



*Castle House  
Great North Road  
Newark  
NG24 1BY*

*Tel: 01636 650000*

[www.newark-sherwooddc.gov.uk](http://www.newark-sherwooddc.gov.uk)

**Tuesday, 17 November 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, 26 November 2020 at 6.00 pm**

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

**You are hereby requested to attend the above Meeting to be held at the time/place  
and on the date mentioned above for the purpose of transacting the  
business on the Agenda as overleaf.**

**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](mailto:nigel.hill@newark-sherwooddc.gov.uk).**



## AGENDA

Page Nos.

### **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.

1. Apologies for Absence
2. Declarations of Interest by Members and Officers and as to the Party Whip
3. Declarations of Intention to Record the Meeting
4. Minutes of the meeting held on 24 September 2020 5 - 18
5. Forward Plan of Policy & Finance Items 19

### **Policy Items for Decision**

6. Grounds Maintenance of HRA Land 20 - 29
7. Partnership for the East Midlands Building Consultancy 30 - 36
8. Revised Customer Feedback Policy 37 - 44
9. Newark Towns Fund 45 - 49
10. Infrastructure Funding Statement 50 - 79
11. Flowserve Site Update To Follow

### **Finance Items for Decision**

12. General Fund, Housing Revenue Account (HRA) and Capital Projected Outturn Report to 31 March 2021 as at 30 September 2020 80 - 97
13. Newark Castle Electrical Upgrade and Fire Alarm Installation 98 - 99
14. Ollerton Local Housing Office - Refurbishment and Re-Purpose 100 - 104

### **Policy Items for Information**

15. Quarter 2 (Q2) 2020/21 Performance Report 105 - 114

## **Finance Items for Information**

- |     |  |           |
|-----|--|-----------|
| 16. | Covid-19 Revenue Support - Business Grants and Assurance, Council Tax Hardship Fund, Test and Trace Support Payments | 115 - 120 |
|-----|--|-----------|

## **Confidential and Exempt Items**

- |     |                                   |  |
|-----|-----------------------------------|--|
| 17. | 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.

- |     |   |           |
|-----|---|-----------|
| 18. | Urgency Item - Next Steps Accommodation Programme | 121 - 125 |
| 19. | Newark Towns Fund                                 | 126 - 128 |
| 20. | Development of the Former Robin Hood Hotel        | 129 - 215 |
| 21. | Ollerton Hall                                     | To Follow |

# Public Document Pack Agenda Item 4

## 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, 24 September 2020 at 6.00 pm.

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

ALSO IN ATTENDANCE: Councillor N Mison

The meeting was held remotely, 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.

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

Councillor R. Jackson and K. Girling declared personal interests in Agenda Item No. 7 - Local Government Re-organisation as Members of Nottinghamshire County Council. Councillor B. Clarke Smith declared a personal interest in the same item, given he was a current Member of Parliament.

Councillor K. Girling declared a personal interest in Agenda Item No. 13 - Active4Today - Covid update as a Director of Active4Today.

Councillor T Wendels declared a personal interest in Agenda Items No. 14 – Letter of Comfort for Southwell Leisure Centre Trust as a Trustee and in Agenda Item No. 24 - Litigation Matter.

### 131 DECLARATIONS OF INTENTION TO RECORD THE MEETING

The Chairman advised that the proceedings were being audio recorded by the Council and that the meeting was being broadcast from the Civic Suite.

### 132 MINUTES OF THE MEETING HELD ON 25 JUNE 2020

The minutes from the meeting held on 25 June 2020 were agreed as a correct record to be signed by the Chairman.

### 133 FORWARD PLAN OF POLICY & FINANCE ITEMS

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

134 COMMUNITY PLAN 2020 - 2023

The Transformation Manager presented a report which set out a proposed refreshed Community Plan which had been updated to reflect our communities and Council priorities during the Covid-19 pandemic. The refreshed version included numerous examples of community spirit and communities coming together to support one another and the continuation of the Council's Humanitarian Assistance Response Team's (HART) approach, which was established during the Covid-19 pandemic.

The refreshed Plan covered the same period, up until 2023, and included the following objectives:

- Create vibrant and self-sufficient local communities where residents look out for each other and actively contribute to their local area;
- Deliver inclusive and sustainable economic growth;
- Create more and better quality homes through out roles as landlord, developer and planning authority;
- Continue to maintain the high standard of cleanliness and appearance of the local environment;
- Enhance and protect the districts natural environment;
- Reduce crime and anti-social behaviour and increase feelings of safety in our communities; and
- Improve the health and well-being of residents.

AGREED (with 6 for and 1 against) That the refresh of the Community Plan 2020-2023 be recommended to Full Council for approval.

Reason for Decision

To approve the Community Plan refresh 2020-2023.

135 LOCAL GOVERNMENT REORGANISATION

The Deputy Chief Executive presented a report which sought approval to set aside the sum of £30,000 to support the Council to engage fully and proactively in the development of proposals for local government re-organisation and wider public services reform. The Government's Devolution and Recovery White Paper was expected to be published in October 2020, to include details of a fresh push to deliver more democratically elected Mayors, Combined Authorities and Unitary Councils.

Appended to the report were reports to Nottinghamshire County Council's Policy Committee seeking approval for the Leader of the County Council to seek support for a unitary local authority in Nottinghamshire, and a letter from the Leaders of all the Borough and District Councils in Nottinghamshire, along with the City Council, setting out their opposition to a single unitary authority.

In order to progress alternative proposals and respond promptly and collaboratively,

the Leaders had recommended engaging external support to assist with a range of key tasks, including preparation and appraisal of options for improving local services, financial assessments and community engagement.

AGREED (unanimously) that:

- (a) the sum of £30,000 be set aside from the Change Management Reserve to support work associated with the forthcoming 'Devolution White Paper' and more specifically, the design and development of options to improve local government and public services more generally in Nottinghamshire;
- (b) the Chief Executive be requested to update this Committee on a regular basis on the progress of the above work; and
- (c) Members note the options for any future Local Government Reorganisation affecting Newark & Sherwood District Council would be referred to Full Council for consideration and debate.

#### Reason for Decision

To provide resource to enable the Council to participate effectively in the interests of its local community.

### 136 CLIMATE EMERGENCY UPDATE

The Policy & Projects Officer presented a report which provided an update of the work overseen by the Climate Emergency Working Group (CEWG) of Members, to produce a climate strategy and action plan for Newark & Sherwood District Council in response to the declared climate emergency. The conclusions from the CEWG, working with The Carbon Trust, were that the Council:

- defines its carbon footprint based on selected operational data as set out in the strategy;
- sets a target date of 2035 for carbon neutrality based on that data;
- is guided by the action plan to reduce carbon emissions in order to meet the target for neutrality; and
- monitors progress against the strategy and action plan by annual reporting to this Committee, with additional operational Committee updates as required.

The Committee welcomed the suggested virtual opportunity for all Members to view the strategy and action plan prior to submission to the Full Council.

AGREED (unanimously) that:

- (a) the Council's carbon footprint to target be recommended for approval by the Full Council - the footprint is calculated as 2,165 tCO<sub>2</sub>e – which incorporates selected emissions from scopes 1, 2 and 3 (this footprint does not include emissions from housing (17,130 tCO<sub>2</sub>e), which have been considered separately);

- (b) 2035 be recommended to the Full Council as the target date for carbon neutrality (the action plan sets out a series of schemes to support the neutral target – subject to feasibility);
- (c) a commitment is added to the Capital Project Feasibility Reserve of £40,000;
- (d) governance of the strategy and action plan, as coordinated by the Environmental Policy and Projects Officer, is overseen by an annual report to Policy & Finance Committee that conveys progress against the annual carbon footprint (additional projects and initiatives will be considered by the relevant officers and committees as required); and
- (e) all Members have the opportunity to view the strategy and action plan at a virtual meeting on a date to be confirmed, prior to presentation to the Full Council.

Reason for Decision

To reduce the Council’s carbon emissions and to formalise its environmental ambitions by agreeing a measured and considered action plan.

137 THE DIGITAL DECLARATION

The Business Manager - ICT & Digital Services presented a report which sought endorsement for the Council signing the ‘Local Digital Declaration’ committing the Council to work towards being a Digital Council. The Local Digital Declaration was a joint initiative by MHCLG and the Government Digital Service (GDS), first published in July 2018. The Local Digital Declaration was a shared ambition for better local public services through digital means and sought to commit to design services that:

- Best meet the needs of the resident;
- Challenge the technology market to offer flexible tools and services that public sector bodies require;
- protect the privacy and security of residents; and
- Deliver better value for money.

A checklist of actions to be undertaken in signing up to the Digital Declaration was set out in the report to Members.

It was proposed to launch the Declaration commitment with a community focused project that worked towards digital inclusivity. Potential funding for this project was available through the Local Digital Fund, from the MHCLG.

AGREED (unanimously) that:

- a) the signing of the Local Digital Declaration be approved; and
- b) the introduction of a digital implications Committee report header be approved.



### Reason for Decision

Signing the declaration will provide a digital vision committing the Council to meeting the needs of the resident, providing better value for money, challenging the technology market and protecting residents privacy and security.

#### 138 CALL RECORDING POLICY

The Business Manager - Customer Services, presented a report which proposed the introduction of call recording, and which sought approval for a Call Recording Policy, including the proposed duration of storage of a recording. The Council did not currently record calls, but a new call centre solution due to be installed in October had such a facility.

It was considered that call recording would improve quality management and aid the investigation of complaints or abusive telephone calls. Callers would be informed that their call was being recorded. All call recordings would be stored by the Council for up to 100 days unless they were part of an enquiry or investigation and would be kept until completion thereof.

AGREED (unanimously) that the Call Recording Policy as set out in the Appendix to the report be approved.

### Reason for Decision

Call recording to be introduced for service management, and therefore assurance over the quality of the Council's customer service, as well as the safety and security of staff in the investigation of complaints, concerns and violent, dangerous, abusive or illegal behaviour.

#### 139 GENERAL FUND, HOUSING REVENUE ACCOUNT (HRA) AND CAPITAL FORECAST OUTTURN REPORT TO 31 MARCH 2021 AS AT 31 JULY 2020

The Business Manager - Financial Services presented a report which compared the Revised Budgets with the Projected Outturn forecast for the period ending 31 March 2021. The forecast was based on four months performance information on the Council's revenue and capital budgets including the General Fund Revenue, HRA and Capital Programme. The accounts showed a projected unfavourable variance against the revised budget of £1.310m on service budgets, with an overall unfavourable variance of £1.174m. Appendix A to the report detailed the variances in service areas and other budgets.

It was reported that the Council had received £1.483m funding from the Government for additional costs as a result of Covid-19. Appendix B to the report detailed the current allocation of that budget to specific expenditure. The report also summarised the position for the Capital Programme up to the end of July 2020. Additions and amendments to the Programme were detailed in Appendix C to the report. The Business Manager - Financial Services advised that an additional £94,000 was to be added to the Capital Programme which was fully funded by the Safer Streets fund for works around bike storage and anti-social behaviour measures around Chatham Court

in Newark.

AGREED (unanimously) that:

- (a) the General Fund projected unfavourable outturn variance of between £0.574m and £0.774m be noted;
- (b) the Housing Revenue Account projected favourable outturn variance of £1.564m be noted;
- (c) the variations to the Capital Programme at Appendix D be approved; and
- (d) the Capital Programme projected outturn and financing of £56.663m be noted.

Reason for Decision

To update Members with the forecast outturn position for the 2020/21 financial year.

140 NEWARK TOWNS FUND - ACCELERATED CAPITAL INVESTMENT

The Director - Planning & Growth, presented a report which sought approval to set up a budget to hold £750,000 of grant funding, alongside an agreement to underwrite £64,500 in anticipation of the grant approval. In September 2019, it was announced that Newark had been chosen as one of 100 towns in the UK to apply for a share of up to £25m worth of investment as part of the Governments 'Town Deal' process. The process for accessing Towns Funding had involved the submission of a Newark Town Investment Plan (TIP). As yet, the TIP was yet to be agreed by the Government. However, on 1 July 2020, the Ministry of Housing, Communities and Local Government (MHCLG) wrote to the Council offering an opportunity to bring forward Capital Investment Projects identified in the TIP to support jobs and economic recovery by way of a £750,000 Capital Grant.

It was proposed that a budget of up to £750k be created to cover works associated with the 3 projects identified in the Newark TIP, which were: delivery and readiness of the former Marks and Spencer site on Stodman Street; deliver and site readiness of a Construction College led by Lincoln College Group; and delivery of new cycle infrastructure in the Town.

AGREED (unanimously) that:

- (a) spend of up to £64,500 is set up in the Capital Programme for work to be undertaken in advance of grant approval as detailed at paragraph 3.2 of the report with a view to financing from the capital provision if required; and
- (b) upon receipt of written approval from the MHCLG that the proposed schemes are acceptable, a budget for Newark Towns Fund of £750,000 (inclusive of £64,500) be added to the Council's Capital Programme fully financed by the Accelerated Capital grant.

Reason for Decision

To make Members aware of the Accelerated Capital Grant and seek approval to underwrite expenditure necessary to meet the spend deadline.

141 ACTIVE4TODAY - COVID UPDATE

The Health Improvement and Community Relations Manager presented a report which provided an update in relation to the current position of Active4Today given the impact of Covid-19. The impacts of the pandemic on the Company were detailed in the appendix to the report. Based on the impacts, it was proposed that the Company use £0.200m of its reserves to support the estimated shortfall, which was currently being forecasted at £0.690m. In addition the Council would make provision to support the remaining deficit which was currently estimated at £0.490m.

AGREED (unanimously) that:

- (a) the content of the Active4Today Covid-19 Impact report (Appendix A) be noted; and
- (b) the allocation of £0.490m from the MHCLG Covid-19 funding grant to support Active4Today's additional management costs as a direct result of the impact of Covid-19 on its trading activity be approved.

Reason for Decision

To ensure that the funding that Active4Today requires to maintain its sustainability is set aside.

142 LETTER OF COMFORT FOR SOUTHWELL LEISURE CENTRE TRUST

The Business Manager - Financial Services presented a report which detailed a request from Southwell Leisure Centre Trust (SLCT) to enter into an agreement for financial assistance to ensure the sustainability of leisure provision within the Southwell locale as the result of the lack of trading due to the lockdown from Covid-19. Their request was for the Council to enter into a letter of comfort with the Trust in order that the Council underwrite any liabilities the Trust accumulated up to a total amount of £220,000. This was subject to the Trust utilising all of its reserves in the first instance.

The main provisions within the proposed agreement were set out in full in the report. The terms of this Letter of Comfort were to be reviewed on a quarterly basis.

AGREED (unanimously) that the request by SLCT for the Council to enter into a letter of comfort with them in order to safeguard its sustainability be approved.

Reason for Decision

To ensure the sustainability of Southwell Leisure Centre Trust in order for the continuation of leisure provision within the Southwell locale.

143 CLIPSTONE WELFARE REFURBISHMENT PROPOSALS - SECTION 106 FUNDING REQUEST

The Health Improvement and Community Relations Manager presented a report which sought approval to allocate a financial contribution to the refurbishment of the Clipstone Welfare from Section 106 (S106) monies held for the purposes of community facilities provision in Clipstone.

The Clipstone Welfare Trust, which owned and operated the building, had been working with Clipstone Parish Council on proposals to develop the Welfare building as a community hub. This would help deliver a wider offer to the local community.

AGREED (unanimously) that the creation of a £66,385 capital budget within the 2020/21 Capital Programme, all to be financed from Section 106 Agreements held for the purpose of community facility infrastructure improvements in Clipstone, be approved.

Reason for Decision

To enable the proposed project to proceed in a timely manner in order to enhance the community facilities offer in the Clipstone locality.

144 CARELINE - ANALOGUE TO DIGITAL UPGRADE

The Director - Housing, Health & Wellbeing, presented a report regarding the Council's Careline service and the required improvements to ensure service continuity when the national analogue telephone infrastructure switched over to a digital network by 2025. The report requested a capital programme budget to the value of £80,540 to upgrade accordingly.

Careline provided social alarm response services, 24 hours a day, to the Council's supported housing properties, along with 76 customers living in our general needs housing and over 1,000 private sector customers. In addition it provided an out of hours service for Council Tenants. The upgrade would provide future expansion opportunities to meet future needs and particularly in meeting challenges to general health and wellbeing through the outbreak and recovery from Covid-19.

AGREED (unanimously) that a Capital Programme budget to the value of £80,540 to upgrade the infrastructure to ensure readiness and service continuity at digital switchover be approved.

Reason for Decision

To upgrade the infrastructure and ensure no disruption of service for those vulnerable residents who currently receive this support service in supported housing, general needs tenancies and in the private sector.

145 NEWARK & SHERWOOD DISTRICT COUNCIL - COVID-19 UPDATE

The Assistant Director- Transformation & Communication presented a comprehensive

report which provided an update on the impact of Covid-19 on the District of Newark & Sherwood since June 2020. The report provided full details regarding the impact and adaptations of Council services and the workforce, support provided to business within the District, and the action taken in respect of the local outbreak within Newark, at the beginning of August. The report also outlined some of the issues the District was likely to face, and the tools and support in place to help communities going forward.

AGREED (unanimously) that the report be noted as a summary of the pandemic response and recovery activities since June and the context be considered for future working arrangements.

Reason for Decision

To provide context for future working and decision making in relation to the pandemic.

146 COMMUNITY PLAN - QUARTER 1 2020/21 - PERFORMANCE REPORT

The Transformation Manager presented a report which informed Members of the current position against actions and Key Performance Indicators (KPIs) in the Council's Community Plan 2019/23. The Community Plan 2019/23 was adopted on 7 March 2019 and set out the Council's purpose, values and objectives along with improvement/development actions above and beyond normal day to day service related activities.

There were a total of 138 actions within the plan, as well as 85 KPIs used to measure progress against the plan. The report for quarter 1 focused on the 35 quarterly KPIs and 54 Actions.

AGREED (unanimously) that the summary of position against actions and Key Performance Indicators in the Community Plan as at the end of quarter one be noted.

Reason for Decision

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

147 INFORMATION REQUESTS, COMPLAINTS AND RIPA UPDATE

The Director – Governance & Organisational Development presented a report which detailed the activity in relation to requests made to the Council during 2019/20 under the General Data Protection Regulation, Data Protection Act 2018, Freedom of Information Act 2000 and Environmental Information Regulations 2004. The report also advised of the complaints made to the Local Government Ombudsman and the use by the Council of the Regulation of Investigatory Powers Act 2000 (RIPA) during 2019/20.

AGREED (unanimously) that the report be noted.

Reason for Decision

To inform Members of activities in relation to information requests, complaints made to the Local Government Ombudsman and the use of RIPA in 2019/20.

148 ANNUAL STANDARDS REPORT FOR THE PERIOD 1 APRIL 2019 - 31 MARCH 2020

The Committee considered the report of the Director – Governance & Organisational Development and Monitoring Officer, which presented the Annual Standards Report for the period 1 April 2019 to 31 March 2020. The Monitoring Officer had received ten Code of Conduct complaints during the period, seven complaints resulted in no further action being taken and three were currently being investigated by the Monitoring Officer. All complaints related to Parish Councillors.

Register of Interest forms for Newark & Sherwood District Councillors had been issued to all Members following the elections held on 2 May 2019, which had been returned and were published on the Council's website. Newly elected Town and Parish Councillors were also required to complete a Register of Interest form to be published on the Council's website.

AGREED (unanimously) that the Annual Standards Report be noted.

Reason for Decision

To provide Members with details of standards issues in 2019/20.

149 URGENCY ITEMS TAKEN DURING COVID-19 PANDEMIC

The Committee noted the urgency item decisions which had been taken since the last meeting held on 25 June 2020 under the widened urgency provisions. The urgency decision provision under paragraph 7.2.1 of the Council's Constitution had been widened to extend the consultation to include the Leaders of all the political groups of the Council.

The urgency items reported were as follows:

- i. Newark Towns Fund - Submission of Town Investment Plan / Heritage Action Zone – Entering into Contract with Historic England
- ii. Parish & Town Council Initiative Fund and Community, Sports & Arts Grants Scheme
- iii. Lorry Park Shower Upgrade

AGREED (unanimously) that the urgency items be noted.

150 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 Part 1 of Schedule 12A of the Act.

151 TELEPHONY AND CALL CENTRE SOLUTION

The Committee considered the exempt report regarding a telephony and call centre solution.

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

152 LITIGATION MATTER

The Committee considered the exempt report regarding a litigation matter.

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

Meeting closed at 8.15 pm.

Chairman

This page is intentionally left blank



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

Document is Restricted

**Forward Plan of Policy & Finance Committee Decisions from 1 December 2020 to 30 November 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
TBC	Environmental Services Strategy	<a href="mailto:matt.finch@newark-sherwooddc.gov.uk">matt.finch@newark-sherwooddc.gov.uk</a> <a href="mailto:Andrew.kirk@newark-sherwooddc.gov.uk">Andrew.kirk@newark-sherwooddc.gov.uk</a>
21.01.21	Covid Update Report	<a href="mailto:Sharon.watret@newark-sherwooddc.gov.uk">Sharon.watret@newark-sherwooddc.gov.uk</a>
21.01.21	2021-22 HRA Budget and Rent Setting	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
21.01.21	Policy and Finance proposed revenue budget 2021-22	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
21.01.20	E-Newsletters	<a href="mailto:deborah.johnson@newark-sherwooddc.gov.uk">deborah.johnson@newark-sherwooddc.gov.uk</a>
18.02.21	General Fund, HRA and Capital forecast outturn report at p9	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
18.02.21	Medium Term Financial Plan 2021-25	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
18.02.21	Capital Programme Budget 2021-25	<a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
18.02.21	Performance Report Q3	<a href="mailto:nicola.priest@newark-sherwooddc.gov.uk">nicola.priest@newark-sherwooddc.gov.uk</a>
TBC	HRA Business Plan (on hold dependant on outcome of the housing management review)	<a href="mailto:suzanne.shed@newark-sherwooddc.gov.uk">suzanne.shed@newark-sherwooddc.gov.uk</a> <a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>
TBC	London Road Car Park Extension Options Appraisal (EXEMPT)	<a href="mailto:matt.lamb@newark-sherwooddc.gov.uk">matt.lamb@newark-sherwooddc.gov.uk</a>

**POLICY & FINANCE COMMITTEE**  
**26 NOVEMBER 2020**

**GROUNDS MAINTENANCE OF HRA LAND**

**1.0 Purpose of Report**

- 1.1 To present to Members a business case for Newark & Sherwood’s Street Scene Service to deliver the Grounds Maintenance of HRA (Housing Revenue Account, or Housing Service land) land going forward, rather than contracting to a third party for this service.
- 1.2 To share the recommendations from the Leisure & Environment Committee and Homes & Communities Committees that are to consider this item at their meetings in this cycle with an in principle decision to bring the existing contract to an end and bring the service in-house, understanding the growth in the existing NSDC Street Scene service and the potential TUPE implications of bringing the service back in house.
- 1.3 To present Members with details of enhanced levels of service available, which will form part of a future consultation (with tenants subject to approval of business case as outlined in paragraph 1.2).
- 1.4 To approve the financial implications enclosed in this report.

**2.0 Background Information**

**2.1 Background on the Maintenance of HRA Land**

There are four aspects to the Grounds Maintenance of HRA land:

- Programmed grounds maintenance such as grass cutting, shrub/ hedge maintenance, and weed treatment of HRA green spaces and hard surfaces (such as parking and pathways). This is 79% of the current budget.
- A fixed budget for programmed tree works, which is the arboriculture maintenance of trees on HRA land. This is 9% of the current budget.
- A fixed budget which caters for responsive clearing and (as required) reporting and enforcement against fly tips on HRA land, including green spaces, playgrounds and other areas. This is 8% of the current budget.
- Regular playground inspections and maintenance of playgrounds on HRA land. This is 4% of the current budget.
- The current annual cost (for 2019/20) to tenants for grounds maintenance, based on 5,497 homes, is £50 per house (per annum). The costs of this service are paid for through tenants rents and not charged as a separate service charge (with the exception of Gladstone House).

<b>Grounds Maintenance Contracts</b>	<b>Budget 2020/21</b>	<b>Estimated Budget 21/22</b>
Programmed Works Grounds Maintenance	£209,580	£215,870
Gladstone House Grounds Maintenance	£11,780	£12,130
<b>Main Contract (Contract currently held by ID-Verde)</b>	<b>£221,360</b>	<b>£228,000</b>
Major Tree Works	£25,000	£25,750
Playground Maintenance	£11,680	£12,130

Fly Tipping Clearing	£21,660	£22,310
<b>Additional Contracts</b> (outside the ID-Verde Contract)	<b>£ 58,340</b>	<b>£ 60,090</b>
<b>Total Grounds Maintenance Spend</b>	<b>£279,700</b>	<b>£288,090</b>

### **Programmed Grounds Maintenance of HRA Land**

2.2 The contract for the programmed works (79% of budget) is currently held by ID-Verde and the initial term on the contract ends in April 2021. Therefore, it was timely for Housing to conduct a review of the service and set out options for this service going forward.

### **Review of the Current Service**

2.3 In September 2020 a tenant survey (containing 10 questions) was sent to 250 tenants, who had expressed an interest in being involved with consultation. The survey was completed by 150 tenants, a strong response rate of 60%.

2.4 The feedback was as follows;

- 68% were fairly or very satisfied with the overall appearance of their neighbourhood with 24% being fairly or very dissatisfied.
- Respondents rated the key aspects of grounds maintenance individually. Areas highlighted as requiring improvement were maintenance of paths and hard-standing, the standard of weeding and litter clearance, maintenance of flower beds and tree pruning.
- Respondents were asked 'how things can be improved' and the key themes were cleaning (of hard surfaces), weeding flower beds and removing rubbish.
- Respondents also picked from a list areas they would like to see enhanced. The most picked were; increased litter picking, followed by flower bed maintenance.
- 107 comments were given on the topic of 'improving the neighbourhood' with key themes around improving paving, parking and roads, ensuring trees are more regularly pruned and an increase in communal gardens that are better maintained.

2.5 This feedback shows that some aspects of the contract such as grass cutting is generally acceptable. The quality and swiftness of the fly-tipping removal is also good and it should be noted that NSDC Street Scene carries out the fly tipping removal provision, this is chargeable between the two departments. There is room for improvement in the maintenance of hard standing areas, cleaning and regularity of weeding. There is also a wish from tenants for more frequent/better litter picking, more flowerbeds in communal gardens, improved maintenance of communal gardens and more regular pruning of trees. These service enhancements would need to be delivered either by changing the contract specification, using the contract management procedure, or by amending the specification before bringing the service in-house.

2.6 Due to the timeline for procurement of a new contract there are two options available.

Option 1. Extend the current contract with ID-Verde (two-year extension option)

Option 2. Bring the current contract to an end and deliver the service in-house using Newark and Sherwood District Council's Street Scene Service

2.7 Option 1 will increase costs by 4% as per the existing contract. Option 2 has been given detailed consideration due to the potential positive impact on customer satisfaction, greater accountability and the synergies available across the street scene in NSDC.

### **3.0 Proposal**

3.1 This section of the report will outline the business case for bringing the HRA Grounds Maintenance service back in-house. This proposal will cover the follow areas:

1. An overview of what the service with the Council would cover
2. A summary of the positive impacts bringing the service in-house could have
3. Service delivery details
4. An overview of enhanced levels of service available with the impact on costs

3.2 As outlined in 2.1 the grounds maintenance contract is separated into four key areas. If Newark & Sherwood's Street Scene Service were to take on the service they would deliver the programmed grounds maintenance, responsive fly-tipping management and the regular playground inspections and maintenance of playgrounds on HRA land. The programmed tree works would be part of the service contracted but NSDC Street Scene would sub-contract this work, as ID Verde currently also do.

### **3.3 The Impact**

It is expected that the impact of bringing this service in house through NSDC Street Scene Service would improve tenant satisfaction; both with the service and the satisfaction with their neighbourhood. This would be achieved by delivering a measurable high quality, consistent and reliable service that can be held to account and be more responsive due to their local presence to address issues swiftly. In addition, a greater sense of pride and ownership, as our in house team will not "walk by" and take full responsibility for service delivery.

#### **3.3.1 Impact on Tenants**

- Reduced response times on customer requests and complaints using the Council's existing Customer Relations system. This means requests will go directly to customer services meaning all issues are processed through a single number and sent directly to the NSDC Street Scene service. This enables a quicker response than currently (as an issue, request or complaint has to pass to a third party). The feedback would also simultaneously go to the responsible authority helping increase responsiveness and shape service improvement.
- Litter picking is currently delivered under the ID-Verde contract by sub-contractors. Under NSDC Street Scene, employees of the Council would deliver this service (the street scene team contains grounds maintenance and street cleansing). This would allow the service to be joined up across the district providing consistent service quality and response times as well as a single point of contact for customers.
- As part of the service, tenants would have access to community engagement opportunities from the Environmental Development Team within the Council including communal gardening days, wildlife workshops, gardening workshops and diversionary activities to help with tackle anti-social behaviour. This service would be provided as part of the contract at no extra cost.
- NSDC Street Scene would offer 'Job roadshows' in the community showing careers within the service, as well as providing employment, apprenticeship and work experience opportunities for housing tenants (as well as general residents). This could help develop a sense of local pride and ownership.

- NSDC Street Scene are able to provide a wider offer to tenants such as reduced rate gardening and arboriculture services to protect vulnerable tenants from rogue operators. This cost would be outside of the contract and payable addition to the contract available anytime.

### 3.3.2 Impact on Residents

- A 'single number' approach for all issues. A fly tip or fallen tree will be reported and managed the same whether on Council or HRA land. This is a clearer and simpler reporting process for the resident.
- Currently Council and HRA land are treated differently, as they are subject to different contract quality standards, having services delivered by the same organisation to the same standards means a uniform quality to the public eye. This will enable a green space to be the same for a tourist visiting the castle grounds and a resident using the open space in Boughton (HRA land).
- Better environmental service delivery, with one contractor visiting all sites environmental efficiencies can be made, for example saving fuel and enabling the Council to deliver services an environmentally considerate way.

### 3.3.3 Impact on the Council

- Effective joined up delivery of services such as play park inspections and tree management using a common risk management approach reducing the Council's risk.
- Fixed and transparent service costs, and no negotiations with an outside organisation.
- No requirement for future procurement at the end of the contract. This will achieve substantial savings as extensive resources are taken up in tendering such a large programme of works.
- Greater control over the service and service costs as working with colleagues.
- Significantly reduced requirement for contract management (as service delivery and contract management around from one organisation) enabling housing colleagues (and tenants) to focus on scrutiny on quality and value of service.
- Efficiencies by streamlining communications through a single point of contact.
- Street scene is vital to the Council as its scene impacts the lives of residents every day both in their homes and as they walk through the district's streets and parks. These front line services, and their performance in the streets and green spaces across the district, are valued by our residents. This is demonstrated in the 2018 Resident Survey when residents were asked 'what is the most important service?' and they selected 'refuse collection and recycling' as fourth most important closely followed by 'keeping streets and public areas clean and tidy.' Similarly, one of the largest themes in the resident comments was that the Council should address 'cleaner' issues, most notably fly tipping, littering and dog fouling. This ties into the legacy of the "Cleaner, Safer, Greener" campaign, launched in July 2018, which saw Newark and Sherwood District Council pledge to make the district a Cleaner, Safer and Greener Place. The campaign's Council wide focus on the front line issues that impact residents every day was a great success and it re-energised and refocused the Council on the streets and green spaces across the district. Therefore, bringing this service back in-house, and delivering the impacts to residents and tenants outlined above, fits these priorities and meets with the Council's objective of a "high standard of cleanliness and appearance."

### 3.4 Service Delivery Details

This section will outline how the NSDC Street Scene service would deliver an excellent, responsive and high quality service for tenants. They would;

- Work closely with housing colleagues to increase the speed of response times.
- Work with colleagues and tenants to ensure customer needs are met rather than a third party organisation that could independently interpret the specification.
- Offer a dedicated, well trained team to work solely on delivering the housing grounds maintenance service.
- Set out a clear programme of actions for meeting the service specification (with frequency of operations and achievable standards via a Service Level Agreement) and be held accountable to these standards with monthly reporting of KPI's plus tenant scrutiny (in a format to be agreed)
- Give tenants community engagement opportunities.
- As a Council service, be accountable to the public rather than boards or investors allowing the service to be directed by public need for example, by enabling a flexible works schedule taking into account customers' need.
- Improve the customers experience by being one service provider across the district improving responsiveness on communications, reporting and complaint management.
- Offer direct reporting through the Customer Service Team.
- Aim to improve response times on littering and graffiti removal.
- Operate with a culture of care offering training and a good health and safety culture, thus ensuring an energised, dedicated and safe workforce delivering the service.

Finally, operating the service in-house would mean minimum disruption to the service. The Council's existing knowledge base and infrastructure mean the service could be delivered from day one without negatively affecting customer experience.

### 3.5 **Levels of Contract**

NSDC Street Scene service have proposed three levels of specification:

- A: The delivery of the grounds maintenance service as per current specification
- B: Some additions to the current service
- C: Further additions to the specification bringing the specification similar to the service currently provided on NSDC owned land, offering uniformity across the district.

#### 3.5.1 **Option A**

No change to current specification.

Details of the current specification can be found in 3.7, this helpfully shows a summary of the different levels of service that could be delivered. It is expected that having a dedicated team to provide the existing specification will in itself improve tenants satisfaction with their neighbourhood and the grounds maintenance service - as we can ensure that the full service is delivered throughout the year without additional resources being needed to contract manage an external contractor.

The following elements can be delivered at no extra costs by contracting with NSDC Street Scene;

- 'One Stop Shop' for the reporting of grounds maintenance and street scene issues.
- Quicker and more joined up management/resolution of comments and complaints.
- Job roadshows in the community and employment and work experience opportunities.
- Community engagement activities such as gardening days and wildlife workshops.
- This would be delivered using 7 full time staff and 3 vehicles dedicated full time to the delivery of the grounds maintenance contract.

- An initial outlay of general fund revenue budget of £14,420 would be required for the purchase of new equipment, such as mowers, hand tools, strimmers, hedge cutters etc.
- A Capital budget would be required of £133,600 for the purchase of the 3 new vehicles and a range of new mowers.

### 3.5.2 **Option B (consider after 12 month settling in period)**

Changes to the current specification to deliver a higher specification service in line with tenant requests for improvement in: the maintenance of hard standing areas, communal garden maintenance, increased cleansing and litter picking, regular tree pruning and more weed management. The changes would be as follows;

- Grass cutting from a minimum of 18 cuts to 18-20 cuts per year. Maximum grass height reduced from 120mm to 80mm.
- Shrub, raised planter and garden area maintenance increased from 2 to 4 times per year using a dedicated horticultural team.
- A dedicated street cleansing provision across HRA land following a scheduled round. Weekly visits to large estates.
- Paths, roadways and hardstanding currently treated 2 times per year would be treated with herbicide (weed spraying) 3 times per year with additional seasonal sweeping to manage detritus build up.
- Trained playground inspectors, part of the Street Scene team, would inspect the play grounds reporting directing to a repair team. Fly tipping would be removed by specialist hit squads and any repairs and maintenance of equipment would be certified by the annual ROSPA independent inspection.
- Under the current contract, garage sites visited 12 times per year and treatments are carried out for excessive growth/vegetation over 200mm and weed control as required. This would be increased to a minimum of 3 herbicide (weed treatments) per year.
- This would be delivered using 8 full time staff and 4 vehicles.
- An initial outlay of general fund revenue budget of £33,900 would be required for the purchase of new equipment, such as mowers, strimmer's, hedge cutters etc. (this is inclusive of the £14k from option A).
- A Capital budget would be required of £211,850 for the purchase of the 4 new vehicles and a range of new mowers.

### 3.5.3 **Option C (to be considered after 12 months)**

Adaptation of the current specification to deliver a higher specification service in line with tenant requests, as outlined above, and with an over higher specification bringing the quality of land maintenance to the same level as NSDC owned land. The changes would be as follows;

- Grass cutting from a minimum of 18 cuts to 20 cuts per year (with a lower maximum grass height)
- Shrub, raised planter and garden area maintenance increased from 2 to 6 times per year using a dedicated horticultural team
- A dedicated street cleansing provision across HRA land following a scheduled round. Fortnightly litter picking of grassed areas changed to a more frequent street cleansing provision (at least fortnightly with weekly visits to large estates).
- Currently play park litter bins are emptied and litter picked around play equipment on a weekly basis. This would be enhanced for the needs of the area, providing flexible visits with additional litter controls, including dog fouling management and specialist hygiene i.e. sharps cleansing. The weekly litter collection at play parks would be a



flexible service to allow for additional litter picking and cleansing at weekends and school holidays.

- Trained playground inspectors, part of the Street Scene team, would inspect the play grounds reporting directing to a repair team, fly tipping would be removed by specialist hit squads and any repairs and maintenance of equipment would be certified by the annual ROSPA independent inspection.
- Paths, roadways and hardstanding would be treated with herbicide (weed spraying) 4 times per year with additional seasonal sweeping to manage detritus build up.
- Under the current contract garages are visited monthly for recorded inspections and with maintenance visits scheduled as needed and this would increase to a minimum of 4 herbicide (weed treatments) per year.
- Undertake a pre-contract survey (before April 2021) of horticultural features such as raised flower beds to inform the updating of content and condition, and, as required, removal of old features.
- General increased quality of street cleansing using a dedicated cleansing team. A standalone dedicated housing cleansing team will improve response times. This team would follow a schedule across the district, visible to the public, removing fly tipping, litter picking and bin emptying. HRA land would also be supported by the dedicated Fly Tipping Hit Squads that work across the district.
- This would be delivered using 9 full time staff and 4 vehicles.
- An initial outlay of general fund revenue budget of £33,900 would be required for the purchase of new equipment (no addition from option B)
- A Capital budget would be required of £211,850 for the purchase of the 4 new vehicles and a range of new mowers (no addition from option B).

3.6 These levels can also be adapted throughout the service upon request. So, for example, the service might start in April at the level outlined in option A and then after feedback from tenants the service could be adapted to the increased service level outlined in other options. This would give time for the grounds maintenance team to undertake the existing contract to its full requirements and be at no extra cost to the tenants.

### 3.7 Summary of Different Options

Topic	Option A	Option B	Option C
<b>Grass Cutting</b>	18-26 cuts per year. Grass height 120mm	18-26 cuts per year. Grass height 80mm	20-26 cuts per year. Grass height 80mm
<b>Shrubs &amp; Raised Planters</b>	2 cuts and 6 weed controls per year	4 cuts and 4 weed controls per year	6 cuts and 6 weed controls per year
<b>Fly tipping &amp; litter</b>	Litter picking 26 times per year	Litter picking up to 52 times per year	Litter picking 52 times per year
<b>Paths, Roadways &amp; Hardstanding</b>	Adhoc treatment (would seek to implement 2 weed controls per year as part of SLA)	3 weed controls per year	4 weed controls per year
<b>Hardstanding Bark &amp; Stone Chipped Areas</b>	Weeds removed over 200mm in height and weed treatment 2 per year	3 weed controls per year	4 weed controls per year
<b>Garage Sites</b>	Visited 12 per year remove vegetation over 200mm and weed treatment if	Removal of excessive growth and 3 weed controls per year	Monthly inspections. 4 weed controls per year

	necessary		
--	-----------	--	--

### 3.8 Costs

<b>Grounds Maintenance Contract Cost 2021/22</b>	<b>ID-Verde Extension</b>	<b>NSDC Street Scene Option A</b>	<b>NSDC Street Scene Option B</b>	<b>NSDC Street Scene Option C</b>
Total Cost (per annum)	£228,000	£227,680	£252,870	£278,950
Other Costs	£60,090	£60,090	£60,090	£60,090
<b>Total Grounds Maintenance Costs</b>	<b>£288,090</b>	<b>£287,770</b>	<b>£312,960</b>	<b>£339,040</b>
Comparison to ID-Verde Extension	£0	-£320	£24,870	£50,950
<b>Cost per house</b> *based on 5,497 homes	<b>£52.41</b>	<b>£52.35</b>	<b>£56.93</b>	<b>£61.68</b>
Cost per house per week *based on 5,497 homes	£1.01	£1.01	£1.09	£1.19
One off Revenue Expenditure	0	14,420	33,900	33,900
Capital Expenditure	0	133,600	211,850	211,850

### 3.9 Staffing Implications

In terms of staffing, the three options outlined above all require NSDC Street Scene to increase their current staffing levels (a minimum of 7 full time employees is required to fulfil current contract and a maximum of 9 to deliver enhancements). The number to be employed would be confirmed following the decision to bring the service back in-house.

ID Verde are likely to have a number of staff working on the contract for their whole time and, therefore, TUPE regulations will apply if the contract is awarded to NSDC. If the decision is made to award the contract to NSDC, the due diligence process will commence and staffing numbers will be confirmed for TUPE. NSDC will then advertise to recruit to any unfilled posts.

### 4.0 Next Steps

4.1 The aim is to gain in principle approval from Leisure & Environment and Homes & Communities Committees for expanding the current Grounds Maintenance service and bringing the grounds maintenance service in-house respectively. Policy & Finance Committee will approve the final recommendation and any financial implications, taking into account the views of the two Committees.

4.2 Subject to the final decision, colleagues can then progress with the actions required to bring the service in-house, such as vehicle purchases and TUPE transfers for staff. Any changes in staffing can be reported to Policy & Finance for decision next cycle after consideration at Leisure & Environment and Homes & Communities.

4.3 Should Member support in sourcing of the current contract, the timeline is as such;

<b>November</b>	• Decision sought whether to bring back in house
<b>December</b>	• Consult with tenants on outcome and feedback on what this means in terms of service improvement
<b>December 20/January 21</b>	• Commence process to bring back in- house incl. open dialogue with Id-Verde on TUPE and order vehicles
<b>January 2021</b>	• Draft SLA, work with tenants to agree how service scrutiny and suite of Performance Information
<b>February/March</b>	• Street Scene service prepare to deliver for tenants
<b>1 April 2021</b>	• New service in place

## 5.0 Equalities Implications

5.1 Equalities impact assessments will be completed where appropriate for activities taking place within the service scope.

## 6.0 Digital Implications

6.1 There are no digital implications as service will be accessed through existing channels already available in the Council. Any further digital improvements would be subject to a new business case.

## 7.0 Financial Implications (FIN20-21/3858)

7.1 The table in section 3.8 outlines the estimated 2021/22 revenue costs of extending the ID-Verde contract and of the three options proposed if the council were to deliver the grounds maintenance service in-house. The additional cost of staffing and running costs in the Grounds Maintenance budget would be fully rechargeable to the HRA, therefore there would not be an annual impact to the general fund budget. There would also be no impact to the HRA budget for the service coming back in house (Option A) as budgets already exist to pay the current contract.

7.2 There will be a requirement for a one off cost to the general fund revenue budget for the purchase of small grounds maintenance equipment at a cost of £14,420 for option A and £33,900 for option B or C. These extra one-off costs are not included in the annual contract price so will need to be funded by reserves, or year-end underspends if available. An annual contribution to R&R to replace the equipment has been included in the annual costs.

7.3 Should after a period of the contract settling in, option B or option C is considered as an alternative then the additional costs would be recharged to the HRA, and could be paid for from the unallocated efficiency savings generated from bringing back the housing management services in-house.

7.4 The purchase of vehicles and larger grounds maintenance equipment will be Capital Expenditure and therefore a Capital budget within the general fund will need to be approved of £133,600 (as per option A) by Policy & Finance Committee before the expenditure can take place. Every attempt is made to ensure that shorter life assets are financed by existing resources but where they are not available, borrowing may be required.

## **8.0 Community Plan – Alignment to Objectives**

8.1 To deliver a high quality service to Council tenants and therefore ensure tenants, and all residents, enjoy a “high standard of cleanliness and appearance [in] their local environment”

## **9.0 RECOMMENDATIONS that:**

- (a) subject to the recommendations from the Leisure & Environment and Homes & Communities Committees, the termination of the existing grounds maintenance contract be approved with the grounds maintenance service for the HRA to be in sourced and provided through NSDC Street Scene; and**
- (b) Members approve the financial implications as outlined in 3.8 of this report which is a one off revenue cost to the General Fund of £14,420 (to be funded from reserves) and a capital outlay of £133,600 (funded by borrowing) for Option A.**

### **Reason for Recommendations**

**To providing greater efficiencies through the synergies between the existing in-house provision and the requirements for maintaining HRA land.**

**To improve accountability to tenants on the quality and responsive of the grounds maintenance and street scene, giving a consistent service to tenants.**

**To strengthen our in-house team and secure additional contracts that enable NSDC to improve and maintain a ‘Cleaner Safer Greener’ Newark and Sherwood District.**

### **Background Papers**

Nil.

For further information please contact Ella Brady – Projects Officer on Ext. 5279.

Suzanne Shead  
Director - Housing, Health & Wellbeing

Matthew Finch  
Director - Communities & Environment

## **POLICY & FINANCE COMMITTEE**

**26 NOVEMBER 2020**

### **PARTNERSHIP FOR THE EAST MIDLANDS BUILDING CONSULTANCY**

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

1.1 To update Members on the following:

- (a) the outcomes of the Practitioner Led Service Review of the Service, as advised within the previous report to Policy & Finance Committee on 4 April 2019, including;
- (b) the financial position for East Midlands Building Consultancy (EMBC) and NSDC; and
- (c) recommended next steps in terms of the partnership and extension of the contract.

#### **2.0 Background Information**

2.1 Members will be aware that in April 2016 the Council entered into a partnership previously formed between South Kesteven (SKDC) and Rushcliffe Borough Council's (RBC) to provide the Council's Building Control service. This partnership is called the East Midlands Building Consultancy and is delivered and hosted by SKDC. The contract with EMBC initially ran for 3 years, ending in April 2019, albeit this can, and has, been extended by agreement.

2.2 Building Control is unique compared to many other services provided by the Council in that it has to compete for work against the market, principally other councils and [independent] approved inspectors (AI). The exception to this are the statutory functions that a local authority building control service has to provide (and cannot be undertaken by an AI) such as dealing with dangerous structures, applications relating to work for disabled facilities, emergency planning etc. Such work cannot be charged for.

2.3 The reasons for entering into the partnership were captured by a report to the Policy & Finance Committee on 24 March 2016 report. They principally included:

- a) the inability of the service to reduce its strain on both the general fund and a substantial ongoing deficit; and
- b) issues with staff retention and recruitment given the attractiveness and pay of the private sector.

2.4 The partnership board is made up of a representative from each of the partners authorities being Newark & Sherwood District Council, Rushcliffe Borough Council and South Kesteven District Council. The board has primary responsibility for overseeing the operational management and delivery of the joint building control partnership and associated Business Plan. Alongside the partnership board is the Chief Executives Board, with the CEO from each authority attending to oversee the strategic direction of the partnership, ensuring key milestones are delivered, authorising any expansion of the partnership as well as changes to a Resource Availability Statement.

2.5 Following 4 years of operation EMBC has successfully arrested the previous financial decline of the service. As is demonstrated by the tables below the net costs of the service has been reduced. Critically, the deficit has been reduced to such a degree that the year-end position in 2018/19 for both NSDC and SKDC was that the deficit was cleared. This has continued into 2019/20 where it can be seen the account is £33, 305 in 'profit'. It must be noted that such 'profit' cannot be absorbed by the General Fund. Rather, this is ring-fenced for the running of the service. In the case of NSDC this is effectively used to reduce the Council's general fund contribution to the service.

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
NET COST (£)	180,607	136,764	120,178	43,920*	152,715	138,634	92,974	110,875	82,032

\* 3 no. staff members left

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
DEFICIT (£)	-114,068	-95,429	-66,117	-187,490	-91,324	-66,366	-7,077	15,233	33,305

### 3.0 **Proposal**

3.1 Members will be aware from the April 2019 update that a review of the partnership was proposed, which would look at viable options around the continuation and/or expansion of the partnership.

3.2 An aspiration to progress and expand EMBC further has always been present, if matched by demand from other Local Authorities to possibly join the partnership or work closely with it. There have been previous approaches from 2 authorities in the region to join the current set-up.

3.3 EMBC commissioned specialist advice for future options, including a review of the service, market conditions, and options for the future in 2019. A number of options were appraised comprising:

- (1) Business as usual with service improvements;
- (2) Joint ventures (larger informal partnership with other Council's/Additional partner with private sector partner/Informal partner support); and
- (3) Joint local authority wholly owned trading company (Teckal company).

3.4 The appraisal took the majority of the second half of 2019 to undertake due to the level of detail that was investigated and examined. In appraising the above options the commission required that any proposals have regard to achieving the following:

- Costs reduction for all partners
- Economies of scale
- Deficit reduction and a balanced trading account
- Synergy and opportunity to grow market share
- Improved customer service and resilience
- Staff development
- Opportunity for alternative delivery models
- Contribution to the delivery of the partner's wide strategic objectives.

3.5 As well as the three options above, there is always a fourth option and that is to withdraw from the partnership. This will be discussed when the above report is presented, however, consideration would need to be given to the reason why the Council entered into the partnership in the first place, which included challenges in recruiting staff due to the attractiveness of the private sector (AIs) and a downturn in the construction industry with a corresponding downturn in fee income receipts.

3.6 A summary of the review of the existing service provision, together with the outcome of each of these options identifying the preferred, is provided below. Due to the Building Control Service being a competitive service, information provided is limited to that which is considered to not prejudice the service’s competitive advantage.

**4.0 Outcomes of the Practitioner Led Service Review of the Service**

4.1 The service review was undertaken by Capita with the aim to analyse the current service provision in place and provide suggested solutions to improve the service both in the short and medium/long terms. Due to EMBC service being a competitive service, the information provided within this report is such that it will not fetter the consultancies ability to compete with other providers, nor provide those competitors with a marketing advantage.

4.2 A full review of the service including cost and income, staff numbers (including qualifications, age and experience), amount of work undertaken – both fee and non-fee earning and speed of undertaking work, including the amount of work ‘lost’ to the private sector was undertaken.

4.3 This demonstrated a high and stable workload, notwithstanding a fairly high level of Approved Inspector (AI) presence, with a corresponding stable and increasing fee income. Importantly each applicant using the EMBC is sent a Customer Service Questionnaire upon completion. Table 1 below provides a summary of the results, which demonstrates customers are satisfied with the service received.

**Table 1: Summary of Customer Service Questionnaire Results**

Question	Percentage Satisfied
1. How satisfied were you with the Building Control web page?	78%
2. How satisfied were you with the facilities at our Offices?	61%
3. How helpful and responsive were the Building Control personnel?	98%
4. How courteous did you find the Building Control personnel?	98%
5. How accessible were Building Control personnel?	98%
6. Do you feel Building Control added value to the finished product?	91%
7. If you are a regular user of the service, has the quality of the Service improved over the last year?	58% Yes 42% same 0% worse
8. Overall how satisfied were you with the service offered by Building Control?	98%
9. Do you feel that Building Control applied the Building Regulations professionally?	97%
10. Do you consider the approval and site inspections value for Money?	98%

- 4.4 An analysis of the productivity and financial analysis suggests the “...fee levels and productivity are very competitive, especially considering issues associated with service resilience”. Suggestions were made on how EMBC could improve these aspects, a number of which have been initiated.
- 4.5 Productivity is analysed alongside service quality with suggestions on improvements to improve the split between fee earning and non-fee earning. Additionally resilience and the future are detailed, albeit the report was finalised before the Covid-19 outbreak which has had repercussions as discussed below. An analysis of the competition within the locality by AIs indicates that whilst the number of AIs has reduced in recent years that the competition between them and EMBC remains strong and EMBC should consider a number of options for service development.
- 4.6 The conclusion of the review are that:
- East Midlands Building Consultancy is very customer and business focused.
  - Staff numbers are about right to the fee income.
  - Productivity appears good based on staff costs versus fee income.
  - Total number of Fee Earning Applications is stable.
  - Workload in the region is stable.
  - Turnaround times are excellent and are regularly exceeded.
  - East Midlands Building Consultancy had 4 winners at the LABC Awards.
  - The number of inspections meets the average.

However, challenges and improvement areas include that:

- AI competition in the locality is high.
- The Service would benefit from the appointment of a long-term Building Control Manager/Service Manager, position which has been delivered via an ‘act up position’ for the last few years.

- 4.7 A number of recommended improvement options have been suggested as follows:
- Option 1: Business as Usual with Service Improvements  
This would maintain the existing model but formally introduce a series of service improvement recommendations with an expected aim of maximising resilience and performance of the partnership.
  - Option 2: Joint Ventures – Larger Informal Partnership with other Councils / Additional Partner with Private Sector Partner / Informal Partner Support  
These models would retain the current in-house service but seek to create an arm’s length strategic and operational partnership with other entities, such as a private sector partner. The partners could benefit the councils in a number of ways including – commercial support, additional capacity and resilience, sales and marketing and joint staff recruitment. Profit share and risk/reward arrangements are increasingly common in such arrangements. Specific conditions are often required such as a longer-term duration of contract, additional income to be directly proportional to the risk/effort that is expected of the private sector partner.



The report identifies the current EMBC model is high performing and meeting customer requirements well. Introducing this model may be cumbersome for the benefits to be realised in the current market environment, without a guarantee of securing greater market share. An OJEU public procurement exercise would be required.

▪ Option 3: Joint Authority Wholly Owned Trading Company (Teckal Company)

The model operates within a formal company structure with each Council having a shareholding, with the company incentivised to secure work, grow organically and be profitable. It is better able to tackle AI competition. The amount of outside trading the exempt arrangement can enjoy is limited to less than 20% of its overall turnover (i.e. 80% must be for its public sector owners). The arrangements for Teckal arrangements are complex and subject to challenge.

The company cannot be subsidised by the Local Authority and the authority must recover the costs of any accommodation, goods, services, employees or other support provided to the company. As indicated there is an increased risk of challenge by other companies who might be affected [financially] by such trading companies.

In relation to the amount of exemption (20%) referred to above, problems can arise when the contract comes up for renewal if the company has diversified its activities and more than 20% of its turnover relates to non-local authority business. In such circumstances the company would need to bid in competition for the renewal of the core contract. If the core activities are crucial to the financial position of the company, it could mean the trading company ceases to be viable.

The report summarises that whilst this model is acceptable, EMBC is high performing and meeting its customers objections and introduction of this model might be too expensive and cumbersome to introduce for the benefits to be realised in the current market environment.

Operational Service Split

- 4.8 Examination was made of ways to improve the operational split - that is the % of fee earning work secured against the % of non-fee earning work (the statutory elements) which must be undertaken. Various options are discussed within the report, but are commercially sensitive and thus not published here.
- 4.9 The last option is to withdraw from the shared service and bring building control back to the Council to operate. However, as referred to above the Council originally joined EMBC due to the challenges in recruiting staff, due to the attractiveness of the private sector (AIs) and a downturn in the construction industry with a corresponding downturn in fee income receipts. Additionally, with the uncertainty in the economy in view of Covid-19 and the NSDC's share of the partnership now showing a profit, it is not considered that the current climate is the time to consider such a change.

Conclusion

- 4.10 The conclusion of the options above is that Option 1: Business as Usual with Service Improvements is the preferred option by all Lead Officers of the 3 authorities, with these for NSDC being, Matt Lamb – Director, Planning & Growth, and Lisa Hughes – Business

Manager – Planning Development. This option as well as continuing the existing partnerships with SKDC and RBC will still allow for services to be provided to other local authorities on a consultancy basis rather than a formal partnership with another Council decision-maker on the Board. This option is also favoured by SKDC and RBC colleagues. It enables the councils to retain full ownership and control of the company so can directly influence how services are delivered.

- 4.11 The options of maintaining the status quo of partnership structure is accompanied by a raft of service improvement recommendations, with the intention of maximising efficiencies, customer satisfaction (already high), resiliency, and market share.

## **5.0 Financial Implications – FIN20-21/8693**

- 5.1 EMBC has demonstrated success since its inception in increasing market share, fee income, staff resiliency, and reducing the level of deficit for all three Local Authority Partners. Two of the partners have cleared the deficit within the financial year 2018/19 and growth has continued into 2019/20.

NSDC entered in to the partnership in 2016 with a £91,000 deficit, in 2018-19 we saw this become a surplus to the account.

Payments to the Partnership, are made up of 2 elements - a Management Fee and an Admin Fee:

### Management Fee NSDC 20-21

Gross Expenditure NSDC: £309,167

Gross Income NSDC: -£219,849

Net Costs NSDC: £89,318

### Administration Fee

£20,000 payable by NSDC.

The Statutory Non Fee Earning Element of this service along with the Admin Fee will always generate a cost to the Councils General Fund. The net cost is now slowly and consistently improving the Councils overall position. It is estimated that the impact for 2020-21 net cost is to be £109,318, an estimated cost for 2021-22 to be £111,192 and for 2022-23 is estimated to be £113,069.

- 5.2 The Covid-19 outbreak has had impact, like many other service areas, on the amount of fee income received. At 14 April 2020, income received for the 2020/21 financial year was £3,773 compared to £42,253 for the previous financial year, equivalent to a 91% drop. In relation to the amount of work, there had been a fall across the board by 74% in applications, 72% in phone calls, 77% in inspections, 96% in competent persons and 61% plan checking. Requests for quotes remain at the same rate as last year.
- 5.3 As a result of this, a decision to furlough the majority of building control staff (11) for an initial 3-week period commencing 20 April was agreed between the three authorities Chief Executives and Section 151 Officers. A number of officers were required to be retained to provide emergency cover, general geographic cover, technical support and recovery business plans. Therefore 4 inspectors and 2 technical support officers were retained. A review was undertaken towards the end of this initial 3-week period to consider whether or not to extend the furloughing of staff.

- 5.4 The review of this action in June demonstrated the officers who had been retained had been busy, with evidence provided of applications continuing to be received, with the numbers slowly increasing week on week. In addition, quite a significant number of phone calls and inspection requests had been received following the initial reduction. The amount of work being received had increased from the initial April figures above towards 50% of that received at the same time in 2019/20. However, income in June has increased such that the service has received approximately 70% of its profiled income. Therefore, whilst the applications and income are still less than 2019/20, there appears to be a consistent gradual increase since the lockdown was initially implemented and following the Secretary of State advising the construction industry to return to work.
- 5.5 The initial furloughing decision indicated a salary saving of approximately £20,000 a month. Based on income to date, the forecast position is that there could be a trading deficit of £8,256 and general fund contribution of £74,167 per partner. This, if the forecast is accurate would comprise an increase of £474 on the budgeted contribution per partner.
- 5.6 The impacts of Covid-19 are, and will be, continually reviewed to understand their impact in terms of the EMBC service. In addition, officers of EMBC are investigating a other measures to improve resilience and reduce costs, such as improvements to ICT as well as how they might attract more of the market share as operations return to a more normal state.
- 5.7 Whilst the overall impacts of Covid-19 on the construction sector in the medium to longer-term are unknown, the service has shown over the previous two years a significant positive benefit to the Council in terms of income received and clearing the deficit since joining the partnership.

**6.0 RECOMMENDATIONS that:**

- (a) the existing contract with East Midlands Building Consultancy for Building Control Services in partnership with Rushcliffe Borough Council and South Kesteven District Council be extended until April 2023, subject to annual review; and**
- (b) the financial position of the East Midlands Building Consultancy be noted.**

**Reason for Recommendations**

**To provide a sustainable Building Control service in partnership with neighbouring authorities.**

**Background Papers**

Report to 4 April 2019 Policy & Finance Committee  
Report and appendices to 24 March 2016 Policy & Finance Committee

For further information please contact Lisa Hughes on Ext 5565.

Matt Lamb  
Director – Planning & Growth

## POLICY & FINANCE COMMITTEE

26 NOVEMBER 2020

### REVISED CUSTOMER FEEDBACK POLICY

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

1.1 To seek Member approval of the revised Customer Feedback Policy.

#### **2.0 Background Information**

2.1 Prior to the re-integration of the housing services into the Council, both Newark and Sherwood Homes and the Council operated their own customer feedback procedures.

2.2 The customer feedback policy needs to be revised to reflect this integration. It also needs to incorporate the latest best practice guidance from both the Local Government & Social Care Ombudsman and the Housing Ombudsman to ensure that the policy is fit for purpose and compliant with both codes of practice.

2.3 In June 2020, the Housing Ombudsman revised its Effective Complaint Handling Guidance and the Council is required to undertake a self-assessment by 31 December 2020. This will be undertaken in conjunction with the Housing Advisory Group.

2.4 More recently in October 2020, the Local Government & Social Care Ombudsman issued its revised Effective Complaint Handling for local authorities which is reflected in the revised Feedback Policy.

2.5 Feedback received provides the Council with the opportunity to capture, investigate, respond and learn from customer feedback to assist with the delivery and shaping of Council services in the future.

#### **3.0 Proposals**

3.1 The revised Policy detailed in the attached **appendix** has a number of amendments:

- Upon receiving the complaint, the manager dealing with the complaint speaks to the complainant as this is the best way to accurately define the complaint and the desired outcome
- Stage 1 complaints to be allocated to a manager instead of just to a business manager.
- Stage 2 complaints to be allocated to a business manager or director instead of just to a director.
- Complaints will not usually be accepted where the event giving rise to the complaint occurred more than six months ago.

3.2 The Housing Customer Feedback Policy did have an additional option stage that the tenant could request that the Tenants' Panel reviews their complaint. The Housing Ombudsman does not believe a third stage is necessary as part of a complaints process but if a landlord believes strongly it requires one the reasons why should be detailed in the self-assessment.

3.3 It is proposed that this stage remains in the Policy for now as further changes may come out of the legislation following the Grenfell inquiry and the self-assessment by the Housing Advisory Group.

#### **4.0 Next Steps**

4.1 A procedure guide will be produced for staff which will incorporate guidance from both Ombudsman Services to support them with investigating complaints. This will include template responses to ensure that all complainants are advised of the next steps they can take.

4.2 Consideration is being given to holding a training session for all managers who respond to complaints, delivered by the Local Government & Social Care/Housing Ombudsman to ensure that they fully understand the latest best practice

4.3 In conjunction with the Transformation and Communications Business Unit, a review of the current performance monitoring of customer feedback will be undertaken. This valuable insight gained will be reported to the Senior Leadership Team and relevant committees. Consideration will need to be given as to how this will involve tenants and the Housing Advisory Group.

4.4 The Council is required to complete a Housing Ombudsman self-assessment by 31 December 2020. The completed self-assessment will be reported to this committee.

4.5 Work is ongoing to ensure that feedback received supports the customer insight project, ensuring services are reviewed and transformed accordingly in order to enhance customer engagement.

#### **5.0 Digital Implications**

5.1 Customers have the option of submitted their feedback online. This functionality will be reviewed to ensure it reflects the revised policy and is a straightforward and seamless process for the customer.

#### **6.0 Equalities Implications**

6.1 The Policy is designed to enable all customers to submit feedback. This can be done via a host of contact channels or by an advocate on their behalf.

#### **7.0 Financial Implications**

7.1 There are no direct financial implications arising from this report.

#### **8.0 Community Plan – Alignment to Objectives**

8.1 The Customer Feedback Policy aligns with the following objectives:

- Increasing participation with the Council
- Increase residents satisfaction with the Council

## **9.0 Homes & Communities Committee**

9.1 This report is being considered by the Homes & Communities at their meeting to be held on 23 November 2020 and their comments will be reported to the Policy & Finance Committee.

## **10.0 Comments of Director**

10.1 This policy brings together feedback arrangements across the whole Council and will enable feedback to be dealt with in a timely manner by a manager best placed to resolve the issue with appropriate escalation if matters are unresolved. This will be a strong foundation for using customer feedback to improve our services.

## **11.0 RECOMMENDATION**

**That the revised Customer Feedback Policy be approved.**

### **Reason for Recommendation**

**To ensure the Customer Feedback Policy is fit for purpose and adheres to both of the Ombudsman's Code of Practices.**

For further information please contact Jill Baker, Business Manager - Customer Services on Ext 5810.

Suzanne Shead  
Director – Housing, Health & Wellbeing

Karen White  
Director - Governance & Organisational Development  
and Monitoring Officer

<b>Document Name</b>	Customer Feedback Policy
<b>Effective Date</b>	1 January 2021
<b>Date for Review</b>	To be reviewed every two years or in response to changes in relevant legislation and/or other Newark and Sherwood District Council policies, procedures and agreements.
<b>Version Number</b>	<i>DRAFT</i>
<b>Approved by</b>	Senior Leadership Team Homes & Communities Committee Policy & Finance Committee
<b>Responsible Business Manager</b>	Business Manager Customer Services

## **CUSTOMER FEEDBACK POLICY**

### **1.0 Overview**

- 1.1 The Council recognises the importance of listening to the views of its residents about the service they receive from us.
- 1.2 One of the Council's values is to be "Welcoming and Responsive". To achieve this the Council strives to be approachable, open to feedback and challenge and swift to act. This policy seeks to outline how the Council will achieve this through customer feedback.
- 1.3 This policy provides the Council with the opportunity to capture, investigate, respond and learn from customer feedback to assist with the delivery and shaping of Council services in the future.

### **2.0 Scope of the Policy**

- 2.1 This policy is designed to cover compliments, comments and suggestions, and complaints received through any channel related to Council services.
- 2.2 Whilst the Council welcomes all customer feedback, this policy does not cover issues where there is a separate process for reporting a matter to the Council or there is a statutory right of appeal. These include:
- Requests for a service e.g. reporting a missed bin collection or a repair to a Council property
  - Complaints regarding formal decisions taken by a committee for which there is an existing right of appeal – either within the Council itself or to an independent tribunal
  - Any matter where there is an alternative statutory process or Council appeal process
  - Complaints about Councillors
  - Requests for information or explanations of Council policy or practice.

### **3.0 Principals**

#### **3.1 Compliments**

It is appreciated when a customer takes the time to thank or praise the Council or staff for the service they have received. Compliments provide an additional opportunity for the Council to learn from feedback and gives insight into the drivers of customer satisfaction.

#### **3.2 Comments and Suggestions**

These are welcomed as valuable sources of information as to how the Council could improve the service it delivers. It may not always be possible to implement or make changes as a result of a customer's comment or suggestion but they are still



important as the feedback might influence decisions that the Council makes in the future.

### 3.3 Complaints

A complaint is defined as “an expression of dissatisfaction about a Council service which requires a response. This is whether the service is provided directly by the Council or by one of its contractors or partners.

Complaints provide an opportunity for the Council to learn from feedback and gives insight into the drivers of customer satisfaction. The Council uses complaints to review the services it delivers.

The Council acknowledges that customers will at times feel dissatisfied with the service they have received. It is committed to providing all of its customers with a positive experience no matter what the circumstances are. In the first instance, the customer will be encouraged to resolve their issue directly with the staff member or business unit. Where the issue cannot be resolved in the above manner, or where this is not appropriate, the matter will be treated as a formal complaint.

Complaints will not usually be accepted where the event giving rise to the complaint occurred more than six months ago. This is because a significant lapse of time makes a thorough and meaningful investigation more challenging.

The complaint can be made either directly by the complainant or by someone appointed to act on their behalf e.g. friend, relative or a voluntary agency.

### 3.4 The Council has a two stage complaints process with. There is an optional review stage for Council Tenants.

#### ***Stage 1***

The complaint will be received and recorded by customer services who will send an acknowledgement within **3 working days** of receiving the complaint.

The complaint will be allocated to the relevant senior officer. The senior officer will where appropriate, speak to the complainant. This enables the manager to:

- Check their understanding of the issue the complainant wants investigating and confirm it is a complaint which the Council can investigate.
- Identify opportunities to resolve the complaint at the earliest opportunity.
- Manage the complainant’s expectations and answer any questions about the process.
- Hear the complainant’s view of what has gone wrong and how they say it has affected them.

The contact stage between the Council and complainant is valuable. As well as the issues listed above, it is also a way of finding out whether the complainant needs assistance to pursue the complaint and to agree a way of dealing with and responding to the complaint.

The senior officer will conduct a thorough investigation of the complaint and provide a response directly to the customer within **10 working days** of having received the initial complaint.

Where it is not possible to provide a full response within this timescale, prior to the deadline the senior officer will contact the complainant and explain why this is the case and advise of an estimated date of response. This will not exceed a further **10 working days** without good reason.

### **Stage 2**

If the complainant is unhappy with the outcome of the stage 1 complaint they can request it progresses to stage 2. This request must be received by the Council within three months of the stage 1 response being sent.

The stage 2 complaint will be investigated by a Director or Business Manager not involved in the stage 1 complaint. Where appropriate, the Director or Business Manager will contact the complainant to ensure that the nature of the stage 2 complaint is understood and the desired outcome they seek.

The Director or Business Manager will conduct a thorough investigation of the complaint and the response provided at stage 1. The response will be issued within **15 working days** of having received the stage 2 complaint.

Where it is not possible to provide a full response within this timescale, prior to the deadline the Director or Business Manager will contact the complainant and explain why this is the case and advise of an estimated date of response. This will not exceed a further **10 working days** without good reason.

### **Optional review stage – Council Tenants.**

If the complaint is from a tenant in a Council property and the complaint is regarding a matter relating to their tenancy, should they remain unhappy with the responses to stage 1 and stage 2 then the complainant has a choice of one of the following options:

1. Request a review of the complaint by the Tenants' Panel. The Panel assists with disputes between the tenant and the landlord. They will aim to review the complaint, consider further evidence from the tenant explaining why they think the stage 2 response was incorrect and respond within 20 working days. However this may take longer if there is a delay in convening a Panel. The tenant will be kept informed of any delays.

*or*

2. Where the tenant remains dissatisfied with the stage two response, the tenant can take their complaint to the Housing Ombudsman.

### **If the complainant remains dissatisfied – all other complaints**

If after receiving the stage two response, the complainant is still unhappy with the outcome they can refer it to the Local Government and Social Care Ombudsman.

In most circumstances the Ombudsman will expect the complainant to have followed the Council's complaint process. However it is acknowledged that in some very rare cases, there is nothing to be gained from progressing with both stages. In these situations the Ombudsman may be prepared to consider complaints without both stages being completed.

#### **4.0 Reporting Feedback**

4.1 A customer may feel hesitant in submitting feedback, especially if wanting to make a complaint as they might be concerned in doing so they could receive poor service or suffer unpleasant consequences of their action. It is important for customers to understand that making a formal complaint will not have a detrimental impact on the level of service provided.

4.2 An anonymous complaint can be made but it is at the discretion of the relevant Business Manager receiving the complaint whether to investigate it or not. The Business Manager will consider the following when make the decision:

- Seriousness of the complaint
- Credibility of the complaint
- Likelihood of confirming the allegation from attributable sources
- Whether the allegations have been investigated previously

4.3 It is imperative that a customer can submit feedback via any channel

- Online – via the online form
- Email
- To any of our staff including by telephone
- Letter
- Social media

The complaint can be made either directly by the complainant or by someone appointed to act on their behalf e.g. friend, relative or a voluntary agency.

#### **5.0 Vexatious and Persistent Complaints**

5.1 There are occasions when a small minority of complainants become persistent complainers or make complaints that are vexatious, in that they persist unreasonably with their complaints, or make a high number of complaints to make life difficult for particular Council employees or the Council in general. This may involve making serial complaints about different matters or continuing to raise the same or similar matters over and over again.

5.2 A copy of the Policy on Unreasonably Persistent Complaints and Unreasonable Complaint Behaviour can be found on the Council's website <http://www.newark-sherwooddc.gov.uk/contactus/>

#### **6.0 Review**

6.1 The Policy is to be reviewed every two years or in response to changes in relevant legislation and or other Newark and Sherwood District Council policies, procedures and agreements.

## **POLICY & FINANCE COMMITTEE**

**26 NOVEMBER 2020**

### **NEWARK TOWNS FUND**

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

- 1.1 To update Members on the Newark Town Investment Plan which was submitted to Government on 31 July 2020 and to seek appropriate budget to progress with feasibility work for the NSDC owned Great North Road Gateway Site (the Cattlemarket and Lorry Park site).

#### **2.0 Background Information**

##### The Towns Fund Submission

- 2.1 In accordance with national Towns Fund guidance, published in November 2019 and June 2020, the proposed Newark Town Investment Plan (TIP) was formally submitted to Government on 31 July 2020, the deadline for cohort 1. In addition to the unanimous support of the Newark Town Board, the proposed strategy and projects within the TIP were endorsed at briefing meetings with Newark & Sherwood District Council (NSDC) and all Town and Parish Councils within the TIP boundary.
- 2.2 It is understood that Newark was one of 13 towns nationally to submit its proposals as part of cohort 1 and was the only town in the East Midlands to do so. There remain 3 further opportunities for eligible towns to submit proposals in October 2020, December 2020 (a new cohort announced by government) and January 2021.

#### **3.0 Updates and Proposals**

##### Funding Announcements and a Decision on Newark

- 3.1 7 places within cohort 1 have been [announced](#), with negotiations now progressing to develop Heads of Terms and Business Case(s) with government. This includes Blackpool (£39.5m), Barrow-in-Furness, Darlington, Peterborough (£22.9m), Norwich, Torquay (£21.9m) and Warrington.
- 3.2 Following the Newark TIP submission a number of qualifications have been provided to the Government, who have been assessing the proposals. At the time of writing, we are yet to hear if the TIP asks will be supported. A decision is expected this month (November). Upon any announcement the Council will then be invited to negotiate and agree Heads of Terms with the Government, alongside a timetable to develop Business Cases within the next 12 months for all supported projects.
- 3.3 It remains hopeful that the Council will secure significant investment from the Towns Fund. The submission is strong, ambitious, transformative and importantly deliverable. This is reflected in feedback from the Government's own commissioned professional team via TIP 'check and challenge' sessions prior to formal submission. Upon agreement of Heads of Terms for Newark it is proposed that a revised and final TIP will be published, in consultation with the Economic Development Committee and Newark Town Board.

### TIP Projects

- 3.4 The 18 November 2020 Economic Development Committee agenda provides updates on a number of TIP projects. For the purposes of this report focus is upon the Great North Road 'Gateway Site' which is in Council ownership (NSDC Gateway site).

3.5 International Air and Space Training Institute (IASTI)

Members will be aware that one of the key projects within the TIP was the IASTI, which formed part of proposals to provide, in conjunction with the Lincoln College Group, Aviation 360, a University Partner, and Military and Civil aviation industries, a new post 16 education facility for students to access ground, engineering, and pilot programmes. All partners have continued to progress with the project in anticipation of funding being secured. It is envisaged that the IASTI can be operational for virtual intakes as soon as September 2021, with the full facility to follow as soon as reasonably practicable, preferably on the Cattle Market/Lorry Park site.

3.6 Smart Innovation, Supply Chain & Logistics Enterprise Zone (SiSLog)

Members will recall that this is a project jointly developed between the Council, the University of Lincoln and the Universities for Nottingham. It is considered that there is a significant logistics and supply chain opportunity given the strategic significance of Newark to the road, rail, and air networks. The Council and Universities have now commissioned further work to understand how this potential can be identified, encouraged, supported, and funded to deliver a new Enterprise Zone in Newark. This work is expected back prior to Christmas 2020 and will be presented to the Economic Development Committee and Newark Town Board in due course.

3.7 Other Uses Supported by NSDC

Members will be aware of the Council's long-held aspirations, as identified in the Newark Destination Management Plan, Community Plan, TIP, and Economic Growth Strategy for a greater and diversified hotel presence in Newark. Hotel provision could commercially align with the proposed uses sought. In addition, student accommodation could likely be provided.

3.8 Current Uses on the Newark Gateway site.

#### Livestock Market

- 3.9 Members will be aware of the updates to the Economic Development Committee in September and November 2020 that following an open market process a third party has been identified who is willing to progress with a new Livestock Market at the Newark Showground site, a move that is supported by the Showground, this Council and the Newark Towns Board. This third party has confirmed that they have no wish to operate, either permanently or on an interim basis, on the exiting Cattle Market site.

- 3.10 The current Cattle Market site is vacant and redundant. In the interests of reducing holding costs for the Council and preparing the site for redevelopment it is recommended that funds are made available for Officers to tender for the demolition and secure holding of the existing cattle market site. Projected likely costs are provided via a separate exempt **Appendix 1** in the interests of ensuring parties who may submit tender(s) are unaware of the available Council budget.

#### The Lorry Park

- 3.11 Members will be aware that the lorry park remains important for the area, in terms of both servicing demand via the strategic road network and in terms of its fee performance for the Council. The third party interested in relocating the Cattle Market and Newark Showground themselves have expressed a desire to see the relocation of the lorry park to the showground if possible and desirable from the District Council's perspective. This is also consistent with the Newark TIP proposals should the IASTI, hotel and other gateway development be secured.
- 3.12 As Members will be aware it will be necessary, if the Council is to consider the relocation of the lorry park, for feasibility work to be undertaken in order to understand the acceptability (in planning, highways, drainage, and utility terms) and costs of its relocation. It will be equally necessary to liaise with users in the case of lorry drivers. In order to allow the Council to make a future decision on this issue it recommended that a budget be made available for Officers to undertake necessary feasibility work regarding relocation, including any associated likely costs and timetable.

#### Redevelopment of the Great North Road Gateway

- 3.13 The above feasibility work on relocating uses will need to be progressed alongside feasibility work for the technical ability and capacity of the current Gateway Site to accommodate a range of aspirations. The critical works in the first instance include planning, highways and utility assessments. These are proposed to be commissioned as soon as possible in order to inform next steps.
- 3.14 As identified above the Lincoln Colleague Group (LCG) continue to progress at pace with the IASTI, with education pathways and industry discussions working towards a virtual student intake as soon 2021, well in advance of any new physical facility. It is expected that the LCG will be in a position to progress with negotiations to provide the facility on NSDC land in earnest. Such negotiations will progress alongside the feasibility work referred to at paragraph 3.13 above.
- 3.15 In addition to feasibility work at paragraphs 3.10 and 3.13 above it is recommended that budget be made available, should feasibility conclusions support, for Officers to progress with delivery options for the redevelopment of the Newark Gateway Site. This will include progressing with IASTI and SiSLog discussions, alongside legal, financial, and procurement advice for turning the Newark TIP aspirations into a reality. The recommend budget is provided via the separate exempt report.

#### **4.0 Equalities Implications**

4.1 As capital projects, each of the proposals detail will be required, if and when they progress to have regarding to equalities and access implications.

#### **5.0 Digital Implications**

5.1 Each of the potential projects identified will secure appropriate digital infrastructure, skills and future innovative and creative employment opportunities as part of their key objectives. They will be identified if, and, and when they progress.

#### **6.0 Financial Implications (FIN20-21/8691)**

6.1 The costs of demolishing the Cattle Market site would need to be added to the Capital Programme; financed by borrowing and the implications of such have been assessed in **Appendix 1**.

6.2 The report proposes the following feasibility studies:

- The relocation of the existing Cattle Market/Lorry Park; and
- The redevelopment of the site following demolition

It is expected that some future revenue costs will be provided by any Newark Towns Fund agreed Deal with Government. In the absence of any Deal the costs of these studies will need an associated revenue budget that can be funded from the Change Management Reserve.

#### **7.0 Community Plan – Alignment to Objectives**

7.1 The Newark TIP is a direct intervention of such scope and breath that it will significantly contribute to delivering all of the Council’s Community Plan objectives.

#### **8.0 RECOMMENDATIONS that:**

- (a) Members note the ongoing negotiations with Government to secure a capital contribution from the Towns Fund of up to £25m;**
- (b) Members agree the allocation of budget outlined in the exempt report to secure the demolition and secure holding of the existing Cattle Market site;**
- (c) Members agree the allocation of budget outlined in the exempt report to undertake feasibility work on the relocation of the Cattle Market and Lorry Park to Newark Showground or other identified site(s); and**
- (d) Members agree the allocation of budget outlined in the exempt report to undertake feasibility work on developing the Newark Gateway Site (the exiting Cattle Market and lorry park), including the delivery of the Newark Town Investment Plan aspirations.**

**Reason for Recommendations**

**To continue the development the Newark Towns Strategy and Investment Plan.**

**Background Papers**

Nil.

For further information please contact Matt Lamb on Ext. 5842

Matt Lamb  
Director – Planning & Growth



## **POLICY & FINANCE COMMITTEE**

**26 NOVEMBER 2020**

### **INFRASTRUCTURE FUNDING STATEMENT**

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

1.1 To set before Committee the first iteration of the Council's Infrastructure Funding Statement (IFS). This will comprise a report relating to the previous financial year on the Community Infrastructure Levy (CIL); a report relating to the previous financial year on Section 106 planning obligations; and a report on the infrastructure projects or types of infrastructure that the Council intends to fund wholly or partly by the levy (excluding the neighbourhood portion).

#### **2.0 Background**

2.1 The IFS is a requirement of amended CIL legislation. Taking effect from 1 September 2019 the new regulations were introduced in an effort to reduce the perceived complexity and uncertainty of the CIL system. A background paper providing more detail of these changes was presented to and approved by the Committee on 25 June 2020.

2.2 As a reminder for Members, for the purpose of reporting developer contributions, National Planning Policy Guidance (NPPG) defines 'infrastructure' as development within the following categories:

- Affordable housing
- Education (Primary, Secondary, Post-16 & Other)
- Health
- Highways
- Transport and travel
- Open space and leisure
- Community facilities
- Digital infrastructure
- Green infrastructure
- Flood and water management
- Economic development
- Land
- Section 106 monitoring fees
- Bonds (held or repaid to developers)
- Other (Neighbourhood CIL, CIL administration costs)

#### **3.0 Our Approach**

3.1 In establishing this as a national requirement MHCLG has prescribed a spreadsheet format in which the data underpinning the IFS should be published before 31 December 2020. The accompanying statement therefore essentially provides context to the CIL developer contributions the Council has secured, allocated and spent over the last financial year.

3.2 The IFS presents information to a broad audience, therefore comprises the following sections:

- An introduction setting out the basic requirements and the context of planned growth in the District;
- National and local policy context, along with an explanation of the developer contributions it covers;
- A summary of CIL collected/spent during 2019/20;
- A summary of S106 monies collected/spent during 2019/20;
- Planned expenditure of CIL income over the next reporting period (April 2020 to March 2021).

3.3 The IFS itself stands as an appendix to this Committee Report.

#### **4.0 Digital Implications**

4.1 The base data underpinning the IFS should be published on the Council's website in .CSV format in accordance with open data requirements, along with the aforementioned report.

#### **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), an EqIA specifically for the IFS is not required. Members agreed with this view when the proposed approach was presented to the Committee in June.

#### **6.0 Financial Implications (FIN20-21/3923)**

6.1 Financial Services work closely with colleagues on the Developer Contributions Officer Steering Group to ensure that funds from developer contributions are appropriately managed in line with the Council's financial procedures.

6.2 The IFS will provide greater transparency for Members, service providers, developers and the community on how the Council deals with developer contributions.

6.3 CIL funded projects will progress from the IFS in to the Council's Capital Programme in the usual way by a report to Policy & Finance Committee as an when sufficient funding is available.

## **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 growth agenda directed by the Local Plan underlines the corporate priorities set out in the Community Plan.

## **8.0 RECOMMENDATION**

**That the Infrastructure Funding Statement included within the Appendix be agreed for publication before the end of the calendar year.**

### **Reason for Recommendation**

**To ensure that the District Council is operating in accordance with the requirements of the Community Infrastructure Regulations.**

### **Background Papers**

Infrastructure Funding Statement – Proposed Approach Policy & Finance Committee Report (June 2020)

[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

# Newark & Sherwood District Council: Infrastructure Funding Statement 2020

## 1.0 Introduction

- 1.1 This is Newark & Sherwood District Council's Infrastructure Funding Statement (IFS) for 2019/20, published in accordance with recent changes to government legislation<sup>1</sup>.
- 1.2 Local authorities are now required to produce an IFS on an annual basis, relating to the developer contributions from Section 106 agreements and the Community Infrastructure Levy (CIL). Developer contributions are used to help fund development related infrastructure provision and to maximise the benefits and opportunities from growth.
- 1.3 In accordance with the regulations, the annual IFS must comprise the following three parts:
- A report relating to the previous financial year on the Community Infrastructure Levy;
  - A report relating to the previous financial year on Section 106 planning obligations;
  - A report on the infrastructure projects or types of infrastructure that the authority intends to fund wholly or partly by the levy (excluding the neighbourhood portion).

Description of source	£
CIL collected before 01/04/2019 (net of admin and all meaningful proportions)	£3,538,089.16
CIL demand notices issued 2019/20	£1,856,129.15 (incl. surcharges)
CIL Received 2019/20	£2,021,621.45
CIL total held 31/03/2020 (net of admin and all meaningful proportions)	£5,146,605.27
S106 contributions held by NSDC at 31/03/2020	£7,438,800.73
S106 contributions received 2019/20	£2,717,237.18
S106 contributions agreed 2019/20	£607,675.76
S106 contributions allocated but not spent 2019/20	£309,470.84

**Table 1: Headline figures for the IFS**

- 1.4 The table in Appendix 1 sets out the requirements of the regulations and the sections of this document where details can be found.
- 1.5 For the purpose of reporting developer contributions National Planning Policy Guidance (NPPG) defines 'infrastructure' as development within the following categories:
- Affordable housing
  - Education (Primary, Secondary, Post-16 & Other)
  - Health
  - Highways
  - Transport and travel
  - Open space and leisure
  - Community facilities
  - Digital infrastructure
  - Green infrastructure
  - Flood and water management
  - Economic development
  - Land
  - Section 106 monitoring fees

<sup>1</sup> Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019

## Newark & Sherwood District Council: Infrastructure Funding Statement 2020

- Bonds (held or repaid to developers)
- Other (Neighbourhood CIL, Mayoral CIL, Community Infrastructure Levy administration costs)

### ***District Context***

1.6 Across the current Local Plan period to 2033 the population of Newark & Sherwood is expected to grow by as much as 14,359. Monitoring data from 2019<sup>2</sup> 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
- Over 70 sites allocated for residential and commercial development in both the Amended Core Strategy and Allocations & Development Management Policies DPD<sup>3</sup>
- Between 2013-2019 there has been an average of 298 residential completions each year that are considered windfall development.

---

<sup>2</sup> 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](https://www.newark-sherwooddc.gov.uk/media/newarkandsherwood/imagesandfiles/planningpolicy/pdfs/monitoringreports/employmentlandavailabilitystudy/ELAS18_19.pdf)

<sup>3</sup> The Allocations and Development Management Policies DPD is currently under review

## 2.0 Developer Contributions

### *Paying for Infrastructure*

2.1 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 Partnership;
- Developers responding to site specific requirements through legal agreements (Section 106 or Section 278 agreements);
- Local Planning Authorities (LPAs) 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.

### *Community Infrastructure Levy*

2.2 Newark and Sherwood 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 was also undertaken. Following an independent examination in August 2017 and approval at full council on 12 December 2017, the Newark and Sherwood CIL Charging Schedule, including the associated instalment policy and Regulation 123 List came into force on 1 January 2018.

2.3 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').

2.4 CIL is chargeable on residential development at different rates across the Council's administrative area, ranging from £0 to £100 per square metre. A districtwide charge of £100 per square metre is levied on retail development, while all other commercial developments are CIL-exempt. Where a development is liable to CIL the amount will be non-negotiable. However, where a scheme will contain elements of social housing or will be for charitable purposes the amount may be reduced subject to an application for relief being submitted.

### *Section 106 Agreements*

2.5 Planning obligations or developer contributions are made under Section 106 of the Town and Country Planning Act 1990 (as amended). Commonly known as S106 agreements, they are a mechanism that helps make a development proposal acceptable in planning terms that would not otherwise be acceptable – i.e. to mitigate the impacts of development and ensure that the District Council's planning policy requirements are fully met.

- 2.6 The legal tests for when S106 agreements can be used are set out in CIL Regulation 122. The ‘ask’ must be:
- (a) necessary to make the development acceptable in planning terms;
  - (b) directly related to the development; and
- I fairly and reasonably related in scale and kind to the development.
- 2.7 Different combinations of the aforementioned sources of funding may be pooled to pay for new infrastructure.

***Section 278 Highway Agreements***

- 2.8 Additional legal agreements that can fund infrastructure are Section 278 Agreements (S278). These are legally binding agreements made under the Highways Act 1990 between Local Highway Authorities and Developers. S278 agreements are required to secure alterations or improvements to the highway. The Council will look at the possibility of including information for S278 agreements within future versions of the IFS.

***Local Policy Context***

- 2.9 In Newark & Sherwood District Council’s Local Development Framework (LDF) Amended Core Strategy (Adopted March 2019) Spatial Policy 6: Infrastructure for Growth sets out the 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 the strategic highway network and other highway infrastructure as identified within the IDP, along with secondary education provision across the District.
- 2.10 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.
- 2.11 Directly related to Spatial Policy 6 is Policy DM3 in the Allocations and Development Management Policies DPD. DM3 highlights the need for infrastructure to support planned growth, for planning applications to include appropriate infrastructure provision and signposts to the Developer Contributions and Planning Obligations Supplementary Planning Document (SPD) which sets out the methods for calculating financial contributions.
- 2.12 The Developer Contributions and Planning Obligations SPD sets out the Council’s policy for securing planning obligations from new developments that require planning permission and how this will operate alongside CIL. The SPD makes clear that where a development is liable to CIL the amount will be non-negotiable, however, where site related infrastructure is needed this may be secured through planning conditions and S106 agreements. These needs will be assessed on a site by site basis and will involve consultation with relevant internal and external agencies e.g. the Health

## Newark & Sherwood District Council: Infrastructure Funding Statement 2020

Authority and Nottinghamshire County Council. It is the District Council's intention to update this SPD in the near future to reflect changes in legislation and local circumstances.

2.13 Additionally, acknowledging that affordable housing is considered as a form of infrastructure, Amended Core Strategy Core Policy 1 is the District Council's primary policy setting out site requirements in accordance with the NPPF.

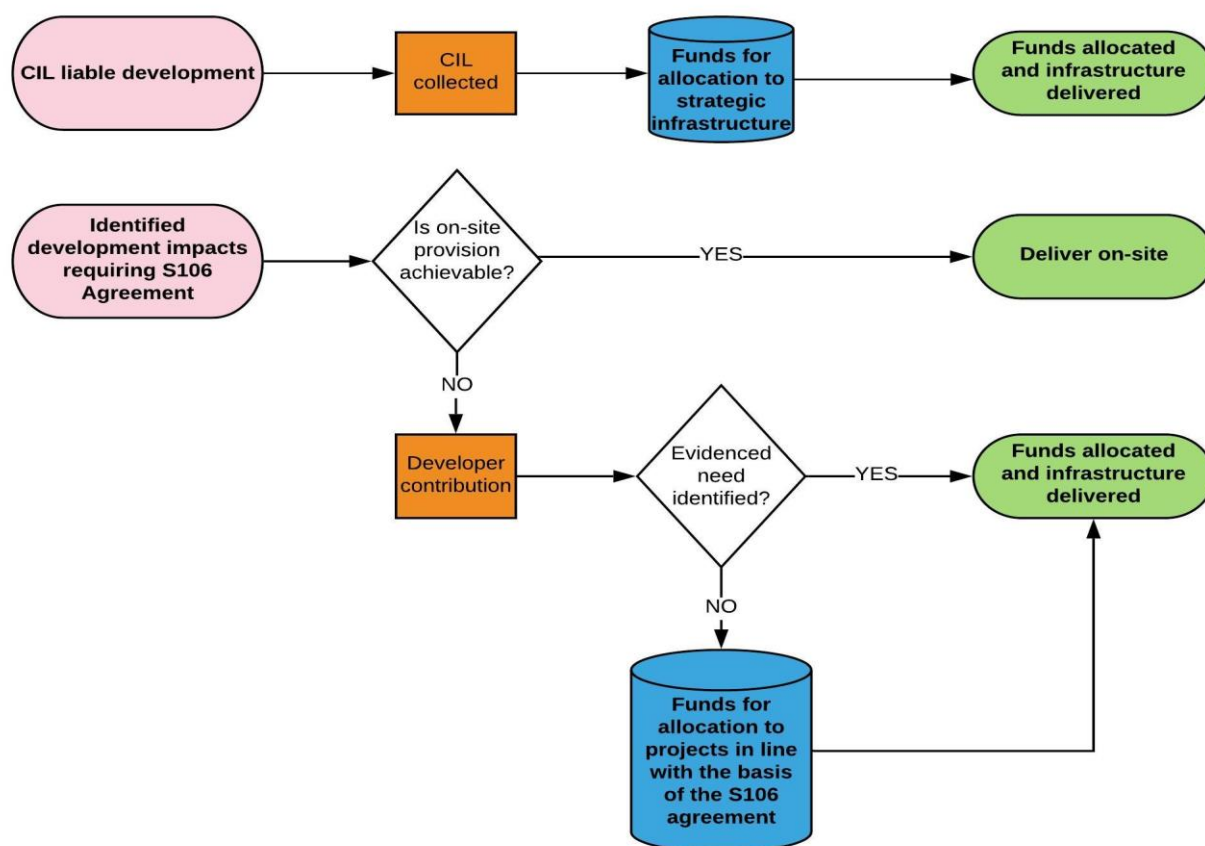


Figure 1: Process of allocating developer contributions



### 3.0 Community Infrastructure Levy: collection and expenditure

3.1 The amount of CIL payable on a development varies depending the type of development and on its location within the district, ranging from £0, £45, £70 and £100 per square metre for residential development and £100 per square metre for retail uses. A £0 rate is levied on non-retail commercial development.

Description of source	£
Collected before 01/04/2019 (net of admin and all meaningful proportions)	£3,538,089.16
Demand notices issued 2019/20	£1,856,129.15 (incl. surcharges)
Received 2019/20	£2,021,621.45
NSDC CIL total 31/03/2020 (net of admin and all meaningful proportions)	£5,146,605.27
Expenditure (Capital)	£0
Expenditure (Administration)	£30,597.15
Meaningful proportion to Town/Parish Councils	£369,796.79
Retained after contributions	£1,608,516.11
Retained on behalf of Parish Meetings	£12,711.41
Retained on behalf of Parish Meetings from previous years	£1,671.61

**Table 2: Summary of CIL income and expenditure**

#### ***Newark & Sherwood CIL Income***

3.2 Prior to the reported year, since CIL came in to force in 2011/12 the District Council had accumulated £3,538,089.16 from CIL receipts.

3.3 In the reported year from April 2019 to March 2020 Newark & Sherwood District Council issued demand notices for £1,856,129.15 (including surcharges) and received £2,021,621.45 from CIL receipts, representing the largest single year for CIL income. Noting this considerable increase in CIL receipts, the largest sources of CIL income are identified from the following developments:

- Barratt Homes: £502,027 – Fernwood
- Miller Homes: £113,048 – Farnsfield
- Springfield Eco: £320,191 – Southwell
- Miller Homes: £166,275 (x3) (£498,825) – Southwell
- Persimmon Homes (East Midlands) Ltd: £96,913 (x3) (£290,739) – Sutton on Trent

3.4 The distribution of the developments to which these CIL receipts relate is spread widely across the District, reflecting the general buoyancy of the pre-Covid housing market in the UK and developer confidence in this area.

#### ***Newark & Sherwood CIL Expenditure***

3.5 The total amount of CIL expenditure for the reported year amounts to £30,597.15. This figure represents funds spent on the management, staffing, administration, information technology and legal costs involved in the collection of CIL; the setting up and maintenance of new systems to coordinate the administration of CIL; and on-going management of CIL spending.

3.6 A total of £369,796.79 (18% of CIL total receipts) has been passed on to Town and Parish Councils within the reporting period as a meaningful contribution share. A further £12,711.41 of the receipts collected have been retained on behalf of parishes where there is no Parish Council. This figure is therefore grouped in with the £1,608,516.11 retained after contributions beyond

## **Newark & Sherwood District Council: Infrastructure Funding Statement 2020**

administrative expenses, no CIL funds (£0) have been used for capital expenditure. The reason for this is the large costs associated with delivering priority strategic infrastructure projects. Further commentary on these items is provided in later sections of this report.

#### 4.0 S106 Developer Contributions: collection and expenditure

- 4.1 As stated above in Section 3, Amended Core Strategy, Spatial Policy 6 sets out the Council's approach to ensuring the delivery of infrastructure to support the anticipated levels growth within the current plan period. Developer contributions and planning obligations are the primary means of securing local infrastructure, including facilities and services that are essential for allowing any particular development to take place.
- 4.2 Developer contributions income held by Newark & Sherwood District Council is summarised in Table 3.

Description of source	£
Received before the reported year, remaining unallocated	£5,012,085.50
Received 2019/20	£2,717,237.18
Agreed 2019/20	£607,675.76
S106 contributions held by NSDC 31/03/2020	£7,438,800.73
Allocated but not spent 2019/20	£309,470.84
Balance held for longer term maintenance obligations	£39,605.80

**Table 3: Summary of developer contributions income and expenditure**

#### ***Newark & Sherwood Developer Contributions Income***

##### *Contributions Agreed*

- 4.3 In the reported year from April 2019 to March 2020 Newark & Sherwood District Council entered in to planning obligations to the sum of £607,675.76. The developments to which these funds relate are set out in Table 4.

Planning ref.	Parish	Location	Funds secured
19/00585/FULM	Clipstone	Cavendish Way	Affordable Housing: £176,459.80 Community Facilities: £62,121.86 Education: £272,979.42 Libraries: £5,139.27 Off-site sports: £53,247.79
14/00161/FULM	Sutton on Trent	Hounsfield Way	Open Space: £4,095
18/01898/OUTM	Ollerton	Red House Farm	Children & Young People: £19,585.60 Community Facilities: £13,840.70 Green Space: £205.32

**Table 4: Monetary developer contributions agreed within the reported year**

##### *Contributions Received*

- 4.4 Within the reported year contributions to the value of £2,717,237.18 were received from developer contributions. Details of the developments to which these funds relate are set out below in Table 5.

Planning ref.	Parish	Location	Contribution type	Funds secured
18/00125/FULM	Newark	Newark Working Men's Club	Affordable housing	£4,840.04
13/00458/OUTM	Clipstone	Klyppr Village	Affordable housing	£49,924.42
13/00458/OUTM	Clipstone	Klyppr Village	Affordable housing	£100,162.17
18/00509/FULM	Clipstone	Klyppr Village	Affordable housing	£159,815.00
16/00139/RMAM	Clipstone	Bluebell Wood Lane	Affordable housing	£11,285.00

## Newark & Sherwood District Council: Infrastructure Funding Statement 2020

<b>Total</b>				<b>£326,026.63</b>
14/01469/OUTM	Farnsfield	Land at Southwell Road	Community Facilities	£68,416.61
14/01596/OUTM	Edwinstowe	Rufford Pastures	Community Facilities	£45,724.40
12/00895/OUTM	Collingham	Braemer Farm	Community Facilities	£49,521.63
13/00458/OUTM	Clipstone	Klyppr Village	Community Facilities	£135,646.15
14/00465/OUTM	Fernwood	North/East Site	Community Facilities	£300,000.00
12/00895/OUTM	Collingham	Braemer Farm	Community Facilities	£56,596.15
<b>Total</b>				<b>£655,904.94</b>
14/01469/OUTM	Farnsfield	Land at Southwell Road	Education	£149,096.93
16/00337/OUTM	Edwinstowe	Miners Welfare Inst	Education	£83,756.44
17/00595/FULM	Ollerton	Petersmith	Education	£366,560.00
13/00458/OUTM	Clipstone	Klyppr Village	Education	£135,649.53
<b>Total</b>				<b>£735,062.90</b>
17/00595/FULM	Ollerton	Petersmith	Healthcare	£149,849.55
14/00465/OUTM	Fernwood	North/East Site	Healthcare	£300,000.00
<b>Total</b>				<b>£449,849.55</b>
14/01469/OUTM	Farnsfield	Land adj to Broadlands	Libraries	£2,020.65
14/00161/FULM	Sutton on Trent	Rear of Hemplands	Libraries	£2,377.00
<b>Total</b>				<b>£4,397.65</b>
14/00161/FULM	Sutton on Trent	Rear of Hemplands	Open Space	£4,095.00
14/01469/OUTM	Farnsfield	Land at Southwell Road	Open Space	£102,983.39
13/00743/OUTM	Ollerton	Wellow Road	Open Space	£59,696.76
18/00509/FULM	Clipstone	Klyppr Village	Open Space	£39,128.00
18/00509/FULM	Clipstone	Klyppr Village	Open Space	£19,077.00
<b>Total</b>				<b>£224,980.15</b>
14/00161/FULM	Sutton on Trent	Rear of Hemplands	Transport	£6,000.00
14/01469/OUTM	Farnsfield	Land adj to Broadlands	Transport	£17,973.44
13/00458/OUTM	Clipstone	Klyppr Village	Transport	£97,441.92
17/00595/FULM	Ollerton	Petersmith	Transport	£199,600.00
<b>Total</b>				<b>£321,015.36</b>
<b>TOTAL</b>				<b>£2,717,237.18</b>

Table 5: Developer contributions received 2019/20

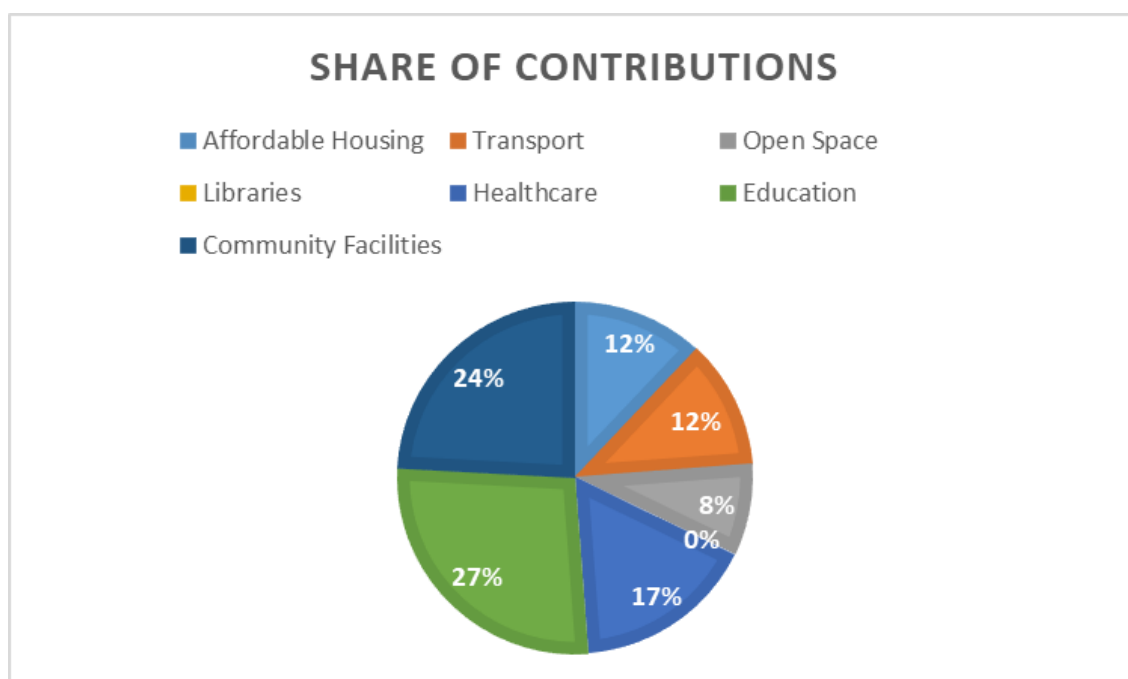


Figure 2: Percentage share of developer contributions received 2019/20 (by theme)

4.5 The spatial distribution of developer contributions typically correlates with the distribution of growth set out in the settlement hierarchy (Core Strategy Spatial Policies 1 & 2) and the quantum of

## Newark & Sherwood District Council: Infrastructure Funding Statement 2020

growth allocated in that area. However, there are in some cases factors such as land value impact the overall viability of development and therefore the range of contributions secured for a particular development. In Newark & Sherwood District these differences can appear quite starkly across the different plan areas. In these circumstances, where it is not always viable to provide the full range of contributions that may be required to make a development acceptable in planning terms (e.g. affordable housing, open space, education and children/young people's provision) Planning Officers and Planning Committee Members must therefore weigh the potential benefits of different options or available combinations and arrive at an informed judgement as to the acceptability of a development proposal.

### ***Newark & Sherwood Developer Contributions Spending***

- 4.6 In the majority of cases, funds received by the Council have specific criteria set out in the associated S106 Agreement that determines how they must be spent. However, where such clauses are less prescriptive they are referred to as 'unrestricted' funds. Where unrestricted funds are provided and no immediate need is identified for the specified area to which the agreement relates, these funds may be held by the Council until such a time that an appropriate need is identified. In the reported year £164,655.04 of unrestricted funds were collected from two agreements, both for affordable housing provision.
- 4.7 Under the Newark & Sherwood District Council constitution's scheme of delegation the Policy & Finance Committee provides Member oversight for capital spending. However, for spending smaller sums of up to £50,000, this is delegated to officer level. From the contributions received within the reported year £251,966.58 will be allocated through delegated powers.

### *Funds Allocated but not Spent*

- 4.8 Within the reported year S106 funds received by the Council and allocated to a given project, but not spent as of 31/03/2020 amounts to £309,470.84. These contributions comprise the following items:

Planning ref.	Parish	Location	Funds secured	Allocation
16/01144/FULM	Blidworth	Land North Of Belle Vue Lane	£5,000.00	To be transferred to Blidworth PC
15/00994/FULM 13/00689/FULM	Southwell	Rainbows, The Burgage (£42,853.38) Nottingham Road (£38,499.30)	£81,352.68	Leisure Centre Renovation-Southwell
10/01256/FULM	Newark	Land North of Beacon Hill Road	£156,182.79	YMCA Community & Activity Village – Newark
14/01596/OUTM	Edwinstowe	Land at Rufford Avenue	£45,724.40	To be transferred to Edwinstowe PC
09/01543/FULM	Clipstone	Land off Mansfield Road (former Clipstone Baths)	£21,210.97	Vicar Water Park Equipment Improvements

**Table 6: Funds allocated but not yet spent**

### *Funds Spent*

## Newark & Sherwood District Council: Infrastructure Funding Statement 2020

4.9 Within the reported year S106 funds received by the Council that have been both allocated and spent or transferred to another party amounts to £290,521.95. These contributions comprise the following:

Planning ref.	Parish	Location	Funds secured	Allocation
16/01144/FULM	Blidworth	Belle Vue Lane	£30,973.75	Steam & Sauna building. Blidworth Leisure Centre
03/02816/OUT 09/01543/FULM	Clipstone	Clipstone Holding Centre (£18,047.38) Mansfield Road, Gladedale Ltd (£7,656.62)	£25,704.00	Vicar Water Park Equipment Improvements
10/00334/FULM	Newark	Former Hoval works	£71,422.32	Paid YMCA re Community & Activity Village
08/01905/OUTM	Clipstone	Land at Cavendish Park	£13,335.00	Paid to Clipstone PC as per side agreement
10/00906/FULM 10/00921/FULM	Rainworth	Land at Kirklington Rd (£9,363) Land at Kirklington Rd (£309.04)	£9,672.04	Transferred to NCC for Libraries in Rainworth
10/00906/FULM 10/00921/FULM	Rainworth	Land at Kirklington Rd (£24,408.67) Land at Kirklington Rd (£25,885.65)	£50,294.00	Paid to Joseph Whittaker School.
10/00921/FULM	Rainworth	Land at Kirklington Rd	£10,100.00	Transferred to NCC for Transport in Rainworth
13/01256/OUTM	Rainworth	Land Off Warsop Lane	£7,425.00	Transferred to Council revenue budget for repairs at Rainworth Village Hall
13/01256/OUTM	Rainworth	Land Off Warsop Lane	£29,735.00	Transferred to Joseph Whittaker School for off site sports provision
13/00164/OUT	Newark	Land Off Heaton Close	£922.04	Transferred to Council's Capital Programme for balance on new cricket facilities on Kelham Road
14/01576/OUTM	Farnsfield	Land off the Ridgeway	£5,469.00	Paid to NCC re Southwell Trail
15/00994/FULM	Southwell	Rainbows, The Burgage	£35,469.80	Paid to Southwell TC re Burgage Homes & Norwood Gardens

**Table 7: S106 funds spent**

4.10 Of the above funded schemes a number of these are at different stages of delivery. Notably, largely due to the impacts of the Covid-19 pandemic, progress on many of these schemes has been limited during 2020. Details of some of these schemes are set out below.

### **Newark & Sherwood YMCA: Community & Activity Village**

Following a national report that ranked Newark and Sherwood as one of the worst areas in the country for social deprivation and social mobility, with some wards facing life expectancies ten years less than UK national average, the YMCA Newark and Sherwood aims to make positive change through a community space that offers opportunities to everyone.

As a non-profit, community-focused organisation S106 funds are helping the YMCA deliver facilities. A number of the facilities are already open now, with the remainder set for completion in 2021.



### Healthy Living

- Dance studio
- Climbing centre
- Integrated health services
- Canoeing
- Community fitness (OPEN NOW)
- Skatepark
- Athletics (OPEN NOW)
- Football pitches (OPEN NOW)
- Cycle Track
- MUGAs (OPEN NOW)



### Youth Development

- Digital media suites
- Art studio
- Recording and rehearsal space
- College courses and apprenticeships
- Childcare (OPEN NOW)
- Nursery
- Youth and family programmes (OPEN NOW)



### Social Responsibility

- Community café
- Further education
- Volunteering
- Community training kitchen
- Function space
- Adult education classes
- Youth-led community projects

### Vicar Water Park Equipment Improvements, Clipstone

Vicar Water Country Park is located to the south of Clipstone village and has been formed on the site of a former colliery, lying in the shadow of the headstocks of Clipstone Colliery. At the centre of the park is Vicar Pond, a large fishing lake that was created by the 5<sup>th</sup> Duke of Portland in the 1870s. In the past the lake has been used for boating and swimming but today it is a thriving course fishery.

## Newark & Sherwood District Council: Infrastructure Funding Statement 2020

The park, offering spectacular views across to Derbyshire and Lincolnshire, also contains heathland, woodland and grassland habitats and has achieved Green Flag award status, as well as being a designated local nature reserve.



Following substantial amounts of new residential development in Clipstone, funds have been secured towards provision of off-site play equipment provision. This was delivered in summer 2020 and is illustrated in the above photographs.

### ***Non-monetary S106 Contributions***

- 4.11 As stated above, in some cases S106 agreements make provision for delivery of infrastructure on site. In the reported year records show that 135 new affordable homes were delivered across the District, relating to 23 different planning applications approved in recent years and dating back to 2014. During the reported year, however, although numerous sites have secured planning permission, including some developments as 100% affordable housing schemes, records indicate that no S106 agreements that were signed within this period made contributions of affordable housing to be delivered on site.
- 4.12 Similarly, provision of no school places has been agreed as a non-monetary contribution within the reported year.



## 5.0 Planned Expenditure

### ***Matters affecting developer contributions income***

- 5.1 This section sets out how CIL and S106 income will be spent over the next reporting period (April 2020 to March 2021) in Newark & Sherwood (as per the requirements set out in relevant planning practice guidance and the CIL regulations).
- 5.2 CIL income for the next year depends on the nature and scale of development occurring in the District. The level and timing of this income is subject to the implementation of planning permissions, build-out rates, and the phasing of development. For residential development the Council's five year housing land supply trajectory provides a useful indication of what is likely to come forward and when. For other types of CIL-liable development, due to the uncertainty over forecasting, estimates for the amount of CIL funding will be based on the total receipts collected from the previous financial year and any unspent receipts from previous financial years. However, for 2020/21 the extent of the impacts of the ongoing Covid-19 pandemic on the construction industry remain unclear.
- 5.3 S106 income varies more than CIL insofar as contributions are negotiated on a site-by-site basis and depend on a range of factors, such as the viability of development and site-specific considerations. This makes it difficult to forecast future S106 income and expenditure. Also S106 funding must then be spent in accordance with the terms of the legal agreement (as part of the planning application process). Generally speaking, S106 funding is more closely tied to the phasing of development set out in the terms of the legal agreement and this can also include clauses relating to the timing of spending said contributions.
- 5.4 As noted above, although Covid-19 has had some impact on the planning system, at the time of writing the number of applications that are being submitted to Newark & Sherwood District Council remains at a very healthy level.

### ***Infrastructure to be funded by CIL***

- 5.5 Although the 2019 CIL legislation amendments revoked Regulation 123 which required charging authorities to produce a CIL spending priority list, with the District Council having not yet committed any CIL funds to capital expenditure, many of strategic infrastructure projects identified on the latest iteration of the '123 List' remain outstanding. Table 8 (below) provides an update on the status of these. Items highlighted in green indicate those which have been completed as a result of securing other means of funding, whilst those in red or amber remain, as yet, undelivered or only partially funded.
- 5.6 Accordingly, it is the District Council's intention to carry forward these outstanding strategic infrastructure projects as its CIL spending priorities for 2020/21. In accordance with Amended Core Strategy Spatial Policy 6, it is considered that there is little scope to deviate from these identified priorities until such a time that these needs are met or the policy is amended.

## Newark & Sherwood District Council: Infrastructure Funding Statement 2020

Highways Projects				
Location	Estimated Cost	CIL /Other Public Contribution	Required works	Status/funding source
Barnby Gate, Sherwood Avenue Junction, Newark	£60,000	£60,000	Signal control	Completed 2018 (Local Transport Plan)
Beacon Hill Road, Northern Road Junction, Newark	£144,000	£144,000	Signal control	Completed 2018 D2N2 – Cycling Strategy
Lincoln Road, Brunel Drive Junction, Newark	£300,000	£300,000	Junction improvements	Completed (Newark Cycle Strategy)
Lincoln Road, Northern Road Junction, Newark	£240,000	£240,000	Signal control	Completed (Local Transport Plan)
A1 Overbridge widening, Fernwood, Newark	£5,200,000	£5,200,000	Widening of A1 overbridge	To be implemented
London Road, Portland Street Junction, Newark	£60,000	£60,000	Signal control	To be implemented
Northern Road / Brunel Drive Junction	£500,000	£500,000	Signal control	To be implemented
Castle Gate, Lombard Street Junction, Newark	£300,000	£300,000	Junction improvements	To be implemented
Sleaford Road / Friary Road Junction, Newark	£300,000	£300,000	Junction improvements	To be implemented
Queens Road / North Gate	£240,000	£240,000	Junction improvements	To be implemented
Kelham Bypass	£15,000,000	£5,000,000	New bridge over River Trent and a bypass to the village	To be implemented Suggested funding split 33% CIL-67% D2N2 LEP
A614, C1 Junction White Post Roundabout	£600,000*	Details remain unclear until NCC's business case is finalised	Junction improvements	MRN funding bid to DfT, part funded by CIL contributions
A6097 / A612 Lowdham Junction	£1,500,000*	Details remain unclear until NCC's business case is finalised	Junction improvements	MRN funding bid to DfT, part funded by CIL contributions
A614 Mickledale Lane Junction	£300,000*	Details remain unclear until NCC's business case is finalised	Junction improvements and signal control	MRN funding bid to DfT, part funded by CIL contributions
A614, C13 Eakring Road Junction	£120,000*	Details remain unclear until NCC's business case is finalised	Speed reduction measures and signal control	MRN funding bid to DfT, part funded by CIL contributions
A614/A6097 Oxtan Bypass	£1,500,000*	Details remain unclear until NCC's business case is finalised	Junction improvements	MRN funding bid to DfT, part funded by CIL contributions
Education Projects				
Secondary Education Provision within the District	£11,339,820	£11,339,820	Increase schools capacity	To be implemented
Joseph Whitaker School, Rainworth	£620,000	£620,000		To be implemented

Table 8: NSDC CIL Priority Project Status (\* Figures requiring review)

5.7 Other sources of funding have helped to deliver the green items shown above. Items coloured amber are identified as having partial funding secured via other means. These other sources of funding include:

- Nottinghamshire County Council:
  - Transport and Highways Capital Projects Programme (referred to as the Integrated Transport Block)
  - The Local Transport Plan
  - Major Road Network improvement bid to DfT
- Local Enterprise Partnership (including Newark Cycling Strategy delivered via the Local Growth Fund)

5.8 Ongoing dialogue with the county council has indicated that while the MRN funding bid may cover up to 85% of the costs of identified projects, these costs are subject to review. The figures originally specified on the CIL 123 List are based on indicative costs provided for the Council's Infrastructure Delivery Plan (2017). More accurate figures will therefore be set out in later versions of the IFS, following further development of the business case for the A614 corridor programme of works.

### ***CIL Spending Priorities***

5.9 In 2017 the District Council identified the A1 Overbridge between Balderton and Fernwood as its highest priority project to be delivered via CIL funding. Following work that has been undertaken to explore the scope of the need and potential options we were able to specify a cost estimate of c.£5.6 million. As this report demonstrates, this target figure has now been reached, meaning that in principle the District Council is in a position to explore delivery options. As such, the Council is taking initial steps towards doing so. However, this statement is heavily caveated with the acknowledgement that a more definitive cost for delivery has not yet been identified and on the basis of our experience of other road infrastructure projects, it is accepted that costs will most likely be subject to change.

5.10 The A1 Overbridge remains at the top of the Council's strategic infrastructure priority list, given its need as part of the Fernwood development highways mitigation strategy and that the Settlement Hierarchy and Spatial Distribution of Growth policies (Spatial Policy 1 and 2) identify Newark, Balderton and Fernwood as the main location for new housing and employment growth in the District. As development on this site gathers momentum and with other parcels of land that make up this urban extension progressing through the planning system, it remains imperative that the A1 Overbridge is delivered ahead of the identified development trigger-points. The Council is therefore working with Highways England and its consultant engineers (Kier) to develop a detailed project brief. Once a detailed design specification for the structure is drawn up the expenditure must be approved by the Council's Policy & Finance Committee.

5.11 In addition to the above project, delivering greater secondary education capacity, commensurate with planned levels of growth across the District also remains high on the Council's strategic infrastructure agenda. Evidently, as development on strategic sites across the District continues apace, demand for school places will continue to grow. Consequently, the needs of existing school campuses will continue to be monitored in conjunction with academy trusts and, primarily, the county council (as the Local Education Authority (LEA) with responsibility for commissioning school places).

- 5.12 During the course of the reported year the District Council received a letter of enquiry from Joseph Whitaker School in Rainworth, requesting funding support to deliver an expansion of the school in the form of a new science block. The level of contribution sought is £620,000. This has arisen as a result of new developments in the area generating need for an additional 26 pupil places. Whilst the District Council is sympathetic to the School's needs, funding requests of this nature must be made via the LEA, making clear that funding is required in order to provide increased capacity to cope with demand arising from new development in the area, over and above normal investment in the schools which is separately funded by Department for Education.
- 5.13 Effectively the District Council should not fund normal educational investment through developer contributions, therefore this matter has since been raised with the county council. Subject to LEA confirmation as described above and subject to availability of funds prioritised for the A1 Overbridge, the District Council will seek to provide funding to support expansion of the school. This position is reflected in the Council's Capital Programme.
- 5.14 Given the high cost estimate for the A1 Overbridge, however, at this stage it is not considered either appropriate or feasible to identify a priority hierarchy beyond the next reporting period. Subsequent iterations of the IFS will therefore update this information. In the meantime the Council will continue to monitor development progress and assess its impacts in other parts of the District, maintaining dialogue with relevant partners, particularly Nottinghamshire County Council.

***Infrastructure to be funded by Developer Contributions***

- 5.15 Under Amended Core Strategy Spatial Policy 6, local infrastructure that is essential for development to take place on individual sites, or is needed to mitigate the impact of development will be secured through S106 Agreements. The need for site related infrastructure secured through planning conditions and S106 Agreements will be assessed on a site by site basis and will involve consultation with relevant internal and external agencies.
- 5.16 Most policies relating to sites that are allocated for development in the local plan will include site-specific infrastructure asks where particular needs have been identified. However, the District Council will endeavour to maintain robust evidence of needs through the Infrastructure Delivery Plan and other audits (e.g. the emerging Open Space Assessment), supported by the Council's Community Plan which sets out other cross-cutting corporate priorities. As detailed in paragraph 4.6 unrestricted funds may be allocated at Officer-level to schemes with a value of less than £50,000. Allocation of unrestricted funds above this threshold will be considered by the Policy & Finance Committee. In most other cases, however, the wording of the legal agreement through which physical on or off-site infrastructure is delivered will typically determine the manner in which any monetary contributions secured must be spent.
- 5.17 In terms of affordable housing delivery, the District Council seeks to secure 30% of new dwellings as affordable housing in accordance with both the NPPF and Amended Core Strategy Core Policy 1 (on developments of more than 10 dwellings). The make-up of this 30% will be determined on a case by case basis in accordance with the housing needs in the local market. While the Council's preferred

approach is to see provision made on site, in some circumstances off site provision or contributions will be sought.

***Anticipated CIL and Contributions Income 2020/21***

- 5.18 Comparison of CIL income in the reported year and the current financial year suggests that while demand notices for £1,856,129.15 were issued it is unlikely that a similar figure to the £2,021,621.45 collected in 2019/20 will be achieved. At the time of writing (November), within this financial year, £719,163.72 of CIL has been collected, including £166,275.20 from 2018/19 demand notices. £669,055.04 is due before 31/03/2021
- 5.19 Whilst inevitably not all of the district's major housing development schemes will commence in consecutive years, it is also necessary to acknowledge the potential impact of the Community Infrastructure Levy (Coronavirus) (Amendment) (England) Regulations 2020, which give authorities discretion, for a limited period, to defer CIL payments for small and medium sized developers without having to impose additional costs on them. Subsequently, subject to development recommencing, a proportion of the above demand notices that have been deferred may be paid in the next reporting year.
- 5.20 Although only limited assumptions about CIL income can be made from assessment of the Council's five year housing land supply data (due to unknown factors such as size of all dwellings within all developments), a cursory assessment of residential schemes where no completions have been recorded in 2019/20, but commencement of developments accommodating only 181 new dwellings in CIL liable areas for 2020/21.



**Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)**

Section Requirements	Sub sections	Amount	Additional details	Document section
<b>1. The matters to be included in the CIL report are—</b>				
(a) the total value of CIL set out in all demand notices issued in the reported year;		£1,856,129.15	Comprising £1,853,155.74 plus £2,973.41 in surcharges	Para. 3.3
(b) the total amount of CIL receipts for the reported year;		£2,021,621.45		Para. 3.3
(c) the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year but which have not been allocated;		£3,538,089.16		Para. 3.2
(d) the total amount of CIL receipts, collected by the authority, or by another person on its behalf, before the reported year and which have been allocated in the reported year;		£0		N/A
(e) the total amount of CIL expenditure for the reported year;		£30,597.15	Administrative fees	Para. 3.5
(f) the total amount of CIL receipts, whenever collected, which were allocated but not spent during the reported year;		£0		N/A
(g) in relation to CIL expenditure for the reported year, summary details	(i) the items of infrastructure on which CIL (including land payments) has been spent, and the amount of CIL spent on each item;	£0		N/A
	(ii) the amount of CIL spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part);	£0		N/A

**Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)**

	(iii) the amount of CIL spent on administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation;	£30,597.15	Equating to 1.51% of the income for the reported year	Para. 3.5
(h) in relation to CIL receipts, whenever collected, which were allocated but not spent during the reported year, summary details of the items of infrastructure on which CIL (including land payments) has been allocated, and the amount of CIL allocated to each item;		£0	Nothing allocated as yet	N/A
(i) the amount of CIL passed to—	(i) any parish council under regulation 59A or 59B; and;	£369,796.79	Passed to Town/Parish Councils (18% of CIL receipts)	Para. 3.6
	(ii) any person under regulation 59(4);	£0		N/A
(j) summary details of the receipt and expenditure of CIL to which regulation 59E or 59F applied during the reported year including—	(i) the total CIL receipts that regulations 59E and;	£0		Para. 3.6
	59F applied to;	£12,711.40	Collected and retained on behalf of Parish Meetings	
	(ii) the items of infrastructure to which the CIL receipts to which regulations 59E and 59F applied have been allocated or spent, and the amount of expenditure allocated or spent on each item;	£0		N/A
(k) summary details of any notices served in accordance with regulation 59E, including—	(i) the total value of CIL receipts requested from each parish council;	£0	No requests issued	N/A



**Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)**

	(ii) any funds not yet recovered from each parish council at the end of the reported year;	£0		N/A
(l) the total amount of—	(i) CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E or 59F applied;	£1,608,516.11	Minus meaningful proportion and admin fee expenditure	Para. 3.6
	(ii) CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied;	£3,538,089.16		Para. 3.2
	(iii) CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year;	£12,711.41	Parish meeting money held by NSDC	Table 2
	(iv) CIL receipts from previous years to which regulation 59E or 59F applied retained at the end of the reported year.	£1,671.61	Parish meeting money held back by NSDC from previous years	Table 2
<b>2. For the purposes of paragraph 1—</b>				
(a) CIL collected by an authority includes land payments made in respect of CIL charged by that authority;		N/A	N/A	N/A
(b) CIL collected by way of a land payment has not been spent if at the end of the reported year—	(i) development (within the meaning in TCPA 1990) consistent with a relevant purpose has not commenced on the acquired land; or	N/A	N/A	N/A
	(ii) the acquired land (in whole or in part) has been used or disposed of for a purpose other than a relevant purpose; and the amount deemed to be CIL by virtue of regulation 73(9) has not been	N/A	N/A	N/A

**Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)**

	spent;			
(c) CIL collected by an authority includes infrastructure payments made in respect of CIL charged by that authority;		N/A	N/A	N/A
(d) CIL collected by way of an infrastructure payment has not been spent if at the end of the reported year the infrastructure to be provided has not been provided;		N/A	N/A	N/A
(e) the value of acquired land is the value stated in the agreement made with the charging authority in respect of that land in accordance with regulation 73(6)(d);		N/A	N/A	N/A
(f) the value of a part of acquired land must be determined by applying the formula in regulation 73(10) as if references to N in that provision were references to the area of the part of the acquired land whose value is being determined;		N/A	N/A	N/A
(g) the value of an infrastructure payment is the CIL cash amount stated in the agreement made with the charging authority in respect of the infrastructure in accordance with regulation 73A(7)(e).		N/A	N/A	N/A

**3. The matters to be included in the section 106 report for each reported year are—**

**Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)**

(a) the total amount of money to be provided under any planning obligations which were entered into during the reported year;		£607,675.76		Para. 4.3
(b) the total amount of money under any planning obligations which was received during the reported year;		£2,717,237.18		Para. 4.4
(c) the total amount of money under any planning obligations which was received before the reported year which has not been allocated by the authority;		£5,012,085.50		Table 3
(d) summary details of any non-monetary contributions to be provided under planning obligations which were entered into during the reported year, including details of—	(i) in relation to affordable housing, the total number of units which will be provided;	0	None provided	Para. 4.11
	(ii) in relation to educational facilities, the number of school places for pupils which will be provided, and the category of school at which they will be provided;	0	None provided	No
(e) the total amount of money (received under any planning obligations) which was allocated but not spent during the reported year for funding infrastructure;		£309,470.84		Para. 4.8
(f) the total amount of money (received under any planning obligations) which was spent by the authority (including transferring it to another person to spend);		£290,521.95		Para. 4.9
(g) in relation to money (received under planning obligations) which was allocated by the authority but not		£5,000.00	To be transferred to Blidworth PC	Table 6

**Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)**

<p>spent during the reported year, summary details of the items of infrastructure on which the money has been allocated, and the amount of money allocated to each item;</p>		<p>£81,352.68</p>	<p>Leisure Centre Renovation-Southwell</p>	
<p>(h) in relation to money (received under planning obligations) which was spent by the authority during the reported year (including transferring to another person to spend), summary details of—</p>	<p>(i) the items of infrastructure on which that money (received under planning obligations) was spent, and the amount spent on each item;</p>	<p>£156,182.79</p>	<p>YMCA Community &amp; Activity Village – Newark</p>	<p>Table 7</p>
		<p>£45,724.40</p>	<p>To be transferred to Edwinstowe PC</p>	
		<p>£21,210.97</p>	<p>Vicar Water Park Equipment Improvements</p>	
		<p>£30,973.75</p>	<p>Blidworth Steam &amp; Sauna</p>	
		<p>£25,704.00</p>	<p>Vicar Water Park Equipment Improvements</p>	
<p>(h) in relation to money (received under planning obligations) which was spent by the authority during the reported year (including transferring to another person to spend), summary details of—</p>	<p>(i) the items of infrastructure on which that money (received under planning obligations) was spent, and the amount spent on each item;</p>	<p>£71,422.32</p>	<p>Paid YMCA re Community &amp; Activity Village</p>	<p>Table 7</p>
		<p>£13,335.00</p>	<p>Paid to Clipstone PC as per side agreement</p>	
		<p>£9,672.04</p>	<p>Transferred to NCC for Libraries in Rainworth</p>	

**Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)**

Agenda Page 78		£50,294.00	Paid to Joseph Whittaker School.
		£10,100.00	Transferred to NCC for Transport in Rainworth
		£7,425.00	Transferred to Council revenue budget for repairs at Rainworth Village Hall
		£29,735.00	Transferred to Joseph Whittaker School for off-site sports provision
		£922.04	Transferred to Council's Capital Programme for balance on new cricket facilities on Kelham Road
		£5,469.00	Paid to NCC re Southwell Trail
		£35,469.80	Paid to Southwell TC re Burgage Homes & Norwood Gardens

**Appendix 1: Infrastructure Funding Statement requirements checklist (adapted from CIL Regulations 2019, Schedule 2)**

	(ii) the amount of money (received under planning obligations) spent on repaying money borrowed, including any interest, with details of the items of infrastructure which that money was used to provide (wholly or in part);	£0		N/A
	(iii) the amount of money (received under planning obligations) spent in respect of monitoring (including reporting under regulation 121A) in relation to the delivery of planning obligations;	£0		N/A
(i) the total amount of money (received under any planning obligations) during any year which was retained at the end of the reported year, and where any of the retained money has been allocated for the purposes of longer term maintenance (“commuted sums”), also identify separately the total amount of commuted sums held.	(i) Total received;	£7,438,800.73	excluding allocated but not spent	Table 3
	(ii) balance held for longer term maintenance obligations	£39,605.80		Table 3

**POLICY & FINANCE COMMITTEE**  
**26 NOVEMBER 2020**

**GENERAL FUND, HOUSING REVENUE ACCOUNT (HRA) AND CAPITAL PROJECTED OUTTURN REPORT TO 31 MARCH 2021 AS AT 30 SEPTEMBER 2020**

**1.0 Purpose of Report**

1.1 This report compares the Revised Budgets for the period ending 31 March 2021 with the Projected Outturn forecast for the period, based on meetings with Financial Services staff and the appropriate Business Manager. These are based on six months' performance information on the Council's revenue and capital budgets, including:-

- General Fund (GF) Revenue
- Housing Revenue Account (HRA)
- Capital Programme

**2.0 Background Information**

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

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

**3.0 Proposals**

**Overview of General Fund Revenue Projected Outturn for 2020/21**

3.1 The accounts show a projected unfavourable variance against the revised budget of £0.953m on Service budgets, with an overall unfavourable variance of £1.094m as shown in the table below. This is based on meetings which took place with Business Managers in mid-October, therefore does not account for the changes in expenditure/income which resulted from Newark and Sherwood entering the Very High (tier 3) Local COVID Alert Level or the effects of the new national restrictions currently in place until 2 December 2020.

	Original Budget £'m	Revised Budget £'m	Projected Outturn £'m	Variance £'m
Economic Development	1.724	2.083	2.820	0.737
Homes & Communities	2.418	2.479	2.481	0.002
Leisure & Environment	3.759	3.546	3.748	0.202
Policy & Finance	4.280	6.229	6.240	0.011
<b>Net Cost of Services</b>	<b>12.182</b>	<b>14.336</b>	<b>15.233</b>	<b>0.953</b>

Other Operating Expenditure	3.904	24.217	24.217	(0.000)
Finance & Investment Income/Expenditure	(0.009)	(0.183)	0.127	0.311
Taxation & Non-Specific Grant Income	(19.714)	(41.638)	(42.228)	(0.590)
<b>Net Cost of Council Expenditure</b>	<b>(3.638)</b>	<b>(3.269)</b>	<b>(2.595)</b>	<b>0.674</b>
Transfer to/(from) Usable Reserves	3.082	2.713	3.133	0.420
Transfer to/(from) Unusable Reserves	0.556	0.556	0.556	0.000
Transfer to/(from) General Reserves	0.000	0.000	(1.080)	(1.094)

- 3.2 As can be seen from the table above there are variances projected in service areas and other budgets. Looking at the underlying trends, the detailed variances by Committee can be further summarised and these are shown at **Appendix A**.
- 3.3 Service Budgets managed by the Business Managers is currently predicting an unfavourable variance of £0.953m and represents 6.6% of the total service budgets.
- 3.4 The main reason for a projected unfavourable variance of £0.953m against service budgets is because the council predicts to receive £1.643m less income from sales, fees and charges (SFC) than budgeted for. The council estimates that it will be able to claim between £0.300m and £0.500m from the government in compensation for lost SFC income. This would reduce the projected overall unfavourable variance of £1.094m to between £0.794m and £0.594m. **Appendix B** shows the areas that are predicting the shortfall in income.

	£'m
Projected overall unfavourable variance (before compensation)	1.094
Estimated compensation for lost sales, fees and charges income	(0.300) - (0.500)
Projected overall unfavourable variance (after compensation)	0.794 - 0.594

- 3.5 The Nottinghamshire Business Rates Pool may also return some funding to the council for 2020/21, though it cannot currently be quantified how much this may be, as it is based on the non-domestic rates (NDR, or 'business rates') income received by all authorities within the pool. Officers across Nottinghamshire are working to review the position, albeit this will be difficult to predict as the landscape for businesses is currently so volatile. Nottinghamshire S151 officers keep this under review during the year to assess the latest information collated across the County. This will then be fed into future forecast outturn reports.
- 3.6 The council currently has sufficient resources in its medium-term financial position (MTFP) reserve if the projected overall unfavourable variance of between £0.794m and £0.594m were to occur. The council's current approved MTFP for the four years between 2020/21 and 2023/24 (2020/24) will be updated for 2021/25 (2021/22 to 2024/25) before



Christmas, once funding information for local authorities is published as part of the government's one-year Spending Review for 2021/22.

3.7 Non-Service expenditure is expected to have a favourable variance against the revised budget by £0.279m. The £0.311m variance against Finance & Investment Income/Expenditure largely relates to less than budgeted investment interest income, because of lower interest rates this year.

3.8 The £0.590m variance on the Taxation & Non-Specific Grant Income line relates to the following additional grant income that the council has received that was not budgeted for:

<b>Grant</b>	<b>£'m</b>
Administration of the Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund	0.170
COVID-19: emergency funding for local government tranche 4 allocation	0.338
Administration of the COVID-19 Test and Trace Support Payments	0.026
Local Authority Compliance and Enforcement Grant	0.056
	<b>0.590</b>

The administration grant for the Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund is forecasted to be used during the year on the costs of administering these grants. The variance in relation to the other grants (£0.420m) is currently forecasted to be transferred to reserves, as per the 'Variance' on the 'Transfer to/(from) Usable Reserves' line. Where these funds are needed throughout the year for additional spend, they will be allocated and a reduced amount forecasted to be transferred to reserves.

3.9 The Council is also aware that it will receive further funding based per head of population to fund Covid compliance and contract tracing. As the Council will be entering into Tier 3 from 00:01 30<sup>th</sup> October 2020, £8 per head of population will be received, which will equate to circa £0.970m. This funding will initially be received by Nottinghamshire County Council and will be distributed to the Council based on defrayed expenditure.

3.10 It should be noted that the projected outturn variances are still somewhat indicative. These will become more accurate in subsequent months' budget monitoring reports, as officers continue to refine budgets and forecasts in light of the latest information available.

3.11 The council has received £1.483m grant funding from the Ministry of Housing, Communities and Local Government (MHCLG) for additional COVID-19 related costs, and is shortly due to receive another £0.338m (see paragraph 3.8 above). Costs to be paid for from the £1.483m have been borne centrally rather than by individual services for transparency/clarity, and so as to not overstate 2020/21 spend on mainstream services.

3.12 **Appendix B** shows how the £1.483m is currently allocated, and forecast spend for the year against these allocations. As can be seen, all but £0.026m has currently been allocated to specific items of spend, and some allocations are not forecasted to be fully spent. This allows scope for further COVID-19 related spend to be approved where the need arises.

3.13 Each year, the government announces which reliefs that business rate payers will be eligible for, and how much grant it will compensate councils with for income councils can no longer directly receive from businesses (because of the aforementioned business rate

reliefs). Prior to 2020/21, the council has typically received around £2m annually in compensation grant. In 2020/21, because of the Expanded Retail Discount, the council will receive more than £18m in compensation grant. Though the grant relates to the Collection Fund, accounting regulations require it to be paid into the General Fund. There will therefore be a large deficit in the council's Collection Fund at year-end, and, conversely, a large surplus in its General Fund which will need to be transferred to reserves to pay for the Collection Fund deficit. MHCLG are developing guidance for local authorities on the appropriate accounting arrangements.

### Overview of Projected Housing Revenue Account (HRA) Outturn for 2020/21

3.14 With reference to the 'Variance' column in the table below, the HRA accounts show a projected favourable variance against the approved budget of £1.955m as follows:

	Original Budget £'m	Revised Budget £'m	Projected Outturn £'m	Variance £'m
Expenditure	17.508	17.382	15.797	(1.584)
Income	(24.255)	(24.128)	(24.493)	(0.365)
<b>Net Cost of HRA Services</b>	<b>(6.746)</b>	<b>(6.746)</b>	<b>(8.695)</b>	<b>(1.949)</b>
Other Operating Expenditure	0.489	0.489	0.483	(0.005)
Finance & Investment Income/Expenditure	3.789	3.789	3.789	(0.000)
Taxation & Non Specific Grant Income	(0.520)	(0.520)	(0.520)	0.000
<b>(Surplus)/Deficit on HRA Services</b>	<b>(2.989)</b>	<b>(2.989)</b>	<b>(4.944)</b>	<b>(1.955)</b>
<b>Movements in Reserves</b>				
Transfer to/(from) Usable Reserves	1.628	1.628	2.473	0.845
Transfer to/(from) Unusable Reserves	(6.581)	(6.581)	(6.821)	(0.240)
Transfer to Major Repairs Reserve	7.942	7.942	9.292	1.350
<b>Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

3.15 This is the first full financial year in which the budget integrates all expenditure and income that Newark and Sherwood Homes Ltd used to formally manage on the council's behalf.

- 3.16 Since February 2020, officers have been working with budget holders in the Housing, Health and Wellbeing directorate to assess the resources required to manage the council's social housing stock.
- 3.17 A report by Savills in 2018/19 identified the potential for the council to realise £0.950m in savings from reintegrating social housing management services back in-house. Officers have currently identified £1.053m in savings through the deletion of vacant posts and surplus resources within services. £0.362m of this has been reinvested, largely in new posts such as the Director of Housing, Health and Wellbeing's post and the Business Manager posts to be appointed to.
- 3.18 An annual £0.691m is therefore available from savings generated by the reintegration that can be reinvested into the council's social housing management services. It is anticipated that some of these savings will be used in order to strengthen front line services through a restructure that is currently being drafted and costed. It is currently assumed that another £0.091m will be used during the remainder of this financial year.
- 3.19 Due to the current pandemic, the plans identified within the report tabled at the Policy & Finance Committee during April 2020 have not yet been realised and hence the £0.691m above remains unallocated. Proposals to reinvest the efficiencies will be put forward to the Homes and Communities Committee for consideration and approval. These proposals will be a mixture between reoccurring investment and one-off initiatives. Once agreed these will be built into the base HRA financial Business Plan.
- 3.20 The projected outturn for the year is a net transfer to reserves of £1.955m. The prudent level of reserve set on the HRA working balance is still £2m which would remain constant. As proposed in the table above, the favourable variance identified from the efficiencies generated as a result of reintegrating the housing service would be allocated into a strategic revenue reserve (£0.600m), with the balance of the surplus (£1.350m = £1.355m less £0.005m because of a reduction in forecast Right to Buy (RTB) sales) then to be transferred into the Major Repairs Reserve to finance future capital expenditure.
- 3.21 The main reasons for the projected favourable outturn variance of £1.955m are:

	<b>£'m</b>
Services: a significant number of posts temporarily vacant	<b>(0.745)</b>
Savings: minimal use of the savings identified from bringing housing management services back into the council	<b>(0.600)</b>
Anticipated additional rental income	<b>(0.404)</b>
Reduced planned maintenance, voids maintenance and responsive repairs	<b>(0.102)</b>
Other variances	<b>(0.103)</b>
<b>Total</b>	<b>(1.955)</b>

#### **Overview of Projected Capital Outturn 2020/21**

- 3.22 The table below summarises the position for the Capital Programme to the end of September 2020 and is split between General Fund and Housing Revenue Account.

	Revised Approved Budget £'m	Revised Budget updated for Approval £'m	Actual Spend to September 2020 £'m	Forecast Outturn £'m
General Fund	32.677	32.619	1.645	32.619
HRA	25.379	24.379	4.179	23.886
<b>Total</b>	<b>58.056</b>	<b>56.998</b>	<b>5.824</b>	<b>56.505</b>

- 3.23 Actual spend to the end of June, was significantly lower than previous years for the same period, due to COVID-19 and the subsequent lockdown period. In quarter 2 2020/21 a further £4.93m has been spent, this is still lower than the equivalent period in the previous financial year, but spend is increasing and the budget profiles are being monitored closely. The HRA investment programme is currently expecting to underspend by £0.493m but this will be reviewed again during the next quarter.
- 3.24 Overall the forecast outturn position is anticipated to be a favourable variance of £0.493m. Due to the current pandemic, the HRA investment programme is anticipated not to utilise its full budget allocation at this time. Officers will keep this under review and future forecast outturn reports will revise this.
- 3.25 As projects are developed and spending commitments are made, budget requirements can change. It is a requirement that Policy & Finance Committee approve all variations to the Capital Programme. Following the meeting of 24 September 2020, the total approved budget was £58.056m. The additions and amendments that now require approval are detailed in **Appendix C** and summarised as follows:

Additions/Reductions	£0.108m
Reprofiles	-£1.167m
<b>Total</b>	<b>-£1.059m</b>

- 3.26 If these variations are approved, then the revised budget will be reduced to £56.998m. A more detailed breakdown at scheme level, including some comments on projects progress, can be found at **Appendices D** (General Fund) and **E** (HRA).

### Capital Programme Resources

- 3.27 The Capital resources available to the Council are not static. Capital receipts are generated throughout the year, additional grants and contributions are paid to the Council, and borrowing may be increased to fund some projects.
- 3.28 In summary, the forecast outturn of £56.505m (taking account of the anticipated favourable variance on the Investment Programme) will be financed as follows, with every attempt to minimise the impact on the Council's revenue budget

	General Fund £'m	HRA £'m	Total £'m
Borrowing	19.060	7.599	26.659
External Grants & Contributions	7.360	0.829	8.189
Capital Receipts	1.007	3.856	4.863

Community Infrastructure Levy	0.620	0	0.620
Revenue Contributions	4.572	11.602	16.174
<b>Total</b>	<b>32.619</b>	<b>23.886</b>	<b>56.505</b>

### Capital Receipts

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

	General Fund £'m	HRA Receipts £'m	HRA 1-4-1 Receipts £'m	Total £'m
<b>Balance at 1st April 2020</b>	<b>1.209</b>	<b>2.440</b>	<b>1.805</b>	<b>5.454</b>
Received up to end of September 2020	0.000	0.693	0.297	<b>0.990</b>
Estimated receipts for remainder of the financial year	0.000	0.840	0.360	<b>1.200</b>
Approved for financing	1.007	1.394	2.462	<b>4.863</b>
<b>Available Capital receipts balance at 31 March 2021</b>	<b>0.202</b>	<b>2.579</b>	<b>0.000</b>	<b>2.814</b>
Estimated Receipts 2021/22 - 2023/24	2.350	2.232	2.437	<b>7.019</b>
Approved for Financing 2021/22 - 2023/24	0.200	2.115	1.646	<b>3.961</b>
<b>Estimated Uncommitted Balance</b>	<b>2.352</b>	<b>0.2696</b>	<b>0.791</b>	<b>5.839</b>

- 3.30 The Right-to-Buy (RTB) receipts for Replacement Homes (known as 1-4-1 Receipts) are retained through a RTB agreement. Under the terms of that agreement, the RTB receipts have to be spent on new supply of affordable housing within 3 years of arising, or have to be returned to Government with penalty interest applied. The Ministry of Housing, Communities & Local Government (MHCLG) wrote to the council inviting it to enter in to an agreement to make it easier to fulfil the conditions, recognising that the COVID-19 crisis has halted or slowed down development. The Council now has an additional six months (until 31 December 2020) to catch up with spending plans.

#### 4.0 Financial Implications (FIN20-21/3388)

- 4.1 All of the financial implications are set out in the body of the report.
- 4.2 As per paragraph 3.20 the HRA is currently predicting an additional transfer of £1.350m to the Major Repairs Reserve.
- 4.3 With regard to the General Fund revenue outturn, the unfavourable variance of between £0.594m and £0.794m represents a negative variance of between 4% and 6% of the overall General Fund budget.
- 4.4 With regard to capital, any savings on projects will be assessed and used to meet additional demands, or to fund the Council's Capital Programme in future years.

#### 5.0 RECOMMENDATIONS that:

- (a) the General Fund projected unfavourable outturn variance of between £0.594m and £0.794m be noted;**
- (b) the Housing Revenue Account projected favourable outturn variance of £1.955m be noted;**
- (c) the variations to the Capital Programme at Appendix D be approved; and**
- (d) the Capital Programme projected outturn and financing of £56.505m be noted.**

**Reason for Recommendations**

**To update Members with the forecast outturn position for the 2020/21 financial year.**

**Background Papers**

General Fund Monitoring Reports to 30 September 2020  
Capital Financing Monitoring Reports to 30 September 2020

For further information please contact: Nick Wilson, Business Manager - Financial Services on Ext. 5317; Mohammed Sarodia, Assistant Business Manager - Financial Services on Ext. 5537; or Jenna Norton, Accountant on Ext. 5327

Sanjiv Kohli  
Deputy Chief Executive, Director - Resources and Section 151 Officer

**General Fund (GF) Revenue Outturn Variance Analysis by Committee as at 30 September 2020**

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

<b>Economic Development - £0.737m</b>	<b>£'m</b>
Heritage & Culture: reduced income, partly offset by reduced expenditure and additional grant income	0.071
Land Charges: reduced income, due to increase use of Environmental Information Regulations (EIR) requests for free search information, partly offset by increasing number of customers	0.043
Growth/Technical Support: vacant post	(0.025)
Development Management: vacant posts and increased income, largely from a large solar farm application	(0.133)
Planning Policy: reduced staffing spend due to a restructure not being implemented	(0.016)
Newark Beacon: reduced income, largely from workshop rents, catering and hire charges, and small increases in staffing and internet spend, partly offset by less spend on refreshments and catering	0.176
Buttermarket: reduced income, largely because of rent reductions for existing tenants and first floor currently unoccupied	0.034
Former M&S Building: non-domestic rates (NDR) payable for the year due to change in budgeted assumptions	0.081
Surface Car Parks Newark: reduced income, slightly offset by reduced costs of rent and security services	0.488
Newark Lorry Park: reduced income, largely from rent allowances and change in budgeted assumptions, largely offset by over-budgeting of NDR payable.	0.010
Other small variances	0.008
<b>Total</b>	<b>0.737</b>

<b>Homes &amp; Communities - £0.002m</b>	<b>£'m</b>
Private Sector Speech Call: increased income partly offset by increased recharge to Housing Revenue Account	(0.014)
Strategic Housing: vacant Business Manager post largely offset by reduced income from recharges to third parties	(0.013)
ICT: recruitment planned soon for new posts created as part of restructure	(0.019)
Customer Services: vacant posts	(0.035)
Licensing: reduced income, largely from licensing of taxi vehicles and drivers	0.035
CCTV: reduced income due to invoice dispute	0.010
Other small variances	0.038
<b>Total</b>	<b>0.002</b>

<b>Leisure &amp; Environment - £0.202m</b>	<b>£'m</b>
Waste & Recycling: greater than expected increase in number of garden waste collection customers, partly offset by increase in purchase of garden waste bins; reduced income from waste disposal, partly offset by reduced payment to Nottinghamshire County Council; and reduced income from trade refuse, partly offset by increased income from recycling	(0.012)
Environmental Health: vacant posts and reduced spend on mileage, partly offset by reduced income such as from licence and registration fees	(0.062)
Arts & Community Development: reduced spend on activities/events and on services delivered by parish councils and voluntary bodies	(0.010)
Newark Livestock Market: reduced income, largely due to financial performance of old tenant in 2019-20 worse than expected and no rent expected for 2020-21 or to be recovered related to previous years. Costs such as Business Rates being directly incurred by the council in the absence of a tenant occupying the site.	0.376
Vehicle Pool and Workshop: reduced fuel costs largely offset by increased materials costs on older vehicles; and reduced income such as from MOT's, air conditioning and coaches	(0.015)
Health & Community Relations: reduced staffing spend	(0.009)
Waste & Recycling & Street Scene Street Cleansing: vacant posts	(0.044)
Other small variances	(0.022)
<b>Total</b>	<b>0.202</b>

<b>Policy &amp; Finance - £0.011m</b>	<b>£'m</b>
Elections and Democratic Services: reduced spend on canvasser salaries, mileage and chauffeur services	(0.028)
Senior Leadership Team: vacant corporate projects manager and capital projects manager posts, partly offset by reductions in recharges to third parties	(0.058)
Transformation: post being held vacant	(0.011)
Administration Services: vacant posts	(0.045)
Rent Allowances/Rent Rebates: based on mid-year submission to Department for Work and Pensions (DWP)	0.029
Revenues & Benefits: vacancies against substantive posts of employees seconded to Business Rates Property Unit team, additional unbudgeted grant income, partly offset by reduced summons income	(0.073)
Castle House: reduced income, largely from partners for cost of desk hire, partly offset by reduced spend on security, refreshments and catering	0.070
Corporate Property: vacant posts, and surveyors appointed at lower rates than budgeted	(0.115)
Coronavirus Costs: budget for Housing Revenue Account (HRA) bad debt not expected to be required and less than budgeted spend for working from home (WFH) audits	(0.130)
£400,000 saving budgeted for in-year vacancies council-wide (3.5% of total salaries plus oncosts budget)	0.400
Corporate Management: additional audit fees	0.012
Other small variances	(0.040)
<b>Total</b>	<b>0.011</b>

	<b>0.952</b>
--	--------------

**Comparison of budgeted and forecasted 2020/21 use of £1.483m Coronavirus-related government grants**

Service	Budgeted use of £1.483m (£m)	Forecasted use of £1.483m (£m)	Variance (£m)
Contribution towards Lorry Park Showers	0.035	0.037	0.002
Additional costs for Waste Management	0.155	0.148	(0.007)
Additional costs for Revenues and Benefits	0.012	0.014	0.002
Rough sleepers	0.010	0.012	0.001
ICT upgrades	0.010	0.010	0.000
Various safety checks	0.011	0.011	0.000
Hand wash & wipes	0.021	0.012	(0.009)
Face masks	0.001	0.003	0.002
Signs	0.004	0.004	0.000
Miscellaneous	0.005	0.012	0.007
Additional cleaning	0.062	0.062	0.000
Reintegration to Castle House for officers' information pack	0.001	0.001	0.000
Additional lanyards	0.000	0.000	0.000
Letter to residents within the District that were shielding	0.008	0.008	(0.000)
Queue barriers	0.001	0.001	0.000
Sneeze screens	0.019	0.019	0.000
Movement of urinals and boiler	0.000	0.000	0.000
Blidworth Leisure Centre safety shutdown	0.000	0.000	0.000
Additional security	0.016	0.029	0.013
Additional risk assessments	0.014	0.014	0.000
Void Housing Revenue Account (HRA) properties	0.012	0.000	(0.012)
Beacon drop-in centre	0.005	0.005	0.000
Hire of vehicles	0.018	0.015	(0.003)
Temperature equipment	0.004	0.004	0.000
Humanitarian Assistance Response Team (HART)	0.025	0.017	(0.008)
Reopening High Streets Safely Fund	0.025	0.025	0.000
Working from home (WFH) audits	0.075	0.030	(0.045)
Contribution to Active4Today	0.490	0.490	0.000
Buying back annual leave from employees	0.050	0.050	0.000
Air handling unit	0.001	0.005	0.004
Banners/communications materials	0.002	0.005	0.003
Post-payment assurance work re: Business Grants	0.004	0.004	0.000
Allocation towards GF bad debt provision	0.100	0.100	0.000
Allocation towards HRA bad debt provision	0.100	0.000	(0.100)
Unallocated	0.026	0.000	(0.026)
Contribution towards service unfavourable variance	0.160	0.160	0.000
Spend to be reallocated to services above	0.000	0.045	0.045
<b>Total</b>	<b>1.483</b>	<b>1.351</b>	<b>(0.132)</b>



**General Fund Additions**

Project	Capital Description	Additions / Reductions 20-21 £m	Comments
TB6164	Play Area Resurfacing	0.081	Following capital budget bidding process. Included in current financial year to ensure works can be carried out at a suitable time of the year. Financed from the Capital Reserve.
TC3139	Appletongate Resurfacing	0.027	As per urgency item
<b>Total General Fund Additions/Reductions</b>		<b>0.108</b>	

**General Fund - Reprofiting**

Project	Capital Description	Additions / Reductions 20-21 £m	Comments
TA3286	Technology Investment	0.033	Reprofile hardware purchase from 2021/22
TF3227	Lowdham Flood Grant	-0.200	Lowdham professional partners update set out the programme for flood alleviation works and our contribution is now required in 2022/23.
<b>Total General Fund Re profiting</b>		<b>-0.167</b>	

**HRA - Reprofiting**

Project	Capital Description	Additions / Reductions 20-21 £m	Comments
SA1047	New Build Programme Contingency	-0.008	Move to Phase 2 Cluster 1 Stand Alone
SA1060	Phase 3	-3.899	Move to two new clusters in phase 3 SA1063 & SA1064 below
SA1061	Phase 3 - Cluster 1 Stand Alone	0.008	Move from Contingency
SA1063	Phase 3 - Cluster 3	1.699	Move from SA1060 original budget code
SA1064	Phase 3 - Cluster 4	2.200	Move from SA1060 original budget code
SA1070	Phase 4	-1.000	reprofile budget to 2021/22
<b>Total HRA Re profiting</b>		<b>-1.000</b>	

---

**Total Re profiting** **-1.167**

---



---

**Total Variations** **-1.059**

---

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

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 24.09.20)	Revised Budget including Variations for Approval	Actuals to end of September	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
TC3130	Lorry Park Shower Upgrade	R Churchill	45,400	45,400	19,000	0	26,400	45,400	0	07.08.20 urgency item during August to increase the budget in order to provide additional showers to make site COVID-secure.
TC3131	Extension to London Road Car Park	B Rawlinson	107,407	107,407	0	0	107,407	107,407	0	07.08.20 scheme currently on hold.
TC3134	Works to SFACC	R Churchill	23,560	23,560	-31,697	18,461	36,796	23,560	0	07.08.20 Robert to look into the works that are required for phase 2.
TC3135	Works to Buttermarket	P Preece	870,053	870,053	64,045	30,963	775,044	870,052	0	07.08.20 Ground Floor work to be completed by the end of October. Then revisit First Floor PID.
TC3139	Works to Buttermarket	P Preece	0	27,060	0	0	27,060	27,060	0	07.08.20 Ground Floor work to be completed by the end of October. Then revisit First Floor PID.
TA3053	Museum Improvements	C Coulton-Jones	211,808	211,808	0	62,967	148,842	211,809	0	07.08.20 now have visitor research report - final phase of improvements inc installation into tudor attic. Impacted by Tudor Hall scheme below and all on hold due to COVID.
TA3056	NCWC Tudor Hall	C Coulton-Jones	200,000	200,000	0	0	200,000	200,000	0	07.08.20 currently obtaining quotes.
TB3154	Castle Gatehouse Project	C Coulton-Jones	4,025,150	4,025,150	0	967	4,024,183	4,025,150	0	
TB6161	S106 Vicar Water Play Area Improvements	A Kirk	38,296	38,296	38,296	0	0	38,296	0	07.08.20 scheme nearly complete.
TB6164	Play Area Resurfacing	A Kirk	0	81,150	0	0	81,150	81,150	0	16.10.20 added following capital budget bid process to ensure timing of resurfacing fits in with most suitable time to carry out the work.
TI1001	Joesph Whittaker School Contribution	M Norton	620,000	620,000	0	0	620,000	620,000	0	
	<b>Economic Development Committee</b>		<b>6,141,674</b>	<b>6,249,884</b>	<b>89,644</b>	<b>113,358</b>	<b>6,046,882</b>	<b>6,249,884</b>	<b>-0</b>	
TA3286	Information Technology Investment	D Richardson	543,330	576,330	224,772	213,947	137,610	576,330	0	
TF2000	CCTV Replacement Programme	A Batty	150,500	150,500	0	0	150,500	150,500	0	24.09.20 £10k funding from Safer Neighbourhoods for x2 redeployable cameras
TA3097	Yorke Drive Regeneration and Community Facility	C Clarkson	130,000	130,000	0	0	130,000	130,000	0	10.08.20 Heads of terms and consultants appointment to deliver enabling works agreed.
TF3221	Southwell Flood Mitigation	A Batty	453,421	453,421	0	0	453,421	453,421	0	
TF3227	Lowdham Flood Alleviation	A Batty	200,000	0	0	0	0	0	0	16/10/20 Lowdham professional partners update set out the programme for flood alleviation works and our contribution is now required in 2022/23.
TF3228	Homeless Hostel	L Monger	1,000,000	1,000,000	156	98,231	901,613	1,000,000	0	07.08.20 need to reprofile budget. went our for expression of interest in April and wasn't a great response - so further work to be carried out. start on site could be early 2021. 14.10.20 Feasibility and outline designs with outline planning currently being progressed and procurement for main contract due to commence January 2021. Will review budget profile in Q3.

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 24.09.20)	Revised Budget including Variations for Approval	Actuals to end of September	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
TF3229	Bicycle Storage - Safer Neighbourhoods	A. Batty	34,000	34,000	0	0	34,000	34,000	0	24.09.20 Safer Neighbourhoods Funding 16.10.20 Discussions taking place around types of storage.
TF6011	Private Sector Disabled Facilities Grants	A Batty	761,782	761,782	91,900	8,077	661,805	761,783	0	16/10/20 26 completions to date and 23 approved, waiting to start on site and 29 referrals being worked on. Unlikely to spend the full year budget, but will review in Q3.
TF6012	Discretionary DFG	A Batty	140,000	140,000	41,187	0	98,813	140,000	0	
TF6020	Flood Grants - 2020 - 2022	A Batty	250,000	250,000	0	0	250,000	250,000	0	14.09.20 Grants offer from DEFRA up to £5k per household for flood mitigation. Expected around 100 households. Will review budget each quarter.
TF6807	Warm Homes on Prescription	L Monger	179,939	179,939	2,611	11,312	166,017	179,939	0	12.08.20 since the beginning of the financial year, only emergency work is being carried out until the recovery group approve restarting business as usual. Currently £33k committed for urgent work. Revisit the budget and potential rephasing in Q2.
TF6809	Fairholme Park (Ollerton) Conversion to Mains Gas	L Monger	97,488	97,488	0	0	97,488	97,488	0	12.08.20 44 Gas connections completed and home surveys delayed due to COVID but have recommenced in August. Invoices expected following completion of work.
	<b>Homes &amp; Communities Committee</b>		<b>3,940,460</b>	<b>3,773,460</b>	<b>360,626</b>	<b>331,567</b>	<b>3,081,267</b>	<b>3,773,460</b>	<b>0</b>	
TA1215	Leisure Centre Car Park Extension	A Hardy	0	0	-5,814	5,138	676	0	0	
TA1216	Dukeries LC New Pool	A Hardy	2,928,852	2,928,852	28,849	2,017,308	882,695	2,928,852	0	07.08.20 start on site due 1.9.20. 16.10.20 work started and progressing well, with regular site meetings.
TA1217	Southwell Leisure Centre Improvements	A Hardy	1,500,000	1,500,000	0	0	1,500,000	1,500,000	0	07.08.20 conversations are taking place with SLCT with a view to an update report to P&F. Feasibility and business case to do.
TA1219	S106 - Blidworth LC Steam & Sauna Facility	R Churchill	23,754	23,754	16,504	0	7,250	23,754	0	07.08.20 Scheme is complete, snags to do.
TA1220	Vehicular Access Control at Newark Sports and Fitness Centre	R Churchill	16,680	16,680	0	0	16,680	16,680	0	15.09.20 Installation of security barrier on Lord Hawke Way to control unauthorised access to Newark Sports & Fitness Centre.
TB2253	Vehicles & Plant (NSDC)	A Kirk	945,410	945,410	23,800	386,460	535,150	945,410	0	07.08.20 most of the vehicles in the replacement programme are on order. Brown bins purchase part completed in 2019/20, final payment to be made in September.
TB6153	Cricket Facilities Kelham Rd - S106	A Hardy	0	0	0	0	0	0	0	
TB6154	S106 Community Facilities Provision Community & Activity Village	A Hardy	156,183	156,183	0	0	156,183	156,183	0	07.08.20 payable on commencement of phase due, due October 20.
TB6162	Loan to Newark Academy	A Hardy	240,000	240,000	0	0	240,000	240,000	0	07.08.20 school unable to accept the loan. Need to seek alternative.
TB6163	S106 Community Facilities Provision Clipstone Welfare	A Hardy	66,385	66,385	0	0	66,385	66,385	0	
TC3136	Climate Change	M Finch	30,000	30,000	0	0	30,000	30,000	0	

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 24.09.20)	Revised Budget including Variations for Approval	Actuals to end of September	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
TC3137	Brunel Drive Door Entry System	A Kirk	42,227	42,227	16,270	12,484	13,473	42,227	0	07.08.20 fire alarms still to be complete, will be complete by early September.
	<b>Leisure &amp; Environment Committee</b>		<b>5,949,491</b>	<b>5,949,491</b>	<b>79,610</b>	<b>2,421,390</b>	<b>3,448,492</b>	<b>5,949,492</b>	<b>1</b>	
TC1000	New Council Offices	R Churchill	286,025	286,025	151,826	15,375	118,824	286,025	0	07.08.20 final retention release due during August.
TC2000	Land Acquisition	R Churchill	1,090,760	1,090,760	0	0	1,090,760	1,090,760	0	07.08.20 relevant deals are being progressed.
TC3016	Legionella Remedial Works	R Churchill	133,412	133,412	24,416	57,649	51,347	133,412	0	07.08.20 scheme due for completion by 1st October
TC3138	Lord Hawke Way Remedial Work & Bond	E Langtry	384,150	384,150	24	0	384,126	384,150	0	
TG1002	Contribution to Robin Hood Hotel	R Churchill	2,591,610	2,591,610	939,100	0	1,652,510	2,591,610	0	07.08.20 back in site now following lockdown. Due to reach PC in Feb 2021
TG1003	Loan to Arkwood Developments	N Wilson	11,409,849	11,409,849	0	0	11,409,849	11,409,849	0	
TT	Towns Fund	M Lamb	750,000	750,000	0	22,067	727,933	750,000	0	
	<b>Policy &amp; Finance Committee</b>		<b>16,645,806</b>	<b>16,645,806</b>	<b>1,115,366</b>	<b>95,090</b>	<b>15,435,349</b>	<b>16,645,806</b>	<b>0</b>	
<b>TOTALS</b>			<b>32,677,432</b>	<b>32,618,642</b>	<b>1,645,246</b>	<b>2,961,405</b>	<b>28,011,991</b>	<b>32,618,642</b>	<b>-0</b>	

HRA - Spend against budget - Estimated in year

Project	Capital Description	Project Manager	Revised Budget 2021 (Following P&F 24.09.20)	Revised Budget including Variations for Approval	Actuals to end of September	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
<b>PROPERTY INVESTMENT PROGRAMME</b>										
S91100	ROOF REPLACEMENTS	A Hayward	0	0	0	0.00	0	0	0	
S91115	Roof Replacement Works	A Hayward	200,000	200,000	-5,143	205,143.03	0	200,000	0	04.08.20 starting work end of Aug complete by Dec 20 15.10.20 work is progressing, started end of Sept. Three sites currently.
S91116	Flat Roof Replacement Wrk	A Hayward	200,000	200,000	72,067	127,932.92	0	200,000	0	04.08.20 47 flat roof replacements completed to date.
<b>S711</b>	<b>ROOF REPLACEMENTS</b>		<b>400,000</b>	<b>400,000</b>	<b>66,924</b>	<b>333,075.95</b>	<b>0</b>	<b>400,000</b>	<b>0</b>	
S91200	KITCHEN & BATHROOM CONVERSIONS	A Tutty	0	0	0	0.00	0	0	0	
S91218	Kit & Bathrooms	A Tutty	1,500,000	1,500,000	235,295	675,540.20	95,350	1,006,185	-493,815	04.08.20 work restarted in July. Not expecting to spend the full budget due to delay in starting but this is revisited every month.
<b>S712</b>	<b>KITCHEN &amp; BATHROOM CONVERSIONS</b>		<b>1,500,000</b>	<b>1,500,000</b>	<b>235,295</b>	<b>675,540.20</b>	<b>95,350</b>	<b>1,006,185</b>	<b>-493,815</b>	
S91300	EXTERNAL FABRIC	G Bruce	100,000	100,000	0	0.00	100,000	100,000	0	13.10.20 Plans to spend this on further external works in the latter half of the year.
S91336	External Fabric Works	G Bruce	200,000	200,000	24	200,000.00	0	200,024	24	04.08.20 contract awarded. Start work mid August. 13.10.20 started on site, first valuation received.
<b>S713</b>	<b>EXTERNAL FABRIC</b>		<b>300,000</b>	<b>300,000</b>	<b>24</b>	<b>200,000.00</b>	<b>100,000</b>	<b>300,024</b>	<b>24</b>	
S91400	DOORS & WINDOWS	D Bamford	0	0	0	0.00	0	0	0	
S91412	Doors & Windows Works	D Bamford	170,000	170,000	266	169,132.26	601	170,000	-0	04.08.20 57 properties due to be completed in this year. 13.10.20 105 doors on the list for quotes with the contractor now, but work is currently happening slower than anticipated.
<b>S714</b>	<b>DOORS &amp; WINDOWS</b>		<b>170,000</b>	<b>170,000</b>	<b>266</b>	<b>169,132.26</b>	<b>601</b>	<b>170,000</b>	<b>-0</b>	
S91500	OTHER STRUCTURAL	G Bruce	50,000	50,000	4,756	16,010.00	29,234	50,000	-0	13.10.20 works being carried out across the district
S91511	Walls Re-Rendering	M Carman	0	0	4,526	0.00	0	4,526	4,526	
S91534	Gutter Repairs	A Hayward	50,000	50,000	0	50,000.00	0	50,000	0	15.10.20 work completed.
<b>S715</b>	<b>OTHER STRUCTURAL</b>		<b>100,000</b>	<b>100,000</b>	<b>9,281</b>	<b>66,010.00</b>	<b>29,234</b>	<b>104,525</b>	<b>4,525</b>	
S93100	ELECTRICAL	A Hayward	0	0	0	0.00	0	0	0	
S93115	Rewires	A Hayward	600,000	600,000	50,749	520,902.25	28,348	600,000	-0	04.08.20 8 rewires following start in July. Expected to spend full budget. 15.10.20 74 rewires completed to date.
<b>S731</b>	<b>ELECTRICAL</b>		<b>600,000</b>	<b>600,000</b>	<b>50,749</b>	<b>520,902.25</b>	<b>28,348</b>	<b>600,000</b>	<b>-0</b>	
S93500	HEATING	D Bamford	0	0	0	0.00	0	0	0	
S93510	Heating/Boilers	D Bamford	550,000	550,000	94,514	416,909.38	38,576	550,000	-0	04.08.20 147 properties currently with the contractor. 13.10.20 176 ordered and currently 66 completed replacement boilers with 6 on hold.
<b>S735</b>	<b>HEATING</b>		<b>550,000</b>	<b>550,000</b>	<b>94,514</b>	<b>416,909.38</b>	<b>38,576</b>	<b>550,000</b>	<b>-0</b>	
S93600	ENERGY EFFICIENCY	D Bamford	0	0	0	0.00	0	0	0	
S93624	EE Boilers	D Bamford	150,000	150,000	16,378	0.00	133,622	150,000	-0	13.10.20 replacements are on programme.
<b>S736</b>	<b>ENERGY EFFICIENCY</b>		<b>150,000</b>	<b>150,000</b>	<b>16,378</b>	<b>0.00</b>	<b>133,622</b>	<b>150,000</b>	<b>-0</b>	

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 24.09.20)	Revised Budget including Variations for Approval	Actuals to end of September	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
S95100	GARAGE FORECOURTS	A Hayward	0	0	0	0.00	0	0	0	
S95109	Garages	A Hayward	25,000	25,000	0	0.00	25,000	25,000	0	15.10.20 tendered and contractor chosen to replace garage doors (25)
S95115	Resurfacing Works	A Hayward	75,000	75,000	74,956	44.34	0	75,000	0	04.08.20 scheme complete
<b>S751</b>	<b>GARAGE FORECOURTS</b>		<b>100,000</b>	<b>100,000</b>	<b>74,956</b>	<b>44.34</b>	<b>25,000</b>	<b>100,000</b>	<b>0</b>	
S95200	ENVIRONMENTAL WORKS	M Carman	150,000	150,000	0	0.00	150,000	150,000	0	13.10.20 Plans to spend this on further external works in the latter half of the year.
S95203	Car Parking Schemes	D Roxburgh	250,000	250,000	0	0.00	250,000	250,000	0	04.08.20 Identified sites as part of the new build programme to satisfy planning conditions - Collingham and Caunton sites..
S95206	Chatham Court Target Hardening - Safer Neighbourhoods	J Davidson/A Batty	50,000	50,000	0	0.00	50,000	50,000	0	24.09.20 Safer Neighbourhoods Funding
S95250	Communal Lighting	M Carman	20,000	20,000	0	0.00	20,000	20,000	0	13.10.20 Three street lights identified for replacements.
S95252	Flood Defence Systems	D Bamford	10,000	10,000	0	0.00	10,000	10,000	0	
S95253	Play Areas	L Powell	20,000	20,000	0	0.00	20,000	20,000	0	04.08.20 Spend due to occur at the back end of the financial year. Agreed to add additional equipment at Cherry Holt. 13.10.20 Current vandalism being dealt with from revenue - reactive repairs.
S95254	Estate Remodelling	D Roxburgh	65,000	65,000	13,054	11,381.00	40,565	65,000	0	13.10.20 fencing works across the district.
<b>S752</b>	<b>ENVIRONMENTAL WORKS</b>		<b>565,000</b>	<b>565,000</b>	<b>13,054</b>	<b>11,381.00</b>	<b>540,565</b>	<b>565,000</b>	<b>0</b>	
S97100	ASBESTOS	A Hayward	0	0	0	0.00	0	0	0	
S97115	Asbestos Surveys	A Hayward	30,000	30,000	2,413	28,220.00	0	30,633	633	04.08.20 surveys continued through lockdown due to essential services
S97116	Asbestos Removal	A Hayward	20,000	20,000	8,478	11,522.35	0	20,000	0	15.10.20 surveys are progressing.
										04.08.20 removals started in May. 15.10.20 ongoing.
<b>S771</b>	<b>ASBESTOS</b>		<b>50,000</b>	<b>50,000</b>	<b>10,890</b>	<b>39,742.35</b>	<b>0</b>	<b>50,633</b>	<b>633</b>	
S97200	FIRE SAFETY	J Knowles	50,000	50,000	3,341	4,203.00	42,456	50,000	0	
S97218	Fire Risk Assessments	J Knowles	150,000	150,000	0	0.00	150,000	150,000	0	04.08.20 works completed on receipt of risk assessment reports. 13.10.20 out to tender at the moment, due back late Oct.
<b>S772</b>	<b>FIRE SAFETY</b>		<b>200,000</b>	<b>200,000</b>	<b>3,341</b>	<b>4,203.00</b>	<b>192,456</b>	<b>200,000</b>	<b>0</b>	
S97300	DDA IMPROVEMENTS	L Powell	20,000.00	20,000.00	17,531.03	0.00	0	17,531	-2,469	04.08.20 Completed work at Burton Court. Accessible Kitchens being carried out at Community Centres. All budget will be spent. 13.10.20 works at comm centres finished. Remaining budget is required for a stairlift.
<b>S773</b>	<b>DDA IMPROVEMENTS</b>		<b>20,000</b>	<b>20,000</b>	<b>17,531</b>	<b>0.00</b>	<b>0</b>	<b>17,531</b>	<b>-2,469</b>	
S97400	DISABLED ADAPTATIONS	L Powell	0	0	0	0.00	0	0	0	
S97416	Major Adaptations	L Powell	440,000	440,000	94,664	292,726.93	52,609	440,000	0	04.08.20 only external works carried out due to lockdown. It is expected that this budget will be fully spent due to the level of referrals. 13.10.20 upward trend on referrals.
S97417	Minor Adaptations	L Powell	30,000	30,000	5,809	24,191.07	0	30,000	0	04.08.20 until the end July contractor was only carrying our emergency work. Still expect to fully spend budget due to referrals. 13.10.20 spend on target.
S97418	Adaptation Stair Lift/Ho	L Powell	30,000	30,000	18,561	11,109.62	2,799	32,469	2,469	04.08.20 committed full budget. 13.10.20 spend increased on anticipated due to some specialist stairlifts being installed where staircase has a turn in it.
<b>S774</b>	<b>DISABLED ADAPTATIONS</b>		<b>500,000</b>	<b>500,000</b>	<b>119,034</b>	<b>328,027.62</b>	<b>55,408</b>	<b>502,469</b>	<b>2,469</b>	

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 24.09.20)	Revised Budget including Variations for Approval	Actuals to end of September	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
S97500	LEGIONELLA	A Tutty	30,000	30,000	0	0.00	30,000	30,000	0	04.08.20 Surveys due to start again during August. Works will be carried out following reports. 13.10.20 Work started on works following surveys.
S791	UNALLOCATED FUNDING		30,000	30,000	0	0.00	30,000	30,000	0	
S99100	PROPERTY INVESTMENT CONTINGENCY	M Carman	50,000	50,000	0	0.00	45,531	45,531	-4,469	
S99102	Housing Capital Fees	M Carman	378,800	378,800	0	0.00	378,800	378,800	0	
S791	UNALLOCATED FUNDING		428,800	428,800	0	0.00	424,331	424,331	-4,469	
	PROPERTY INVESTMENT		5,663,800	5,663,800	712,238	2,764,968	1,693,491	5,170,698	-493,102	
	AFFORDABLE HOUSING						0			
SA1030	HRA Site Development	K Shutt	0	0	0	1,741	-1,741	-0	-0	
SA1031	Site Acquisition (Inc RTB)	K Shutt / J Sanderson	2,038,529	2,038,529	0	750	2,037,779	2,038,529	0	10.08.20 Three sites currently being investigated. 13.10.20 hoping to finalise the three sites by the end of the financial year. Also investigating another site.
SA1032	New Build Programme	K Shutt	0	0	4,275	26,317	-30,592	-0	-0	14.10.20 expenditure to be recoded to specific clusters.
SA1033	Estate Regeneration	C Clarkson	1,085,430	1,085,430	42,643	78,874	963,912	1,085,429	-1	10.08.20 Heads of terms and consultants appointment to deliver enabling works agreed. Continued work to around funding.
SA1034	Former ASRA Properties	C Clarkson	1,074,579	1,074,579	0	0	1,074,579	1,074,579	0	10.08.20 due to delays additional consultation underway with PA tenants with a view to complete Q3.
SA1047	New Build Contingency	K Shutt	117,902	109,802	0	0	109,802	109,802	-0	
SA1048	Boughton Extra Care	K Shutt	5,967,605	5,967,605	1,843,117	3,004,706	1,119,782	5,967,605	-0	10.08.20 back on site but currently only at 70-80% capacity. PC due March/April 2021, then fit out early June. 13.10.20 still on programme.
SA1050	Phase 2 Cluster 1 - Coddington	K Shutt	0	0	-41,885	48,314	-6,429	0	0	10.08.20 retention due by February 2021
SA1051	Phase 2 Cluster 1 - 1-4-1 Coddington	K Shutt	0	0	-26,657	37,156	-10,500	-0	-0	10.08.20 retention due February 2021
SA1052	Phase 2 Cluster 2 - Southwell	K Shutt	0	0	-8,664	8,673	-10	-0	-0	10.08.20 retention due November 2020
SA1053	Phase 2 Cluster 3 - Hawtonville	K Shutt	152,307	152,307	84,782	14,722	52,803	152,307	0	10.08.20 three sites, retention due in September, final site retention won't be due until 2021/22
SA1054	Phase 2 Cluster 3 - 1-4-1 Hawtonville	K Shutt	-0	-0	-15,554	127,877	-112,323	-0	-0	10.08.20 retention due January 2021
SA1055	Phase 2 Cluster 4 - Sherwood	K Shutt	0	0	-22,053	24,397	-2,344	0	0	10.08.20 retention due February 2021
SA1060	Phase 3	K Shutt	3,899,298	0	87,187	163,719	-250,906	0	0	10.08.20 subject to planning approval, 28 further units being progressed. In qrt 2. Sites are quite complex, causing delays compounded by COVID-19 rephase £1.5m budget into 2021/22. 16.10.20 ready to set up the new final clusters in this phase now, with sites being passed over to contractor. Therefore will need to distribute costs accordingly to SA1061-SA1064.
SA1061	Phase 3 - Cluster 1 Stand Alone	K Shutt	1,004,967	1,013,067	886,076	126,992	0	1,013,067	0	10.08.20 progressing - 4 sites, 8 units 4 week extension due to lockdown. Due for completion between August and October. 13.10.20 3 sites completed, 4th due end of November.
SA1062	Phase 3 - Cluster 2 Various	K Shutt	1,594,000	1,594,000	633,766	914,895	45,339	1,594,000	0	10.08.20 progressing - 4 sites, 9 units started on site in May/June. Due for completion between March/April 2021.

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 24.09.20)	Revised Budget including Variations for Approval	Actuals to end of September	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
SA1063	Phase 3 - Cluster 3	K Shutt	0	1,699,298	0	0	1,699,298	1,699,298	0	
SA1064	Phase 3 - Cluster 4	K Shutt	0	2,200,000	0	0	2,200,000	2,200,000	-0	
SA1070	Phase 4	K Shutt	2,700,000	1,700,000	0	0	1,700,000	1,700,000	0	10.08.20 pre planning work on phase 4 is being carried out now. 13.10.20 subject to planning permission, will be onsite before the end of March.
SA1080	Phase 5	K Shutt	0	0	0	0	0	0	0	10.08.20 Land acquisitions will ensure delivery of phase 5.
SC2000	Careline Analogue to Digital	S Hartley-Hill	80,540	80,540	0	0	80,540	80,540	0	
	<b>SUB TOTAL AFFORDABLE HOUSING</b>		<b>19,715,157</b>	<b>18,715,157</b>	<b>3,467,034</b>	<b>4,579,133</b>	<b>10,668,989</b>	<b>18,715,156</b>	<b>-1</b>	
	<b>TOTAL HOUSING REVENUE ACCOUNT</b>		<b>25,378,957</b>	<b>24,378,957</b>	<b>4,179,272</b>	<b>7,344,101</b>	<b>12,362,480</b>	<b>23,885,854</b>	<b>-493,104</b>	



## **POLICY & FINANCE COMMITTEE**

**26 NOVEMBER 2020**

### **NEWARK CASTLE ELECTRICAL UPGRADE AND FIRE ALARM INSTALLATION**

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

- 1.1 To advise Members of work identified at Newark Castle and request that budget is allocated from the Change Management reserve to complete this work in-year.

#### **2.0 Background Information**

- 2.1 In 2019, a Health & Safety review of Newark Castle was undertaken, in conjunction with asset management, as part of the site's transition to the Heritage & Culture Business Unit. This review included a refresh of the site's Fire Risk Assessment and assessment of the wiring and electrical systems. An initial budget of £34,000 for the Risk Assessments and Associated works was set up in the Castle revenue budget.
- 2.2 Following this review, an external Mechanical and Electrical consultant was appointed to design the fire alarm system, electrics and emergency lighting system as identified in the review and with consideration for the historic nature of the site. Following competitive tender EP Consultants were appointed and commenced work in January 2020.
- 2.3 Due to the pandemic, work was put on hold and access to the Castle was restricted accordingly to ensure compliance with both the fire risk assessment and COVID-secure measures. Over the last few months, Asset Management have worked with the Heritage & Culture Business Unit to obtain Scheduled Monument Consent, and EPC have provided the team with a pre-tender estimate of the work required.
- 2.4 The work is now business critical; without the installation of the fire alarm system the site will not be able to re-open for tours and weddings, the first of which is booked for May 2021. Additionally, without the electrical upgrade the Castle will be at high risk of non-compliance to British Standard BS5266, and will not be able to renew its Electrical Installation certificate.

#### **3.0 Proposals**

- 3.1 It is proposed to now urgently move ahead with these works, ensuring that the Castle can deliver events and activity in 2021 as planned, including the seven weddings currently scheduled.
- 3.2 In order to proceed with the work a Capital budget is required of £85,000 financed by £58,400 from the Change Management reserve and a revenue contribution of £26,600, which is remaining from the original budget set up for the Risk Assessments and associated works.

#### **4.0 Equalities Implications**

- 4.1 None. This work is only in consideration of risk, health and safety and compliance.

## 5.0 Digital Implications

5.1 This is the first stage of ensuring that the Castle can support updated and upgraded technologies, by having robust and safe electrical installation in place.

## 6.0 Financial Implications (FIN20-21/2167)

6.1 A report to Senior Leadership Team back in June 2019, agreed a budget to carry out the initial risk assessments and associated works:

<b>Budget Agreed</b> £	<b>Actual Spend to Date</b> £	<b>Budget Remaining</b> £
34,000	7,400	26,600

6.2 Due to the pause in works during March 2020, the remaining budget of £26,600 was transferred to a reserve, ready for when the works recommenced. This can now be used to finance the Capital expenditure.

6.3 A budget is required in the Capital Programme of £85,000, therefore to avoid any further revenue costs, it is proposed that the balance of £58,400 is financed by a contribution from Change Management Reserve.

## 7.0 Community Plan – Alignment to Objectives

7.1 Newark Castle is an iconic asset for the District, seen both as a community cornerstone with a growing Friends and Volunteer group and an integral part of the strategic vision for tourism and the local economy. Maintaining and protecting this asset for future years supports:

- Creation of vibrant and self-sufficient communities where residents actively contribute to their local area
- Delivery of inclusive and sustainable economic growth

## 8.0 RECOMMENDATION

**That a Capital budget be created in 2020/21 for £85,000 financed from the Change Management and Management Carry Forwards Reserve for the Newark Castle works.**

### Reason for Recommendation

**To complete works urgently as identified in the health and safety risk review.**

### Background Papers

Nil

For further information please contact Carys Coulton-Jones on Ext 5773.

Matthew Finch  
Director - Communities & Environment

## **POLICY & FINANCE COMMITTEE**

**26 NOVEMBER 2020**

### **OLLERTON LOCAL HOUSING OFFICE – REFURBISHMENT AND RE-PURPOSE**

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

1.1 The purpose to this report is to seek approval to refurbish the Ollerton local office and refocus the purpose of it to become a multi-use facility.

#### **2.0 Background Information**

2.1 Historically there were two contact points in Ollerton for customers to access services: the housing office, which was previously a cash office and then was modified to become an advice office; and the joint service provision delivered at Ollerton Town Hall.

2.2 Due to the space available at these locations, both in their current format are limited as to the service which can be provided to customers.

2.3 Prior to COVID the housing office was open Monday – Friday and the service at the Town Hall operated twice a week. Both locations are currently closed to the public due to the fact that we would not be able to maintain the required COVID Secure Standards there.

2.4 The table below shows the number of enquiries normally received at these locations

<b>Location</b>	<b>Average number of enquiries per day</b>
Ollerton Housing Office	20
Ollerton Town Hall (all partners)	57

2.5 The outreach service delivered at the Town Hall is in conjunction with the DWP, Ollerton & Boughton Town Council and the Dukeries Academy. Even before COVID there was no capacity to increase the offer provided from the Town Hall due to its limited space and capacity.

2.6 The local office provided primarily a housing service. There were no self-serve computers for customers to use.

2.7 Due to there being two offices in Ollerton from which customers could access services, the offer provided to customers was fragmented, especially as the service provided at the Town Hall was only open two days a week from 9.30am – 3.00pm.

2.8 The Council has been working towards an improved customer facility in Ollerton. There have been several attempts to progress this but the timing, location etc. was never quite right. These included a feasibility study, funded by the One Public Estate into the provision of a public sector hub in conjunction with other partners including health. This study confirmed that taking into account: the limited current facilities; the higher level of vulnerability within the area; and the projected increase in the population - there is a need for improved facilities. Unfortunately, although a suitable site was identified, the project did not progress, primarily due to budget implications and the CCG not being able to commit to the project.

- 2.9 A number of other locations were considered but unfortunately were not suitable for the service required.
- 2.10 A project is currently being undertaken regarding the regeneration of Ollerton Town Centre, which could result in a provision of a customer hub. However, it is likely to be some time before this would become operational and improved customer facilities are needed in the short term.
- 2.11 There are limited locations within the Sherwood area for staff to use as drop-in locations e.g. to access the network, printing or welfare facilities. Housing staff have historically used the local office or community centres.
- 2.12 In the latest State of the District Report, the total number of people claiming Universal Credit in the Mansfield and Newark area (Ollerton is covered by Mansfield DWP) increased from 10,477 to 19,338, an 85% increase. The figure for total number of 'Universal Credit claims started' shows a more dramatic increase – for the year up to July 2020 - it is 472% in Mansfield and 428% in the Newark area
- 2.13 There are concerns regarding projected unemployment rates for the district due to the effects of the pandemic and the impact this could have on both the residents and the economy of the area. The Council needs to be in a position to deal with the potential increased demand for its services in Sherwood and currently there is no adequate location where residents can readily access its services in person.

### **3.0 Proposals**

- 3.1 As mentioned earlier in the report it is not possible, with the current layouts, to make either the Town Hall or the neighbourhood office COVID secure. This means that we cannot deliver a customer facing service from these locations.
- 3.2 Following the return of the housing management service back to the Council it is preferable that all council services are delivered in one location in order to simplify the journey for the customer. The current fragmented service does not enable this.
- 3.3 COVID has impacted how we all work and the Council has a much more agile workforce. It would assist many staff to have a touch down point in the Sherwood area to enable them to meet customers, print and scan documents and access welfare facilities.
- 3.4 An improved and modernised facility would provide these facilities.
- 3.5 The local office is in need of refurbishment to its décor and layout. Research shows that customer behaviour is impacted by their surroundings and this has been proven at Castle House. A modern light environment is much more welcoming and encourages better behaviour.
- 3.6 The proposal is to refurbish the neighbourhood office, transforming it into a welcoming environment for customers and officers and for use as a drop-in facility.

- 3.7 The service delivered at the refurbished office would be Monday – Friday and delivered by customer services. Currently only housing enquires are dealt with at the neighbourhood office and the rest of the Council enquiries are dealt with two days per week from the Town Hall. The refurbished neighbourhood office would provide a location for the realigned customer services team to deliver all Council services from.
- 3.8 The refurbished office would have a digital area, enabling customers to self-serve. This will support the Council’s digital agenda.
- 3.9 If this refurbishment proposal is approved then discussions will commence with the DWP regarding the possibility of them providing a more regular service. However, the DWP have always made it clear that they will not be in a position to deliver a full service from Ollerton and the offer they provide is based around supporting claimants with job searches and readiness for work.
- 3.10 Discussions would also take place with other potential partners regarding the possibility of delivering services from this location. However space at this location is limited and will need to be considered when discussing options with potential partners.
- 3.11 It is recognised that this refurbishment would be seen as an interim solution – whilst the regeneration of the Ollerton Town Centre and the development of a public sector hub come to fruition. The medium term plan for the site is for it to be converted to social housing.
- 3.12 Full and detailed quotes are currently being obtained for this work through Asset Management. It is proposed that approval is sought from Policy & Finance Committee for a budget be added to the Capital Programme of £50,000, based on current estimates.
- 3.13 Currently, our partners do not contribute to the running costs of the Ollerton Outreach Service. Initially the service operated one day per week and Ollerton & Boughton Town Council provided the accommodation for free. When the service increased to twice a week it was agreed to pay them £2500 per annum rent to cover the loss of rental income from other organisations using the location.
- 3.14 If the above proposal is supported, then the Council would no longer need to deliver a service from the Town Hall as enquiries would transfer to the neighbourhood office. Discussions are ongoing with the DWP regarding their provision and should the refurbishment go ahead then they would be offered the option to deliver a service from the local office.

#### **4.0 Equalities Implications**

- 4.1 The revised layout of the refurbished building will ensure that it is fully accessible to all customers to ensure that there are no adverse impacts upon persons with protected characteristics. Re-opening the neighbourhood office will make accessing the Council’s services easier for persons with protected characteristics in the Sherwood area of the District.

## **5.0 Digital Implications**

- 5.1 The refurbished offices will have a digital area where customers can use the self-serve computers to access Council and partner services. This service was previously provided at the Ollerton Town Hall and was very popular.
- 5.2 The office will be supported officers working agilely by having Wi-Fi throughout the building.

## **6.0 Financial Implications (FIN20-21/6556)**

- 6.1 Ollerton Local Office currently sits within the HRA, therefore costs associated with any refurbishment will fall within the HRA. The current costs for rates and utilities for a 12 month period are circa £3,500 and these costs are already included in the HRA revenue budget.
- 6.2 A proportionate recharge will need to be agreed from the HRA to the general fund for the temporary use of the building for non-housing customers compared to housing customers.
- 6.3 Asset Management have estimated that the maximum cost of the refurbishment, including provision of ICT, will be £50,000. This cost will need to be added to the Capital Programme.
- 6.4 The HRA business plan has capacity for this expenditure and financing will be updated accordingly based on resources available.

## **7.0 Community Plan – Alignment to Objectives**

- 7.1 This refurbishment and offer provided to our customers will support the delivery of economic growth in the Sherwood area.

## **8.0 Homes & Communities Committee**

- 8.1 This report is being considered by the Homes & Communities Committee at their meeting to be held on 23 November 2020 and is subject to their approval and recommendation which will be reported at the meeting.

## **9.0 Comments of Directors**

- 9.1 This investment in Ollerton will bridge provision of a local outreach whilst the Council progresses its longer term plans for the area. All residents will receive a good quality, one stop service for all their council services and well as a much needed self-service provision.

## **8.0 RECOMMENDATION**

**That the proposal to refurbish and re-purpose the local housing office in Ollerton as detailed in the report be approved and the project be added to the HRA Capital Programme for 2020/21.**

**Reason for Recommendation**

**To enable the Council to deliver a face-to-face service to its customers in the Sherwood area and to have a fit for purpose office facility for officers to access when working in that area of the District.**

**Background Papers**

Nil.

For further information please contact Jill Baker, Business Manager - Customer Services on Ext 5810.

Suzanne Shead  
Director - Housing Health & Wellbeing

Karen White  
Director - Governance & Organisational Development

## POLICY & FINANCE COMMITTEE

26 NOVEMBER 2020

### QUARTER 2 (Q2) 2020/21 PERFORMANCE REPORT

#### 1.0 Purpose of Report

1.1 To present Members with an overview of Quarter 2 (Q2) performance against the objectives and actions within the Council's Community Plan (2019-2023) and a range of other performance information.

#### 2.0 Background Information

2.1 The Council's four year Community Plan 2019-2023 was first approved by Full Council on 7 March 2019. The Community Plan was refreshed to include reference to the transfer of housing management and was subsequently approved by this Committee on 20 February 2020. A more recent refresh of the Community Plan was approved by Full Council on 13 October 2020 to reflect the re-focus of the Council's priorities in response to the Covid-19 pandemic.

2.2 The Community Plan sets out what the Council intends to achieve and how, for the period up to the end of March 2023.

2.3 Members are asked to note that as Q2 Performance 2020/21 (highlighted in paragraph 3.0) relates to the period July - September 2020, this performance report corresponds with the previous Community Plan (though a good deal of the objectives and actions remain the same). As performance reporting relates to the previous quarter, Members will receive Q3 2020/21 performance reports, in February/March's committee cycle. These reports will be measured against the refreshed Community Plan that was approved in October 2020.

2.4 During Q2, the Government introduced a series of measures easing the lockdown restrictions experienced in Q1 in England.

#### July

- **National Context**
- Businesses & organisations must collect contact details of their customers
- Local pubs and restaurants re-open
- Travel corridor exemptions come into effect in England
- Outdoor performances with social distances allowed to resume
- Beauty salons, nail bars and tattoo studios allowed to re-open
- Face covering mandatory in shops from 24 July
- Self-isolation period is extended to 10 days with symptoms or positive test
- **NSDC Context**
- 2 hours free parking in all NSDC car parks
- NSDC playgrounds re-open
- National Civil War Centre re-opens with free entry for residents
- Second round of Discretionary Grant Fund distributed
- Active4Today Leisure Centres reopen
- Castle House open for customer enquiries via appointment only

#### August

- **National Context**
- Guidance on going to work changes to give employers 'discretion' about how staff can work safely
- Eat out to Help out Scheme begins
- Requirement to wear a face mask extended to more indoor settings
- New Test and Trace app begins trial phase
- Government announces stronger enforcement measures as easements resume, with a number of culture, sport, leisure and business establishments permitted to reopen from 15 August
- Government publishes new guidance on the use of face coverings for schools and other education institutions
- **NSDC Context**
- Newark and Sherwood go on governments 'watch list'

#### September

- **National Context**
- Advised by government to work from home if you can
- Students return to schools and universities
- 'Hands. Face. Space' public information campaign launched
- New social distancing measures come into place, including the 'rule of 6'
- 10pm closing time for pubs and restaurants
- NHS Test and Trace launches the NHS COVID-19 App to help identify contacts of people who test positive for COVID-19
- New restrictions come in: legal duty to self-isolate, fines of £10,000 for businesses subject to COVID-19 Secure requirements in law
- Increased restrictions on weddings and civil partnership ceremonies
- **NSDC context**
- Newark and Sherwood taken off governments 'watch list'
- NSDC extends 2 hours free car parking until 20 September
- NSDC host free online Business Support Event



**3.0 Q2 2020/21 Progress against objectives and actions within the Community Plan**

3.1 Table 1: Q2 2020/21 Progress against objectives and actions within Community Plan

<p><b>Objective 1: Improve the cleanliness and appearance of the local environment</b></p> <ul style="list-style-type: none"> <li>• We have recruited 3 new Street Scene Officers who will work on a 7 day rota basis to cover the area’s litter hotspots.</li> <li>• There has been an increase in fly tipping and neighbourhood offences due to waste disposal restrictions associated with Covid-19. The team are focused on reducing this and as such continue to negotiate with the County Council to progress extended access to Household waste sites for trade vehicles, which will provide a viable route for small businesses to legally dispose of small amounts of waste without being charged the usual 1 tonne minimum fee. This should significantly reduce fly tipping within the area as it is developed.</li> <li>• The visibility of the environmental offer has increased through promotion and advertising and previous days of action and activities to address illegal waste carriers. There have been installations of CCTV cameras and signage in fly tipping hot spots throughout the district, demonstrating that the actions assigned are showing good progress towards achieving the expected outcome in 2023.</li> <li>• Under-performance against the 24 hour target to remove racist or offensive graffiti is attributed to an individual case which included a lengthy police investigation into graffiti tags. Therefore the time to remove racist or offensive graffiti for Q2 was 205.4 hours. This specific incident was a prolific graffiti artist, who was caught and then was compelled to undertake volunteer works with the council as part of reparation. This had excellent local media coverage and this type of high profile conviction can serve as a deterrent to others.</li> </ul>
<p><b>Objective 2 : Reduce crime and anti-social behaviour, and increase feelings of safety in our communities</b></p> <ul style="list-style-type: none"> <li>• Training of community groups resumed in Q2 to enable community groups to undertake speed watch days. Council equipment including signs and speed guns are loaned to the community groups for the speed watch days. This scheme provides a proactive solution to improve the safety and quality of life for our communities.</li> <li>• Balderton and Farndon have seen an increase in anti-social behaviour amongst the younger age groups during the school holiday period in Q2. The activity ranged from groups gathering in bus stops, intimidating people, wildlife cruelty, vandalism and off road biking. Therefore there has been an increase in ASB in Q2 by 75% against a target of 0%. Additional patrols from both Council staff and Police are now in place as a visible presence to reduce anti-social behaviour. This has decreased as schools have reopened.</li> </ul>
<p><b>Objective 3 : Improve Transport Infrastructure to Reduce Congestion and Facilitate Growth</b></p> <ul style="list-style-type: none"> <li>• Work on the A46 Newark Northern Bypass has progressed with Highways England progressing options for public consultation November/December 2020. This scheme will improve road infrastructure to support opportunities for growth in the district.</li> <li>• The Newark Town Investment Plan was submitted to government on 31<sup>st</sup> July and included within proposals for enhancements to improvements to digital and physical connectivity.</li> <li>• Technical Documents for the design of the A1 overbridge are being progressed in consultation with Highways England to support transport infrastructure and facilitate growth opportunities.</li> <li>• Dialogue has continued with funding partners regarding the delivery of the Newark Southern Link Road, with Homes England being expected to progress with a formal financial package to the developer late this year which will support transport infrastructure in the district.</li> </ul>

- Negotiations between the master developer of Thoresby Vale, Edwinstowe, Nottinghamshire County Council and Newark and Sherwood District Council have progressed with a view to securing early release of S106 contributions towards Ollerton Hall and the A614 corridor, to aid Nottinghamshire County Council in concluding the Outline Business Case for the Department for Transport as part of the £18m Major Roads Network grant.

**Objective 4: Build more homes and provide an excellent housing management service**

- The Five Year Land Supply Statement published in Q2 details that in 19/20 552 homes were completed against a target of 454 dwellings per year. This supports the Council's strategic housing requirements.
- The Local Development Framework evidence base has progressed in Q2 with the Housing Needs Survey and work required (delayed due to furlough for consultancy support) to conclude the Gypsy and Traveller Accommodation and Needs Assessment. This will assist with planning for our communities housing needs.
- The continued successful delivery of the Council's HRA development programme means that the Council are the largest supplier of affordable (social housing being one element of affordable) new build housing within the district.
- Arkwood Developments continue to bring forward development opportunities to support a pipeline for the target of 300 homes by 2026/27. Arkwood Developments commenced works on the site at Bowbridge Road on the 26th of October (Q3), hoarding is in the process of being erected and the site access formed, completion of the show home is programmed for April 2021 and the overall site being built out over 24 months with completion in October 2022.
- Work continues on delivering year 3 of the HRA development programme including the 40 unit extra care scheme at Boughton.
- The average number of days to re-let council properties has returned a red status in Q2 with average of 39.9 days against a target of 16 days due to a moratorium on lettings for three months due to Covid-19. Monthly performance is doing well.
- Projects have commenced around reviewing the Grounds Maintenance Service, reviewing our Empty Homes Standard and aligning customer feedback across the Council.
- A new Tenant Engagement Officer has been appointed to take forward the review of tenant participation and engagement.
- Our careline service has continued through lockdown to provide essential support to lifeline users and an essential repairs service has also continued through this quarter.
- Progress has also been made with the regeneration scheme at Yorke Drive with site investigations commencing and continued communications with residents to ensure current needs and progress is understood.
- The income team in Housing management have been providing support to tenants in financial difficulties as a result of Covid-19, making every effort to minimise the level of rent arrears incurred.
- Housing management have continued to provide our compliance services through Q2 to ensure our tenants are safe whilst adhering to safe systems of work.
- Housing management have also contacted our non-working age tenants who the service have not heard from for three months to complete a safe and well check during Q2 whilst visiting was restricted.

**Objective 5: Increase visits to Newark and Sherwood and the use of visitor attractions by local residents**

- The restrictions during Q2 have impacted on the number of visitors to all local attractions.
- As approved at Policy & Finance's June Committee, the National Civil War Centre (NCWC) offered free entry to residents during part of Q2 (July – August). The initiative was 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. On a number of days through the Q2 period when the NCWC was operating free admission for residents, the NCWC reached capacity in line with covid secure measures. This demonstrates that this initiative proved popular with residents.

- Whilst NCWC was open in Q2, many of these resources developed in Q1 remained available online on the NCWC website, and are continuing to support both residents and those living further afield to explore our service online, with the aim of converting this into future footfall as visitor confidence grows.
- The Newark Castle Gardens reopened to the public on 6 July, enabling residents and visitors to enjoy a local heritage site, and to provide an open space which supports mental and physical wellbeing for residents and visitors.
- An application to the Culture Recovery Fund for £95k was submitted, which would support development of pilot events and activities to re-engage with audiences and test audience resilience. The Palace Theatre and NCWC were awarded the full £95k in Q3.
- In August, an Art Fund grant of £40,000 was received. Objectives of this funding are to develop a new blended learning programme for schools. Schools are less able to visit the museum in the current circumstances, and this will support access and outreach for both local school visits and the national schools programme.
- The Newark Town Investment Plan has been submitted to Government for consideration which promotes a range of interventions to seek to improve and enhance local offers and resident access. An example is the Castle Gatehouse project.

**Objective 6: Protect, promote and enhance the district’s natural environment**

- The updating of the play parks and wildflower areas of both Sconce and Devon Park and Vicar Water is almost nearing completion, these will provide a natural addition to the facilities celebrating wildflowers and the insects they attract. Access to open spaces throughout the pandemic has remained important and valued.
- The refurbishment of the former toilet block at Sherwood Forest Arts and Craft Centre was completed during Q2 and has now been offered on a lease arrangement to the consortium that is delivering the 5G Connected Forest project. The focus of the 5G connected Forest will be to explore the potential for 5G applications in the preservation of forests and their environment, and in enhancing the experience of visitors to the forest and surrounding area.
- During Q2, the Council conducted a stakeholder and public consultation exercise, for the Forest Corner Masterplan to gather the views, ideas and contributions of stakeholders, residents and visitors. The masterplan is an exciting opportunity to connect people with the natural landscape and wildlife of Sherwood Forest; regain the connection between the forest and the legend of Robin Hood; and improve user facilities.
- Q2 progress for the Minor to Major (M2M) Landscape Partnership has varied. The Celebrate Sherwood workstream has been significantly impacted due to the cancellation of festivals and limitations on organising community events. Other work has been able to progress in Q2 such as the sowing of the acid grassland nurse sward at Rainworth Heath. The M2M project focusses on increasing the commitment of local people to appreciate and safeguard the heritage of Sherwood Forest and attract new and wider audiences to engage with a wider range of heritage through a programme of targeted activities.

**Objective 7: Enhance and Sustain Town Centres**

- Developed the High Street Diversification Fund in Q2 to support local, independent high-street based retail/hospitality businesses with a grant of £250 (to be match funded) towards investment in e-commerce. This activity supports retailers with an online presence during periods when footfall had reduced due to Covid secure measures and government restrictions. In Q3, this fund has supported 100 businesses.
- Progressed the development of the Robin Hood Hotel. This development will provide a 66 bed hotel and 3 commercial units in a central Town Centre location and will support the visitor economy. Expected completion is in Q4.
- Archaeological assessment and other surveys were commissioned in Q2 for Stodman

<p>Street, Newark to support the offer in the Town Centre.</p> <ul style="list-style-type: none"> <li>Submitted the Towns Fund bid on the 31 July which provides a comprehensive range of transformational projects to drive footfall in Newark Town Centre.</li> <li>Supported local businesses across the district with guidance and advice during the opening of the High Streets in July &amp; August.</li> <li>Progressed with the redevelopment of Ollerton Town Centre to enhance and support the offer in the Town Centre.</li> </ul>
<p><b>Objective 8 : Reduce Levels of Deprivation in Target Areas and Remove Barriers to Social Mobility Across the District</b></p>
<ul style="list-style-type: none"> <li>During Q2, 3 rough sleepers were supported into safe housing as part of the national ‘Everyone In’ campaign, which aimed to support rough sleepers into accommodation. This initiative has provided shelter for a vulnerable group during the pandemic.</li> <li>The time taken to process Housing Benefit change in circumstances has risen to 7 days against a target of 5 days. This is due to an increase in the volume of cases within Q2 which is a direct result of the impact of Covid-19.</li> <li>The “Call B4 you serve” initiative launched during Q2 which aims to prevent and support the reduction of homelessness. The scheme offers advice and assistance to landlords in dealing with tenancy issues before it becomes necessary for a notice to be issued.</li> <li>Council tax bills for some residents have been reduced by up to £150 per claimant utilising a Government award of £810,000 to help support residents who are experiencing hardship.</li> <li>The Temporary Accommodation Project has reached the detailed design stage.</li> </ul>
<p><b>Objective 9: Improve the Health and Wellbeing of Local Residents, with a Particular Focus on Narrowing the Gap in Healthy Life Expectancy and Other Health Outcomes</b></p>
<ul style="list-style-type: none"> <li>There were 346 contact centre requests for Covid-19 related support during Q2.</li> <li>HART responded to this with 111 direct deliveries (food/medicines), their work also included referrals to other organisations and ad hoc additional direct tasks e.g. food drops at food bank.</li> <li>Leisure Centres re-opened in July and received a total of 106,378 visits in Q2 compared to a target of 318,750. This is understandable given the Covid-19 restrictions. Active4Today supported members back to the leisure centres with a free month membership.</li> <li>The number of energy efficient installations to support living in warm and healthy home returned a red status with only 10 installations in Q2 against a target of 30 due mostly only emergency installations cases being carried out.</li> </ul>
<p><b>Objective 10 : Increase Participation with the Council and Within Local Communities</b></p>
<ul style="list-style-type: none"> <li>The Council’s communications team have been proactive throughout, communicating often complex and difficult information in relation to the Covid response. All media platforms have been utilised, in addition to social media, website information and press releases, radio adverts, banners in high profile locations and direct video messaging have been utilised.</li> <li>3 information videos were produced, where the leader of the Council provided additional explanation around the rapidly changing and complex Covid-19 restrictions. These had a combined total of 13,321 views across YouTube and social media. Comments were overwhelmingly positive.</li> <li>14 Council Committee meetings were live streamed and broadcasted via Social Media, with a combined total of 1,170 views on YouTube.</li> <li>In Q2 the council developed and prepared for the first ever virtual Parish Conference (this was successfully held in Q3).</li> </ul>
<p><b>Objective 11 : Generate More Income, Improve Value for Money and Increase Resident’s Satisfaction with the Council</b></p>
<ul style="list-style-type: none"> <li>During this period there has been an understandable significant reduction in council income.</li> </ul>

- Improving access to services is progressing well with the installation of a new telephony system which is expected to be in operation by the end of Q3 with multiple channels of communication to provide easier access to services for all residents.
- A customer insight project has launched to develop a greater understanding of the needs of our residents, this will also identify areas of pressure on the organisation and enable managers to direct resources to where they are most needed. The principle aim of this project is to improve services for customers.

#### 4.0 Customer Contacts and Customer Feedback

- 4.1 During Q2, there was understandably a significant shift in the way Customers contacted the Council. This was to be expected, given our offices were closed with an appointment only service for face to face enquiries, in line with Covid-19 government guidance.
- 4.2 The volume of telephone enquiries to the Customer Contact Centre increased compared to the same period last year, whilst only marginally increased to the Customer Access Team (housing services) during this period. The nature of the Customer contact in Q2 2020/21 related to Council tax recovery recommencing following a suspension due to the uncertainty regarding Covid and changes to waste services.
- 4.3 Digital transactions made on the Council’s automated payment lines have marginally increased compared to the same period last year and relate to rent and council tax payments.
- 4.4 There was an increase in the Council’s interactions and engagement on social media for Q2 2020/21 which is to be expected given that the government advice relating to various aspects of Covid-19 restrictions was rapidly changing during this period and the Council were viewed as a trusted source of information. As customers are familiar with and use social media as way of accessing Council information, this has been a valuable tool for customer engagement. Table 2 provides Customer contacts by method and includes a description of the types of customer engagement with comparison for the same period last year.

*Table 2: Customer Contacts by method and types*

Contact	2019/20 Q2	2020/21 Q2
Face to Face enquiries - Castle House	<b>3,513</b> Enquiries during this period include planning, microfiche, searches, council tax, housing benefit, homeless.	<b>127</b> Face to Face enquires reduced as Castle House operated on an appointment only basis.  Enquiries during this period primarily related to council tax, housing benefit, homeless
Face to Face enquiries – Ollerton	<b>297</b> Enquiries during this period include planning, microfiche, searches etc, council tax, housing benefit,	<b>0</b> Local Office closed during Q2 due to the Covid-19 pandemic

Contact	2019/20 Q2	2020/21 Q2
	homeless and housing management services in the Local Office	
Face to Face enquires – Southwell	<b>58</b> Enquiries during this period include planning, microfiche, searches etc, council tax, housing benefit, homeless and housing management services in the Local Office	<b>0</b> Local Office closed during Q2 due to the covid – 19 pandemic
Telephone enquiries to Customer Services	<b>23,351</b> Enquiries during this period relate to general enquires on council tax, housing benefit	<b>28,485</b> Enquiries during this period related to Council tax recovery which recommenced in Q2 following a suspension and changes to waste services e.g. crews assigned to different areas resulting in an increase in missed bin collections
Telephone enquiries to Customer Access Service	<b>17,812</b> Calls to Customer Access Service relate to general enquiries on housing management service, responsive repairs	<b>17,854</b> Calls to Customer Access Service have marginally increased compared to same period as last year. Enquiries relate to service provision during covid-19.
Automated payment lines	<b>6361</b>	<b>6562</b>
Engagement on Council's Twitter and Facebook	<b>Twitter:</b> Tweets: 245 Reach: 286,400  <b>Facebook</b> Posts: 179 Reach: 820,682 Engagement: 54,632	<b>Twitter:</b> Tweets: 290 Reach: 383,000  <b>Facebook:</b> Posts: 292 Reach: 1,228,032 Engagement: 85,533  Increase in Social media interactions during this period compared to last year relating to volume of Covid-19 messages on the Council's social media feeds.

*NB: Reach is the total number of social media accounts who view the Council content in their social media feed.*

#### Customer Feedback

- 4.5 In line with the Council’s Customer Feedback Policy, complaints operate a staged process. Stage 1 complaints are reviewed and responded to by the Business Manager and Stage 2 complaints are reviewed and responded to by the relevant Senior Manager/Director for that service area. If the complaint relates to the housing management service, then an additional stage is introduced where the complaint is referred to the Tenant Panel. If the customer is not satisfied with the response then the customer has the right to refer the complaint onto the relevant Ombudsman for review. This policy is being refreshed to reflect the integration of housing management and a separate report is being brought to this Committee for consideration.
- 4.6 Performance monitoring of customer feedback is being included as part of the customer insight project which is being led by Transformation Team. This work will put in processes to identify trends relating to customer feedback received and develop insight to create service improvement.

Stage 1 Complaints

- 4.7 The number of stage 1 complaints received for Q2 2020/21 was 69, compared with 38 for the same period of the previous year as shown in Table 3.

*Table 3: Complaints received in Q2 reporting period*

	<b>Complaints Q2 2019/20</b>	<b>Complaints Q2 2020/21</b>
Stage 1	38	69

- 4.8 Whilst the direction of travel shows an increase in complaints, it is worth noting that 25 of complaints related to the housing management service and were not included in 2019/20 Q2 figures.
- 4.9 58 (79%) of complaints during Q2 related to service provision or standard and quality of service. The highest number of complaints related to housing management and waste management. It is not unusual for the highest number of complaints to be generated from front line service areas, and out of thousands of interactions and transactions that these service areas have with customers the number of complaints received represents a very small amount.
- 4.10 It is important to use customer comments to drive improvement, this can be demonstrated in improvements resulting from stage 1 complaints in Q2; for example written instructions and maps have been distributed to environmental services colleagues for hard to find properties to reduce the number of missed bins. The Council are now paying greater attention to detail in relation to customers reporting a change in circumstances and work is underway to improve the key to key process with voids and lettings which will improve the customer experience. Additional training in relation to a variety of issues is being picked up during toolbox talks with staff.

**5.0 Staffing**

- 5.1 The Council has an annual target of an average of 6 days per FTE for sickness absence (the target being 3 days at end of Q2). The outturn for sickness absence at Q2 2020/21 was 2.15 days for Q2 compared to the same period last year which averaged 3.71 days.

Despite the additional strain on staff workload in relation to the Covid-19 pandemic, there has been good progress in demonstrating a decrease in sickness absence.

- 5.2 There have been a number of contributing factors which have seen a decrease in staff absence including staff wellbeing initiatives launched during Q2 and increased home working allowing staff to work from home when they may have reported in sick had they needed to attend the office. A reduced commute to the office has also seen many staff report a positive wellbeing impact, the work to assist the wellbeing of staff throughout this challenging time is extensive and continues.
- 5.3 The covid-19 pandemic cannot be ignored in relation to sickness absence and during Q2 2020/21 the staffing numbers relating to those testing positive/self-isolating are shown in Table 4. The current situation did not adversely affect service delivery during this period.

*Table 4: Staffing Absence in Q2 reporting period*

<b>Staffing Absence</b>	<b>Q2 2020/21</b>
Number of staff tested positive for Covid-19 and could continue to work from home	1
Number of staff tested positive for Covid-19 and could not work from home	0
Number of staff self-isolating and could continue to work from home	8
Number of staff self-isolating and could not work from home	8

## **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 anticipated a “desktop”/ virtual inspection during October rather than a visit from a member of the inspectorate, and whilst a “desktop” inspection is not possible, a virtual inspection will take place on 30 November. The delay has been caused by Covid-19 pressures and restrictions.



## **7.0 Equalities Implications**

7.1 There are no equalities implications arising from this report.

## **8.0 Digital Implications**

8.1 There are no direct digital implications relating to this report, however it is noted that the ICT and Digital services Business Unit has supported the delivery of the progress of activities against the Community Plan; provided telephony support for the operation of the customer contact centre; provided the technological ability for staff to work from home and supported the facility to live stream Council Committee meetings which are all elements covered in this report.

## **9.0 Financial Implications (FIN20-21/9972)**

### **9.1 Revenue Current Year/Future Year**

A separate report relating to budgetary performance will be submitted by Financial Services to this Committee.

### **9.2 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.

## **10.0 Community Plan – Alignment to Objectives**

10.1 This report provides an overview of progress against activities within Community Plan and includes reference to all of the objectives in this document.

## **11.0 RECOMMENDATION**

**That the report content be noted and considered by the Committee.**

### **Reason for Recommendation**

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

### **Background Papers**

Community Plan (2019 -2023) (updated February 2020)

For further information, please contact Natalie Cook, Transformation Manager on ext 5275.

Deborah Johnson  
Assistant Director – Transformation & Communications

## **POLICY & FINANCE COMMITTEE**

**26 NOVEMBER 2020**

### **COVID-19 REVENUE SUPPORT - BUSINESS GRANTS AND ASSURANCE, COUNCIL TAX HARDSHIP FUND, TEST AND TRACE SUPPORT PAYMENTS**

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

- 1.1 This report aims to provide Members with an update on the administration of a number of revenue support schemes including the business rate grant fund(s), the council tax hardship fund and test and trace support payments.
- 1.2 Also to inform and provide assurance to Members of the pre and post checks that have been conducted so far.

#### **2.0 Background Information**

- 2.1 To support businesses affected by the pandemic, the Government increased the business rates retail discount to 100% for 2020/21 and also extended the discount to the leisure and hospitality sector. Further relief included an increase to business rates discount for pubs, and the introduction of reliefs for nurseries.
- 2.2 Government also announced that there would be support for small businesses, and businesses in retail, hospitality and leisure sectors. This support is in the form of two grant schemes; the Small Business Grant Fund, and the Retail, Hospitality and Leisure Grant Fund.
- 2.3 In addition, on 1 May, Government announced the Discretionary Grant Fund for local authorities to provide grants for small and micro businesses that were unable to access other grant funding and are not eligible under the first grant scheme.
- 2.4 The Government also announced a £500 million fund for local government to provide support to economically vulnerable households. On 24 March the Council received guidance on the allocation and use of these resources. This Council has received £810,884 to provide a £150 reduction to the council bill for 2020/21 for those households in receipt of working age Council Tax Support.
- 2.5 The Test and Trace Support payment scheme was launched on Monday, 12 October for those residents required by the NHS Test and Trace service to self-isolate for 14 days subject to qualifying criteria.

#### **3.0 Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund**

- 3.1 This scheme was made available to help small, rural, retail, leisure and hospitality businesses with their ongoing business costs in recognition of the disruption caused by COVID-19. The Council responded promptly to this announcement by releasing £7m of its own funding from reserves to start making support payments to businesses a week ahead of receiving grant funding from Government. The scheme ended on 31 August 2020.

3.2 A total of £26,630,000 was paid to 2,270 businesses as follows:-

Small Business Grant Fund:

Businesses in receipt of Small Business Rates Relief or Rural Rates Relief as of 11 March 2020 were eligible for a payment of £10,000. A total of £18,020,000 was paid to 1,802 small businesses within the Newark and Sherwood District.

Retail, Hospitality and Leisure Grant Fund:

Businesses in receipt of the Expanded Retail Discount (which covers retail, hospitality and leisure) on 11 March 2020, with a rateable value of less than £51,000, were eligible for cash grants of up to £25,000 per property. A total of £8,610,000 was paid to 468 businesses within the Newark and Sherwood District.

**4.0 Local Discretionary Grant scheme**

4.1 This additional fund (5% of the Retail, Hospitality and Leisure Grant Fund) was aimed at small and micro businesses who were not eligible for the Small Business Grant Fund or the Retail, Leisure and Hospitality Fund. A panel of 5 officers, chaired by the Director of Resources/Deputy Chief Executive administered this fund and a total £1,239,105.67 was paid to 127 businesses.

**5.0 Pre and Post Assurance of the Grant Schemes**

5.1 Government guidance required local authorities to complete a Fraud Risk Assessment for each business grant scheme in order to ascertain what actions and checks should be undertaken to minimise the risk of error and/or fraud and over payment.

5.2 The same guidance required local authorities to provide a monthly report to Central Government comprising an update on their Fraud Risk Assessments and pre- and post-payment assurance activities as they are delivered. The Business Manager – Financial Services has completed the Council's Fraud Risk Assessments and is responsible for submitting the monthly returns.

5.3 COVID-19 fraud intelligence bulletins have been received from the Fraud Advisory Panel throughout the pandemic. In addition, regular fraud alerts have been received from the National Antifraud Network. These bulletins have provided information and intelligence on emerging fraud threats and trends affecting members of the public and both the private and public sectors. The fraud risks have been shared with relevant officers.

5.4 A number of prepayment checks have been made through the on-line application process which were then cross checked to the business rates system. Any discrepancies identified at this point were investigated.

5.5 The sector/type/nature of the business was checked to ensure the business met the qualifying criteria.

5.6 A range of evidence was required in support of discretionary grant applications to demonstrate that the business was financially impacted by the pandemic. In addition checks were made to Companies House to ensure that payments were not made to a business that was either in liquidation or dissolved on 11<sup>th</sup> March (qualifying date).

- 5.7 Prior to making payment sort code and bank account details were verified and a check made to ensure that a duplicate payments were avoided.
- 5.8 Each claim was checked for a receipt of a De Minimus Declaration that by accepting the grant the business would not be breaching state aid rules.
- 5.9 The Council has prevented two fraud attempts (totalling £50K), but unfortunately has been the victim of two frauds (£20K) where we have identified that the businesses were not trading on 11 March 2020. The details have been forwarded to the National Investigation Service who is leading the investigation into cross-border, multiple authority COVID-19 business grant frauds.
- 5.10 The Government's Counter Fraud Function has worked in partnership with Experian to introduce two products to assist local authorities with post payment checks. The Council is using these tools, available via the National Fraud Initiative website, to:
- Verify the bank accounts of companies in receipt of these business grants; and
  - provide insight into whether the company was trading at the relevant date for these grants.
- 5.11 The Council has submitted records relating to 2,270 grant payments to the National Fraud Initiative for verification and has used the results to conduct post event assurance checks:-
- Data matching and risk rating highlighted 749 grant claims that could not verified or matched to company and bank records and required investigation.

Of these 719 cases have been updated as processed with no issue, the majority of these were sole traders where it would not be possible to verify trading history, banking records etc.

- 5.12 In addition to the two frauds (6.9 above) 3 cases have been identified as potential fraud /error. The remaining 27 cases are currently being investigated.

## **6.0 Support to Council Taxpayers**

- 6.1 The Government has provided local authorities with funding to provide additional support to working age residents who qualify for Council Tax support.
- 6.2 Council Tax reductions of £150 have been applied for all households of working age that are already in receipt of Council Tax Support. So far, 5,539 awards totalling £675,518 have been made out of a budget of £810,844.

## **7.0 Test and Trace Support Payments**

- 7.1 From 28 September 2020, individuals will be entitled to a Test and Trace Support Payment of £500 if they:
- Have been told to stay at home and self-isolate by NHS Test and Trace, either because they have tested positive for coronavirus or have recently been in close contact with someone who has tested positive

- Are employed or self- employed
- Are currently receiving any of the following benefits:
  - ✓ Universal Credit
  - ✓ Working Tax Credit
  - ✓ Income Based Employment and Support Allowance
  - ✓ Income Based Jobseekers Allowance
  - ✓ Income Support
  - ✓ Housing Benefit
  - ✓ Pension Credit

7.2 The payment is designed to support people on low incomes, *if they will lose income as a result of self-isolating.*

7.3 As with the other schemes the application process is on-line, in addition each claimant will be required to provide their unique NHS Test and Trace reference which is then verified with the contact tracing advisory service.

7.4 Further pre-payment checks include the requirement to provide evidence of employment and pay, contacting employers to confirm that the claimant is not being paid during the self-isolation period, evidence to show that you were working prior to the self-isolation period if self-employed, cross checking to DWP records and internal records and a pre-payment bank account verification check.

7.5 So far 115 applications have been received, 30 payments have been made, 33 claims have been rejected because they do not meet the qualifying criteria, 9 claims are pending and additional information has been requested, 43 applications are outstanding.

7.6 There will be a requirement to conduct post assurance work at the end of the scheme which will last until 31 January 2021.

## **8.0 Equalities Implications**

8.1 There are no adverse implications identified in this report in respect of the Equalities Act.

## **9.0 Digital Implications**

9.1 The various grant schemes have been administered through a secure on-line application process (developed by ICT Services) and in line with the digital declaration.

## **10.0 Financial Implications (FIN20-21/1624)**

### Revenue Current Year

10.1 In respect of the grants awards made based on the Small Business Rates/Retail, Hospitality and Leisure/Discretionary grants the Council received an allocation of £28,752,000 on the 1<sup>st</sup> April 2020. In anticipation of receiving those funds, the Council made available some of its own resources from the 27<sup>th</sup> March 2020 and £7,300,000 worth of eligible applications were received and paid out prior to receiving the funds from BEIS.

- 10.2 The £28,752,000 was an estimate BEIS had calculated based on data they had received from the Valuation Office Agency and was to cover all of the grants, subject to an additional 5% allocation for the discretionary fund should the Council have needed it. As this funding was estimated by BEIS, there was an understanding that a reconciliation process would need to be completed once all of the grants had been distributed and any shortfalls or over allocations would be addressed.
- 10.3 Of the initial allocation, as per paragraphs 3.2 and 4.1 above, £27,869,105.67 was paid out across the three different grant schemes. This leaves £882,894.33 that will be returned to BEIS when the reconciliation process is completed. Data has been supplied to BEIS on the outturn figures, and the Council await confirmation of when these funds will be returned.
- 10.4 The Council received £170,000m as a New Burdens grant in order to compensate the Council for the administration of the grants.
- 10.5 The Council received £810,884 from MHCLG on 3<sup>rd</sup> April 2020 which related to the hardship relief for working age Council taxpayers. £150 reductions have been applied to all households of working age that are already in receipt of Council Tax Support. To date £681,708 has been allocated meaning £129,716 is remaining.
- 10.6 The Council received £74,644 on 30<sup>th</sup> October from MHCLG in relation to the self-isolation grants. To date £27,000 has been awarded based on eligible applications. The Council received £26,919 as a New Burdens grant in order to compensate the Council for the administration of the grants.

#### **11.0 Community Plan – Alignment to Objectives**

- 11.1 The delivery of the business grant schemes promptly and efficiently has contributed to the local economy and provided valuable support to local businesses, whereas the council tax reduction has provided additional support to working age households.
- 11.2 The test and trace self-isolation payment provides financial support to those residents required to self-isolate and at the same time acts as an incentive to self-isolate thereby helping to limit the spread of the virus.

#### **12.0 RECOMMENDATIONS that:**

- (a) **Members note the progress made with the administration of the Business Grant Schemes, Council Tax Hardship Fund and the Test and Trace Support Payments; and**
- (b) **Members note the pre and post assurance checks conducted so far.**

#### **Reason for Recommendations**

**To provide Members with an update on the administration of a number of Covid 19 revenue support schemes and to provide assurance of those schemes.**

Background Papers

Nil.

For further information please contact Phil Ward, Business Manager - Revenues & Benefits on Extn. 5347

Sanjiv Kohli  
Deputy Chief Executive and Director - Resources

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

Document is Restricted



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

Document is Restricted

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

Document is Restricted

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

Document is Restricted

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

Document is Restricted

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

Document is Restricted

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

Document is Restricted

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

Document is Restricted

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

Document is Restricted