



*Castle House
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Wednesday, 17 June 2020

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

Members of the Committee:

**Councillor B Clarke-Smith
Councillor R Jackson
Councillor P Peacock
Councillor T Wendels
Councillor R White**

Substitute Members:

**Councillor R Blaney
Councillor N Mison
Councillor N Mitchell**

MEETING: Policy & Finance Committee

DATE: Thursday, 25 June 2020 at 2.00 pm

**VENUE: Broadcast from the Civic Suite, Castle House,
Great North Road, Newark NG24 1BY**

**You are hereby requested to attend the above Meeting for the purpose of
transacting the business on the Agenda as overleaf.**

**Attendance at this meeting and public access will be by remote means due to the Covid-19 Pandemic.
Further details to enable remote access will be forwarded to all parties prior to the
commencement of the meeting.**

If you have any queries please contact Nigel Hill on nigel.hill@newark-sherwooddc.gov.uk.

AGENDA

Remote Meeting Details

This meeting will be held in a remote manner in accordance with the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020.

The meeting will be live streamed on the Council's social media platforms to enable access for the Press and Public.

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Finance Items for Information

None

Confidential and Exempt Items

- | | | |
|-----|--|-----------|
| 19. | Exclusion of the Press and Public | |
| | 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 Part 1 of Schedule 12A of the Act. | |
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NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Policy & Finance Committee** broadcast from the Civic Suite, Castle House, Great North Road, Newark, Notts NG24 1BY on Thursday, 2 April 2020 at 2.00 pm. Attendance at this meeting and public access to it were by remote means due to the Covid-19 pandemic.

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

Councillor B Clarke-Smith, Councillor R Jackson, Councillor P Peacock,
Councillor T Wendels and Councillor R White

Prior to consideration of the items on the agenda, Members were advised that the Government had passed legislation enabling regulations to be made for Councils to undertake committee meetings remotely. However, the regulations setting out the detailed provisions and the procedures to be followed were not yet published. Therefore, to ensure that the Council complied with proper decision-making requirements during this interim period, the Chief Officer Urgent Decision Making Powers provided for in the Council's Constitution would be utilised. This Committee would therefore make recommendations to the Council's Chief Executive who would effectively determine each item relying on his delegated powers as set out in the Constitution.

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

Councillor T Wendels and Sanjiv Kohli declared conflicts of interest in respect of Agenda Item Nos. 5 and 13 – Arkwood Developments Limited – Bowbridge Road Development, Newark – as Directors of Arkwood Developments Limited.

Sanjiv Kohli declared an interest in respect of Agenda Item No. 16 – Funding Proposal for the Robin Hood Hotel as the Council's Representative on the Board of RHH Ltd.

94 DECLARATIONS OF INTENTION TO RECORD THE MEETING

The Chairman advised that the proceedings were being audio recorded and live streamed on social media by the Council.

95 MINUTES OF THE MEETING HELD ON 20 FEBRUARY 2020

The minutes of the meeting held on 20 February 2020 were approved as a correct record, to be signed by the Chairman.

Prior to consideration of the items on the agenda, Members were advised that the Government had passed legislation enabling regulations to be made for Councils to undertake committee meetings remotely. However, the regulations setting out the detailed provisions and the procedures to be followed were not yet published. Therefore, to ensure that the Council complied with proper decision-making requirements during this interim period, the Chief Officer Urgent Decision Making Powers provided for in the Council's Constitution would be utilised. This Committee would therefore make recommendations to the Council's Chief Executive who would

effectively determine each item relying on his delegated powers as set out in the Constitution.

96 ARKWOOD DEVELOPMENTS - BOWBRIDGE ROAD DEVELOPMENT, NEWARK

The Director – Governance & Organisational Development presented a report which updated Members on the progress of the proposed Bowbridge Road development by Arkwood Developments. The proposal was for a residential development of 87 dwellings for which a revised planning application was to be considered by the Council's Planning Committee on 31 March 2020.

It was reported that the legal work in relation to the land transfer was progressing well and that parties were likely to be in a position to proceed immediately should planning permission be granted. A ground investigation report had indicated limited areas that would require remediation attention, details of which were contained in the exempt report attached to the agenda. It was anticipated that related planning and highways matters would need to be agreed before the land transfer was finalised.

In relation to the loan agreement, it was reported that the Bowbridge Road development was to be financed partly by a loan from the Council. Once established, the funding model could then be used for future developments. Further details were contained in the exempt report. Specialist advice was being sought to ensure the arrangement complied with State Aid rules. Specialist legal advice was also being sought for the structure of the loan model arrangement to ensure that the Council had adequate security for the loan and to consider the most appropriate mechanisms for both interest and capital repayments.

AGREED (by 6 votes for with 1 abstention) that the progress made with the development and associated loan agreement and land transfer be noted.

(Councillor T. Wendels abstained from voting given his conflict of interest).

Reason for Decision

To ensure the Policy & Finance Committee was kept up to date regarding Arkwood's first housing development at Bowbridge Road and to progress the land transfer and associated matters.

97 POSSIBLE PURCHASE OF LAND - BOWBRIDGE ROAD, NEWARK

The Director – Growth & Regeneration presented a report which provided an update on the opportunity to purchase land adjacent to the Newark Hospital on land off Bowbridge Road, Newark. Further details in relation to this matter were contained in the exempt report on the agenda.

It was reported that following a period of negotiation with the sole land agent representing the owners of both parcels of land, the Council presented the 'maximum offer' as permitted by Members at the 28 November 2019 meeting. However, this offer was declined. Subsequently the land agent asked the Council to consider a lease arrangement for the land, with a sub-lease being offered to the NHS Foundation Trust

in return but that option was not advocated. Officers had confirmed that the maximum offer previously presented was the Council's final offer. The land agent then requested that the Council consider buying solely parcel 1, the value for which exceeded the officer valuation. Members were advised that both parcels remained available for significantly higher price than the previously agreed maximum offer.

The report proposed that it be made clear to the land agent that the Council's maximum offer would shortly expire, after which time it would be formally withdrawn.

AGREED (unanimously) to recommend to the Chief Executive that the Director - Growth & Regeneration be given delegated authority to:

a) confirm to the land agent representing both landowners that the Maximum Offer is the full and final offer from this Council to purchase the two freehold interests detailed at Appendix A, subject also to the agreement of the Trust to lease the land; and

b) confirm to the land agent representing both landowners that the maximum offer will be withdrawn at 5pm on 18 April 2020.

Reason for Decision

To secure additional car parking in order to support the function and reputation of Newark Hospital.

98 YORKE DRIVE REGENERATION

The Director – Governance & Organisational Development presented a report which provided an update on progress within the Yorke Drive Regeneration Project including: procurement of a development partner; resident engagement; and preparation for start on site/next steps. The report sought to secure the necessary approvals to move to the next phase of the project, the selection of a preferred bidder and onsite enabling works.

The Director – Governance & Organisational Development reported on the procurement of a Development Partner. An evaluation and analysis of the tender submissions made across both quality and cost elements and anonymised scoring was set out in the report. Tender A was the recommended preferred developer following the analysis, further details of which were contained in the later exempt report.

Following the approval of a preferred developer and the ten day stand still period, the Council would begin detailed negotiations with the preferred developer. Running in parallel to the contract negotiations the developer would progress with detailed design work and obtaining reserved matters permission through the planning system.

The report provided further information in respect of resident engagement; decant and demolition; funding; and developing for the future. The Director – Governance & Organisational Development also referred to the comprehensive risk register and highlighted two key risks - market conditions and construction costs. In addition, there were the emerging impacts from Covid-19.

AGREED (unanimously) to recommend to the Chief Executive that:

- (a) the selection of developer A as preferred development partner be approved with delegated authority being given to officers to progress negotiations and discussion on the terms of the contract;
- (b) delegated authority be given to the Director - Governance & Organisational Development to enter into contract with the preferred developer, after consultation with the Chairman, Vice Chairman and Opposition Spokesperson of the Committee, where costs remain within the pre-approved cost envelope and there was no material change to the project's risk profile; and
- (c) the option of a lump sum payment for disturbance payment for those residents being decanted from their homes be approved, as set out in paragraphs 4.3.1/4.3.2 and Appendix 1 to the report presented to the Committee.

Reason for Decision

To progress the transformational project, focussing on the regeneration of the Yorke Drive estate and Lincoln Road playing fields.

99 FOOTPATH AND ACCESS REALIGNMENT AND LEVELLING AT EPPERSTONE MANOR

The Director – Growth & Regeneration presented a report which updated Members on the progress of securing the transfer of 'recreational' land and a footpath from a developer to the Council (and in turn to Epperstone Parish Council) following a previous breach of a legal planning obligation under S106 of the Town and Country Planning Act 1990. The report also sought approval for additional funds to relocate fencing erected by the developer erroneously on land outside of their control.

The report provided Members with details of the background to the matter which had commenced following the approval of planning permission for the construction of twelve new dwellings in December 2008. The site was subject of a S106 Agreement with obligations which included the construction of a footpath in a location and to a specification agreed by the Council and that such footpath be transferred to the Council.

The Council's intention had always been to transfer the 'recreational land' and footpath to the parish council as soon as the matter was resolved. The parish council reasonably wished to have the land transferred to them when the legal titles were correct and formalised. For both the footpath and maintenance access strip, this included their provision on site in their correct alignment. It was also reported that the land required levelling so that it was fit for purpose in advance of the parish council accepting the transfer, quotes for which, together with associated fencing, had been sought and detailed in the report.

AGREED (unanimously) to recommend to the Chief Executive that:

- (a) the Business Manager - Legal Services ask Epperstone Developments Limited's solicitor to enter into a land swap in respect of the land detailed at paragraph 2.4 of the report [shown with red marker/red hatched area in Figure 2] and that completion be concluded as soon as is practicable;
- (b) delegated authority be given to Director – Growth & Regeneration to commission contractors to install a fence along an appropriate route, having regard to ownership issues as set out in the report presented to the Committee and confirmation from the Business Manager - Legal Services that such issues have been legally resolved to mitigate risk to the Council;
- (c) a budget of up to £12,212 + VAT be set up in 2020/21 to cover the cost of the works to implement (b) above; and
- (d) authorisation be granted to the Business Manager - Legal Services to recover all such reasonable costs from the developer.

Reason for Decision

To enable the future transfer of the land and footpath to Epperstone Parish Council and to ensure that the community can continue to use the footpath and recreational land.

100 WARM HOMES FUND BID OUTCOME

The Director – Resources/Deputy Chief Executive/Section 151 Officer presented a report which informed Members of the Council's recent successful bid to the Warm Homes Fund for £97,488 to enable mains gas connections and fully fund the conversion of existing solid fuel/liquid propane gas heating systems and cooking appliances in up to 43 park homes in Ollerton. The report therefore recommended that a budget be set up in the Capital Programme in 2020/2021 to enable delivery.

The report provided information on the Energy Company Obligation, a Government energy efficient scheme which aimed to tackle fuel poverty and reduce carbon emissions. The scheme was delivered through energy suppliers and their agents. Information was also provided about the Warm Homes Fund provided by the National Grid and administered by Affordable Warmth Solutions across England, Scotland and Wales.

AGREED (unanimously) to recommend to the Chief Executive that:

- a) the outcome of the Warm Homes Bid be noted; and
- b) the budget to be set up in the Capital Programme in 2020/21 for £97,488, financed by the grant from the Warm Homes Fund be approved.

Reason for Decision

To enable the Park Homes project to proceed.

101 ALLOCATION AND APPROVAL OF SAVINGS ACCRUED AS PART OF THE HOUSING MANAGEMENT IMPLEMENTATION PROJECT

The Director – Governance & Organisational Development presented a report which sought approval for delegated authority to be given to the Homes & Communities Committee to approve the allocation of savings which had accrued as part of the Housing Management Implementation Project.

The report set out the background to the decision to bring the housing management service back in-house, which included the dissolution of the Council's housing management company, Newark and Sherwood Homes Ltd. The decision was taken in order to deliver significant efficiencies identified for the Housing Revenue Account (HRA) of £0.950m. It was reported that the savings would directly accrue to the HRA with the Council having made a commitment that they would be reinvested back into housing services for tenants.

A report written for the Homes & Communities Committee was attached as an appendix to the report which provided a detailed framework of how the savings and efficiencies would be utilised to meet tenant priorities and how they would improve the housing service. It was noted that the aforementioned meeting had been cancelled due to the Coronavirus situation but that the Chairman and Vice-Chairman of the Committee supported the proposals and recommendations detailed in the report.

AGREED (unanimously) to recommend to the Chief Executive that delegated authority be given to the Homes & Communities Committee to approve the allocation of savings to the Housing Revenue Account that have accrued as part of the Housing Management Implementation project, in line with the framework approach as set out in Appendix A to the report presented to the Committee.

Reason for Decision

To give delegated authority to the Homes & Communities Committee to approve the allocation of HRA savings as part of the housing management transfer to the Council.

102 URGENCY ITEM - CASTLE HOUSE CONCESSIONS POLICY

The Committee noted the decision to approve the deferral of the use of the Castle House Concessions Policy, as approved by the Full Council on 9 March 2020, for the period of one financial year.

AGREED (unanimously) that the urgency item be noted.

103 EXCLUSION OF THE PRESS AND PUBLIC

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

104 ARKWOOD DEVELOPMENTS - BOWBRIDGE ROAD DEVELOPMENT, NEWARK

The Committee considered the exempt report of the Director – Governance & Organisational Development concerning the development of Bowbridge Road, Newark by Arkwood Developments.

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

105 POSSIBLE PURCHASE OF LAND - BOWBRIDGE ROAD, NEWARK

The Committee considered the exempt report of the Director – Growth & Regeneration concerning the opportunity to purchase land adjacent to Newark Hospital, on land off Bowbridge Road.

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

106 ESTATE REGENERATION - YORKE DRIVE ESTATE AND LINCOLN ROAD PLAYING FIELDS

The Committee considered the exempt report of the Director – Governance & Organisational Development concerning the Yorke Drive Estate and Lincoln Road playing field regeneration project.

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

107 FUNDING PROPOSAL FOR THE ROBIN HOOD HOTEL

The Committee considered the exempt report of the Director – Resources/Deputy Chief Executive/Section 151 Officer concerning a funding proposal for the former Robin Hood Hotel.

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

Meeting closed at 3.35 pm.

Chairman

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

Document is Restricted

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: Open Agenda Items 5, 6, 7, 8, 9, 10 and 11 considered at Policy & Finance Committee on 2 April 2020

Appropriate Committee: Policy & Finance Committee

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

Due to the Covid-19 Pandemic, attendance at, and public access to, the Policy and Finance Committee on 2 April 2020 were by remote means. The Government had passed legislation enabling Regulations to be made for Councils to undertake committee meetings remotely. However, the Regulations setting out the detailed provisions and the procedures to be followed were not yet published by the date of the meeting. Therefore, the Committee was asked to make recommendations to the Council's Chief Executive to determine each item under the urgency provisions set out above, taking into account the Committee's recommendations.

Agenda Item 5 - Arkwood Developments – Bowbridge Road Development, Newark

Decision

To recommend to the Chief Executive that the progress made with the development and associated loan agreement and land transfer be noted.

Agenda Item 6 - Possible Purchase of Land – Bowbridge Road, Newark

Decision

To recommend to the Chief Executive that the Director - Growth & Regeneration be given delegated authority to:

- a) confirm to the land agent representing both landowners that the Maximum Offer is the full and final offer from this Council to purchase of the two freehold interests detailed at Appendix A to the report presented to the Committee, subject also to the agreement of the Trust to lease the land; and
- b) confirm to the land agent representing both landowners that the Maximum Offer will be withdrawn at 5pm on the 18th April 2020.

Agenda Item 7 - Yorke Drive Regeneration

Decision

To recommend to the Chief Executive that:

- a) the selection of developer A as preferred development partner be approved with delegated authority being given to officers to progress negotiations and discussion on the terms of the contract;
- b) delegated authority be given to the Director - Governance & Organisational Development to enter into contract with the preferred developer, after consultation with the Chairman, Vice Chairman and Opposition Spokesperson of the Committee, where costs remain within the pre-approved cost envelope and there is no material change to the project's risk profile; and
- c) the option of a lump sum payment for disturbance payment for those residents being decanted from their homes be approved, as set out in paragraphs 4.3.1/4.3.2 and Appendix 1 to the report presented to the Committee.

Agenda Item 8 - Footpath and Access Realignment and Levelling at Epperstone Manor

Decision

To recommend to the Chief Executive that:

- a) the Business Manager - Legal Services ask Epperstone Developments Limited's solicitor to enter into a land swap in respect of the land detailed at paragraph 2.4 of the report presented to the Committee [shown with red marker/ red hatched area in Figure 2] and that completion was concluded as soon as is practicable;
- b) delegated authority be given to Director – Planning & Growth to commission contractors to install a fence along an appropriate route, having regard to ownership issues as set out in the report presented to the Committee and confirmation from the Business Manager - Legal Services that such issues have been legally resolved to mitigate risk to the Council;
- c) a budget of up to £12,212 + VAT be set up in 2020/21 to cover the cost of the works to implement (b) above; and
- d) authorisation be granted to the Business Manager - Legal Services to recover all such reasonable costs from the developer.

Agenda Item 9 - Warm Homes Fund Bid Outcome

Decision

To recommend to the Chief Executive that:

- a) Members note the outcome of the Warm Homes Bid; and

b) a budget be set up in the Capital Programme in 2020/21 for £97,488, financed by the grant from the Warm Homes Fund.

Agenda Item 10 - Allocation and Approval of Savings Accrued as Part of the Housing Management Implementation Project

Decision

To recommend to the Chief Executive that delegated authority be given to the Homes & Communities Committee to approve the allocation of savings to the Housing Revenue Account that have accrued as part of the Housing Management Implementation project, in line with the framework approach as set out in Appendix A to the report presented to the Committee.

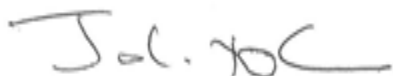
Agenda Item 11 – Urgency Item – Castle House Concessions Policy

Decision

For noting only.

Members Consulted:

Councillor David Lloyd – Chairman and Leader of the Council
Councillor Paul Peacock – Opposition Spokesperson



Signed
John Robinson, CEO

Date: 28/04/2020

Forward Plan of Policy & Finance Committee Decisions from 1 July 2020 to 30 June 2021

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 <https://democracy.newark-sherwooddc.gov.uk/mgCalendarMonthView.aspx?GL=1&bcr=1>. Any items marked confidential or exempt will not be available for public inspection.

Meeting Date	Subject for Decision and Brief Description	Contact Officer Details
24.09.20	Climate Change Strategy and Action Plan	matt.finch@newark-sherwooddc.gov kate.marshall@newark-sherwooddc.gov
24.09.20	Standards Annual Report	nigel.hill@newark-sherwooddc.gov.uk
TBC	Environmental Services Strategy	matt.finch@newark-sherwooddc.gov.uk Andrew.kirk@newark-sherwooddc.gov.uk
TBC	Newark & Sherwood Place Plan	leanne.monger@newark-sherwooddc.gov.uk kate.marshall@newark-sherwooddc.gov.uk
TBC	HRA Business Plan (on hold dependant on outcome of the housing management review)	suzanne.shead@newark-sherwooddc.gov.uk nick.wilson@newark-sherwooddc.gov.uk
TBC	London Road Car Park Extension Options Appraisal (EXEMPT)	matt.lamb@newark-sherwooddc.gov.uk

POLICY & FINANCE COMMITTEE

25 JUNE 2020

ANNUAL REVIEW OF EXEMPT ITEMS

1.0 Purpose of Report

1.1 To provide the Policy & Finance Committee with a list of the exempt business considered by the Committee for the period 21 May 2019 to date.

2.0 Background Information

2.1 The Councillors' Commission at their meeting held on 25 September 2014 proposed a number of changes in respect of exempt information, one of which being that 'the Committees undertake an annual review of their exempt items at their last meeting prior to the Annual Meeting in May'. This was ratified by the Council on 14 October 2014.

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

3.0 Proposals

3.1 The following table provides the exempt business considered by the Policy & Finance Committee for the period 21 May 2019 to date. Members will note that the view of report authors is that the status of all reports considered during this period are that they should remain confidential.

Date of Meeting	Agenda Item	Exempt Paragraph	Opinion of Report Author as to current status of the report
27.06.19	Approval of Loan Write-Off Above £10,000	Para 3	Information remains confidential
	Approval of Write-Offs Above £10,000	Para 3	Information remains confidential
	Arkwood Developments Limited – Bowbridge Road Development, Newark (Business Case only)	Para 3	Information remains confidential
26.09.19	Estate Regeneration – Yorke Drive Estate and Lincoln Road Playing Fields	Para 3	Information remains confidential
	Newark Lorry Park (Business Plan only)	Para 3	Information remains confidential
28.11.19	Possible Purchase of Land at Bowbridge Road, Newark	Para 3	Information remains confidential
	Council Management of Open Space at Fernwood	Para 3	Information remains confidential
	Housing Revenue Account – Housing Development Programme	Para 3	Information remains confidential
	Proposed Expansion of the Fitness Suite and Consideration of Alternative Management Arrangements at Southwell Leisure Centre – Update	Para 3	Information remains confidential
	Urgency Item – Ollerton Hall –	Para 5	Information remains confidential

	Settlement Outcome		
	Ollerton Hall (Bid details only)	Para 3	Information remains confidential
23.01.20	Arkwood Developments Limited – Bowbridge Road Development, Newark	Para 3	Information remains confidential
02.04.20	Arkwood Developments Limited – Bowbridge Road Development, Newark	Para 3	Information remains confidential
	Possible Purchase of Land – Bowbridge Road, Newark	Para 3	Information remains confidential
	Estate Regeneration – Yorke Drive Estate and Lincoln Road Playing Fields	Para 3	Information remains confidential
	Funding Proposal for the Robin Hood Hotel	Para 3	Information remains confidential

4.0 RECOMMENDATION

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

Reason for Recommendation

To advise Members of the exempt business considered by the Policy & Finance Committee for the period 21 May 2019 to date and those items which can now be released into the public domain.

Background Papers

Nil

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

John Robinson
Chief Executive

POLICY & FINANCE COMMITTEE

25 JUNE 2020

NEWARK & SHERWOOD HOMES LTD - VOLUNTARY WINDING-UP AND DISSOLUTION

1.0 Purpose of Report

1.1 To consider giving delegated authority to the Chief Executive and/or the Director - Governance and Organisational Development to act on behalf of the Council as sole shareholder to authorise all documentation necessary to effect the voluntary winding-up and dissolution of Newark and Sherwood Homes Limited (the Company).

2.0 Background Information

2.1 At its meeting of 26 September 2019, the Policy & Finance Committee agreed to transfer the Council's housing management service back in-house for direct service provision, and to commence the necessary processes for the subsequent wind-up and dissolution of the Company.

2.2 The housing management service, including all its assets and liabilities, transferred to the Council on 1 February 2020.

3.0 Proposals

3.1 The Newark and Sherwood Homes' Board is due to meet shortly to agree to commence the process to voluntarily wind-up and dissolve the Company.

3.2 The Board will consider a report setting out in detail the conditions that need to be satisfied before a formal application to complete the winding-up process can be made to Companies House. The Board will need to be satisfied that all contracts have been novated, properties transferred, that all creditors have been discharged, that bank accounts have been closed, and that the business is no longer trading.

3.3 At the time of writing this report, almost all this work has been completed. All property has been transferred, the Company is de-registered for VAT, the bank account will be closed as soon as the last few direct debits are transferred to the Council, and arrangements are being put in place to close down the payroll scheme. A small number of contracts remain to be novated, and a response from HMRC is awaited regarding corporation tax.

3.4 The voluntary dissolution process is fairly straightforward. It involves a submission to Companies House and a published notice in the London Gazette inviting any person to state why the Company should not be struck off. Assuming there will be no representation to the notice in the London Gazette, Companies House estimate that the company will be struck off 2 months after the notice. It is estimated that this will be no later than November.

3.5 As the Council is sole shareholder of the Company, it is necessary for the Council to approve the voluntary dissolution of the Company before an application is made to Companies House. It is proposed that the Chief Executive and/or the Director of Governance and Organisational Development be given delegated authority to attend the

Newark and Sherwood Homes Board/Shareholder meeting and give the necessary approvals.

4.0 Equalities Implications

4.1 There are no equalities implications arising from the report.

5.0 Financial Implications (FIN20-21/4505)

Revenue Current Year

5.1 The Company's External Auditors Beever and Struthers wrote to HMRC on the 27th January 2020 enquiring about the Corporation Tax liability for the Company arising from the 19/20 financial year. A letter was received back from HMRC 19th May 2020, which stated that once the application to strike off the company is received by the Registrar at Companies House, a decision will then be made as to whether there may be a Corporation Tax liability for the 19/20 financial year. Any liability arising would be calculated on activity from interest receivable (both bank and loan interest). All income the Company received from the Council (through the Management Fee) would be deemed ineligible for Corporation Tax liability. Any liability arising can be funded within the HRA.

5.2 As referred to in paragraph 3.3 of the report, the Company has been de-registered for VAT. The financial management system has been combined into the Council's position so that the Council now accounts for all transactions. There are a small number of Direct Debits still being taken from the Company's bank account and work is on-going with those suppliers to move the Direct Debit to the Council's bank account. Once the Board has approved the dissolution of the Company, the final payroll run can take place, which will then allow for the closure of the Company's payroll scheme with HMRC.

5.3 There is no requirement for the Company to file accounts with Companies House prior to its dissolution.

5.4 Once the actions at paragraph 3.3 have been concluded, the application for dissolution can then be submitted with a fee payable of £10. This will be funded from within the HRA.

6.0 Community Plan – Alignment to Objectives

6.1 This proposal aligns with the Council's Community Plan objective to "Generate more income, improve value for money and increase residents' satisfaction with the Council". There is a specific action under this objective to undertake a review and implement the option that delivers the management of the Council's housing stock in the most cost effective and appropriate way. It has been agreed by Committee that the reintegration of the housing service back with the Council will deliver the most cost effective and appropriate delivery of the service for tenants and leaseholders.

7.0 RECOMMENDATION

That delegated authority be given to the Chief Executive and/or the Director - Governance & Organisational Development to attend the necessary Newark and Sherwood Homes Board/Shareholder meetings on behalf of the Council in its capacity as

sole shareholder, and authorise all documentation necessary to effect the voluntary winding-up and dissolution of Newark and Sherwood Homes Limited.

Reason for Recommendation

To progress the decision of the Council to dissolve Newark and Sherwood Homes Ltd, given that assets and liabilities transferred to the Council on 1 February 2020.

Background Papers

260919 – Policy & Finance Committee – Housing Management Review

150620 - Newark and Sherwood Homes Board Paper – Voluntary Dissolution of Company

For further information please contact Natalie Cook on Ext.5275 or Sue Bearman on Ext. 5935

Karen White

Director – Governance & Organisational Development

POLICY & FINANCE COMMITTEE

25 JUNE 2020

NEWARK SOUTHERN LINK ROAD UPDATE

1.0 Purpose of Report

- 1.1 To update Members on the importance of completing the currently part constructed (phase 1) Newark Southern Link Road (SLR) and progress on securing a funding package for delivery.

2.0 Background

Site Context

- 2.1 Across the current local plan period up to 2033 the population of the District is expected to grow by c14,359. The Amended Core Strategy (adopted January 2019) targets the Newark Urban Area as the main location for new housing and employment growth, accommodating 60% of the district's overall growth up to 2033. The 3 Sustainable Urban Extensions (SUEs) at Land South of Newark (now widely known as Middlebeck), Land East of Newark and Land around Fernwood are central to delivering this strategy.
- 2.2 Land East is expected to be subject to a planning application by the end of this calendar year (subject to Covid impacts). Housebuilding is now taking place at Fernwood and Middlebeck. Middlebeck is capable of delivering up to 3,150 new homes, a range of community facilities, a new country park and 49 hectares of commercial development land, creating c5000 jobs. Phase 1 of the SLR is complete, save for the A1 roundabout. This allows for the construction of up to 599 dwellings (Avant, Bellway, and Countryside who are now building out have consented schemes for 542 dwellings). No further dwellings are permitted by the Middlebeck planning permission (14/01978/OUTM) until further phases (or preferably all) of the SLR is delivered.
- 2.3 The SLR first featured prominently in the proposals that led to this site forming part of the 2006 Newark Growth Point submission. Members will be aware of the nature of Strategic Urban Extension sites, often requiring considerable, up-front and occasionally disproportionate (compared to smaller sites delivered by volume house-builders) infrastructure costs. Middlebeck was no exception. This was in addition to the scheme being developed during the last recession, including provision for the SLR to be delivered in 3 phases. The 'master' developers Urban&Civic secured a conditional £11.2million loan agreement from the Homes & Communities Agency (now Homes England) to fund delivery of Phase 1 of the SLR. Whilst the costs involved outstripped this loan, work on the SLR commenced in 2017, allowing the current house builders to start delivering new homes. Phase 1 of the project will deliver 699 no. of houses. It is clear that funding for the remainder of the SLR remains a significant obstacle to its delivery, with overall costs going beyond what is reasonably manageable by a developer. This Council and the LEP have already previously identified this, committing grant towards the SLR. This still leaves a shortfall. This shortfall has been subject to ongoing discussions between Homes England, Nottinghamshire County Council, the LEP, and ourselves with a proposed funding solution having now been identified in principle.

Infrastructure Funding Gap

- 2.4 Current calculations for the cost of delivering the SLR stand at £62.1 million. Homes England and Urban&Civic are working on an intervention package which will likely comprise loan and grant to significantly close this funding gap.

Organisation	Contribution (£m)
LEP (committed)	6
NSDC (proposed)	5
NCC (proposed)	5
U&C	7.1
HE/U&C 'intervention package' (gap expected to be closed)	39
SLR Cost	62.1

- 2.5 It is expected that a final agreement will be reached between Homes England and Urban&Civic before the end of the calendar year.
- 2.6 Working closely with the County Council as the Highways Authority, ongoing dialogue has led to an agreement in principle to provide additional grant with District and County capital funds, recognising the significant long term benefits and value for money that delivering the SLR will provide, not least the Council Tax revenue and business rates that stand to be generated from the completion of the Middlebeck development.
- 2.7 It is recommended that the NSDC contribution to the SLR be £5m in total (increasing the current £2.5 agreed contribution). Discussions are underway with the County Council seeking their financial support. They are aware of the proposed resolution contained in this report.
- 2.8 If this funding cannot be secured and the SLR is not delivered there will be significant implications for the highways network, for housing delivery, and for the council tax base at a Town, District and County Council level. These issues are summarised below.

Potential Benefits and Implications of Failing to Deliver the Southern Link Road

Benefits of the SLR

- 3.1 The need for and the benefits of the SLR have been extensively rehearsed since Newark achieved Growth Point status in 2006. The headline benefits of the SLR include:
- Reducing congestion throughout the Newark Urban Area as a result of increased road capacity and routing options for road users;
 - Unlocking the development of up to 3150 new homes and the creation of around 5000 jobs on the employment land component of the Middlebeck development;
 - Increased road capacity to support delivery of other residential development opportunities in Newark;
 - Delivering flood alleviation and land drainage solutions in an area at high risk of flooding;
 - Delivery of extensive additional open space including a new country park and sports facilities

- The SLR is viewed by Highways England as a committed scheme, with modelling work underpinning the business case that has seen government approval of the proposed A46 upgrade as part of the strategic Road Improvement Scheme factoring in the associated traffic flows; and
- A projected £80m increase in Council Tax revenue over a 20 year period¹.

Implications of Failing to Deliver the SLR

3.2 In contrast to the clear benefits of delivering the SLR it is imperative that the implications of failure to deliver the road are recognised. Although the levels of growth proposed for Newark under the Growth Point agenda were ambitious in 2006 the appetite to deliver new housing in Newark is being driven by Government requirements and the market as housebuilders are taking up the available development plots at Middlebeck and Fernwood, along with other opportunity sites as they come forward. The consequences of failure to deliver the Southern Link Road are therefore potentially significant:

- **Strategic implications:** Middlebeck is a development ‘commitment’ and has now been formally established in adopted planning policy for over 10 years. As such, a great deal of other strategy work within the wider region is predicated on the anticipated delivery of the SLR. The recently announced A46 upgrade assumes the SLR is completed;
- **Road network implications:** without the SLR the levels of planned growth at Fernwood, which can continue even if the SLR is not developed further, would lead to unacceptable delays and congestion across the surrounding road network;
- **Planning implications:**
 - **Decision making:** without the SLR further development at Middlebeck would not be achievable, potentially resulting in being unable to meet future growth requirements. This would impact the Council’s five year housing land supply, with the knock-on effect being the likelihood of being forced to support unplanned housebuilding in less desirable locations;
 - **Plan making:** the above scenario would require the Council to prepare a new Local Plan and it would be extremely difficult to re-allocate this level of housing growth elsewhere within the District without impacting natural and cultural heritage assets. Similarly, with large swathes of land around Newark being at high risk of flooding, alternative locations capable of accommodating commensurate levels of growth are limited. The area of search would therefore need to consider other communities;
- **Regeneration implications:** these include the near-site impacts of not providing the uplift envisaged for the surrounding existing community through provision of new employment opportunities, open spaces, and community facilities. Knock-on effects that would be felt more widely include the loss of job creation and business growth opportunities;

¹ Council tax revenues split between County and District Councils

- **Reputational implications:** there remains a public expectation that the SLR is delivered, as are its associated benefits. A failure to develop the SLR further would inevitably reflect not just on this Council but on Urban&Civic, the highway authorities and funders.
- **Financial implications:** Loss of Council Tax to this Council and Nottinghamshire County Council totalling circa 80m (NSDC share circa £6.366m). In addition, the underlying assumptions of the devolution agreement with Newark Town Council factor in the expansion of Newark and its tax base for the Town and District Councils

4.0 Equalities Implications

- 4.1 The SLR is identified as a key piece of infrastructure in the Council’s Development Plan and Community Plan. Preparation of the former (in the form of the Amended Core Strategy) required that all policies were subject to appraisal against the Integrated Impacts Assessment (IIA). The IIA incorporates a Sustainability Appraisal, Strategic Environmental Assessment, Equalities Impact Assessment (EqIA) and Health Impact Assessment (HIA). The EqIA is a way of demonstrating the District Council is fulfilling the requirements of the Public Sector Equality Duty contained in section 149 of the Equality Act 2010.
- 4.2 IIA Objective 18 specifically addresses matters relating to equality being intended ‘To ensure that there is equality of opportunity and that no individuals or groups are disadvantaged or discriminated against because of race, sex, disability, religion or belief, sexual orientation, gender reassignment, maternity and pregnancy, marriage or civil partnership, age, or social inequality’. IIA Objectives 2 (Health) and 5 (Sustainable Communities) are allied to this, addressing respective matters of improving health/reducing health inequalities and ensuring that development is focused in sustainable locations where community facilities and services, housing and employment uses are integrated, promoting social cohesion and interaction, and facilitating healthy lifestyles.
- 4.3 Policies relating to delivery of the SLR, including safeguarding its approved route (Spatial Policy 7) all scored positively supporting the objectives (+) or providing a potentially significant beneficial impact (++). By association therefore, the proposal to provide funding for the delivery of the remaining stages of the SLR is considered to support or have significant beneficial impacts on the local community. Maximising the potential opportunities for sustainable transport choices to be made by all and ensuring that major development is well located for convenient access by non-car modes can help support equality of opportunity.

5.0 Financial Implications (FIN20-21/5190)

- 5.1 The Council has a capital contribution to the Southern Link Road of £9,519,215 approved within its current capital programme. This is made up of £7,000,000 as a grant from the Local Enterprise Partnership and £2,519,215 allocated by the Council. To date £1,019,215 has been incurred in terms of costs in design works with Urban and Civic.

- 5.2 Paragraph 2.4 above states a current funding requirement to complete Phase 2 and 3 of the SLR of £62.1m. Urban&Civic and Homes England are in advanced negotiations to close an expected maximum funding gap of £39m via a mixture of loan and grant facility, alongside. Urban&Civic also providing further capital funding of £7.1m.
- 5.3 As proposed above at paragraph 2.7, in order to secure the delivery of the Southern Link Road, there will be a requirement for the Council to invest further funds. In order to meet the additional contribution of £2.5m, the Council would seek to fund this from the Change Management reserve. There are sufficient unallocated funds within that reserve to meet this funding requirement. We would seek to match the NSDC contribution with a £5m grant from Nottinghamshire County Council. This equates to an overall contribution from NSDC towards the delivery of the road of 8%.
- 5.4 The benefits and implications of not delivering the road are set out above at section 3. Specifically in terms of financial benefits, the increase in Council Tax receipts is estimated to be £6.366m (for the Council) of the £80m identified at section 3 above over the 20 year period post the start of the development.
- 5.5 The financial implication of not delivering the road will also impact on the devolution arrangements with Newark Town Council. The original devolution agreement was set out in 2015, and sought to deliver net annual savings of £260,000 to the District Council.
- 5.6 The agreement was predicated on the delivery of further housing within the area of Newark, in order to raise the tax base to ensure that the assets devolved could be funded from the precept raised by the Town Council. The agreement stated that over the 20 years of the devolution agreement from 2015, the District Council would grant a maximum of £3.78m to the Town Council in order to assist with the funding of the devolved assets. The annual value could be uplifted dependent on the difference between the estimated tax base for the year compared with the actual tax base. The overall commitment over the 20 years would still be capped at £3.78m even if annual contributions were higher than the original estimate.
- 5.7 Including the year 2020/21 the Council has paid £1,551,080 to the Town Council which is £257,077 more than the original estimate. This spans the 6 years since the beginning of the agreement. This is due to the delay in the delivery of the SLR and as such the delay in the building of the houses.
- 5.8 Based on current increases in tax base (hence without delivery of the Road) the £3.78m would be exhausted by year 12 of the agreement (6 years from now). The additional payment for 6 years puts pressure on the Councils MTFP, as the anticipated reductions in budget originally sought will not materialise. Beyond 6 years from now, there will be serious implications on the finances of the Town Council as it continues to fund the activities in relation to the devolved functions.
- 5.9 The agreement also states, that where the estimated tax base is not delivered at year 20 (the end of the devolution agreement) the District Council would continue to make grant payments until such time as the estimated tax base for year 20 is reached.

6.0 Community Plan – Alignment to Objectives

6.1 Delivery of the SLR is highlighted as a specific action point within the Community Plan objective of improving transport infrastructure to reduce congestion and facilitate growth. Achieving this objective will have multiple knock-on effects for other plan objectives, specifically accelerating the supply of new homes at Land South of Newark. In reducing congestion on the town's roads, as indicated earlier in this report, delivery of the SLR has great potential to support the enhancement of the town centre, while delivery of the employment land will facilitate new jobs in the district that will contribute to increased opportunities for greater social mobility.

8.0 RECOMMENDATIONS that:

- a) **the Council commits an overall capital contribution of £5,019,215 (funded by existing resources) towards the delivery of the SLR, subject to the following:**
 - i. **Agreement from NCC to match the Council's contribution towards the SLR of up to £5m;**
 - ii. **Confirmation from Homes England and Urban&Civic that an intervention package has been agreed between them that will allow for full delivery of the SLR, subject to the funding already committed by NSDC and the LEP, and to the maximum collective contributions from NCC and NSDC of £10m (split 50%/50%); and**

- b) **the Director – Planning & Growth, in consultation with the Business Manager - Legal Services, be given delegated authority to enter into an agreement with Urban&Civic, subject to satisfaction of a) above to agree appropriate milestones for the release of monies to deliver the full SLR.**

Reason for Recommendations

To secure the full delivery of the Newark Southern Link Road and unlock significant benefits of reduce congestion, accelerated housing deliver, employment, recreation, and education provision. In doing so, delivery of the SLR will prevent service consequences in terms of financial, community, and highway impacts.

Background Papers

Nil

For further information please contact Tim Dawson on Ext 5769 or Matthew Norton on Ext 5852.

Matt Lamb
Director – Planning & Growth

POLICY & FINANCE COMMITTEE

25 JUNE 2020

FUNDING NEW INFRASTRUCTURE

1.0 Purpose of Report

1.1 To set before Committee a proposed approach for the implementation of government directed changes to the reporting of the Council's developer contributions (both Section 106 contributions and Community Infrastructure Levy receipts) collection, allocation and spending on new infrastructure associated with new development.

2.0 Background

District Context

2.1 Across the current Local Plan period to 2033 the population of the District is expected to grow by as much as 14,359. Monitoring data from 2019¹ show the following figures relating to the development in the District:

- 8033 residential dwellings with planning permission
- 2832 residential dwellings completed 2013-2019
- 69.04ha of employment land with planning permission
- 31.85ha of employment land development completed 2013-2019
- Sites allocated for residential and commercial development in the Allocation & Development Management Policies DPD and without extant planning permission are currently under review
- Between 2013-2019 there has been an average of 298 residential completions each year that are considered windfall development.

2.2 Newark & Sherwood's anticipated infrastructure needs associated with this level of growth are set out in the Infrastructure Delivery Plan² (IDP) produced in support of the Local Plan review. The IDP defines infrastructure in the following categories:

- **Social:** healthcare, education, libraries, leisure, town halls and cultural facilities;
- **Waste Management:** waste collection, processing and disposal/recycling;
- **Utilities:** gas, electricity, water, wastewater, telecommunications;
- **Flood Risk:** flood prevention/protection/alleviation;
- **Green Infrastructure:** open spaces, recreational spaces, allotments, cemeteries and playing fields; and
- **Transport:** public transport, walking, cycling and highways.

¹ 2019 Housing Monitoring and 5 Year Land Supply Report: <https://www.newark-sherwooddc.gov.uk/media/newarkandsherwood/imagesandfiles/planningpolicy/pdfs/monitoringreports/2019/2019HMR.pdf> and 2019 Employment Land Availability Study: https://www.newark-sherwooddc.gov.uk/media/newarkandsherwood/imagesandfiles/planningpolicy/pdfs/monitoringreports/employmentlandavailabilitystudy/ELAS18_19.pdf

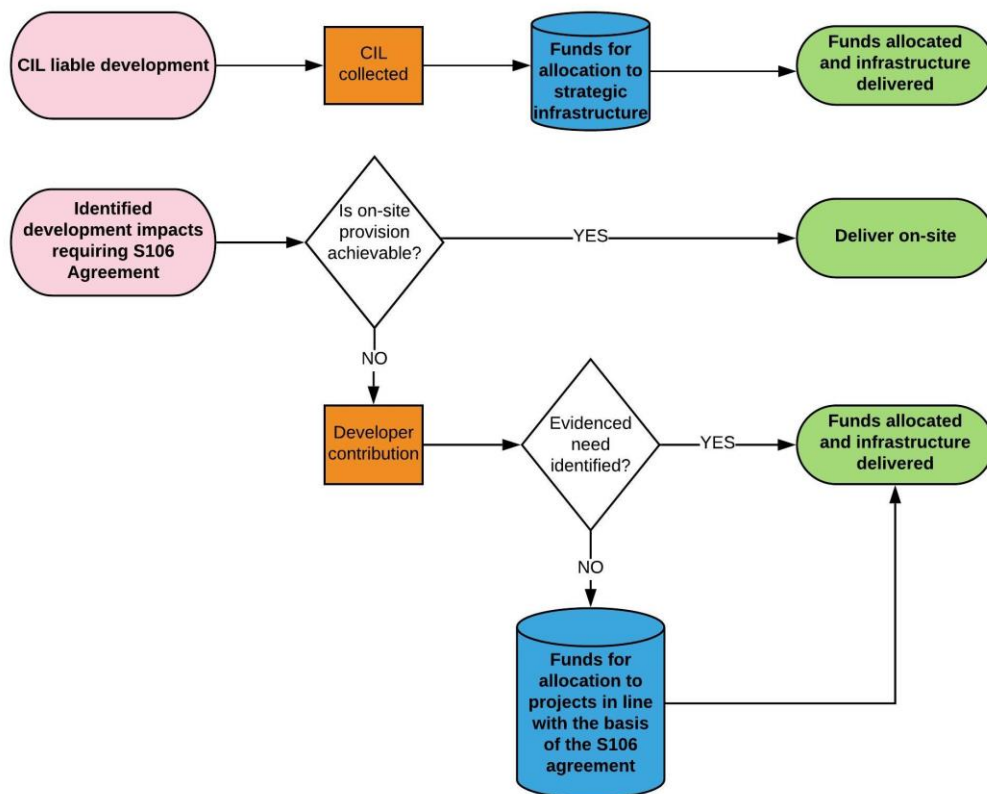
² Newark & Sherwood Infrastructure Delivery Plan, WYG (2017): <G:\planshare\POLICY\Infrastructure\IDP\NSDC IDP - Final - Feb 2017 Rev 7 Complete.pdf>

Paying for Infrastructure

2.3 Infrastructure is typically paid for in a number of ways, via:

- Service providers such as utilities companies (electricity, gas, water, waste water, communications) underpinned by income from customer bills and government grant/support;
- Direct or indirect government grants to Local Authorities or via Local Enterprise Partnerships;
- Developers responding to site specific requirements through legal agreements³ (Section 106 or Section 278 agreements);
- Local Planning Authorities (LPA) collecting Community Infrastructure Levy (CIL) on certain types of new development;
- Town/Parish Council funds secured through Parish precepts, CIL or use of other monies or grants; and
- Trusts or charitable organisations providing funding, often for local community-led projects.

Figure 1 - Process of allocating developer contributions



2.4 Amended Core Strategy Spatial Policy 6: Infrastructure for Growth sets out the Council's approach to ensuring the delivery of infrastructure to support growth. This policy gives specific emphasis to the Community Infrastructure Levy as the vehicle for funding 'Strategic Infrastructure'. The policy defines 'Strategic Infrastructure' as improvements to

³ The NPPF (paras. 54-56) state that planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition and must only be sought where they are a) necessary to make the development acceptable in planning terms; b) directly related to the development; and c) fairly and reasonably related in scale and kind to the development.

the strategic highway network and other highway infrastructure as identified within the IDP, along with secondary education provision across the District.

- 2.5 Spatial Policy 6 identifies developer contributions and planning obligations as the primary means of securing local Infrastructure, including facilities and services that are essential for development to take place on individual sites, or which are needed to mitigate the impact of development at the site or neighbourhood level. The process of collecting and spending developer contributions is illustrated in Figure 1 (above).
- 2.6 Different combinations of the aforementioned sources of funding may be pooled to pay for new infrastructure.

Developer Contributions – 2019/2020

- 2.7 The current position with regard to Section 106 contributions as at the end of the 31 March 2020 (the end of the financial year) is attached at **Appendix A**. This table sets out all the details of current section 106 contributions, including those fully spent during the year and any outstanding invoices. The Council has a balance to be spent of **£7,175,053.48** in line with the parameters set out in the Section 106 Agreements. These restrictions are set out in the table along with any commitments that have been made by the Council. Attached at **Appendix B** is a table of Section 106 agreements where triggers have not yet been hit.
- 2.8 Given the amount of information displayed in the Appendices if Members do have any questions could be summited ahead of the committee meeting so that Officers can provide meaningful answers.

CIL at Newark & Sherwood

CIL Adoption

- 3.1 The Council was the first Local Authority in the country to adopt CIL; the Charging Schedule and Regulation 123 List was approved by Council on the 20 September 2011 and came into force on 1 December 2011. As part of a wider review of the Local Plan a full review of the CIL Charging Schedule and Regulation 123 List has also undertaken. Following an independent examination in August 2017 and approval at full council on 12 December 2017, the Newark & Sherwood CIL Charging Schedule, including the associated instalment policy and Regulation 123 List⁴ came into force on 1 January 2018. Of significance in the context of the list, the proposed A1 overbridge between Balderton and Fernwood was specified as the Council's priority by Full Council on the 12 July 2016, when it was first introduced onto the list.
- 3.2 Given the large costs associated with delivering priority projects on the CIL 123 List we are yet to spend any CIL income collected since adoption. Receipts for the financial year to 31 March 2020 amount to **£2,018,648.04** (along with £2,973.41 of surcharges) the detail of which is set out in **Appendix C**. In terms of total contributions received since the CIL has been put in place Table 1 below sets out the amounts collected and the meaningful

⁴ <https://www.newark-sherwooddc.gov.uk/media/newarkandsherwood/imagesandfiles/planningpolicy/Community%20Infrastructure%20Levy%20Charging%20Schedule%202018.pdf>

proportion set aside for Town and Parish Councils and the funds held for Parish Meetings. It also details the administrative costs which is equivalent to £20,655 per annum.

Table 1 - CIL Receipts Summary 1 December 2012 to 31 March 2020

	£
CIL received and current outstanding Invoices *	7,173,513.53
Meaningful Proportion paid to Parish/Town Council	906,455.19
Meaningful Proportions put aside for Parish Meetings **	32,415.48
Administration Fee	151,473.61
Balance Available	6,083,169.25

* This includes invoices raised where payment has not yet been received i.e. £936,563.88 outstanding at 31 March 2020. Some of which will be received as per agreed instalment plans.

** Meaningful Proportions for Parish Meetings are held by the Council until such time an appropriate scheme is proposed by the Meeting. A total £32,415.48 was put aside relating to Parish Meetings, of which £18,032.46 has been paid over and £14,383.02 was still being held as at 31 March 2020.

Legislation Change

- 3.3 Changes to CIL legislation, taking effect from 1 September 2019, were introduced as the Government recognised that the complexity and uncertainty of the CIL system was potentially forming a barrier to the delivery of housing, something that the Government was keen to remove. Amendments to the regulations included the removal of ‘pooling’ restrictions and the deletion of Regulation 123 requiring charging authorities to produce a list of the projects or types of infrastructure they intend to fund, or may fund, through CIL (the ‘Regulation 123 list’).
- 3.4 The pooling restrictions mechanism was originally introduced to encourage the adoption of CIL by local authorities, restricting the number of contributions from Section 106 agreements to just five per infrastructure project or type. However, this was seen as a barrier to development because some LPAs were refusing applications when the limit on the number of pooled contributions had already been met. With the removal of this requirement LPAs will again be permitted to collect more than five contributions to fund the same infrastructure by using Section 106 agreements where, in accordance with Regulation 122, they are:
- (a) necessary to make the development acceptable in planning terms;
 - (b) directly related to the development; and
 - (c) fairly and reasonably related in scale and kind to the development.
- 3.5 Additionally, LPAs must now produce Infrastructure Funding Statements (IFS) which will be required annually from 31 December 2020. To a certain extent these documents replace

the Regulation 123 list as they are intended to provide an audit trail of all contributions to receiving authorities and how they have been or will be spent.

3.6 The community at large, the development industry and infrastructure delivery commissioners will benefit from these changes, which should provide greater certainty about what infrastructure will be provided and its timing.

4.0 Proposed Approach

4.1 In establishing this as a national requirement MHCLG has prescribed a spreadsheet format in which the data underpinning the IFS should be published. The accompanying statement will therefore essentially provide context to the developer contributions the Council has secured, allocated and spent over the last financial year.

4.2 The IFS will therefore comprise:

- An introduction, including the legislative context;
- Context of planned growth in the District;
- A summary of CIL collected/spent and the rationale for this. In the District Council's case the CIL narrative will focus heavily on the prioritisation of delivering the A1 overbridge at Fernwood;
- A summary of S106 monies collected and spent on both committed projects (in accordance with the legal agreement) and where funds are unrestricted to a specific project or place;
- Set out our expected income from developer contributions. To some extent there may be scope to make predictions based on information from dialogue with developers that informs the five year housing land supply trajectory and other monitoring documents. Annual build-rate data can allow us to forecast when contribution triggers will be hit (however, this is likely to require a strong caveat that acknowledges the impacts of the Covid-19 pandemic and the inherent uncertainty it will put upon the development industry); and
- A review of the Council's future spending priorities. This is likely to be influenced by where we sit within the election cycle.

4.3 Our existing monitoring protocol ensures that we are well placed to publish the basic data requirements. The most significant matter for the Committee to consider is how the Council determines and presents its spending priorities.

Determining Spending Priorities

4.4 As recently adopted planning policy, it is considered that there is little scope to deviate from the approach to paying for infrastructure set out in Spatial Policy 6 until such a time that this policy is amended. Consequently, Table 2 (below) sets out a policy-compliant hierarchical approach to spending priorities, distinguishing between projects or themes that are critical, necessary, policy-priorities or those things that are 'desirable'.

Table 2 - Proposed hierarchy of spending priorities

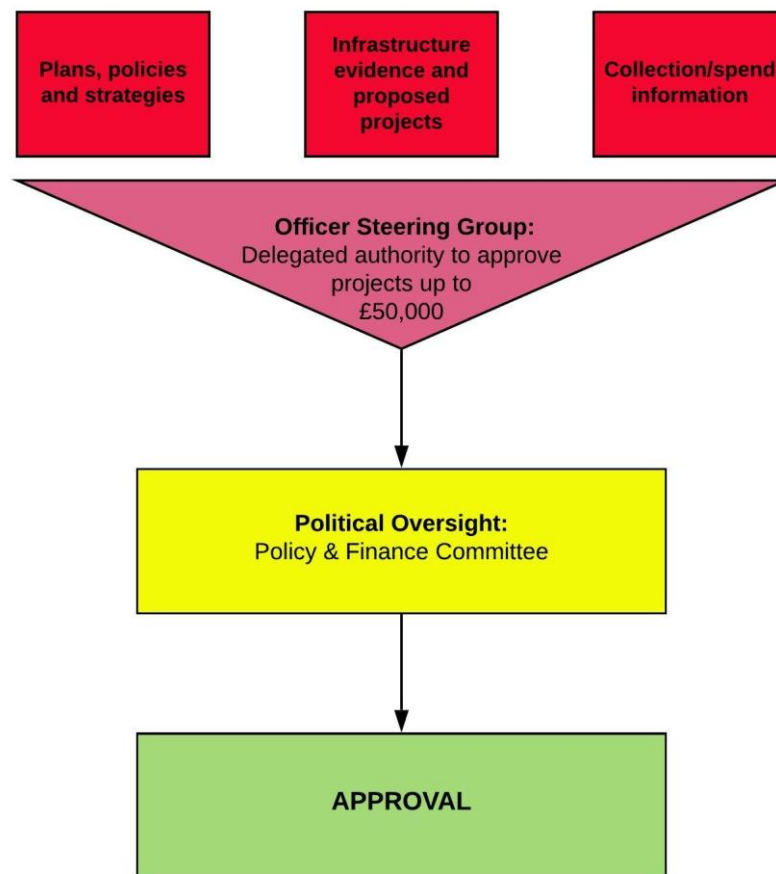
Proposal	Summary	Recommendation
<p>Maintain prioritisation of 123 List projects for CIL (Critical)</p>	<p>Despite the CIL legislation change revoking Regulation 123, NSDC's 123 List still represents the most up-to-date published record of agreed strategic infrastructure priorities; namely the A1 overbridge, other strategic highways infrastructure and secondary education facilities.</p> <p>Although a number of the highways works have been completed through other funding available to the County Council as the Highways Authority, the remaining projects are imperative in order to accommodate the planned levels of growth across the District.</p>	<ul style="list-style-type: none"> • Retain CIL solely for strategic infrastructure priorities in accordance with adopted planning policy (Spatial Policy 6). • Review strategic infrastructure priorities subject to delivery and in line with the anticipated trajectory of planned growth.
<p>Local Plan-led priorities for developer contributions (Necessary/ policy-priorities).</p>	<p>In accordance with planning policy, specific needs must be addressed where thresholds are hit or criteria triggered. In accordance with the legislative requirements these contributions should be necessary to make any given development acceptable in planning terms and be informed by robust evidence of need.</p> <p>In many cases contributions will be delivered on site, however, there will be instances where financial contributions are made towards off-site provision. The wording of the legal agreement through which the funds were acquired determines the manner in which they must be spent.</p>	<ul style="list-style-type: none"> • In accordance with the terms of the associated legal agreement spending should meet identified needs and be informed by robust evidence (e.g. the Infrastructure Delivery Plan prepared in conjunction with the plan and the forthcoming Open Space Assessment and Strategy); • Assess and update annually area-based needs by infrastructure typology and explore costings for delivery.
<p>Focusing on delivery of Community Plan objectives (Policy priorities/ desirable)</p>	<p>The plan cross-cuts the corporate agenda at the strategic, neighbourhood and site level. Being derived largely from the Residents' Survey feedback, in addition to the above considerations, the Community Plan could prove useful in shaping non-strategic infrastructure spending priorities.</p>	<ul style="list-style-type: none"> • Use the Community Plan to supplement evidence of local needs; • Work with lead officers to identify specific deliverable infrastructure themes, provide evidence and cost data. This may require some analysis of potential benefits to provide transparency in the process of ranking 'desirable' projects
<p>Support delivery of identified projects in Neighbourhood Plans (Desirable)</p>	<p>Parish/Town Councils receive a portion of CIL receipts from development occurring within their area. The basic rate of this 'meaningful proportion' is set at 15%, rising to 25% for areas with a made Neighbourhood Plan. Whilst in accordance with the limitations set out in the CIL Regulations parishes are able to spend this income as they see fit, many Neighbourhood Plans identify specific projects that underpin their overarching objectives.</p> <p>Where the meaningful proportion does not generate sufficient funds to pay for these projects in their entirety it may be deemed appropriate to supplement this with further funds to support delivery of local infrastructure.</p>	<ul style="list-style-type: none"> • Engage with Neighbourhood Plan steering groups to gauge progress on delivery of local infrastructure projects

<p>Delegated authority on spending up to £50,000 (S106 only) (Desirable)</p>	<p>The Council already allows delegated decision making on spending of contributions up to £50k for S106 monies. Funds under £15k are allocated to a service area's revenue budget and £15k - £50k monies can be spent in line with the agreement. These schemes go in the capital programme and usually gain approval through the Committee System.</p>	<ul style="list-style-type: none"> • Retain current arrangements
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Governance, Member Oversight & Decision Making

- 4.5 Notwithstanding current work environment challenges it is envisaged that a governance structure will need to be established. The current governance arrangements for dealing with developer contributions are spread amongst various elements of the Council. The chart in **Appendix D** sets out the different stages and decision making body/officer.
- 4.6 Ultimately whilst a range of committees and officers are all involved to some extent in developer contributions it is Policy & Finance Committee that are responsible for most of the important decisions on the spending of developer contributions and advising Full Council on the Capital programme and therefore it is proposed that the IFS should be approved by this committee. Figure 2 below sets out the proposed approach.

4.7 **Figure 2 - Infrastructure Funding Statement approval process**



Considerations for developing the IFS

- 4.8 It is important to stress that the IFS does not provide a blank canvas for revisiting infrastructure 'wants'. As set out above the IFS will need to work within the confines of what the Amended Core Strategy envisages will be delivered over the plan period. Decisions about priorities will need to be based on robust evidence, including development trajectories.
- 4.9 Alongside defining what our priorities are from developer contributions (to inform the IFS) it would be prudent to revise the current Supplementary Planning Document on Developer Contributions and we will need to work closely with the County Council as all of the current strategic infrastructure items are within their responsibilities. As such, we will need to work out a way of involving them and getting them to provide credible justification for the contributions they require.
- 4.10 Similarly it will be necessary to work with other stakeholders on S106 contribution spend, including the NHS (CCG), and Town and Parish Councils.

Scheduling Spending & Emerging Requests

- 4.11 A potential dilemma may arise in balancing short term and long term spending priorities, insofar as there is a relatively strong likelihood of the Council being asked for money towards secondary school provision ahead of being in a position to deliver the A1 Overbridge. We will need to be mindful of how this may impact upon delivery of this and other large scale highways projects.
- 4.12 Currently the Council has had an enquiry about form Joseph Whitaker School Rainworth requesting funding assistance for an expansion of the school in the form of a new science block. The level of contribution sought is £620,000 which is based on new developments in the area generating an additional 26 pupils. The District Council has raised this matter with the County Council, because whilst the Council collects CIL for secondary education it is for the County Council who provide pupil places which result from additional development pressures. Officers are sympathetic to the School's request, subject to confirmation from the County Council that the monies are required in order to cope with capacity required as a result of new development in the area. This is opposed to 'normal' investment in the schools which is separately funded by Department for Education. Effectively the District Council should not fund normal educational investment through developer contributions.
- 4.13 Subject to County Council confirmation as described above it is recommended that funding an expansion of the school be approved. Any such contribution would also need to be captured in the Council's Capital Programme.

5.0 Equalities Implications

- 5.1 Infrastructure delivery is fundamental to the implementation of the Amended Core Strategy which, as a whole has been subject to appraisal against the Integrated Impacts Assessment (IIA) Framework. The IIA incorporates Sustainability Appraisal, Strategic Environmental Assessment, Equalities Impact Assessment (EqIA) and Health Impact Assessment (HIA). The EqIA is a way of demonstrating the District Council is fulfilling the requirements of the Public Sector Equality Duty contained in section 149 of the Equality Act 2010.

5.2 With the focus of the IFS being on providing greater transparency to the decision making process and channelling infrastructure funding to areas of identified need as a result of development (thereby mitigating any perceived inequalities in accordance with adopted policy), at this stage, Officers consider that a separate EqIA specifically for the IFS is not required. However, should Members take a different view, a proportionate EqIA can be undertaken.

6.0 **Financial Implications (FIN20-21/6626)**

6.1 The report sets out the current arrangements for dealing with developer contributions including the various responsibilities for the monitoring of monies received. Financial Services work closely with colleagues on the officer steering group to ensure that contributions are appropriately managed in line with the Council's financial procedures. The proposed IFS approach will provide greater clarity for Members, service providers, developers and the community on how the Council deals with developer contributions.

6.2 The table at **Appendix A** shows a number of different spend by deadlines, from no deadline, to the latest being 2030. Whilst the total of £7.175m appears to be a significant sum of money, the values by year represent a more manageable spend.

Amount £	Spend by Year
0.623	2022
1.941	2023
0.877	2024
1.162	2025
0.718	2027
0.229	2030

£2.58m of the balance relates to contribution types that are the responsibility of the County Council and the next largest balance relates to Affordable Housing (£1.670m) this offers potential opportunity to utilise an element of these funds in relation to the Council House Development Programme.

6.3 Current commitments in **Appendix A** that are over £15,000 and are due to be spent by the Council (and not transferred to Nottinghamshire County Council, or a Town/Parish Council) are included in the Capital Programme. Any future commitments of this kind will be reported to Policy & Finance Committee for approval as per **Appendix D**. This will also apply to any spend of the £6.083m shown in the table at 3.2.

6.4 **Appendix B** details the S106 contributions due over the next 10-15 years. These contributions will mitigate the impact of the planned growth across Newark & Sherwood.

6.5 In relation to the Joseph Whitaker School proposal, subject to receipt from Nottinghamshire County Council of confirmation that the proposed funding, based on a development pressure of an additional 26 pupils as described at paragraph 4.11 and the recommendations, a Capital budget of £620,000 be set up in 2020/21 financed by CIL receipts.

7.0 Community Plan – Alignment to Objectives

7.1 The IFS has potential to support the delivery of all Community Plan objectives that incorporate a need for infrastructure provision and enhancement. The proposed approach set out above highlights the importance of the Community Plan in underlining the District Council's corporate priorities alongside the strategic growth agenda directed by the Local Plan.

8.0 RECOMMENDATIONS that:

- a) the proposed approach to defining spending priorities for developer contributions set out at paragraph 4.4 of the report be agreed;**
- b) the Infrastructure Funding Statement be developed in line with paragraphs 4.5 and 4.6 of the report; and**
- c) subject to confirmation of the appropriate request from Nottinghamshire County Council being received, a £620,000 Capital Budget be approved, financed by CIL receipts as set out in paragraph 4.11 of the report.**

Reason for Recommendations

So that a proposed approach for defining spending priorities for development contributions can be agreed.

To enable officers to prepare an Infrastructure Funding Statement to be prepared to meet the requirements of Community Infrastructure Regulations.

To enable officers to investigate consideration of funding additional facilities through CIL at Joseph Whitaker School.

Background Papers

[Amended Core Strategy 2019](#)

Community Infrastructure Levy Regulation [123 List](#) (Jan 2018)

For further information please contact Matt Lamb on 5462, Tim Dawson on Ext 5769 or Matthew Norton on Ext 5852.

Matt Lamb
Director – Planning & Growth

Legal Ref	Parish	Location	Status	Contribution Type	Contribution Restricted/ Unrestricted	Time limit	Actual receipt date	Spend by date	Contribution Amount	Amount Received	Outstanding Amount	Amount spent to 31 Mar 2020	Balance to Spend	Funds Committed	Balance to Spend less Committed	Notes
AG896	Bilsthorpe	Wind Farm Stonnish Hill, former Bilsthorpe Colliery	All Monies Received	Off Site Landscaping		Yes	12/07/2012	11/07/2017	£23,690.00	£23,690.00		£0.00	£23,690.00		£23,690.00	
AG896	Bilsthorpe	Wind Farm Stonnish Hill, former Bilsthorpe Colliery	All Monies Received	TV Reception Bond		Yes	12/07/2012	11/07/2017	£5,000.00	£5,000.00		£200.00	£4,800.00		£4,800.00	
AG778a	Bilsthorpe	The Crescent, Bilsthorpe (Eastwell Investments)	All Monies received	Affordable Housing	Not defined	No	30/09/2017		£25,000.00	£25,008.00	-£8.00	£19,798.00	£5,210.00		£5,210.00	
AG942	Bilsthorpe	Land adjacent to 117 Kirklington Road Bilsthorpe	All Monies Received	Affordable Housing	Not defined	No	09/01/2017		£36,000.00	£36,000.00		£0.00	£36,000.00		£36,000.00	
AG984	Blidworth	The Red House, Belle Vue Lane	Monies Outstanding	Affordable Housing	Not defined	No	19/12/2018		£49,807.64	£42,427.19	£7,380.45	£0.00	£42,427.19		£42,427.19	
AG1040	Blidworth	Land North of Belle Vue Lane	All Monies received	Community Facilities	Blidworth Leisure Centre	No	25/09/2018		£35,973.75	£35,973.75		£30,973.75	£5,000.00	£5,000.00	£0.00	Policy & Finance Committee 28-06-19 Approved £30K spend on Blidworth Leisure Centre. £5k committed for Parish Council Office at BLC
AG708	Clipstone	Clipstone Holding Centre, Mansfield Road	All Monies received	Open Space	Council's Area	No	23/08/2006		£128,933.54	£128,933.54		£128,933.54	£0.00			
AG1123	Clipstone	Cavendish Way Persimmon	All monies received	Community Facilities	To Serve Occupants of Development	Yes	14/12/2018	13/12/2023	£16,216.61	£16,216.61		£0.00	£16,216.61		£16,216.61	
AG1123	Clipstone	Cavendish Way Persimmon	All Monies Received	Education	To Serve Occupants of Development	Yes	14/12/2018	13/12/2023	£252,010.00	£252,010.00		£0.00	£252,010.00		£252,010.00	
AG1123	Clipstone	Cavendish Way Persimmon	All monies received	Off Site Sport Contribution	Parish	Yes	14/12/2018	13/12/2023	£50,952.38	£50,952.38		£0.00	£50,952.38		£50,952.38	
AG1183A	Clipstone	Bluebell Wood Lane	Part monies	Affordable Housing	Parishes of Clipstone, Edwinstowe, Rainworth and Blidworth	Yes	31/01/2020	30/01/2030	£11,285.00	£11,285.00		£0.00	£11,285.00		£11,285.00	
AG1185	Clipstone	Klyppr Village	Part monies	Affordable Housing	Off site unrestricted	Yes	21/01/2020	20/01/2030	£159,815.00	£159,815.00		£0.00	£159,815.00		£159,815.00	
AG1185	Clipstone	Klyppr Village	Part monies	Amenity Green Space	Vicar Water Country Park	Yes	21/01/2020	20/01/2030	£39,128.00	£39,128.00		£0.00	£39,128.00		£39,128.00	
AG1185	Clipstone	Klyppr Village	Part monies	Children & Young Peoples Play Area	Vicar Water Country Park - Play Area	Yes	21/01/2020	20/01/2030	£19,077.00	£19,077.00		£0.00	£19,077.00		£19,077.00	
AG569A	Clipstone	Cavendish Park Clipstone	All Monies Received	Open Space	Site Specific	No	30/05/2007		£195,170.84	£195,170.84		£138,919.00	£56,251.84		£56,251.84	
AG833	Clipstone	Cavendish Way Retail Ventures	All Monies Received	Community Facilities	Not defined	Yes	16/05/2018	15/05/2023	£17,891.74	£17,891.74		£0.00	£17,891.74		£17,891.74	
AG833	Clipstone	Cavendish Way Retail Ventures	All Monies Received	Education	Not defined	Yes	16/05/2018	15/05/2023	£150,374.10	£150,374.10		£0.00	£150,374.10		£150,374.10	
AG833	Clipstone	Cavendish Way Retail Ventures	All monies received	Off Site Sport Contribution	Council's Area	Yes	16/05/2018	15/05/2023	£58,343.89	£58,343.89		£13,335.00	£45,008.89		£45,008.89	£6040 to NCC 5-9-19. £7295 paid to Clipstone Parish 12-19
AG833	Clipstone	Cavendish Way Taylor Wimpey	All Monies Received	Affordable Housing	Council's Area	Yes	03/07/2018	02/07/2023	£310,608.84	£310,608.84		£0.00	£310,608.84		£310,608.84	
AG833	Clipstone	Cavendish Way Taylor Wimpey	All Monies Received	Community Facilities	Not defined	Yes	03/07/2018	02/07/2023	£17,720.78	£17,720.78		£0.00	£17,720.78		£17,720.78	
AG833	Clipstone	Cavendish Way Taylor Wimpey	All Monies Received	Education	Not defined	Yes	03/07/2018	02/07/2023	£148,937.20	£148,937.20		£0.00	£148,937.20		£148,937.20	
AG833	Clipstone	Cavendish Way Taylor Wimpey	All monies received	Off Site Sport Contribution	Parish	Yes	03/07/2018	02/07/2023	£57,786.40	£57,786.40		£0.00	£57,786.40		£57,786.40	
AG833(b)	Clipstone	Cavendish Park Clipstone Land North of Cavendish Way Clipstone (South East site)	All Monies Received	Affordable Housing	Council's Area	Yes	11/01/2017	10/01/2022	£437,120.00	£437,120.00		£0.00	£437,120.00		£437,120.00	
AG842A	Clipstone	Land off Mansfield Road Clipstone former Clipstone Baths	All Monies Received	Open Space - Off Site Play Space	Parish	No	20/12/2010 & 04/05/2012		£85,790.80	£85,790.80		£64,579.83	£21,210.97	£21,210.97	£0.00	Urgency Item (Reported to 28-09-19 P&F Committee) commits monies to Vicar Water
AG939	Clipstone	Klyppr Village	All Monies Received	Affordable Housing	Parish	Yes	21/01/2020	20/01/2025	£49,924.42	£49,924.42		£0.00	£49,924.42		£49,924.42	
AG939	Clipstone	Klyppr Village	All Monies Received	Affordable Housing	Parish	Yes	21/01/2020	20/01/2025	£100,162.17	£100,162.17		£0.00	£100,162.17		£100,162.17	
AG939	Clipstone	Klyppr Village	All monies received	Community Facilities	Parish	Yes	21/01/2020	20/01/2025	£135,646.15	£135,646.15		£0.00	£135,646.15		£135,646.15	
AG939	Clipstone	Klyppr Village	All Monies Received	Education	Surrounding Area	Yes	21/01/2020	20/01/2025	£135,649.53	£135,649.53		£0.00	£135,649.53		£135,649.53	

Legal Ref	Parish	Location	Status	Contribution Type	Contribution Restricted/ Unrestricted	Time limit	Actual receipt date	Spend by date	Contribution Amount	Amount Received	Outstanding Amount	Amount spent to 31 Mar 2020	Balance to Spend	Funds Committed	Balance to Spend less Committed	Notes
AG939	Clipstone	Klyppr Village	All monies received	Integrated Transport	Site Specific	Yes	21/01/2020	20/01/2025	£97,441.92	£97,441.92		£0.00	£97,441.92		£97,441.92	
AG955	Clipstone	Land at Cavendish Way Clipstone	All Monies Received	Community Facilities	To Serve Occupants of Development	Yes	31/05/2018	30/05/2023	£14,556.34	£14,556.34		£0.00	£14,556.34		£14,556.34	
AG955	Clipstone	Land at Cavendish Way Clipstone	All Monies Received	Education	To Serve Occupants of Development	Yes	31/05/2018	30/05/2023	£117,880.95	£117,880.95		£0.00	£117,880.95		£117,880.95	
AG955	Clipstone	Land at Cavendish Way Clipstone	All Monies Received	Open Space - Off Site Sports Contribution	Parish	Yes	31/05/2018	30/05/2023	£45,736.10	£45,736.10		£0.00	£45,736.10		£45,736.10	
AG1006	Collingham	Braemer Farm	All Monies Received	Community Facilities	Parish	No	23/12/2019		£49,521.63	£49,521.63		£0.00	£49,521.63		£49,521.63	
AG1006	Collingham	Braemer Farm	All Monies Received	Community Facilities	Parish	No	16/03/2020		£56,596.15	£56,596.15		£0.00	£56,596.15		£56,596.15	
AG863	Collingham	Pitomy Farm, Low Street, Collingham, Newark	All Monies Received	Transport	Parish	Yes	15/01/2014	31/01/2022	£6,018.09	£6,018.09		£0.00	£6,018.09		£6,018.09	
AG863	Collingham	Pitomy Farm, Low Street, Collingham, Newark	All Monies Received	Community Facilities	Parish	Yes	26/11/2015	31/01/2022	£20,479.49	£20,479.49		£0.00	£20,479.49		£20,479.49	Side Agreement with Collingham Parish Council for transfer of monies
AG863a	Collingham	Pitomy Farm, Low Street, Collingham, Newark	All Monies Received	Transport	Parish	Yes	26/11/2015	31/01/2022	£12,356.31	£12,356.31		£0.00	£12,356.31		£12,356.31	
AG863b	Collingham	Pitomy Farm Collingham	All Monies Received	Community Facilities	Parish	Yes	01/02/2017	31/01/2022	£10,575.75	£10,575.75		£0.00	£10,575.75		£10,575.75	Side Agreement with Collingham Parish Council for transfer of monies
AG863b	Collingham	Pitomy Farm Collingham	All Monies Received	Transport	Parish	Yes	01/02/2017	31/01/2022	£6,381.23	£6,381.23		£0.00	£6,381.23		£6,381.23	
AG1035	Edwinstowe	Miners Welfare Institute	All Monies Received	Education	Parish	No	06/12/2019		£83,756.44	£83,756.44		£0.00	£83,756.44		£83,756.44	
AG961	Edwinstowe	Land off Rufford Avenue	All Monies Received	Education	Surrounding Area	Yes	02/11/2018	01/11/2023	£19,431.36	£19,431.36		£0.00	£19,431.36		£19,431.36	
AG961	Edwinstowe	Land off Rufford Avenue	All Monies Received	Libraries	Parish	Yes	02/11/2018	01/11/2023	£3,061.47	£3,061.47		£0.00	£3,061.47		£3,061.47	
AG961	Edwinstowe	Rufford Pastures	All Monies Received	Community Facilities	Parish	Yes	13/12/2019	12/12/2024	£45,724.40	£45,724.40		£0.00	£45,724.40		£45,724.40	Side Agreement with Edwinstowe Parish Council for transfer of monies
AG909b	Farnsfield	Ash Farm, Cockett Lane	All Monies Received	Community Facilities	Parish	Yes	28/09/2018	27/09/2023	£24,127.62	£24,127.62		£0.00	£24,127.62		£24,127.62	
AG975	Farnsfield	land adj to Broadlands	All Monies Received	Libraries	Parish	Yes	31/05/2019	30/05/2024	£2,020.65	£2,020.65		£0.00	£2,020.65		£2,020.65	
AG975	Farnsfield	land adj to Broadlands	All Monies Received	Integrated Transport	Parish Specific	Yes	31/05/2019	30/05/2024	£17,973.44	£17,973.44		£0.00	£17,973.44		£17,973.44	
AG975	Farnsfield	Land at Southwell Road	All Monies Received	Community Facilities	Parish Specific	Yes	12/08/2019	11/08/2024	£68,416.61	£68,416.61		£0.00	£68,416.61		£68,416.61	
AG975	Farnsfield	Land at Southwell Road	All Monies Received	Education	Parish Specific	Yes	12/08/2019	11/08/2024	£149,096.93	£149,096.93		£0.00	£149,096.93		£149,096.93	
AG975	Farnsfield	Land at Southwell Road	All Monies Received	Open Space - Childrens Play Area	Parish		12/08/2019		£102,983.39	£102,983.39		£0.00	£102,983.39		£102,983.39	
AG977	Farnsfield	The Ridgeway	All Monies Received	Community Facilities	Parish Specific	Yes	27/09/2018	26/09/2023	£77,531.47	£77,531.47		£0.00	£77,531.47		£77,531.47	
AG977	Farnsfield	The Ridgeway	All Monies Received	Education	St Michaels School	Yes	27/09/2018	26/09/2023	£162,900.86	£162,900.86		£0.00	£162,900.86		£162,900.86	
AG977	Farnsfield	The Ridgeway	All Monies Received	Libraries	Farnsfield Library	Yes	27/09/2018	26/09/2023	£2,541.17	£2,541.17		£0.00	£2,541.17		£2,541.17	
AG977	Farnsfield	The Ridgeway	All Monies Received	Open Space - Off Site Childrens Play Area	Not defined	Yes	27/09/2018	26/09/2023	£59,283.81	£59,283.81		£0.00	£59,283.81		£59,283.81	
AG977	Farnsfield	The Ridgeway	All Monies Received	Southwell Trail	Southwell Trail or other nearby right of way	Yes	27/09/2018	26/09/2023	£5,469.59	£5,469.59		£5,469.00	£0.59		£0.59	Paid to NCC
AG977	Farnsfield	The Ridgeway	All Monies Received	Transport	Closest proximity to the Site	Yes	27/09/2018	26/09/2023	£24,066.20	£24,066.20		£0.00	£24,066.20		£24,066.20	
AG1106	Fernwood	Land North and East of Fernwood	All Monies Received	Community Facilities	Parish Specific		23/01/2020	22/01/2025	£300,000.00	£300,000.00		£0.00	£300,000.00		£300,000.00	
AG1106	Fernwood	Land North and East of Fernwood	All Monies Received	Healthcare	Newark Urban Area (Newark, Balderton, Fernwood)	Yes	23/01/2020	22/01/2025	£300,000.00	£300,000.00		£0.00	£300,000.00		£300,000.00	
AG771b	Newark	Former Hoval Works	All Monies Received	Open Space - Recreation	Council's Area	Yes	07/11/2014	06/11/2019	£82,859.17	£82,859.17		£82,859.17	£0.00		£0.00	

Legal Ref	Parish	Location	Status	Contribution Type	Contribution Restricted/ Unrestricted	Time limit	Actual receipt date	Spend by date	Contribution Amount	Amount Received	Outstanding Amount	Amount spent to 31 Mar 2020	Balance to Spend	Funds Committed	Balance to Spend less Committed	Notes
AG921	Newark	Heaton Close	All Monies Received	Open Space - Playing Field		No	20/04/2017		£5,594.18	£5,594.18		£5,594.18	£0.00		£0.00	
AG1165	Newark	Newark Working Mens Club	All Monies Received	Affordable Housing	Off site unrestricted	No	02/05/2019		£4,840.04	£4,840.04		£0.00	£4,840.04		£4,840.04	
AG665	Newark	Newark Maltkin Lane,(Limes) Riverside Walk contribution	All Monies Received	Open Space - Riverside Walk or Newark Castle	Open Space - Riverside Walk or Newark Castle	No	01/07/2003		£100,000.00	£100,000.00		£83,290.00	£16,710.00		£16,710.00	
AG665	Newark	Newark Maltkin Lane (Limes)	All Monies Received	Transport	Newark Area	No	01/07/2003		£62,400.00	£62,400.00		£16,500.00	£45,900.00		£45,900.00	
AG873	Newark	Land North of Beacon Hill Road, Newark	All Monies Received	Transport	Not defined	Yes	28/11/2014	27/11/2019	£88,968.61	£88,968.61		£0.00	£88,968.61		£88,968.61	Committed by NCC
AG873	Newark	Land North of Beacon Hill Road, Newark	All Monies Received	Community Facilities	Not defined	Yes	31/03/2017	30/03/2022	£306,182.79	£306,182.79		£150,000.00	£156,182.79	£156,182.79	£0.00	Policy & Finance Committee 6-4-17 Approved for YMCA
AG967(a)	Newark	Sleaford Road, Newark	All Monies Received	Education	Parish	Yes	27/07/2017	27/07/2022	£130,127.87	£130,127.87		£0.00	£130,127.87		£130,127.87	
AG567	Ollerton & Boughton	Ollerton - Tesco - Ollerton Energy Village access	All Monies Received	Enhancements - Sherwood Drive	Not defined	Yes	10/10/2002	09/10/2007	£60,000.00	£60,000.00		£28,345.66	£31,654.34	Ollerton & Boughton Town Council have requested this money for street furniture	£31,654.34	
AG1161	Ollerton & Boughton	Petersmith Drive	All Monies Received	Education	Parish Specific	Yes	24/12/2019	23/12/2027	£366,560.00	£366,560.00		£0.00	£366,560.00		£366,560.00	
AG1161	Ollerton & Boughton	Petersmith Drive	All Monies Received	Health	Vicinity of the Site	Yes	24/12/2019	23/12/2027	£149,849.55	£149,849.55		£0.00	£149,849.55		£149,849.55	
AG1161	Ollerton & Boughton	Petersmith Drive	All Monies Received	Ollerton Roundabout	Ollerton Roundabout	Yes	24/12/2019	23/12/2027	£199,600.00	£199,600.00		£0.00	£199,600.00		£199,600.00	
AG884	Ollerton & Boughton	Sherwood Energy Village	All Monies Received	Open Space	Not defined	No	08/02/2012		£220,000.00	£220,000.00		£10,000.00	£210,000.00		£210,000.00	
AG924	Ollerton & Boughton	Wellow Road	All Monies Received	Community Facilities	Parish	Yes	04/09/2018	03/09/2023	£186,111.37	£186,111.37		£0.00	£186,111.37		£186,111.37	
AG924	Ollerton & Boughton	Wellow Road	All Monies Received	Health	Parish	Yes	04/09/2018	03/09/2023	£10,718.00	£10,718.00		£0.00	£10,718.00		£10,718.00	
AG924	Ollerton & Boughton	Wellow Road	All Monies Received	Open Space - Off Site Sports Contribution	Parish	Yes	04/09/2018	03/09/2023	£56,616.76	£56,616.76		£0.00	£56,616.76		£56,616.76	
AG924	Ollerton & Boughton	Wellow Road	All Monies Received	Open Space - Off Site Sports Contribution	Parish	Yes	05/11/2019	04/11/2024	£59,696.76	£59,696.76		£0.00	£59,696.76		£59,696.76	
AG924a	Ollerton & Boughton	Wellow Road	All Monies Received	Affordable Housing	Parish	Yes	07/09/2018	06/09/2025	£42,872.00	£42,872.00		£0.00	£42,872.00		£42,872.00	
AG937	Ollerton & Boughton	Land at Ollerton and Bevercotes Miners Welfare Whinney Lane Ollerton	All Monies Received	Community Facilities	Surrounding Area	No	15/01/2015		£103,928.00	£103,928.00		£0.00	£103,928.00		£103,928.00	
AG937	Ollerton & Boughton	Land at Ollerton and Bevercotes Miners Welfare Whinney Lane Ollerton	All Monies Received	Open Space - Football Pitch Provision	Surrounding Area	No	15/01/2015		£92,000.00	£92,000.00		£0.00	£92,000.00		£92,000.00	
AG937	Ollerton & Boughton	Land at Ollerton and Bevercotes Miners Welfare Whinney Lane Ollerton	All Monies Received	Open Space - Green Space	Surrounding Area	No	15/01/2015		£8,800.00	£8,800.00		£0.00	£8,800.00		£8,800.00	
AG937	Ollerton & Boughton	Miners Welfare	All Monies Received	Transport	Surrounding Area	No	15/01/2015		£21,280.00	£21,280.00		£0.00	£21,280.00		£21,280.00	
AG941 (AG 924)	Ollerton & Boughton	Wellow Road	All Monies Received	Open Space - Off Site Play Contribution	Vicinity of the Site	No	04/09/2018		£30,771.38	£30,771.38		£0.00	£30,771.38		£30,771.38	
AG1033	Ollerton & Boughton	Sherwood Energy Village	All Monies Received	Education					£138,265.29		£138,265.29	£0.00				
AG1033	Ollerton & Boughton	Sherwood Energy Village	All Monies Received	Libraries					£2,563.29		£2,563.29	£0.00				
AG1033	Ollerton & Boughton	Sherwood Energy Village	All Monies Received	Off Site Open Space Contribution					£65,463.82		£65,463.82	£0.00				
AG859	Rainworth	Land off Kirklington Road, Rainworth (Taylor Wimpey)	All Monies Received	Off & On site Open Space & Maintenance	Partly on site partly off site unrestricted	Yes	02/10/2012	01/10/2019	£16,064.61	£16,064.61		£0.00	£16,064.61		£16,064.61	

Legal Ref	Parish	Location	Status	Contribution Type	Contribution Restricted/ Unrestricted	Time limit	Actual receipt date	Spend by date	Contribution Amount	Amount Received	Outstanding Amount	Amount spent to 31 Mar 2020	Balance to Spend	Funds Committed	Balance to Spend less Committed	Notes
AG859	Rainworth	Land off Kirklington Road, Rainworth (Taylor Wimpey)	All Monies Received	On Site Play Space Maintenance	Site Specific	Yes	02/10/2012	01/10/2019	£41,813.25	£41,813.25		£33,065.45	£8,747.80		£8,747.80	
AG859	Rainworth	Land off Kirklington Road, Rainworth (Taylor Wimpey)	All Monies Received	Libraries	Vicinity of the Site	Yes	02/10/2012	01/10/2019	£9,363.00	£9,363.00		£9,363.00	£0.00		£0.00	
AG860	Rainworth	Land off Kirklington Road, Rainworth	All Monies Received	Transport	Vicinity of the Site	Yes	23/11/2012	22/11/2019	£25,552.50	£25,552.50		£21,496.20	£4,056.30		£4,056.30	21-11-19 £10,100 paid to NCC with Side Agreement
AG860	Rainworth	Land off Kirklington Road, Rainworth	All Monies Received	Libraries	Vicinity of the Site	Yes	23/11/2012	22/11/2019	£21,114.72	£21,114.72		£21,114.72	£0.00		£0.00	
AG860	Rainworth	Land off Kirklington Road, Rainworth	All Monies Received	Community Facilities	Vicinity of the Site	Yes	20/06/2012	19/06/2019	£126,566.55	£126,566.55		£126,566.55	£0.00		£0.00	
AG919a	Rainworth	Land off Warsop Lane	All Monies Received	Affordable Housing	Not defined	No	06/03/2019		£469,993.43	£469,993.43		£0.00	£469,993.43		£469,993.43	
AG919a	Rainworth	Land off Warsop Lane	All Monies Received	Community Facilities	Vicinity of the Site	Yes	06/03/2019	05/03/2024	£261,462.23	£261,462.23		£7,425.00	£254,037.23		£254,037.23	£3000 Rainworth Village Hall 21-11-19
AG919a	Rainworth	Land off Warsop Lane	All Monies Received	Off Site Sport Contribution	Parish	Yes	06/03/2019	05/03/2024	£274,064.46	£274,064.46		£29,735.00	£244,329.46		£244,329.46	£29,735 paid to Joseph Whitaker School for works undertaken, as agreed by Policy & Finance Committee 27-6-19
AG919a	Rainworth	Land off Warsop Lane	All Monies Received	SANGS	West of the District	Yes	06/03/2019	05/03/2024	£35,556.00	£35,556.00		£0.00	£35,556.00		£35,556.00	
AG919a	Rainworth	Land off Warsop Lane	All Monies Received	Maintenance Open Space	Site Specific				£219,905.21		£219,905.21	£0.00			£0.00	
AG966	Southwell	Nottingham Road Southwell	All Monies Received	Community Facilities	Southwell Leisure Centre	Yes	12/01/2017	11/01/2027	£42,853.38	£42,853.38		£0.00	£42,853.38	£42,853.38	£0.00	Policy & Finance Committee have agreed for these monies to contribute toward SLC improvements 29-11-19
AG973	Southwell	Rainbows, The Burgage, Southwell	All Monies Received	Open Space			18/04/2018	17/04/2023	£35,469.80	£35,469.80		£35,469.80	£0.00		£0.00	
AG973	Southwell	Rainbows, The Burgage, Southwell	All Monies Received	Community Facilities	Southwell Leisure Centre		16/04/2018	15/04/2023	£38,499.30	£38,499.30		£0.00	£38,499.30	£38,499.30	£0.00	Policy & Finance Committee have agreed for these monies to contribute toward SLC improvements 29-11-20
AG973	Southwell	Rainbows, The Burgage, Southwell	All Monies Received	Education	Parish Specific	Yes	16/04/2018	15/04/2023	£68,638.36	£68,638.36		£0.00	£68,638.36		£68,638.36	
AG1108	Sutton on Trent	Rear of Hemplands	All Monies Received	Libraries	Sutton on Trent Library	Yes	29/11/2019	28/11/2027	£2,377.00	£2,377.00		£0.00	£2,377.00		£2,377.00	
AG1108	Sutton on Trent	Rear of Hemplands	All Monies Received	Traffic Reg order	Site Specific	No	29/11/2019		£6,000.00	£6,000.00		£0.00	£6,000.00		£6,000.00	
AG1108A	Sutton on Trent	Rear of Hemplands	All Monies Received	Open Space	Vicinity of the Site	No	29/11/2019		£4,095.00	£4,095.00		£0.00	£4,095.00		£4,095.00	
									£8,935,402.83	£8,501,832.77	£433,570.06	£1,063,032.85	£7,438,799.92	£263,746.44	£7,175,053.48	

Legal ref	Location	Development	Status	Specified Use	Contribution Amount	Received to date	Amount Outstanding	Notes
AG1175	Bulcote	Burton Joyce Car Centre, Old Main Road	Trigger not hit	Affordable Housing	£139,958.00		£139,958.00	
AG1175	Bulcote	Burton Joyce Car Centre, Old Main Road	Trigger not hit	Community Facilities	£59,151.01		£59,151.01	
AG1185	Clipstone	Klyppr Village	1st trigger met	Affordable Housing	£319,630.00	£159,815.00	£159,815.00	
AG1185	Clipstone	Klyppr Village	Trigger not hit	Community Facilities	£98,269.00		£98,269.00	
AG1185	Clipstone	Klyppr Village	1st trigger met	Children & Young People	£38,154.00	£19,077.00	£19,077.00	
AG1185	Clipstone	Klyppr Village	1st trigger met	Education	£160,370.00		£160,370.00	
AG1185	Clipstone	Klyppr Village	1st trigger met	Transport	£32,000.00		£32,000.00	
AG1183a	Clipstone	Land at Cavendish Way Clipstone	1st trigger met	Affordable Housing	£41,216.00	£11,285.00	£29,931.00	
AG1183a	Clipstone	Land at Cavendish Way Clipstone	1st trigger met	Community Facilities	£16,666.50		£16,666.50	
AG1183a	Clipstone	Land at Cavendish Way Clipstone	1st trigger met	Education	£68,730.00		£68,730.00	
AG1183a	Clipstone	Land at Cavendish Way Clipstone	1st trigger met	Libraries	£1,378.80		£1,378.80	
AG1183a	Clipstone	Land at Cavendish Way Clipstone	1st trigger met	Open Space - Off Site Sports	£14,285.70		£14,285.70	
AG1183b	Clipstone	Land at Cavendish Way Clipstone	1st trigger met	Affordable Housing	£176,459.80		£176,459.80	
AG1183b	Clipstone	Land at Cavendish Way Clipstone	1st trigger met	Community Facilities	£62,121.86		£62,121.86	
AG1183b	Clipstone	Land at Cavendish Way Clipstone	1st trigger met	Education	£272,979.42		£272,979.42	
AG1183b	Clipstone	Land at Cavendish Way Clipstone	1st trigger met	Libraries	£5,139.27		£5,139.27	
AG1183b	Clipstone	Land at Cavendish Way Clipstone	1st trigger met	Open Space - Off Site Sports	£53,247.79		£53,247.79	
AG1006	Collingham	Braemer Farm	1st trigger met	Community Facilities	£5,906.25		£5,906.25	for extra 5 dwellings
AG961	Edwinstowe	Land off Rufford Avenue	1st trigger met	Community Facilities	£39,571.88		£39,571.88	
AG961	Edwinstowe	Land off Rufford Avenue	1st trigger met	Education	£171,825.00	£19,431.36	£154,642.50	Invoice for £178,685.86 issued 20/4/20
AG961	Edwinstowe	Land off Rufford Avenue	1st trigger met	Affordable Housing	£34,134.00		£34,134.00	
AG1034	Edwinstowe	Edwinstowe House, High Street	1st trigger met	Education	£80,185.00		£80,185.00	
AG1034	Edwinstowe	Edwinstowe House, High Street	1st trigger met	Community Facilities	£40,162.50		£40,162.50	
AG1034	Edwinstowe	Edwinstowe House, High Street	1st trigger met	Open Space - Childrens play Space	£30,709.48		£30,709.48	
AG1034	Edwinstowe	Edwinstowe House, High Street	1st trigger met	Open space - Amenity Open Space	£9,365.98		£9,365.98	
AG1180	Edwinstowe	Former Thoresby Colliery	1st trigger met	Children & Young People	£50,000.00		£50,000.00	
AG1180	Edwinstowe	Former Thoresby Colliery	1st trigger met	Community Facilities	£607,256.00		£607,256.00	
AG1180	Edwinstowe	Former Thoresby Colliery	1st trigger met	Healthcare	£786,096.00		£786,096.00	
AG1180	Edwinstowe	Former Thoresby Colliery	1st trigger met	Open Space - Sports Pitch	£590,176.00		£590,176.00	
AG1106	Fernwood	Land North & East of Fernwood	1st trigger met	Community Facilities	£1,453,273.50	£300,000.00	£1,153,273.50	
AG1106	Fernwood	Land North & East of Fernwood	1st trigger met	Healthcare	£1,031,751.00	£300,000.00	£731,751.00	

AG885 & 947	Newark	Land South of Newark, Bowbridge Lane, Balderton	1st trigger met	Country Park Maintenance Contribution	£750,000.00	£0.00	£750,000.00	If Max of 3150 dwellings built
AG885 & 947	Newark	Land South of Newark, Bowbridge Lane, Balderton	1st trigger met	Eastern Park Maintenance Contribution	£375,000.00	£0.00	£375,000.00	If Max of 3150 dwellings built
AG885 & 949	Newark	Land South of Newark, Bowbridge Lane, Balderton	1st trigger met	Western Park Maintenance Contribution	£1,350,000.00	£0.00	£1,350,000.00	If Max of 3150 dwellings built
AG885 & 947	Newark	Land South of Newark, Bowbridge Lane, Balderton	1st trigger met	Education Contribution	£1,203,000.00	£0.00	£1,203,000.00	If Max of 3150 dwellings built
AG885 & 947	Newark	Land South of Newark, Bowbridge Lane, Balderton	1st trigger met	Library Contribution	£121,968.00	£0.00	£121,968.00	If Max of 3150 dwellings built
AG885 & 947	Newark	Land South of Newark, Bowbridge Lane, Balderton	1st trigger met	Off Site Sports Contribution	£2,248,155.00	£0.00	£2,248,155.00	If Max of 3150 dwellings built
AG885 & 947	Newark	Land South of Newark, Bowbridge Lane, Balderton	1st trigger met	Southern Link Road Contribution	£2,500,000.00	£0.00	£2,500,000.00	
AG885 & 947	Newark	Land South of Newark, Bowbridge Lane, Balderton	1st trigger met	Travel Plan Monitoring contribution	£45,000.00	£0.00	£45,000.00	
AG1182	Newark	Site of the Bearings, Bowbridge Road	1st trigger met	Education	£148,915.00		£148,915.00	
AG924	Ollerton	Wellow Road	1st trigger met	On Site play space maintenance	£188,155.59		£188,155.59	
AG1161	Ollerton	Land North of Petersmith Drive	1st trigger met	Healthcare	£299,699.10	£149,849.55	£149,849.55	
AG1161	Ollerton	Land North of Petersmith Drive	1st trigger met	Education	£733,120.00	£366,560.00	£366,560.00	
AG919a	Rainworth	Land off Warsop Lane	See Notes	Maintenance of Open Space	185,542.70	0.00	£185,542.70	Subject to ongoing negotiations
AG1102	South Scarle	Redmay Industrial Est	Trigger not hit	Affordable Housing	52,000.00	0.00	£52,000.00	
AG1116	Southwell	Land Off Allenby Road (Halam Road)	Trigger not hit	Community Facilities	£92,732.69	£0.00	£92,732.69	
AG1116	Southwell	Land Off Allenby Road (Halam Road)	Trigger not hit	Education	£161,202.00	£0.00	£161,202.00	
AG1116	Southwell	Land Off Allenby Road (Halam Road)	Trigger not hit	Children & Young People	£62,126.42	£0.00	£62,126.42	
AG1116	Southwell	Land Off Allenby Road (Halam Road)	Trigger not hit	Open Space contr	£18,956.98	£0.00	£18,956.98	
AG1101	Southwell	Springfield Bungalow, Nottingham Road	Trigger not hit	Community Facilities	£50,809.50	£0.00	£50,809.50	
AG1101	Southwell	Springfield Bungalow, Nottingham Road	Trigger not hit	Education	£91,640.00	£0.00	£91,640.00	
AG1101	Southwell	Springfield Bungalow, Nottingham Road	Trigger not hit	Highways	£32,000.00	£0.00	£32,000.00	
AG1108	Sutton on Trent	Rear of Hemplands	Trigger not hit	Community Facilities	£236,000.00	£0.00	£236,000.00	
AG1108	Sutton on Trent	Rear of Hemplands	Trigger not hit	Footpath contribution	£5,000.00	£0.00	£5,000.00	
					£17,441,192.72	£1,326,017.91	£16,117,423.67	

Parish	Development	Planning app	Paid	Amount	Surcharge	Monies Still to Pay	Notes
Bleasby	Studio M, Station Road	18/01030/FUL	05/04/2019	£137.41			
Carlton on Trent	Park Farm, Main Street	17/00959/FUL	03/12/2019	£12,024.00			
Clipstone	Co-op, Cavendish Way	19/00490/FUL	20/03/2020	£51,000.00			
Farnsfield NP	Land Off The Ridgeway/Milldale Road	17/01055/RMAM	16/05/2019	£113,048.50			Final instalment (£339,146.33 paid in 2018/19)
Fernwood NP	North Fernwood Phase 1	18/00526/RMAM	25/10/2019	£502,027.47			
Fernwood NP	Balderton Hydro Pool	18/00953/FUL	17/10/2019	£17,715.11			
Fernwood NP	Newlands, Balderton Hospital	18/02304/FUL	10/07/2019	£19,247.70			
Harby	Land Adjacent to Janandra, Station Road	17/02215/RMA	04/06/2019	£15,435.00			
Morton	The Orchard, Middle Lane	18/02146/UFL	07/05/2019	£1,009.29			
Newark	1 Nursery Court	14/00353/FUL	05/03/2020	£2,480.32			
Newark	The Cardinals Hat	17/01248/FUL	18/09/2019	£2,117.05	£473.41		
Newark	Top Row, Newark	18/00710/FUL phase 2b	05/11/2019	£1,000.00			
Newark	Robin Hood	18/01020/FULM	15/01/2020	£22,375.00			
North Muskham	Burger King, Great North Road	18/02153/FUL	06/01/2020	£14,768.81			
North Muskham	Land at Main Street, North Muskham	18/00597/FULM	06/09/2019	£19,677.76			
South Scarle	Redmay Industrial Estate	17/01846/FUL	07/06/2019	£80,221.91			
South Scarle	Roza, Swinderby Road	18/01497/FUL	14/02/2020	£5,825.01			
Southwell NP	Springfield Bungalow	15/01295/FULM	29/05/2019	£320,191.36	£2,500.00		
Southwell NP	Land Off Allenby Road, Southwell	18/01645/RMAM	12/06/2019	£498,825.71			
Sutton on Trent	Land to the Rear of 9-18 Housfield Way	14/00161/FULM	28/06/2019	£290,739.75			
Sutton on Trent	Ingram Lane	15/00501/FULM	21/01/2020	£22,239.68			
Sutton on Trent	Land next to Lunaris	17/00029/FUL	09/07/2019	£6,541.20			
				£2,018,648.04	£2,973.41		

NP indicates Neighbourhood Plan in place

Appendix D - Current Governance Arrangements

The current governance arrangements for dealing with developer contributions are spread amongst various elements of the Council. The chart below sets this out from a 'system' perspective; that is to say from the point of foundation of the requirement to spend.

Stage	Decision Making Body/Officer responsible
<p>Policy Production Preparation of the LDF and the CIL require the development of an evidence base to support decision making around policy generation and levy setting. This includes an assessment of infrastructure requirements and a viability test of costs.</p>	<p>Economic Development Committee approves a timetable for policy production. Detailed supervision overseen by: Local Development Framework Task Group – members from Policy & Finance (1), Planning (3) Economic Development (3) and Homes & Communities (2) Committees.</p>
<p>Policy Submission and Adoption Following public consultation the LDF/CIL is submitted for independent examination by the Planning Inspectorate before it is adopted by the Council.</p>	<p>Full Council approves submission for examination. LDF documents (Amended Core Strategy, Allocations Document) which constitute the Development Plan are reserved by 2012 Regulations as ones which must be approved by Full Council. CIL is a matter for Economic Development under the constitution but on both occasions Full Council has approved submission and adoption of the Levy – this was because originally the Constitution was silent on CIL and members and officers felt the impact would be District wide.</p>
<p>Developer Contributions & Planning Obligations SPD Contains detailed requirements for contributions from developers to support new infrastructure.</p> <p>Both District and County lead professional officers make recommendations on appropriate standards based on Council strategies, regulation and national professional standards etc.</p>	<p>Economic Development Committee approves draft document for consultation and final adoption. Detailed supervision overseen by LDF Task Group</p>
<p>Consideration of Planning Application Application submitted to LPA for consideration. Consideration of size and nature of proposed contributions to be provided – including consultation with internal/external infrastructure providers.</p>	<p>Applications are determined by the Business Manager – Planning Development under Scheme of Delegation however most applications which require a Section 106 agreement are determined by Planning Committee. The Director has specific powers under the constitution to enter into</p>

<p>Contributions secured through a Section 106 Agreement</p>	<p>Section 106 Agreements - normally draft Section 106 Agreement information is presented as part of application reports that are considered by Planning Committee.</p> <p>CIL payments calculated by case officer. Finalised figure sent out on the Decision Notice – signed off by Business Manager/or Senior Planner</p>
<p>Collection of Contributions</p> <p>Collection of CIL Monies</p> <p>Collection of Section 106 Contributions</p>	<p>Undertaken by the Section 106/Infrastructure Officer</p> <p>Invoice on commencement of development pay within 90 days of commencement up to a value of £50K (over £50k an instalment or policy allows a series of payment based on value).</p> <p>Invoice send at each ‘trigger point’ when contributions need to be made.</p>
<p>Decision Making on spend</p> <p>CIL contributions must be spend against the agreed Regulation 123 List.</p>	<p>Council projects would be treated like any other capital scheme included in the Budget approved by Full Council and managed in detail by Policy & Finance Committee</p> <p>Providing contributions to the County Council would be agreed by Policy & Finance Committee.</p>
<p>Section 106 spending</p> <p>Contributions on site (normally open space and affordable housing) are monitored by the relevant officers to ensure compliance with the agreement and if taken on by the Council inspected before adoption.</p> <p>Offsite contributions in some cases may include within the agreement a tightly defined end use (e.g. to be used in the park next to the development or the village sports ground) others refer to the local area (e.g. parks in Newark) whilst some are only district specific (e.g. parks in Newark & Sherwood). This is particularly the case with Affordable Housing because spending</p>	<p>If the contribution is specified in the agreement then any monies for external organisations will be transferred to the relevant organisation upon request – in the case of the County Council they are normally signatories to such agreements. In the case of Parish Councils a side agreement is made between us. If the monies are not specified in the agreement and not to be spent by the District Council then the transfer of the monies must be approved by Policy & Finance Committee.</p> <p>Internally an officer Developer Contributions Meeting – including representatives from Planning Development, Planning Policy &</p>

<p>the monies within the area may not be possible because of a lack of a site in which to spend it.</p>	<p>Infrastructure, Finance and the various internal service providers - monitors Section 106 Contributions. There are a series of thresholds for consideration;</p> <ul style="list-style-type: none">- Under £15,000 the contribution become part of a service area's revenue budget (e.g. small scale improvements to a park)- £15,000 up to £50,000 monies can be spent in line with the agreement and any scheme goes in the capital programme and gains its usual approval through the Committee System.- £50,000 and above – needs the specific approval of Policy & Finance Committee for spend of the Section 106 monies on the proposed project.
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POLICY & FINANCE COMMITTEE

25 JUNE 2020

NATIONAL CIVIL WAR CENTRE ADMISSION POLICY POST COVID-19 LOCKDOWN

1.0 Purpose of Report

1.1 To propose an amendment to the Admission Policy for the NCWC as part of the recovery plan following the COVID-19 lockdown.

2.0 Background Information

2.1 The COVID-19 crisis is having and will continue to have a significant impact on the local community. The most vulnerable are likely to be shielded for a significant period, with little opportunity for social interaction, whilst many other local residents will be experiencing financial difficulties through job loss, furlough or loss of business and many more will be struggling with mental health issues as a result of the lockdown.

2.2 Lockdown has also had a major impact on both the high street and on tourism and the visitor economy nationally and businesses will now need to adapt and provide a safe, welcoming environment to encourage residents (short term) and tourists (medium to long term) to return. It will be vital to drive footfall to the town to begin the process of unlocking the local and visitor economy.

2.3 There is a great opportunity for culture to play a role in re-building our local communities and the town centre. The DCMS's 2016 Culture White Paper demonstrates the value of culture in three ways:

- intrinsic value, positively impacting personal well-being and life-satisfaction
- social value, measured in improved clinical outcomes for health and wellbeing, improved educational attainment and increased community cohesion leading to safer, stronger communities
- Economic value, measured through tourism and the visitor economy

<https://www.gov.uk/government/publications/culture-white-paper>

Therefore it can be demonstrated that the value of NCWC and indeed the whole Heritage & Culture Business Unit, including the theatre and Newark Castle, is best seen in the context of improved outcomes for residents of Newark & Sherwood – supporting community plan objectives of enhanced, sustainable town centres, rebuilding the visitor economy, improved health and mental well-being, increased participation and removing barriers to social mobility.

2.4 Emerging data from an audience research report on NCWC suggests that a disproportionate number of visitors are from the least deprived areas. The report further highlights that the admission fee is perceived by some to be a barrier to entry. At least 50% of visitors are tourists, however it is likely that footfall from this group will be reduced until the tourism industry has begun to recover from the impact of COVID-19, therefore it is important to encourage local, repeat footfall in the short term, generating positive PR and word of mouth for the centre.

During the period of closure, the Heritage & Culture Business Unit has re-shaped its service delivery to focus on remote and digital engagement and participation, developing resources linked to the school curriculum and offering a variety of activities, targeting and increasing different audiences, including:

- Educational resources working in partnership with local schools
- Home-learning support for families
- Projects and activities linked to improving mental health and well-being
- Content for under-5s to support working parents
- Participatory activities for older and isolated people
- Participatory activities for people with disabilities, working in particular with My Sight and Autism group

Just last month, learning and participation-focussed social media posts reached 50,000 people, and the website pages were accessed over 2000 times.

In addition to the work being created by the team, they have sought out and published online cultural content such as live streaming of shows and plays and are working in collaboration with others such as Nottingham Castle. They have encouraged participation through two key projects – Knit a Battlefield and Patchwork Palace, both of which will lead to a display of work co-created by the local community, and are consulting with schools to understand how to monetise a digital schools offer.

There is now a unique opportunity to utilise this increased digital participation to encourage new visitors to the NCWC.

3.0 Proposals

- 3.1 In preparing to re-open, it has become clear that COVID-secure measures will have an impact on the NCWC offer. Entry will be limited to a fixed number at periods throughout the day, and visitors will be expected to follow a pre-determined route through the museum to avoid cross-over which would not comply with social distancing. Aspects of the Centre will need alteration – from closure of the cinema and top floor galleries and removal of the dressing up area, to removal of interactives.
- 3.2 Further, although this is unknown at present, it is possible that the demographic of people most likely to visit may change from older couples and grandparents with children. New audiences may include families struggling to entertain children who have not returned to a school or kids' club setting, or young couples who would perhaps usually travel or holiday abroad or spend their leisure time on activities that may still be restricted (gigs and festivals for example). These new audiences may require a different approach to encourage them to visit. Some of these potential new audiences may also be experiencing financial difficulties from the impact of COVID-19, and many are likely to be experiencing mental health and well-being difficulties.
- 3.3 Therefore, to support and encourage as wide a range of N&S residents as possible to visit the NCWC and engage with a positive, cultural experience in a safe, controlled environment, whilst acknowledging the limitations of this revised offer, it is proposed to remove the admission fee for residents and introduce a reduced admission fee for external (tourism) visitors. This policy would be in place until the end of August 2020, in alignment with other chargeable council assets such as car parks.

- 3.4 Encouraging residents to visit the NCWC will bring footfall to the town centre and will support efforts to restart the local economy, whilst helping to ensure that visitors are spread more widely across the town by providing key facilities. A vibrant, well-visited museum will support future income generation in other parts of the business unit such as the café and paid-for activity such as tours, workshops and commercial hire. In the longer term it will also support the rebuilding of the visitor economy, particularly as it is known that many overnight visitors to the town stay with residents, meaning that a positive reputation amongst the local community is essential.
- 3.5 Across the country, heritage and cultural institutions are struggling to survive the COVID-19 lockdown and some may be unable to re-open due to lack of funding. It is unknown at this stage what the national cultural picture is likely to be, so it is more important than ever to widen our local audience base and offer a local cultural service with plenty of potential for repeat visits and future income generation.

4.0 Equalities Implications

- 4.1 Removal of the admission price will ensure that all residents have equal access to the cultural services being provided by their local authority and may encourage those residents who previously felt intimidated or indeed alienated by the subject matter to drop in and sample it for themselves. With the impact of COVID-19 being felt across all demographics, it is important to offer cultural outlets to support mental health and well-being, continue to support family learning, particularly for those in deprived areas who may have struggled with a technological solution through lockdown and welcome and encourage the community as they explore the 'new normal'.
- 4.2 It is acknowledged that free entry in itself will not solve the socio-demographic divide in the museum's visitors, but can be used with targeted marketing to encourage and support access.

5.0 Financial Implications (FIN20-21/417)

- 5.1 Overall, COVID-19 and the lockdown will have an impact on the income generation potential for 2020/21, which is in part being mitigated through staff furlough and limiting expenditure to essential costs. The Annual admission income is approx. £70,000 – with around 50% of that figure being tourist trade. Key to the business unit's future recovery in the short to medium term is in positive word of mouth and repeat visits from within the district and this is best achieved in these unprecedented times by encouraging as many people as possible to take their first steps back to normality within our walls. Dependent on the continued relaxation of lockdown it may be possible to improve the income position this year through the re-opening of the café and eventually offering additional, paid-for activities such as workshops, tours and the reinstatement of commercial hire, which will only be possible if footfall is already well-established within the museum.
- 5.2 The proposed two month period of free entry as at paragraph 3.3 would mean a loss of income equating to £5,833.

6.0 Community Plan – Alignment to Objectives

This amendment supports community plan objectives: enhanced, sustainable town centres, rebuilding the visitor economy, improved health and mental well-being, increased participation, and removing barriers to social mobility.

7.0 RECOMMENDATIONS that:

- (a) the NCWC offers free admission to residents for a maximum two month period (covering July and August 2020) to support the rebuilding of our local community, increase footfall to the town in a controlled manner to support the local economy and to offer cultural services which are proven to be of benefit in supporting residents' mental health and well-being;**
- (b) the NCWC offers a reduced admission price to external (tourism) visitors which reflects the reduced and altered offer whilst still providing a valuable visit and supports the longer term rebuilding of the visitor economy; and**
- (c) a further report be brought to the Economic Development Committee in due course relating to the findings from the Audience Research report and the measured outcomes of this policy change through the summer, to support strategic future planning for the sustainable delivery of Heritage and Cultural services.**

Reason for Recommendations

To support the recovery of the Heritage and Culture business unit by encouraging footfall and new audiences and to support recovery of the Town Centre economy and tourism.

Background Papers

Nil.

For further information please contact Carys Coulton-Jones on 01636 655773

Matthew Finch
Director - Communities & Environment

POLICY & FINANCE COMMITTEE

25 JUNE 2020

NEWARK & SHERWOOD DISTRICT COUNCIL'S COVID-19 RESPONSE TO DATE

1.0 Purpose of Report

1.1 This report includes:

- An overview of the impact of Covid-19 on Newark & Sherwood District Council's (the Council) services to date,
- A summary of how the Council has responded to the challenge of Covid-19 by working differently to continue to deliver for its residents, businesses and communities; and
- An outline of how the Council may adapt as a result of Covid-19.

1.2 The report will be divided into five sections.

Section One: Emergency Planning (3.0, Pg.3)

Overview of the Council's emergency planning

Section Two: Maintaining Existing Services (4.0, Pg.3)

Considering how Covid-19 has impacted services and how they have adapted

Section Three: Launching New Services (5.0, Pg.7)

A summary of additional work the Council has delivered during this time

Section Four: Workforce Adaptation (6.0, Pg.10)

A look at the support that has been available to Council staff

Section Five: The New Normal (7.0, Pg.12)

A high level summary of the plan for transitioning out of Covid-19

2.0 Background Information

2.1 The diagram below gives a summary timeline of Covid-19 and the key impacts on Newark & Sherwood:

January 2020	<ul style="list-style-type: none"> •The first cases of Covid-19 in China and Asia
30 January 2020	<ul style="list-style-type: none"> •The outbreak was declared a Public Health Emergency of International Concern
February 2020	<ul style="list-style-type: none"> •Nottinghamshire LRF commence preparations for a pandemic
4 March 2020	<ul style="list-style-type: none"> •The Council stood up their Covid-19 emergency planning teams •NSDC's Bronze, Silver & Gold teams met at least weekly
11 March 2020	<ul style="list-style-type: none"> •World Health Organisation characterizes Covid-19 as a pandemic
16 March 2020	<ul style="list-style-type: none"> •Social distancing measures put in place nationally
17 March 2020	<ul style="list-style-type: none"> •Leisure centres, NCWC and Palace Theatre closed
18 March 2020	<ul style="list-style-type: none"> •Announcement of measures to assist businesses and employees through the Covid-19 crisis including furlough scheme
20 March 2020	<ul style="list-style-type: none"> •The Council create the 'HART' team to help the district's residents through the pandemic
23 March 2020	<ul style="list-style-type: none"> •20:30 Commencement of nation wide lockdown
24 March 2020	<ul style="list-style-type: none"> •Nottinghamshire recycling centres (tips) are closed
25 March 2020	<ul style="list-style-type: none"> •Nottinghamshire community support and volunteering hub contact number goes live •The Council commence new working arrangements with the majority of staff moving to working from home
26 March 2020	<ul style="list-style-type: none"> •Commence Council Tax reductions of £150 for all households of working age in receipt of Local Council Tax Support
31 March 2020	<ul style="list-style-type: none"> •First virtual Committee
April 2020	<ul style="list-style-type: none"> •40 members of staff furloughed •All Committees except Planning and P&F stood down
21 April 2020	<ul style="list-style-type: none"> •First Recovery Group meeting •Testing for key workers opened up to Council staff
28 April 2020	<ul style="list-style-type: none"> •NSDC is 9th (top 3% in England) in speed of business grant payments
May 2020	<ul style="list-style-type: none"> •The Council start to develop safe ways of working for entering properties/ interacting with customers
18 May 2020	<ul style="list-style-type: none"> •Nottinghamshire Recycling Centres (tips) reopen
1 June 2020	<ul style="list-style-type: none"> •The public can exercise more than once a day •The public can be outside with up to 5 others from different households still abiding by social distancing rules •Open air markets and schools reopened with reduced capacity
15 June 2020	<ul style="list-style-type: none"> •Non-essential retail set to reopen

3.0 Emergency Planning

3.1 This section will provide an overview of the Council's emergency planning process in relation to responding to the Covid-19 emergency. The Covid-19 landscape has been changing rapidly, as such the statistical data about the virus itself has not been summarised in this report. However, throughout the pandemic the Council has used official data, analysis and guidance to inform its actions. Sources have included;

- The [number](#) of coronavirus cases and associated deaths (nationally and by local authority) provided by Public Health England through central government,
- Government [guidance](#) for local government, and
- Coronavirus [data and analysis](#) from the Office for National Statistics (ONS). The effect of age, ethnicity, occupation, and deprivation on Covid-related deaths has been observed in the national statistics.

3.2 The Council has [emergency plans](#) in place at all times. In fact, these had been actioned just prior to the pandemic as part of the Council's response to flooding both in late 2019 and early 2020.

3.3 As part of its emergency planning and response, the Council (and all Nottingham and Nottinghamshire local authorities) works as part of the Nottinghamshire Local Resilience Forum ([LRF](#)). The aim of the LRF is *"to establish and maintain effective multi-agency arrangements to respond to major emergencies, to minimise the impact of those emergencies on the public, property and environment of Nottingham and Nottinghamshire, and to satisfy fully the requirements of the Civil Contingencies Act."*

3.4 Strategic responsibility for emergency planning at the Council sits with the Director of Communities and Environment. The Council also employs a dedicated Emergency Planning (and CCTV) Officer. Business continuity plans are held by each Business Manager. During emergency response and recovery many more Council staff become involved.

3.5 Throughout the pandemic the LRF has convened more than 15 groups at strategic, tactical and operational levels to agree coordinated actions. The Council has contributed to the majority of these groups. The frequency with which these groups meet depends on the stage of the emergency response varying from daily up to weekly. More than 20 Council staff have contributed regularly to these groups – and a system of deputies is in place.

3.6 During emergency response the Council mirrors some elements of the LRF system of governance. The Council have Gold (SLT), Silver (core organisational leads) and bronze (all organisational leads) groups attended by different officers. These groups provide a framework for the cascade of information from the LRF and for operational decisions to be taken or escalated as necessary.

4.0 Maintaining Existing Services

4.1 This section will summarise how Council services have been impacted by Covid-19 and how these services have adapted to continue to deliver.

4.2 **Building Closures**

Initially the Council made provision for social distancing across its sites. However, following guidance from Government, the Council enacted a series of closures to the public.

Site	Location	Closure Date
Palace Theatre	Newark	18.03.20
National Civil War Centre	Newark	18.03.20
A4T Leisure Centres (incl. Southwell LC)	Across the District	18.03.20
Community Centres	Across the District	18.03.20
All Play Parks	Across the District	25.03.20
Castle House	Newark	25.03.20
Hawtonville Local Office	Newark	25.03.20
Ollerton Local Office	Ollerton	25.03.20
Ollerton Advice and Jobs Centre	Ollerton	25.03.20
Southwell Advice Centre	Southwell	25.03.20
The Buttermarket	Newark	25.03.20
Sherwood Forest Arts and Crafts Centre	Edwinstowe	25.03.20
Newark Beacon Business Centre	Newark	25.03.20
Newark Castle and Gardens	Newark	01.04.20

At the time of writing, all sites remain closed to the public. All Active4Today memberships were automatically frozen free of charge. Although physical sites are not open to the public in many instances services have been delivered differently. Active4Today has continued to provide interactive exercise opportunities via social media, while the National Civil War Centre has prepared and shared a range of resources online. Many services have moved online and our essential services such as customer services, CCTV, housing customer services and Careline have continued to deliver to the same standard.

4.3 **Homeworking**

England went into lockdown on the evening of Monday, 23 March and by Wednesday, 25 March the Council was able to transition the majority of its staff to homeworking. Council buildings were closed to the public and staff who could work from home with only the minority of staff, around 7%, coming into an office to provide an essential service. Initially, homeworking was only enabled by the introduction of a shift pattern for staff to reduce pressure on the Council's secure network with staff either working 7am to 1pm or 1pm to 7pm, with additional hours worked outside these shifts where necessary. The Council's ICT team were able to increase the bandwidth provision and procure additional homeworking licences allowing for the removal of shift patterns from 22 April. After this date staff predominantly returned to their usual working patterns considering unique commitments such as child care. Access to Council offices has been restricted for elected members as well as officers to ensure safety and to align with government guidance regarding home working.

To maintain a sense of team and ensure that staff working differently felt valued, photos of staff in their home working environments have been shared on social media. Some of the teams recognised so far have included colleagues in Revenues and Benefits, ICT and the housing responsive repairs. Residents have supported staff by commenting saying well done and the posts have been particularly popular.

4.4 **Responsive Repairs**

From 26 March 2020 housing repairs were adapted due to the pandemic. To comply with guidelines only emergency repairs were carried out inside tenants' homes. All communal and external works were carried out as normal using Covid-19 safe ways of working. Lettings were also affected and thus changes in the number of applications were observed.

4.5 **Supported Housing**

In addition to the closures listed above, both Gladstone House and Vale View, in Newark, which provide supported housing accommodation for those in retirement, closed communal areas on 17 March. The Truly Beauty hairdressing salon at Gladstone House was also closed at this time and staff redeployed to additional cleaning. Residents have been supported in their self-isolation throughout this period and the food service has continued with adapted delivery to residents.

4.6 **Homelessness Provision**

The Council urgently procured accommodation for rough sleepers following the lockdown announcement and in response to the strategy set out in the 26 March letter from the Minister for Local Government and Homelessness.

4.7 **Council Tax**

The Council rolled out a scheme for an additional Council tax reduction of £150 for all households of working age that are already in receipt of Local Council Tax Support. This reduction is automatically applied for those residents who qualify, and the Council have begun to issue new bills for the 3,700 plus households who qualify.

4.8 **Recycling and Waste**

4.8.1 On 15 March social distancing regulations were enforced across England and ways of working were reviewed to ensure that social distancing was enabled. The delivery of the waste and recycling service involves three members of staff within one vehicle 'cab' breaching the 2 metre rule. It was established that this was not a safe way of working for our staff and on 27 March the recycling (silver bin) and garden (brown bin) collections were temporarily ceased. This pause was to enable social distancing in the cab as each truck was able to be run with one driver and one operative. During this temporary reduction in service officers re-organised staffing and operating models to ensure safe ways of working. By the 3 April the Council were able to communicate to the public that recycling collections would resume on 13 April. Whilst garden waste collections resumed on 1 June. Customers who renewed or signed up to the garden waste service while it was temporarily suspended are entitled to a reduced subscription for the 2021-22. Bulky waste collections and grass cutting service were also affected, but have since been reintroduced with adapted services. The closure of Household Waste and Recycling Centres by Nottinghamshire County Council was made on 24 March with limited reopening from 18 May.

4.8.2 The temporary suspension of recycling and garden waste collections received mixed feedback from residents. To provide more explanation on why this decision was made an FAQ document was developed. This was available on the website and was used by customer services to respond to queries quickly and consistently.

4.9 **Parks and Open Spaces**

Parks and open spaces owned and managed by the Council have remained open throughout the lockdown period, with the exception of Newark Castle. These parks and open spaces have remained open to enable residents to take their daily exercise. Adaptations were made to ensure these spaces could be used safely. These adaptations included:

- Closure of play areas.
- Fishing was paused at Vicar Water. This was resumed to season ticket holders only on 13 May.
- Signage added to remind park users to socially distance and be considerate of others.
- No team games or large groups activities. Football on Lincoln Road Playing Fields and Sconce and Devon Playing Fields were cancelled. The Council is working with the appropriate clubs to plan for football training restarting in line with guidance.
- Closure of public toilets and cafes. The Rumbles cafes at both Sconce and Devon and Vicar Water reopened with a take-away only service in June having closed in March.
- Events and groups, including parkrun and Spring Forest School have been cancelled.

4.10 **Car Parks**

It was announced on 4 April that all car parks managed by the Council would be free of charge to assist key workers and residents. Initially this decision was set to be in place until 30 June. However, an urgency item was agreed 11 June and is being reported to this Committee, agreeing the extension of this support. From 1 July 2020 until 31 August 2020 the Council will offer 2 hours free parking at all Council car parks, between the hours of 08.00-17.59, and free parking after 6pm, with the aim of supporting the reopening of the economy.

4.11 **Committee Meetings**

The June cycle of Committees was stood down with the exception of Planning Committee and Policy and Finance. On 31 March the Council held Planning Committee online. Its first virtual meeting in lockdown. This was followed by a virtual meeting of the Policy and Finance Committee on 2 April. As an early adopter of remote meetings the Council was featured as a [case study](#) by the Local Government Association. Urgent delegations have been utilised for decision making and the Leader of the Council received daily updates on actions undertaken (these have now reduced to weekly briefings as de-escalation continues).

4.12 **Other Adaptations**

The Covid-19 pandemic has impacted the whole Council so staff across the organisation have had to adapt. For example, new members of staff such as the Director of Housing, Health and Wellbeing have had to be inducted remotely, and the Towns Fund consultation has been adapted to be a digital consultation with virtual sub-group meetings and online consultation.

4.13 **Communications on the Changes**

- 4.13.1 A communications cell was set up at the beginning of the pandemic to co-ordinate the key messages for the Council's website and social media channels. This new cell included communications staff redeployed from Tourism and Newark Palace Theatre. A summary of all key communications relating to changes in council services as a result of the outbreak of Covid-19 can be found in Table 1 in **Appendix One**.

- 4.13.2 Immediately after central government announced it was putting social distancing measures in place, the Council communicated that it would be closing a number of its sites (see 4.2). This was met with praise, with comments including “*quick action taken*” and “*strong leadership in place*”.
- 4.13.3 On 6 May, over six weeks into lockdown, the Council produced a video with key statistics on how it has responded to Coronavirus and the critical services it has continued to deliver. The responses to the video were all positive. The information provided included:
- 3,264 Coronavirus support related calls taken;
 - 3,100 tonnes of household kerbside waste collected;
 - 560 tonnes of dry kerbside recycling collected;
 - 230 tonnes of debris cleaned from the streets;
 - 160 emergency repairs completed for Council tenants;
 - 66 environmental health reports actioned;
 - 50 anti-social behaviour reports actioned;
 - 3 virtual NSDC committee meetings broadcasted; and
 - 1 prohibition notice served to a local hotel breaching rules.
- 4.13.4 To show solidarity and continual support for key-workers the Council arranged for Newark Castle to light up blue every Thursday evening for the ‘Clap for Keyworkers’. The Council also raised flags thanking the NHS at its sites at Castle House and Brunel Drive in Newark. Both actions were welcomed by residents. A video featuring members of Council staff at different sites clapping for keyworkers was also positively received and was viewed more than 4,500 times on Facebook.
- 4.13.5 All press releases have been covered locally, including regular coverage with Newark Advertiser, Radio Newark and Nottinghamshire Live. The coverage has remained neutral and balanced in reporting style. The enforcement action on a Newark hotel breaching lockdown rules was covered as the lead story on the front page of the Newark Advertiser. The Council has also continued with its regular “As I See It” column in the Newark Advertiser to provide further explanation on what the Council is doing in response to COVID-19.
- 4.13.6 The Council have also worked to keep its members informed. Regular updates have been provided by the Leader summarising the latest guidance and the response of the Council. These updates have been disseminated to Members as well as Parish and Town Councils.
- 4.13.7 Council staff have also been kept up to date on how the Council is responding to the virus including working from home arrangements and hygiene routines at Council offices. More recently these updates have become a weekly update from Chief Executive John Robinson and often include compliments the Council has received from residents and businesses. This links to the workplace culture support the Council has provided to staff summarised in 6.4.

5.0 Launching New Services

- 5.1 The legislative changes brought about by the [coronavirus bill](#) impact on the Council in relation to; emergency volunteers; powers relating to events, gatherings, and premises; registration of deaths and still-births; notification of deaths to coroners; certificates cause of death; and the postponement of elections. Officers have done a thorough job adapting

quickly to learn new procedures and ways of working to enforce these new powers. This section of the report will summarise some of the new services launched due to Covid-19.

5.2 Business Support

5.2.1 The Council's Finance and Revenue and Benefits teams have worked to administer and pay a series of grants. At the time of writing the Council had made 2,126 relief payments to local businesses with a value of approximately £25,115,000. The support packages available are:

- A statutory sick pay relief package for SMEs
- Business Grants of between £10,000 and £25,000:
 - £10,000 grant per business property in receipt of Small Business Rates Relief and Rural Rates Relief; or
 - £10,000 grant per business property in the Retail, Hospitality, and Leisure Sector with rateable value of £15k or less at 11 March 2020
 - £25,000 grant per business property in the Retail, Hospitality, and Leisure Sector with a rateable value of more than £15k but less than £51k at 11 March 2020.

5.2.2 The Council worked quickly to set up and start providing financial support for businesses that had been adversely impacted by Covid-19. The Council was named in the top 10%, in a nationwide league table of local authorities, for the speed with which they were paying out business support grants. The local business community's response to the grants included; *"NSDC I am totally surprised at the speed we received ours, you are doing a fantastic job for us under difficult conditions and cannot thank you enough"* and *"Thank you for the speed of the funding it only took 3 days from applying to it being in my account."*

5.2.3 In addition, the Discretionary Business Grants fund was made available from 3 June. This new fund of just under £1.3m is aimed at small and micro businesses. To be applicable they must be able to demonstrate that they have suffered a significant fall in income because of Covid-19, and have ongoing fixed property-related costs/occupy property or shared office space. The additional funding is not eligible for businesses that have already received financial support from previous grants. Businesses must have been trading on 11 March 2020 and have so far been considered ineligible for grant support. Businesses will be required to provide supporting information and documentation for verification purposes. The broad categories of businesses which are eligible, but not exhaustive, include:

- Small businesses in shared offices or other flexible workspaces,
- Regular market traders, domiciled in the District,
- Bed and breakfast premises which pay council tax instead of business rates,
- Charities in receipt of charitable rate relief (which otherwise would have received Small Business Rate Relief),
- Tourism and hospitality, and day nurseries.

5.2.4 Further information is available on the website at www.newark-sherwooddc.gov.uk/fsb/. The Council's Economic Development team have worked throughout this time to sign-post to other financial support for the business community.

5.3 Tourism

The district's tourist attractions have been closed for the duration of lockdown, and the Council's tourism team has been working to understand the impact of this on the tourism

sector. A survey was undertaken in May. 93 responses were received and the results are being analysed. The Tourism team will then work with stakeholders to understand how to help mitigate the impacts of Covid-19.

5.4 **Public Protection**

5.4.1 The Council's Public Protection team have been working to support and enforce a range of Covid-19 guidance and legislation. They have been supporting businesses to transition to take-away services providing advice on social distancing and food standards. They have also been enforcing on a range of issues from breaking-up illegal gatherings, enforcing against rubbish burning and taking enforcement action on the breach of social distancing regulations. The Community Protection Officers have also been continuing to respond to anti-social behaviour reports. Across the County crime statistics were reduced for March, however, anti-social behaviour increased, and officers have been working to enforce social distancing and specific dispersal orders, to prevent anti-social behaviour and ensure open spaces are used in a responsible and respectful way.

5.4.2 To further support residents with any questions or concerns they may have following lockdown and social distancing guidelines, a Facebook Live video, produced by Radio Newark and hosted on the NSDC Facebook page, was broadcast on 19 March. The Leader of NSDC, Councillor David Lloyd, and Accountable Officer for Newark and Sherwood CCG, Amanda Sullivan took questions. The Facebook Live received more than 3,500 views and was positively received, with one viewer commenting "*well done, very informative.*"

5.5 **Humanitarian Aid Response Team (HART)**

5.5.1 The Council set up HART on 16 March to support the residents of Newark and Sherwood through the pandemic. HART work to:

- Deliver essential food, supplies and medical items to support those who are isolated, vulnerable or shielding within the district. The Government liaised with supermarkets to ensure that basic food packages could be supplied to all those eligible.
- Communicate with residents identified by the NHS as among the 1.5 million told to self-isolate as well as older people and those with income challenges.
- Map the community groups that are already in place and help plug the gaps where there is a need.
- Take referrals from the Nottinghamshire Community Support and Volunteering Hub.

5.5.2 As of the 31 May 2020 566 requests for assistance had been met. These requests included; welfare checks, food and medication deliveries and referrals to community support groups.

5.5.3 Following the launch of HART Councillor David Lloyd took part in a Facebook Live in partnership with Radio Newark. During this live stream, Councillor Lloyd set out all the support available for residents and businesses and was available to answer any questions. The responses to the video were all positive.

5.5.4 HART and the Nottinghamshire County Council Community Response Hub have been regularly promoted. They have been shared using different communication methods to ensure every



person who may be vulnerable or isolated receives the help and support they need. Communication methods have included:

- Social media posts, including infographics and videos
- The website, including an extensive database of local community groups providing support, businesses still offering delivery services and signposting to mental health advice and other services,
- Letters to vulnerable residents over 70 who are shielding,
- Leaflets included in updated council tax statements for those households that qualified for the hardship discount,
- Information provided to tenants in the annual rent statements,
- Newark Advertiser advertisement,
- Interview with Councillor David Lloyd on Lincs FM,
- Regular coverage in local media (print and online) – including Nottingham Post, Newark Advertiser, Mansfield Chad, Southwell Bramley and Radio Newark, and
- Telephone calls to vulnerable residents.

5.5.5 The vital work of the HART team has been appreciated, with comments including: *“We got our food parcel today, we are very grateful - so nice to know there is support out there”* and *“I was very grateful to have my medication collected and delivered. Thank you so much.”* The Council also posted video case studies of staff who have been deployed into critical areas, such as a staff member from Palace Theatre that has been redeployed into HART. These have helped to raise awareness of the Council’s work and have been well received by residents.

5.6 Partnership Working

Council staff have also played a key role locally working with colleagues to contribute to the creation of guidance, lead on a particular issues and represent local authorities at a national level. For example, the Council worked in partnership with Rushcliffe BC to write the discretionary business grant guidance for Nottinghamshire.

6.0 Workforce Adaptation

6.1 This section of the report summarises how staff have been communicated with, and supported, during Covid-19.

6.2 538 contracted staff work for the Council, excluding Active for Today, the majority of staff have continued to work throughout Covid-19. It is the commitment, dedication and passion of these staff that has allowed the Council’s response to be comprehensive and effective, helping people across our district and keeping services running.

6.3 An LGA workforce survey is completed fortnightly by Human Resources. This contributes to a national picture of the impact of Covid-19 on staff in local authorities and will be a useful statistic for benchmarking on the impact of the pandemic moving forwards.

6.4 Staff Survey

6.4.1 In order to understand what it has been like for staff working during the Covid-19 outbreak the Council ran a staff survey. The survey focuses on those staff who have been able, to some degree, to work from home since 25 March 2020 and workshops are being undertaken with the staff who have continued to go into their usual place of work. 313 staff responded to the survey. The data covers the 28 working days between 25 March and

1 May 2020. This survey looked at how the Council, and its staff, have adapted and worked differently during the outbreak. Here are some of the key findings;

- 87% of staff surveyed have been able to work from home. Of those able to work from home 66% rated their experience as good or excellent with the main issues being technology related.
- 45% of staff surveyed use Microsoft Teams. ICT have done an admirable job rolling out this resource ahead of schedule to enable video meetings and conference calls.
- Of those that have been working from home 96% have felt ok or above working from home. Staff were generally positive, however, 19% said they have missed face-to-face interactions and 6% said they have felt isolated.
- 95% of staff surveyed were neutral or agreed that during this time they have felt supported by the Council and able to raise concerns, issues and anxieties.
- Skills staff have developed during this time include; utilising virtual meetings, ICT skills, time management, communication and resilience and adaptability.
- During the first five and a half weeks of lockdown the 313 staff who responded to the survey saved 79,870 miles by not travelling to work. This is the equivalent of driving the length of the UK 143 times.



6.5 Workplace Culture

6.4.1 In these difficult times it is important to provide support and direction as an organisation. Therefore, the workplace culture team was set up to provide a wrap-around package of support for all staff. The internal facing aspect of this package has six work streams. This is a short summary of what this package of staff support has included;

6.4.2 Physical Health

Supporting staff in taking exercise to support their physical and mental health.

- An all staff e-mail 'Stay Safe, Stay Home, Stay Active' encouraging staff to be active and share what they are up to.
- An all staff e-mail launching 'NSDC Steps Challenge' encouraging staff to be outdoors (whilst following official guidance) and be active with staffing logging their steps on together to meet goals. One week staff walked the equivalent of The Viking Way more than twice over!
- The planned launch of a staff cook book combining the favourite recipes of staff to support good nutrition and taking the time to prepare home-cooked meals.

6.4.3 Sense of Council

Actions to maintain the sense of 'togetherness' as a Council.

- Staff have received a weekly update from Chief Executive John Robinson updating staff on the situation and recognising positive progress made.

6.4.4 Managing Staff

Guidance and support for managing a team during Covid-19.

- Guidance for managers on managing and communicating with staff in these difficult times, and tips on how to undertake virtual team meetings.
- Advice for managers taking on new staff during lockdown.
- Guidance for all staff on maintaining data security under new working arrangements.

6.4.5 **Mental Health**

To care for the mental wellbeing of staff by supporting them to undertake wellness exercises.

- Circulation of resources on; managing anxiety, supporting your mental health when working from home and activities you can do at home to manage stress.
- All staff e-mail encouraging staff to engage with 'Every Mind Matters' materials and take care of their mental health.
- Launched a Mental Wellbeing intranet page full of resources and information.

6.4.6 **Sense of Team**

Activities which create a sense of team to maintain connection between teams whilst new working practices are in place.

- Guidance for ensuring a sense of team in these changed times including team game ideas and several quizzes for continuing to foster team spirits and connection.
- Launch of the 'Pet Employee of the Month' for some informal team building whilst recognising that pets are good for our mental health.

6.4.7 **Personal Support**

Actions to take care of staff and support them to access services they need.

- Guidance for managers on providing personal support to staff.
- Staff can access a bespoke pack which acts as a self-help guide for reintegration back into work/life after lockdown.
- Access to an independent confidential counselling, coaching and therapy service. This is available to all employees. Staff are normally limited to six sessions in a rolling 12 month period. However, due to the current situation, additional counselling support has been commissioned and the rule of six sessions in a rolling 12 month period has been relaxed for those who need to make use of this service.
- Staff are able to carry over their statutory annual leave into the next two leave years if they have been prevented from taking this leave due to Covid-19. However, staff have been encouraged to take leave to have some respite.

6.4.8 Staff have been kept up to date with developments by e-mail and the Council have utilised the gov.uk 'notify' text messaging service to send urgent messages to staff. Staff were either sent a short update or directed to a password protected webpage containing important information. Staff appreciated the use of Gov.net and it has been a valuable tool for communicating instantly with staff at any time regarding the changing situation.

7.0 **The New Normal**

7.1 This section of the report gives a summary of the plans for transitioning out of Covid-19.

7.2 **Transition**

7.2.1 In line with National Government guidance the Council are planning to facilitate staff, and members, gradually returning to their usual place of work. This plan is being developed but is not to be used immediately. It is being developed in preparation for a change in government guidance and the current position is still for all staff who are able to work from

home continuing to do so. This will be the case until National guidance changes. Any changes will be carefully managed as 39% of staff have not been into their usual place of work since 25 March 2020 and 23% of staff who have been working from home are concerned or very concerned about returning to an office environment. A series of actions will be in place before the Council will return.

- 7.2.2 There will be practical actions; such as additional cleaning, rotas for staff coming into the offices to allow social distancing and procedures for managing illness. There will also be further actions around staff culture and resources to support staff, both returning to work and staff who have been coming into the offices but will now be re-integrating with the wider Council. These actions will include a video on the social distancing measures in place and resource packs for those who need additional support. The Unions, and business managers are being consulting on these plans to ensure our Council wide return to work is safe and considerate of all needs. This plan will be flexible recognising the concerns, commitments and health needs of staff.

7.3 Post Covid-19

- 7.3.1 The world after Covid-19 will be changed. The impact of this pandemic is unprecedented and the Council must be ready to adapt to what the district needs to recover. The Council will be a leader in the group of organisations who will need to come together to support the district in the process of rebuilding, restoring and rehabilitating the community. This will range from financial support, such as the delivery of national grants, to adapting service delivery and facilitating the development of community resources which have been established or strengthened during lockdown.

- 7.3.2 The district of Newark and Sherwood has shown incredible community resilience during exceptional circumstances. It will be the Council's role to support these communities to bolster resilience and assist the affected communities to help them towards managing their own recovery. It is recognised that where a community experiences a significant emergency, there is a need to supplement the personal, family and community structures which have been disrupted. Therefore, the Council is expecting to continue to provide some of the supplementary support delivered through HART throughout recovery.

- 7.3.3 The Council will also need to reassess itself as an organisation, both in how services are delivered, as highlighted above, but also in how staff work and collaborate with partners to deliver for the community. The Council's recovery group was formed on 21 April and this group is considering these questions.

7.4 The Community Plan

As highlighted above, the Council will need to reassess itself in light of Covid-19. As such the objectives within the Council's Community Plan will need to be re-examined. For example, the work that communities have carried out to build self-reliance and strength will need to be added and work to develop sustainable economies may need to feature more prominently. A strategic review of the Community Plan objectives in recognition of the significantly altered projected income (10.1.2), and the new work streams highlighted above, is being undertaken to enable Members to consider reshaping the Community Plan's objectives and activities in association with this review.

7.5 Flexibility and Change

To ensure sustained business continuity all plans will be developed with in-built flexibility recognising that the transition out of Covid-19 will need to consider preparedness for further lockdown events. This will impact how the Council plan, and budget, for this transition.

8.0 Proposal

8.1 It is proposed that the content of this report, and the breadth of the pandemic response and ongoing recovery, be considered as context for future working.

9.0 Equalities Implications

9.1 As noted in 2.3 in this report, the disproportionate impact of Covid19 upon persons with protected characteristics in terms of age, ethnicity, occupation, and deprivation has regrettably been observed in the national statistics. Due consideration of these, and equalities implications, will be necessary as the pandemic recovery continues to evolve.

9.2 For each new activity referenced an equalities assessment was made and adaptations made as required.

10.0 Financial Implications (FIN20-21/8570)

10.1 Revenue Current Year

10.1.1 The Council has received £1,285,300 in funding from Central Government in order to mitigate the additional cost and income loss pressures as a result of COVID-19. This funding is not ring-fenced and could be utilised in order to mitigate funding shortfalls across both the General Fund and the Housing Revenue Account.

10.1.2 To the end of May, the Council has seen a reduction in income generated of £0.535m and is predicting a shortfall of £2.085m for the full financial year. This is based on best estimates of the impact the lockdown measures will have on the Councils fees and charges income for the year.

10.1.3 To date £0.335m has been committed in terms of additional expenditure including increasing the Councils ICT licences allowing staff to work from home where this is possible, future commitments relating to the additional cost for garden and recycling waste rounds and other equipment provisions to allow for the safe reopening of Castle House.

10.1.4 The Government have insisted that they will do whatever is necessary to support local councils through this current pandemic. To date, no further funding has been announced, over and above the initial £1,285,300.

10.2 Revenue Future Years

10.2.1 The impact that Covid-19 will have on the national economy will begin to emerge over the coming months. This may have an impact on all elements of the Councils' income streams,

but the extent to which this happens will depend on a number of factors. Officers will continue to monitor the national impact and will review forecasts of future income levels during the setting of the 2021/22 budget.

11.0 Community Plan – Alignment to Objectives

11.1 The Council has a responsibility to plan and prepare for possible emergencies within the district - outbreaks of disease including flu pandemics are a part of this planning. While emergency planning is not a stand-alone objective within the Community Plan, the consideration of recovery will be in line with all Community Plan objectives.

12.0 RECOMMENDATION

That the report be noted as a summary of the pandemic response, and that the context be considered for future working.

Reason for Recommendation

To provide context for future working and decision making.

Background Papers

Nil.

For further information please contact the Transformation & Communications team.

Deborah Johnson
Assistant Director - Transformation & Communications

Communications Summary

Table 1 – Communications on Changes to Services due to Covid-19

Subject	Date	Social Media (Reach & Engagement)	Sentiment (Positive/Negative)
Closure of Palace Theatre, Nineteen20 Café Bar, National Civil War Centre, Truly Beauty and Leisure Centres Limiting guests at Gladstone House and Vale View, closure of communal areas	17 March 2020	Facebook Reach: 52,536 Engagement: 10,231 Twitter Reach: 2,666 Engagement: 179	Mixed
Closure of play parks, Castle House, local offices, the Buttermarket, Ollerton Advice and Jobs Centre, Southwell Advice Centre, Sherwood Forest Arts & Craft Centre, Newark Beacon Business Centre and public conveniences at The Gilstrap Bulky waste collections suspended	24 March 2020	Facebook Reach: 12,134 Engagement: 1,218 Twitter Reach: 1,520 Engagement: 84	Mixed
Council house repairs limited to emergency repairs only	26 March 2020	Facebook Reach: 2,556 Engagement: 116 Twitter Reach: 911 Engagement: 17	N/A
Building control visits limited to dangerous sites only	27 March 2020	Facebook Reach: 3,345 Engagement: 34 Twitter Reach: 1,245 Engagement: 6	N/A
Recycling and garden waste collection services suspended from 30 March	27 March 2020	Facebook Reach: 140,372 Engagement: 39,581 Twitter Reach: 1,841 Engagement: 413	Mixed
Planning Committee being held virtually	31 March 2020	Facebook Reach: 2,158 Engagement: 68 Twitter Reach: 1,564 Engagement: 59	N/A
Additional support for rough sleepers	3 April 2020	Facebook Reach: 3,259 Engagement: 118	N/A

		Twitter Reach: 1,296 Engagement: 26	
Recycling collections to resume from 13 April	4 April 2020	Facebook Reach: 14,630 Engagement: 4,999 Twitter Reach: 3,477 Engagement: 313	Positive
Car parks made free of charge	4 April 2020	Facebook Reach: 12,007 Engagement: 1,068 Twitter Reach: 2,846 Engagement: 89	Mixed
Don't burn your own rubbish plea	8 April 2020	Facebook Reach: 9,615 Engagement: 2,889 Twitter Reach: 1,289 Engagement: 77	Negative
Hotel served with prohibition notice	17 April 2020	Facebook Reach: 5,681 Engagement: 1,518 Twitter Reach: 1,431 Engagement: 190	Mixed
Work resumes at Council's parks and open space	23 April 2020	Facebook Reach: 7,216 Engagement: 724 Twitter Reach: 2,171 Engagement: 99	Positive
Bulky waste collections to resume with limited service	6 May 2020	Facebook Reach: 28,550 Engagement: 3,124 Twitter Reach: 1,974 Engagement: 59	Mixed
Garden recycling collections to resume in Newark and Sherwood	15 May 2020	Facebook Reach: 37,235 Engagement: 5,727 Twitter Reach: 2,459 Engagement: 156	Positive

Press Regarding Services



Time to reflect when it's all over

WE ARE now into the fourth week of the UK-wide coronavirus lockdown, which has brought such a dramatic change to much of our normal lives. For Newark and Sherwood District Council, this has meant difficult decisions and we have reluctantly had to shut down leisure centres, run by Active4Today, and other facilities to help in the nationwide effort to stop the spread of this vicious virus.

Social distancing, while an effective method of controlling rates of infection, has had a big impact on the workplace and the way we work.

At the council's Castle House offices, the reduced number of staff who are still operating from there — while many are working from home — must sit at least two metres apart. The same principle must apply to our waste management operatives who would normally sit three to a cab.

It is a challenging job at the best of times and I would pay tribute to how well our crews are doing in these strange and trying circumstances. After a brief stoppage of the recycling rounds we have been able to restart them again by re-working with two crew members and retraining other staff to increase overall the number of staff and vehicles available. Normally, a crew of three is quicker and more productive, but that has been the change we have had to make. All recycling (silver) bin collections are back to normal and will be collected on your usual day, although the times may vary. Black/green bins are being collected as normal.

Unfortunately, we have temporarily had to suspend the garden waste collection until further notice. While the leisure centres have been closed we have undertaken a deep clean across all sites — Newark, Ollerton, Blidworth and Southwell — and there are essential works being completed, while keeping to the social distancing requirements with minimal staff and contractors on site. It has been a time for reflection and to re-evaluate how we live our lives. When we come out of this lockdown, surely this will be a time to think about how we can make meaningful changes to our lives, which will bring about longer term benefits for our environment.

As I see it...
By Roger Jackson, district council chairman of leisure and environment.



NEWARK and Sherwood District Council has suspended recycling bin collections.

Council axes recycling

NEWARK and Sherwood District Council has suspended collections of its silver recycling bins as the coronavirus crisis continues. General household waste collections will remain fortnightly and the day of collection will remain unchanged. The move is mainly geared towards ensuring that collections of the critical waste (green/black bin) and medical waste can be prioritised at this challenging time and keeping bin men as safe as possible from exposure and to assist them in following government guidance on social distancing. The council received more than 1,000 comments on Facebook within four hours of announcing the change. However, it is estimated that around 50% were supportive.

Garden waste collections have also been suspended. The council said the decision was made with deep regret. Temporarily, people should place their recycling waste in with their household waste bin. Any residents who have subscribed to the garden waste collection service by April 1, 2020, will receive a reduced rate if they choose to continue with this service in 2021-22. Residents should continue to put their household waste bin out for collection on their normal days by 6am. Rushcliffe residents are asked to leave their bins out for 6.30am on collection day.

Recycling collections to resume

SILVER recycling bin collections will resume across the district from Monday. Newark and Sherwood District Council said residents should revert back to their calendar and place bins out on the usual day. Because routes have changed, the council said it could not guarantee everyone's bin would be emptied at its usual time, so people should put them out by 6am. No additional side waste will be collected. The service is to be resumed thanks to an increase in drivers, operatives and vehicles, meaning staff can maintain social distancing measures. Council leader David Lloyd said: "Our hard-working front line crews always go above and beyond, reflecting the pride that they have in their work and the very obvious vital service we provide for all residents — my thanks go to them. "We apologise for the inconvenience caused by temporarily suspending recycling collections but we had to do this to both ensure the safety of our staff colleagues and to focus on making the changes needed to get going again. "I am grateful for residents' support and understanding and would remind people to please double-bag any tissues or similar items that might carry contamination."

Table 2 – Communication on New work streams launched due to Covid-19

Subject	Date	Social Media (Reach & Engagement)	Sentiment
Financial support for businesses and residents	18 March 2020	Facebook Reach: 7,110 Engagement: 1,562 Twitter Reach: 1,134 Engagement: 69	Mixed
Support available for the vulnerable and financial support for businesses (Facebook Live with Cllr David Lloyd)	19 March 2020	Facebook Reach: 8,652 Engagement: 101 Twitter Reach: 1,742 Engagement: 54	Mixed
Business grants / Deferring VAT and Income Tax Payments	24 March 2020	Facebook Reach: 6,195 Engagement: 1,581 Twitter Reach: 1,617 Engagement: 106	Positive
Launch of the Humanitarian Assistance Response Team (Hart)	25 March 2020	Facebook Reach: 4,120 Engagement: 370 Twitter Reach: 1,862 Engagement: 16	Neutral
Council Tax reductions of £150 for all households of working age that are already in receipt of Local Council Tax Support (LCTS)	26 March 2020	Facebook Reach: 1,943 Engagement: 516 Twitter Reach: 2,385 Engagement: 188	Mixed
Local impact of COVID-19 and the work of Hart (Facebook Live with Cllr David Lloyd)	27 March 2020	Facebook Reach: 10,346 Engagement: 1,387 Twitter Reach: 1,350 Engagement: 84	Positive
Relief payments made to 314 local businesses with a total value of £5,735,000.	28 March 2020	Facebook Reach: 2,467 Engagement: 457 Twitter Reach: 5,966 Engagement: 321	Positive

Hart has already helped more than 70 people	30 March 2020	Facebook Reach: 12,993 Engagement: 950 Twitter Reach: 1,235 Engagement: 39	Positive
Support of Carriages Community Kitchen	30 March 2020	Facebook Reach: 13,515 Engagement: 1,921 Twitter Reach: 2,429 Engagement: 135	Positive
Support from Morrisons with local food supplies	1 April 2020	Facebook Reach: 10,661 Engagement: 2,055 Twitter Reach: 3,815 Engagement: 218	Positive
535 businesses in receipt of almost £8.2 million in grants	1 April 2020	Facebook Reach: 4,391 Engagement: 630 Twitter Reach: 1,198 Engagement: 76	Positive
Phase Two of the Nottinghamshire Coronavirus Community Support Hub	3 April 2020	Facebook Reach: 2,976 Engagement: 63 Twitter Reach: 2,738 Engagement: 48	Neutral
Working with partners to deliver food parcels	7 April 2020	Facebook Reach: 13,899 Engagement: 2,023 Twitter Reach: 2,173 Engagement: 127	Positive
Council thanked as 1,034 businesses receive £13.415million in Coronavirus payments	8 April 2020	Facebook Reach: 3,583 Engagement: 366 Twitter Reach: 1,649 Engagement: 69	Positive
Hart Easter weekend support	11 April 2020	Facebook Reach: 6,711 Engagement: 448	Positive

		Twitter Reach: 2,572 Engagement: 70	
£16.5m paid out to 1,326 businesses	15 April 2020	Facebook Reach: 3,654 Engagement: 208 Twitter Reach: 1,575 Engagement: 67	Positive
Newark and Sherwood District Council tops rankings for Coronavirus business payments	21 April 2020	Facebook Reach: 4,891 Engagement: 574 Twitter Reach: 3,135 Engagement: 275	Positive
221 people have received urgent help, from the Humanitarian Assistance Response Team at Newark and Sherwood District Council	23 April 2020	Facebook Reach: 5,148 Engagement: 117 Twitter Reach: 1,478 Engagement: 28	N/A
More than £81,000 emergency community funding awarded in Newark and Sherwood	29 April 2020	Facebook Reach: 5,136 Engagement: 262 Twitter Reach: 2,126 Engagement: 39	Neutral
2,041 grants paid out totalling £24,205,000. 97% of eligible businesses now paid	13 May 2020	Facebook Reach: 3,612 Engagement: 92 Twitter Reach: 1,233 Engagement: 44	N/A
463 people received urgent help from the Humanitarian Assistance Response Team at Newark and Sherwood District Council.	14 May 2020	Facebook Reach: 8,329 Engagement: 414 Twitter Reach: 1,134 Engagement: 32	Positive

Press Regarding New Services

Council joins forces with businesses to help deliver care packages to those in need

Workers rally round to support vulnerable

By Abigail Hunt
ahunt@lincspress.co.uk

WORK to distribute food and other essentials to Newark and Sherwood residents isolated by the coronavirus pandemic is under way.

Newark and Sherwood District Council has joined forces with partners, including Morrisons, British Red Cross, Ikea, Newark Town Council and local shops and market traders, to ensure supplies reach those in need.

Nationally, Morrisons is providing boxes of food to councils to distribute to foodbanks and community kitchens, with the chain's Newark store providing food locally.

This food is being distributed to Newark Foodbank, the Salvation Army and the Castle station, which is running a community kitchen to provide meals to residents in need every Wednesday.

Non-perishable food supplies are being delivered, stored and packed into emergency food parcels at the district council-run Palace Theatre, on Appletongate, which has temporarily been closed due to the outbreak.

These food parcels are to be distributed to those who are most in need – families and individuals who need help with food deliveries and include older people, families with disabilities and those on low income.

Newark Town Council is helping with the work and is coordinating with local market traders, to top up the food parcels immediately before delivery with fresh fruit, vegetables and bread.

David Lloyd, district council leader, said: "It is only through working with Morrisons, the British Red Cross, Ikea, the town council as well as a number of local

Palace Theatre have been packing goods



Council staff help to deliver care packages and meals across the district

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POLICY & FINANCE COMMITTEE

25 JUNE 2020

COMMUNITY PLAN – ANNUAL YEAR END PERFORMANCE REPORT

1.0 Purpose of Report

- 1.1 To inform Members, in summary, of the position against actions and Key Performance Indicators (KPIs) in the Council's Community Plan 2019/23 at the end of the financial year 2019/20.
- 1.2 To provide Members with information on customer contact, complaints and requests for information.

2.0 Background Information

- 2.1 The Council's four year Community Plan 2019/23 was adopted on 7 March 2019 with a strapline of '**servicing people, improving lives**'. The plan sets out the Council's purpose, values and objectives along with improvement/development actions above and beyond normal day to day service related activities.
- 2.2 The Council has made a commitment to closely align budget and performance management. This is in line with accepted good practice.
- 2.3 To deliver this commitment, systems to monitor performance against revenue and capital budgets, Community Plan actions and key performance indicators have been brought together and are now embedded in the way the Council works.
- 2.4 Performance reports focus on the Council's Community Plan objectives and serve to provide up to date information on the status of both actions and KPIs underpinning the plan, highlighting achievements and any concerns. However, there is further work to do, to align performance and introduce further improvement measures.

3.0 Overall Performance

- 3.1 There are a total of 138 actions within the plan with a further 85 key performance indicators used to measure progress against the plan. This report is for year end 2019/20. Following the reporting period, work has taken place to review the key performance indicators and actions, which will give a more focussed look at the delivery of the Community Plan.
- 3.2 Performance at year end against the Council's Community Plan actions and indicators show the following:

3.3 Indicators

- 3.3.1 Performance for key performance indicators at the end of 2019/20 shows that of the 85 indicators, 17 were green, 3 were amber and 4 were red.

Figure 3.3.2 – 2019/20 Community Plan Key Indicators

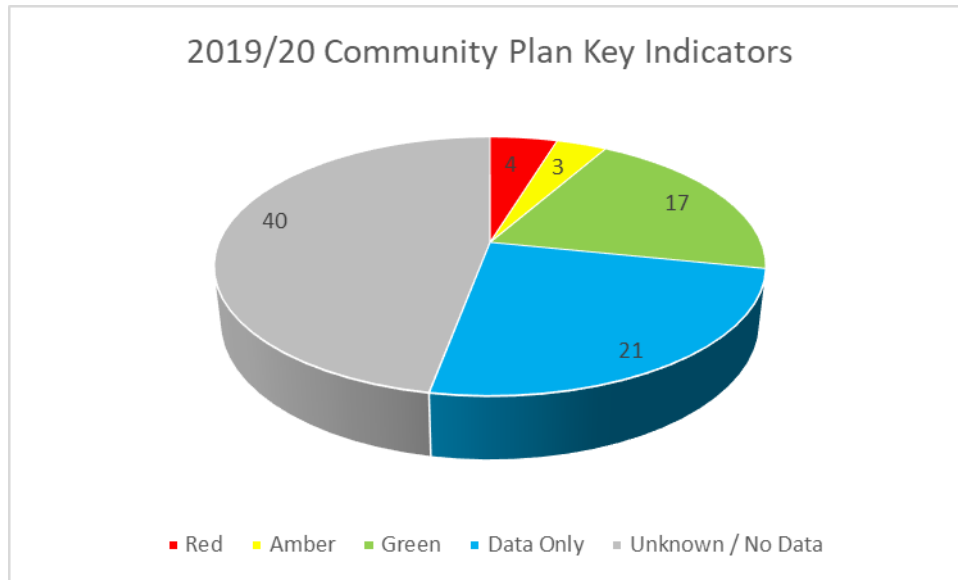


Figure 3.3.3 2019/20 Community Plan Key Indicators Direction of Travel

	Key Indicators 2018/19	Key Indicators 2019/20	Direction of Travel
Green	24	17	↓
Amber	3	3	↔
Red	5	4	↓
Data Only	29	21	-
Unknown / No Data	24	40	-

3.3.4 It is worth noting that due to the impact of Covid-19 and prioritisation of critical functions, some of the year end data was not available at the time of writing this report. Therefore the direction of travel on outturns, should be considered with this in mind.

3.3.5 Green Status – 17 were on or above target. Below are the particularly positive performance indicators during the year:

- Progress on review and implementation of preferred option for management of the Council's housing stock was completed 2 months ahead of schedule. This is now complete.
- The number of apprenticeships offered by the Council has increased on the previous year by 1.8%. We continue to provide new and exciting opportunities for new recruits as well as existing employees. Recent examples are the appointment of a graduate trainee on a level 4 Project Management apprenticeship, a BSc (Hons) apprenticeship in Cyber Security and a Level 2 Certificate in Promoting Community Health and Wellbeing.

- Percentage of website availability was 100% for the year. This was achieved by the monitoring, and instant reactions, of the ICT Team. Moving forwards the NSDC website is being upgraded to meet accessibility compliance and alongside this the software will be updated and the site moved to the cloud. The initial designs were signed off by SLT on 9 June 2020. Making the website cloud hosted means there is a zero point of failure and the website can be available 24/7 every day of the year without ICT intervention.
- We were awarded seven Green Flag Green Heritage and Green Pennant Awards in the District.
- 100% of planning applications determined within the national target (13 weeks) - Major applications.
- 98% of planning applications determined within the national target (8 weeks) - Minor applications.
- 99% of planning applications determined within the national target (8 weeks) - Other applications.
- 99% of planning applications determined within the national target (8 weeks) - Non-major applications.
- There were 5 more engagement activities with schools than in the previous year. Work supporting schools has resulted in them running their own careers and job skills events with local businesses. This is particularly encouraging as this highlights the links now made between schools and local businesses leading on from introductions made by NSDC.
- Percentage reduction of all police recorded ASB within Newark and Sherwood was down 1.5% in 19/20 and 4% the previous year, so over two years it has decreased 5.5%. Examples of this within year include 3 different cases regarding young people involved in a combination of anti-social behaviour and criminal activity in Newark town centre. One individual was sent to prison and the other 2 are involved in the youth justice system.
- Percentage of recorded CCTV incidents that are proactively generated was 24.62%. In the previous year it was 21.93%.
- There was a significant improvement in the number of days to process new Housing Benefit/ Council Tax Support claims reduced by almost 6 days to 18.89.
- The average number of days to process changes of circumstances for Housing Benefit claims was down to 3.6 from 4.7 from the previous year.
- Percentage of Discretionary Housing Grants budget offered was 86.3% against a target of 80%.
- Percentage of failing sites - street and environmental cleanliness was down to 0.71% from 4.02%. The cleaner, safer, greener campaigns and tighter working with other business units have increased this performance.
- Average number of days taken to respond to flytipping reports was down to 1.9 from 2 days.
- The number of groups supported through the open arts, community and sports grants schemes has risen from 8 to 12 between 18/19 and 19/20. This PI will be amended for 20/21 to capture additional qualitative information.

3.3.6 Amber Status – 3 (slightly below target)

- The number of visits to leisure centres was down to just below 899 thousand from 1.1 million visits. In previous quarters, user visits across all sites had increased in comparison to the previous year. Therefore, it was anticipated that the 19/20 annual target would be achieved given the projected growth in memberships through the New Year promotional offers. However all leisure centres were closed on 18 March due to covid-19.

- The number of formally designated local nature reserves, although slightly below target, increased by 5 on the previous year (9 against a target of 10).
- Number of measures installed within NSDC area to support living in a warm and healthy home. 55 against a target of 60, but down from 79 the previous year. This is a stretched target based on the previous year's excellent performance. However, during 19/20 the team have, in addition, successfully bid for funding for park homes schemes and successfully delivered on other projects, e.g. Rainworth Off-Gas Scheme delivering 100 new gas central heating systems.

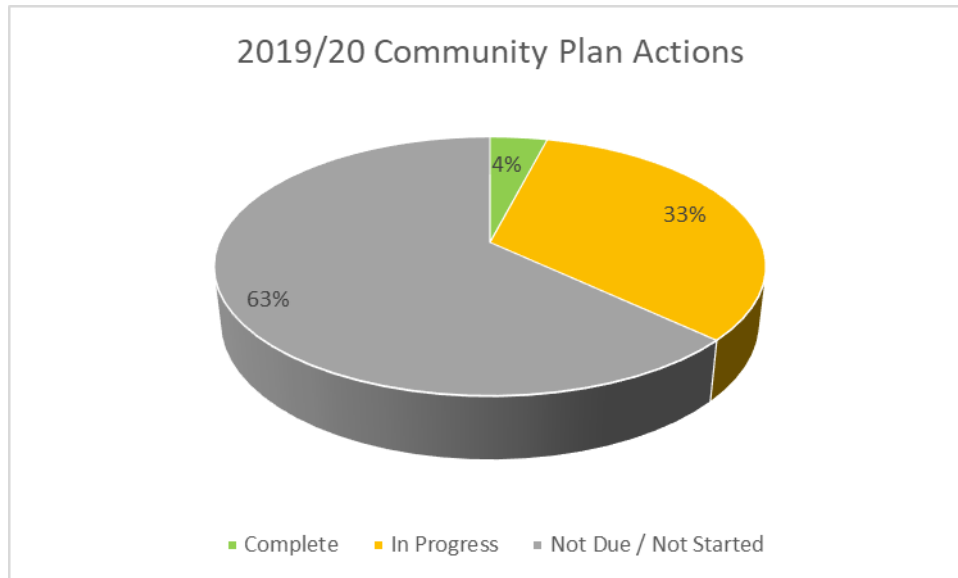
3.3.7 Red Status – 4 (below target)

- The percentage of lettable floor space at the Buttermarket 42% against a target of 50%. However, the final few weeks of the year were impacted by covid-19, at a point in time where negotiations for contracts were ongoing. The lease with Fairly Trading is now signed, bringing occupancy up to 50% once the landlord's work is completed and expected opening in July/August 2020. The option with Specsavers is extended until October 2020 due to the impact of covid-19. The first floor works are held, pending directorate decision.
- The number of work experience placements offered in response to requests was 52% against a target of 70%. The target declined in the last 2 quarters of the year when host business units had to decline requests due to a number of operational pressures including the floods (over two periods), additional workloads (due to the housing management service transferring back to the Council) and the loss of some key staff who would ordinarily have supported work experience placements.
- The number of recorded crime was up 3.5% compared with last year. The crime figures saw a large increase in October, but have shown a steady decline and downward trend since then. We continue to work with the Police and other agencies and the presence of our Community Protection Officers is being targeted to support our objectives.
- Average number of hours to respond to graffiti reports was 27.5 against a target of 24. Due to the scale of the task in collating data regarding all incidents of graffiti, coupled with the redirection of all work to the flooding earlier in the year, the information arrived a number of months after the onset of the project. There was then a 3 month window for operational staff to clear all incidents before we could then start to respond in a way commensurate with the new targets. Since this policy was introduced, we have removed over 150 incidents of graffiti.

3.4 Actions

- 3.4.1 Of the 138 Community Plan actions, five (4%) are completed and 45 (33%) are currently in progress. In addition to the above performance information, set out below is a selection of key activities that have taken place under each objective during the year.

Figure 3.4.2 2019/20 Community Plan Actions



3.4.3 **Improve the Cleanliness and Appearance of the Local Environment**

- Completed
 - Respond to National Waste Strategy
 - Reallocate resources to increase capacity around street cleansing
- The Council has facilitated community litter picks. However, due social distancing and lock down regulations, all community activities were cancelled from March. We are hopeful that once the national guidance changes we will be able to reinstate some, if not all.

3.4.4 **Reduce Crime and Anti-Social Behaviour and Increase Feelings of Safety in our Communities**

- There has been an increased visible presence of Community Protection Officers and promotion of the role. During the year targeted patrols have resulted in some offenders being taken into police custody.
- Enforcement action against offenders is publicised on our media platforms.

3.4.5 **Improve Transport Infrastructure to Reduce Congestion and Facilitate Growth**

- Discussions on a collaborative partnership between the developer and Homes England regarding the Southern Link Road have progressed and positive discussions with Nottinghamshire County Council have also been undertaken. The SLR is also identified as a likely priority of Future Towns Deal Funding, with a view to closing the gap. A Towns Deal is likely to be submitted to Government by summer 2020.

3.4.6 **Accelerate the Supply of New Homes Including Associated Facilities**

Delivery of new homes continues to show encouraging progress, in particular:

- The Ollerton and Boughton Neighbourhood Study was endorsed by the Economic Development Committee, presented to the Policy & Finance Committee, who approved a budget of up to £300k to enable the submission of a planning application for the allocated site (OB/MU/2) between the Stepnall Heights and Hallam Road estate.

- 50 new homes were delivered as part of the HRA development programme.
- Working with residents of Yorke Drive, the Council undertook a comprehensive procurement exercise through Homes England via their procurement panel and identified a preferred developer. It is anticipated that works will commence on site in approx. 12 months, with site investigations and full planning being drafted now. The Council has agreed its maximum contribution and we are working with Homes England to secure the additional funding.
- Consent was granted for a further phase of housing at the former Thoresby Colliery site, Edwinstowe, allowing for the acceleration of housing delivery.

3.4.7 **Increase Visits to Newark & Sherwood and the Use of Visitor Attractions by Local Residents**

- Destination marketing strategies and associated marketing plans started being developed for three destinations – Newark, Southwell and Sherwood Forest.
- A comprehensive visitor market research project is planned to take place throughout May to September 2020.

3.4.8 **Protect, Promote and Enhance the District's Natural Environment**

- Some initial research into walking and cycling routes being searched for in Newark & Sherwood has been undertaken. These will then be signposted from the NSDC website. Contact has been made with relevant stakeholders to seek information on any existing or planned projects. The Council is a partner in the Miner to Major Landscape Partnership which involves an access work programme and NSDC officers will be involved in the relevant work group.
- Work is progressing to identify wildlife sites which are not under positive management and the reasons for this. Assistance is being provided by Nottinghamshire Wildlife Trust and Natural England. Initial work with a landowner responsible for a LWS in Balderton has taken place.

3.4.9 **Enhance and Sustain Town Centres**

- Completed
 - Bid for national high street and Heritage Action Zone funding
- Buttermarket: Tambo Lounge opened in early March with a successful launch. However, it closed only a couple of weeks later due to Government covid-19 guidelines. All ground floor units were successfully let during the year.
- Progression of proposals for the Newark Towns Fund Strategy and Investment Plan, including stakeholder, Member, and public engagement.

3.4.10 **Reduce Levels of Deprivation in Target Areas and Remove Barriers to Social Mobility Across the District**

- Completed
 - Develop a local offer for care leavers
- The Council commissioned arc4 Ltd, an independent consultancy to undertake an assessment of housing requirements across the district, to make sure we get the right type of homes in the right places. We asked residents to complete and return the survey by 23 March 2020; work is continuing on analysing the results.

3.4.11 **Improve the Health and Wellbeing of Local Residents, with a Particular Focus on Narrowing the Gap in Healthy Life Expectancy and Other Health Outcomes**

- A joint working protocol has been developed with the Fire Service in relation to Houses of Multiple Occupancy (HMO) standards.
- Active4Today launched the first park run in Ollerton in the form of a junior park run. Park runs were suspended at the start of lockdown.
- The Council's food environment project commenced helping our traveller community to promote healthy and sustainable food, tackle food poverty and diet related ill health. The gypsy/traveller community still have the poorest health outcomes and shortest life expectancy than any other minority group. Due to the extensive community engagement that took place within this community, we have been able to secure additional funding to run further diversionary and wellbeing activities. This includes a "Learn to Swim" project with A4T, a boxing project in partnership with Epic Golden Gloves and have a proposal to run outdoor skills and learning at Hillholt woods in partnership with the Police.

3.4.12 **Increase Participation with the Council and Within Local Communities**

- Since November 2019, the operational committees and Planning and Council meetings have mostly been webcast and or live streamed through Facebook and Twitter. There were technical issues with the cameras in the Civic Suite with the first cycle of meetings in January 2020, which have now been resolved.
- Communications with residents via social media is an ongoing process and was heavily and effectively utilised at the start of lockdown in March. As part of a new and refreshed focus on customer insight the way in which the Council undertakes engagement with its residents is in progress.

3.4.13 **Generate More Income, Improve Value for Money and Increase Resident's Satisfaction with the Council**

- Completed
 - Undertake a review and implement the preferred option into the most cost effective and appropriate way to deliver management of the Council's housing stock
- Funding was approved in February 2020 to purchase additional web analytics software to enable effective analysis of customer demand.

4.0 **Housing Management Performance**

4.1 Future reporting of housing performance will be incorporated within section 3, however as the housing service only transferred into the Council on 1 February, a summary of key housing performance is reported here separately.

4.2 Of the 17 key indicators reported to Housing Operational Management Meeting, 9 were green (on or above target) and 8 were red (below target).

- 4.3 Some of those that were green included emergency and urgent repairs, rent collected, rent loss through vacant dwellings and average relet times.
- 4.4 Some of those that were red included, current and former tenant arrears, routine repairs and properties with a valid gas safety certificate. Where access to a property is the reason preventing the annual gas safety check being undertaken, the tenancy and estates service works closely with asset and development to take every action (including court action in some cases) to gain access and these statistics are improving.

5.0 Customer Contact, Complaints and Requests for Information

5.1 This section provides performance information against a range of corporate indicators in respect of customer comments and requests for service and information.

5.1.1 Stage 1 Complaints

The number of Stage 1 complaints received for 19/20 was 153, compared with 83 the previous year. 70% of all complaints related to service provision or standard and quality of service. These areas represented 24% of all complaints in 2018/19 so this is a considerable increase. Whilst the direction of travel shows an 84% increase, it is worth noting that 19/20 includes housing management since 1st February and that an increase in complaints can be viewed positively because we actively encourage our customers to provide feedback to us. Customer feedback is our main source of information for making improvements to services and it is anticipated that we will use feedback and insight more going forward to drive change and improvements.

Figure 5.1.2 Stage 1 Complaints Direction of Travel


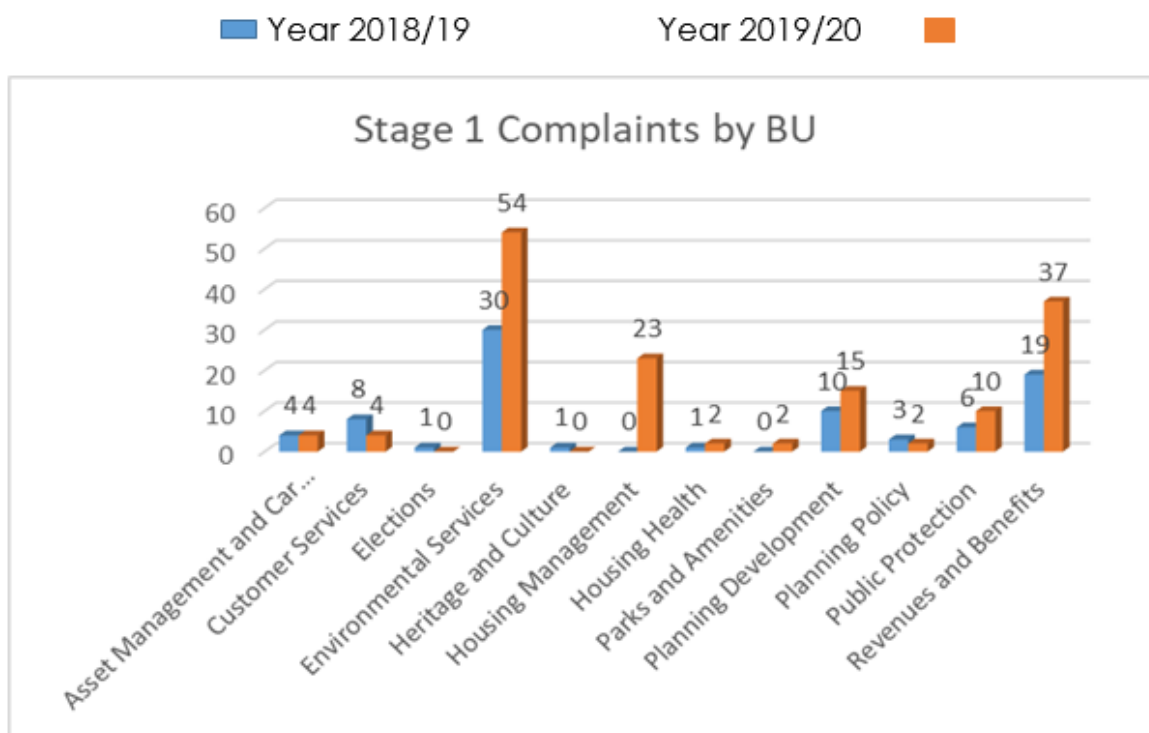
Stage 1 Complaints 2018/19	Stage 1 Complaints 2019/20	Direction of Travel
83	153	

Figure 5.1.3 Stage 1 Complaints by Business Unit



5.1.4 The largest number of complaints received were in relation to Environmental Services and Revenues & Benefits business units. This is to be expected considering the nature of the service provision in these areas. In relation to waste, there were identified issues when we took over the delivery of garden bins from Mansfield District and Rushcliffe Borough Councils, which sparked an increase in complaints. However, a change in the process has resolved this, and current complaint levels have reduced.

Figure 5.1.5 Stage 1 Complaints Responded to Within 10 Working Days

Stage 1 Complaints Responded to within 10 Working Days 2018/19	Stage 1 Complaints Responded to within 10 Working Days 2019/20	Direction of Travel
90%	92%	↑

5.1.6 92% of Stage 1 complaints received were dealt with within the 10 working day deadline, which is 2% improvement on 2018/19.

5.1.7 The above figures include Housing Services complaints since 1st February 2020, which will have an impact on the overall number of complaints going forward in any year on year comparison.


5.2 Stage 2 Complaints

5.2.1 There were a total of 11 Stage 2 complaints received during 2019/20 compared with four in 2018/19. Most (six) were related to services provided. At the time of writing this report, not all complaint outcomes were known.

5.2.2 Whilst Stage 2 complaints looks to have increased significantly, they have increased in line with Stage 1 complaints and therefore are proportionate. Over the next 12 months we are







looking to further encourage customer feedback and engagement and improving our customer insight. One element of this is customer complaints and as a result, members can look forward to more detailed reports going forward.

Figure 5.2.3 Stage 2 Complaints Direction of Travel

Stage 2 Complaints 2018/19	Stage 2 Complaints 2019/20	Direction of Travel
4	11	

5.3 Engagement with Customers and Residents

Figure 5.3.1 Customer Contact Breakdown with Direction of Travel

Contact	2018/19	2019/20	Direction of Travel
MP enquiries relating to residents' queries	N/A – new for 19/20	109	-
Ombudsman enquiries	6	2	
Face to Face enquires – Southwell	295	195	
Face to Face enquiries – Ollerton	1,069	1,146	
Face to Face enquiries - Castle House	15,856	14,101	
No. of Facebook Followers - NSDC	5,991	9,242	
No. of Twitter Followers - NSDC	9,962	10,600	

5.3.2 The figures above show that face to face contacts have declined, potentially linked to the significant increase in customers accessing the digital services and the continued popularity of social media. The Council uses this as a channel to promote key messages and events. Face to face customer services were ceased in March as per Government guidelines in relation to covid-19.

5.4 **Data Protection (DP), Freedom of Information (Fol) and Environmental Information Regulations (EIR)**

Figure 5.4.1 DP, Fol and EIR Direction of Travel


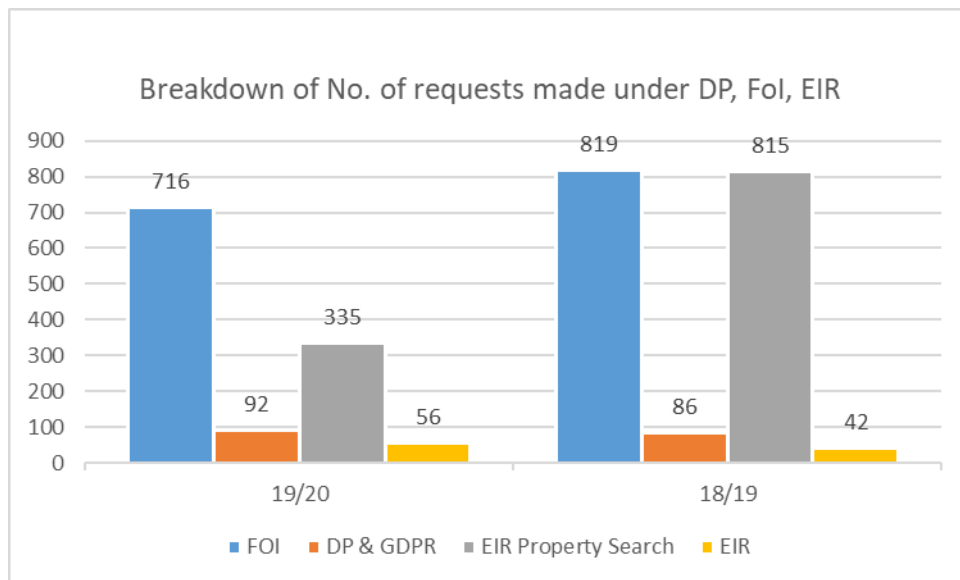
Contact	2018/19	2019/20	Direction of Travel
No. of requests made under DP, Fol, EIR	1,762	1,199	

Figure 5.4.2 DP, Fol and EIR Breakdown Comparison



5.4.3 The process for EIR property searches has changed. Therefore, the significant reduction shown above is skewed as these requests now come in bulk, reducing the number of individual requests recorded.

5.4.4

Definitions	
Freedom of Information (FOI)	The Freedom of Information Act 2000 provides public access to information held by public authorities.
Data Protection Act DPA	Was developed to control how personal or customer information is used by organisations or government bodies. It protects people and lays down rules about how data about people can be used.
Environmental Information Regulations (EIR)	The Environmental Information Regulations 2004 (EIRs) give a general right of access to all the environmental information held by the Council providing one or more of the exemptions does not apply.

5.4.5 Additional transparency data has been published on the Council’s website e.g. figures for public health funerals, which has meant a reduction in requests received for that specific information.

6.0 Authorisations made under Regulation of Investigatory Powers Act

6.1 The Regulation of Investigatory Powers Act 2000 (RIPA) governs the use of covert surveillance 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. Since 1 November 2012 local authorities have been required to obtain judicial approval prior to using covert surveillance. 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.

6.2 Under the legislation it is the responsibility of the designated Senior Responsible Officer, which for the Council is the Director of Governance & Organisational Development, to ensure regular reports to Members on the Council's use of RIPA powers. The Council's usage of covert surveillance has always been low and it should be noted that there have been NO authorisations of covert surveillance by the Council for several years.

6.3 The last inspection of the Council's use of RIPA took place on 20 April 2016 by the Office of Surveillance Commissioner. We anticipate a "desktop"/ virtual inspection this year rather than a visit from a member of the inspectorate. The Council's policy relating to RIPA was updated in October 2019 and can be found via the following link:

<https://www.newark-sherwooddc.gov.uk/media/intranet/documents/policies/Current%20RIPA%20Policy%20and%20Procedure%202019.pdf>

7.0 Equalities Implications

7.1 Each service area is responsible for monitoring any equality implications arising from progressing actions and managing overall performance as set out within the Community Plan.

8.0 Financial Implications (FIN19-20/3406)

8.1 Revenue Current Year/Future Year

A separate report relating to budgetary performance will be submitted.

8.2 Capital Implications

There are no separate financial implications arising from the information presented in this report. Financial implications for individual activities under each objective will be the subject of separate reports.

9.0 Community Plan – Alignment to Objectives

9.1 This report provides an overview of performance in relation to KPIs and actions referenced in the Community Plan. We will continue to develop the community plan to ensure services are delivered effectively.

10.0 RECOMMENDATION

That Members note the report and provide any feedback on the content.

Reason for Recommendation

To enable Members to proactively monitor and manage achievement of the Council's objectives as set out in the Community Plan.

Background Papers

For further information, please contact Nicola Priest (Performance Officer) on Ext: 5526.

Deborah Johnson
Assistant Director - Transformation & Communications

POLICY & FINANCE COMMITTEE

25 JUNE 2020

ENVIRONMENTAL SERVICES PROJECT UPDATE

1.0 Purpose of Report

1.1 To update Members in respect of the project to realign and invest in Environmental Services. This project commenced in September 2019 and the project aimed to realign and refocus the service towards effective delivery of the Community Plan.

2.0 Background Information

2.1 Environmental Services within the scope of the development outlined in this report include: Street Cleansing; Refuse & Recycling; Transport; and Parks & Grounds Maintenance. These services now sit within one unit enabling synergies across the functions however these services report into different Committees – namely: cleansing, waste and transport to Leisure & Environment and parks and grounds maintenance to Economic Development. This report will provide an overview of the work done within the project.

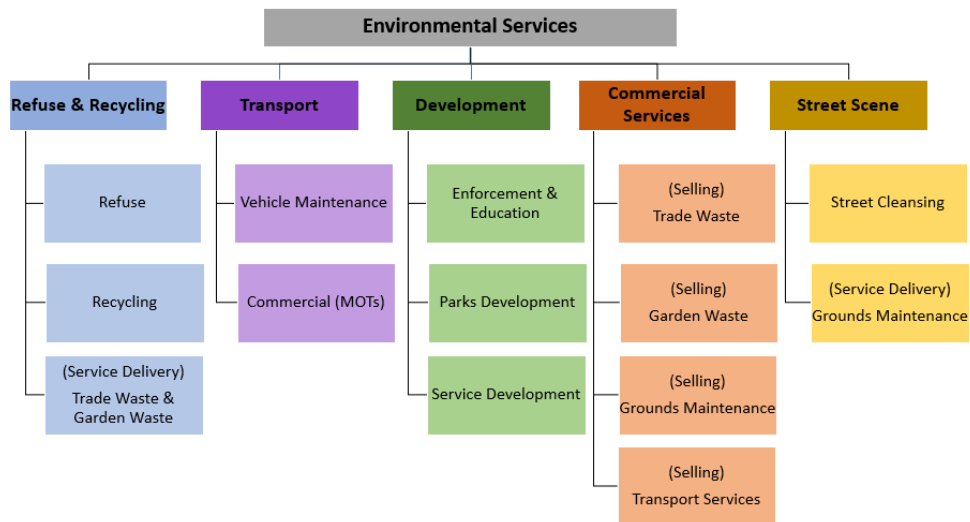
2.2 The Environment Strategy was due to be presented to Committee alongside this report however due to the dramatic impact of the pandemic this strategy needs to be reviewed and realigned. This Strategy will cover the period 2020-2023 and summarise the strategic direction for refuse, recycling and green spaces. The standard lifespan for a strategy is five years however this strategy has a shorter lifespan in reflection of the currently altering national picture. The purpose of this three year strategy is to deliver the Community Plan objectives and prepare the service for the changes coming so that the service will be on a solid foundation in 2023 ready to grow and to deliver nationally mandated change.

2.3 The project was expected to close in May 2020 however Environmental Services have had to redirect their primary focus to keeping essential services running through the Covid-19 crisis. This has meant that some project work streams have been scaled back and others paused in recognition of the changing local and national picture.

2.4 This report summarises the work done and that planned, for the development of this service and highlights where Covid-19 has impacted project outputs. This report will set the scene for the service area and lays the foundation for the Environmental Services Strategy, which will set the vision for the service that is due to be presented to Committee later this year.

3.0 Proposals

3.1 The project's aim was to develop the services within Environmental Services to a secure foundation through realignment and investment to enable the service to be ready to deliver the objectives outlined in the Community Plan. The project is still ongoing however the majority of the activity undertaken to develop and improve the services has been completed. These activities have been undertaken across the service and this report will review the work undertaken underneath each of the five 'delivery arms' within the newly formed environmental services;



Restructure

- 3.2 Firstly, the project undertook a service wide restructure to create the five delivery arms within Environmental Services. The aim of the restructure was to realign resource to strengthen street scene functions, improve succession planning and separate commercial services and service delivery to increase income generation and provide a better service for our residents and customers. The restructure was approved at JCC on 18 October 2019, consultation took place and the restructure commenced November 2019. The Environmental Services Business Manager is in place as are the Waste & Transport and Street Scene Managers. At the time of this report, it is expected the complete structure will be in place by September 2020.

Refuse & Recycling

- 3.3 The main focus for the refuse and recycling delivery arm has been creating efficiencies and realigning services to reflect best practice. This included;

- Utilising the new larger vehicles and driving efficiency by removing a waste round from the programme. The round was removed in February with a minimal impact on residents. 80 households had their collection day changed. The savings made with the removal of this round are being reinvested into the development of the action team.
- Redesigning the rounds to ensure best use of the waste vehicles by adapting how collections are made to best practice methods.
- A review of the trade waste service to ensure best practice in charging methodology and service delivery.
- Finally, an additional supervisory resource has been added to ensure efficiency and best practice in service delivery.

Transport

- 3.4 The project has enabled several actions within transport;
- The restructure included the addition of a mechanic apprentice, set to join the team Summer 2020. They will act as an additional resource and offer a route for succession planning. This recruitment has been delayed due to Covid-19. Any recruitment will be conducted in consultation with the appropriate organisations and unions.

- A refresh of the vehicle procurement process to ensure transparency and best practice.

Development

- 3.5 Three functions now sit within development;
- The 'education and enforcement' function encompasses waste enforcement and behaviour change including; education, campaign delivery and days of action.
 - 'Reporting and development' involves the reporting on, and constant development of, the whole service considering performance, synergies and efficient use of resources.
 - Development also includes the 'parks development' function containing the ranger service as well as a new role Environmental Programme Officer. This function leads on the green and sustainability agendas including ownership of the 'Greening' campaign encapsulating work to improve sustainability across Newark and Sherwood with a special focus on recycling.

Commercial Services

- 3.6 The commercial services within Environmental Services are; garden waste, trade waste, bulky waste, transport (commercial MOTs) and grounds maintenance. The service delivery of these functions stays within the appropriate delivery 'arm' however the 'commercial' arm focuses on 'selling' these services this will include brand management, marketing, pricing and customer interaction. Creating a central point for at cost services improves communication and cross marketing. The new Commercial Manager will drive the renewed focus on commerciality working to optimise the income achieved by the service through marketing and communication and consideration of the offer. This will include the potential introduction of a quality and affordable trade recycling offer.

Street Scene

- 3.7 The newly formed street scene delivery arm contains street cleansing and grounds maintenance functions. The following activities have been undertaken;
- In coordination with housing, health and community relations and in response to data gathered through the Residents Survey, the wider district (areas outside of town centres) has been zoned to enable areas that require it to be cleaned more regularly.
 - A new street cleansing shift is being introduced allowing town centre cover every weekend and until 6pm Monday to Saturday to ensure that our town centres are well-presented as people commute through or go into town for the evening. This shift was intended to be in place from April 2020. However, due to the exceptional circumstances street cleansers have been working differently. This round will become part of the regular programme when street cleansing resumes as normal.
 - A three person 'Action Team' has been created. This multi-skilled team are able to complete cleansing and light grounds maintenance tasks such as pruning, bin installation and pothole filling (on Council land only). They will work with the litter hit squads to target key areas and respond to multi-faceted service requests as well as acting as the foundation, in terms of staff presence, for days of action. This team was intended to be in place from April 2020. However, due to the exceptional circumstances this has been delayed and this team will commence working as expected when the regular programme resumes as normal.

- Finally, there has been extensive development of the Grounds Maintenance Service to get this service to a solid foundation from which it can be grown as a commercial service. The following activities have taken place;
 - Alterations to shift patterns to enable greater capacity during summer,
 - A review of all sites to update site schedules (a plan of what is required),
 - Introduction of a refreshed, and commercial, pricing matrix and service budget,
 - Review of internal SLAs for services delivered in-house, and
 - Working to develop, and populate, a digital system for recording site information and associated tasks. This system is in development with Meritec. The Council's existing CRM provider. The intention is that the system will cover all aspects of Street Scene.

4.0 Equalities Implications

4.1 Equalities impact assessments will be completed where appropriate for activities taking place within this project.

5.0 Financial Implications (FIN20-21/4253)

5.1 The projected additional costs for the new Environmental Services were included in the 2020/21 Revenue Budget. There were some additional costs in 2019/20 due to some staff recruitment before the 1 April 2020. These were covered through underspend within the service. There will be some staff redundancy costs and it was agreed to fund these from current reserves.

5.2 Since the last report to this Committee on 24 September 2019, the additional capital budget of £89,410 was approved to purchase three additional vehicles. These will enable the action team to operate and the new shifts to start as per paragraph 3.3 and 3.7.

6.0 Community Plan – Alignment to Objectives

6.1 This project works deliver the following Community Plan objectives;

- Improve the cleanliness and appearance of the local environment,
- Protect, promote and enhance the district's natural environment, and
- Generate more income, improve value for money and increase residents' satisfaction with the Council (income generation to be achieved by the development of the Environmental Services Commercial Services).

8.0 RECOMMENDATION

That the progress made in the development of Environmental Services be noted.

Reason for Recommendation

To ensure Members are informed on the progress made to deliver the improvements required to ensure delivery of the Community Plans' objectives.

Background Papers

Nil

For further information please contact Ella Brady on Ext.5279.

Matthew Finch
Director - Communities & Environment

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.

Given the current emergency in respect of the Covid 19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the urgency decision provision under Paragraph 7.2.1 of the Council's Constitution has been widened to extend the consultation to include the Leaders of all the political groups on the Council.

Subject: Payment of Management Fees to Active4Today for 2019/20 and 2020/21.

Appropriate Committee: Leisure and Environment and Policy & Finance

Details of Item

This urgency item is required to assist Active4Today (A4T) with financial fluidity and cash flow during the current Covid-19 pandemic as detailed below.

Members will be aware that there is a management fee provision in the annual revenue budget to pay Active4Today should this be required to be paid over based on annual performance. The decision to release the payment is determined on the outturn position and is presented to Leisure and Environment Committee in June for member consideration.

The Council's 3 leisure centres and Southwell Leisure Centre were closed on 17th March and remain so which has impacted on income. Accordingly, the outturn position is expected to present a deficit of circa £3,500 with the retained management fee included in the calculation. Given that the current committee cycle has been suspended until further notice the second instalment for 2019/20 (£60,610) should now be released to assist A4T's cash flow requirements.

In addition, the first instalment for 2020/21 has now been requested by Active4Today (£60,610) along with the management fee for strategic management support to Southwell Leisure Centre Trust (SLCT) (£80,850) in order to assist with cash flow requirements to cover current and ongoing revenue implications.

The proposal is therefore to release the balance of the 2019/20 payment, the first instalment of the 2020/21 management fee (£60,610) and the strategic management support to SLCT (£80,850) in order to support the operational requirements of the District's leisure centres including Southwell which form the A4T leisure offer.

The decision outlined below, as considered and supported by SLT on Tuesday 21 April 2020, is approved under Urgent Delegated decision making powers, to proceed with the payment of management fees as detailed above.

Decision

That the management fee balance for 2019/20, first instalment for 2020/21 and the strategic management support fee to SLCT for 20/21 be paid to Active4Today.

Members Consulted:

- Cllr. David Lloyd – Leader of the Council and Chairman of P & F Committee
- Cllr. Keith Girling – Deputy Leader of the Council and Vice Chairman of P & F Committee
- Cllr. Paul Peacock – Leader of the Labour Group
- Cllr. Peter Harris – Leader of the Liberal Democrat Group
- Cllr. Gill Dawn – Leader of the Independent Group
- Cllr. Roger Jackson – Chair of L & E Committee
- Cllr. Neill Mison – Vice Chair of L & E Committee
- Cllr. Ronnie White – P & F Committee Member
- Cllr. Brendan Clarke-Smith – P & F Committee Member
- Cllr. Tim Wendels – P & F Committee Member

All members consulted on 24th April 2020, reports emailed and follow up telephone call or voice mail message left.



Signed

Date 24th April 2020

Director - Communities & Environment

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.

Given the current emergency in respect of the Covid 19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the urgency decision provision under Paragraph 7.2.1 of the Council's Constitution has been widened to extend the consultation to include the Leaders of all the political groups on the Council.

Subject: Reinstatement of Garden Recycling Services

Appropriate Committee: Leisure & Environment and Policy & Finance

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

On 23 March 2020 the Government imposed restrictions on working patterns and instigated a number of preventative measures including physical distancing. As a result of these measures the Environmental Services Team was forced to undertake a number of preventative actions and suspend all but essential services. Since then the team has been working to restore services and reallocate departmental resources in new ways.

Refuse collection vehicle cabs are just under 2m wide and normally accommodate 3 people; due to the distancing restrictions and in accordance with industry guidance this has been reduced to 2. Our team has responded admirably to the challenge and almost all front line services have been restored. This has been achieved by doubling the number of collection vehicles on most rounds.

The only service that we have been unable to re-instate is garden recycling. All of our collection vehicles are now dedicated to our essential services (residual, recycling and clinical wastes) and our other two 'paid for' services of bulky and trade waste collections.

Since the cessation of the service, officers have been working to try and find solutions that will allow us to reinstate the service but more importantly protect our staff. A number of collection solutions have been used by other local authorities, including private cars; vans and mini buses. All are either unsuitable because of the size of the district, the setup of the rounds with finish points a long way from start points or quite frankly too risky to health. Having taken the time to embed completely new ways of working and allow our staff "get to grips" with completely new rounds we are in a position to make slight alterations, take staff from other areas of the business and utilise one of our spare trucks together with 2 additional hired vehicles to make the garden recycling collections viable.

We propose that the garden recycling service is restored, although this will involve an ongoing cost. The existing garden recycling collection vehicles have been allocated to core services and until the distancing rules are relaxed it won't be possible to release them.

We have evaluated our existing arrangements and we can utilise one of our spare vehicles in the short term but we will need to hire an additional 2 vehicles. The staffing for these rounds will come from other areas of the service as well as new staff that have been recently introduced.

Members will be aware that subscribers to the service have already paid for the 2020/21 financial year and reinstating the service will ensure that we do not need to refund all of the monies already taken or be in a position where we have to offer free services or huge discounts next year. Currently the council is informing residents that subscribers who remain with us will be discounted next year according to how many collections were missed. Therefore the more time goes by without a service the more discount will be required and a bigger under recovery for the next financial year will be realised. In addition members will also be aware of the public feeling over this service postponement as well as the amount of fly tipped garden waste and complaints about fires. Add to that the loss in recycling percentage and the weight of residual bins where residents are placing some of their garden waste/recycling and the impact can be truly seen.

Based on the assumptions above, the service will require £2,150 per week. This consists of vehicle hire of £1,700 per week, and £450 per week for additional staffing costs, (£15 per day for additional payment during the pandemic alterations). There will be an impact on the cost of fuel and maintenance but these costs have been accounted for elsewhere within the current budget. Currently the projected income for Garden Recycling is £68,000 under recovered. Some of this is due to the pandemic. If the social distancing requirements continue for the remainder of this financial year, the full year cost will be £93,170 (assuming the service restarts 1st June). For this to continue for 6 months, to the end of November, the cost will be £55,900. There is not sufficient current budget to cover these additional costs.

The Council's Reserves are sufficient to cover the additional costs highlighted above, if agreed. Financial Services have checked the figures and confirmed this.

Decision

To reinstate the garden recycling service with the funding to come from Council's reserves.

Members Consulted:

Cllr. David Lloyd – Leader of the Council and Chairman of P & F Committee
Cllr. Keith Girling – Deputy Leader of the Council and Vice Chairman of P & F Committee
Cllr. Paul Peacock – Leader of the Labour Group
Cllr. Peter Harris – Leader of the Liberal Democrat Group
Cllr. Gill Dawn – Leader of the Independent Group
Cllr. Roger Jackson – Chair of L & E Committee
Cllr. Neill Mison – Vice Chair of L & E Committee
Cllr. Yvonne Woodhead – Opposition Spokesperson of L & E Committee

Signed:
Matthew Finch
Director - Communities & Environment



Date 22 May 2020

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.

Given the current emergency in respect of the Covid 19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the urgency decision provision under Paragraph 7.2.1 of the Council's Constitution has been widened to extend the consultation to include the Leaders of all the political groups on the Council.

Subject:

Local Discretionary Business Grants Fund

Appropriate Committee:

Policy & Finance / Economic Development

Details of Item

In response to the Coronavirus, COVID-19, the government announced there would be support for small businesses, and businesses in the retail, hospitality and leisure sectors, delivered through the Small Business Grant Fund and the Retail, Leisure and Hospitality Grant Fund. As of Friday 29/5/2020 2,125 grant awards have been made under this scheme totalling £25,090,000.

Outside of this scheme the government announced on 2nd May 2020 that funding will be provided for an additional discretionary fund aimed at small and micro businesses who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund.

The design and administration of this fund will fall under the remit of billing authorities (City, District and Borough Councils within Nottinghamshire).

The cost to local authorities of these grant payments will be met in one of two ways:

Where local authorities have or plan to spend all of the grants fund allocation for the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund, they will receive an additional payment of 5% of their estimated usage of the Small Business and Retail, Hospitality and Leisure grants fund allocation as at 4th May 2020 (using a grant under section 31 of the Local Government Act 2003).

Local authorities that, having taken all reasonable steps to provide grants to eligible businesses for the Small Business Grants Fund and/or the Retail, Hospitality and Leisure Grants Fund, still have unspent initial grants funds allocation, will fund the grants from this unspent residual (again to the value of 5% of the estimated usage of the Small Business and Retail, Hospitality and Leisure grants fund allocation as at 4th May 2020). Local authorities with a projected underspend of more than 5% cannot allocate awards above their 5% threshold.

The value of this fund for Newark and Sherwood District Council is £1,237,500.

The attached scheme has been modelled and designed on the guidance issued by the Government and in particular the Department for Business, Energy, Innovation and Skills (BEIS).

Whilst the scheme is discretionary to some extent, government guidance is quite prescriptive, with the following being mandatory requirements:

- i. Businesses which have received cash grants from any central government Covid-19 related scheme are ineligible for funding from the Discretionary Grants Fund. However, businesses which have received funding via the SEISS or CJRS schemes can receive grants under the Discretionary Grants Fund.
- ii. Only businesses which were trading on 11 March 2020 are eligible for this scheme.
- iii. Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

The guidance also states that local schemes should take into account businesses with relatively high ongoing fixed property-related costs and businesses which can demonstrate that they have suffered a significant fall in income.

Newark and Sherwood District Council has led (with Rushcliffe BC) and designed its proposed discretionary scheme in consultation with all other Nottinghamshire LA's with the aim of ensuring that there is a broadly similar scheme across the whole of the County which ensures that all businesses that apply to the scheme are subject to the same criteria.

In addition, a number of meetings have taken place with the regional representative for BEIS during which this proposed scheme has been discussed and with representatives from all Nottinghamshire Authorities to ensure there is parity with the guidance (see above).

This includes fixed grants to the value of £25,000, £10,000 and any amount under £10,000 for which local authorities have discretion to make payments such as providing support for micro businesses with fixed costs or support for businesses that are crucial for their local authorities.

Equalities Implications

The scheme has been designed taking into account issued government guidance and in consultation with all Nottinghamshire billing authorities.

Claims to this scheme will be assessed on an individual basis taking into account the proposed criteria and guidelines – this will ensure that all awards are made in a consistent and transparent basis and that there will be a broadly similar scheme across the whole of the County.

An on-line application form has been provided which is available for all businesses to use, alternatively this could be provided in alternative format if requested.

Financial Implications

The value of this fund for Newark and Sherwood District Council is £1,237,500. The scheme will cease once this fund has been exhausted.

Revenue Current Year

This policy is funded wholly by central government and hence there are no financial implications in delivering this scheme attributable to NSDC.

Decision

The attached Local Discretionary Business Grants Fund scheme is approved as a matter of urgency so that claims under this scheme from local businesses can be considered/assessed and awarded with immediate effect.

Reason for Decision

To provide urgent and immediate support to small local businesses that have not been able to obtain grant funding support from the small business and retail/hospitality/leisure grant scheme.

Members Consulted:

Policy & Finance Committee

Cllr. David Lloyd
Cllr. Paul Peacock

Economic Development Committee

Councillor Keith Girling
Councillor Neal Mitchel

Group Leaders

Councillor Mrs Gill Dawn
Councillor Peter Harris

Signed:



Sanjiv Kohli
Deputy Chief Executive/Director – Resources/Section 151 Officer

Date: 2 June 2020

LOCAL DISCRETIONARY BUSINESS GRANTS FUND

Businesses may only apply for funding under this discretionary grant scheme if the business meets the following eligibility criteria:

1. Eligibility for other Grant Funding

1.1 This discretionary grant funding is only available for businesses that are not eligible for other government support schemes. Businesses which have received cash grants, or are eligible to receive grants, from any central government COVID related scheme are ineligible for funding from the Discretionary Grants Fund. Such grant schemes include but are not limited to:

- Small Business Grant Fund
- Retail, Hospitality and Leisure Grant
- The Fisheries Response Fund
- Domestic Seafood Supply Scheme (DSSS).
- The Zoos Support Fund
- The Dairy Hardship Fund

1.2 Businesses who have applied for the Coronavirus Job Retention Scheme are eligible to apply for this scheme.

1.3 Businesses who have applied for the Self Employment Income Support Scheme are eligible to apply for this scheme, however priority may be given to those businesses who are not eligible for grant under the Self Employment Income Support Scheme.

2. Profile of Qualifying Businesses

- a) Small and micro businesses, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006.
- i. To be a small business, a business must satisfy two or more of the following requirements in a year:
- Turnover of not more than £10.2 million
 - Balance sheet total not of more than 5.1 million
 - Number of employees: a headcount of staff of less than 50
- ii. To be a micro business, a business must satisfy two or more of the following requirements in a year (any payment to be capped at a maximum of £10,000):
- i. Turnover of not more than £632,000
 - ii. Balance sheet total of not more than £316,000
 - iii. Number of employees: a headcount of staff of not more than 10
- b) Businesses with relatively high ongoing fixed property-related costs - 15% of overheads (excluding cost of sales).
- c) Businesses which can demonstrate that they have suffered a significant fall in income - 80% of income from 1 April 2020 to 31 May 2020) due to the COVID-19 crisis

- d) Businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.
- e) Only businesses which were trading on 11 March 2020 are eligible for this scheme.
- f) Companies that are in administration, or insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

3. Amount of Grant Allocation:

3.1 The amount of allocation complements the government's Small Business Grants Fund and the Retail Hospitality and Leisure Grants Fund, except that businesses applying for funding under this scheme will need to provide evidence of meeting the qualifying criteria set out in (4) below:

- Small businesses in shared offices or other flexible workspaces, such as units in industrial parks, science parks and incubators which do not have their own business rates assessment but pay rent up to £15,000 per year may be eligible to a grant of £10,000, provided the business meets the qualifying criteria in (4) below.
- Small businesses in shared offices or other flexible workspaces, such as units in industrial parks, science parks and incubators which do not have their own business rates assessment but pay an annual rent between £15,001 and £51,000 may be eligible for a grant of £25,000, provided the business meets the qualifying criteria in (4) below.
- Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief, may be eligible for a grant of £10,000, provided the charity meets the qualifying criteria in (4) below.
- Discretionary grant payments of up to £10,000 may be made to the following businesses, provided the business meets the qualifying criteria in (4) below:
 - Businesses that are domiciled in the District/Borough/City who have not been eligible for other grant schemes as stated in section 1 above.
 - The amount of grant awarded to those businesses eligible for the Self Employed Income Support Scheme, will be based on 25% of the annual rent or equivalent property charge that is attributable to the business (as detailed below at (4) iii. as applicable on the 11th March 2020), **up to a maximum of £10,000.**
 - The amount of grant awarded to those businesses that do not qualify for the Self Employed Income Support Scheme will be based on 50% of the annual rent or equivalent property charge that is attributable to the business (as detailed below at (4) iii. as applicable on the 11th March 2020), **up to a maximum of £10,000.**

3.2 Assessment Process:

All applications will be assessed on a case by case basis. The application form will set out particulars of the evidence that will need to be included with the application for grant. The applicant will need to demonstrate ALL of the following:

- i. The business is not eligible for any other government grant scheme listed in (1) above.
- ii. The businesses has relatively high (more than 15% of overheads) ongoing fixed property-related costs. Evidence required will include (but not limited to a signed lease agreement, signed licence agreement, or a certificate signed by the business accountant of the property charge within the business' financial statements relating to 6 months prior to 31st May 2020 (this equally applies to businesses operating from home premises). The evidence must demonstrate the actual cost to the business. A copy of the previous years' accounts will be requested.
- iii. The business has suffered an income loss of at least 80% for the 2 months from 1 April 2020 to 31 May 2020. This will be evidenced by a comparison with the business income for the same period in 2019 or, for businesses trading for less than 12 months, a comparison with average income for the trading months prior to 1 March 2020. Evidence of proof will include documents from bank, certified documentation from your accountant or financial advisers.
- iv. To evidence trading prior to 11 March 2020; examples of evidence include (but not limited to) for companies registration number with Companies House, for charities registration with the Charity Commissioner for sole traders and partnerships the UTR reference number from HMRC
 - **Insufficient evidence could result in any claim being rejected.**
 - **There will only be one grant award per business from this fund**
 - **The decision to award a grant will be final with no right of appeal.**

4. Taxation

- 4.1 Grant income received by a business is taxable therefore funding paid under the Local Authority Discretionary Grants Fund will be subject to tax. Only businesses which make an overall profit once grant income is included will be subject to tax.

5. Declarations

- **Applicants to this grant will require to make the following declarations on the application form:** All successful businesses will be required to declare that by accepting the grant payment, the business confirms that they are eligible for the grant scheme, including that any payments accepted will be in compliance with State Aid requirements.
- All successful businesses will be required to make a declaration that the business is a Small or Micro businesses, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006.
- All successful businesses will be required to make a declaration that the business has not received or is not eligible to receive any other government grants listed in section 1.

Any business caught falsifying their records to gain additional grant will face prosecution and any funding issued will be subject to recovery.

6. Closing date for Applications.

- 6.1 The total available fund for grant payments under this scheme is £.....All applications will be evaluated as quickly as possible and payments will be made in June, with the closing date for applications of 30th June 2020. The drawdown of the funding amount of £.....will be kept under constant review and the council reserves the right to shorten or lengthen the closing date dependant on the value of grants awarded during the month of June. No further payments will be made once the fund is exhausted unless further Government funding is provided.

29 May 2020



Department for
Business, Energy
& Industrial Strategy

Grant Funding Schemes

Local Authority Discretionary Grants Fund –
guidance for local authorities



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Any enquiries regarding this publication should be sent to us at: enquiries@beis.gov.uk

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About this guidance

1. This guidance is intended to support local authorities in administering the Local Authority Discretionary Grants Fund announced on 1 May 2020. This guidance applies to England only.
2. This guidance sets out the criteria which local government should consider as they manage the Local Authority Discretionary Grants Fund. This does not replace [existing guidance](#) for the Small Business Grant Fund (SBGF) or the Retail Hospitality and Leisure Grant Fund (RHLGF).
3. Local authority enquiries on this measure should be addressed to businessgrantfunds@beis.gov.uk. Businesses seeking information should refer to their local authority for further information on their discretionary scheme.

Introduction

4. In response to the Coronavirus, COVID-19, the government announced there would be support for small businesses, and businesses in the retail, hospitality and leisure sectors, delivered through the Small Business Grant Fund and the Retail, Leisure and Hospitality Grant Fund.
5. This additional fund is aimed at small and micro businesses who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund.

How will the grants be provided?

6. Local authorities will be responsible for delivering grants to eligible businesses. Section 1 of the Localism Act 2011 provides all local authorities with the vires to make these payments.
7. The cost to local authorities of these grant payments will be met in one of two ways:
 - Where they have or plan to spend all of the grants fund allocation for the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund, they will receive an additional payment of 5% of their funding allocation (using a grant under section 31 of the Local Government Act 2003).
 - Local authorities that, having taken all reasonable steps to provide grants to eligible businesses for the Small Business Grants Fund and/or the Retail, Hospitality and Leisure Grants Fund, still have unspent initial grants funds allocation, will fund the grants from this unspent residual. Local authorities with a projected underspend of more than 5% cannot allocate awards above their 5% threshold.
8. In either case, we will continue to monitor each local authority's spend performance for the Small Business, Retail, Hospitality and Leisure Grants Funds and the Local Authority Discretionary Grants Fund and ensure they have sufficient funding and the correct 5% cap for the Discretionary Grants Fund and will top up funding where necessary.

9. We will use the data return from local authorities of Monday 4th May 2020, which includes a projection of spend totals for the Small Business and Retail, Hospitality and Leisure Grants Funds, as the baseline for calculating either:
 - The 5% funding envelope that each local authority can utilise to meet the costs of this discretionary grants scheme, where they have residual funding available;
 - Or, the allocation of the additional amount of grant to be paid to those local authorities expecting to have no residual funding or not enough residual funding from the initial allocation of Small Business and Retail, Hospitality and Leisure Grants Funds.
10. This is a baseline to provide the fixed minimum 5% allocation for each local authority, to give certainty. We do not want to penalise local authorities that subsequently manage to achieve a higher number of business hereditaments supported and grants awarded; their 5% allocation will be adjusted upwards.
11. We are committed to meeting the delivery costs to local authorities for this scheme and will meet associated New Burdens costs.
12. Local authorities that will be responsible for making payments to businesses and which will receive funding from government are billing authorities in England.
13. This grant scheme widens access to support to businesses who are struggling to survive due to the Corona virus shutdown but are unable to access other grant funding. Local authorities should make payments as quickly as possible to support struggling businesses. We anticipate that the first payments made under the scheme will be received by businesses by early June.

How much funding will be provided to businesses?

14. Local authorities may disburse grants to the value of £25,000, £10,000 or any amount under £10,000. The value of the payment to be made to a business is at the discretion of the local authority.
15. Grants under the Local Authority Discretionary Grants Fund are capped at £25,000.
16. The next level payment under the Local Authority Discretionary Grants Fund is £10,000.
17. Local authorities have discretion to make payments of any amount under £10,000. It will be for local authorities to adapt this approach to local circumstances, such as providing support for micro-businesses with fixed costs or support for businesses that are crucial for their local economies. We expect that payments of under £10,000 may be appropriate in many cases.
18. In taking decisions on the appropriate level of grant, local authorities may want to take into account the level of fixed costs faced by the business in question, the number of employees, whether businesses have had to close completely and are unable to trade online and the consequent scale of impact of COVID-19 losses.
19. Bearing in mind the above, local authorities should set out clear criteria for determining the appropriate level of grant to give businesses clarity.

Who will benefit from these schemes?

20. These grants are primarily and predominantly aimed at:
- Small and micro businesses, as defined in Section 33 Part 2 of the Small Business, Enterprise and Employment Act 2015 and the Companies Act 2006.
 - Businesses with relatively high ongoing fixed property-related costs
 - Businesses which can demonstrate that they have suffered a significant fall in income due to the COVID-19 crisis
 - Businesses which occupy property, or part of a property, with a rateable value or annual rent or annual mortgage payments below £51,000.
21. To be a small business, under the Companies Act 2006, a business must satisfy two or more of the following requirements in a year—
- Turnover: Not more than £10.2 million
 - Balance sheet total: Not more than 5.1 million
 - Number of employees: a headcount of staff of less than 50
22. To be a micro business, under the Companies Act 2006, a business must satisfy two or more of the following requirements—
- Turnover: Not more than £632,000
 - Balance sheet total: Not more than £316,000
 - Number of employees: a headcount of staff of not more than 10
23. We want local authorities to exercise their local knowledge and discretion and we recognise that economic need will vary across the country, so we are setting some national criteria for the funds but allowing local authorities to determine which cases to support within those criteria.
24. We are asking local authorities to prioritise the following types of businesses for grants from within this funding pot:
- Small businesses in shared offices or other flexible workspaces. Examples could include units in industrial parks, science parks and incubators which do not have their own business rates assessment;
 - Regular market traders with fixed building costs, such as rent, who do not have their own business rates assessment;
 - Bed & Breakfasts which pay Council Tax instead of business rates; and
 - Charity properties in receipt of charitable business rates relief which would otherwise have been eligible for Small Business Rates Relief or Rural Rate Relief.

25. The list set out above is not intended to be exhaustive but is intended to guide local authorities as to the types of business that the government considers should be a priority for the scheme. Authorities should determine for themselves whether particular situations not listed are broadly similar in nature to those above and, if so, whether they should be eligible for grants from this discretionary fund.
26. Where limits to funding available for this scheme require local authorities to prioritise which types of businesses will receive funding, it will be at the local authorities discretion as to which types of business are most relevant to their local economy. There will be no penalty for local authorities because of their use of discretion to prioritise some business types.
27. Local authorities should set out the scope of their discretionary grant scheme on their website, providing clear guidance on which types of business are being prioritised, as well as the rationale for the level of grant to be provided (either £25,000, £10,000 or less than £10,000).
28. Local authorities may wish to consider collaborating as they design their discretionary schemes to ensure there is consistency where they are working across a functional economic area (e.g. a Mayoral Combined Authority or Local Enterprise Partnership area) and may want to engage with MCAs and LEPs to ensure alignment and reduce duplication with other local discretionary business grants that may have been established.

Eligibility

29. This grant funding is for businesses that are not eligible for other support schemes. Businesses which are eligible for cash grants from any central government COVID-related scheme (apart from SEISS) are ineligible for funding from the Discretionary Grants Fund. Such grant schemes include but are not limited to:
 - Small Business Grant Fund
 - Retail, Hospitality and Leisure Grant
 - The Fisheries Response Fund
 - Domestic Seafood Supply Scheme (DSSS).
 - The Zoos Support Fund
 - The Dairy Hardship Fund
30. Businesses who have applied for the Coronavirus Job Retention Scheme are eligible to apply for this scheme.
31. Businesses who are eligible for the Self-Employed Income support scheme (SEISS) are eligible to apply for this scheme as well.
32. Only businesses which were trading on 11 March 2020 are eligible for this scheme.
33. Companies that are in administration, are insolvent or where a striking-off notice has been made are not eligible for funding under this scheme.

Who will receive this funding?

34. It is recognised that local authorities will need to run some form of application process.
35. This will allow local authorities to undertake proportionate pre-payment checks to confirm eligibility relative to their local scheme and to allow each local authority to determine how to use its discretion in relation to the appropriate level of grant. Prepayment checks must include confirming that by accepting payments recipients are in compliance with State aid rules.
36. Local authorities must use their discretion in identifying the right person to receive this funding, based on their application process.
37. The local authority must call or write to the business, stating that by accepting the grant payment, the business confirms that they are eligible for the grant scheme, including that any payments accepted will be in compliance with State aid requirements. Suggested wording for State aid declarations is included at Annex B.

Will these grant schemes be subject to tax?

38. Grant income received by a business is taxable therefore funding paid under the Local Authority Discretionary Grants Fund will be subject to tax.
39. Only businesses which make an overall profit once grant income is included will be subject to tax.

Managing the risk of fraud

40. The government will not accept deliberate manipulation and fraud - and any business caught falsifying their records to gain grant money will face prosecution and any funding issued will be subject to claw back, as may any grants paid in error.
41. The government Grants Management Function and Counter Fraud Function will make their digital assurance tool, Spotlight, available to local authorities, and will offer support in using the tool and interpreting results. Alongside other checks conducted by local authorities, the tool can help with pre-payment and post payment assurance. We also want local authorities to work with us and each other in identifying and sharing good practice, including protecting eligible businesses which may be targeted by fraudsters pretending to be central or local government or acting on their behalf.

Post event assurance

42. Post payment, the government Grants Management Function and Counter Fraud Function will support local authorities to carry out post-event assurance work to identify high risk payments.

Monitoring and reporting requirements

43. Local authorities will be required to report on their progress in developing and delivering the Local Authority Discretionary Grant Fund weekly to BEIS alongside the existing reporting on the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund. Criteria for local authority schemes must be published and shared with BEIS.
44. Once the scheme is developed and payments are made, reports from June onward will cover:
 - Numbers of businesses provided £25,000 grants
 - Numbers of businesses provided £10,000 grants
 - Numbers of businesses provided less than £10,000 grants
 - Total funding paid out in relation to the discretionary grant scheme paying less than £10,000
 - Expected date of completion of all grant payments to businesses
 - Issues encountered in implementing the scheme to allow BEIS to support development of solutions with local authorities.
45. We will also contact a sample of LAs each month to:
 - Check they are awarding in line with the mandatory criteria;
 - Understand the ways in which they are using their discretion.
46. Annex A contains information on Post Payment Monitoring requirements.

State aid

47. The United Kingdom left the EU on 31 January 2020, nonetheless under the Withdrawal Agreement the State aid rules continue to apply during a transition period, subject to regulation by the EU Commission. The local authority must be satisfied that all State aid requirements have been fully met and complied with when making grant payments, including, where required, compliance with all relevant conditions of the EU State aid De-Minimis Regulation, the EU Commission Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak, the approved COVID-19 Temporary Framework for UK Authorities, and any relevant reporting requirements to the EU Commission.
48. Local authorities have a discretion to make payments to eligible recipients under either the De Minimis rules or the COVID-19 Temporary Framework for UK Authorities (provided all the relevant conditions are met).
49. Payments of up to and including £10,000 can be provided under the De Minimis rules, meaning applicants can receive up to €200,000 of aid within a three year period.
50. Payments of up to and including £25,000 (or £10,000 where the De Minimis threshold has been reached) should be paid under the COVID-19 Temporary Framework for UK Authorities. Local authorities should note the conditions attached to the Temporary Framework, including the €800,000 threshold per undertaking (€120,000 per

undertaking active in the fishery and aquaculture sector or €100 000 per undertaking active in the primary production of agricultural products), and requirement for recipients to declare they were not an undertaking in difficulty on 31 December 2019. An 'undertaking in difficulty' is defined by GBER (2014) as an undertaking in which at least one of the following circumstances occurs:

- a) In the case of a limited liability company (other than an SME that has been in existence for less than three years), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital.
- b) In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses.
- c) Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.
- d) Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.
- e) In the case of an undertaking that is not an SME, where, for the past two years:
 - i) The undertaking's book debt to equity ratio has been greater than 7.5 and
 - ii) The undertaking's EBITDA interest coverage ratio has been below 1.0.

51. Annex B of this guidance contains two sample declarations which local authorities may wish to use with either payments under the De Minimis rules or under the COVID-19 Temporary Framework for UK Authorities. Where local authorities have further questions about De Minimis or other aspects of State aid law, they should seek advice from their legal department in the first instance.

Annex A: Post-payment reporting

Background

1. Local authorities will be required to report weekly to BEIS on the Local Authority Discretionary Grants Fund, alongside the existing reporting on the Small Business Grants Fund and Retail, Hospitality and Leisure Grants Fund
2. Reports will cover:
 - Numbers of businesses provided £25,000 grants
 - Numbers of businesses provided £10,000 grants
 - Numbers of businesses provided less than £10,000 grants
 - Total funding paid out in relation to the discretionary grant scheme paying less than £10,000
 - Expected date of completion of all grant payments to businesses
 - Issues encountered in implementing the scheme to allow BEIS to support development of solutions with local authorities
3. The return will be completed using the DELTA Reporting system.

Process

4. Local authorities are required to complete the weekly return for BEIS by 10am Monday (from early June), reporting on the previous Monday – Sunday period.
5. Each weekly report will only cover grants provided by local authorities to eligible business during the period of the previous week as per paragraph 4. The Cities and Local Growth Unit will consolidate the reports to create a cumulative total and monitor progress against the allocation of funding per local authority.

Definitions

Total number of grants provided under each level of the scheme (£25,000; £10,000; and less than £10,000)	Number of grants paid (in that week) to the eligible businesses identified by the local authorities.
Total funding paid out in relation to the discretionary grant scheme paying less than £10,000	This should reflect the amount of money paid in grants against the under £10k grant in the reporting week under this scheme.
Expected Date of Completing all payments to Eligible Businesses	Date at which the local authorities believes it will have provided all grants under the scheme.
Comments	Highlight in this box issues that local authorities are encountering while implementing the schemes.

Annex B: State aid – Sample paragraphs that could be included in letters to grant recipients

Template to send to beneficiaries of aid awarded based on the UK COVID-19 Temporary Framework¹

Dear [Name of Aid Recipient]

Confirmation of State Aid received under the COVID-19 Temporary Framework for UK Authorities scheme

Following the outbreak of the Coronavirus, the European Commission has approved schemes to aid businesses affected by the Coronavirus outbreak on the basis of their Temporary Framework, including the COVID-19 Temporary Framework scheme for the UK.

The maximum level of aid that a company may receive is €800 000 (€120 000 per undertaking active in the fishery and aquaculture sector or €100 000 per undertaking active in the primary production of agricultural products). This is across all UK schemes under the terms of the European Commission's Temporary Framework. The Euro equivalent of the Sterling aid amount is calculated using the Commission exchange rate² applicable on the date the aid is offered.

Any aid provided under this scheme will be relevant if you wish to apply, or have applied, for any other aid granted on the basis of the European Commission's Temporary Framework. You will need to declare this amount to any other aid awarding body who requests information from you on how much aid you have received. You must retain this letter for four years after the conclusion of the UK's transition from the EU and produce it on any request from the UK public authorities or the European Commission.

Aid may be granted to undertakings that were not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation³) on 31 December 2019, but that faced difficulties or entered in difficulty thereafter as a result of the COVID-19 outbreak⁴.

This aid is in addition any aid that you may have received under the De Minimis regulation allowing aid of up to €200,000 to any one organisation over a three fiscal year period (i.e. your current fiscal year and previous two fiscal years), and any other approved aid you have received under other State aid rules, such as aid granted under the General Block Exemption Regulation.

¹ Approval reference.

² https://ec.europa.eu/info/funding-tenders/how-eu-funding-works/information-contractors-and-beneficiaries/exchange-rate-infoeuro_en

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02014R0651-20170710>

⁴ If you are an undertaking in difficulty within the meaning of Article 2(18) of the General Block Exemption Regulation you may still be entitled to de minimis aid if you have received less than €200,000 in de minimis aid in the last three years. You should contact us if you consider that you may qualify for de minimis aid on this basis.

Confirmation of State aid received under x Scheme, and Undertaking in Difficulty status

Please sign the attached statement confirming your eligibility, in principle, for aid.

I confirm that I have received the following aid under measures approved within the European Commission's Temporary Framework between March 2020 and December 2020.

I confirm that my undertaking was not in difficulty (within the meaning of Article 2(18) of the General Block Exemption Regulation) on 31 December 2019.

Body providing the assistance/ aid	Value of assistance (in €)	Date of assistance

Declaration

Company	
Company Representative Name	
Signature	
Date	

Template to send to beneficiaries of aid awarded based on De Minimis Rules

Dear []

The value of the grant payment to be provided to [name of undertaking] by [name of local authority] is £ [] (Euros []).

This award shall comply with the EU law on State aid on the basis that, including this award, [name of undertaking] shall not receive more than €200,000 in total of de minimis aid within the current financial year or the previous two financial years). The de minimis Regulations 1407/2013 (as published in the Official Journal of the European Union L352 24.12.2013) can be found at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

Amount of de minimis aid	Date of aid	Organisation providing aid	Nature of aid

I confirm that:

- 1) I am authorised to sign on behalf of _____ [name of undertaking]; and
- 2) _____ [name of undertaking] shall not exceed its De minimis threshold by accepting this grant payment.

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

I confirm that I wish to accept the grant payment in relation to the above premises.

DATE:

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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.

Given the current emergency in respect of the Covid 19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the urgency decision provision under Paragraph 7.2.1 of the Council's Constitution has been widened to extend the consultation to include the Leaders of all the political groups on the Council.

Subject: Car Parking Charges Review – Covid-19

Appropriate Committees:

Leisure & Environment
Policy & Finance
Economic Development

Details of Item (including reasons for use of urgency procedure):

Members may be aware that since the start of the Covid-19 pandemic enforcement of parking charges for NSDC car parks has been frozen, meaning that car parks have essentially been 'Free of Charge' since 4th April 2020. External communications have focused on the ability of car parking availability to be utilised by key workers and the wider community accessing essential shops and services which remained open (such as pharmacies for example).

As the economy slowly reopens (non-essential retail can open from 15th June, with others sectors likely to follow on 4th July) it is necessary for us to revisit when we will again enforce car parking charges. For awareness Nottinghamshire County Council have informed all Districts that on-street parking enforcement will resume imminently.

Some local authorities are reintroducing charging regime in full from 1st July 2020. Others are considering offering a short period of free parking whilst the economy reopens.

Current Car Parking Capacity

Within the last 2/3 weeks there has been a noticeable increase in the use of the Council's car parks to such a degree that most of our car parks are now close to capacity on most days of the week. This is a position which exists without the majority of Newark shops being open for trading. There is a concern that if we simply extended free parking on an all-day basis that shops which are re-opening would simply not benefit. This is aside from the significant financial impacts for the Authority from the loss of all car parking income.

In order to strike a balance between assisting the reopening of the economy and actually creating a level of car parking capacity for shoppers to use it is proposed that a 2 hour free parking regime be adopted until 31st August 2020 (between the hours of 08.00-17.59). It is also recommended, again until 31st August, that parking after 18.00 continues to be free in terms of assisting the night-time economy. From 1st September all car parking tariffs would be reinstated to previous levels.

In order to affect this change all parking machine software would be amended and additional signage would be installed. In practical terms customers would obtain a 0-2 hour 'Free Parking' ticket by pressing the ticket issue button on the parking machine. This would need to be displayed inside the vehicle.

Members are advised that this proposed recommendation will come at a significant cost for the 2 month period suggested. This is in addition to revenue income already lost. It is proposed that communications are clear that this is a time-limited measure in order to assist re-opening.

Equalities Implications

Members will be aware that our car parks are subject to statutory requirements in operating to adhere to relevant equalities legislation. The new regime would also be subject to a Covid-Secure risk assessment that will consider any equalities implications.

Financial Implications

Members will be aware that the pandemic has already inevitably impacted upon car parking fee income with the service not collecting fees since the lockdown began. It is estimated that the proposals for free parking for 2 hours for this additional 2 months will lead to an assumed loss of around £50,000 (based on comparison to last year's figures). There is an additional cost of £3,000 to implement software and signage changes. This additional cost can be funded from the Government funding received relating to Covid-19.

In context, the annual income estimated for car parking is £843,000. Based on current forecasting (which assumes this proposal for 2 hours free parking is approved and that car parks are not full from the start), it is expected that fees will be £348,133 for this year, an overall loss, due to Covid-19 of £494,867. This assumes a reduction of 40% usage for the remaining 9 months of the year. This loss, as with any other financial consequences of Covid-19 will be presented to Government.

Decision

That between 1st July and 31st August, inclusive, NSDC adopts a policy of free parking between 18.00-07.59hrs and the first 2 hours between the hours of 08.00-18.00 Monday-Sundays (inclusive).

Reason for Decision

To assist with reopening the economy as the Covid-19 lockdown restrictions are lifted.

Members Consulted:

Councillor David Lloyd – Leader NSDC, Chairman – Policy & Finance	11 th June 2020
Councillor Paul Peacock – Leader of Opposition	10 th June 2020
Councillor Gill Dawn – Leader, Independent Group	11 th June 2020
Councillor Peter Harris – Leader, Liberal Democrat Group (no reply)	10 th June 2020
Councillor Roger Jackson – Chairman, Leisure & Environment	10 th June 2020
Councillor Keith Girling – Chairman, Economic Development	11 th June 2020



Signed:
Director – Growth & Regeneration

Date: 11 June 2020

POLICY & FINANCE COMMITTEE

25 JUNE 2020

COUNCIL'S ANNUAL BUDGET 2021/22 – OVERALL CORPORATE BUDGET STRATEGY

1.0 Purpose of Report

1.1 To set out the Budget Strategy for 2021/22 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

Budget Presentation

3.1.1 The budget process will result in setting the budget and the Council Tax for 2021/22 and will be approved by Council at its meeting on 9 March 2021.

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 June 2019. The policies and principles have been reviewed and updated where necessary and are attached as **Appendices B(i) to B(v)**.

4.0 Budget Strategy

4.1 The current Medium Term Financial Plan (MTFP) was approved on 9 March 2020.

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 in the three financial years prior to 2020/21 (2017/18, 2018/19 and 2019/20), i.e. 1.94%:

	2020/21 (£m)	2021/22 (£m)	2022/23 (£m)	2023/24 (£m)
Net Service Expenditure (less capital charges)	12.181	12.459	12.549	12.624
Total Other Expenditure	1.342	1.275	1.302	1.943
Total Expenditure	13.523	13.734	13.851	14.567

Total Business Rates	(7.724)	(5.316)	(5.379)	(5.435)
Council Tax	(7.018)	(7.245)	(7.484)	(7.729)
Other Grants	(0.122)	0.000	0.000	0.000
Contribution (to) or from Reserves	(1.341)	1.173	0.988	1.403

- 4.3 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 Organisational Improvement and Development Business Unit. The business unit is working with a commercial focus to identify opportunities to increase income into the Council and reduce costs by using a more commercially focussed lens. 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 all years going forward. 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.
- 4.4 The national context around future local government funding is uncertain. The Comprehensive Spending Review (CSR) 2020 has been delayed from July 2020, and changes due under the Fair Funding Review will no longer go ahead from 2021/22, so that the government and councils respectively can remain focused on responding to the Coronavirus-related public health emergency.
- 4.5 Due to this, the existing years' allocations of business rates will continue into 2021/22 (index linked), which may mean that the council retains a larger proportion of the business rates income than it anticipated when the MTFP was approved in March 2020.
- 4.6 The CSR will allow the government to consider its priorities across all spending over multiple years, whilst the Fair Funding Review will both change how (and how much) funding is allocated between councils and increase the proportion of business rates that all councils can retain (from 50% to 75%). Officers liaise closely with external financial advisers in order to keep abreast of announcements and incorporate the latest modelling into its medium-term projections.
- 4.7 The following underlying assumptions will be applied in compiling the draft budget for 2021/22:
- 4.7.1 Base Budget
- The base budget for 2021/22 will be derived from the outturn position for the 2019/20 financial year adjusted for inflation and other known factors. This will give a "tighter" budget position as it will be linked to actual spending patterns rather than historical budgets.
- 4.7.2 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 3% increase in wages and salaries will be assumed for 2021/22. The Trade Unions side of the National Joint Council (NJC) for Local Government Services have rejected the employers' final offer of a 2.75% pay increase for 2020/21. The employers' side has said that it will ask central government for more money for 2020/21 local government pay.

The financial implications of these changes and those for the National Living Wage will be kept under constant review and the budget, if required, will be revised before presentation to Policy & Finance Committee on 18 February 2021.

A vacancy provision of 3.5% of the total salary budget for 2021/22 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 2021/22 has been calculated.

4.7.3 Employer's Superannuation

A triennial valuation of the Nottinghamshire County Council pension scheme took place as at 31 March 2019. This determined the council's pension contribution rates for 2020/21, 2021/22 and 2022/23. The council will budget for pension contributions of 17.5% of each post's 2021/22 basic salary, and a 2021/22 notional cash deficit payment of £745,000. As the council prepaid for the three year deficit payment, it received a discounted rate, and hence the two years post 2020/21 will be held on the Balance Sheet until the timing of when to release to the General Fund (hence being a notional payment).

4.7.4 Provision for Inflation

The budget will be prepared by applying forecast Retail Price Index (RPI) increases to non-staff costs. The RPI rate for April 2020 was 1.5%: a decrease of 1.1% (from 2.6%) for March 2020. This is forecast to increase to 2.9% by the end of 2020/21. During 2020/21 the forecast looks to hover around 3% until the end of 2023. 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.

4.7.5 Fees and Charges

Changes 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 benchmark 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.

4.7.6 Interest Rate

The Council is proposing to borrow money from the Public Works Loan Board (PWLB) in order to support its cash flow position. During the previous financial years, decisions regarding capital expenditure have been taken to utilise internal resources and maintain an under borrowed position against its Capital Financing Requirement. This is not uncommon across the Local Government sector, at a time when budgets have been squeezed, but reserves have existed. The Council is proposing to utilise elements of its reserves to fund various capital. This has meant that cash backed by these reserves has been utilised, hence there is a need to borrow money to ensure that the Council has cash at hand to service its day to day costs. The timing of borrowing funds will be dictated by the Council's cash flow which forecasts daily expected income and expenditure over the next 3 years. Treasury Advisors Link Market Services will be consulted with prior to borrowing to ensure that the Council takes the most economic route, be that either a fixed or variable rate borrowing. Rates will be monitored over the coming months until such time that the borrowing is secured.

- 4.7.7 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.
- 5.3 As, at the time of writing this budget strategy, the Council is still currently in the midst of the COVID-19 pandemic, anticipated levels of income for the 2020/21 year remain uncertain. The Government have to date allocated the Council £1,285,000 in funding in relation to cost and income pressures for the 2020/21 financial year. Depending on the length of the co-existence with COVID-19 and social distancing, this may impact on the ability of the Council to raise fees and charges to the levels that it has done in previous years.
- 5.4 It is anticipated that the local government finance settlement will comment on these issues for councils for the 2021/22 financial year.

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 2021/22 at its meeting on 9 March 2021. Working back from this date a

timetable has been drawn up and is attached at **Appendix A**. This timetable enables sufficient time for the budget proposals to be considered by operational Committees, in the January cycle, 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 the Commercial Ratepayers. During 2018, the Council completed a large scale consultation exercise with all residents which instigated the creation of the Community Plan. The formulation of the budget will be in accordance with the priorities that are identified within the Community Plan.
- 7.2 Consultation on service budgets will take place with elected members week commencing 31 August 2020, with follow up meetings in week commencing 30 November.
- 7.3 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. The date on which the draft budget proposals will be presented to the operational committees is set out in the timetable at **Appendix A**.
- 7.4 As the production of the budget will be predicated on the priorities within the Community Plan, it is anticipated that resource allocation will be linked to spending priorities. To ensure that this is the case it is proposed that elected members will be presented with service budgets during week commencing 30th November 2020. This will enable a review of service budgets prior to presentation to the service committees during the January cycle of meetings.

8.0 Capital Programme 2021/22 – 2024/25

8.1 Prioritisation for the 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. This may include use of internal resources, borrowing from internal resources or external borrowing from the PWLB. An appraisal of the most appropriate funding source will be included within the business case.
- (b) Any new scheme will initially be commissioned by the Senior Leadership 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 February before final approval by Council.
- (c) 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 Schemes

The Council's HRA investment programme is delivered by officers within the Housing Management service, formerly employees of Newark and Sherwood Homes (NSH). The current programme reflects the latest available information agreed by officers within the Housing, Health and Wellbeing directorate. 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 HRA to support any necessary borrowing, and other funding opportunities which may arise. Following the 1% annual rent reductions between 2016/17 and 2019/20, 2021/22 will be the second year of five for which landlords can increase social housing rents by up to Consumer Price Index (CPI) plus 1% annually.

9.0 RECOMMENDATIONS that:

- (a) **the overall budget strategy be approved;**
- (b) **the consultation process with elected Members be noted;**
- (c) **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 assumptions.

Background Papers

Nil.

For further information please contact Nick Wilson, Business Manager – Financial Services on Ext 5317 or Sanjiv Kohli on Ext 5303.

Sanjiv Kohli
Director – Resources / Deputy Chief Executive

2021/22 REVENUE BUDGET-SETTING 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	P&F 25.06.20			
Support services – agree basis for charging		31.07.20		
Working papers issued to budget officers		03.07.20		
Early budget consultation with elected members	w/c 31 August 2020			
Draft budgets complete – no support services allocated		18.09.20		
Budgets uploaded onto eFinancials		25.09.20		
Coordination & review of first draft budget		09.10.20		
Support services allocated and uploaded to efinancials			31.10.20	
Draft budget to be reported to SLT		17.11.20		
Follow up consultation with elected members		w/c 30.11.20		
Final committee budgets approved for consideration by Policy & Finance Committee on 18 February 2021			H&C 18.01.21 L&E 19.01.21 ED 13.01.21 P&F 21.01.21	
Housing Revenue Account budget and rent setting report				P&F 21.01.21 to refer to Council for approval on 11.02.21
Council Tax Discounts Scheme determined				Council 15.12.20
Council Tax Base 2020/21				Officer decision determined

				between 01.12.20 and 31.01.21
Revenue budget setting				P&F 18.02.21
Parish Council Precept information received			(up to) 28.02.21	
Council Tax setting				Council 09.03.21

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 7% 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 2% but may be different in subsequent years.

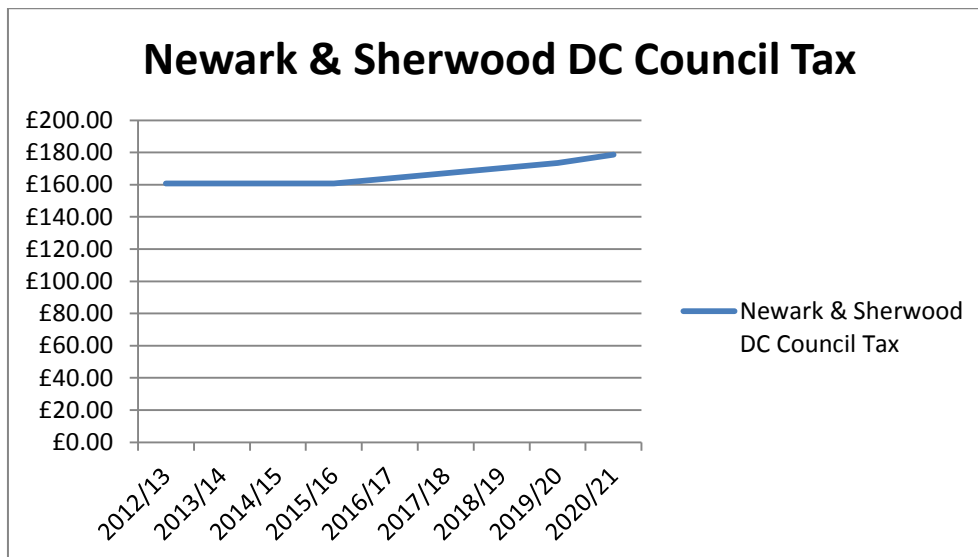
The District Council's spending requirement includes an amount levied upon it by other bodies. For this Council an annual levy is made by the Trent Valley and Upper Witham Internal Drainage Boards. Since 2014/15, if the levies set by the drainage boards cause the Council to have an excessive increase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

Current Level of District Council Tax

The District Council's level of Council Tax for 2020/21 is £178.57 for a Band D property. This represents a £5.00 increase in council tax on 2019/20. The total bill, including all major precepts, is £2,024.20 plus average Parish Precepts of £79.10.

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 Aims and Priorities and other financial and service demands.

General Fund Balances and Reserves Policy

Section 25 (Budget calculations: report on robustness of estimates etc) of the *Local Government Act 2003* requires local authority chief finance officers (Section 151 officers) to report on the adequacy of financial reserves in the council's proposed budget and robustness of estimates made.

The council will review the adequacy of its useable financial reserves to ensure that these are neither too low (imprudent) or too high (overprudent) based on their purpose and likely use.

Council's generally hold useable reserves for three purposes:

- as a working balance, to mitigate the impact of uneven cash flows;
- as a contingency, to mitigate the impact of unexpected events or emergencies; and
- as earmarked reserves, to pay for known or predicted future requirements.

On 07 March 2019, Council approved a recommendation to change how the authority determines its level of General Fund balance. The council now has a fixed General Fund balance of £1.500m, rather than a variable amount based on 15% of the council's net budget requirement (£1.737m as at 01 April 2018).

The £1.500m General Fund balance has been set aside to pay for exceptional items. Officers consistently review the appropriateness (prudence) of this amount in light of internal and external risks identified. For the council to maintain its current General Fund balance of £1.500m, it is intended that the General Fund balance will only be used to fund expenditure once other appropriate reserves have been fully utilised.

One of the most important principles used to prepare the MTFP is that council reserves and other one-off resources are not used to balance ongoing budget pressures: that all other mitigating actions are used before the use of one-off resources. Over the years, the council's reserves have been used, for reasons such as to: cover the cost of one-off events not budgeted for; support and improve service delivery; and offset declining levels of income.

Members and officers are required to ensure the council operates as a going concern: that the council will continue to fulfil its functions for the foreseeable future. If this were not the case, for example, because of an imprudent use of council reserves, the council's external auditors would be required to express a going concern opinion (GCO). A GCO would be the external auditor's way of expressing significant doubt on the council's ability to operate longer-term.

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 3rd 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 3rd 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: June 2020

Date of next revision: June 2021

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- 1. Introduction**
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- 6. Calculation of Charges**
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- 8. Discounts**
- 9. Use of Market Intelligence**
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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.

Fees and charges will be in accordance with the toolkit approved by Economic Development Committee on 20 November 2019.

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 Deputy Chief Executive and 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 June each year.
- where fees are not to be increased or are proposed to be increased below inflation, this must be reported to SLT 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 SLT 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 SLT 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 relevant 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 Business Unit 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 VAT 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.

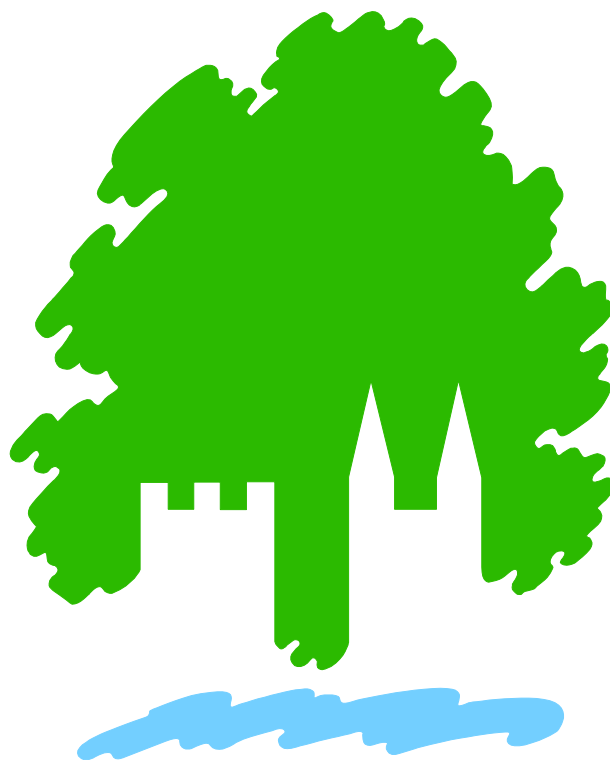
Benchmarking should be undertaken at least annually with other Councils in the local area and with relevant national groupings of authorities, to ensure that charges are at comparable levels and that significant differences are understood and justified.

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 Council's website.



**NEWARK &
SHERWOOD
*DISTRICT COUNCIL***

Value for Money Strategy

Revised: June 2020

Next revision due: June 2021

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.

In light of the current COVID-19 pandemic, 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.

CAPITAL PROGRAMME TIMETABLE 2021-2025

Date	Corporate	Council/Policy & Finance Committee/Operational Committees
Continuous	Possible asset disposals are identified; the likely level of receipts and the revenue implications are estimated.	Approval by Policy & Finance Committee.
June - July	Issue the Capital Appraisal Form to all Business Managers to populate their Capital Bid requirement in consultation with relevant Director.	
By 31 August	Appraisal forms completed and returned to Finance.	
By 30 September	SLT review and score all submitted bids using the prioritisation scheme for recommendation on to Policy & Finance Committee.	Consultation with Policy & Finance Committee and operational Committees where relevant.
By 30 September	Revenue implications of bids included in draft budget.	
By 30 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).
w/c 30 November	Chairs and Vice Chairs scrutinise draft Capital Budget.	All Chairs and Vice Chairs.
By 29 January 2021	Revised estimates of resources available completed including levels of Borrowing, Revenue Contribution and Capital Receipts.	
By 29 January 2021	Final report produced for Policy & Finance Committee including comments from operational Committees.	
18 February 2021		Policy & Finance Committee consider revenue and capital budgets and financial implications and recommend programme to Council.
9 March 2021		Council tax setting meeting.

NEWARK & SHERWOOD DISTRICT COUNCIL
CAPITAL PROGRAMME 2020/21 – 2024/2025 PRIORITISATION SCHEME

	STAGE 1 FACTOR	Comments	STAGE 2 DETAILED PRIORITISATION	STAGE 2 WEIGHTING
1	<p>Key Priorities 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"> • Prosperity • People • Place • Public Service 	35%
2	<p>Evidence of Need 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"> • Statutory Obligation • National Strategy • Validity of consultation in relation to project. e.g. How specific to this project? Who was consulted, was this comprehensive? • Quality of evidence of need for project .e.g. size of sample base, date of evidence, format of evidence 	10%
3	<p>Partnership 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>	15%

	STAGE 1 FACTOR	Comments	STAGE 2 DETAILED PRIORITISATION	STAGE 2 WEIGHTING
4	<p>Outputs and Outcomes</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>15%</p> <p>Assessment of all factors or group of factors</p>
5	<p>Financial</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</p> <p>Neutral effect scores 3</p> <p>Negative effect scores 0</p>	<p>15%</p> <p>Capital marked 1 to 5</p> <p>Revenue marked 0 to 10</p>
6	<p>Risk Assessment</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"> Technical Issues Financial Uncertainty Partnership uncertainty Planning Issues Legal issues Timescale 	<p>10%</p>

POLICY & FINANCE COMMITTEE

25 JUNE 2020

FINANCIAL OUTTURN REPORT TO 31 MARCH 2020

1.0 Purpose of Report

1.1 To present to Members the 2019/20 financial outturn position on the Council's revenue and capital budgets, including:-

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

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

1.3 To seek Committee approval for the capital financing arrangements for 2019/20.

1.4 To seek Committee approval for the proposed capital programme.

1.5 To seek Committee approval for the 2019/20 carry forwards into 2020/21.

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

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

1.8 To present Members with the Annual Report on Treasury Management Activity for 2019/20 and to demonstrate how the Treasury Management activity links to the Treasury Management Strategy.

2.0 Background Information

Overview of General Fund Revenue Outturn for 2019/20

2.1 The accounts show a favourable variance of £0.399m on service budgets, with a total favourable variance of £1.254m as follows:-

	Budget £'m	Outturn £'m	Variance £'m
Economic Development Committee	2.500	2.251	(0.249)
Homes & Communities Committee	2.770	2.748	(0.022)
Leisure & Environment Committee	5.188	5.003	(0.185)
Policy & Finance Committee	4.811	4.868	0.057
Net Cost of Services	15.269	14.870	(0.399)
Other Operating Expenditure	11.480	11.683	0.203
Finance & Investment Income & Expenditure	1.707	1.284	(0.423)
Taxation & Non Specific Grant Inc	(28.468)	(29.103)	(0.635)
Net Cost of Council Expenditure	(0.012)	(1.266)	(1.254)
Transfer to/(from) Unusable Reserves	2.234	2.229	(0.005)
Transfer to/(from) Usable Reserves	(2.224)	(0.963)	1.259
Transfer to/(from) General Balance	0.000	0.000	0.000

2.2 The actual outturn for the year (the 'Outturn' column in the table above) is £0.000m, which keeps the balance at £1.500m at 31 March 2020. This is in accordance with the Medium Term Financial Plan approved on 9th March 2020.

2.3 The table above shows that the Net Cost of Council Expenditure out turned as a transfer to reserves totalling **£1.254m**. This is broken down as follows:-

Variance	Value
Favourable variances on services	£0.399m
Additional investment interest income	£0.423m
Increase in debt impairment	(£0.203m)
Additional grant income	£0.032m
Additional business rates income	£0.603m
Total	£1.254m

2.4 Looking at the underlying trends, the net services favourable variances are not a result of reductions in service delivery. The level of favourable variance on Service Budgets managed by the Business Managers of £0.399m represents 2.61% of the total service

budgets. **Appendix A** provides a commentary on the detailed variances that make up this net favourable variance including the main variances detailed above.

- 2.5 The additional investment income of £0.423m is due to investment in longer term assets such as the CCLA Property fund and Diversified Income fund and larger than expected in year cash balances.

Carry Forwards

- 2.5 Previous years have seen officers requesting carry forwards of underspends that relate to the timing of payments that have extended past the year-end date of 31st March in year. This year, the s151 Officer has approved £0.467m to be carried forward into 2020/21.
- 2.6 Any unspent grants are dealt with separately, and are transferred to the balance sheet for either repayment or expenditure in the following year dependent upon its terms and conditions.

Overview of Housing Revenue Account Outturn for 2019/20

- 2.7 With reference to the 'Variance' column in the table below, the accounts show a favourable variance of £1.025m against the approved budget of £17.840m.

	Budget £'m	Outturn £'m	Variance £'m
Expenditure	39.390	38.323	(1.068)
Income	(24.502)	(24.433)	0.069
Net Cost of HRA Services	14.888	13.890	(0.999)
Other Adjustments	2.952	2.925	(0.027)
(Surplus)/Deficit on HRA Services	17.840	16.814	(1.026)
Movements in Reserves			
Transfer to/(from) Usable Reserves	2.106	2.432	0.326
Transfer to/(from) Unusable Reserves	(27.811)	(27.811)	(0.000)
Transfer to Major Repairs Reserve	7.865	8.565	0.700
Total	0.000	0.000	0.000

- 2.8 A more detailed commentary of the variances is provided at **Appendix B**.
- 2.9 The actual outturn for the year (the 'Outturn' column in the table above) is a net transfer to the Major Repairs Reserve of £8.565m, which increases the Reserve from that budgeted by £0.700m to £11.698m. The balance on this account is committed to future capital expenditure. The prudent level of reserve set on the HRA is still £2m. Within the £2.432m transfer to usable reserves is £2.074m budgeted for transfer to capital of the net proceeds from Right to Buy sales; a £0.032m budgeted for transfer to earmarked reserves of income from grants and donations; and a £0.326m transfer of favourable variances to reserves to mitigate against potential increases in rent arrears.
- 2.10 This position is a consolidated position between the HRA costs that the Council have always been responsible for and the services that were managed by Newark and Sherwood Homes Ltd (NSH). As the Company was brought back under Council control as of 1st February 2020, the Council has consolidated spend between the organisations in order to

recognise a single HRA position. This therefore shows a consolidated outturn for the full financial year.

Overview of Capital Outturn 2019/20

- 2.11 Policy and Finance Committee approves all variations to the Capital Programme and the revised budget of £31.094m was approved by Policy and Finance at the 20th February 2020 meeting.
- 2.12 In summary, the accounts show lower levels of expenditure of £22.896m or 74% of the approved revised capital programme budget. As with all financial programmes, there will always be an element of slippage on capital schemes at the end of the financial year, and the Committee is requested to approve the re-profiling of capital schemes totalling £7.698m as detailed in **Appendix D**. This is because the majority of the schemes are already committed, with the funding for these held in the Council's reserves. For clarity, where a scheme has been completed, any remaining budgets will not be carried forward.

	General Fund Programme	HRA Programme	REFCUS*	Total
	£m	£m	£m	£m
Approved Programme	14.449	16.439	0.599	31.487
Variations to Programme approved in Year on 20 February 2020	(0.675)	(0.465)	0.746	(0.393)
Revised Programme	13.774	15.974	1.346	31.094
Outturn	8.050	13.717	1.129	22.896
Variance overspend/(underspend)	(5.725)	(2.258)	(0.216)	(8.198)

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

- 2.13 Capital spending in the year totalled £22.896m, and this expenditure has been funded by a combination of borrowing, external grants and contributions, receipts, major repairs reserve and revenue contributions. The committee is requested to approve the revised capital financing proposals as outlined in **Appendix C** and summarised below:

	General Fund Programme £m	HRA Programme £m	Total £m
Borrowing	1.966	1.853	3.819
External Grants & Contributions	0.980	2.245	3.225
Capital Receipts	1.243	4.672	5.915
Revenue Contributions	4.990	4.947	9.936
Total	9.179	13.717	22.896

- 2.14 Provisions are made when an event has taken place that gives the Council an obligation that probably requires settlement, can be reasonably estimated, but where the timing of the payment is uncertain. Good practice requires that any movements in a Provision should be approved separately by Committee. The above provisions relate to appeals against Rateable Values allocated against properties liable for National Non-Domestic Rates (NNDR). The amounts shown in the Statement of Accounts (and hence in the table

above) relate to this Council's element for the provision for appeals. During the year £1.337m was charged against the provision in relation to settled claims and £1.429m was released from the provision mainly due to a settled claim that was settled for lower than anticipated of which 40% is applicable to NSDC. The provisions provided for are as follows:

2.1	Description	Balance B/Fwd 01/04/2019 £m	Movement in Year £m	Actual Balance 31/03/2020 £m
	General Fund – Provisions			
	Provision for Appeals – NNDR settled within 12 months	(1.457)	1.066	(0.391)
	Provision for Appeals – NNDR settled after 12 months	(1.948)	0.040	(1.908)
	Total:	(3.405)	1.106	(2.299)

Council receive external advice (from Analyse Local) relating to the level of provision that should be held. The Advisors suggest that there is a risk of £0.977m which relates to the Rateable Value list which began in 2010. From the revaluation of the 2010 ratings list which occurred in 2017, there has been limited information relating to the levels of appeals due to the Government's new "Check, Challenge, Appeal" process. Due to this, it is difficult to forecast the level of provision needed for the 2017 ratings list. As issues with appeals have been a national problem for Councils, the Government made an allowance of 4.7% within the NNDR multiplier to compensate Councils for the potential loss in Business Rates. Analyse Local have used their knowledge and understanding from a national perspective to estimate the total liability for the 2017 list which amounts to £4.770m. This gives a total provision at Collection Fund level of £5.747m of which this Council recognises 40% (£2.299m) due to its share of the overall NNDR income.

Impaired Estimates on Debtors

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

Description	Balance B/wd 01/04/2019 £m	Movement in Year £m	Actual Balance 31/03/2020 £m
General Fund - Impaired Estimates on Debtors			
Sundry Debts	(0.316)	(0.205)	(0.521)
Housing Benefit	(0.492)	0.065	(0.427)
Council Tax Debts	(0.181)	(0.026)	(0.207)
Business Rates Debts	(0.215)	(0.047)	(0.262)
Total:	(1.204)	(0.213)	(1.417)

HRA - Impaired Estimates on Debtors			
Sundry Debts	(0.335)	0.074	(0.261)
Former Tenants	(0.242)	(0.024)	(0.266)
Current Tenants	(0.122)	(0.367)	(0.489)
Total:	(0.699)	(0.317)	(1.016)

Usable Capital Reserves

2.18 A Reserve is created for a specific future purpose or to cover contingencies. In accordance with the Code; these Usable Reserves must be separately identified between those that are retained for Capital purposes and those that are retained for Revenue purposes. Again, good practice dictates that any movements in existing reserves, or the creation of any new reserves, be approved by Committee.

2.19 Capital reserves are used to fund the approved capital programme within year, and the position as at 31 March 2020 is as follows:

Description	Balance B/Fwd 01/04/2019 £m	Cont'n in Year £m	Use in Year £m	Actual Balance 31/03/2020 £m	Committed to future Projects
Capital - General Fund					
Usable Capital Receipts	2.039	0.413	1.243	1.209	1.178
Capital Grants Unapplied	6.759	1.439	0.000	8.198	2.115
Capital – HRA					
Usable Capital Receipts – HRA	3.483	0.396	0.051	3.828	3.828
Usable Capital Receipts - RTB's	1.236	0.838	0.201	1.873	1.873
Capital Grants Unapplied	0.232	0.000	0.183	0.048	0.048
Major Repairs Reserve (MRR)*	10.104	8.574	6.971	11.706	11.706
Total:	23.852	11.660	8.649	26.862	20.748
* Resources will be added to the MRR to cover the budgeted commitments in the Capital Programme in addition to the above.					

Usable Revenue Reserves

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

	Balance brought forward	Used in year	Added to in year	Balance at 31 Mar 2020
	£	£	£	£
General Fund Reserves				
Statutory Ring Fenced Reserves				

Building Control Surplus	(15,233)	0	(18,072)	(33,305)
Museum Purchases Fund	(11,414)	0	(11,110)	(22,524)
Community Safety Fund	(193,807)	27,643	0	(166,163)
Homelessness Fund	(455,881)	10,000	(130,137)	(576,018)
Energy & Home Support Reserve	(121,580)	24,570	(6,161)	(103,171)
WHOP Reserve	(55,000)	55,000	0	0
Revenue Grants Unapplied	(292,109)	0	(138,417)	(430,526)
New Burdens Reserve	(25,774)	0	0	(25,774)
Mansfield Crematorium	(139,446)	862	0	(138,584)
Statutory Ring Fenced Total	(1,310,244)	118,075	(303,897)	(1,496,065)
Earmarked for known pressures Reserves				
Emergency Planning Reserve	(50,000)	0	0	(50,000)
Investment Realisation Fund	(91,890)	955	0	(90,935)
Election Expenses Fund	(150,325)	150,325	(33,440)	(33,440)
Insurance Fund	(336,632)	50,000	(18,763)	(305,395)
Repairs And Renewals Fund	(2,380,228)	320,120	(302,360)	(2,362,467)
Training Provision	(152,182)	25,050	0	(127,132)
Restructuring And Pay	(100,000)	4,243	(119,170)	(214,927)
Court Costs	(59,769)	810	0	(58,959)
Planning Costs Fund	(201,140)	0	0	(201,140)
Unlawful Occupation Of Land	(9,250)	9,250	0	0
Fly Tipping Fund	(55,000)	55,000	0	0
Fuel And Energy Reserve	(70,142)	0	0	(70,142)
Refuse Bin Purchase	(15,000)	0	0	(15,000)
Growth And Prosperity Fund	(513,456)	386,090	0	(127,366)
CSG/Enforcement Reserve	(95,000)	0	(200)	(95,200)
Management Carry Forwards	(343,444)	134,125	(466,504)	(675,823)
Development Company	(4,000,000)	4,000,000	0	0
Flood Defence Reserve	(250,000)	0	0	(250,000)
NNDR Volatility Reserve	0	0	(793,348)	(793,348)
Community Initiative Fund	0	0	(200,000)	(200,000)
MTFP Reserve	(1,085,000)	359,434	(760,366)	(1,485,932)
Asset Maintenance Fund	0	0	(250,000)	(250,000)
Capital Project Feasibility Fund	0	0	(250,000)	(250,000)
Community Engagement Fund	0	0	(300,000)	(300,000)
Capital Financing Provision	(1,111,072)	524,671	(790,080)	(1,376,480)
Earmarked for known pressures Reserves Total	(11,069,530)	6,020,073	(4,284,231)	(9,333,686)
General Reserves				
Change/Capital Fund	(12,746,500)	1,569,685	(2,156,726)	(13,333,541)
General Fund Balance B/Fwd	(1,500,000)	0	0	(1,500,000)
General Reserves Total	(14,246,500)	1,569,685	(2,156,726)	(14,833,541)
Total General Fund	(26,626,272)	8,263,295	(7,210,315)	(25,663,293)

Revenue - HRA				
Newark and Sherwood Homes (NSH) Transfer	(3,966,911)	0	0	(3,966,911)
Insurance Fund	(50,000)	0	0	(50,000)
Development & ICT Reserve	(281,000)	0	0	(281,000)
Staffing & Pay Reserve	(100,000)	0	0	(100,000)
Earmarked Reserve	0	0	(32,133)	(32,133)
HRA Future Rents Bad Debt	0	0	(325,878)	(325,878)
HRA - Working Balance	(2,000,000)	0	0	(2,000,000)
Total HRA	(6,397,911)	0	(358,011)	(6,755,923)

2.21 During the year five new General Fund reserves have been set up:

Reserve name	Balance as at 31 Mar 2020 £	Purpose
NNDR Volatility Reserve	(793,348)	To mitigate the financial implications of prospective government changes to the NNDR system
Community Initiative Fund	(200,000)	To support initiatives identified by local communities
Asset Maintenance Fund	(250,000)	To fund works identified from asset condition surveys
Capital Project Feasibility Fund	(250,000)	To fund feasibility works in relation to potential capital schemes
Community Engagement Fund	(300,000)	To assist communities with their efforts to battle COVID-19

2.22 HRA reserves previously held by Newark and Sherwood Homes (NSH) were transferred to the Council in 2019/20. Two new HRA reserves have also been set up in 2019/20:

Reserve name	Balance as at 31 Mar 2020 £	Purpose
Earmarked Reserve	(32,133)	To use income received from grants and donations for their specific purposes
HRA Future Rents Bad Debt	(325,878)	To mitigate prospective increases in rent arrears as a consequence of COVID-19

The Collection Fund 2019/20

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

2.24 The in-year surplus on the Council Tax account was £0.925m, which increased the overall balance from a surplus of £2.949m at 1 April 2019 to a surplus of £3.874m at 31 March 2020. This was due to collection of council tax exceeding estimated collection rates.

- 2.25 The Code prescribes that the Statement of Accounts only show the element of Council Tax that relates to Newark & Sherwood District Council. In this regard, the share of the Council Tax surplus of £3.874m that relates to Newark & Sherwood District Council as at 31 March 2020 is £0.475m. This balance can be released to the General Fund in future years in order to mitigate any shortfalls in funding.
- 2.26 During the year, the Business Rates collection fund surplus has increased from £1.652m as at 1 April 2019 to £3.573m. There have been several large changes in the rating list during the current financial year, which has increased the rateable value of the rating list by almost £1.0m rateable value. The remainder relates to the release of £1.429m from the provision for appeals as described at paragraph 2.14.
- 2.27 The Code prescribes that the Statement of Accounts only show the element of business rates that relates to Newark & Sherwood District Council. In this regard, the share of the business rates deficit that relates to Newark & Sherwood District Council as at 31 March 2020 is £1.429m. The Council declared an estimated surplus as at 31st March 2020 of £2.288m during January and hence £0.915m of the £1.429m has been included within the 20/21 budget. The additional £0.514m will be released within the 21/22 budget process.

Pensions

- 2.28 The details regarding the Council's share of the Nottinghamshire County Council Pension Fund are provided for Members consideration at **Appendix E**.
- 2.29 Barnett Waddingham are the Pension Fund's appointed Actuary and their report sets out the assumptions used to prepare the IAS19 pension figures reported in the Council's accounts. It is best practice to consider these assumptions prior to agreeing their use and inclusion in the Statement of Accounts for 2019/20. The Accounts & Audit Committee were unable to meet in April 2020, though subsequently received and approved these assumptions in June 2020.

The Balance Sheet at 31 March 2020

- 2.30 Consideration of the Council's Balance Sheet does not feature significantly in budget setting and monitoring and yet, if not managed and reviewed correctly, a number of balances may be hidden that could have a major impact on the revenue outturn in any one year. Balance Sheet valuation and management is at the heart of the changes being driven by the International Financial Reporting Standards, and it is therefore important that in reviewing the Final Accounts, due consideration is given to the main features of the Balance Sheet and year to year changes as follows:
- 2.31 The significant movements (increase or (decrease)) on the Balance Sheet that are worthy of note are:

Cash and cash equivalents	(£9.140m)	Increase in spend as part of 2019-20 capital programme
Property, Plant and Equipment (PPE)	£17.290m	The majority relates to an increase in the value of council-owned assets
Short-term debtors	£7.851m	Income due to the council from the

		government to pay for COVID-19 business grants
Pension liability	(£3.879m)	An expected increase in the council's return on its pension fund assets (net of interest)
Long-term investment	£10.536 m	The fair value of the long term investment portfolio is assets such as the CCLA property fund and the investment in the Councils housing company - Arkwood Developments Ltd.

Treasury Management Outturn Report

- 2.32 Under the Treasury management Code of Practice, an annual outturn report is required to be presented to Council to explain activities in the year. The report is presented here for information at **Appendix F**, and it includes the Prudential Indicators that the Council is required to report and monitor.
- 2.33 The report confirms that the Council complied with its Prudential Indicators for the financial year 2019/20, as set within the Treasury Management Strategy approved at Council on 9 March 2019.

3.0 Options, Risks and Reasons for Recommendations

3.1 Statement of Accounts 2019/20

The unaudited Statement of Accounts for 2019/20 has been sent to the Accounts and Audit Committee for consideration and to the external auditor (Mazars) for audit and certification. Ordinarily, the Council must publish its unaudited Statement of Accounts on its website by 31 May, and its audited Statement of Accounts must then be approved by 31 July. The Council is due to publish its unaudited Statement of Accounts by 30 June, in light of COVID-19 these deadlines for 2019/20 have been revised to 31 August and 30 November respectively. The adoption of the account will be completed once a date for the next Audit and Accounts Committee is set. There would be a serious impact on the council's accountability, reputation and standing nationally and locally if it were to miss these deadlines.

3.2 Revenue Expenditure 2019/20

There are no options for Members to consider as the outturn represents the final position at the end of the financial year. Due consideration needs to be given to the ongoing effects of any reported in-year service overspends on the 2020/21 budgets, and early action is essential to mitigate further impacts on General Fund balances.

3.3 Capital Expenditure and Financing 2019/20

There are no options for Members to consider as the financing is in accordance with approvals already obtained. The re-profiling on the Capital Programme may present a challenge to the Council's capacity to deliver the full programme of planned works in 2020/21.

3.4 Treasury Management 2019/20

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

4.0 RECOMMENDATIONS that:

- (a) the final outturn of revenue and capital spending for 2019/20 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 2019/20 Statement of Accounts, be approved;**
- (c) the net variations of £7.698m not spent in 2019/20 on the Capital Programme, be re-profiled and carried forward into 2020/21;**
- (d) the movement in Provisions and Impaired Estimates on Debtors be approved;**
- (e) the creations of the new reserves, as outlined in paragraph 2.21 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 2019/20 Statement of Accounts be approved;**
- (h) the Policy & Finance Committee receives the Annual Report on Treasury Management Activity and comments as appropriate for referral onto the Council for information, as required by the Chartered Institute of Public Finance and Accountancy's Code of Practice on Treasury Management; and**
- (i) the Committee note that the Treasury Management activities are consistent with the objectives identified in the Treasury Management Strategy for 2019/20.**

Reasons for Recommendations

To approve the Financial Outturn for the Council for the 2019/20 financial year.

Background Papers

Statement of Accounts files & working papers 2019/20
Capital Finance Account's 2019/20 files
Housing Revenue Account's 2019/20 files
Treasury Management Strategy and 2019/20 files

For further information please contact Nick Wilson - Business Manager – Financial Services on Ext.5317

Sanjiv Kohli
Director - Resources and Deputy Chief Executive

General Fund (GF) Revenue Outturn Variance Analysis by Committee - as at 31st March 2020 (2019/20)

Favourable variances are bracketed and in red - (£0.123m). Unfavourable variances are in black - £0.123m.

Economic Development - (£0.249m)	£'m
Commercial Teams' target saving apportioned over this Committee	0.125
Unspent employee budgets throughout the Committee	(0.007)
Lower than anticipated cost of planning	(0.050)
Newark Lorry Park - increased parking capacity from mid 2019/20	(0.024)
Planning fee income exceeding budgeted target	(0.379)
Newark Car park - reduced demand owing to Covid19	0.036
Beacon - reduced rents owing to Covid19	0.035
Other small variances	0.015
Committee Total	(0.249)
Homes & Communities - (£0.022m)	£'m
Increased income from ICT recharges to HRA & Active 4 Today	(0.057)
Increased ICT licencing and maintenance costs	0.027
Other small variances	0.008
Committee Total	(0.022)
Leisure & Environmental - (£0.185m)	£'m
Commercial Teams' target saving apportioned over this Committee	0.125
Unspent employee budgets throughout the Committee	(0.035)
Domestic refuse collection - reduced payment to NCC	(0.027)
Domestic refuse collection - increase in anticipated income from garden waste customers, bulky items and replacement bins	(0.122)
Vehicle pool and workshop - increase in recharge to HRA	(0.051)
More efficient use of vehicles leading to favourable budget variances	(0.024)
Other small variances	(0.051)
Committee Total	(0.185)
Policy & Finance - £0.057m	£'m
Unspent employee budgets throughout the Committee	(0.017)
Corporate vacancy savings target 3.5% of salaries	0.360
Net rent allowance	(0.104)
Net rent rebate	(0.046)
Council Tax Service recovery of costs raised exceeds budget provision	(0.048)
Corporate property - Surveyors agency staff required whilst appointing to permanent roles	0.028
Election expenses - due to delayed election	(0.020)
Other small variances	(0.096)
Committee Total	0.057
Total	(0.399)

Housing Revenue Account (HRA) - 2019/20 year-end position (as at 31/03/2020)

	2019/20 Budget	2019/20 Actuals	2019/20 Variance
INCOME			
Dwelling Rent	(21,384,755)	(21,878,849)	(494,094)
Garages	(165,520)	(152,018)	13,502
Shops	(32,130)	(31,630)	500
Sub-Total: Gross Rental Income	(21,582,405)	(22,062,497)	(480,092)
Charges for Services and Facilities	(959,299)	(1,028,495)	(69,196)
Contributions towards Expenditure	(1,960,522)	(1,342,427)	618,095
TOTAL INCOME	(24,502,226)	(24,433,419)	68,807
EXPENDITURE			
Services	12,204,442	10,872,256	(1,332,186)
Revenue Expenditure Funded by Capital	38,500	38,500	0
Depreciation on dwellings	4,003,825	4,003,825	0
Depreciation on other HRA assets	448,023	448,023	0
Revaluation on dwellings	18,367,369	18,533,662	166,293
Revaluation on other HRA assets	258,184	91,891	(166,293)
Debt Management Expenses	76,658	81,613	4,955
Pension-related one-off costs	3,993,335	4,252,934	259,598
TOTAL EXPENDITURE	39,390,336	38,322,704	(1,067,633)
NET COST OF HRA SERVICES	14,888,110	13,889,285	(998,825)
Other Adjustments			
(Profit)/Loss on sale of HRA fixed assets	296,550	507,545	210,995
Interest Paid and similar charges	4,164,286	4,324,444	160,158
(Interest receivable)/charges payable	(3,000)	(9,659)	(6,659)
Provision for bad debt	555,740	374,830	(180,910)
Capital Grants/Contributions	(2,061,512)	(2,272,512)	(211,000)
OTHER COMPREHENSIVE SERVICES	2,952,065	2,924,648	(27,416)
NET OPERATING EXPENDITURE	17,840,175	16,813,934	(1,026,241)
APPROPRIATIONS			
Transfers to Usable Reserve			
Transfer of Sale Proceeds from CIES	2,113,100	2,113,105	5
Transfer of Admin Cost of Sales	(39,000)	(39,000)	0
Transfer to HRA Future Rents Bad Debt	0	325,878	325,878
Transfer to Earmarked Reserve	32,133	32,133	0
	2,106,233	2,432,116	325,883
Transfers to Major Repairs Reserve (MRR)			
Revenue Contribution to MRR	2,866,373	4,113,586	1,247,213
Depreciation Charged to MRR	4,998,210	4,451,849	(546,361)
	7,864,583	8,565,434	700,851
Transfers to Unusable Reserves			
Employers Contribution to Pension	(4,385,951)	(4,385,951)	0
Depreciation on dwellings	(4,003,825)	(4,003,825)	0
Depreciation on other HRA assets	(448,023)	(448,023)	0
Revaluation Movement on PPE Charged To CIES	(18,625,553)	(18,625,553)	0
Capital Grant & Contribution Applied	2,272,512	2,272,512	0
Financial Instrument Account (FIA) Adjustment	0	(493)	(493)
REFCUS Expenditure To CAA	(38,500)	(38,500)	0
Assets Written Off Disposal	(2,581,650)	(2,581,650)	0
	(27,810,991)	(27,811,484)	(493)
(SURPLUS)/DEFICIT	0	0	0
HRA BALANCE AT 31 MARCH			
(SURPLUS)/DEFICIT AT BEGINNING OF YEAR		(6,397,911)	(6,397,911)
(SURPLUS)/DEFICIT DURING YEAR		(358,011)	(358,011)
(SURPLUS)/DEFICIT AT END OF YEAR		(6,755,923)	(6,755,923)

Notes on major variances on HRA

Dwelling Rent: various factors, such as income from Gladstone House not budgeted for and loss of income from Right to Buy (RTB) sales and voids over-budgeted for.

Contributions towards expenditure: mainly Feed-In Tariff (FIT) income over-budgeted for, relating to the HRA incorporating the former Newark and Sherwood Homes Ltd (NSH) budgets in 2019-20.

Services: various factors, such as significant salary underspends and over-budgeting of spend on FIT and Gladstone House.

Pension-related one-off costs: associated with departure costs of former NSH Chief Executive

(Profit)/Loss on sale of HRA fixed assets: associated with value of properties sold under RTB in 2019-20

Interest Paid and similar charges: interest costs relating to employee benefits (IAS 19) and external loans to fund capital development costs (such as new-builds).

Provision for bad debt: over-budgeted for relative to tenant arrears at 2019-20 year-end, and reduction in FIT income bad debt.

Capital Grants/Contributions: income from insurers relating to fire-damaged properties at Forster Avenue.

	Capital Scheme	Amount
AFFORDABLE HOUSING		
SA1031	Site Acquisition (Incl RTB)	133,900
SA1033	Estate Regeneration	158,429
SA1034	Former ASRA Properties Purchase	1,074,579
SA1047	New Build Programme Contingency	117,902
SA1048	Boughton Extra Care Scheme	(69,396)
SA1053	Phase 2 Cluster 3 - Hawtonville	152,307
SA1060	Phase 3	344,748
	SUB TOTAL AFFORDABLE HOUSING	1,912,469
GENERAL FUND		
TA3286	Information Technology Investment	161,570
TC1000	New Council Offices	286,025
TC3016	Legionella Remedial Works	133,412
TC3134	Works to SFACC	23,560
TC3135	Works to the Buttermarket	(762)
	RESOURCES TOTAL	603,805
TA1216	Dukeries LC New Pool	530,322
TA1219	Blidworth LC Steam & Sauna Facility	23,754
TB6161	S106 Vicar Water Play Area Improvements	38,296
TB6162	Loan to Magnus Academy	240,000
TB2253	Vehicles & Plant (NSDC)	89,410
TC3137	Upgrade Door Entry at Brunel Drive Depot	42,227
TF3228	Homeless Hostel	10,000
TF6011	Private Sector Disabled Facilities Grants	152,661
TF6012	Discretionary DFG	47,660
TF6807	Warm Homes on Prescription	73,253
	COMMUNITIES & ENVIRONMENT TOTAL	1,247,584
TA3053	Museum Improvements	63,808
TB3154	Castle Gatehouse Project	25,150
TC2005	Land Acquisition - Dukeries	70,000
TE3268	Southern Link Road Contribution	2,833,333
	GROWTH TOTAL	2,992,292
TG1002	Contribution to Robin Hood	941,610
	CAPITAL INVESTMENT TOTAL	941,610
	TOTAL GENERAL FUND	5,785,290
	TOTAL CARRY FORWARD	7,697,759

Newark & Sherwood District Council

Nottinghamshire County Council

Pension Fund

Pension accounting disclosure as at 31 March 2020
Prepared in accordance with IAS19

Barnett Waddingham LLP

21 April 2020

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Introduction

We have been instructed by Nottinghamshire County Council, the administering authority to the Nottinghamshire County Council Pension Fund (the Fund), to undertake pension expense calculations in respect of pension benefits provided by the Local Government Pension Scheme (the LGPS) to employees of Newark & Sherwood District Council (the Employer) as at 31 March 2020. We have taken account of current LGPS Regulations, as amended, as at the date of this report.

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

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

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

The figures quoted will form the basis of the balance sheet and funding status disclosures to be made by the Employer as at 31 March 2020 in respect of its pension obligations under the LGPS. The projected pension expense calculations for the year to 31 March 2021 may be used for the purpose of any interim financial reporting during the year to 31 March 2021. However, it may subsequently be necessary to adjust these projections following the occurrence of any material events such as curtailments, settlements or the discontinuance of the Employer's participation in the Fund.

Further information relating to our treatment of GMP is included on page 9 of this disclosure.

Please note that an allowance was made for the potential impact of the McCloud & Sargeant judgement in the results provided to the Employer at the last accounting date and therefore is already included in the starting position for this report. This allowance is therefore incorporated in the roll forward approach and is remeasured at the accounting date along with the normal LGPS liabilities.

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

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

Amendments to the IAS19 standard now requires that, when determining any past service cost or gain or loss on settlement, the net defined benefit liability is remeasured using current assumptions and the fair value of plan assets at the time of the event. The amendment does, however, note that the extra remeasurement does not need to be applied where the application of that remeasurement is immaterial. As requested by the Employer we have treated 3 events, which occurred over the accounting period, as material 'special events'.

Characteristics of defined benefit plans and associated risks

The LGPS is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. Full details of the benefits being valued are as set out in the Regulations as amended and summarised on the LGPS website and the Fund's membership booklet.

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

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

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2022 and will set contributions for the period from 1 April 2023 to 31 March 2026. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

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

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

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

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

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

Valuation data

Data sources

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

- The results of the valuation as at 31 March 2019 which was carried out for funding purposes and the results of the 31 March 2019 IAS19 report which was prepared for accounting purposes;
- Estimated whole Fund income and expenditure items for the period to 31 March 2020;
- Estimated Fund returns based on Fund asset statements provided (or estimated where necessary) as at 31 March 2019 and 31 December 2019, Fund income and expenditure as noted above, and estimated market returns thereafter for the period to 31 March 2020;
- Estimated Fund income and expenditure in respect of the Employer for the period to 31 March 2020;
- Details of any new early retirements for the period to 31 March 2020 that have been paid out on an unreduced basis, which are not anticipated in the normal employer service cost; and
- Details of any settlements for the period to 31 March 2020.

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

Employer membership statistics

The table below summarises the membership data, as at 31 March 2019 for members receiving funded benefits.

Member data summary	Number	Salaries/Pensions	Average age
		£000s	
Actives	522	12,671	45
Deferred pensioners	773	1,662	47
Pensioners	700	3,930	71
Unfunded pensioners	100	197	80

The service cost for the year ending 31 March 2020 is calculated using an estimate of the total pensionable payroll during the year. The estimated total pensionable payroll during the year is £9,946,000, as advised by the Employer. The projected service cost for the year ending 31 March 2021 has been calculated using an estimated payroll of £12,773,000, as advised by the Employer.

Scheduled contributions

The table below summarises the minimum employer contributions due from Newark & Sherwood District Council to the Fund over this inter-valuation period. The calculated cost of accrual of future benefits is 17.5% of payroll p.a.

Minimum employer contributions due for the period beginning	1 Apr 2020	1 Apr 2021	1 Apr 2022
Percent of payroll	17.5%	17.5%	17.5%
plus monetary amount (£000s)	771	800	829

However, Newark & Sherwood District Council have agreed with the administering authority that they will prepay their monetary contributions for the three years to 31 March 2023 by making a single lump sum payment of £2,235,000 by 30 April 2020. This lump sum payment has received an actuarially equivalent discount to the monetary rates above and Newark & Sherwood District Council have been notified separately of this amount. If they don't make this lump sum payments by 30 April 2020, the contribution rates set out above will apply as normal.

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

Early retirements

We requested data on any early retirements in respect of the Employer from the administering authority for the year ending 31 March 2020.

We have been notified of three new early retirements during the year which were not allowed for at the previous accounting date. The total annual pension that came into payment was £35,800.

Assets

The return on the Fund (on a bid value to bid value basis) for the year to 31 March 2020 is estimated to be -8%. The actual return on Fund assets over the year may be different.

The estimated asset allocation for Newark & Sherwood District Council as at 31 March 2020 is as follows:

Asset breakdown	31 Mar 2020		31 Mar 2019	
	£000s	%	£000s	%
Equities	63,184	64%	52,358	62%
Gilts	3,249	3%	2,747	3%
Other bonds	8,571	9%	7,817	9%
Property	12,545	13%	11,415	14%
Cash	2,416	2%	2,038	2%
Inflation-linked pooled fund	3,597	4%	3,066	4%
Infrastructure	5,242	5%	4,061	5%
Unit trust	0	n/a	856	1%
Total	98,804	100%	84,358	100%

We have estimated the bid values where necessary. Please note that the individual percentages shown are to the nearest percentage point for each asset class and may not sum to 100%. The final asset allocation of the Fund assets as at 31 March 2020 is likely to be different from that shown due to estimation techniques.

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

We received the following information from the administering authority regarding the detail of their assets as at 31 December 2019, representing the percentages of the total Fund held in each asset class (split by those that have a quoted market price in an active market, and those that do not).

Asset breakdown	31 Dec 2019	
	% Quoted	% Unquoted
Fixed Interest Government Securities		
UK	3.3%	-
Corporate Bonds		
UK	8.5%	-
Overseas	0.2%	-
Equities		
UK	25.8%	0.1%
Overseas	34.6%	-
Property		
All	-	12.7%
Others		
Private Equity	-	2.5%
Infrastructure	-	5.3%
Unit trust	-	1.0%
Inflation-linked pooled fund	-	3.6%
Cash/Temporary Investments	-	2.4%
Total	72.4%	27.6%

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

Actuarial methods and assumptions

Valuation approach

Valuation of the Employer's liabilities

To assess the value of the Employer's liabilities at 31 March 2020, we have rolled forward the value of the Employer's liabilities calculated for the funding valuation as at 31 March 2019, using financial assumptions that comply with IAS19.

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

It is not possible to assess the accuracy of the estimated value of liabilities as at 31 March 2020 without completing a full valuation. However, we are satisfied that the approach of rolling forward the previous valuation data to 31 March 2020 should not introduce any material distortions in the results provided that the actual experience of the Employer and the Fund has been broadly in line with the underlying assumptions, and that the structure of the liabilities is substantially the same as at the latest formal valuation. From the information we have received there appears to be no evidence that this approach is inappropriate.

Valuation of the Employer's assets

To calculate the asset share we have rolled forward the assets allocated to the Employer at 31 March 2019 allowing for investment returns (estimated where necessary), contributions paid into, and estimated benefits paid from, the Fund by and in respect of the Employer and its employees.

The Employer currently participates in the Newark & Sherwood District Council pool with other employers in order to share experience of risks they are exposed to in the Fund. At the 2019 valuation, the deficit for the whole pool was calculated and allocated to each employer in proportion to their value of liabilities. The next reallocation will be carried out at the 2022 valuation, should the Employer remain in the pool. Each employer within the pool pays a contribution rate based on the cost of benefits of the combined membership of the pool.

Experience items allowed for since the previous accounting date

As a result of allowing for actual experience, which may be different from that assumed previously, an experience item may be observed in the reconciliation of liabilities to 31 March 2020. The effect of allowing for the actual experience is shown in Appendix 3.

Guaranteed Minimum Pension (GMP) Equalisation

As a result of the High Court's recent Lloyds ruling on the equalisation of GMPs between genders, a number of pension schemes have made adjustments to accounting disclosures to reflect the effect this ruling has on the value of pension liabilities. It is our understanding that HM Treasury have confirmed that the judgement "does not impact on the current method used to achieve equalisation and indexation in public service pension schemes". More information on the current method of equalisation of public service pension schemes can be found [here](#).

On 22 January 2018, the Government published the outcome to its *Indexation and equalisation of GMP in public service pension schemes* consultation, concluding that the requirement for public service pension schemes to fully price protect the GMP element of individuals' public service pension would be extended to those individuals reaching State Pension Age (SPA) before 6 April 2021. HM Treasury published a Ministerial Direction on 4 December 2018 to implement this outcome, with effect from 6 April 2016. Details of this outcome and the Ministerial Direction can be found [here](#).

Our valuation assumption for GMP is that the Fund will pay limited increases for members that have reached SPA by 6 April 2016, with the Government providing the remainder of the inflationary increase. For members that reach SPA after this date, we have assumed that the Fund will be required to pay the entire inflationary increase. Therefore we do not believe we need to make any adjustments to the value placed on the liabilities as a result of the above outcome.

Demographic/Statistical assumptions

We have adopted a set of demographic assumptions that are consistent with those used for the most recent Fund valuation, which was carried out as at 31 March 2019. The post retirement mortality tables adopted are the S3PA tables with a multiplier of 110% for males and 105% for females. These base tables are then projected using the CMI_2018 Model, allowing for a long-term rate of improvement of 1.25% p.a., smoothing parameter of 7.5 and an initial addition to improvements of 0.5% p.a.

This has been updated since the last accounting date where the demographic assumptions were based on those adopted for the Fund's 31 March 2016 valuation, other than updating mortality improvement projections in line with CMI_2018 at the previous accounting date. The impact of updating the demographic assumptions is set out in the Change in demographic assumptions figure in Table 1 of Appendix 3.

The assumed life expectations from age 65 are:

Life expectancy from age 65 (years)	31 Mar 2020	31 Mar 2019
Retiring today		
Males	21.8	21.6
Females	24.4	24.4
Retiring in 20 years		
Males	23.2	23.3
Females	25.8	26.2

We have also assumed that:

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

Financial assumptions

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

Assumptions as at	31 Mar 2020	31 Mar 2019	31 Mar 2018
	% p.a.	% p.a.	% p.a.
Discount rate	2.35%	2.40%	2.55%
Pension increases	1.90%	2.40%	2.30%
Salary increases	2.90%	3.90%	3.80%

These assumptions are set with reference to market conditions at 31 March 2020.

Our estimate of the Employer's past service liability duration is 20 years. This has been calculated based on membership data provided for the most recent full valuation of the Employer's liabilities at 31 March 2019. This may differ from the estimated duration at the previous accounting date.

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

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

As future pension increases are expected to be based on the Consumer Prices Index (CPI) rather than RPI, we have made a further assumption about CPI which is that it will be 0.8% p.a. below RPI i.e. 1.9% p.a. We believe that this is a reasonable estimate for the future differences in the indices, based on the different calculation methods, recent independent forecasts and the duration of the Employer's liabilities. The difference between RPI and CPI is less than assumed at the previous accounting date. This reflects the movement in market implied RPI inflation that occurred following the UK Statistics Authority's proposal to change how RPI is calculated and subsequent announcements from the Chancellor on the issue.

Salaries are assumed to increase at 1.0% p.a. above CPI. This differs from the salary increase assumption at the previous accounting date and has been updated in line with the most recent funding valuation.

Special events dates

As mentioned above, we have allowed for a number of 'special events' over the accounting period. The net defined benefit liability has been remeasured at each of these event dates using market statistics and the fair value of plan assets at the time of the event.

The below table sets out the dates of these 'special events' and the financial assumptions adopted for each period of remeasurement. The assumptions have been derived consistently with the previous accounting date. However, for dates after 3 September 2019 we have adopted a slightly lower RPI/CPI gap of 0.8%, consistent with the approach set out above.

Event date	Discount rate	Pension increases	Real discount rate
31/03/2019	2.40%	2.40%	0.00%
29/04/2019	2.45%	2.45%	0.00%
30/11/2019	2.00%	2.30%	-0.30%
31/01/2020	1.75%	2.25%	-0.50%
31/03/2020	2.35%	1.90%	0.45%

Past service costs/gains

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

We are not aware of any additional benefits which were granted over the year ending 31 March 2020.

Curtailments

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

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

Over the year, we understand that three former employees became entitled to unreduced early retirement benefits. The capitalised cost of the additional benefits on IAS19 compliant assumptions is calculated at £167,000. This figure has been included within the service cost in the statement of profit and loss.

Unless confirmed to us by the Employer as not material, the cost of each curtailment is calculated using assumptions derived based on market conditions at the date of exit. If not material, then the cost is calculated based on the assumptions applicable at the previous material 'special event' date (or at the previous accounting date if there are no previous material 'special events'). The below table shows the capitalised cost of each of the curtailment events allowed for and the financial assumptions used to calculate this cost. We have also indicated whether the event has been allowed for as a 'special event'. Details of the financial assumptions adopted at each 'special event' date are set out above in the Financial assumptions section.

NI number	Date of curtailment	Curtailment cost £000s	Discount rate	Pension increases	Treated as special Event?
YY586415A	31 October 2019	3	2.45%	2.45%	No
WL821002D	30 November 2019	69	2.00%	2.30%	Yes
WL643208B	29 April 2019	95	2.45%	2.45%	Yes

Settlements

As a result of some members transferring into / out of the Employer over the year liabilities have been settled at a cost different to the accounting reserve. The capitalised loss of this settlement is £13,390,000.

A summary of the transfers into/out of the Employer over the year is set out below. This includes the value of assets transferred to/from the Employer in respect of any transfers and the value of the transferred defined benefit obligation. Where applicable, we have also provided the date of the report provided to the administering authority in relation to the transfer which includes a summary of the membership data used to calculate the value of assets and liabilities transferred.

Unless confirmed to us by the Employer as not material, the value of the transferred defined benefit obligation for each settlement is calculated using assumptions derived based on market conditions the date of transfer. If not material, then the cost is calculated based on the assumptions applicable at the previous material 'special event' date (or at the previous accounting date if there are no previous material 'special events'). We have also included the key financial assumptions used to calculate the value of transferring liabilities and indicated whether the event has been allowed for as a material event. Details of the financial assumptions at 'special event' date is set out above in the Financial assumptions section.

Settlements in Employer transferred from	Transfer date	Assets transferred £000s	Liabilities transferred £000s	Report date (if applicable)	Discount rate	Pension increases	Treated as special Event?
Newark & Sherwood Homes	31 January 2020	25,459	38,849	n/a	1.75%	2.25%	Yes
Total		25,459	38,849				

Results and disclosures

We estimate that the value of the net liability as at 31 March 2020 is a liability of £72,397,000.

The results of our calculations for the year ended 31 March 2020 are set out in the appendices below:

- Appendix 1 sets out the Statement of financial position as at 31 March 2020;
- Appendix 2 sets out the Statement of profit and loss for the year ended 31 March 2020;
- Appendix 3 details a reconciliation of assets and liabilities during the year;
- Appendix 4 shows a sensitivity analysis on the major assumptions;
- Appendix 5 shows the Remeasurements in other comprehensive income for the year;
- Appendix 6 contains our estimates of the projected profit and loss account costs for the year ending 31 March 2021. Please note that no allowance has been made for the costs of any early retirements or augmentations which may occur over the year and whose additional capitalised costs would be included in the value of liabilities. It is only an estimate so actual experience over the year is likely to differ. We have not provided balance sheet projections on the basis that they will depend upon market conditions and the asset value of the Fund at the end of the following year.

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

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



Julie Baillie FFA
Actuary

Appendix 1 Statement of financial position as at 31 March 2020

Net pension asset as at	31 Mar 2020	31 Mar 2019	31 Mar 2018
	£000s	£000s	£000s
Present value of the defined benefit obligation	168,822	147,283	144,173
Fair value of Fund assets (bid value)	98,804	84,358	78,390
Deficit / (Surplus)	70,018	62,925	65,783
Present value of unfunded obligation	2,379	2,874	3,053
Unrecognised past service cost	-	-	-
Impact of asset ceiling	-	-	-
Net defined benefit liability / (asset)	72,397	65,799	68,836

Appendix 2 Statement of profit and loss for the year to 31 March 2020

The amounts recognised in the profit and loss statement are:	Year to	Year to
	31 Mar 2020	31 Mar 2019
	£000s	£000s
Service cost	17,471	4,347
Net interest on the defined liability (asset)	1,566	1,720
Administration expenses	34	33
Total loss (profit)	19,071	6,100

Appendix 3 Asset and benefit obligation reconciliation for the year to 31 March 2020

Reconciliation of opening & closing balances of the present value of the defined benefit obligation	Year to	Year to
	31 Mar 2020	31 Mar 2019
	£000s	£000s
Opening defined benefit obligation	150,157	147,226
Current service cost	3,914	3,296
Interest cost	3,536	3,710
Change in financial assumptions	(21,053)	6,794
Change in demographic assumptions	(2,858)	(8,386)
Experience loss/(gain) on defined benefit obligation	2,134	-
Liabilities assumed / (extinguished) on settlements	38,849	-
Estimated benefits paid net of transfers in	(4,125)	(3,946)
Past service costs, including curtailments	167	1,051
Contributions by Scheme participants and other employers	650	586
Unfunded pension payments	(170)	(174)
Closing defined benefit obligation	171,201	150,157

Reconciliation of opening & closing balances of the fair value of Fund assets	Year to	Year to
	31 Mar 2020	31 Mar 2019
	£000s	£000s
Opening fair value of Fund assets	84,358	78,390
Interest on assets	1,970	1,990
Return on assets less interest	(12,099)	4,740
Other actuarial gains/(losses)	(527)	-
Administration expenses	(34)	(33)
Contributions by employer including unfunded	3,322	2,805
Contributions by Scheme participants and other employers	650	586
Estimated benefits paid plus unfunded net of transfers in	(4,295)	(4,120)
Settlement prices received / (paid)	25,459	-
Closing Fair value of Fund assets	98,804	84,358

The total return on the fund assets for the year to 31 March 2020 is (£10,129,000).

Appendix 4 Sensitivity analysis

Sensitivity analysis	£000s	£000s	£000s
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	167,856	171,201	174,615
Projected service cost	4,298	4,408	4,521
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	171,495	171,201	170,908
Projected service cost	4,410	4,408	4,406
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	174,332	171,201	168,131
Projected service cost	4,519	4,408	4,299
Adjustment to life expectancy assumptions	+1 Year	None	- 1 Year
Present value of total obligation	177,987	171,201	164,690
Projected service cost	4,543	4,408	4,277

Appendix 5 Remeasurements in other comprehensive income

Remeasurement of the net assets / (defined liability)	Year to	Year to
	31 Mar 2020	31 Mar 2019
	£000s	£000s
Return on Fund assets in excess of interest	(12,099)	4,740
Other actuarial gains/(losses) on assets	(527)	-
Change in financial assumptions	21,053	(6,794)
Change in demographic assumptions	2,858	8,386
Experience gain/(loss) on defined benefit obligation	(2,134)	-
Changes in effect of asset ceiling	-	-
Remeasurement of the net assets / (defined liability)	9,151	6,332

Appendix 6 Projected pension expense for the year to 31 March 2021

Projections for the year to 31 March 2021	Year to 31 Mar 2021 £000s
Service cost	4,408
Net interest on the defined liability (asset)	1,674
Administration expenses	40
Total loss (profit)	6,122
Employer contributions	2,235

Note that these figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2020. These projections are based on the assumptions as at 31 March 2020, as described in the main body of this report.

ANNUAL TREASURY REPORT 2019/20

1. Background

- 1.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2019/20. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).
- 1.2 Treasury management is defined as: 'The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.'
- 1.3 Overall responsibility for treasury management remains with the Council. No treasury management activity is without risk; the effective identification and management of risk are integral to the Council's treasury management strategy.

2 Economic Background

- 2.1 **UK Brexit.** The main issue in 2019 was the repeated battles in the House of Commons to agree on one way forward for the UK over the issue of Brexit. This resulted in the resignation of Theresa May as the leader of the Conservative minority Government and the election of Boris Johnson as the new leader, on a platform of taking the UK out of the EU on 31 October 2019. The House of Commons duly frustrated that renewed effort and so a general election in December settled the matter once and for all by a decisive victory for the Conservative Party: that then enabled the UK to leave the EU on 31 January 2020. However, this still leaves much uncertainty as to whether there will be a reasonable trade deal achieved by the target deadline of the end of 2020. It is also unclear as to whether the coronavirus outbreak may yet impact on this deadline; however, the second and third rounds of negotiations have already had to be cancelled due to the virus.
- 2.2 **Economic growth** in 2019 has been very volatile with quarter 1 unexpectedly strong at 0.5%, quarter 2 down at -0.2%, quarter 3 bouncing back up to +0.5% and quarter 4 flat at 0.0%, +1.1% y/y. 2020 started with optimistic business surveys pointing to an upswing in growth after the ending of political uncertainty as a result of the decisive result of the general election in December settled the Brexit issue. However, the three monthly GDP statistics in January were disappointing, being stuck at 0.0% growth. Since then, the whole world has changed as a result of the coronavirus outbreak. It now looks likely that the closedown of whole sections of the economy will result in a fall in GDP of at least 15% in quarter two. What is uncertain, however, is the extent of the damage that will be done to businesses by the end of the lock down period, when the end of the lock down will occur, whether there could be a second wave of the outbreak, how soon a vaccine will be created and then how quickly it can be administered to the population. This leaves huge uncertainties as to how quickly the economy will recover.

- 2.3 After the Monetary Policy Committee raised **Bank Rate** from 0.5% to 0.75% in August 2018, Brexit uncertainty caused the MPC to sit on its hands and to do nothing until March 2020; at this point it was abundantly clear that the coronavirus outbreak posed a huge threat to the economy of the UK. Two emergency cuts in Bank Rate from 0.75% occurred in March, first to 0.25% and then to 0.10%. These cuts were accompanied by an increase in **quantitative easing (QE)**, essentially the purchases of gilts (mainly) by the Bank of England of £200bn. The Government and the Bank were also very concerned to stop people losing their jobs during this lock down period. Accordingly, the Government introduced various schemes to subsidise both employed and self-employed jobs for three months while the country is locked down. It also put in place a raft of other measures to help businesses access loans from their banks, (with the Government providing guarantees to the banks against losses), to tide them over the lock down period when some firms may have little or no income. However, at the time of writing, this leaves open a question as to whether some firms will be solvent, even if they take out such loans, and some may also choose to close as there is, and will be, insufficient demand for their services. At the time of writing, this is a rapidly evolving situation so there may be further measures to come from the Bank and the Government in April and beyond. The measures to support jobs and businesses already taken by the Government will result in a huge increase in the annual budget deficit in 2020/21 from 2%, to nearly 11%. The ratio of debt to GDP is also likely to increase from 80% to around 105%. In the Budget in March, the Government also announced a large increase in spending on infrastructure; this will also help the economy to recover once the lock down is ended. Provided the coronavirus outbreak is brought under control relatively swiftly, and the lock down is eased, then it is hoped that there would be a sharp recovery, but one that would take a prolonged time to fully recover previous lost momentum.
- 2.4 **Inflation** has posed little concern for the MPC during the last year, being mainly between 1.5 – 2.0%. It is also not going to be an issue for the near future as the world economy will be heading into a recession which is already causing a glut in the supply of oil which has fallen sharply in price. Other prices will also be under downward pressure while wage inflation has also been on a downward path over the last half year and is likely to continue that trend in the current environment. While inflation could even turn negative in the Eurozone, this is currently not likely in the UK.
- 2.5 **Employment** had been growing healthily through the last year but it is obviously heading for a big hit in March – April 2020. The good news over the last year is that wage inflation has been significantly higher than CPI inflation which means that consumer real spending power had been increasing and so will have provided support to GDP growth. However, while people cannot leave their homes to do non-food shopping, retail sales will also take a big hit.
- 2.6 **WORLD GROWTH.** The trade war between the US and China on tariffs was a major concern to financial markets and was depressing worldwide growth during 2019, as any downturn in China would spill over into impacting countries supplying raw materials to China. Concerns were particularly focused on the synchronised general weakening of growth in the major economies of the world. These concerns resulted in government bond yields in the developed world falling significantly during 2019. In 2020, coronavirus is the big issue which is going to sweep around the world and have a major impact in causing a world recession in growth in 2020.

3.0 Local Context

- 3.1 During 2019-20, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were low and minimising counterparty risk on placing investments also needed to be considered.
- 3.2 A cost of carry remained during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns.
- 3.3 The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.
- 3.4 The Council's Capital Financing Requirement (CFR) at 31 March 2020 was £133m, while usable reserves and working capital which are the underlying resources available for investment were £58.028m.
- 3.5 The Council has an increasing CFR over the next 2 years of £25m, due to the borrowing requirement of £33.4m (GF £18.6m / HRA £14.7m) for financing the capital programme over the forecast period, if reserve levels permit internal borrowing will be considered. The CFR reduces when Minimum Revenue Provision (MRP) are made and the repayment of debt, over the forecast period there are two loans due for repayment with a combined total value of £4m.

4 Borrowing Strategy

4.1 Borrowing Activity in 2019/20

	Balance 1/4/19 £000	New Borrowing £000	Debt Maturing £000	Balance 31/3/20 £000
CFR	131,627			132,900
Short Term Borrowing	4,983	12,787	16,700	8,597
Long Term Borrowing	90,081	3,300	2,024	83,830
Total Borrowing	95,064	16,087	18,724	92,427
Other Long Term Liabilities	224	0	0	224
Total External Debt	95,288	16,088	18,724	92,651
Increase/(Decrease) Borrowing £000	in			(2,637)

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

4.3 The Council has an increasing CFR due to the capital programme and an estimated borrowing requirement as determined by the Liability Benchmark which also takes into account usable reserves and working capital. Having considered the appropriate duration and structure of the Council's borrowing need based on realistic projections, it was decided to take a combination of medium-term borrowing maturity loan during the year, details of which are below.

Long-dated Loans borrowed	Amount £000	Rate %	Period (Years)
Other Local Authority Loan	3,300	1.5	3

4.4 **LOBOs:** The Council holds £3.5m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. All of the £3.5m of LOBOs had options during the year, none of which were exercised by the lender.

4.5 **Debt Rescheduling:** The premium charge for early repayment of PWLB debt remained relatively expensive for the loans in the Council's portfolio and therefore unattractive for debt rescheduling activity. No rescheduling activity was undertaken as a consequence.

5 **Investment Activity**

5.1 The Council's investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by the Council on 7 March 2019. The policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data, (such as rating outlooks, credit default swaps, bank share prices etc.). During 2019/20 the Council's investment balances have ranged between £37.9 and £64.2 million.

	Balance 1/4/19 £000	New Investments £000	Investments Redeemed £000	Balance 31/3/20 £000
Short Term Investments	41,370	170,441	180,852	30,459
Long Term Investments	0	7,500	0	7,500
Total Investments	41,370	177,941	180,852	38,459
Increase/(Decrease) in Investments £000				(2,911)

5.2 Security of capital remained the Council's main objective. This was maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy Statement for 2019/20.

5.3 Counterparty credit quality is assessed and monitored by Link, the Council's treasury advisors, with reference to credit ratings; credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. Link provide recommendations for suitable counterparties and maximum investment periods.

6 Compliance with Prudential Indicators

6.1 The Council can confirm that it has complied with its Prudential Indicators for 2019/20, which were set on 7 March 2019 as part of the Council's Treasury Management Strategy Statement.

6.2 **Interest Rate Exposure:** These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates for both borrowing and investments. The upper limit for variable rate exposure allows for the use of variable rate debt to offset exposure to changes in short-term rates on our portfolio of investments.

	Approved Limit for 2019/20 %	Maximum during 2019/20 £m
Fixed Rate		
Borrowing	100%	99%
Investments	75%	21%
<i>Compliance with Limit</i>		Yes
Variable Rate		
Borrowing	20%	1%
Investments	100%	79%
<i>Compliance with Limit</i>		Yes

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

	Upper Limit %	Fixed Rate Borrowing 31/03/20 £m	Fixed Rate Borrowing 31/3/20 %	Compliance?
Under 12 months	15%	16.009	17%	Yes
12 months to 2 years	15%	3.029	3%	Yes
2 years to 5 years	30%	18.403	19%	Yes
5 years to 10 years	100%	24.336	25%	Yes
10 years and above	100%	35.040	36%	Yes

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

6.5 **Authorised Limit and Operational Boundary for External Debt.** The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit, irrespective of their indebted status. This is a statutory limit which should not be breached. The Operational Boundary is based on the same estimates as the Authorised Limit but reflects the most likely, prudent but not worst case scenario without the additional headroom included within the Authorised Limit. The s151 Officer confirms that there were no breaches to the Authorised Limit and the Operational Boundary during 2019/20; borrowing at its peak was £93.3m.

	Approved Operational Boundary 2019/20 £m	Authorised Limit 2019/20 £m	Actual External Debt 31/03/20 £m
Borrowing	137.6	142.6	92.4
Other Long Term Liabilities	0.4	0.6	0.2
Total	138.0	143.2	92.6

- 6.6 In compliance with the requirements of the CIPFA Code of Practice this report provides members with a summary of the treasury management activity during 2019/20. A prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.
- 6.7 The Council also confirms that during 2019/20 it complied with its Treasury Management Policy Statement and Treasury Management Practices.

POLICY & FINANCE COMMITTEE

25 JUNE 2020

HR AND PAYROLL SYSTEM UPDATE

1.0 Purpose of Report

- 1.1 To advise Members of the current position with regard to the contract with Access UK Limited who currently support and maintain the Council's HR & Payroll system.
- 1.2 To seek authority to enter into a contract with Access UK Limited until June 2022.

2.0 Background Information

- 2.1 The Council currently delivers its HR & Payroll provision through a system procured in 2003, which went live during January 2004 with the 'Selima' product. This product has served the Council well in the 16 years of operation and has always met requirements that the Council has asked of it, including but not limited to, updates in legislative changes and the evolution of more sophisticated and efficient processing ability.
- 2.2 The original 5-year contract ended in 2008. Since this point in time Contract Procedure Rules have been exempted, in order to waive the need for procurement exercises and enable further contract extensions. It was concluded that the financial cost of moving to another provider (in both capital expenditure and in-house resource terms) together with the benefits accrued from the relationship formed with the existing provider, outweighed the benefits of running an open competitive process.
- 2.3 The current contract ends during January 2021. The anticipation was that by this point in time, a procurement exercise would have been completed and implementation of a new system be underway.
- 2.4 During July-October 2019 a tender document had been worked up in anticipation of publishing during November 2019. The tender document is substantially complete, albeit the document needs to be reviewed prior to publication. ICT input to cover off ICT mandatory requirements is also required.
- 2.5 However, over the most recent months Financial Services has needed to focus its resource on facilitating the reintegration of Newark and Sherwood Homes into the Council. Newark and Sherwood Homes had recently changed their Financial Management System and there were many errors within the system, which needed to be resolved in order for the Council to consolidate into its financial position. This therefore had to take priority to ensure the integrity of the financial management system and financial reporting. This therefore pushed the timeline back into 2020 to start the procurement exercise for the HR and Payroll system.
- 2.6 The impacts of COVID-19 have then taken precedence and as such, work priorities have again had to be re-prioritised and the procurement exercise has not been progressed.

- 2.7 As the new procurement exercise will inevitably lead to a contract that is larger than the current EU threshold, an OJEU compliant process would need to be completed. In order to be a compliant process it is anticipated that this could take circa 3 months in order to complete due to the normal period between publication of contract notice and receipt of tenders, followed by a period of evaluation and due diligence, and a mandatory 10 day standstill period.
- 2.8 Should the Council then award the contract to a new provider, a start date of January 2021 (when the current contract expires) would now leave insufficient time for the smooth implementation of a fundamental system change for the Council. The HR and Payroll system is integral to the Council's business operations and system failure would expose the Council to risk of financial loss and reputational damage, as well as having a significant impact on staff.
- 2.9 In accordance with the Contract Procedure Rules, Committee approval is now required if the contract is to be extended further.

3.0 Proposals

- 3.1 The Council has had initial discussions with the Access Group regarding an extension to the current contract. This would be in the form of a 2-year extension from 1 July 2020. This would therefore run to 30 June 2022, by which time the Council will have had sufficient time to procure and implement a new system (whether that be an upgraded product with the existing provider, or a new provider altogether).
- 3.2 The proposed contract is at an increased cost of £35,341 per annum, which is an increase from the current cost of £23,560 per annum. This increased cost is due to the system being phased out by the software providers and therefore represents an acknowledgement from the Council that there will need to be some investment from the Access Group in order to maintain this system.
- 3.3 It is proposed that the procurement exercise will begin in December 2020, which will ensure that there is sufficient time in order to complete the implementation with ample time for parallel running to be completed also.
- 3.4 Approval is sought for the Council to enter into a new contract, from 1 July 2020 for a period of two years, the total value equating to £70,682. Committee is asked to approve a Contract Procedure Rules exemption from following a competitive process (seeking three competitive quotations). Following on from approval of this approach, the Council will still adhere to its other obligations under the Contract Procedure Rules; it will contact Welland Procurement to publish a Contracts Finder Award Notice and arrange for the internal publication of the contract details on the Council's Contract Register (available publicly on ProContract).

Risks

- 4.1 There is a risk that other providers in the market will query any decision not to follow a competitive process. The purpose of this report is to set out, for transparency, the Council's reasons, and to confirm that a competitive process will be undertaken going forward.

5.0 Equalities Implications

5.1 Equalities impact assessments will be completed where appropriate for activities taking place within this project.

6.0 Financial Implications (FIN20-21/3872)

6.1 The current value of the contract is budgeted for within the existing budget provision.

6.2 The additional annual £11,780 can be contained within existing budget provision by releasing budget from within agency costs from financial services.

7.0 Community Plan – Alignment to Objectives

7.1 The proposals in this report align with the Council's objectives to adopt a commercial, business-like approach, given the continuity risks to service delivery for the Council and ensures value for money.

8.0 RECOMMENDATIONS that:

- (a) an exemption to the Contract Procedure Rules be approved in order to enable the Council to enter into a contract extension with Access UK Limited from 1 July 2020 for a period of 2 years at a total cost of £70,682; and**
- (b) the Council commence a procurement exercise for the provision of its HR and Payroll system by December 2020.**

Reason for Recommendations

To ensure continuity of the Council's HR and Payroll system and a smooth transition to a new system and/or provider.

Background Papers

Nil.

For further information please contact Nick Wilson on Ext.5137.

Sanjiv Kohli
Director – Resources and Deputy Chief Executive

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