b>426,882.91</b>	<b>139,564.28</b>	<b>1,053,553</b>	<b>1,620,000</b>	
S91300	EXTERNAL FABRIC	NSH	174,000	174,000	4,645.56	391.68	168,963	<b>174,000</b>	
S91336	Ex Fab Works Area 2 2018/19	NSH	150,000	150,000	64,673.81	0.00	85,326	<b>150,000</b>	
<b>S713</b>	<b>EXTERNAL FABRIC</b>		<b>324,000</b>	<b>324,000</b>	<b>69,319.37</b>	<b>391.68</b>	<b>254,289</b>	<b>324,000</b>	
S91400	DOORS & WINDOWS	NSH	13,600	13,600	0.00	0.00	13,600	<b>13,600</b>	
S91412	Doors & Windows 17/18	NSH	170,000	170,000	2,026.62	167,973.38	0	<b>170,000</b>	fully committed, waiting for valuations
<b>S714</b>	<b>DOORS &amp; WINDOWS</b>		<b>183,600</b>	<b>183,600</b>	<b>2,026.62</b>	<b>167,973.38</b>	<b>13,600</b>	<b>183,600</b>	
S91500	OTHER STRUCTURAL	NSH	54,000	54,000	0.00	0.00	54,000	<b>54,000</b>	
S91511	Walls Re-Rendering	NSH	54,000	54,000	0.00	0.00	54,000	<b>54,000</b>	no areas identified for re-rendering at the present time
<b>S715</b>	<b>OTHER STRUCTURAL</b>		<b>108,000</b>	<b>108,000</b>	<b>0.00</b>	<b>0.00</b>	<b>108,000</b>	<b>108,000</b>	
S93100	ELECTRICAL	NSH	98,000	98,000	0.00	0.00	98,000	<b>98,000</b>	
S93114	Rewires 17/18	NSH	0	0	-12,526.56	102,720.93	-90,194	0	only retention left to pay of £12,526.56
S93115	Rewires 18/19	NSH	550,000	550,000	109,014.03	333,751.96	107,234	<b>550,000</b>	onsite
<b>S731</b>	<b>ELECTRICAL</b>		<b>648,000</b>	<b>648,000</b>	<b>96,487.47</b>	<b>436,472.89</b>	<b>115,040</b>	<b>648,000</b>	
S93500	HEATING	NSH	44,000	44,000	0.00	0.00	44,000	<b>44,000</b>	
S93509	Heating/Boilers 2017/18	NSH	0	0	0.00	0.00	0	0	
S93510	Heating/Boilers 2018/19	NSH	550,000	550,000	75,120.59	462,014.59	12,865	<b>550,000</b>	onsite
<b>S735</b>	<b>HEATING</b>		<b>594,000</b>	<b>594,000</b>	<b>75,120.59</b>	<b>462,014.59</b>	<b>56,865</b>	<b>594,000</b>	
S93600	ENERGY EFFICIENCY	NSH	162,000	162,000	0.00	0.00	162,000	<b>162,000</b>	
S93622	Pv Invertors	NSH	0	0	-9,300.00	0.00	9,300	0	NSH to invoice for costs incurred to date.
S93624	EE Boilers 2017/18	NSH	0	0	-3,837.45	0.00	3,837	0	retention left to pay

Project	Capital Description	Project Manager	Revised Budget 18-19 (Following P&F 28.06.18)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Comments - Spend to date
<b>S736</b>	<b>ENERGY EFFICIENCY</b>		<b>162,000</b>	<b>162,000</b>	<b>-13,137.45</b>	<b>0.00</b>	<b>175,137</b>	<b>162,000</b>	
S95100	GARAGE FORECOURTS	NSH	6,000	6,000	0.00	0.00	6,000	<b>6,000</b>	
S95109	Garages	NSH	27,000	27,000	13,673.00	10,400.00	2,927	<b>27,000</b>	whittaker road - refurface and refurb
S95113	Resurfacing Works 2017/18	NSH	0	0	<b>-1,228.32</b>	325.00	903	<b>0</b>	only retention left to pay of £1,228.32
S95115	Resurfacing Works 18/19	NSH	75,000	75,000	0.00	0.00	75,000	<b>75,000</b>	tendered and should be onsite in september
<b>S751</b>	<b>GARAGE FORECOURTS</b>		<b>108,000</b>	<b>108,000</b>	<b>12,444.68</b>	<b>10,725.00</b>	<b>84,830</b>	<b>108,000</b>	
S95200	ENVIRONMENTAL WORKS	NSH	105,000	105,000	0.00	0.00	105,000	<b>105,000</b>	
S95202	Howes Court Balcony	NSH	0	0	<b>-3,049.00</b>	4,353.58	<b>-1,305</b>	<b>0</b>	only retention left to pay of £3,049
S95203	Car Park William Bailey House	NSH	0	0	<b>-65,000.00</b>	0.00	65,000	<b>0</b>	should have been completed end of March - only just recently complete. Will need to move some additional money in - Mick to inform
S95250	Communal Lighting	NSH	21,600	21,600	520.00	350.00	20,730	<b>21,600</b>	works have been identified for this budget
S95252	Flood Defence Systems	NSH	10,800	10,800	0.00	0.00	10,800	<b>10,800</b>	no works identified at this stage
S95253	Play Areas	NSH	21,600	21,600	0.00	0.00	21,600	<b>21,600</b>	works have been identified - out to tender in september
S95254	Estate Remodelling	NSH	70,200	70,200	116.00	229.11	69,855	<b>70,200</b>	support new build programme
S95291	Parking Works	NSH	27,000	27,000	0.00	0.00	27,000	<b>27,000</b>	orders raised now - work due to start on wolfit avenue anytime
S95293	Fencing Works	NSH	30,000	30,000	0.00	0.00	30,000	<b>30,000</b>	orders raised now for various areas
<b>S752</b>	<b>ENVIRONMENTAL WORKS</b>		<b>286,200</b>	<b>286,200</b>	<b>-67,413.00</b>	<b>4,932.69</b>	<b>348,680</b>	<b>286,200</b>	
S97100	ASBESTOS	NSH	8,000	8,000	0.00	0.00	8,000	<b>8,000</b>	
S97115	Asbestos Surveys 18/19	NSH	60,000	60,000	2,588.42	57,411.58	0	<b>60,000</b>	started surveys but had to retender
S97116	Asbestos Removal 18/19	NSH	40,000	40,000	8,186.37	31,813.63	0	<b>40,000</b>	onsite but surveys identify removal works
<b>S771</b>	<b>ASBESTOS</b>		<b>108,000</b>	<b>108,000</b>	<b>10,774.79</b>	<b>89,225.21</b>	<b>8,000</b>	<b>108,000</b>	
S97200	FIRE SAFETY	NSH	34,000	34,000	0.00	0.00	34,000	<b>34,000</b>	
S97221	Fire Doors Various	NSH	20,000	20,000	0.00	0.00	20,000	<b>20,000</b>	orders raised for Wolfit Avenue
<b>S772</b>	<b>FIRE SAFETY</b>		<b>54,000</b>	<b>54,000</b>	<b>0.00</b>	<b>0.00</b>	<b>54,000</b>	<b>54,000</b>	
S97300	DDA IMPROVEMENTS	NSH	1,600	1,600	0.00	0.00	1,600	<b>1,600</b>	
S97309	Dda Works 18/19	NSH	20,000	20,000	11,234.84	8,765.16	0	<b>20,000</b>	will be complete by the end of August
<b>S773</b>	<b>DDA IMPROVEMENTS</b>		<b>21,600</b>	<b>21,600</b>	<b>11,234.84</b>	<b>8,765.16</b>	<b>1,600</b>	<b>21,600</b>	
S97400	DISABLED ADAPTATIONS	NSH	32,000	32,000	0.00	0.00	32,000	<b>32,000</b>	
S97416	Major Adaptations 18/19	NSH	340,000	340,000	91,060.94	240,092.55	8,847	<b>340,000</b>	getting more referrals through than expected so may need to move more budget in from kitchen/bathrooms budget
S97417	Minor Adaptations 18/19	NSH	40,000	40,000	10,896.65	29,103.35	0	<b>40,000</b>	as above
S97418	Adaptation Stair Lift/Ho 18/19	NSH	20,000	20,000	15,086.60	4,913.40	0	<b>20,000</b>	as above - trying to recycle ones no longer required if able to meet OT requirement

Project	Capital Description	Project Manager	Revised Budget 18-19 (Following P&F 28.06.18)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Comments - Spend to date
<b>S774</b>	<b>DISABLED ADAPTATIONS</b>		<b>432,000</b>	<b>432,000</b>	<b>117,044.19</b>	<b>274,109.30</b>	<b>40,847</b>	<b>432,000</b>	
S97500	LEGIONELLA	NSH	32,400	32,400	653.61	14,346.39	17,400	<b>32,400</b>	legionella surveys have identified areas where works is required
S97503	Legionella 2017/18	NSH	0	0	0.00	0.00	0	<b>0</b>	
<b>S791</b>	<b>UNALLOCATED FUNDING</b>		<b>32,400</b>	<b>32,400</b>	<b>653.61</b>	<b>14,346.39</b>	<b>17,400</b>	<b>32,400</b>	
S99100	PROPERTY INVESTMENT CONTINGENCY	NSH	54,000	54,000	0.00	0.00	54,000	<b>54,000</b>	
<b>S791</b>	<b>UNALLOCATED FUNDING</b>		<b>54,000</b>	<b>54,000</b>	<b>0.00</b>	<b>0.00</b>	<b>54,000</b>	<b>54,000</b>	
	<b>PROPERTY INVESTMENT</b>		<b>5,167,800</b>	<b>5,167,800</b>	<b>831,657.43</b>	<b>1,933,971.20</b>	<b>2,402,172</b>	<b>5,167,801</b>	
<b>AFFORDABLE HOUSING</b>									
SA1013	25 supported dwellings - Bilsthorpe	Rob Main / Kevin Shutt	42,301	42,301	-715	0	43,016	<b>42,301</b>	waiting for invoice for items NSH have paid for to get these schemes cleared
SA1015	Affordable Rural Housing Grant	Rob Main / Kevin Shutt	0	0	0	0	0	<b>0</b>	waiting for invoice for items NSH have paid for to get these schemes cleared
SA1016	Site A - Wolfit Avenue, Balderton	Rob Main / Kevin Shutt	26,183	26,183	-1,623	0	27,806	<b>26,183</b>	waiting for invoice for items NSH have paid for to get these schemes cleared
SA1017	Site B - Wolfit Avenue, Balderton	Rob Main / Kevin Shutt	24,930	24,930	-573	0	25,503	<b>24,930</b>	waiting for invoice for items NSH have paid for to get these schemes cleared
SA1018	Coronation Street/Grove View Rd, Balderton	Rob Main / Kevin Shutt	46,118	46,118	-4,355	0	50,473	<b>46,118</b>	waiting for invoice for items NSH have paid for to get these schemes cleared
SA1019	Lilac Close	Rob Main / Kevin Shutt	52,479	52,479	-2,233	0	54,712	<b>52,479</b>	waiting for invoice for items NSH have paid for to get these schemes cleared
SA1020	Second Avenue, Edwinstowe	Rob Main / Kevin Shutt	46,553	46,553	-1,476	0	48,029	<b>46,553</b>	waiting for invoice for items NSH have paid for to get these schemes cleared
SA1023	Bowbridge Road	Rob Main / Kevin Shutt	930,592	930,592	21,438	337,290	571,864	<b>930,592</b>	only retention left to pay, due in January, along with internal fit out and car park extention (complete recently, waiting for invoice)
SA1030	HRA Site Development	Rob Main / Kevin Shutt	12,966	12,966	7,148	20,373	-14,555	<b>12,966</b>	Needs to be reallocated to correct cluster in phase 1
SA1031	Site Acquisition (Inc RTB)	Rob Main / Kevin Shutt	811,029	811,029	0	0	811,029	<b>811,029</b>	start land purchases from year 3 of the programme - need to discuss reprofiling budget
SA1032	New Build Programme	Rob Main / Kevin Shutt	0	0	8,938	56,462	-65,399	<b>0</b>	Needs to be reallocated to correct cluster in phase 1
SA1033	Estate Regeneration	Rob Main / Kevin Shutt	858,170	858,170	79,770	124,913	653,487	<b>858,170</b>	another consultation event next Wednesday outcomes due towards the end of the calendar year
SA1034	Former Asra Properties Purchase	Rob Main	588,971	588,971	0	0	588,971	<b>588,971</b>	
SA1041	Phase 1 Cluster 1 Newark	Rob Main / Kevin Shutt	454,840	454,840	310,359	75,628	68,854	<b>454,840</b>	No variations on this one 95% complete will complete in the next 4-6 weeks
SA1042	Phase 1 Cluster 2 Farndon Hca	Rob Main / Kevin Shutt	1,108,199	1,108,199	402,764	523,994	181,442	<b>1,108,199</b>	75% complete due to complete September/October
SA1043	Phase 1 Clust 2 Farndon 1-4-1	Rob Main / Kevin Shutt	69,834	69,834	38,858	11,073	19,903	<b>69,834</b>	75% complete due to complete September/October
SA1044	Phase 1 Clust 3, West	Rob Main / Kevin Shutt	1,858,902	2,153,721	621,861	939,763	592,097	<b>2,153,721</b>	Increase due to site conditions. Less than 1% increase overall. Progress on site 50% due for completion end of November.

Project	Capital Description	Project Manager	Revised Budget 18-19 (Following P&F 28.06.18)	Revised Budget including Variations for Approval	Actuals to end of July	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Comments - Spend to date
SA1045	Phase 1 Clust 4, Collingham	Rob Main / Kevin Shutt	1,190,073	1,227,530	437,346	752,589	37,595	1,227,530	60% complete due to finish in september. Windsor close 20% complete due to finish January 19
SA1046	Phase 1 Clust 5, Balderton	Rob Main / Kevin Shutt	1,183,874	1,198,600	363,932	722,150	112,518	1,198,600	variations on this cluster. 50% complete some delays due to Severn Trent complete around November.
SA1047	Phase 1A	Rob Main / Kevin Shutt	415,876	183,556	23,843	3,032	156,682	183,556	this will need to be reallocated to individual phase 2 schemes
SA1050	Phase 2	Rob Main / Kevin Shutt	4,873,644	4,873,644	18,849	186,232	4,668,563	4,873,644	Woodheads have started working on build costs for 18 units so far. Kevin working with woodheads on costs. Further sites will go to contractors for costs when planning is received
	<b>SUB TOTAL AFFORDABLE HOUSING</b>		<b>14,595,533</b>	<b>14,710,215</b>	<b>2,324,130</b>	<b>3,753,498</b>	<b>8,632,587</b>	<b>14,710,215</b>	
	<b>TOTAL HOUSING REVENUE ACCOUNT</b>		<b>19,763,333</b>	<b>19,878,015</b>	<b>3,155,787</b>	<b>5,687,469</b>	<b>11,034,760</b>	<b>19,878,016</b>	

## POLICY & FINANCE COMMITTEE

20 SEPTEMBER 2018

### COUNCIL'S ANNUAL BUDGET 2019/20 – OVERALL CORPORATE STRATEGY

#### **1.0 Purpose of Report**

1.1 To set out the Budget Strategy for 2019/20 for consideration by Members before detailed work commences.

#### **2.0 Introduction**

2.1 The Council's Constitution sets out the process for developing the Council's Annual Budget.

2.2 The process requires that, each year, the Council's Section 151 Officer presents a report on the overall budget strategy for the forthcoming financial year, to the Policy & Finance Committee.

2.3 The Policy & Finance Committee is then required to consider the report of the S151 Officer and to approve the budget strategy for the forthcoming financial year.

#### **3.0 Budget Proposals**

##### **3.1 Budget Presentation**

3.1.1 The budget process will result in setting the budget and the Council Tax for 2019/20 and will be approved by Council at its meeting on 7 March 2019

##### **3.2 Financial Policies**

3.2.1 The Council has agreed policies on Budgeting and Council Tax, Reserves and Provisions, Value for Money and also a set of Budget Principles which set out the approach to be taken to the budget process. These policies were reviewed by the Policy & Finance Committee in September 2017. The policies and principles have been reviewed and updated where necessary and are attached as **Appendices A(i) to A(v)**.

#### **4.0 Budget Strategy**

4.1 The current Medium Term Financial Plan (MTFP) was approved on 29 June 2017. With the change in the Leader of the Council and appointment of the new Chief Executive, the revision of the MTFP will occur slightly later than originally planned and will be brought to the Policy & Finance Committee on 21 February 2019, with the budget for 2019/20.

4.2 The table below sets out the summary of the financial forecast, identified within the current MTFP, assuming that Council Tax at average Band D will increase by the same rate as the previous three financial years, i.e. 1.94%:

	<b>2019/20 £000</b>	<b>2020/21 £000</b>
Net Service Expenditure	12,465	12,633
Net Budget Requirement	11,669	11,793
Total Settlement Funding	4,174	4,134
Council Tax	6,711	6,917
Use of Earmarked Reserves	91	91
Use of General Fund Balances	693	651

The table above suggests that over the next two financial years, between £650K and £700K of savings will need to be generated to balance the budget.

4. Whilst there is always a need to improve efficiency and review existing budgets, the Council's budget gap in future years means that, as well as further efficiencies, the Council needs to generate "new" revenue streams. This is the task of the Corporate Projects Development Team who are working with a commercial focus to identify opportunities to increase income into the Council. Any opportunities that are identified and where approval is granted, will be fed into the MTFP and will accordingly be included in the base budget for 2019/20. Wider than the terms of reference of this group, it is important for budget managers to continue to scrutinise their budgets to ensure that services are delivered as efficiently as possible.

4.3 The following underlying assumptions will be applied in compiling the draft budget for 2019/20:

#### 4.3.1 Base Budget

The base budget for 2019/20 will be derived from the budget created for the 2018/19 financial year. The 2018/19 budget was created from the actual outturn position for the 2016/17 financial year adjusted for inflationary factors. This approach will continue the plan to deliver a "tighter" budget than previous years as the base budget for 2019/20 will effectively be based on lower levels of expenditure (and income) for the 2016/17 year, adjusted for inflation.

#### 4.3.2 Staff Costs

The actual establishment, reconciled to the HR records, will be used to generate the starting point for employees' expenditure. It has been assumed that within the Service Unit budgets, the Council will employ 100% of the establishment throughout the year with the exception of known unfilled vacancies where salaries are budgeted to commence on the anticipated starting date.

A 2% increase in wages and salaries will be assumed for 2019/20. This is in line with the agreement which was reached in early April 2018 between the National Employers and the NJC Trade Unions side on rates of pay applicable from 1 April 2018 and 1 April 2019. Whilst the 2018 pay award was straight forward to implement, the 2019 award will be more challenging as there are a number of new pay points from 1 April 2019, to which employees need to be aligned to. This necessitates a full review of the pay and grading system. In addition, increases in the National Living Wage will have a knock on impact on all salary pay grades of the Council. The financial implications of changes will be kept under constant review and the budget, if required, will be revised before presentation to Policy & Finance Committee on 21 February 2019.

A vacancy provision of 3.5% of the total salary budget for 2019/20 will be made to allow for natural savings being made from posts remaining vacant before being filled. As it is not possible to predict precisely which business units will experience vacancies in the year, an overall saving will be set aside. This provision will be determined once the total salary budget for 2019/20 has been calculated.

#### 4.3.3 Employer's Superannuation

The actuarial review carried out as at 31 March 2016 increased the employer's superannuation contributions from 12.5% to 14.5% from 2017/18. A further cash deficit element is included in the pension charges each year the figure for 2019/20 is £1,101,580. The next triennial valuation of the pension scheme will take place on 31 March 2019.

#### 4.3.4 Provision for Inflation

The budget will be prepared by applying forecast RPI increases to non-staff cost. In May 2018 RPI was 3.3%. This is forecast to drop below 3% to 2.9% by the end of 2018/19. During 2019/20 the forecast looks to hover around 3% until the end of 2022/23. An inflation rate, therefore, of 3% will be applied to non- salary costs, unless a different specific rate is specified in a contract for the supply of goods and services. For non-contractual supplies and services there will be a freeze on inflation.

#### 4.3.5 Fees and Charges

The increase in fees and charges will be subject to specific, detailed review by business managers who will compare the Council's fees for discretionary services to other neighbouring and family group authorities that provide the same services. The business managers will also bench mark the fees with other commercial organisations where similar services are provided. Business managers will also assess and evaluate whether new fees and charges can be introduced for discretionary services that are not currently being charged for.

Where comparative benchmarking information is not available, an increase equivalent to inflation, **3%**, will be applied.

#### 4.3.6 Interest Rate

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

4.3.7 It will not be possible to finalise funding in the budget strategy until government announcements on future funding levels are published later in the year. Members are asked to approve the budget strategy as set out in this report, subject to future announcements; the impact of which will be reported to Policy & Finance Committee.

### **5.0 Risks in Preparation of the Budget**

5.1 The budget strategy will deliver a balanced budget on the basis of information known at the moment; however, there are risks that may cause expenditure to increase or income to reduce. Consequently income and expenditure levels will be kept under review throughout the budget process.

5.2 It is essential to ensure that the strategic budget efficiencies and additional income are delivered as this is central to ensuring that the Council has a balanced budget. The delivery of the efficiencies and additional income will be kept under continuous review throughout the budget process.

## 6.0 Timetable

The Budget Timetable is dictated by the corporate timetable for Policy & Finance and operational Committees. The essential deadline is that the Council is able to set the level of Council Tax for 2019/2020 at its meeting on 7 March 2019. Working back from this date a timetable has been drawn up and is attached at **Appendix B**. This timetable enables sufficient time for the budget proposals to be considered by operational Committees and Policy & Finance Committee and also sufficient time for the work to be completed within the Financial Services and other Business Units.

## 7.0 Consultation

- 7.1. As in previous years, consultation on the budget will take place with the public and the Commercial Ratepayers.
- 7.2. The operational committees will have the opportunity during the budget process to make suggestions to Policy & Finance Committee prior to final budget approval by the Council.

## 8.0 Capital Programme 2018 – 2022/23

### 8.1 Prioritisation General Fund Schemes

- (a) When business cases for new schemes are brought to Committee, financing implications of capital expenditure are included in order to assess the viability of the scheme and to enable members to make informed decisions. Once the capital expenditure has been incurred, the financing of the Capital Programme as a whole is arranged by the Section 151 Officer, in line with the Council's Constitution.
- (b) In line with the Council's current Treasury Plan, wherever possible, it has been assumed that projects within the capital programme will be financed by temporarily 'borrowing' from internal reserves and balances.
- (c) The Council may consider revising this Policy to take advantage of low PWLB borrowing rates on schemes/projects where the borrowing is affordable and sustainable. (The analysis of the Council's Balance Sheet by its external Treasury advisers, Arlingclose, shows that as at 31 March 2018, the Council has head room for General Fund borrowing of £24m).
- (d) Any new scheme will initially be commissioned by the Corporate Management Team. It will then be assessed against the prioritisation criteria (see **Appendix D**). Based on this assessment a report will be prepared for submission to Policy and Finance Committee in December before final approval by Council.
- (e) Council will consider all schemes and either: a) allocate resources to enable a scheme to be carried out; b) place it on the uncommitted list pending identification of resources; or c) reject it.

## 8.2 Prioritisation for the Housing Revenue Account

The Council's HRA investment programme is currently delivered by Newark and Sherwood Homes (NSH). The current programme reflects the latest available information agreed by NSH with the Council's Strategic Housing team. It comprises capital investment in the existing Council Housing stock and the continuation of a five year new build programme commenced in 2017/18. Resources for future years will reflect the ability of the Housing Revenue Account to support any necessary borrowing, and other funding opportunities which may arise. Housing rents are set to fall by 1% in 2019/20. This is based on the Government's announcement, made on 8 July 2015, that local authorities must set rent to a social housing tenant of which is 1% less than the amount that was payable by the tenant in the previous 12 months. 2019/20 is the final year of this 1% per year rent reduction and from this point in time it is assumed that rents will rise by CPI plus 1%. Garages and shop rents, along with service charges collected by the HRA will rise by the Consumer Price Index (CPI) from September 2018.

## 9.0 RECOMMENDATIONS that:

- (a) **the overall budget strategy be approved;**
- (b) **budget officers continue work on the assessment of various budget proposals affecting services for consideration in setting the Council's budget; and**
- (c) **budget managers work with finance officers in identifying further efficiency savings, increasing income from fees and charges and in identifying new income.**

### Reason for Recommendations

**To enable the Council's budget process to proceed encompassing agreed inflation and salaries and wages rates for 2019/20 to 2021/22**

### Background Paper

Nil

For further information please contact Nick Wilson on extension 5317 or Sanjiv Kohli on extension 5303.

Sanjiv Kohli  
Director – Resources/Deputy Chief Executive

**Policy on Budgeting and Council Tax**

**Introduction**

Each year the Council is required to set a Council Tax in accordance with the provisions of the Local Government Finance Act 1992. It is a requirement of the Act that the Council Tax must be set by 11 March each year.

The Council sets its Annual Revenue Budget in March each year in accordance with the provisions of the Budget Process, which forms part of the Council's Constitution.

The District Council is also responsible for collecting the Council Tax requirement (precepts) for Nottinghamshire County Council, Nottinghamshire Police & Crime Commissioner and Nottinghamshire Fire and Rescue Service and any precepts set by the Parish and Town Councils or Parish meetings within the District. All of these Councils are required to notify the District Council of their requirements before 1 March.

The District Council has no control over the level of Council Tax or precept set by the precepting bodies. This policy covers the District Council element of the Council Tax only. Nevertheless, it is recognised that public perception is influenced by the overall level of Council Tax and it can be difficult to appreciate that the requirements of the District Council form only a part of this. In fact, the District Council's spending requirements account for around 10% of the total Council Tax bill.

The Government has powers to require local authorities setting "excessive Council Tax increases" to hold a local referendum on the level of Council Tax. The level of excessiveness is set at 3% but may be different in subsequent years.

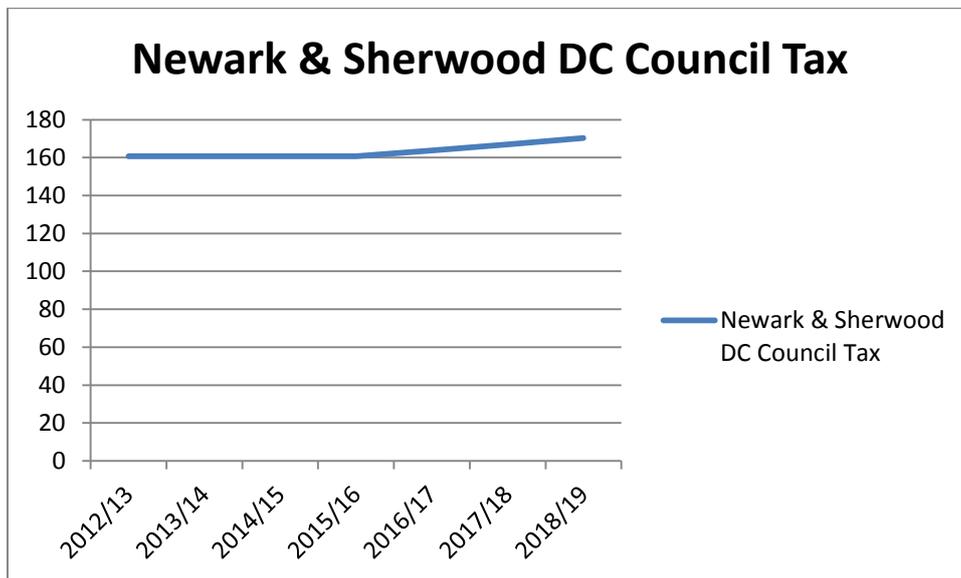
The District Council's spending requirement includes an amount levied upon it by other bodies. For this Council an annual levy is made by the Trent Valley and Upper Witham Internal Drainage Boards. Since 2014/15, if the levies set by the drainage boards cause the Council to have an excessive increase in Council Tax this would trigger a local referendum.

**Current Level of District Council Tax**

The District Council's level of Council Tax for 2018/2019 is £170.27 for a Band D property. This represents a 1.94% increase in council tax on 2017/2018. The total bill, including all precepts, is £1,862.60 plus average Parish Precepts of £73.34.

**Trends Over Time**

Over time, the Council has had a policy of keeping the level of Council Tax to a minimum. The level of Council Tax for the Council is shown in the chart below:



### **Consultation**

Newark and Sherwood District Council believes in the value of wide consultation on its budget proposals. As such, the Council will consult where there are financial decisions of public interest prior to setting the level of Council Tax. The Council will have regard to the results of any consultation. Consultation may include the following:

- Public
- Parish Councils
- Commercial Ratepayers
- Local Strategic Partnership
- Committees

### **Proposals**

The absolute level of Council Tax, and any annual increase, will depend on the demands facing the District Council, external funding available, and the Council's assessment of the appropriate level of Council Tax. Whilst these factors will vary from year to year, the following criteria will be taken into account when considering the level of Council Tax:

- The Aims and Priorities of the Council
- Inflation
- Consultation Responses
- The level of Council Tax considered to be acceptable to the public
- Government views on grant levels and referendum criteria
- Service demands

**Newark and Sherwood District Council aims to set the minimum level of Council Tax consistent with the achievement of its Aim and Priorities and other financial and service demands.**

**General Fund Balances and Reserves Policy**

The Local Government Act 2003 requires all Councils to maintain adequate balances, reserves and provisions to help ensure that their activities are sustainable. This policy covers General Fund Balances and separate policies cover reserves and provisions and Housing Revenue Account balances.

The Council holds General Fund balances to ensure that it has sufficient funds to manage its day to day finances and to enable the Council's financial position to remain secure in the event of unforeseen circumstances.

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

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

After reviewing the level of Balances and Earmarked Reserves, it is proposed that the level of General Fund Balance be maintained at 15% of Net Budget Requirement. For 2018/19 this level will be £1,707,331 as detailed in the Budget Book report to Council on 8 March 2018.

The Council also holds reserves for specific areas of expenditure. Each reserve has a specific purpose. They are subject to annual review by the Section 151 officer as part of the budget process and if no longer required are used for other purposes. It is proper accounting practice to maintain reserves for these purposes.

**It is recommended that:**

- a) Reserves should be subject to an annual review by the Section 151 officer;**
- b) Reserves should not be over-provided;**
- c) Reserves should be used for the purpose for which they are provided (subject to a and b above)**
- d) Reserves should not be used to support ongoing general fund expenditure (subject to recommendations a and b, above)**

## **Budgeting Principles**

The Council will prepare its budget in accordance with the following principles:

### **Council Objectives:**

The purpose of the budget is to enable the Council to achieve its objectives and meet its statutory duties. In setting the budget and Council Tax, the Council will also have regard to Government requirements, including the Local Government Finance Settlement and the latest Comprehensive Spending Review.

### **Balanced Budget:**

The Council is required to set a “balanced budget” with sources of funding identified to cover all expenditure proposed.

### **Affordable Budget:**

In setting the budget, the Council will consider the affordability of proposals and their impact on the level of Council Tax.

### **Inflation:**

The Council will have regard to the level of inflation when considering budget proposals. It may consider different indices of inflation for different purposes. For example, the retail prices index (RPI) and the consumer prices index (CPI) do not always reflect the rate of inflation faced by the Council and this may be better measured by specific indices such as those widely available for construction costs or energy.

### **Sustainable Budget:**

The Council will set a budget to be sustainable over time. This will be reflected in the Council’s Medium Term Financial Plan and Capital Programme. The budget will include an overall risk assessment and will incorporate appropriate sensitivity analysis in order to ensure a robust final budget.

### **Budget Demands:**

Any developments in the Council’s revenue and capital budgets will be required to go through the Council’s formal bidding process. Only those items approved as part of this will be included in the final budget.

### **Use of 3<sup>rd</sup> Party Funding:**

Where third party funding is used to contribute towards the Council’s budgets, a plan is required to ensure that this element of the budget is sustainable if and when the 3<sup>rd</sup> party funding ceases. Where appropriate, an exit strategy is required.

### **Adequate Reserves and Provisions:**

The Council aims to have adequate, but not excessive, reserves to cover unforeseen expenditure. Specific provisions are also in place to cover items of expenditure that are certain but where their timing is not known. Further details are set out in the policy on balances and reserves.

**Asset Management:**

The Council aims to manage its assets efficiently in accordance with best practice. Full details are set out in the Asset Management Plan.

**Council Tax Levels:**

In accordance with this policy, the Council aims to set the minimum level of Council Tax possible consistent with the achievement of its Aim and Priorities and other financial and service demands.

**Value for Money:**

The Council aims to achieve value for money in the provision of all of its services. This is set out in the Council's Value for Money Strategy.

**Risk Assessment:**

In accordance with section 25 of the Local Government Act 2004, the s151 officer will conduct an annual risk assessment of the robustness of the estimates made in the Council's budget.

**Sensitivity Analysis:**

The s151 officer will carry out a review of the impact of variations to key elements of the proposed budget (a "sensitivity analysis") on an annual basis.

**NEWARK AND SHERWOOD DISTRICT COUNCIL**

**CORPORATE CHARGING POLICY**

**Revised: July 2018**

**Date of next revision: July 2019**

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## **1. Introduction**

This Policy applies to external fees and charges other than those prescribed by the government. It provides a guide to internal charging arrangements but is subject to CIPFA's 'Service Reporting Code of Practice' and has regard to the Audit Commission's publication "*Positively Charged*".

It is not intended to apply to the disposal of Council assets, rents, internal charges or rechargeable works, nor will it apply where charges are governed by statutory regulation or guidance.

The Policy does apply if we have discretion, but not if there is a prescribed fixed charge.

Over the period of the Medium Term Financial Plan services will align their charges and processes with this policy.

This policy must be read in conjunction with the other related Council policies and strategies, including Financial Regulations, Equalities Policy, VFM Strategy, Corporate Plan.

If after reading this Code you require further guidance or clarification, or you are not sure how best to comply with the Policy then please contact your Business Manager or the Director of Resources.

## **2. Purpose of the Policy**

To establish a policy within which fee and charge levels will support the Medium Term Financial Strategy and Corporate Plan; and,

To encourage a consistent approach to the setting and reviewing of charges for services provided by Newark and Sherwood District Council by:

- specifying the processes and frequencies for reviewing existing charging levels or introducing new charges for areas of the council's work for which charges could in principle be set;
- providing guidance on the factors that need to be taken into consideration when charges are reviewed on an annual basis;
- establishing parameters for calculating different levels of charges;
- recommending the criteria for applying concessions or discounted charges on a consistent council wide basis;
- requiring more active use of market intelligence relating to different services.

## **3. Processes and Frequencies for Reviewing Charges**

The following arrangements for reviewing charges will be applied throughout all areas of the Council where charges for services already exist or could in principle be set:

- all discretionary charges will be considered and approved by Council as part of the Budget and Council Tax setting process in March of each year.

- a major review of each business unit's charging strategy will take place at least once every three years to ensure consistency with the council's priorities, policy framework, service aims, market sensitivity, customer preferences, and income generation needs, and the justification for any subsidy that the council as a whole makes to the service.
- annual reviews will be carried out for all of these services as part of the budget process, and shall have regard for the budget strategy approved in September each year.
- where fees are not to be increased or are proposed to be increased below inflation, this must be reported to CMT by the budget officer clearly stating the financial implications and budget shortfall before the deadline for completion of the revenue budget.
- these formal reviews will be overseen by the appropriate Director.
- where decisions on fees and charges, including any concessions or discounts, are taken outside the budget process approved by CMT and Policy and Finance Committee, any proposals must have due regard to the Medium Term Financial Plan.

#### **4. Factors Relevant to the Annual Review of Charges**

Annual reviews of charges will consider the following factors:

- a. inflationary pressures generally and input costs specific to the service;
- b. any statutory framework relating to the service
- c. the actual or potential impact of any competition in terms of price or quality;
- d. trends in user demand and the forecast effect of price changes;
- e. equality and access to services;
- f. customer survey results;
- g. benchmarking results;
- h. council wide and service budget targets;
- i. cost structure implications arising from developments such as investments made in the service;
- j. consistency with other charges;
- k. alternative charging structures that could be more effective;
- l. validity of continuing any concessions;
- m. proposals for targeted promotions during the year, and evaluation of any that took place in the previous year;
- n. where less than the full cost is being recovered (including nil charges), the justification for the decision is reviewed and documented to ensure that this decision remains valid and that significant income is not being lost.

#### **5. Processes for Setting Charges for New Sources of Income**

All Business Managers should explore new business opportunities with a view to generating additional income.

All guidance in this Policy must be considered when setting new fees and charges.

A business plan must be prepared.

Any potential new income streams will need to be approved by CMT and Policy and Finance Committee.

The setting of the fees and charges must be made in accordance with the current VAT regulations.

The proposed billing and recovery administrative process must be agreed with the S151 officer prior to the charges being implemented.

A central record will be maintained by the relevant Business Manager of any decisions made not to charge for a service where a charge could be made.

## **6. Calculation of Charges**

Charges will apply to all users, and will be set at a level to maximise take-up and income targets and wherever possible covering or exceeding the full cost of providing the service in question.

It is the responsibility of the Business Manager to ensure that the proposals comply with the appropriate legal framework and any legal restrictions. Advice should be taken from the Council's Legal section before any proposal is finalised.

This calculation of full cost should be based on the direct cost of service provision including staff, supplies and services, equipment, premise costs. Overheads and capital asset depreciation charges should be included but consideration may be given to a less than full cost recovery of these elements where inclusion would distort competition.

Where less than the full cost is being recovered, the justification for the decision must be documented and retained by the appropriate Business Manager and clearly state the financial implications and budget shortfall.

All fees and charges must be calculated in accordance with the current V.A.T. regulations.

## **7. Concessionary Charges**

In some circumstances the Council will offer subsidies to all users or concessions to specific user groups where this is consistent with achieving its priorities.

Entitlement to concessionary charges must have regard to equalities legislation and is designed to reduce barriers to participation arising from:

- Age;
- Level of income;
- Family circumstances;
- Health
- Educational circumstances.

Concessions will not apply to retail sales from shops or cafes.

Concessionary charges may also be made available to organisations whose purpose is to assist the Council in meeting specific objectives in its priorities and policy framework, or which contribute to the aims of key local partnerships in which the Council has a leading role.

Concessionary charges should not normally apply to peak times or in situations that would result in the loss of income from customers paying standard charges. Neither would they normally be available to organisations that are based outside of the Council's area other than on a reciprocal basis.

Only one concession can be applied to the standard charge at any given time.

Services wishing to adopt a concessionary charging scheme must demonstrate the scheme is practicable in terms of assessment, collection and evidencing for audit purposes.

## **8. Discounts**

For certain services it will be normal practice to set promotional discounts, Frequent User discounts or group Discounts.

Promotional discounts are defined as short-term charges that are targeted to increase take-up or awareness of the services that are available.

Frequent User discounts are to be used only for commercial reasons such as generating customer loyalty where alternative provision from competitors exists, and where market analysis shows a real risk of reduced income if they are not offered.

Group discounts are to be used to encourage take up by organisations able to block book and Family discounts to encourage parents and children's take up.

Discounts can be applied to both the standard charge and the concessionary charge.

Discounts can only be applied where the Service has received prior approval of the principle to apply a discount to the charge for this service.

## **9. The Use of Market Intelligence**

All managers of discretionary services for which a charge is made should take steps to identify competitors offering similar or related services, and make use of comprehensive and dynamic market intelligence in evaluating:

- their charging strategy;
- the range of services provided;
- the quality of services provided;
- their cost structure.

All managers of services for which a charge is made should consult with customers, relevant partners and stakeholders on the range, quality and cost of services provided prior to the triennial review.

Consultation should also take place with potential customers and target groups to determine improvements needed to encourage participation at least every five years.

Comprehensive and accurate usage statistics will be maintained for all services and at all facilities where charges are made, to enable analysis of usage, justification of any subsidy given by the Council, and accurate forecasting of the effect of price changes on usage.

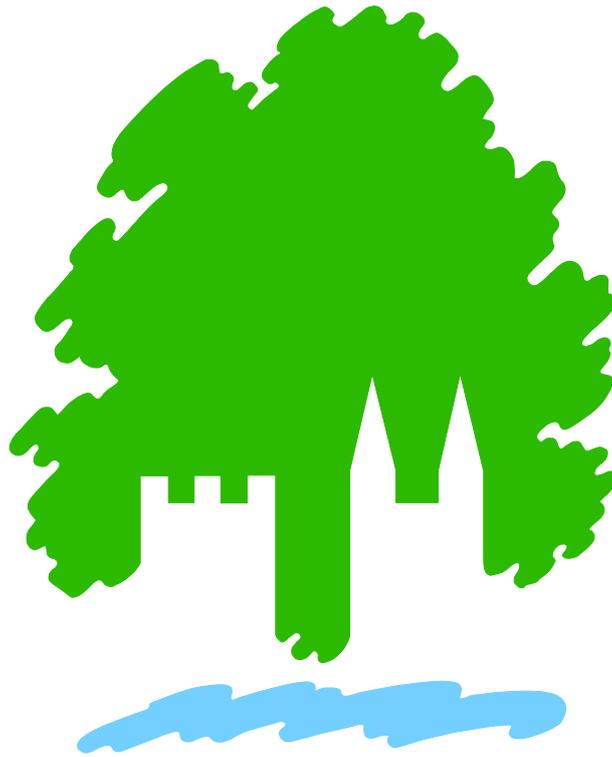
Benchmarking should be undertaken at least annually regularly with other Councils in the local area and with relevant national groupings of authorities, to ensure that charges are at comparable levels and that significant differences are understood and justified.

#### **10. Further Guidance**

Charges should be payable in advance wherever possible or collected by direct debit or through the corporate income system.

All fees/charges must be reported annually to the Financial Services Business Unit as part of the budget process for publishing in the annual budget book.

All fees/charges must be published on the Councils website.



**NEWARK &  
SHERWOOD  
*DISTRICT COUNCIL***

**Value for Money Strategy**

**Revised: July 2018**

**Next revision due: July 2020**

## Introduction

Newark & Sherwood District Council recognises its responsibility to achieve value for money from all its activities, however they may be funded.

The council is committed to the pursuit of economy, efficiency and effectiveness as part of its corporate strategy. It will seek to achieve value for money in the pursuit of its objectives and in the delivery of all services.

The council has a neutral position on service delivery methodologies. It will consider all service delivery options, including in-house provision, partnerships with other public sector organisations (including shared services), partnerships with private sector organisations, and bought in services as appropriate for individual services or groups of services.

With the current focus on reducing the national deficit leading to reduced government funding, it is inevitable that the annual revenue and capital budget setting will be challenging each year. The council has a range of methodologies in place to ensure that its aims and priorities are delivered within an acceptable level of council tax. The Value for Money Strategy is a key element of this process.

## Value for Money Principles

The principles involved in achieving value for money are:

Efficiency: Considering the relationship between the amount of resources used (inputs) and the level of performance.

Effectiveness: The ability to achieve stated goals or objectives, judged in terms of both output and impact.

Economy: The acquisition or use of resources of an appropriate quality at minimum cost.

There are several aspects to be considered:

- Balancing effectiveness with efficiency
- Balancing efficiency with economy
- Sustaining the funding arrangement (where this is desirable)
- Demonstrating the most appropriate use of resources

Value for money can be defined as: **the use of available resources in an efficient and economical way to deliver effective services or achieve desired outcomes.**

The council is accountable for using resources efficiently to avoid wasting public funds, but this does not mean always seeking the lowest short-term cost. Waste occurs when a service – no matter how cheap or expensive – is ineffective. Effectiveness and efficiency needs to be balanced to achieve value for money.

The costs and benefits of each arrangement must be evaluated in terms of what the council seeks to achieve.

The council will manage any risks to its own interests, and use arrangements and processes such as monitoring, review and evaluation to demonstrate effectiveness and value for money.

At the planning stage, the council should be able to justify how it intends to apply its resources. After implementation it should be able to demonstrate that the policy is having the desired effects, and that the money is not going to waste. If there are unintended outcomes from its policies the council needs to adapt its funding arrangements to take them into account.

## **Objectives**

To achieve value for money, the council will:

- target resources towards achieving the council's objectives and meeting the needs of local people;
- integrate VFM principles within existing planning, management and review processes;
- adopt recognised good practice as appropriate;
- analyse potential budget issues for the following financial year at an early stage and take a corporate approach to developing solutions;
- ensure that VFM principles are taken into account during the commissioning process;
- benchmark activities against other similar activities and organisations where appropriate;
- respond to opportunities to enhance the economy, efficiency and effectiveness of activities;
- promote a culture of continuous improvement;
- demonstrate actively to both internal and external stakeholders that the achievement of VFM is sought in all activities undertaken;
- ensure that all staff recognise their continuing obligation to seek VFM for the council as part of their activities;
- seek external funding where appropriate to support the council's services if the external funding assists the achievement of the council's objectives.

## **Methodologies for achieving VFM**

The council has a number of different methodologies that contribute to the achievement of VFM.

These include:

- the Commissioning process;
- identification of growth and savings through the budget process;
- effective use of ICT (supported by the ICT Strategy);
- service reviews;
- scrutiny by service Committees;
- Audit & Accounts Committee;
- corporate procurement mechanisms (supported by the Procurement Strategy and policies);
- partnership working including consideration of shared services and public/private partnerships;
- customer feedback.

## **Responsibility for delivering VFM**

The council is required to satisfy itself that VFM is being sought, and achieved from the use of public funds.

The responsibility for achieving VFM lies with all Members and staff and is not restricted to those with resource or financial responsibilities. All Members and staff should endeavour to seek and achieve VFM in all activities and to bring to management's attention any opportunities for improvement.

Managers have the responsibility to maintain an awareness of good practices in their own area of operation and ensure that these are followed appropriately.

The corporate management team will provide a corporate overview of VFM to ensure that initiatives are not restricted to individual service areas.

The council has an expectation that bodies with which the Council has partnership arrangements and organisations in receipt of grant aid from the council will follow VFM guidelines.

2019/20 REVENUE BUDGET TIMETABLE				
Action	Base Budget & General Principles of Budget	Draft Budget	Draft Final Budget	Final Budget Approval & Council Tax Setting
Base budget & general principles of budget	Policy & Finance 20 September 2018			
Support services – agree basis for charging		31 August 2018		
Working papers issued to budget officers		31 July 2018		
First draft of treasury estimates based on capital programme reported to September Policy & Finance Committee		15 September 2018		
Draft budgets complete – no support services allocated		24 September 2018		
Budgets uploaded onto eFinancials		28 September 2018		
Coordination & review of first draft budget		12 October 2018		
Support services allocated and uploaded to efinancials			30 October 2018	
Final committee budgets approved for consideration by Policy & Finance Committee on 21 February 2019			Homes & Communities 14 January 2019 (papers 12/12/18)  Leisure & Environment 22 January 2019	

			(papers 03/01/19)  Economic Development 16 January 2019 (papers 11/12/18)  Policy & Finance 24 January 2019 (papers 02/01/19)	
Housing Revenue Account budget and rent setting report				Policy & Finance 24 January 2019 to refer to Council for approval on 12 February 2019 (papers 02/01/19)
Council Tax Discounts Scheme determined				Council 11 December 2018
Council Tax Base 2019/20				Officer decision – determined between 1 December 2018 and 31 January 2019
Revenue budget setting				Policy & Finance 21 February 2019 (papers 30/01/19)
Parish Council Precept information received			(up to) 28 February 2019	
Council Tax setting				Council 7 March 2019 (papers 28/02/19)

**CAPITAL PROGRAMME TIMETABLE 2019-2023**

<b>Date</b>	<b>Corporate</b>	<b>Council/Policy &amp; Finance Committee/Operational Committees</b>
Continuous	Possible asset disposals are identified; the likely level of receipts and the revenue implications are estimated.	Approval by Policy & Finance Committee.
April - September	CMT approve the commissioning of new schemes.	Consultation with Policy & Finance Committee and operational Committees where relevant
April - September	Appraisal forms complete for all schemes to be considered in the Capital Programme process. The Key corporate priorities to be targeted with key service plans priorities and Smart Focus.	Consultation with Portfolio holder and relevant Committee.
By 30 September	Revenue implications of bids included in budget bids	
By 31 October	Existing schemes are revised for timing and, where relevant, whether they can now proceed e.g. if failed to get external finance allocation is lost	Report submitted to Policy & Finance Committee in December on changes to existing programme (if necessary)
By 31 October	Detailed appraisal using prioritisation scheme process and report produced for CMT on results of appraisal. CMT consider report and agree prioritisation it relevant	
December		Policy & Finance Committee consider draft programme based on prioritised schedule including revenue implications
By 31 January 2019	Revised estimates of resources available completed including levels of Borrowing, Revenue Contribution and Capital Receipts targets.	
By 31 January 2019	Prepare summary of comments from operational Committees for Policy & Finance Committee to consider. Includes clarification by Directors/Business Managers	
30 January 2019	Final report produced for Policy & Finance Committee including comments from operational Committees	
21 February 2019		Policy & Finance Committee consider revenue and capital budgets and financial implications and recommend programme to Council
7 March 2019		Council tax setting meeting.

**NEWARK & SHERWOOD DISTRICT COUNCIL**  
**CAPITAL PROGRAMME 2019 - 2023 PRIORITISATION SCHEME**

	<b>STAGE 1 FACTOR</b>	<b>Comments</b>	<b>STAGE 2 DETAILED PRIORITISATION</b>	<b>STAGE 2 WEIGHTING</b>
1	<p><b>Key Priorities</b>            Scheme must link to at least one of the Council's priorities and be an objective contained within a Service Plan.</p>	<p>If a scheme does not clearly relate to these areas it will not be considered further.</p>	<p>Each scheme to be marked as to how well it fits with the following-</p> <ul style="list-style-type: none"> <li>• Prosperity</li> <li>• People</li> <li>• Place</li> <li>• Public Service</li> </ul>	<b>35%</b>
2	<p><b>Evidence of Need</b>            Service Strategy            National Strategy or Guidelines            Statutory Obligation</p>	<p>In some cases local demands are in excess of national guidelines and strategies and this tries to acknowledge that the two must be balanced. This will cover Health and Safety related schemes.</p>	<p>The following factors will receive equal weighting :-</p> <ul style="list-style-type: none"> <li>• Statutory Obligation</li> <li>• National Strategy</li> <li>• Validity of consultation in relation to project. e.g. How specific to this project? Who was consulted, was this comprehensive?</li> <li>• Quality of evidence of need for project .e.g. size of sample base, date of evidence, format of evidence</li> </ul>	<b>10%</b>
3	<p><b>Partnership</b>            Eligibility under existing criteria can be demonstrated.</p>	<p>Show that work has been done to ensure that the obtaining of external finance is realistic. The degree to which the partnership will add value to the project.</p>	<p>The proportion of finance which will be met by third party. The likelihood of receiving support.            Assessment of the value the partner will add to the project.</p>	<b>15%</b>

	<b>STAGE 1 FACTOR</b>	<b>Comments</b>	<b>STAGE 2 DETAILED PRIORITISATION</b>	<b>STAGE 2 WEIGHTING</b>
4	<p><b>Outputs and Outcomes</b></p> <p>These have been clearly identified and can be justified from supporting evidence.</p> <p>Specific comments should be made as to how the scheme represents value for money when compared to other options</p>	<p>This will enable the council to improve the way it reports its work and clearly show what is being achieved. The comments should refer to any performance indicators which the proposal is addressing specifying what the improvement target is.</p>	<p>Assessment then made on what the scheme will achieve.</p>	<p><b>15%</b></p> <p>Assessment of all factors or group of factors</p>
5	<p><b>Financial</b></p> <p>Capital costs have been based on internal or external professional advice</p> <p>Revenue implications have been properly developed</p>	<p>Capital costs include both works and land purchase and cover all associated costs.</p> <p>Try and avoid “guesstimates” which result in schemes requiring increased finance or having to be reduced to meet finance available.</p>	<p><u>Capital</u> will be based on the quality of work which has been put into estimate. e.g. costed feasibility studies.</p> <p><u>Revenue</u> will be based on whether the effect is positive, neutral or negative on the revenue budget.</p> <p>Positive effect scores 10 Neutral effect scores 3 Negative effect scores 0</p>	<p><b>15%</b></p> <p>Capital marked 1 to 5</p> <p>Revenue marked 0 to 10</p>
6	<p><b>Risk Assessment</b></p> <p>Identify the level of risk in a project not being able to proceed. For example planning appeals, listed building consent. Over subscription of partnership funds</p>	<p>Try and ensure that not all schemes selected are high risk with the danger that there will be delays in delivery or no-delivery.</p>	<p>The following will all need to be considered:-</p> <ul style="list-style-type: none"> <li>Technical Issues</li> <li>Financial Uncertainty</li> <li>Partnership uncertainty</li> <li>Planning Issues</li> <li>Legal issues</li> <li>Timescale</li> </ul>	<p><b>10%</b></p>

## POLICY & FINANCE COMMITTEE

20 SEPTEMBER 2018

### BUSINESS RATES PILOT 2019

#### **1.0 Purpose of Report**

1.1 To seek approval from Committee to submit a joint application with the other 8 Nottinghamshire Councils and Nottinghamshire Fire and Rescue, for the 2019 Business Rates Pilot scheme.

#### **2.0 Background Information**

2.1 Members will be aware that the current Business Rates system applicable at Newark & Sherwood District Council (NSDC) is that 50% of the total business rates collected is retained locally (shared 10% with the major preceptors). The other 50% is paid over to central government. Similarly, NSDC retains 50% of any growth and pays the remainder 50% as a levy to the Nottinghamshire Business Rates Pool, (if we were not members of the Pool then this levy would be paid to government).

2.2 More councils are being invited by the Secretary of State for the Ministry of Housing, Communities & Local Government (HCLG) to bid to become part of a 75% Business Rates Pilot scheme. This scheme, which would last for one year and would begin 1 April 2019, would see a larger proportion of money, generated within the County and retained locally. The prospectus was issued on 24 July 2018 and applications need to be submitted by 25 September 2018. This follows the success of previous waves of business rates retention pilots, launched in a wide range of areas across country in 2017 and 2018.

2.3 Findings from the new round of pilots will help the government understand how local authorities can smoothly transition into the proposed system, of 75% local retention of growth in 2020. This Pilot therefore gives NSDC and Nottinghamshire a one year window to additional funding through the retention of business rates growth.

2.3 The majority of the prospectus content is in line with the 2017/18 and 2018/19 Pilots; with the following key areas of differences:

- Pilots will be for 75% local retention of growth (and not 100%, as in 2018/19).
- There will **not** be a “no detriment clause”.
- A 95% safety net which provides some protection on removal of the “no detriment clause (higher than the current 92.5% safety net).

#### **3.0 Proposals**

3.1 On 24 July 2018, the Secretary of State for Communities, Rt. Hon. James Brokenshire MP announced that from April 2019, selected pilot areas will be able to retain 75% of the growth in income raised through business rates, incentivising councils to encourage growth in business in their areas and allowing money to stay in communities and to be spent on local priorities - including more funding to support frontline services. The pilots will see councils rewarded for supporting local firms and local jobs and ensure they benefit directly from the proceeds of economic growth.

- 3.2 It is, however, anticipated that there will be fewer pilots granted in 2019/20 (ten in 2018/19), reflecting the proximity of the proposed reforms in 2020. There are, however, expected that there are going to be more bids (around 30, compared to 24 in 2018/19). To be successful, therefore, the proposal for Nottinghamshire will need to demonstrate collaborative working and how the additional funding will be applied for the economic benefit for the communities.
- 3.3 The timescales for submission of the application are very tight and therefore, this report is seeking delegated authority for the Deputy Chief Executive, Director - Resources, in consultation with the Chief Executive, to agree the detail of the application.
- 3.4 The final sign off and submission of the application will be made collectively by the Nottinghamshire Chief Executives.
- 3.5 The Council's Deputy Chief Executive, Director - Resources, with external support from LG Futures, has been working with the Nottinghamshire Chief Finance Officers and the Nottinghamshire Chief Executives to review the existing Pooling arrangements and comparing this to the forecast growth under the terms of the 2019 Pilot. LG Futures, who have previously advised and assisted a number of successful 2017 and 2018 Pilot applications, have produced the following forecast of retained growth for the existing Pool and compared this to the forecast of the local share under the 75% Pilot.

	<b>Without Pilot</b>	<b>With Pilot: 40% Dist. 30% NCC 5% CFA</b>	<b>Gain</b>	<b>Gain</b>
	£m	£m	£m	%
Newark and Sherwood	5.40	6.0	0.6	11.1%
Ashfield	5.90	6.6	0.7	11.9%
Bassetlaw	5.30	5.7	0.4	7.5%
Broxtowe	4.00	4.3	0.3	7.5%
Gedling	4.10	4.4	0.3	7.3%
Mansfield	4.60	4.9	0.3	6.5%
Rushcliffe	2.90	3.1	0.2	6.9%
Nottingham City	100.10	102.3	2.2	2.2%
Nottinghamshire County	112.10	115.9	3.8	3.39%
Nottinghamshire CFA	11.60	12.60	1.0	8.6%
<b>Total</b>	<b>256.00</b>	<b>265.80</b>	<b>9.8</b>	<b>3.8%</b>

- 3.6 From the table above it can be seen that Nottinghamshire, as a whole, would gain just under £10m from participating in the 2019 Pilot, of which NSDC's share would be 0.6m. The guidance to the prospectus states that income will be available to:

*“to encourage growth in business on the high street in their areas and allowing money to stay in communities and be spent on local priorities - including more funding to support frontline services”.*

#### **4.0 Equalities Implications**

4.1 There are no equality implications arising from this report.

#### **5.0 Impact on Budget/Policy Framework (FIN18-19/635)**

5.1 As detailed at paragraph 3.6 there is a potential gain for Nottinghamshire as a whole of £9.8m with the Council's element of that being £0.600m from the pilot scheme. This assumes that the Business Rates income would continue at the 18/19 levels adjusted for inflation.

5.2 There is however, a potential risk from a decline in business rates. The pilot collectively would need to fund any reduction in rates up to the new safety net level (being 95% of the baseline funding). The current pooling arrangements have similar risks, albeit the safety net threshold within the current scheme is 92.5%. This increase in safety net level seeks to mitigate the impact of the Government's decision not to include a "no detriment" clause within this round of pilot schemes.

5.3 Based on the 17/18 outturn position, the current pool generated a surplus of £5.685m, of which the Council's element amounted to £0.461m. This therefore shows that income currently is significantly above the 95% safety net threshold.

5.4 Should the pilot scheme not go ahead, the current pooling arrangements would continue to take effect into the 2019/20 financial year.

#### **6.0 RECOMMENDATIONS that:**

- (a) the participation of the Council in preparing a joint application for the 2019 Business Rates Pilot, together with the other 6 Nottinghamshire District Councils, Nottinghamshire County Council, Nottingham City Council and Nottinghamshire Fire and Rescue be approved;**
- (b) delegated authority be granted to the Deputy Chief Executive, Director - Resources, in consultation with the Chief Executive and the Leader of the Council, to agree the detail of the application to MHCLG; and**
- (c) delegated authority be granted to the Chief Executive, in consultation with the Leader of the Council, to approve the application together with the Chief Executives of the 6 Nottinghamshire District Councils, Nottinghamshire County Council, Nottingham City Council and Nottinghamshire Fire & Rescue.**

#### **Reason for Recommendations**

- Selection to be a Pilot for 2018/19 will mean additional funding across Nottinghamshire of just under £10m and for NSDC of £0.600m**
- Delegated authority for the Deputy Chief Executive, Director of Resources and the Chief Executive, in consultation with the Leader of the Council is required in order to meet the submission deadline of 25 September 2018**

### Background Papers

- Nottinghamshire Business Rates Pooling arrangements
- Presentation Slides from LG Futures.

For further information please contact Sanjiv Kohli, Deputy Chief Executive, Director – Resources on Ext. 5303

Sanjiv Kohli  
Deputy Chief Executive/Director – Resources

**POLICY AND FINANCE COMMITTEE**  
**20 SEPTEMBER 2018**

**EXTENSION AND IMPROVEMENT OF NEWARK LORRY PARK**

**1.0 Purpose of Report**

- 1.1 For Members to consider the changes to the extension scheme for Newark Lorry Park and the provision of additional funding for the scheme.

**2.0 Background Information**

- 2.1 In March 2017 the Economic Development Committee agreed the scheme for the extension of Newark Lorry Park.
- 2.2 Since the Committee reached that decision detailed work on preparing a planning application was undertaken and it quickly became apparent that the scheme developed by the external consultants was not as comprehensive as it should have been with the omission of a number of key features that have an impact on both the visual aesthetics of an important gateway to Newark and on the overall costs of the project.
- 2.3 In June 2018 the Economic Development Committee considered a further report that detailed the additional works required to further the scheme and the additional funding required.
- 2.4 The report also considered the addition of an above ground fuel bunker on the Lorry Park site as an additional facility to be provided.
- 2.5 The minute from the meeting is shown below.

*AGREED (with 7 votes for and 3 votes against) that:*

- (a) the revised scheme for the Newark Lorry Park extension project be approved;*
- (b) the required additional capital and revenue budgets for the project be approved;  
and*
- (c) the siting of a fuel bunker on the lorry park, subject to legal agreements, be approved.*

**3.0 Proposals**

- 3.1 Details of the proposal are set out in the report to the Economic Development Committee meeting held on 20 June 2018 which is attached as **Appendix A** to the report.

**4.0 Equalities Implications**

- 4.1 An Equalities Impact checklist has been completed and no implications have been identified. The design of the scheme will ensure that there is access to the facilities for disabled users.

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

- 5.1 Currently the capital programme scheme for the extension project has been agreed at £792,000. The additional costs identified in the report will add an additional £347,021 to the capital costs of the scheme.
- 5.2 The income from the lorry park with capacity for 122 at a tariff of £14.50, for 2017/18 was £313,162. The full extension has the potential to increase the income to £459,109 based on the same tariff; i.e. an increase in income of £145,947. This, on an estimated capital spend of £1,139,000 is a return of 12.81%.
- 5.3 The additional space created by the extensions will require additional funds to be set aside for repairs and renewals, contractual services, utilities and business rates. The potential to site the fuel refuelling bunker on the lorry park does give an additional revenue income of £45,000 which could be used in part to provide additional repairs and renewal funding.
- 5.4 Once the works are complete it is unlikely that the income from lorry parking will achieve its full potential within the first year. Therefore the income profile for 2019/20 to 2022/23 will be tapered to take account of this.
- 5.5 In order to ensure there is sufficient budget to keep the lorry park maintained to the standard required it is considered appropriate to increase the general fund cost budget by the amounts shown below.

Repairs and Maintenance	£3,000
Electricity	£2,000
Gas	£700
Water	£700
Rates	£24,000
Contractual Services	£3,000
Contribution to R & R	£4,000

- 5.6 It is anticipated that the capital works will not be completed before the start of the new financial year and therefore the additional revenue costs will only be required starting in 2019/20 and therefore will be accounted for as part of the 2019/20 budget process.

## **6.0 Comments of Director – Resources and S151 Officer (FIN18/19 209)**

- 6.1 The increase in expenditure required for 2019/20 will be covered by the additional income in the first year, with additional income in the subsequent years. The changes referred to in paragraph 5.0 will be built into the base budget from 2019/20 onwards.
- 6.2 Assuming there are no resources available for the additional £347,021 capital budget, this will increase the borrowing in the capital programme. If the Council were to borrow to fund this scheme, based on current rates and the life of this asset, the cost would be £50,000 per £1,000,000 borrowed. Therefore this would cost approximately an additional £17,400 per annum.

**7.0 RECOMMENDATIONS that:**

- (a) additional capital expenditure for £347,021 for the extension of Newark Lorry Park, be approved for inclusion in the Council's Capital Programme; and**
- (b) the Lorry Park budget be amended as per paragraph 5.0 as part of the 2019/20 – 2022/23 budget process.**

**Reason for Recommendations**

**To allow the District Council to commence construction of the extension to the Newark Lorry Park and associated developments.**

**Background Papers**

Nil

For further information please contact Alan Batty - Business Manager – Environmental Health & Licensing on 01636 655467.

Deborah Johnson  
Strategic Development Manager

**ECONOMIC DEVELOPMENT COMMITTEE**  
**20 JUNE 2018**

**REVIEW OF NEWARK LORRY PARK**

**1.0 Purpose of Report**

1.1 For Members to consider the challenges and opportunities for the future development and potential expansion to the Newark Lorry Park.

**2.0 Background Information**

2.1 The new Council Offices, Castle House, occupies land previously used for lorry parking. Currently this has resulted in a reduction from 166 spaces to 122.

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

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

2.3 Detailed work on a scheme to expand the lorry park was, accordingly, undertaken by an external consultant providing additional adequate hardstanding for approximately 160. The scheme to extend the lorry park was approved by the Economic Development Committee in March 2017.

2.4 Last year the Government carried out a study looking at the provision of overnight lorry parking facilities. The study was released in mid-May of this year and it highlights the fact that the shortage of overnight parking has become more acute, with an estimated need for 1,400 more spaces across the country.

**3.0 Introduction**

3.1 Since the Committee's decision in March 2017, detailed work on preparing a planning application has been undertaken and it has become apparent that the scheme developed by the external consultants was not as comprehensive as it should have been. The scheme omitted a number of key features that have an impact on both the visual aesthetics of an important gateway to Newark and on the overall costs of the project.

3.2 The Capital Programme at present, based on the work carried out by the Consultants and approved by Council has £792k allocated to this project. It is broadly split as follows:-

Construction	£625,658
Lighting	£50,000
Fees	£54,000
Contingency and Prelims	£62,566
<b>Total</b>	<b>£792,224</b>

3.3 These costs have now been updated in line with BCIS for 3rd Quarter of 2018 and are now £890,000, an increase of £97,776

3.4 As stated above in 3.1, an examination of the construction element has highlighted that it does not include any allocation of funds for a range of necessary elements including:-

1. Appointment of Principal Designer (CDM Regulations) £4000
2. Detailed Landscaping Plan £2000
3. Aerial Tree Inspection £825
4. Reptile Survey £300
5. Clearing of Shrubs to allow completion of topographical survey £720
6. Topographical survey (area missed off original survey) £1400
7. Landscaping costs £50,000
8. Fencing £10,000
9. Signage and lining works £15,000
10. Crash Barriers to protect new lighting columns £15,000
11. Additional Lighting £50,000
12. Improve CCTV System £35,000
14. Additional Contingency due to suspected presence of asbestos £35,000
15. Fees associated with redesigning lorry parking bays and access road £10,000
16. Improve pedestrian access and crossing to main entrance of Lorry Park £20,000

Total additional costs £249,245

Total Revised Cost of Scheme **£1,139,245**

3.5 A number of further external factors have come to light, some of which have a direct impact on the lorry park project. These additional factors (set out below, 3.6 to 3.10), together with the increase in the costs of the extension project (set out in 3.4, above) means that the whole package needs to be reconsidered.

#### **Additional Security**

3.6 Over the autumn and winter months there were regular reports of criminal activity taking place on the lorry park. A number of vehicle trailers were damaged and goods removed. Goods ranging from designer clothes and electrical home entertainment systems were stolen. The nature of the thefts allied with police intelligence led to the belief that this was organised activity taking place along the A1 corridor from Leeds to Cambridge.

3.7 Officers from the Council have worked closely with the police to put in place short term measures to counter this activity and to capture evidence of the wrongdoing. This included the introduction of a temporarily Automatic Number Plate Recognition (ANPR) system, additional security staff and additional strengthening of the perimeter fence.

3.8 Whilst there have been no recent incidents, the existing security arrangement is not sustainable.

- 3.9 A more permanent and sustainable solution to the security concerns is the provision of a barrier entry and exit system linked to an ANPR and also linked to an automatic payment system. In effect this would require all lorries to pass through the barrier to enter the site. Vehicles would then have their number plate scanned. If they are registered with the SNAP prepaid card system they would be able to leave via the exit barrier without any further interaction and their presence would be noted and they would be charged accordingly. Vehicles not using the SNAP system would be required to pay the requisite fee to allow them to pass through the exit barrier. It should be noted that approximately 60% of the business in the lorry park is now comes via freight companies signed up to SNAP accounts.

### **Refuelling Centre**

- 3.10 Newark Lorry Park is well used and is an important location on the transport network. For these reasons it has attracted the attention of a national company that install and operate refuelling operations for heavy goods vehicles. The company provide an above ground diesel fuel storage and refuelling facility for the use by vehicles using the lorry park but also attracting passing vehicles to use the facility.
- 3.11 The company require a 10 year lease to operate on the lorry park in return for this it would pay the Council an annual fee of approximately £45,000. There would potentially be some loss of parking spaces to accommodate the refuelling bunker but it is estimated that this would be less than 10 spaces. Part of the need to consider all these schemes as a whole is the potential to redesign the overall layout taking account the potential to locate the fuel bunker and the barrier so as to maximise the parking potential.

### **Café and Welfare Facilities**

- 3.12 The site currently offers range of facilities. The café on the site is owned by the Council and is currently let on a lease to a local provider. The owner offers basic fayre with the opening hours of the facility being 6.00am to 9.00pm Monday to Friday. The café does not open at the weekends. Drivers can buy a combined parking and meal voucher ticket which can be exchanged within the café facility for food or drink.
- 3.13 Showers and toilet facilities are available on site and are free to use to drivers. They are also open for general use for a small charge. The shower and toilet facilities are open between 6.00am and 10.30pm.
- 3.14 Until recently, these facilities were not open on Saturday or Sunday. However, there is currently an ongoing trial to open the facilities for 5 hours on each day.

## **4.0 Options Appraisal**

- 4.1 The overall capacity of the lorry park is 122 vehicles at any one time. The current level of occupancy varies across the week and can be split into two distinct periods. The 4 evenings of Monday to Thursday are the busiest days of the week with Friday evening Saturdays and Sundays seeing a reduction in occupancy.

4.2 Analysis of the occupancy indicates that on the busy days of the week the lorry park operates at about 83% of its capacity giving an average occupancy of 101 vehicles per day. On the remaining days the occupancy is approximately 40 vehicles per day. Lorry drivers need confidence that space will be available in their chosen stopping point so as not to exceed their driving hours. The reduced capacity that the lorry park is operating on does mean that drivers arriving later in the day are reticent to visit Newark in case there are no free spaces.

4.3 A business case for the proposed extension updated with the additional costings and based on the above occupancies is set out below. The outturn budget figure shown in the table is based on the current capacity of 122 spaces and therefore for consistency the total available spaces through all the calculations are based on this base figure.

Project	Capacity	Tariff	Income	Additional income after scheme	Cost of works	Payback period- Years
Do Nothing	122	£14.50	£313,162*	N/A	N/A	N/A
Full extension	189	£14.50	£459,109	£145,947	£1,139,000	7.8
NW extension	170	£14.50	£420,365	£107,203	£740,509	6.9
NE extension	141	£14.50	£361,229	£48,067	£398,735	8.3

**Notes**

\*This is the out turn budget figure for 2017/18

1. Income modelled on 40 vehicles on 3 nights per week and 83% of capacity on 4 nights per week.
2. All future predictions based on current fee of £14.50 which when corrected for VAT and SNAP commission is an average ticket income of £11.78

4.4 The above figures have been calculated at a tariff of £14.50. Benchmarking has been undertaken with similar lorry parks and it is considered feasible that the improvements set out in this report, if implemented, would allow for a tariff of £16.50 to be charged. If a full extension was approved at the new cost and the tariff was increased to be in line with other similar lorry parks the payback period would reduce. Any proposal to increase the tariff would be brought back to committee as part of its regular setting of fees and charges once works are completed.

4.5 With an increased fee of £16.50 the payback period is reduced to 6.1 Years

**5.0 Proposals**

5.1 The business case completed as part of the options appraisal indicates the pay back periods for the various extension options. It is proposed that the full extension is considered as the most appropriate option which gives a payback period of 7.8 years

- 5.2 Additional to the potential to extend the lorry park and provide additional parking it is proposed that other considerations are taken into account in order to provide a degree of future proofing for the lorry park and to give some future certainty to its operation.
- 5.3 The fuel bunker will add an additional attraction to the lorry park and will provide a fixed income for the next 10 years. Therefore it is proposed that subject to legal scrutiny a lease with the fuel bunker provider is agreed.
- 5.4 As stated earlier in this report there has been a need to add additional security measures. It is important that any future security is sustainable and also does not impinge and prevent any future developments of the site. The provision of a barrier entry and exit system will provide this solution. The need for the barrier system to be implemented was agreed by CMT as a matter of urgency after consultation with key Members. The funding for this has been identified and therefore forms no part of the additional costs.
- 5.5 As the lorry park develops it will be important to review the café and welfare facilities in order to ensure that they match the wants and needs of all the site users. The areas for review will include
- i) The terms of the lease of the café to include opening hours and the food offer
  - ii) The shower and toilet facilities, in terms of numbers and gender
  - iii) Potential to provide free wifi

## **6.0 Staff Resources**

- 6.1 There are currently two staff employed to work at the lorry park. A cleaning operative is employed for 20 hours per week. Their normal working hours are 10.30am to 2.30pm Monday to Friday.
- 6.2 The second staff member is employed in the posts as Lorry Park Attendant. This post is responsible for taking parking payments, managing the welfare and shower facilities, security and health and safety and being the first point of contact for any issues that arise on the lorry park.
- 6.3 If the lorry park is developed it will be necessary to review the roles of these posts to ensure that they remain fit for purpose. The entry and exit barrier will reduce the requirement to handle cash and this will free up additional time for the attendant post to address other functions across the lorry park. Whilst the function and hours of the role may change it is not considered at this point that this will have any material change in overall cost

## **7.0 Equalities Implications**

- 7.1 An Equalities Impact checklist has been completed and no implications have been identified.

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

- 8.1 Currently the capital programme scheme for the extension project has been agreed at £792,000. The additional costs identified in the report will add an additional £347,021 to the capital costs of the scheme.
- 8.2 The income from the lorry park with capacity for 122 at a tariff of £14.50, for 2017/18 was £313,162. The full extension has the potential to increase the income to £459,109 based on the same tariff; i.e. an increase in income of £145,947. This, on an estimated capital spend of £1,139,000 is a return of 12.81%, or a full pay back after 7.8 years.
- 8.3 The additional space created by the extensions will require additional funds to be set aside for repairs and renewals. The potential to site the fuel refuelling bunker on the lorry park does give an additional revenue income of £45,000 which could be used in part to provide additional repairs and renewal funding.

## **9.0 RECOMMENDATIONS that:**

- a) Members consider the revised scheme for the Newark Lorry Park extension and confirm their approval for the project;**
- b) the required additional capital and revenue budgets for the project be approved; and**
- c) the siting of a fuel bunker on the lorry park subject to legal agreements be approved.**

### **Reason for Recommendations**

**To allow the District Council to commence construction of the extension to the Newark Lorry Park and associated developments.**

#### **Background Papers**

National Survey of Lorry Parking  
*Department of Transport*

For further information please contact Alan Batty on Ext 5567

Deborah Johnson  
Strategic Development Manager

## **POLICY & FINANCE COMMITTEE**

**20 SEPTEMBER 2018**

### **INFORMATION REQUESTS, COMPLAINTS AND RIPA UPDATE**

#### **1.0 Purpose of Report**

- 1.1 To inform Members of the activity in relation to requests made to the Council during the 2017/18 financial year under the Data Protection Act 1998, Freedom of Information Act 2000 and Environmental Information Regulations 2004.
- 1.2 To inform Members of the complaints made to the Local Government Ombudsman during 2017/18.
- 1.3 To inform Members of the use by the Council of the Regulation of Investigatory Powers Act 2000 (RIPA) during 2017/18.

#### **2.0 Background Information**

- 2.1 Formal requests for information can be made to the Council in accordance with the following pieces of legislation, Data Protection Act 1998 (DPA), Freedom of Information Act 2000 (FOIA), the Environmental Information Regulations 2004 (EIR) and the Re-Use of Public Sector Information Regulations 2015(RPSI). These legislative areas are all regulated by the information Commissioner who has powers to fine organisations if they breach any of the provisions.
- 2.2 The Local Government Ombudsman (LGO) earlier this year published its annual review statistics for the year ending 31 March 2018. The LGO is the final stage for complaints - the person affected must have gone through the Council's complaints process before escalating their complaint to the LGO. In some cases it is very clear to the LGO that the customer has not taken their complaint to the Council and will advise the customer that they must do so before the LGO can assess their complaint. The Council is not always notified of such cases.

#### **3.0 Information Governance Activity**

- 3.1 The total number of information requests received during 2017/18 was 1658, representing an increase of 56% over the 1034 received in the previous financial year. Of these, 699 requests were made under FOIA, 888 under EIR and 71 under DPA.
- 3.2 All responses continue to be made within the statutory timescales. FOIA and EIR requests have to be responded to within 20 working days and during the year the average response times were 6.04 days and 12.62 days respectively. Requests made under DPA must be responded to within 40 calendar days and the average response time was 4.84 days.
- 3.3 73 % of requests related to three areas of the Council's activity – growth and regeneration, revenues and environmental health issues:
  - 914 requests were referred to the Growth and Regeneration business unit, the majority of these being property search requests which can be made under EIR.

- 170 requests were referred to revenues and benefits, mainly from a small number of businesses wishing to identify companies and charitable organisations liable for business rates within the district so that they could offer assistance in obtaining reliefs.
- 139 requests were referred to environmental health covering a range of issues from licencing to public health funerals.

3.4 Although requests have been received from 25 different sectors over 80% fall within four categories:

- 849 received from Land and Property Search companies
- 322 received from individual members of the public
- 139 received from businesses
- 110 received from the media

#### 4.0 **Ombudsman**

4.1 The LGO made decisions on 16 complaints and enquiries against the Council in the financial year 2017/18. This compares to 25 in 2016/17. The outcomes were as follows:

Advice given	1
Referred back for local resolution	8
Closed after initial enquiries	7
<b>Total</b>	<b>16</b>

These figures are from the figures which the LGO hold which do not align with the figures the Council hold. This is because the LGO numbers include enquires from people who the LGO signpost back to the Council but never contact us. These are captured in the “advice given” and “referred back for local resolution” figures. There is no way of identifying who these customers are.

4.2 It is pleasing to note that out of the 16 decisions made by the LGO in 2017/18 none were upheld.

4.3 The table below details the type of enquiries logged by the LGO together with those logged by the Council. The received figures do not match the decided figures as the decided figures are based on the decisions made during 2017/18. Some of these decision will relate to enquiries logged in a previous year and likewise the LGO will not have reached a decision during 2017/18 on all of the enquiries logged during the year.

<b>Ombudsman Category</b>	Received by Ombudsman	Received by Council
Benefits and Council Tax	2	2
Corporate/Other Services	3	3
Environmental Services	2	1
Housing	3	0
Planning and Development	10	6
<b>Total</b>	<b>20</b>	<b>12</b>

4.4 The LGO annual review letter is attached to this report as **Appendix 1**. The letter includes a section on “Supporting Local Scrutiny”. Sharing the learning from their investigations and supporting the democratic scrutiny of public services is one of the LGO’s key priorities. There is a dedicated section on their website which contains a host of information to assist elected Members and the Ombudsman encourages elected members to make use of these resources. This can be found at [www.lgo.org.uk/scrutiny](http://www.lgo.org.uk/scrutiny)

## **5.0 Regulation of Investigatory Powers Act**

5.1 The Regulation of Investigatory Powers Act 2000 (RIPA) is the law governing the use of covert surveillance techniques by public authorities. Local authorities are only permitted to carry out covert surveillance for the purposes of preventing or detecting crime, or preventing disorder and only where such action is necessary, proportionate, justified and compatible with human rights. The Council endeavours to keep such surveillance to a minimum.

5.2 Since 1 November 2012 local authorities have been required to obtain judicial approval prior to using covert techniques. Additionally, since this date local authority use of directed surveillance under RIPA has been limited to the investigation of crimes which attract a six month or more custodial sentence, with the exception of offences relating to the underage sale of alcohol and tobacco.

5.3 Under the legislation it is the responsibility of the designated ‘Senior Responsible Officer’ (Director - Safety) to ensure regular reports to Members on the Council’s use of RIPA powers.

5.4 The Council’s usage of RIPA has always been low and it should be noted that there have been **NO** authorisations of covert surveillance by the Council for the last 5 years. The last inspection of the Council’s use of RIPA took place on 20 April 2016. The outcome of that inspection, which was very positive, was reported to the Committee on 1 December 2016. Inspections are undertaken by the Office of Surveillance Commissioner every 3 years and so it is anticipated that the next one will take place in 2019. There are a number of reasons for the Council’s low usage of RIPA, which reflect similar findings with other local authorities, namely:

- The transfer of benefit fraud investigation from local authorities to the DWP;
- The constraints introduced by the change in the legislation now requiring judicial authorisation for surveillance;
- Reduced resources;
- A concentration on deterrence rather than prosecution;
- Adverse reporting in the national media affecting attitudes of both elected Members and officers to covert surveillance; and
- A concentration on using overt as opposed to covert surveillance as a means of investigation.

## **6.0 Equalities Implications**

6.1 As this report is for noting there are no equality implications as a result of the content of this report.

**7.0 Finance Comments**

7.1 There are no financial implications arising from this report.

**8.0 RECOMMENDATION**

**That the report be noted.**

**Reasons for Recommendation**

**To inform Members of activities in relation to information requests, complaints made to the Local Government Ombudsman and the use of RIPA in 2017/18.**

**Background Papers**

Nil

For further information please contact: Karen White regarding RIPA on ext. 5240 and Jill Baker regarding Information Governance and Ombudsman enquiries on ext. 5810.

Karen White  
Director - Safety

18 July 2018

*By email*

K Cole  
Interim Chief Executive  
Newark & Sherwood District Council

Dear K Cole,

### **Annual Review letter 2018**

I write to you with our annual summary of statistics on the complaints made to the Local Government and Social Care Ombudsman (LGSCO) about your authority for the year ended 31 March 2018. The enclosed tables present the number of complaints and enquiries received about your authority and the decisions we made during the period. I hope this information will prove helpful in assessing your authority's performance in handling complaints.

#### **Complaint statistics**

In providing these statistics, I would stress that the volume of complaints does not, in itself, indicate the quality of the council's performance. High volumes of complaints can be a sign of an open, learning organisation, as well as sometimes being an early warning of wider problems. Low complaint volumes can be a worrying sign that an organisation is not alive to user feedback, rather than always being an indicator that all is well. So, I would encourage you to use these figures as the start of a conversation, rather than an absolute measure of corporate health. One of the most significant statistics attached is the number of upheld complaints. This shows how frequently we find fault with the council when we investigate. Equally importantly, we also give a figure for the number of cases where we decided your authority had offered a satisfactory remedy during the local complaints process. Both figures provide important insights.

I want to emphasise the statistics in this letter reflect the data we hold, and may not necessarily align with the data your authority holds. For example, our numbers include enquiries from people we signpost back to the authority, some of whom may never contact you.

In line with usual practice, we are publishing our annual data for all authorities on our website, alongside an annual review of local government complaints. The aim of this is to be transparent and provide information that aids the scrutiny of local services.

### **Future development of annual review letters**

Last year, we highlighted our plans to move away from a simplistic focus on complaint volumes and instead turn focus onto the lessons that can be learned and the wider improvements we can achieve through our recommendations to improve services for the many. We have produced a new corporate strategy for 2018-21 which commits us to more comprehensively publish information about the outcomes of our investigations and the occasions our recommendations result in improvements to local services.

We will be providing this broader range of data for the first time in next year's letters, as well as creating an interactive map of local authority performance on our website. We believe this will lead to improved transparency of our work, as well as providing increased recognition to the improvements councils have agreed to make following our interventions. We will therefore be seeking views from councils on the future format of our annual letters early next year.

### **Supporting local scrutiny**

One of the purposes of our annual letters to councils is to help ensure learning from complaints informs scrutiny at the local level. Sharing the learning from our investigations and supporting the democratic scrutiny of public services continues to be one of our key priorities. We have created a dedicated section of our website which contains a host of information to help scrutiny committees and councillors to hold their authority to account – complaints data, decision statements, public interest reports, focus reports and scrutiny questions. This can be found at [www.lgo.org.uk/scrutiny](http://www.lgo.org.uk/scrutiny) I would be grateful if you could encourage your elected members and scrutiny committees to make use of these resources.

### **Learning from complaints to improve services**

We share the issues we see in our investigations to help councils learn from the issues others have experienced and avoid making the same mistakes. We do this through the reports and other resources we publish. Over the last year, we have seen examples of councils adopting a positive attitude towards complaints and working constructively with us to remedy injustices and take on board the learning from our cases. In one great example, a county council has seized the opportunity to entirely redesign how its occupational therapists work with all of its districts, to improve partnership working and increase transparency for the public. This originated from a single complaint. This is the sort of culture we all benefit from – one that takes the learning from complaints and uses it to improve services.

### **Complaint handling training**

We have a well-established and successful training programme supporting local authorities and independent care providers to help improve local complaint handling. In 2017-18 we delivered 58 courses, training more than 800 people. We also set up a network of council link officers to promote and share best practice in complaint handling, and hosted a series of seminars for that group. To find out more visit [www.lgo.org.uk/training](http://www.lgo.org.uk/training).

Yours sincerely,



Michael King  
Local Government and Social Care Ombudsman  
Chair, Commission for Local Administration in England

**Local Authority Report:** Newark & Sherwood District Council  
**For the Period Ending:** 31/03/2018

For further information on how to interpret our statistics, please visit our website:  
<http://www.lgo.org.uk/information-centre/reports/annual-review-reports/interpreting-local-authority-statistics>

## Complaints and enquiries received

Adult Care Services	Benefits and Tax	Corporate and Other Services	Education and Children's Services	Environment Services	Highways and Transport	Housing	Planning and Development	Other	Total
0	2	3	0	2	0	3	10	0	20

## Decisions made

Decisions made				Detailed Investigations			
Incomplete or Invalid	Advice Given	Referred back for Local Resolution	Closed After Initial Enquiries	Not Upheld	Upheld	Uphold Rate	Total
0	1	8	7	0	0	0%	16

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### Notes

Our uphold rate is calculated in relation to the total number of detailed investigations.  
 The number of remedied complaints may not equal the number of upheld complaints.  
 This is because, while we may uphold a complaint because we find fault, we may not always find grounds to say that fault caused injustice that ought to be remedied.

## Complaints Remedied

by LGO	Satisfactorily by Authority before LGO Involvement
0	0

## **POLICY & FINANCE COMMITTEE**

**20 SEPTEMBER 2018**

### **URGENCY ITEMS - MINUTE OF DECISION**

#### **Delegation arrangements for dealing with matters of urgency**

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

#### **Subject: Newark and Sherwood Homes Ltd – Management Fee Variation**

Newark and Sherwood Homes Ltd (the Company) is a key partner in the delivery of the Yorke Drive Estate Regeneration project. As part of the project, the Council's regeneration expert consultants (Campbell Tickell), have developed a comprehensive stakeholder engagement and communications strategy which the Company is needed to assist with and will take forward and deliver once CT's contract comes to an end in December 2018.

The Company will be responsible for delivering on the ground resident liaison functions during the improvement works delivery, working closely with the Council, its master planners, building contractors and other associated professional team members. The resource required for the Company to deliver this work is not provided for within the current agreed management fee for 2018/19. Therefore it is proposed to vary the MF by £57,525 to provide this essential resource to support the project. **Attached** to this minute is a copy of the Management Agreement Variation Schedule which sets out the full details of the variation.

#### **Budgetary Implications (Finance Officer's Comments)**

The HRA currently doesn't have a provision within the 18/19 budget for this amount. If this were to be approved this would be funded from a reduction in contribution to the Major Repairs Reserve and it is anticipated that this would not have a detrimental impact on the Capital Programme going forward.

If the posts were to be extended beyond the initial period, this would then be rebased into the Management Fee.

#### **Appropriate Committee:**

Policy & Finance Committee

**Details of Item and Decision Taken:**

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

To approve the Management Fee variation in the sum of **£57,525**

The reason for the proposed urgency is that the resource needs to be in place to enable the Company to deliver immediate commencement of the resident liaison function to support the estate regeneration project.

**Members Consulted:**

Councillor David Lloyd  
Chairman of Policy & Finance Committee – 09.07.18

Councillor Paul Peacock  
Opposition Spokesperson Policy & Finance Committee – 09.07.18

Signed *Karen White*

Date: 09.07.18

Management Agreement Variation Schedule

<b>Request Number</b>	
<b>Nature of Variation Request</b>	<b>Yorke Drive Estate Regeneration Project</b>
<b>Commencement of Change</b>	<b>At point of appointment of the staff</b>
<b>Variation Amount</b>	<b>£57,525 for 2018/19</b>
<b>Date of Request</b>	<b>19 March 2018 (negotiations and discussions concerning this concluded through June/July 2018)</b>

<b>Detail on Cost</b>
<p>Costs:</p> <ul style="list-style-type: none"> <li>▪ <b>Year 1 – Resident Liaison Officer/Senior Housing Officer</b> - £76,700 per annum – pro rata for 1 July 2018 – 31 March 2019</li> <li>▪ <b>Year 2 and on-going</b> – Resource to be confirmed dependant on outcome of CT work (Dec 18) and funding bids to take forward the project.</li> </ul> <p><b>NB:</b></p> <ul style="list-style-type: none"> <li>▪ NSH are, within the current management fee, contracted to provide housing management and repairs service to the HRA estates, including Yorke Drive, therefore this variation reflects the additional tasks generated and bespoke to this project.</li> <li>▪ Should the regeneration project not be implemented, due to no external funding being available to bridge the funding gap, then additional resource requirements for Yorke Drive may have to be considered to manage any resulting reputational issues with local residents.</li> </ul>
<b>Context</b>
<p>The Council has employed regeneration experts Campbell Tickell (CT) to support the master planning process related to the proposed improvements to the Yorke Drive Estate in the Bridge Ward of Newark.</p> <p>As part of their work CT has developed and implemented a comprehensive stakeholder engagement and communications strategy, which the Company will need to take forward and deliver once CT's contract comes to an end in December 2018.</p> <p>The Company will be responsible for delivering on the ground resident liaison functions during the improvement works delivery, working closely with the Council, its master planners (architects), building contractors and other associated professional team members.</p> <p>As the Council's housing management contractor, the Company is a key partner in the delivery of the Yorke Drive estate regeneration project. The Company has expertise in the areas of community engagement, tenancy management, resident liaison, finance, development and asset management.</p>

The **Year 1 variation** is in relation to the role the Company will undertake, as the provider of the housing management service, to lead **resident liaison** during both the master planning period and delivery of the regeneration project, responding to concerns and issues raised by residents, supporting individual residents through all aspects of rehousing arising from the implementation of the project.

The overarching requirements for the Company are to:-

- Ensure that all matters of the Yorke Drive Estate Regeneration Project related to consultation and rehousing are effectively progressed; and
- Deliver tenant and resident involvement on the estate related to the Yorke Drive Estate Regeneration Project.

Specific activities will be to:

1. Draft the rehousing policy and submit to the Council for consideration and approval by the end of August 2018.
2. Implement the approved rehousing policy (*rehousing/decant/home loss compensation*) and any amendments to the Allocation Scheme.
3. Manage the handover of all matters relating to resident liaison from CT.
4. Hold one-to-one discussions with affected residents to establish circumstances and need, and to explain and follow procedures around home loss and disturbance.
5. Arrange and support the allocation of suitable alternative accommodation.
6. To support the packing, disconnection and reconnection of utilities and arrange the removal services from one home to the other.
7. To carry out the settling in visit, in the residents new home and deal with any associated concerns.
8. Deliver tenant and resident involvement on the estate related to the improvement project on conclusion of CTs contract.
9. If appropriate run and manage the local consultation panel on conclusion of CT's contract.
10. Provide regular communication with tenants and residents concerning the improvement project, (Inc. newsletters and social media), on conclusion of CT's contract.
11. Formulate communication and record keeping systems for all matters related to resident liaison.
12. Act as a liaison point throughout the improvement works, e.g. liaising with build contractors, etc.

Within the current management agreement the Company will continue to:

- Deliver effective management of all estate matters and act upon the 'estate' outcomes from household survey undertaken by Campbell Tickell.
- Liaise with relevant agencies to provide solutions to estate, tenancy, community and consultation issues as they arise.

#### **Impact of Change or not doing the change**

Effective delivery of the Yorke Drive Estate Regeneration project

Outcome of the Change	
<p>The change enables progression of the following action in the 2018/19 delivery plan:</p> <p><i>To support the council in delivering the Bridge Ward Estate Regeneration Project</i></p>	
Any Specific Changes Required, i.e. Constitution Change, Management Agreement Element Change.	
<p> </p>	
Decision Made:	Approved
Reason if not approved:	
<p> </p>	
Decision Made By	<p><i>Karen White</i>  Director - Safety</p>
Date of decision	9 July 2018 – (made as urgent delegated decision after consultation with Cllrs. David Lloyd and Paul Peacock)

## POLICY & FINANCE COMMITTEE

20 SEPTEMBER 2018

### URGENCY ITEMS - MINUTE OF DECISION

#### Delegation arrangements for dealing with matters of urgency

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

**Subject: Funding for Security Works to include a barrier controlled entrance and exit and integrated payment system at Newark Lorry Park**

**Appropriate Committee: Policy & Finance Committee**

#### **Details of Item**

Over the past 6 months there has been increasing criminal activity within Newark Lorry Park. This has been a mixture of criminal damage to vehicles and thefts from vehicles parked overnight on the lorry park. There has in the past been sporadic cases of thefts from vehicles, however, these recent cases are more organised and more targeted and are, in the opinion of the police, the activities of a gang operating along the A1 corridor between Cambridge and Leeds.

The thefts started in September 2017 and have targeted high value goods such as designer clothes and large screen televisions. The thefts were taking place in the early hours of the morning and in response to the first thefts roving security was put in place between the hours of midnight and 5.00am. However, the organised nature of the thefts meant that they were able to avoid the security that was in place and the thefts continued. The cost of the roving security was £150 per week.

Many vehicles parking in the lorry park are now signed up to the national pre-paid fleet card system known as SNAP. This organisation contacted the Council to express their concerns about the thefts and whether they could continue to support the Newark lorry park with their card users. In order to satisfy them of the intention to control the problem the roving security was upgraded to permanent security for a 9 hour period through the night. This was at a cost of £1050 per week.

This was very successful resulting in no incidents during their period of operation. This also coincided with the police making some arrests. In view of this and after discussions with the police it was decided to revert back to the roving security. Unfortunately within two weeks there were more thefts from vehicles on the lorry park.

Officers met with representatives of SNAP and one of the options discussed was the installation of a barrier controlled entry and exit system. This system is linked to an ANPR system that logs all vehicles entering and exiting the site as well as providing automatic payment facilities.

Barrier systems such as the one proposed have been installed at other sites similar to Newark and not only have they increased security but they have also increased the overall income taken as no vehicle can leave the site without making payment. Figures from these sites indicate that an average increase of 15% could be achieved.

It is considered appropriate to have the barrier, ANPR cameras and the payment system all linked together to provide an integrated security and payment option. As over 65% of the vehicles using the lorry park are now using a SNAP card it also seems appropriate to install system that can meet the needs of these users.

The proposal will:-

1. Protect current levels of income by providing reassurance to users of the lorry park and prevent migration to other sites
2. Negate the need for expenditure of £1050 per week for full time overnight security
3. Potentially increase income by 15% estimate by ensuring all users pay to use the site during periods when it is currently unstaffed

There will be a need to continue with full time security until the system is installed. Therefore additional revenue provision for the 2018/19 budget will be required to meet the costs of the security during this interim period.

The installation of the barrier and payment system can be considered in isolation of the lorry park extension project as the scheme can be installed without any conflict to any proposals.

It is estimated that these works will cost around £35,000 to £40,000.

**Decision:**

Agreed that:

- a) an additional capital budget of £40,000 be provided to fund the installation of a barrier and entry control system to Newark Lorry Park;
- b) a single tender based on specialist provider can be used; and
- c) an additional revenue funding for security staff during the interim period be provide for the 2018/19 budget.

**Members Consulted:**

**Councillor Roger Blaney – Leader of the Council**

**Council David Staples – Leader of the Opposition**

**Councillor David Lloyd - Chair of Economic Development Committee**

**Councillor Keith Girling – Vice Chair of Economic Development Committee**

Signed:

A handwritten signature in black ink, appearing to read "Sanjiv Kohli", enclosed within a thin, hand-drawn oval border.

Date: 14.03.18

Sanjiv Kohli  
Director - Resources

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**20 SEPTEMBER 2018**

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#### **Subject: Implementation of new Financial Management System**

The Financial Management System has been in place at the Council since 2004 and has not been refreshed to take advantage of technological advances since that point in time. Processes for budget creation and financial monitoring are outdated and inefficient due to the tools that the Council currently works with.

The current contractual arrangements are in an evergreen position, meaning that the Council continues to extend year on year with the legacy supplier. It is intended to tender for a new Financial Management System which will improve processes, make financial management more transparent and upskill budget officers in financial management.

In addition, this change in systems was identified as necessary by the Director - Resources, s151 Officer as part of the review of the Financial Services function of the Council. In the long term the migration to the new system will significantly improve budget monitoring, reporting and enhance the quality of financial forecasting/planning. It is also envisaged that there will be resulting revenue savings in future years.

It is therefore proposed to allocate a capital budget of £200,000, to be funded from the Repairs and Renewals fund, to purchase the licences and the service days to implement the solution. This was approved at CMT on 24 July 2018 to be presented at Policy & Finance.

#### **Budgetary Implications (Finance Officer's Comments)**

The proposed £200,000 is available within the Repairs and Renewals fund in order to fund the implementation process. The Council currently has a budget of £45,000 per annum to pay for the support and maintenance of the existing system. It is expected that this would be sufficient post implementation of the new system. Any increase on this will be included within the budget process should there be a need to increase the budget provision.

#### **Appropriate Committee:**

Policy & Finance Committee

**Details of Item and Decision Taken:**

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

To create a capital scheme, funded from the Repairs and Renewals fund to the sum of **£200,000** to fund the purchase of the licences and the implementation for the new Financial Management System.

The reason for the proposed urgency is that the tender document is proposed to be sent out on 31 August 2018.

**Members Consulted:**

Councillor David Lloyd - Chairman of Policy & Finance Committee

Councillor Paul Peacock – Opposition Spokesperson Policy and Finance

Signed

Date:

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

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