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**Wednesday, 19 January 2022**

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

**Members of the Committee:**

**Councillor Mrs R Holloway  
Councillor R Jackson  
Councillor P Peacock  
Councillor T Wendels  
Councillor R White**

**Substitute Members:**

**Councillor L Brazier  
Councillor N Mison  
Councillor M Skinner**

**MEETING: Policy & Finance Committee**

**DATE: Thursday, 27 January 2022 at 6.00 pm**

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

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

If you have any queries please contact Nigel Hill on [nigel.hill@newark-sherwooddc.gov.uk](mailto:nigel.hill@newark-sherwooddc.gov.uk).



## **AGENDA**

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**Finance Items for Information**

None

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22. Exclusion of the Press and Public

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

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# Agenda Item 4

## NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Policy & Finance Committee** held in the Civic Suite, Castle House, Great North Road, Newark, Notts NG24 1BY on Thursday, 25 November 2021 at 6.00 pm.

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

Councillor Mrs R Holloway, Councillor P Peacock, Councillor T Wendels  
and Councillor M Skinner (substituting for Councillor R Jackson)

APOLOGIES FOR ABSENCE: Councillor R Jackson and Councillor R White

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

There were no declarations of interest.

### 273 DECLARATIONS OF INTENTION TO RECORD THE MEETING

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

### 274 MINUTES OF THE MEETING HELD ON 23 SEPTEMBER 2021

The minutes from the meeting held on 23 September 2021 were agreed as a correct record and signed by the Chairman.

### 275 CHAIRMAN'S REPORT

There was no Chairman's report, but the Chairman did advise that Agenda Item No. 16 – Magnus Hockey Pitch Refurbishment – which had been marked as 'to follow' on the agenda, had been deferred to the next meeting of the Committee.

### 276 FORWARD PLAN OF POLICY & FINANCE ITEMS

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

### 277 NEWARK TOWNS FUND UPDATE

The Director - Planning & Growth presented a report updating the Committee on the Newark Town Deal and identified Town Fund Projects. Updates were given on the business case development for the YMCA Community and Activity Village, 32 Stodman Street, and the IASTI. The report included a summary position of all the projects and budget information, and noted that the proposed move of the Newark Police Station to Castle House would not proceed, following a review by the Police & Crime Commissioner. Given that, the £1m Towns Fund grant was to be recycled into the remaining projects identified within the Newark Towns Deal.

The Director-Planning & Growth highlighted a change to the Assurance Framework to enable the drawdown of funds between outline and full business case. The Leader of the Council also proposed an additional recommendation to clarify the position on funding from Nottinghamshire County Council for the Southern Relief Link Road.

AGREED (unanimously) that:

- (a) Members welcome and note the update provided;
- (b) Members approve, subject to the recommendation(s) of the Council's sS151 Officer and Quod Consulting, the Full Business Case for 32 Stodman Street which seeks £2 million of Towns Fund Grant;
- (c) Members approve, subject to the recommendation(s) of the Council's sS151 Officer and Quod Consulting, the Outline Business Case for the International Air & Space Technology Institute (IASTI);
- (d) subject to (b) and (c) above to confirm to the Newark Towns Fund Board that the Full Business Case for 32 Stodman Street and Outline Business Case for the IASTI meets the requirements of the Newark Towns Fund Assurance Framework (June 2021);
- (e) subject to (b-d) delegated authority be given to the Director – Planning & Growth, in consultation with the Business Manager – Law & Information Governance, to enter into a Grant Funding Contract with the Lincoln College Group to provide Towns Fund Grant in accordance with the approved Outline Business Case for the International Air and Space Training Institute (IASTI) Newark;
- (f) delegated authority be given to the Council's s151 Officer to approve a final Full Business Case for the IASTI (Newark), subject to approval from the Newark Towns Board;
- (g) subject to (a-f) above, to approve £0.284m being added to the Council's Capital Programme for 32 Stodman Street (£0.284m Brownfield Land Release Fund) and up to £10.6m, in accordance with assured Outline and Full Business Cases, for delivery of the IASTI Newark;
- (h) to adopt, subject to Newark Towns Board approval, a revised Towns Fund Assurance Framework (Nov 2021), as detailed in Appendix A to the report; and
- (i) to urgently seek clarification from Nottinghamshire County Council, as the Highways Authority, that their capital contribution of £2.5m will be allocated in their Capital Programme henceforth.

#### Reason for Decisions

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

278 INFRASTRUCTURE FUNDING STATEMENT

The Director - Planning & Growth presented a report on matters set out in the 2020-21 Infrastructure Funding Statement as part of the annual reporting requirements for the Community Infrastructure Levy (CIL). It was noted that the final report would be published by 31 December 2021, but the report set out some headline figures. With regard to planned expenditure over 2021/22 and beyond, the A1 Overbridge at Fernwood remained the priority project for the CIL.

AGREED (unanimously) that the Infrastructure Funding Statement be produced in accordance with the legislative requirements and be published before the end of the calendar year.

(The published version will be made available for Members viewing in advance of publication).

Reason for Decision

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

279 VICARDALE WOODLAND CREATION SCHEME

The Development Manager – Environmental Services presented a report which sought approval for the planned tree planting scheme at Vicar Water Country Park. The proposed tree planting would help join two existing woodlands to create a wildlife corridor. The work to plant 4,000 new trees would commence in January 2022. It was noted that this was a no funding commitment partnership with Nottinghamshire County Council and the Sherwood Forest Trust.

AGREED (unanimously) that the Vicardale Woodland Creation Scheme be approved.

Reasons for Decision

To help achieve the councils commitment to plant 10,000 trees, to support the community plan and to support biodiversity and wildlife in the area.

280 AMENDED STRUCTURE FOR PLANNING DEVELOPMENT

The Director - Planning & Growth presented a report which sought approval for amendments to the current Planning Development Business Unit to enable the creation of a new Tree Officer post (NS12), replacing the current consultancy support, and to delete an existing full-time vacant Planning Technical Support Officer Post (NS6).

The Committee welcomed the proposed new in-house Tree / Landscape Officer post and how this would help facilitate a number of important areas of work within the Council including development of a tree strategy, the supplementary tree and hedges planning policy, work around the Queen's Platinum Jubilee tree planting scheme, working with the County Council on restorative and replacement street trees and undertaking assessments of sustainable tree renewal.

AGREED (unanimously) that:

- (a) the amended structure and associated budget required for the Landscape/Tree Officer post be approved; and
- (b) subject to (a) above, the Planning Development Business Manager liaise with HR and Trades Unions as required to recruit a Landscape/Tree Officer on a full-time basis.

Reason for Decision

To have a dedicated post to consider tree applications, responses to consultations on landscape impacts/proposals, and to review the Council's Tree Preservation Orders.

281 SOLAR PV FEASIBILITY OUTCOME

The Environmental Policy & Projects Officer presented a report detailing the outcome of the Solar PV feasibility consultancy with regard to the Council's corporate and leisure buildings. The report detailed those buildings where it was recommended to install Solar PV, those to be kept under review and those where installation was not appropriate. A timeline, indicative costs, savings and carbon reductions were included in the report.

The recommended sites for Solar PV installations were Newark Sports & Fitness Centre, Southwell Leisure Centre, Dukeries Leisure Centre, The Beacon and Vicar Water. The total capital investment required to install Solar PV on those sites was £685,250.

In discussion, the Committee suggested the potential for rented roof space, to provide an income for business and for the Council to install Solar PV. Officers confirmed this would be considered, as would alternative technologies for those Council assets that were considered as not currently suitable for Solar PV. Officers would also keep abreast of any newly developed technologies which may be considered appropriate for Council properties in the future. A repairs and renewals fund would be generated from the savings over the 25 year life cycle of the Solar PV to enable replacement.

AGREED (unanimously) that:

- (a) the Council progress with Solar PV installation at the recommended sites as set out in paragraph 3.7 of the report;
- (b) the Council make provision for capital funding to cover these costs totalling £685,250; and
- (c) a further report be presented to the Committee to report on progress and carbon reduction as part of the Climate Emergency update.

### Reason for Decision

The Council declared a Climate Emergency in July 2019, to demonstrate our commitment to this the Council commissioned and approved our Climate Emergency Strategy and Greening Newark and Sherwood Action Plan in December 2020. Within the Greening Newark and Sherwood Action Plan Newark and Sherwood District Council has already agreed to consider the installation of Solar PV on our corporate and leisure buildings.

## 282 PROPOSED ACQUISITIONS AND DISPOSALS POLICY

The Business Manager – Corporate Property presented a report which sought approval of the Acquisitions and Disposals Policy. An acquisition and disposal policy was necessary to ensure that acquisitions and disposals were made with proper consideration of the legislation and industry best practice. The principles of the policy were outlined in the report and the draft policy was attached as an appendix.

The Committee considered that the approval levels for officers in respect of acquisitions and disposals, should be in line with those considered appropriate and agreed as part of the current governance review.

AGREED (unanimously) the proposed Acquisitions and Disposal Policy be approved, subject to the delegation and approval levels to officers being reviewed as part of the review of governance, with the final delegation figures being consistent with the provisions of the new Constitution.

### Reason for Decision

To ensure the Council makes use of public funds in a transparent and accountable way which adheres to legislation as well as the aims and objectives of the Community Plan.

## 283 GENERAL FUND, HOUSING REVENUE ACCOUNT (HRA) AND CAPITAL PROJECTED OUTTURN REPORT TO 31 MARCH 2022 AS AS 30 SEPTEMBER 2021

The Business Manager - Financial Services, presented a report which compared the Revised Budgets with the Projected Outturn forecast for the period ending 31 March 2022. The forecast was based on six months performance on the Council's revenue and capital budgets including the General Fund Revenue, Housing Revenue Account (HRA) and Capital Programme. The accounts showed a projected favourable variance of against the revised budget of £0.540m on service budgets, with an overall favourable variance of £0.188m to be transferred to usable reserves. Appendix A to the report detailed the variances in service areas and other budgets.

The Business Manager – Financial Services advised that the Capital Programme would be updated to reflect the decision taken by the Council at their Extraordinary Meeting held on 24 November 2021 in respect of the London Road Car Park.

AGREED (unanimously) that:

- (a) the General Fund projected favourable outturn variance of £0.188m to usable reserves be noted;

- (b) the Housing Revenue Account projected favourable outturn variance of £0.771m to the Major Repairs Reserve be noted;
- (c) the variations to the Capital Programme at Appendix C be approved; and
- (d) the Capital Programme revised budget and financing of £44.337m be approved.

Reason for Decision

To update Members with the forecast outturn position for the 2021/22 financial year.

284 YORKE DRIVE AND LINCOLN ROAD PLAYING FIELDS REGENERATION - UPDATE

The Director- Planning and Growth presented a report which updated the Committee on progress with the Yorke Drive and Lincoln Road Playing Fields Regeneration project, including the successful grant funding award from the Department for Levelling Up, Housing and Communities (DLUHC) of £1.05m. The report sought approval for the signing of the funding agreement to ensure external funding could be accessed in a timely manner.

The key updates in relation to the project were detailed in Section 3 of the report. The Committee noted that a face to face residents meeting had recently been held to provide and update and address any concerns raised. This had included information regarding piling at the site, which may be required in some localised areas. In relation to the Pavilion, it was noted that the decision to bring forward demolition as part of the grant funding agreement would require identification of appropriate alternative accommodation for the current users of the pavilion for the duration of works.

AGREED (unanimously) that:

- (a) the progress on the delivery of the Yorke Drive Regeneration Project be noted;
- (b) as and when grant funding is received, it is absorbed into the capital programme budget to enable spend to be achieved within timeframes set; and
- (c) the signing of the funding agreement be delegated to the Director - Housing, Health & Wellbeing and the Assistant Director - Legal & Democratic Services to minimise any delays in receiving funding.

Reason for Decision

Although the full details of the funding agreement are not currently available they are unlikely to hold any onerous conditions, therefore delegated authority is sought for expediency and will enable the project to progress.

285 NATIONAL LOTTERY HERITAGE FUND - NEWARK CASTLE APPLICATION

The Business Manager - Heritage, Culture and Visitors presented a report which advised Members of a planned bid for funding to the National Lottery Heritage Fund (NLHF) for the Newark Castle Gatehouse Project and sought approval to submit the application at the next available opportunity, 29 November 2021. It was reported that during the pandemic, the NLHF closed their usual funding streams, and prior to re-opening significantly revised their priorities. A specialist consultant had been appointed to re-visit the Newark Castle Gatehouse Project in light of these new funding requirements, and develop a fresh approach that would align with the needs of the Towns Fund and achieve the outcomes required of the NLHF. The report outlined an indicative timetable and costs, and the unique opportunities identified within the refreshed project.

AGREED (unanimously) that Members support the proposed application to the National Lottery Heritage Fund enabling an application to be submitted on 29 November 2021.

Reason for Decision

This proposal offers the best opportunity for match funding for the Castle Gatehouse Project, having previously explored numerous alternatives in 2019. Whilst there was a 12 month window to submit the stage 1 application, the timeline of the Towns Fund dictates the timescale required in submitting the NLHF application was no later than November 2021.

(Following consideration of this item, Councillor T Wendels left the meeting).

286 COMMUNITY PLAN PERFORMANCE - YEAR TO DATE

The Business Manager - Transformation presented a report which gave Members an overview of Quarter 1 and 2 performance against the objectives and actions within the Council's Community Plan for 2019-2023. The report provided a commentary on progress against the Community Plan objectives, reported on customer contacts, customer feedback and details of staff sickness absence rates. The report also contained, for noting, the annual RIPA and Ombudsman Reports. The Committee welcomed the new style of reporting and the contents of the report.

AGREED (unanimously) that:

- (a) following review, the Community Plan Performance report attached as Appendix 1 to the report, be welcomed; and
- (b) the RIPA and Ombudsman reports (Appendices 3 and 4 to the report) be noted.

Reason for Decision

To enable Members to proactively monitor the Council's performance and assess the Council's progress against achievement of the objectives laid out in the Community Plan.

287 PARTNERSHIP FOR THE EAST MIDLANDS BUILDING CONSULTANCY

The Director - Planning & Growth presented a report which updated Members on the financial position for East Midlands Building Consultancy (EMBC) and the Council, and the ongoing building control work in partnership with Blossom Homes.

The contract with EMBC, initially ran for three years, ending in April 2019, but this was extended on a rolling basis subject to an annual review. As previously reported, the EMBC had successfully arrested the previous financial decline and the costs of the service had reduced as set out in the report. It was noted that the service continued to perform well and provided a 'surplus' to the general fund which was ring-fenced to use to run the service.

The report also detailed the partnership between EMBC and Blossom Homes, a company currently based on the former Thoresby Colliery Site, Thoresby Vale. Blossom Homes were constructing zero carbon homes which were built using sustainable Modular Methods of Construction. The partnership was considered to be a positive one for EMBC and it was hoped would have a financial benefit as such properties gained popularity.

AGREED (unanimously) that:

- (a) the financial position of the East Midlands Building Consultancy be noted; and
- (b) the partnership with Blossom Homes Ltd be noted.

Reason for Decision

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

288 URGENCY ITEM - LGV DRIVER RETENTION SCHEME

The Committee noted the decision to make a one off Retention Payment of £5,000 to all operatives holding a LGV licence.

AGREED (unanimously) that the urgency item be noted.

Reason for Decision

To address the current shortage of drivers and to try and mitigate against a mass exodus of employees during the next 12 months.

Meeting closed at 7.10 pm.



**Forward Plan of Policy & Finance Committee Decisions from 1 February 2022 to 31 January 2023**

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.

| <b>Meeting Date</b> | <b>Subject for Decision and Brief Description</b> | <b>Contact Officer Details</b>   |
|---------------------|---|--|
| 21.02.22            | Medium Term Financial Plan 2022-26                | <a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>   |
| 21.02.22            | Update on former Robin Hood site, Newark          | Sanjiv.Kohli@newark-sherwooddc.gov.uk  |
| 21.02.22            | Asset Management Strategy                         | Mark.eyre@newark-sherwooddc.gov.uk   |
| 21.02.22            | General Fund Revenue Budget 2022-26               | <a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>   |
| 21.02.22            | Capital Programme Budget 2022-26                  | <a href="mailto:nick.wilson@newark-sherwooddc.gov.uk">nick.wilson@newark-sherwooddc.gov.uk</a>   |
| 21.02.22            | Pay Policy Statement 2022-23                      | Caroline.glass@newark-sherwooddc.gov.uk  |
| 31.03.22            | Community Plan Performance Q3                     | <a href="mailto:Ella.brady@newark-sherwooddc.gov.uk">Ella.brady@newark-sherwooddc.gov.uk</a>   |
| 31.03.22            | Workforce Development Strategy                    | <a href="mailto:Caroline.glass@newark-sherwooddc.gov.uk">Caroline.glass@newark-sherwooddc.gov.uk</a><br>Deb.johnson@newark-sherwooddc.gov.uk |
| 06.22               | Drone Policy                                      | <a href="mailto:Ella.brady@newark-sherwooddc.gov.uk">Ella.brady@newark-sherwooddc.gov.uk</a>   |
| 09/22               | Climate Emergency Update                          | <a href="mailto:Briony.ashton@newark-sherwooddc.gov.uk">Briony.ashton@newark-sherwooddc.gov.uk</a>   |

## **POLICY & FINANCE COMMITTEE**

**27 JANUARY 2022**

### **REASONABLE ADJUSTMENT POLICY FOR CUSTOMERS**

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

1.1 To seek Committee approval of the Reasonable Adjustment for Customers Policy.

#### **2.0 Background Information**

2.1 One of the recommendations of the Housing Ombudsman self-assessment is for Councils to have a Reasonable Adjustments Policy.

2.2 Although the Council has always strived to meet the needs of its customers this was not documented in a formal policy.

#### **3.0 Proposals**

3.1 The Policy details what is classed as a reasonable adjustment. This includes how the Council communicates with customers and what we can do to support.

3.2 Each request will be considered on its own merits and the Council will do all it can to support the request within. A copy of the parameters set out in the proposed policy is attached as an **appendix** to the report.

#### **4.0 Digital Implications**

4.1 There are no specific digital implications to the policy. However a customer may request that we communicate with them digitally.

#### **5.0 Equalities Implications**

5.1 The policy is designed to be equal to all residents. The Councils lead officer for equalities has been involved in producing the policy.

#### **6.0 Financial Implications FIN 21-22/6254**

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

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

7.1 The associated customer Feedback Policy aligns with the following objectives:

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

#### **8.0 Comments of Directors / Housing Advisory Group**

8.1 The Housing Advisory Group felt this approach was necessary but a last resort where resources were being directed away from other residents and supported a right of appeal to ensure the Council were being objective in their application of the policy.

## **9.0 Homes & Communities Committee**

9.1 This report is being considered by the Homes & Communities at their meeting to be held on 24 January 2022 and their comments will be reported to the Policy & Finance Committee.

## **10.0 RECOMMENDATION**

**That the Reasonable Adjustment for Customers Policy be approved.**

### **Reason for Recommendation**

**To ensure the Council consider the needs of its customers and to meet the recommendation of the Housing Ombudsman Self – Assessment Code.**

### **Background Papers**

Nil.

For further information please contact Jill Baker – Business Manager Customer Services on ext. 5810 or Julie Davidson – Business Manager, Housing and Estates on ext. 5542

Suzanne Shead  
Director – Housing, Health & Wellbeing

Deborah Johnson  
Director - Customer Services & Organisational Development

|                                     |   |
|-------------------------------------|---|
| <b>Document Name</b>                | Reasonable Adjustment Policy For Customers  |
| <b>Effective Date</b>               | 1 February 2022   |
| <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<br>Homes & Communities Committee<br>Policy & Finance Committee   |
| <b>Responsible Business Manager</b> | Business Manager Customer Services and  |

## **Customer Reasonable Adjustment Policy**

### **1.0 Overview**

- 1.1 The Council is committed to providing excellent customer service.
- 1.2 One of the Council's values is to be "Caring and Compassionate". To achieve this the Council strives to be sensitive to the different needs and circumstances of others.

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

- 2.1 This policy outlines what a reasonable adjustment is and how the Council will action these requests when received to ensure we are compliant with Equality and Diversity legislation and regulations.
- 2.2 This policy is designed to:
- confirm the Council's commitment to improving accessibility for everybody that it deals with;
  - set out some of the basic principles of our legal duty to provide reasonable adjustments for people; and
  - set out the factors that we will take into account in dealing with requests for reasonable adjustments.

### **3.0 What is a Reasonable Adjustment?**

- 3.1 A reasonable adjustment involves making a change to the way that we usually do things to ensure that we are fair to all of our residents. This may involve departing from our usual practice in the way we do things if we find that the current position places a person at a substantial disadvantage. For example we may:
- allow more time for someone to respond or provide information; or
  - make sure our buildings do not present obstacles for disabled people, for instance by providing lifts or ground floor meeting rooms; or offer a suitable alternative locations
  - provide specialist equipment or additional support
- 3.2 Where appropriate we will discuss the requirements with the individual concerned and seek to reach agreement on what may be reasonable in the circumstances.
- 3.3 Under the Equality Act 2010 ('the Act') a person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.
- 3.4 Under the Act, the Council have a duty to make reasonable adjustments in the following three circumstances:

- where a provision, criterion or practice puts a disabled person at a substantial disadvantage in comparison with persons who are not disabled
- where a physical feature puts a disabled person at a substantial disadvantage in comparison with persons who are not disabled
- where a disabled person would, but for the provision of an auxiliary aid, be put at a substantial disadvantage in comparison with persons who are not disabled

Where any of the above circumstances apply the Council must take such steps as are reasonable to either avoid the disadvantage or to provide the auxiliary aid.

3.5 We will let residents know that we can provide reasonable adjustments, for example:

- by including a note on our published documents indicating that we can provide the document in an alternative format on request;
- by publishing this policy on our website; and
- by working with key representative groups and others to raise awareness of this policy.

3.6 The Equality Act does not define what is "reasonable" but guidance from the Equality and Human Rights Commission suggests that the most relevant factors are:

- Whether the adjustment will help the individual to overcome the disadvantage they have
- The adjustment should be designed to fully address the disadvantage it is meant to overcome, for example providing a meeting room which is accessible by wheelchair may not properly overcome the barriers faced by the wheelchair user if there are no disabled toilet facilities also available.
- Whether it is practical to provide the adjustment
- What the resource implications of making the adjustment are; how much it will cost and whether this is proportionate to the adjustment being requested

#### **4.0 Requesting a Reasonable Adjustment**

4.1 If you want to make a request for a reasonable adjustment in order to access our services please contact the Council by telephone, email or visit one of our offices.

4.2 Whilst we will consider each request on individual circumstances, there are some common adjustments which we can offer as a matter of course.

4.3 The adjustments will always be agreed with the individual.

4.4 Some examples of the simple reasonable adjustments we can make are:

- Offer additional support to residents with temporary or enhanced needs. These can include those with visual or speech impairment and varying degrees of memory problems.
- Provide support in different formats, face to face, digitally and scheme visits.
- Provide information in a format that is convenient.
- Provide a variety of communication channel options.
- Signpost to additional support services.
- Identify and carry out adaptations (i.e. make physical changes)
- Provide support with accessing disabled aids and equipment
- Support with financial matters, including Welfare Benefits

4.5 In most cases we will be able to agree and deliver the required reasonable adjustments with a minimum of delay. In some cases, we may need to consider in more detail how best to overcome the difficulties a disabled person may be experiencing. For example, where the adjustment requested may be difficult to provide or where it may interfere with our statutory or regulatory obligations.

4.6 In some circumstances the Council will be unable to make the adjustment as it is not 'reasonable', for example where the cost of the adjustment is not practical. In such circumstances the Council will inform the resident as to why this is the case and discuss with the resident alternative options.

## **5.0 Monitoring and Evaluation**

5.1 The Council will record and monitor the reasonable adjustments that have been requested and made. This will allow us to review the services we provide and help us identify whether there are any wider steps that we can take to improve our services.

5.2 This information will be published on our on our website.

## **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**

**27 JANUARY 2022**

### **DEALING WITH UNREASONABLE BEHAVIOUR AND VEXATIOUS COMPLAINTS POLICY**

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

1.1 To seek Committee approval of the revised Dealing with Unreasonable Behaviour and Vexatious Complaints Policy.

#### **2.0 Background Information**

2.1 At the November 2020 committee, members approved the revised Customer Feedback Report and in January 2021, slight amends to the policy were approved to reflect the Housing Ombudsman Self-Assessment.

2.2 The Council is committed to dealing with all complaints fairly and impartially and to provide a high quality service to those who make them. Occasionally a complainant may display behaviour which is unacceptable, for example, abusive, offensive or threatening or repetitive and demanding. This type of behaviour cannot be tolerated and the Council will take action to protect its staff from such abuse.

2.3 Generally, dealing with a complaint is a straightforward process, however occasionally complainants become persistent complainers or make complaints which are vexatious, in that they persist unreasonably with their complaints, or make a high number of complaints which can make it difficult for the Council to provide services to others.

#### **3.0 Proposals**

3.1 The revised policy detailed in the attached **appendix** explains how the Council will manage unacceptable behaviour.

3.2 These cases are the exception and each case will be dealt with on its own merit. The policy clearly explains how the Council will apply the policy and how it operates.

3.3 It is recognised that a complainant has displayed unacceptable behaviour may still need to be in contact with the Council, particularly where we offer landlord or other services. The policy defines controls which may be put into place as a last resort to manage further contact for example, restricting contact to one person or restricting the number of contacts within a specific time period.

#### **4.0 Digital Implications**

4.1 There are no specific digital implications and customers have the option of submitting their feedback online.

#### **5.0 Equalities Implications**

5.1 The Policy is designed to be equal to all complainants. Each case will be considered on its own merit, taking into consideration any known characteristic of the particular complainant and equality impact assessments will be conducted to identify any unmet need.



## **6.0 Financial Implications (FIN-22/7045)**

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

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

7.1 The associated customer Feedback Policy aligns with the following objectives:

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

## **8.0 Homes & Communities Committee /Housing Advisory Group**

8.1 This report is being considered by the Homes & Communities Committee at their meeting to be held on 24 January 2022, and the Housing Advisory Group held on 6 December 2021 agreed with the policy as being a key way of supporting customers through adjusting our services and their comments will be reported to the Policy & Finance Committee.

## **9.0 RECOMMENDATION**

**That the revised Dealing with Unreasonable Behaviour and Vexatious Complaints Policy be approved.**

### **Reason for Recommendation**

**To ensure the Dealing with Unreasonable Behaviour and Vexatious Complaints Policy is fit for purpose.**

### **Background Papers**

Nil

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

Suzanne Shead  
Director – Housing, Health & Wellbeing

Deborah Johnson  
Director - Customer Services & Organisational Development

**APPENDIX**

|                                     |   |
|-------------------------------------|---|
| <b>Document Name</b>                | Dealing with Unreasonable Behaviour (including Vexatious Complaints) Policy   |
| <b>Effective Date</b>               | 1 February 2022   |
| <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>               | DRAFT   |
| <b>Approved by</b>                  | Senior Leadership Team<br>Homes & Communities Committee<br>Policy & Finance Committee   |
| <b>Responsible Business Manager</b> | Business Manager - Customer Services  |

## **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.
- 1.3 The Council has a Customer Feedback Policy which clearly explains how to submit a complaint and the associated process [Customer feedback | Newark & Sherwood District Council](#).
- 1.4 We are committed to dealing with all complaints fairly and impartially and provide a high quality service to those who make them. However we will not tolerate unacceptable behaviour, for example, that which is abusive, offensive or threatening and we will take action to protect our staff from such behaviour. If we find a complainant's behaviour to be unacceptable we will consider taking proportionate, appropriate action to ensure complainant knows what behaviour is being displayed, the behaviour we expect and the consequences of not adjusting their approach.
- 1.5 Complaints generally follow a straightforward process. Occasionally complainants become persistent or make complaints that are vexatious such as unreasonable persistence; unreasonably demands or make a high number of complaints such as making serial complaints about different matters or continuing to raise the same or similar matters over and over again which can have significant resource implications for the Council in delivering its services to all.
- 1.6 In these situations we will consider how we manage the relationship going forward and use restrictions of access **as a last resort**. This will ensure that Council resources are used effectively and that other customers and or staff do not suffer any detriment as a result of the behaviour. The actions (detailed in section 5.2) can occur either while the complaint is being investigated, or once the complaint investigation has been concluded by the Council.
- 1.7 Complainants displaying unreasonable behaviour will be addressed on a case by case basis.
- 1.8 This Dealing with Unreasonable Behaviour (inc. Vexatious Complaints) Policy should be used in conjunction with other Council policies including the Customer Feedback, Managing Unreasonable Behaviour, Equalities and Violence at Work policies.

## **2.0 Classifications of Unreasonable Complaint Behaviour and Vexatious Complaints**

- 2.1 It is considered reasonable for complainants to be determined and assertive when making a complaint about services, and to provide the Council with regular updates if there have been further incidents or new information that the Council need to know or consider.

2.2 Examples of unreasonable actions and behaviours are detailed below. The list is not exhaustive but gives indicative guidance in what may constitute as unreasonable:

- Demanding responses within an unreasonable time scale
- Insisting on dealing with a specific person
- Continual contact e.g. phone calls, letters, emails
- Repeatedly changing the substance of the contact or raising unrelated concerns
- Refusing to accept that issues are not within the remit of the complaints procedure despite having been provided with information about the procedure's scope
- Insisting on the complaint being dealt with in ways which are incompatible with the Customer Feedback Policy complaints procedure or with good practice.
- Further demands relating to a specific issue where the Customer Feedback Policy has already been followed and exhausted.
- Persistent refusal to accept a decision or raising similar complaints where there is no benefit to the Council or complaint to pursue.
- Persistent refusal to accept explanations as to what the Council can and cannot do
- Continuing to pursue a matter that has been properly investigated e.g. raising a repeat complaint without providing new/pertinent information
- Changing the basis of the complaint as the investigation proceeds and/or denying statements he or she made at an earlier stage.

2.3 Situations can escalate and sometimes customers can become abusive, offensive, threatening or otherwise behave unacceptably. Such situations would be managed in accordance with Managing Unreasonable Behaviour and Violence at Work Policies.

### **3.0 Considerations Prior to Action**

3.1 As part of assessment of whether the complaint should be considered unreasonable we will consider:

- That the complaint is being/has been investigated properly.
- Any decision reached on their complaint is the right one given the information available.
- That communications with the complainant have been appropriate.
- The complainant is not providing any significant new information which may affect our view on the complaint.
- Whether an Equality Impact Assessment needs to be completed to understand any unmet need/multi agency approach.
- The benefit of meeting the complainant via an suitable method to discuss the ongoing issues as this can dispel misunderstandings and move matters towards a resolution
- Designate one officer to co-ordinate the response if the complaint relates to more than one service area

3.2 In most cases we will write to the complainant explaining what unacceptable behaviour has been observed, the behaviour that the Council expect and the potential consequences if the behaviour persists.

3.3 Where behaviour is so extreme that it threatens the immediate safety or welfare of our staff or others, the matter may be reported to the police or we may consider taking legal action (without giving notice) alongside any action under this policy.

#### **4.0 The Process for Making the Decision to Adjust our Services**

4.1 Staff who consider a complainants behaviour falls within the remit of this policy will raise this with their Business Manager and two warning letters will normally be issued before a decision is made to adjust our services.

4.2 The decision to adjust our services following unreasonable behaviour by a complainant will normally be taken by the Business Manager in conjunction with the Director who may delegate a senior officer to do so on their behalf.

4.3 The Business Manager should also discuss the circumstances with another Business Manager not involved in the case to ensure impartiality of decision making that effectively restricts our services.

#### **5.0 Restricting Access**

5.1 The action taken in relation to unreasonable behaviour will be appropriate and proportionate, following written warnings and will be taken as a last resort.

5.2 Depending on the behaviour, one or more of following controls will be considered and recommended by the Business Manager:

- Time limits on contacts e.g. telephone conversations or face to face contacts
- Restricting the number of contacts during a specific period of time (for example, one call on one specified morning or afternoon per week)
- Limiting the complainant to one suitable communication channel e.g. telephone, letter or email and/or requiring the complainant to communicate only with one named member of staff
- Requiring a witness to be present for interactions
- Signposting to the relevant Ombudsman if the relevant route has been exhausted.
- Refusing to register and process further correspondence or separate complaints about the same matter though the correspondence will be logged.
- Future correspondence will be read and placed on the file but will be not acknowledged, unless it contains material new information. A designated officer will be identified who will read future correspondence

#### **6.1 Operating the Policy**

6.1 Once a decision has been taken to apply the policy we will write or email the complainant to inform that:

- The decision has been taken to adjust our services in response to their behaviour
- What this means for their future contact with us
- How long any restrictions will last
- When the decision will be reviewed (dependant on circumstances)

6.2 New complaints about new issues will be treated on their own merits and this policy will be applied to determine any unreasonable behaviour.

## **7.0 Appeals and Reviews**

7.1 The decision to restrict our services does have a right of appeal to Senior Leadership Team. The Business Manager/Director will present the information on which the decision has been made and any submission by the complainant

7.2 The decision will be reviewed after an agreed period dependant on the circumstances.

7.3 When reviews are carried out, we will write to advise the complainant of the outcome and, if restrictions are to continue to be applied the date when these will next be reviewed

7.4 A report will be presented to SLT annually to show how the policy has been applied over the year including the persons where services have been restricted.

## **8.0 Review of the Policy**

8.1 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

27 JANUARY 2022

### NEWARK TOWNS FUND UPDATE AND APPROVALS

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

- 1.1 To update Members on the Newark Town Deal and identified Towns Fund Projects captured below.
- 1.2 To seek approval for the Outline Business Case of the Cycle Town project and the Outline Business Case of the International Air and Space Training Institute, subject to assurance by Quod consulting in consultation with the District Council's S151 Officer.

#### **2.0 Updates**

##### Business Case Development

##### **Cycle Town**

- 2.1 The Outline Business Case (OBC) for the Cycle Town Project has been received by Quod consulting and they have issued their evaluation report concluding that the project offers high value for money and recommending that it be approved by the Council, as the accountable body, and S151 officer. A summary document on the OBC has been prepared and supported by Newark Town Board on 13 January 2022. Subject to the approval of this Committee and the s151 Officer (who supports the OBC) a Summary Business Case will be submitted to the Department for Levelling Up, Housing and Communities, by their deadline on 18 January 2022. This deadline relates to projects which have spend in the financial year 2021/2022 and will allow drawdown of allocated funds.
- 2.2 The Cycle Town projects seeks £200k from the Newark Town Deal to support the purchase, installation and maintenance of four docks each containing, initially eight folding bikes for hire. In addition to the £200k from the Towns Fund, the project has secured £50k match funding utilising S106 receipts. The intention is to add to this private sector contribution once the initial first phase of the docks has been installed, galvanising interest and key private partners to engender a modal shift in movement and transport in and around Newark, through promotion, subsidised corporate memberships and offers. The project can then be expanded through the addition of more bikes, other dock locations or bolt-ons to the existing docks.

##### **IASTI© Newark**

- 2.3 The Outline Business Case (OBC) for the IASTI has now been approved by the independent assurers Quod consulting, and is pending S151 Officer approval (expected prior to the Committee meeting). Quod concluded that the project would offer value for money and has demonstrated its deliverability. This business case seeks approval for £10.6 million from the Newark Town Deal to support the delivery of an International Air and Space Training Institute facility in Newark. The IASTI-Newark will blend education with practical experience in partnership with the civil and military aviation industry. The project responds to skills shortages in the aviation and space sectors, who have struggled to attract, educate and retain qualified individuals needed to meet projected growth in these sectors. The project is led by Lincoln College Group (LCG) and is supported by industry. The OBC has identified an appropriate Benefit Cost Ratio (BCR). The IASTI programme will achieve the following outcomes:

- Air & Space Engineering: Training of a maximum of 15 new Level 3 Engineers in 2021/2022, 25 in 2022/2023 and 28 in 2023/2024.
- Pre-Training of up to 20 new Level 3 Pilots in September 2021 with continuation onto the new practice-based degree from September 2023.
- Training of a maximum of 20 new Aviation Ground staff in 2022/2023 and 28 in 2023/2024.

2.4 Business Cases for all of the other Towns Fund projects continue to be developed, in accordance with the following timetable:

| Project                       | Project Sponsor            | Expected sign-off  |
|-------------------------------|----------------------------|--|
| Newark Construction College   | Lincoln College Group      | Complete   |
| Community & Activity Village  | YMCA                       | Assured & Grant issued<br>Practical Completion Spring 2022 |
| 32 Stodman Street             | NSDC                       | FBC Pending Approval                                       |
| IASTI®                        | Lincoln College Group      | Assured (subject to ED resolution)                         |
| 20 Minute Town                | NSDC                       | Assured (subject to ED resolution)                         |
| SiScLog (Newark Gateway site) | University of Lincoln/NSDC | March 2022   |
| Castle Gatehouse              | NSDC                       | March 2022   |
| Cultural Heart of Newark      | NSDC                       | March 2022   |
| Newark Southern Link Road     | Urban&Civic                | Secured via the Newark<br>Constituency Levelling Up Fund   |

#### Newark Southern Link Road

2.5 Members will be aware of the successful Newark Constituency Levelling Up Fund bid of £20m, which will supplement loan funding from Homes England and grant funding from NSDC (£5m) and the LEP (£6m), as detailed in the updates to the Economic Development and the previous Policy & Finance Committee meeting. Officers continue to liaise with Government to agree and execute terms of the LUD grant draw-down, which is expected prior to the end of March 2022. It remains the intention that any Grant Agreement with Urban&Civic with the entered into by the Council's Director – Planning & Growth in consultation with the Deputy Chief Executive & Director of Resources and the Assistant Director Legal Services.

#### Project Adjustment

2.6 Further to the previous Policy & Finance report detailing the approach taken to request the redistribution of Towns Fund resource originally allocated to the Relocation of the Police Station project, which is no longer going ahead, the necessary project adjustment forms and revised Annex A1 Financial profile, approved NSDC's S151 officer and the co-chairs of Newark Town Board in an urgency report, was submitted to the Department for Levelling Up, Housing and Communities on 21 December 2021. DHLUC have advised that we can expect their response in early February. An update to the proposed redistribution across the Castle Gatehouse, 32 Stodman Street, and SiScLog proposals will be provided to the March Committee.



## Towns Fund Assurance

- 2.7 The current Towns Fund Assurance Framework (November 2021) has underpinned Quod Consulting's and the Council's s151 Officers assessment of Business Case development to date. Since its adoption, the government has published a number of qualifications and amendments to how Towns Funding can be drawn down, including an ability to draw down funding following an Outline Business Case (OBC) approval. Following this change, a previous version of the Towns Fund Assurance Framework (June 2021) was updated and approved by the Newark Town Board on 26 November 2021.

### **3.0 Equalities Implications**

- 3.1 Each TIP project is required to specifically address equalities and access implications as they are developed. This will be captured through the scheme and Business Case submissions.

### **4.0 Digital Implications**

- 4.1 There are digital implications within many of the TIP plans and projects identified, with the need to ensure appropriate digital infrastructure, skills and future innovative and creative employment opportunities being key to many objectives. Each project will be required to identify this as they progress.

### **5.0 Financial Implications (FIN21-22/7266)**

- 5.1 Projects relating to the Towns Fund programme will be added to the capital programme in their entirety once the Business cases have been approved and approval granted at Policy & Finance.
- 5.2 Both the Stodman Street and Cycle Town projects are included within the capital programme in full.
- 5.3 IASTI and SIScLOG will be added once they have achieved final assurances and sign off.
- 5.4 We are currently awaiting the outcome of the request to redistribute the £1m from Newark Police Station to address potential pressures elsewhere within the Towns Fund programme. Once a decision has been made we will seek approval through Policy and Finance to update the budgets accordingly.

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

- 6.1 The Newark Town Deal and TIP is a direct intervention of such scope and breadth that it significantly contributes to delivering all of the Council's Community Plan objectives.

### **7.0 RECOMMENDATIONS that:**

- (a) **Members welcome and note the update provided;**
- (b) **Members approve, subject to the recommendation(s) of the Council's s151 Officer in consultation with Quod Consulting, the OBC for the Cycle Town Project;**

- (c) Members approve, subject to the recommendation(s) of the Council's S151 Officer in consultation with Quod consulting, the OBC for the International Air and Space Training Institute (IASTI);**
- (d) subject to (b) above delegated authority be given to the Director – Planning & Growth, in consultation with the Assistant Director – Legal & Democratic Services, to enter into a Contract with Brompton Bike Hire as the supplier of the folding bikes and docks in order to deliver the Cycle Town project in accordance with the approved Outline Business Case;**
- (e) subject to (c) above delegated authority be given to the Director – Planning & Growth, in consultation with the Assistant Director – Legal & Democratic Services, to enter into a Contract with the Lincoln College Group (Newark College) as the Project Sponsor for the International Air & Space Training Institute, in accordance with the approved Outline Business Case; and**
- (f) delegated authority be given to the Council's s151 Officer to approve final Full Business Cases (FBC) for the Cycle Town project and IASTI, subject to recommendations from Quod Consulting (or another independent third party Assurance provider) and endorsement by the Newark Towns Board.**

#### **Reason for Recommendations**

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

#### **Background Papers**

Newark Town Investment Plan (July 2020)

Newark Towns Fund Assurance Framework (November 2021)

For further information please contact Matt Lamb on Ext. 5842

Matt Lamb

Director – Planning & Growth

## POLICY & FINANCE COMMITTEE

27 JANUARY 2022

### HIGH STREET HERITAGE ACTION ZONE (HSHAZ)

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

1.1 To update Members on the HSHAZ and to seek delegated authority from Members to offer and administer grants of up to £15k each per scheme.

#### **2.0 Background Information**

2.1 Members will be aware of Newark & Sherwood High Street Heritage Action Zone (HSHAZ), a government backed and part-funded (along with NSDC and private sector match) initiative in partnership with Historic England. The HSHAZ runs from 2020 to 2024 and has within it the following work-strands:

| <b>Project Headline</b>                                | <b>Proposed Timescale</b>                                       | <b>Proposed Budget</b>  |
|--|---|---|
| <b>1. HSHAZ Project Officer</b>                        | Completed (post-holder due to leave in Feb, post re-advertised) | <b>Total - £148,993</b><br>HE - £106,833<br>NSDC - £42,160  |
| <b>2. Corn Exchange</b>                                | June 2021 – January 2023  | <b>Total - £15,000</b><br>HE - £10,000<br>NSDC - £5,000   |
| <b>3. Former Old White Hart</b>                        | May 2021 – March 2022   | <b>Total - £15,000</b><br>HE - £5,000<br>NSDC -£5,000<br>Private - £5,000                         |
| <b>4. Heritage at Risk Grant Scheme</b>                | January 2021 – January 2024                                     | <b>Total - £70,000</b><br>HE -£30,000<br>NSDC – £10,000<br>Private £30,000                        |
| <b>5. Heritage Grant Scheme (shopfronts)</b>           | January 2021 –January 2024                                      | <b>Total – £150,000</b><br>HE – £60,000<br>NSDC - £10,000<br>Private - £80,000                    |
| <b>6. Shopfront and Upper floor Development Guide</b>  | August 2021 – January 2023                                      | <b>Total - £45,000</b><br>HE - £10,000<br>NSDC - £10,000<br>Private - £25,000                     |
| <b>7. Public realm and wayfinding (Beaumont Cross)</b> | March 2021 – February 2022                                      | <b>Total - £25,000</b><br><b>HE - £5,000</b><br><b>NSDC - £10,000</b><br><b>Private - £10,000</b> |
| <b>8. Lease tenant advice</b>                          | August 2021 – September 2022                                    | <b>Total - £10,000</b><br>HE - £5,000<br>NSDC – £5,000  |
| <b>9. Publication – Newark Heritage</b>                | April 2021 – Jul 2023   | <b>Total - £10,000</b><br>HE - £10,000  |

|  |  |  |
|--|--|--|
| <b>10. Tax and Business Rates Review</b>   | August 2021 – September 2022                           | <b>Total - £30,000</b><br><b>HE - £15,000</b><br><b>NSDC - £15,000</b> |
| <b>11. Community Engagement</b>  | June 2021 – March 2024                                 | <b>Total - £17,598</b><br><b>HE - £11,299</b><br><b>NSDC - £6,299</b>  |
| <b>12. Footfall Counting</b>   | January 2021 – March 2021<br>(data collection ongoing) | <b>Total - £22,100</b><br><b>HE - £17,000</b><br><b>NSDC - £5,100</b>  |
| <b>Total</b>   |  | <b>£558,691*</b>   |
| *This is slightly lower than £562k due to reduced hours currently being worked by the HAZ Project Officer. |  |  |

### **3.0 Proposal**

- 3.1 Following targeted surveying, negotiation with relevant landowners, and completion of feasibility of design and costs workings the Council Officers, in conjunction with Historic England, are sufficiently progressed to such a degree that grants can be issued. In order to do this formal delegated authority is required.
- 3.2 In order to provide requisite assurance for all grant-supported projects it is necessary for HE and NSDC to both agree that each project is eligible for HSHAZ support, that the proposals represent value for money, that appropriate match funding is secured, and that the scheme is acceptable with regard to heritage impacts. This ‘sign-off’ process is captured and recorded and will be reported back to the Economic Development Committee at regular intervals as part of HSHAZ updates.
- 3.3 As part of the wider governance changes effective from May 2022 it is envisaged that ongoing grant spend will be approved by either the portfolio holder or Cabinet depending on the size of the associated spend. In the interim, and to ensure timely payments are administered it is proposed that any payments under categories 1-12 above (with the exception of the publication which is fully funded by HE), which are approved by both HE and NSDC Conservation, are delegated to the Director – Planning & Growth in consultation with the Chairman of Economic Development Committee up to a maximum value of £15,000. Any grants larger than this amount will be approved by the Policy & Finance Committee, providing overall spend does not exceed the table above.
- 3.4 The detail of the target projects is contained within the background document ‘HSHAZ Programme Design 2020-24’. However, it is useful at this stage to set out some potential examples of the typical smaller grant offers relevant to this report (and therefore likely to be less than £15k), notably in the offer of repair grants (under either category 4 or 5 in the table above). Repairs to window joinery, masonry repointing and rainwater goods all fall into this bracket, and we are starting to be approached by local businesses with expressions of interest for repairs of this nature. Repair grants will typically require at least 2 quotes, and must only allow for conservation appropriate repair works. We will typically offer 50% grant assistance on such projects, although we have the ability to increase this offer if circumstances require it (for example, a business struggling in the current economic environment) up to a maximum of 90%. A technical summary of what is eligible for repairs grants is contained in the background papers. Key reasons for approving a project of this

nature will be: if the building is a target heritage at risk building; and that the repairs will make a noticeable difference within the public realm (this means that proposals for repair works at the rear of properties may not be eligible).

- 3.5 To date, we have only progressed one expression of interest to a potential grant offer to renovate badly decayed windows on a listed building on Kirk Gate (no 27). The applicant supplied two conservation appropriate quotes from local reputable joinery firms, and we are potentially able to accept the lower quote.
- 3.6 One of our biggest challenges with heritage at risk projects, including the Corn Exchange and the former White Hart on the Market Place is understanding what is wrong with the building (in terms of condition and structural integrity) and feasibility of restoring it as part of a longer-term repurposing. Projects comprising structural surveys and conservation management plans may therefore be eligible for grant assistance within the heritage at risk category (a typical conservation management plan identifying urgent works and longer term renovations is typically £10-15k depending on circumstances). This type of work can be vital in providing technical evidence for repair strategies, including future enforcement action. A summary of heritage at risk targets and the baseline survey explaining why it is identified is contained within the background papers.
- 3.7 For clarity, the focus of the Heritage Grant Scheme (category 5 in the table in 2.1 above) is shopfronts, but there is capacity for general repairs to prominent facades as explained above. It is anticipated that many of the shopfront improvement offers will exceed £15k, and these will therefore be reported on a case by case basis to EDC (and in time under the new governance changes, the relevant portfolio holder or Cabinet). At the time of reporting, we have progressed discussions with three shop front owners on potential shop front improvements, comprising 19 Market Place, 29 Carter Gate and 3 Appleton Gate. All three were targets in the Programme Design and will benefit from replacing modern aluminium joinery with traditional timber joinery and improved shop front or window proportions based upon detailed research on the correct architectural form of the host property. No quotes have yet been submitted however, and no planning/listed building consent applications submitted to the local planning authority.

#### **4.0 Equalities Implications**

- 4.1 The Programme Design for the HSHAZ will seek to ensure that there is equality of opportunity and that no individuals or groups are disadvantaged or discriminated against because of race, sex, disability, religion or belief, sexual orientation, gender reassignment, maternity and pregnancy, marriage or civil partnership, age, or social inequality.

#### **5.0 Digital implications**

- 5.1 There are no specific digital implications related to this project. Work will be administered by the HSHAZ Project Officer with support from the Conservation Team.

#### **6.0 Financial Implications – FIN21-22/2356**

- 6.1 This report seeks delegated authority from Members to offer and administer grants of up to £15k each per scheme, against categories 2 to 5 within the table in paragraph 2.1.

- 6.2 The total proposed budget across these projects is £250k. This is broken down by project headline and contributor as follows:

| Project Headline                      | Contributor      |             |              |              |
|---------------------------------------|------------------|-------------|--------------|--------------|
|                                       | Heritage England | NSDC        | Private      | Total        |
| 2. Corn Exchange                      | £10k             | £5k         | -            | <b>£15k</b>  |
| 3. Former Old White Hart              | £5k              | £5k         | £5k          | <b>£15k</b>  |
| 4. Heritage at Risk Grant Scheme      | £30k             | £10k        | £30k         | <b>£70k</b>  |
| 5. Heritage Grant Scheme (shopfronts) | £60k             | £10k        | £80k         | <b>£150k</b> |
| <b>Total</b>                          | <b>£105k</b>     | <b>£30k</b> | <b>£115k</b> | <b>£250k</b> |

- 6.3 As per the table in paragraph 2.1, the Council originally proposed to contribute a total of £125k between 2020/21 and 2023/24 to the £562k HSHAZ Programme. The annual budgets required to spend from this £125k will be set as part of the yearly General Fund budget setting processes. The budgets required for 2022/23 and 2023/24 will be included within the 2022/23 – 2025/26 budgets to be presented to this Committee in February 2022.

- 6.4 The projects within the HAZ Programme are mostly revenue expenditure but any of the projects that are deemed to be Capital expenditure, will need to be individually reported to Policy and Finance Committee to seek approval for the budget included in the capital Programme. These will be financed by a revenue contribution, HSHAZ funding and external grant, therefore there will be no additional revenue implications in relation to the proposed projects.

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

- 7.1 The community engagement on the HSHAZ accords with the Objective that seeks to increase participation with the Council and within local communities. It will also align with the Objective to enhance and sustain Town centres whereby heritage is appropriately protected.

## **8.0 RECOMMENDATION**

**That Members approve the request for delegated authority for officers to make grant offers and deal with the subsequent administration of grants for schemes which will each total less than £15k.**

### **Reason for Recommendation**

**To continue the promotion of the High Street Heritage Action Zone.**

### **Background Papers**

HSHAZ Programme Design 2020-24

Buildings at Risk

Newark HSHAZ – Works Eligible for Potential Grant Funding

For further information please contact Matt Lamb on Ext. 5842

Matt Lamb  
Director – Planning & Growth

## **POLICY & FINANCE COMMITTEE**

**27 JANUARY 2022**

### **COMMERCIAL STRATEGY AND ACTION PLAN**

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

1.1 To present Members with the Commercial Strategy 2022-2026 and associated action plan for approval. The Strategy and Action Plan are attached as **appendices** to the report.

#### **2.0 Background Information**

2.1 Newark & Sherwood District Council's Commercial Plan covering the period 2017/18 to 2020/21 expired in March 2021 and a new and refreshed Commercial Strategy is required to cover 2022 to 2026 to allow the Council to best address the financial gap in funding that is forecast from 2023/24.

2.2 The strategy outlines the framework for how the Council will seek to address the funding challenge whilst the Action Plan details the specific projects and tasks which support the delivery of the Strategy. The plan details the actions we will take to meet our predicted financial deficit. At present the action plan does not contain any figures as putting a financial target against each action would, at this stage, be too inaccurate. Instead the lead service for each action will work to set a target in the year leading up to the start of the action. Currently each action has been identified as creating a saving or generating revenue. The intention is that this action plan will be reviewed annually, and the progress (including expected savings and revenue) be reported to members.

#### **3.0 Proposals**

3.1 Members to review and approve the Commercial Strategy.

#### **4.0 Equalities Implications**

4.1 There are no direct implications.

#### **5.0 Digital Implications**

5.1 No direct implications arising from this report, the strategy will influence the digitalisation agenda and further information is outlined in the Digital Strategy.

#### **6.0 Financial Implications (FIN21-22/1158)**

6.1 There are no direct implications arising from this report, albeit the strategy will influence the ways in which resources may be allocated. In these situations any report which will have direct financial implications will be tabled at the appropriate Committee.

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

7.1 The Commercial Strategy delivers against all of the Council's objectives and being 'commercial and business like' is one of the Council's core values.



## **8.0 RECOMMENDATION**

**That the Commercial Strategy and Action Plan be approved.**

### **Reason for Recommendation**

**For the Council to be commercial and business-like (secure value for money and be careful and creative with resources) to achieve efficiencies and earn income to be invested in resident services.**

### **Background Papers**

Nil.

For further information please contact Ella Brady on Ext.5279

Sanjiv Kohli  
Director - Resources, Deputy Chief Executive

## **Commercial Strategy**

### **For Newark and Sherwood District Council**

#### **2022 –2026**



This strategy outlines how the Council aims to be commercial and business-like over the next four years working towards a vision of Newark and Sherwood as an *“innovative and entrepreneurial Council that continually achieves positive annual financial contributions; by generating new revenue and delivering cost reductions, through trading and business improvements.”* This strategy continues on from the Commercial Plan 2017-18 to 2020-21 and focuses on building on Newark and Sherwood’s strengths.

#### **Why do we need this Strategy?**

There is a need for this Commercial Strategy in order to address the financial gap in funding that is forecast from 2023/24. This gap is due to two principal reasons.

Firstly, since the financial crisis of 2009, central government has made changes to how local government is funded. The most significant of these changes happened in 2013/14 when the Business Rates Retention Scheme (BRRS) replaced the Business Rates Redistribution System. Under BRRS, district councils retain the baseline amount of local business rates collected each year (the baseline being the amount of business rates allocated in 2012/13 under the redistribution system, adjusted each year for inflation). In addition, district councils retain 50% of any growth in business rates in the year (with the other 50%, for this council, going into the Nottinghamshire Pool). The baseline was to be reset after 5 years and this was due for reset in 2018/19. This, together with the Fair Funding Review, was pushed back due to firstly Brexit and then Covid-19. It seems more likely now that the Fair Funding Review will not be completed until 2024/25 but there is a distinct possibility that the base line reset could take place in 2023/24. If the base line is reset, district councils (like Newark and Sherwood) who have experienced growth in business rates income since 2013/14 face losing a significant amount of funding. For this Council the reduction in funding could amount to circa £2m best on the latest estimates.

Secondly, in addition to the business rates baseline reset, the government had a budget deficit of £303 billion for the year ending 2020/21. The Chancellor is initially addressing this deficit through fiscal measures but will no doubt, by 2023/24, look to reduce public expenditure. As it is unlikely that reductions will target expenditure on health, social care, education or blue light services then a large burden of the reductions are likely to fall on district Council budgets.

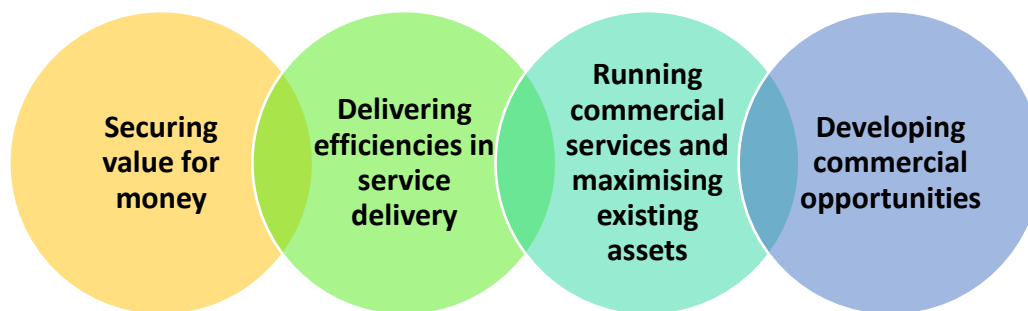
Therefore, Newark and Sherwood needs to respond to the highly likely risk of a significant deficit by being commercial; that is, being careful and creative with resources and business-like, by developing services and securing value for money. Being commercial is one of the Council’s values and this strategy sets the framework for how the Council will seek to address the approaching funding challenges.

### The Context of this Strategy

This strategy sits alongside the Council's Investment Strategy which outlines how the Council's cash reserves and balances are invested in order to earn income that in turn funds services. The diagram below demonstrates how these strategies relate to each other.



### How will the strategy be delivered?



The strategy will be delivered using **four** objectives;

#### Securing value for money by

- Having quality and commercial contract management embedded in the organisation with procurement procedures, procurement training and contract management training.
- Continually assessing contracts to ensure scope is as required, review the contract against the market and consider if a different delivery model (e.g. in-house or external service) would produce a better outcome for the resident.
- Considering shared or further integration/alignment of services with other local authorities, charities or organisations where a saving can be achieved without a detriment to the quality of the service received by the customer.
- Having thorough and commercial SLAs that are monitored and performance managed.

### Delivering efficiencies in service delivery by

- Undertaking business improvement reviews to identify areas for improvement, and target these areas using business process engineering tools to identify efficiencies with the aim of reducing the cost of service delivery.
- Seeking to streamline internal systems to rationalise and streamline digital tools and software used across the organisation to improve collaboration and reduce costs.
- Developing new ways of working that deliver for our residents and work for our staff.
- Developing resources for staff and delivering training on these resources to ensure Council officers are equipped to deliver effective and quality outcomes. For example, Project Management training is already being delivered to officers across the Council.

### Running commercial services and maximising the Council's existing assets by

- Selling services that are quality and fit for purpose such as the domestic Garden Waste service, Grounds Maintenance service and Commercial Waste service.
- Continuing to maximise existing commercial opportunities and structures including but not limited to;
  - Built assets (non-social housing assets) such as Newark Lorry Park and the Beacon,
  - Rental of commercial units and spaces such as desk space at Castle House and food and beverage concessions in Council owned parks and open spaces, and
  - Advertising on Council assets such as the sale of advertising rights on the back of Council parking tickets.

### Developing commercial opportunities by

- Continually searching for new commercial opportunities that achieve revenue generation, and where an opportunity is identified reviewing the opportunity using the commercialisation checklist to undertake a cost-benefit analysis of the opportunity.
- Encouraging staff to identify commercial opportunities and share them with the Transformation team for consideration, development and (if viable) progression.
- Presenting bids for funding to the Senior Leadership Team (SLT) using a business case informed by the commercial checklist. Upon SLT and member approval (as required) commercial opportunities can be funded through capital investment.

### How will we know we are delivering?

We will measure our success by...

- ✓ Completion of commercial projects/actions monitored through the action plan.
- ✓ Measuring the number of staff trained per annum in contract management, project management and report writing (captured by Human Resources).
- ✓ Measuring the income achieved by the Councils commercial services (captured by Financial Services).

**An action plan accompanies this strategy.**

**Commercial Strategy Action Plan**

Actions, activities and projects to deliver against the commercial strategy over the period of 2022 to 2026.

| We <b>will</b> do this with existing capacity/resource   |  |           |                           | We <b>can</b> do with investment of capacity/ resources  |   |                   |                           | We <b>think</b> we can do this and we are going to explore to see if it's viable  |                    |           |                           |
|--|--|-----------|---------------------------|--|---|-------------------|---------------------------|---|--------------------|-----------|---------------------------|
| Activity   | Lead area  | Timescale | Anticipated income/saving | Activity   | Lead area   | Timescale         | Anticipated income/saving | Activity  | Lead area          | Timescale | Anticipated income/saving |
| Development of a new way of working and hybrid working guidance to support service delivery and help staff to deliver savings with efficiencies from digital/hybrid working practices.   | HR & Transformation                                  | 2022      | Saving                    | Make GIS functionality publically available. This will create savings as the public will be able to self-serve 24 hours a day rather than needing to contact the Council for information.                            | Planning Development & ICT  | 2022/23           | Revenue/Savings           | Consider taking on third party contract for CCTV aka we monitor CCTV for others as a chargeable service utilising their infrastructure and we would monitor their CCTV.   | Public Protection  | 2022/23   | Revenue                   |
| Lobby national government on raising statutory fees that have not been raised in years.  | Public Protection & all charging business units      | Annually  | Revenue                   | Ticketing system and website for theatre and National Civil War Centre to market services and future proof online sales.   | Heritage & Culture  | 2021/22 & 2022/23 | Savings/Revenue           | Explore increasing the number of partners in the shared CCTV services to deliver savings and shared resilience.   | Public Protection  | 2022/23   | Savings                   |
| Annual review of fees and charges that are non-statutory (aka set by the Council) update annually e.g. providing advice to improve the food hygiene rating of a restaurant/café<br><br>Review includes;<br>- Reviewing existing charges (level of subsidy etc.)<br>- New areas for charging<br>- Understanding price elasticity  | All charging business units/ Finance/ Transformation | Annually  | Revenue                   | Develop small areas of land in town centres (brownfield land not utilised) into contract car parking   | Corporate Property  | 2022/23           | Revenue                   | Explore the viability of naming some Council assets as 'culturally exempt' to create savings.   | Finance            | 2022/23   | Revenue/Savings           |
| Review of contracts for supplies and services for rationalisation and joint procurement e.g. amalgamate contracts across sites and/or services (for both services and purchases) to enable savings via joined up procurement. Potential amalgamations on contracts like;<br>- Cleaning of Council assets<br>- Repairs and maintenance<br>- Utilities<br>- Security<br>- Compliance consultancy | Finance/Procurement/Legal/Corporate Property/Housing | 2022/23   | Savings                   | Rationalisation of the Council's systems as part of the Council's digitalisation strategy. Amalgamate systems to deliver savings and improve user experience e.g. systems that integrate better with hybrid working. | ICT leading with Planning Development, Public Protection & Revenues and Benefits. | 2022/23           | Savings                   | Explore viability of another Lorry Park in the district (likely to be in the west of the district). This achieves an income for the Council but also tackles lorry theft issues and manages low level ASB with lorry drivers in laybys. | Corporate Property | 2022/23   | Revenue                   |

|  |  |                   |                  |   |  |                   |         |  |   |                   |                  |
|--|--|-------------------|------------------|---|--|-------------------|---------|--|---|-------------------|------------------|
| Map use of consultants across the authority with an aim of rationalising and understanding what is needed. Considering questions such as; should we have a shared contract for repeated services? Would an officer be more efficient?  | Finance  | 2022/23           | Savings          | Develop the events and wedding offer at the National Civil War Centre, Palace theatre and Castle.   | Heritage & Culture                     | 2022/23           | Revenue | Consider the creation of an arm's length property development company, for assets/commercial including car parks (commercial not residential), that would act in or out of the district.   | Corporate Property  | 2023/24           | Revenue          |
| Undertake two projects streamlining internal Council processes using business process re-engineering, namely using a defined methodology to redefine processes to identify efficiencies and remove duplication, resulting in service efficiencies.   | Transformation   | 2022/23           | Saving           | Officers able to use tablets/mobile on site visits to deliver time efficiencies.  | ICT/Planning Development               | 2022/23           | Savings | Consider expansion of the offer at the theatre to include cinema and live shows online within the Palace Theatre. Develop a business case to explore the viability.  | Heritage & Culture  | 2022/23 & 2023/24 | Revenue          |
| An estate rationalisation project to categorise Council assets/sites to consider what might be developed or sold. For example, could the land be developed or host a solar farm?<br><br>Review to include; <ul style="list-style-type: none"> <li>Review of current use</li> <li>Identify sites surplus to requirement/suitability</li> <li>Repurposing of buildings</li> <li>Development opportunities</li> </ul> | Corporate Property with support from housing, planning development and planning policy     | 2022/23 & 2023/24 | Savings/ Revenue | Look to extend Newark Lorry Park (with more parking spaces and services) in situ or as it is relocated.   | Corporate Assets                       | 2022/23 & 2023/24 | Revenue | Get in-house resource for specialist advice such as; <ul style="list-style-type: none"> <li>Tree officer</li> <li>Archaeology officer</li> <li>Conservation</li> <li>Planning</li> <li>Enforcement</li> <li>Air pollution specialists</li> </ul> This creates saving as we don't have to 'buy-in' the services and we can 'sell' this service to other authorities and/or private companies.   | Planning Development/ Public Protection                                     | 2022/23 & 2023/24 | Savings/ Revenue |
| Generate revenue via filming permits at NSDC sites/assets. Assets to review all sites and identify what is appropriate and what is required for a permit (H&S etc.) and work with a specialist company to advertise these sites as filming locations.  | Corporate Property leading working with Culture and Heritage, Planning and Communications. | 2023/24           | Revenue          | Utilise a system that confirms customer appointments by text messages to remind customers and allow easy cancellation to prevent wasted journeys for officers attending appointments/site visits etc. | ICT                                    | 2023/24           | Savings | Sell consultancy skills <ul style="list-style-type: none"> <li>car park development,</li> <li>housing development,</li> <li>planning consultancy,</li> <li>Environmental health,</li> <li>Anti-social behaviour support for social housing providers (tenancy investigations),</li> <li>Training, and</li> <li>Project Management.</li> </ul> Consider the creation of a development team that works across these areas to provide support packages to others. | Corporate Property/ Planning Development/ Public Protection/ Transformation | 2022/23 & 2023/24 | Revenue          |
| Agenda Page 42<br>Look to increase the revenue achieved by the Trade (Commercial) Waste service by looking to rationalise the current contract base.   | Environmental Services   | 2022/23           | Savings/ Revenue | Consider amending the 'Statement of Community Involvement' to reduce the number of neighbour notification letters required for site notices to realise printing and postage savings.                  | Planning Policy & Planning Development | 2023/24           | Savings | The Council to run a commercial arboriculture team undertaking tree works on a commercial basis. This requires investment in staff and equipment and a continuous marketing programme alongside the team. Develop a business case to consider if a team is viable. This would require input from Planning and require heavy involvement from the new Tree & Landscape Officer  | Environmental Services  | 2023/24           | Revenue          |

|   |   |         |         |   |                        |         |         |   |                                   |   |                                     |
|---|---|---------|---------|---|------------------------|---------|---------|---|-----------------------------------|---|-------------------------------------|
| Promotion and marketing of commercial services based on a seasonal calendar, and train front facing staff on marketing our commercial services as part of customer contact. | Communications in partnership with all areas that deliver commercial services, and customer services. | Ongoing | Revenue | Expand commercial vehicle maintenance/MOT services. Picking up additional commercial work to fill workshop capacity. This would potentially need investment in staff and space. | Environmental Services | 2022/23 | Revenue | Greatly expand the scale of the garden waste service. This service covers 3 trucks we need to invest in vehicles and staff for a fourth truck and thus be able to expand to meet the need. Build a business case considering the viability of investment in a fourth vehicle. | Environmental Services            | 2023/24                                   | Revenue                             |
| Look to utilise larger capacity vehicles to allow larger customer numbers with the same number of crews (trade & garden waste)  | Environmental Services*   | 2022/23 | Revenue | Increase the number of external Grounds Maintenance contracts to include playground inspections etc.  | Environmental Services | 2022/23 | Revenue | Realise fuel savings with the electrification of the fleet.   | Environmental Services*           | Small scale 23/24. Large scale post 25/26 | Savings                             |
|   |   |         |         |   |                        |         |         | Should additional space opportunities come to fruition look to set up and operate a commercial vehicle ATF facility   | Environmental Services*           | Unknown                                   | Savings/ Revenue                    |
|   |   |         |         |   |                        |         |         | Look into opportunities to set up an in house small works team that could incorporate pest control services.  | Environmental Services*           | 23/24                                     | Savings/ Revenue                    |
|   |   |         |         |   |                        |         |         | Look into the possibilities of enacting a planning requirement on developers to purchase residual, recycling and garden waste bins for all new properties. This would theoretically produce savings on bin purchases whilst also possibly driving uptake on garden recycling. | Environmental Services*/ Planning | 22/23 onwards                             | Savings and possible revenue income |

\*Please note all Environmental Services items contained on this sheet that rely on additional vehicles over the threshold of 3,500kg will be subject to satisfactory increase in O Licence specifications or new/larger premises should an increase fail.

**This action plan will be reviewed and added to annually and progress reported to Committee as appropriate.**

## POLICY & FINANCE COMMITTEE

27 JANUARY 2022

### POSSIBLE PURCHASE OF LAND – BOWBRIDGE ROAD, NEWARK

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

1.1 To update Members following the 28 November 2019 and 2 April 2020 Committee meetings of the opportunity to purchase land adjacent to Newark Hospital, on land off Bowbridge Road. This report is to be read in conjunction with the Exempt Report included on this agenda.

#### **2.0 Update**

2.1 Members will recall authorising delegated authority for the Director – Planning & Growth to make a bid for the freehold purchase (capped at a maximum level) of two parcels of land (see **Appendix**, Parcels 1 and 2) for a site adjacent to Newark Hospital for the purposes of the Council then leasing the land Sherwood Forest Hospitals NHS Foundation Trust (Trust). The Trust have advised that whilst the feedback from patients in terms of care and services at the hospital is often positive, the lack of car parking is consistently raised as a criticism. A lack of car parking is also a key restriction to being able to increase the range of clinical services which can take place from the site.

2.2 Following a lengthy period of negotiation with the sole land agent representing the owners of both land parcels the Council presented the 'Maximum Offer' permitted by Members in an attempt to secure the freehold purchase of the sites. That offer was initially declined with the land agent representing the landowners asking the Council to consider a lease arrangement for the land, with a sub-lease being offered to the Trust in return. This option is not one officers would advocate, with the freehold purchase being preferred.

2.3 Having declined the lease option the Council made clear its position that the Maximum Offer was the full and final position from this Council to purchase of the two freehold interests in both land parcels, subject also to a lease agreement with the Trust. This offer was accepted.

2.4 On the basis that the offer was subject to agreement from the Trust negotiations have continued to agree suitable terms. The Trust and Council have now concluded agreed terms which would require the Council to construct and manage the car park alongside the Trusts lease.

2.5 Additionally the Council has completed due diligence work, including site investigations. It is the opinion of the Business Manager - Corporate Property, that the agreed Maximum Offer remains appropriate. Given the need to construct the car park, it is necessary for an amendment to the Council's Capital program to also include implementation works, as detailed in the exempt report. Such works, subject to the agreement with the Trust, are still appropriate provided that the land parcels are purchases for the Maximum Offer or below.



### **3.0 The Proposal**

3.1 Officers remain of the option that the Maximum Offer made for both land Parcels is reasonable. On this basis it is recommended that the Council re-affirms its Maximum Offer for the freehold purchase of both land parcels, subject also to terms being executed with the Trust). It is additionally recommended that the Council's capital program be amended by the amount detailed in the Exempt Report in order to allow the Council as free-holder to implement the car park for the Trust to lease.

### **4.0 Equalities Implications**

4.1 The purchase of the land at Bowbridge Road would provide the opportunity to provide more car parking (including disabled) for the hospital, increasing its reputation and future ability to increase its range of clinical services.

### **5.0 Financial Implications (FIN21/22 – 486)**

5.1 The financial implications of the proposal are set out in the exempt report for Member's consideration.

### **6.0 RECOMMENDATIONS**

**That the Director – Planning & Growth, in consultation with the Business Manager – Corporate Property be given delegated authority to:**

- (a) confirm to the land agent representing both landowners that the Maximum Offer is the full and final offer from this Council to purchase the two freehold interests detailed at Appendix A, subject also to the agreement of the Trust to lease the land;**
- (b) subject to the Maximum Offer being accepted as detailed at a) above to enter into a Lease Agreement with the Sherwood Forest Hospital Trust on the terms set out in the Exempt Report; and**
- (c) amend the Council Council's Capital Program to reflect a purchase in accordance with the Maximum Offer and capital costs of implementing a car park for the Trust, as detailed in the exempt report.**

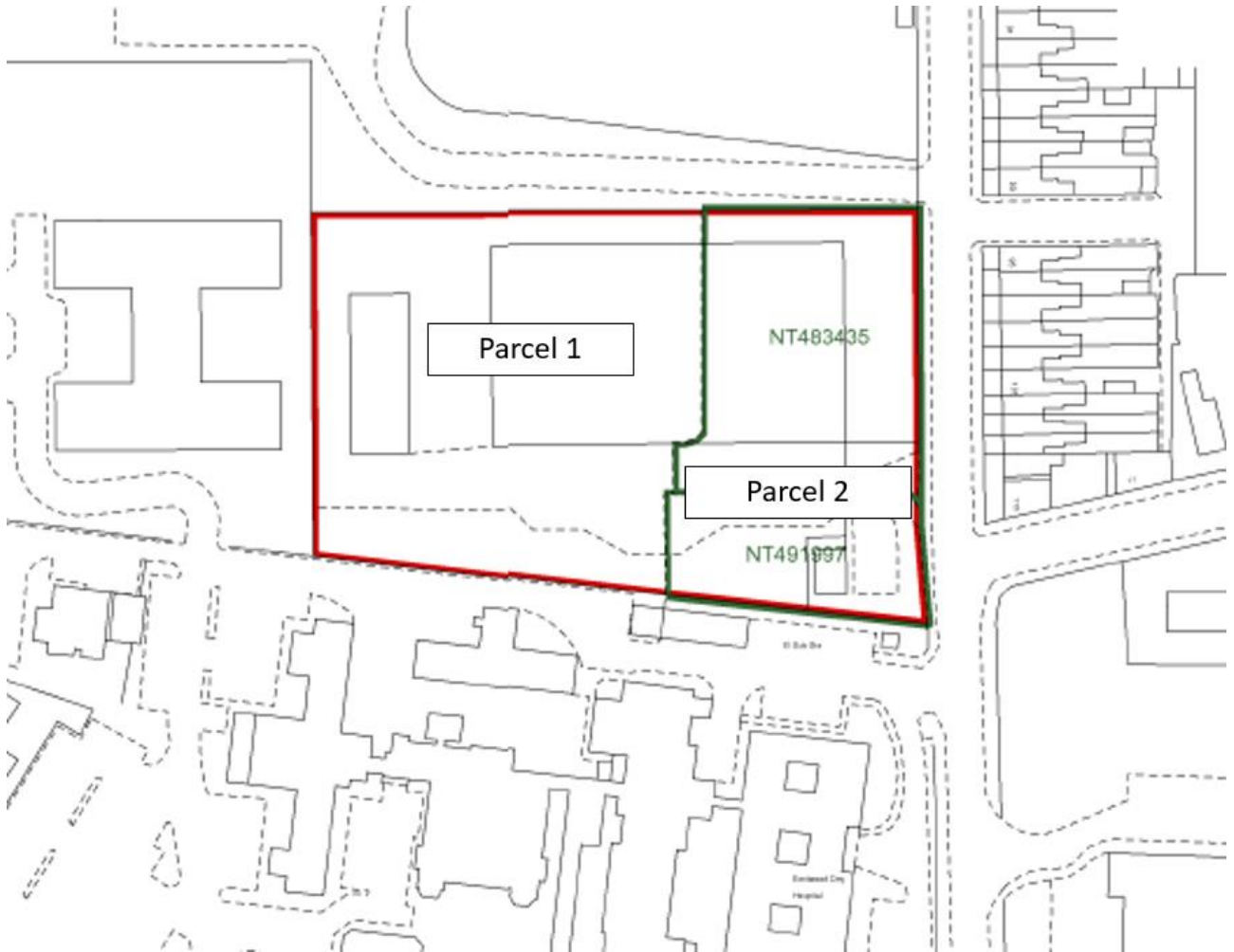
#### **Reason for Recommendations**

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

Background Papers - Nil

For further information please contact Matt Lamb on Ext. 5842

Matthew Lamb  
Director – Planning & Growth



## **POLICY & FINANCE COMMITTEE**

**27 JANUARY 2022**

### **GENERAL FUND, HOUSING REVENUE ACCOUNT (HRA) AND CAPITAL PROJECTED OUTTURN REPORT TO 31 MARCH 2022 AS AT 30 NOVEMBER 2021**

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

1.1 This report compares the Revised Budgets for the period ending 31 March 2022 with the Projected Outturn forecast for the period, based on meetings with Financial Services staff and the appropriate Business Manager. These are based on eight 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 2021/22**

##### **Current position (as at 30 November 2021): variances**

3.1 *Table 1* shows a projected favourable variance against the revised budget of £0.720m on Service budgets, with an overall favourable variance of £0.453m that is forecast to be transferred to Usable reserves. This is based on meetings which took place with Business Managers by mid-December, therefore does not account for subsequent changes in expenditure/income. Further details of the variances projected against committee budgets are in **Appendix A**.

Table 1: General Fund revenue outturn for 2021/22 financial year as at 30 November 2021

|   | Original<br>Budget<br>£'m | Revised<br>Budget<br>£'m | Projected<br>Outturn<br>£'m | Variance<br>£'m |
|---|---------------------------|--------------------------|-----------------------------|-----------------|
| Economic Development                    | 1.880                     | 2.411                    | 1.997                       | (0.414)         |
| Homes & Communities                     | 2.023                     | 1.999                    | 1.748                       | (0.251)         |
| Leisure & Environment                   | 5.329                     | 5.179                    | 5.140                       | (0.039)         |
| Policy & Finance                        | 5.607                     | 5.751                    | 5.735                       | (0.016)         |
| <b>Net Cost of Services</b>             | <b>14.839</b>             | <b>15.340</b>            | <b>14.620</b>               | <b>(0.720)</b>  |
| Other Operating Expenditure             | 4.072                     | 4.067                    | 4.058                       | (0.009)         |
| Finance & Investment Income/Expenditure | (0.375)                   | (0.375)                  | (0.143)                     | 0.232           |
| Taxation & Non-Specific Grant Income    | (20.801)                  | (20.801)                 | (20.983)                    | (0.182)         |
| <b>Net Cost of Council Expenditure</b>  | <b>(2.265)</b>            | <b>(1.769)</b>           | <b>(2.448)</b>              | <b>(0.679)</b>  |
| Transfer to/(from) Usable Reserves      | 1.646                     | 1.150                    | 1.603                       | 0.453           |
| Transfer to/(from) Unusable Reserves    | 0.619                     | 0.619                    | 0.845                       | 0.226           |
| Transfer to/(from) General Reserves     | 0.000                     | 0.000                    | 0.000                       | 0.000           |

- 3.2 A favourable variance of £0.720m is currently being projected on Service Budgets managed by Business Managers. This represents 4.7% of the total service budgets. This favourable variance of £0.720m includes a favourable variance of £0.353m on employee spend council-wide. Excluding employee spend, therefore, non-employee spend and income have favourable variances totalling £0.367m.
- 3.3 There have been significant issues in recruitment seen across the Council during this financial year. This has been felt across the Local Government sector, with similar issues being seen in a number of neighbouring authorities. As a result of this, the forecast for next financial years' vacancy savings target has increased from 3.5% to 4%.
- 3.4 The favourable variance of £0.353m on employee spend includes a budgeted saving of £0.541m for vacancies council-wide during the year which represents 3.5% of the overall salary budget. As it is not known which services will have vacant posts during the year, the whole of the £0.541m is currently budgeted for within the Policy and Finance committee's budget and shows as an unfavourable variance. Conversely, all of the savings from vacant posts show as favourable variances against their respective committees. Details of the services with variances due to vacant posts are in **Appendix A**.
- 3.5 The paragraphs above describe that 49% of the forecast variance (£0.720m) is derived from savings in vacancies. This therefore cannot be seen as an annual saving as the posts will be recruited to in due course. Additionally to this, income budgets for the current financial year were reduced during budget setting as budgets were built whilst within the lockdown in December and January 2020/2021. Many of these budgets were only reduced for the current year, hence within the MTFP the starting point for these budgets is already higher than the current year for 2022/23.
- 3.6 Non-Service expenditure is projected to have an unfavourable variance of £0.041m against the revised budget of £17.108m. The £0.232m unfavourable variance against Finance & Investment Income/Expenditure primarily relates to a reduction in forecast investment interest income. This is largely offset by a £0.182m favourable variance against Taxation &

Non-Specific Grant Income. This £0.182m primarily relates to income from the COVID-related Income Support Scheme grant for the period between April 2021 and June 2021, and new burdens administration grants for the delivery of the Restart and the Additional Restrictions COVID-19 Grant Schemes.

- 3.7 The variance of £0.226m on the transfer to unusable reserves represents an element of voluntary revenue provision (VRP). VRP is additional to the Minimum Revenue Provision (MRP) charge which councils statutorily make as provision for repayment of past capital debt. The council's VRP in 2021/22 will enable reductions to MRP charges in future years.
- 3.8 Chief Finance Officers across Nottinghamshire have been monitoring the Business Rates Pool over the year regarding the growth generated by the Pool. Growth generated compared with the Business Rates baseline is distributed back to authority's split by allocations to the County and District/Boroughs. This funding is not budgeted for as it is highly volatile. The latest forecast using NSDC Q3 information together with Q2 information from other authorities shows a forecast of £0.490m return funding for this Council. This has not been shown in the table above.
- 3.9 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 received more than £18m in compensation grant. In 2021/22, because of the Expanded Retail Discount, the council will receive more than budgeted for 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. The Department for Levelling Up, Housing and Communities (DLUHC) have guidance for local authorities on the appropriate accounting arrangements.

**Current position (as at 30 November 2021): revised budget compared to original budget**

- 3.10 There has been a net transfer of £0.501m from reserves in 2021/22 as at 30 November 2021. Four of these transfers from reserves were each more than £0.050m in value. These total £0.417m:

| <b>Policy &amp; Finance Committee approval</b> | <b>Transfer from Reserves Relates to</b>   | <b>Amount (£)</b> | <b>Committee which received transfer</b> |
|--|--|-------------------|--|
| 26/11/2020                                     | Feasibility work on relocation of Cattle Market and Lorry Park and options for redevelopment of the site                   | 200,000           | Economic Development                     |
| 01/04/2021                                     | Newark Towns Fund specialist consultancy support regarding business cases for Town Investment Plan (TIP) priority projects | 77,000            | Economic Development                     |
| 24/06/2021                                     | Castle Gatehouse condition survey, design reviews and funding application  | 80,000            | Economic Development                     |

|            |   |                |                  |
|------------|---|----------------|------------------|
| 24/06/2021 | Legal support for regeneration projects (such as Newark Towns Fund) | 60,000         | Policy & Finance |
|            |   | <b>417,000</b> |                  |

3.11 The other transfers (to) and from reserves, each less than £0.050m in value, total £0.084m:

| Economic Development | Homes & Communities | Leisure & Environment | Policy & Finance | Total: Services |
|----------------------|---------------------|-----------------------|------------------|-----------------|
| 22,274               | (21,654)            | 41,317                | 42,025           | <b>83,961</b>   |

**Current position (as at 30 November 2021) compared to previous position (as at 30 September 2021)**

3.12 The previous budget monitoring report to this Committee projected a favourable variance against the revised budget of £0.540m on Service budgets. This report projects a favourable variance against the revised budget of £0.720m on Service budgets. *Table 2* summarises the changes in variance against committee budgets between the two reports. Further details of these changes by committee are in **Appendix B**.

Table 2: General Fund revenue outturn: changes in variance by committee between reports

|   | Variance<br>£'m |
|---|-----------------|
| <b>Net Cost of Services variance: as at 30 September 2021 (25/11/2021 P&amp;F report)</b> | <b>(0.540)</b>  |
| Economic Development  | (0.062)         |
| Homes & Communities   | (0.092)         |
| Leisure & Environment   | 0.085           |
| Policy & Finance  | (0.111)         |
| <b>Net Cost of Services variance: as at 30 November 2021 (27/01/2022 P&amp;F report)</b>  | <b>(0.720)</b>  |

**Overview of Projected Housing Revenue Account (HRA) Outturn for 2021/22**

3.13 With reference to the 'Variance' column in *Table 3*, the HRA accounts show a projected favourable variance against the revised budget of £0.675m as follows:

Table 3: HRA revenue outturn for 2021/22 financial year as at 30 November 2021

|  | Original<br>Budget<br>£'m | Revised<br>Budget<br>£'m | Projected<br>Outturn<br>£'m | Variance<br>£'m |
|--|---------------------------|--------------------------|-----------------------------|-----------------|
| Expenditure                              | 17.239                    | 17.514                   | 16.651                      | (0.864)         |
| Income                                   | (25.058)                  | (25.048)                 | (24.859)                    | 0.189           |
| <b>Net Cost of HRA Services</b>          | <b>(7.819)</b>            | <b>(7.533)</b>           | <b>(8.208)</b>              | <b>(0.675)</b>  |
| Other Operating Expenditure              | 0.033                     | 0.033                    | (0.075)                     | (0.107)         |
| Finance & Investment Income/Expenditure  | 3.770                     | 3.770                    | 3.770                       | 0.000           |
| Taxation & Non Specific Grant Income     | 0.000                     | 0.000                    | 0.000                       | 0.000           |
| <b>(Surplus)/Deficit on HRA Services</b> | <b>(4.016)</b>            | <b>(3.730)</b>           | <b>(4.513)</b>              | <b>(0.782)</b>  |
| <b>Movements in Reserves</b>             |                           |                          |                             |                 |

|                                      |              |              |              |              |
|--------------------------------------|--------------|--------------|--------------|--------------|
| Transfer to/(from) Usable Reserves   | 1.593        | 1.386        | 1.247        | (0.139)      |
| Transfer to/(from) Unusable Reserves | (6.837)      | (6.837)      | (6.611)      | 0.226        |
| Transfer to Major Repairs Reserve    | 9.261        | 9.181        | 9.877        | 0.696        |
| <b>Total</b>                         | <b>0.000</b> | <b>0.000</b> | <b>0.000</b> | <b>0.000</b> |

3.14 The projected outturn for the year is a net transfer to reserves of £0.782m. The prudent level of reserve set on the HRA working balance is still £2m which would remain constant.

3.15 The main reasons for the projected favourable outturn variance of £0.782m are:

|  |                |
|--|----------------|
| Services: a significant number of posts temporarily vacant   | (0.334)        |
| One-off insurance-related savings recognised in-year   | (0.235)        |
| Reduced rental income from The Broadleaves due to occupancy delays, partly offset by reduced expenditure | 0.117          |
| Other Operating Expenditure: additional capital-related income   | (0.107)        |
| Yorke Drive: delays in one-off regeneration-related expenditure  | (0.057)        |
| Community Centres: reduced expenditure on cleaning contract due to COVID-related closures                | (0.030)        |
| Other small variances  | (0.136)        |
| <b>Total</b>   | <b>(0.782)</b> |

#### Overview of Projected Capital Outturn 2021/22

3.16 The table below summarises the position for the Capital Programme to the end of November 2021 and is split between General Fund and Housing Revenue Account.

|                         | Revised Approved Budget<br>£'m | Revised budget updated for Approval<br>£'m | Actual Spend to November 2021<br>£'m | Forecast Outturn<br>£'m |
|-------------------------|--------------------------------|--|--------------------------------------|-------------------------|
| General Fund            | 19.712                         | 18.423                                     | 5.222                                | 18.363                  |
| Housing Revenue Account | 24.625                         | 19.990                                     | 6.808                                | 19.855                  |
| <b>Total</b>            | <b>44.337</b>                  | <b>38.413</b>                              | <b>12.030</b>                        | <b>38.218</b>           |

3.17 Actual spend to date has been significantly lower than previous years as a proportion of the budget, mainly due to COVID-19 and the subsequent supply issues. However, much of the spend has started to catch up. As per below a large amount of budget is being profiled to next financial year, though this isn't only due to delays caused by COVID.

3.18 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 25 November 2021, the total approved budget was £44.337m including slippage from 2020/21. The additions and amendments that now require approval are detailed in **Appendix C** and summarised as follows:

|                      |                  |
|----------------------|------------------|
| Additions/Reductions | £1.279m          |
| Reprofiles           | £(7.203)m        |
| <b>Total</b>         | <b>£(5.924)m</b> |

- 3.19 If these variations are approved, then the revised budget will be reduced to £38.413m. A more detailed breakdown at scheme level, including some comments on projects progress, can be found at **Appendices D** (Housing Revenue Account) **and E** (General Fund).

### Capital Programme Resources

- 3.20 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.
- 3.21 In summary, the revised budget of £38.413m will be financed as follows, with every attempt to minimise the impact on the Council's revenue budget:

|                                 | General Fund<br>£'m | Housing<br>Revenue<br>Account<br>£'m | Total<br>£'m  |
|---------------------------------|---------------------|--------------------------------------|---------------|
| Borrowing                       | 4.337               | 8.010                                | <b>12.347</b> |
| External Grants & Contributions | 6.213               | 1.598                                | <b>7.810</b>  |
| Capital Receipts                | 0.761               | 0.814                                | <b>1.575</b>  |
| Community Infrastructure Levy   | 0.680               | 0.000                                | <b>0.680</b>  |
| Revenue Contributions           | 6.432               | 9.568                                | <b>16.001</b> |
| <b>Total</b>                    | <b>18.423</b>       | <b>19.990</b>                        | <b>38.413</b> |

### Capital Receipts

- 3.22 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<br>Fund<br>£'m | HRA<br>Receipts<br>£'m | HRA 1-4-1<br>Receipts<br>£'m | Total<br>£'m |
|--|------------------------|------------------------|------------------------------|--------------|
| <b>Balance at 1st April 2021</b>                           | <b>0.549</b>           | <b>2.783</b>           | <b>0.708</b>                 | <b>4.041</b> |
| Received up to end of November 2021                        | 0.713                  | 0.276                  | 0.876                        | <b>1.865</b> |
| Estimated receipts for remainder of the financial year     | 0.000                  | 0.092                  | 0.292                        | <b>0.384</b> |
| Approved for financing                                     | 0.761                  | 2.476                  | 0.000                        | <b>3.237</b> |
| <b>Available Capital receipts balance at 31 March 2022</b> | <b>0.501</b>           | <b>0.676</b>           | <b>1.876</b>                 | <b>3.053</b> |
| Estimated Receipts 2022/23 - 2024/25                       | 3.143                  | 1.130                  | 2.372                        | <b>6.645</b> |
| Approved for Financing 2022/23 - 2024/25                   | 3.077                  | 1.984                  | 2.044                        | <b>7.105</b> |
| <b>Estimated Uncommitted Balance</b>                       | <b>0.567</b>           | <b>(0.178)</b>         | <b>2.204</b>                 | <b>2.592</b> |

- 3.23 The RTB receipts for Replacement Homes (known as 1-4-1 Receipts) are retained through a RTB agreement. The terms of Retention Agreements have been amended from 1 April 2021. Under the terms of the amended agreements, existing and future RTB receipts have to be



spent on new supply of affordable housing within five years of arising (rather than three), or have to be returned to the government with penalty interest payable. Amongst other changes, authorities are also now able to use RTB receipts to fund 40% of the cost of a replacement home, rather than 30%.

#### **4.0 Financial Implications (FIN21-22/5047)**

- 4.1 All of the financial implications are set out in the body of the report.
- 4.2 As per *Table 3* in paragraph 3.12, the HRA is currently projecting an additional transfer of £0.696m to the Major Repairs Reserve.
- 4.3 With regard to the General Fund revenue outturn, the favourable variance of £0.720m represents a variance of 4.7% 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 favourable outturn variance of £0.453m to usable reserves be noted;**
- (b) the Housing Revenue Account projected favourable outturn variance of £0.696m to the Major Repairs Reserve be noted;**
- (c) the variations to the Capital Programme at Appendix C be approved; and**
- (d) the Capital Programme revised budget and financing of £38.413m be approved.**

#### **Reason for Recommendations**

**To update Members with the forecast outturn position for the 2021/22 financial year.**

#### **Background Papers**

General Fund Monitoring Reports to 30 November 2021  
Capital Financing Monitoring Reports to 30 November 2021

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 Mike Marriott, 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 November 2021**

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

| <b>Economic Development - £(0.414)m</b>  | <b>£'m</b>     |
|--|----------------|
| Heritage & Culture: vacant posts, furlough and grant income not budgeted for, and event-related spend postponed due to COVID   | (0.155)        |
| Land Charges: increased income due to temporary reduced rates of Stamp Duty Land Tax (SDLT), largely offset by increased spend due to Nottinghamshire County Council (NCC)   | (0.011)        |
| Vicar Water Park: vacant post  | (0.010)        |
| Growth/Technical Support: vacant posts   | (0.021)        |
| Development Management: vacant posts and increased planning-related income   | (0.086)        |
| Building Control: in-year favourable variance to be transferred to a specific reserve to mitigate against future potential increases in expenditure (as determined by South Kesteven District Council (SKDC): the lead authority for the tri-council arrangements) | (0.037)        |
| Newark Beacon: reduced income due to office closures partly offset by reduced expenditure  | 0.026          |
| Clipstone Holding Centre: reduced workshop rents income  | 0.030          |
| Buttermarket: reduced rental income, partly because some units have received concessions in-year   | 0.017          |
| Economic Growth: vacant post   | (0.019)        |
| Surface Car Parks Newark: reduced premises-related expenditure and spend on cash collections   | (0.030)        |
| Newark Lorry Park: increased income, partly offset by increased cleaning and security costs  | (0.114)        |
| Other small variances  | (0.004)        |
| <b>Total</b>   | <b>(0.414)</b> |

| <b>Homes &amp; Communities - £(0.251)m</b>  | <b>£'m</b>     |
|---|----------------|
| Private Sector Speech Call: reduced costs, and increased income due to an increase in customer demand   | (0.033)        |
| Housing Options: vacant posts, in-year change in proportion of employee costs rechargeable to the Housing Revenue Account (HRA) and service charge income from in-year occupation of Northgate site | (0.086)        |
| Strategic Housing: vacant posts   | (0.034)        |
| Customer Services: vacant posts   | (0.063)        |
| CCTV: reduced external income due to contract terminations  | 0.011          |
| Commissioning Contributions: reduced expenditure on certain community-based organisations   | (0.031)        |
| Other small variances   | (0.015)        |
| <b>Total</b>  | <b>(0.251)</b> |

| <b>Leisure &amp; Environment - £(0.039)m</b>   | <b>£'m</b>     |
|--|----------------|
| Dog Control: savings from bringing warden contract back in-house at end of May 2021  | (0.031)        |
| Environmental Health: vacant posts and income from a secondment, partly offset by reduced income such as from fees and charges                                     | (0.151)        |
| Active4Today (A4T): £125k deficit in relation to Southwell Leisure Centre Trust (SLCT)   | 0.125          |
| Health & Community Relations: vacant post  | (0.015)        |
| Newark Livestock Market: spend which was being forecasted whilst property was awaiting demolition no longer being forecasted now that property has been demolished | (0.016)        |
| Vehicle Pool and Workshop: significant increases in fuel costs, and increased employee-related costs   | 0.058          |
| Other small variances  | (0.009)        |
| <b>Total</b>   | <b>(0.039)</b> |

**General Fund (GF) Revenue Outturn Variance Analysis by Committee as at 30 November 2021**

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

| <b>Policy &amp; Finance - £(0.017)m</b>   | <b>£'m</b>     |
|---|----------------|
| Electoral Registration: grant from Department for Work and Pensions (DWP) to no longer be received  | 0.010          |
| Bank Charges: increased usage, such as of credit cards  | 0.011          |
| Legal Section: vacant posts   | (0.081)        |
| Central Telephones: increased standing charges and usage due to increase in number of employees   | 0.017          |
| Senior Leadership Team: in-year effect of establishment changes effective from 01/08/2021   | (0.074)        |
| Corporate Asset Development: reduced income from less than budgeted recharge of employee costs to capital and Housing Revenue Account (HRA), partly offset by vacant posts  | 0.011          |
| Financial Services: one-off insurance-related savings recognised in-year, partly offset by costs in relation to the implementation of iTrent (HR & payroll system provider)   | (0.118)        |
| Transformation: vacant posts  | (0.020)        |
| Administration Services: vacant posts   | (0.048)        |
| Council Tax: vacant post, plus reduced court fees for summons, partly offset by increased overtime  | (0.018)        |
| Rent Allowances/Rent Rebates: forecast based on year-to-date actuals  | (0.059)        |
| Housing Benefit Administration: vacant post and additional unbudgeted grant income  | (0.056)        |
| Castle House: reduced income from partners for cost of desk hire  | 0.040          |
| Members Expenses: the budget set assumed the Independent Remuneration Panel (IRP) recommendations would be implemented and that all members would receive all the allowances they are entitled to for the full year, neither of which have materialised | (0.066)        |
| £540,530 saving budgeted for in-year vacancies council-wide (3.5% of total salaries plus oncosts budget)  | 0.541          |
| Test & Trace Support Admin: central government grant received in excess of forecasted spend   | (0.043)        |
| New Burden Council Tax Reform: council tax and national non-domestic rates (NNDR) related government grants received in-year which were not anticipated to be received  | (0.040)        |
| COVID Compliance Tier 3: additional Contain Outbreak Management Fund (COMF) grant received in-year which was not anticipated to be received   | (0.040)        |
| Other small variances   | 0.017          |
| <b>Total</b>  | <b>(0.016)</b> |
|   | <b>(0.720)</b> |

**General Fund (GF) Revenue Outturn Change in Variance Analysis by Committee as at 30 November 2021**

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

All amounts are in millions of pounds (£'m)

|   |                |
|---|----------------|
| <b>Economic Development - Variance as at 30/09/2021</b>   | <b>(0.353)</b> |
| Heritage & Culture: grant income not budgeted for, and event-related spend postponed due to COVID | (0.089)        |
| Growth/Technical Support: changes in assumptions regarding recruitment to vacant posts            | 0.021          |
| Development Management: increased planning-related income   | (0.067)        |
| Newark Beacon: reduced income due to office closures  | 0.022          |
| Surface Car Parks Newark: reduced income in light of COVID-related changes                        | 0.072          |
| Newark Lorry Park: increased income   | (0.013)        |
| Other small variances   | (0.007)        |
| <b>Economic Development - Variance as at 30/11/2021</b>   | <b>(0.414)</b> |

|  |                |
|--|----------------|
| <b>Homes &amp; Communities - Variance as at 30/09/2021</b>   | <b>(0.159)</b> |
| Private Sector Speech Call: increased income due to increased demand in light of COVID   | (0.012)        |
| Housing Options: changes in assumptions regarding recruitment to vacant posts  | (0.050)        |
| Strategic Housing: changes in assumptions regarding recruitment to vacant posts  | 0.016          |
| Customer Services: vacant posts offset by an assumed recharge of most of the costs of the posts which have transferred from the Housing Revenue Account (HRA) to the General Fund (GF) | (0.060)        |
| Other small variances  | 0.014          |
| <b>Homes &amp; Communities - Variance as at 30/11/2021</b>   | <b>(0.251)</b> |

|  |                |
|--|----------------|
| <b>Leisure &amp; Environment - Variance as at 30/09/2021</b>   | <b>(0.124)</b> |
| Waste & Recycling: combined effect of small increases in expenditure and reductions in income  | 0.012          |
| Street Scene Street Cleansing: combined effect of small increases in employees and supplies and services expenditure   | 0.010          |
| Environmental Health: changes in assumptions regarding recruitment to vacant posts   | (0.050)        |
| Environmental Services Management: transfer of budget to Waste & Recycling and Street Scene Street Cleansing to fund cost of establishment-related change          | 0.025          |
| Newark Livestock Market: spend which was being forecasted whilst property was awaiting demolition no longer being forecasted now that property has been demolished | (0.021)        |
| Street Scene Grounds Maintenance: use of income to fund associated expenditure   | 0.025          |
| Vehicle Pool And Workshop: increases in costs of fuel and transport-related materials  | 0.068          |
| Other small variances  | 0.016          |
| <b>Leisure &amp; Environment - Variance as at 30/11/2021</b>   | <b>(0.039)</b> |

|  |                |
|--|----------------|
| <b>Policy &amp; Finance - Variance as at 30/09/2021</b>  | <b>0.096</b>   |
| Legal Section: changes in assumptions regarding recruitment to vacant posts  | 0.051          |
| Senior Leadership Team: in-year effect of establishment changes effective from 01/08/2021, and transfer of some employee costs to be funded from COVID-related grant | (0.025)        |
| Corporate Asset Development: changes in assumptions regarding recruitment to vacant posts  | (0.025)        |
| Administration Services: changes in assumptions regarding recruitment to vacant posts  | (0.027)        |
| Council Tax: changes in assumptions regarding employee costs   | 0.028          |
| Rent Allowances/Rent Rebates: forecast based on year-to-date actuals   | (0.098)        |
| Castle House: change in assumption regarding repairs and maintenance expenditure   | 0.018          |
| Members Expenses: forecast based on year-to-date actuals   | (0.067)        |
| Test & Trace Support Admin: additional government grants received in-year which were not anticipated to be received  | (0.016)        |
| COVID Compliance Tier 3: changes in assumptions regarding budgeted expenditure   | 0.015          |
| Other small variances  | 0.034          |
| <b>Policy &amp; Finance - Variance as at 30/11/2021</b>  | <b>(0.016)</b> |

**General Fund Additions/(Reductions)**

| Project  | Capital Description  | Additions /<br>(Reductions)<br>2021-22<br>£m | Comments   |
|--|--|--|--|
| TA3286   | Information Technology Investment                                | 0.045  | Proposed at P&F 25.11.21 - Agile equipment                                     |
| TC3131   | Extension to London Road Car Park                                | 0.204  | Proposed at P&F 25.11.21 - Works to London Road car park                       |
| TA3097   | Yorke Drive Regeneration and Community Facility                  | 0.100  | Proposed P&F 25.11.21 - Additional grant funding awarded                       |
| TB6154   | S106 Community Facilities Provision Community & Activity Village | 0.351  | Urgency item report - YMCA Community and Activity village - Elm Avenue receipt |
| <b>Total General Fund Additions/(Reductions)</b> |  | <b>0.700</b>                                 |  |

**HRA Additions/(Reductions)**

| Project                                 | Capital Description         | Additions /<br>(Reductions)<br>2021-22<br>£m | Comments   |
|---|-----------------------------|--|--|
| SA1048                                  | Boughton Extra Care         | (0.350)                                      | Underspend on Project - Request to move to Contingency - SA1047        |
| SA1062                                  | Phase 3 - Cluster 2 Various | (0.047)                                      | Underspend on Project - Request to move to Contingency - SA1047        |
| SA1063                                  | Phase 3 - Cluster 3         | (0.234)                                      | Underspend on Project - Request to move to Contingency - SA1047        |
| SA1047                                  | New Build Contingency       | 0.631  | Movement to Contingency of underspends on Affordable housing programme |
| SA1070                                  | Phase 4                     | (0.571)                                      | Monies reallocated to Cluster 4 - £200k for 21/22 and £371k for 22/23  |
| SA1074                                  | Phase 4 Cluster 4           | 0.200  | Monies reallocated from Phase for 21/22 expenditure                    |
| S91115                                  | Roof Replacement Works      | 0.020  | HRA capital investment budget movements                                |
| S97416                                  | Major Adaptations           | 0.170  | HRA capital investment budget movements                                |
| S97418                                  | Adaptation Stair Lift/Ho    | 0.015  | HRA capital investment budget movements                                |
| S91218                                  | Kit & Bathrooms             | (0.170)                                      | HRA capital investment budget movements                                |
| S91412                                  | Doors & Windows Works       | (0.035)                                      | HRA capital investment budget movements                                |
| SA1033                                  | Estate Regeneration         | 0.950  | Proposed P&F 25.11.21 - Additional grant funding awarded               |
| <b>Total HRA Additions/(Reductions)</b> |                             | <b>0.579</b>                                 |  |
| <b>Total Additions/(Reductions)</b>     |                             | <b>1.279</b>                                 |  |

**General Fund - Reprofiting**

| Project                               | Capital Description                   | Additions /<br>(Reductions)<br>2021-22<br>£m | Comments  |
|---------------------------------------|---------------------------------------|--|---|
| TA1217                                | Southwell Leisure Centre Improvements | (1.500)                                      | Budget reprofiled to 22/23. Project currently on hold.  |
| TB6162                                | Loan to Newark Academy                | (0.240)                                      | Budget to be reprofiled to 22/23. Update report to SLT in Jan 22                                |
| TA3053                                | Museum Improvements                   | (0.180)                                      | Budget reprofiled to 22/23. Planning is in progress and anticipate completion of works in 22/23 |
| TC3136                                | Climate Change                        | (0.068)                                      | Balance of budget in year to be reprofiled to 22/23.  |
| <b>Total General Fund Reprofiting</b> |                                       | <b>(1.988)</b>                               |   |

**HRA - Reprofiting**

| Project                      | Capital Description        | Additions /<br>(Reductions)<br>2021-22<br>£m | Comments   |
|------------------------------|----------------------------|--|--|
| S95200                       | ENVIRONMENTAL WORKS        | (0.150)                                      | Estimated balance at year end to be reprofiled to 22/23. Delay in works: not an underspend |
| SA1031                       | Site Acquisition (Inc RTB) | (1.746)                                      | Request to reprofile to 22/23 when monies required   |
| SA1047                       | New Build Contingency      | (0.741)                                      | Request to reprofile to 22/23 when monies required   |
| SA1064                       | Phase 3 - Cluster 4        | (0.900)                                      | Request to reprofile to 22/23 when monies required   |
| SA1080                       | Phase 5                    | (1.400)                                      | Request to reprofile to 22/23 when monies required   |
| SA1063                       | Phase 3 - Cluster 3        | (0.028)                                      | Request to reprofile to 22/23 when monies required   |
| SA1048                       | Boughton Extra Care        | (0.250)                                      | Request to reprofile to 22/23 when monies required   |
| <b>Total HRA Reprofiting</b> |                            | <b>(5.215)</b>                               |  |
| <b>Total Reprofiting</b>     |                            | <b>(7.203)</b>                               |  |
| <b>Total Variations</b>      |                            | <b>(5.924)</b>                               |  |

| Project                              | Capital Description                       | Project Manager | Revised Budget Policy & Finance 25.11.21 | Variations Proposed to Policy & Finance Period 8 | Revised Budget including Variations for Approval | Actuals to 30.11.21 | Current outstanding orders | Additional anticipated spend in year | Total Projected spend in year | Variance Unavourable / (Favourable) | Comments - Spend to date   |
|--------------------------------------|---|-----------------|--|--|--|---------------------|----------------------------|--------------------------------------|-------------------------------|-------------------------------------|--|
| <b>PROPERTY INVESTMENT PROGRAMME</b> |   |                 |  |  |  |                     |                            |                                      |                               |                                     |  |
| S91100                               | ROOF REPLACEMENTS                         | D Bamford       | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | Monies transferred to S91115 and S91116  |
| S91115                               | Roof Replacement Works                    | D Bamford       | 324,710                                  | 20,000   | 344,710  | 100,101             | 58,290                     | 186,319                              | 344,710                       | 0                                   | 14.12.21 Ongoing - Anticipate overspend on initial budget of £60k (responsive repairs on top of planned). Funded from within HRA - Request made within Budget movements to P&F Nov. Still anticipate further overspend of £20k, movement from Doors & Windows works to be requested at P&F Jan 22  |
| S91116                               | Flat Roof Replacement Wrk                 | D Bamford       | 200,000                                  | 0  | 200,000  | 99,969              | 100,135                    | 0                                    | 200,104                       | 104                                 | 14.12.21 Ongoing - Anticipate spend to budget  |
| <b>S711</b>                          | <b>ROOF REPLACEMENTS</b>                  |                 | <b>524,710</b>                           | <b>20,000</b>                                    | <b>544,710</b>                                   | <b>200,070</b>      | <b>158,426</b>             | <b>186,319</b>                       | <b>544,814</b>                | <b>104</b>                          |  |
| S91200                               | KITCHEN & BATHROOM CONVERSIONS            | A Tutty         | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | Monies Transferred to S91218   |
| S91218                               | Kit & Bathrooms                           | A Tutty         | 1,625,330                                | (170,000)  | 1,455,330  | 510,013             | 542,199                    | 403,119                              | 1,455,330                     | 0                                   | 14.12.21 Ongoing, programme slowed down due to isolation. The budget includes the underspend carried forward from last year which we will spend with the current contractor circa £700k. The remainder is this year budget we are yet to touch in a meaningful way following a prolonged re-procurement. Request to reprofile £590k to 22/23 at P&F Nov. Request to move £170k to Major Adaptations to be made at P&F Jan 22 |
| <b>S712</b>                          | <b>KITCHEN &amp; BATHROOM CONVERSIONS</b> |                 | <b>1,625,330</b>                         | <b>(170,000)</b>                                 | <b>1,455,330</b>                                 | <b>510,013</b>      | <b>542,199</b>             | <b>403,119</b>                       | <b>1,455,330</b>              | <b>0</b>                            |  |
| S91300                               | EXTERNAL FABRIC                           | G Bruce         | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | Monies moved to S91336   |
| S91336                               | External Fabric Works                     | G Bruce         | 300,000                                  | 0  | 300,000  | 47,314              | 0                          | 252,686                              | 300,000                       | 0                                   | 14.12.21 Ongoing - Anticipate spend to budget  |
| <b>S713</b>                          | <b>EXTERNAL FABRIC</b>                    |                 | <b>300,000</b>                           | <b>0</b>   | <b>300,000</b>                                   | <b>47,314</b>       | <b>0</b>                   | <b>252,686</b>                       | <b>300,000</b>                | <b>0</b>                            |  |
| S91400                               | DOORS & WINDOWS                           | D Bamford       | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | Monies moved to S91412   |
| S91412                               | Doors & Windows Works                     | D Bamford       | 264,000                                  | (35,000)   | 229,000  | 55,683              | 197,154                    | (52,837)                             | 200,000                       | (29,000)                            | 14.12.21 102 jobs provided to contractor 35 completed to date. Anticipate an underspend in year of £64k. Request to be made at P&F Jan 22 to move £15k to Adaptation Stair Lift/Hoist. £20k to Roof Replacement works - Remaining £29k declared as underspend  |
| <b>S714</b>                          | <b>DOORS &amp; WINDOWS</b>                |                 | <b>264,000</b>                           | <b>(35,000)</b>                                  | <b>229,000</b>                                   | <b>55,683</b>       | <b>197,154</b>             | <b>(52,837)</b>                      | <b>200,000</b>                | <b>(29,000)</b>                     |  |
| S91500                               | OTHER STRUCTURAL                          | G Bruce         | 85,000                                   | 0  | 85,000   | 39,112              | 6,107                      | 39,781                               | 85,000                        | 0                                   | 14.12.21 Ongoing - Budget Movement of £35k requested from S91511 at P&F Nov  |
| S91511                               | Walls Re-Rendering                        | G Bruce         | 15,000                                   | 0  | 15,000   | 0                   | 0                          | 15,000                               | 15,000                        | 0                                   | 14.12.21 Ongoing - Budget Movement of £35k requested to S91500 at P&F Nov  |
| <b>S715</b>                          | <b>OTHER STRUCTURAL</b>                   |                 | <b>100,000</b>                           | <b>0</b>   | <b>100,000</b>                                   | <b>39,112</b>       | <b>6,107</b>               | <b>54,781</b>                        | <b>100,000</b>                | <b>0</b>                            |  |
| S93100                               | ELECTRICAL                                | A Tutty         | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | Monies transferred to S93115   |
| S93115                               | Rewires                                   | A Tutty         | 500,000                                  | 0  | 500,000  | 211,871             | 192,692                    | 0                                    | 404,562                       | (95,438)                            | 14.12.21 The budget includes the underspend carried forward from last year which we will spend with the current contractor . The remainder is this year budget we are yet to touch in a meaningful way following a prolonged re-procurement. Request to reprofile £400k to 22/23 at P&F Nov. Estimated underspend of £95k to be taken as underspend in year at P&F Jan 22  |
| <b>S731</b>                          | <b>ELECTRICAL</b>                         |                 | <b>500,000</b>                           | <b>0</b>   | <b>500,000</b>                                   | <b>211,871</b>      | <b>192,692</b>             | <b>0</b>                             | <b>404,562</b>                | <b>(95,438)</b>                     |  |
| S93500                               | HEATING                                   | D Bamford       | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | Monies transferred to S93510   |
| S93510                               | Heating/Boilers                           | D Bamford       | 688,000                                  | 0  | 688,000  | 334,755             | 320,509                    | 32,736                               | 688,000                       | 0                                   | 14.12.21 75 in progress, anticipate spend in full this financial year. Projection to realign orders to budget  |
| <b>S735</b>                          | <b>HEATING</b>                            |                 | <b>688,000</b>                           | <b>0</b>   | <b>688,000</b>                                   | <b>334,755</b>      | <b>320,509</b>             | <b>32,736</b>                        | <b>688,000</b>                | <b>0</b>                            |  |

| Project     | Capital Description                                   | Project Manager | Revised Budget Policy & Finance 25.11.21 | Variations Proposed to Policy & Finance Period 8 | Revised Budget including Variations for Approval | Actuals to 30.11.21 | Current outstanding orders | Additional anticipated spend in year | Total Projected spend in year | Variance Unavourable / (Favourable) | Comments - Spend to date  |
|-------------|---|-----------------|--|--|--|---------------------|----------------------------|--------------------------------------|-------------------------------|-------------------------------------|---|
| S93600      | ENERGY EFFICIENCY                                     | D Bamford       | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | Monies transferred to S93600  |
| S93622      | PV Invertors  | C Wagstaff      | 91,760                                   | 0  | 91,760   | 0                   | 0                          | 91,760                               | 91,760                        | 0                                   | 14.12.21 Ongoing - Original budget of £150k plus LADS2 grant of £92k. LADS2 monies to be spent by year end as part of conditions of grant   |
| <b>S736</b> | <b>ENERGY EFFICIENCY</b>                              |                 | <b>91,760</b>                            | <b>0</b>   | <b>91,760</b>                                    | <b>0</b>            | <b>0</b>                   | <b>91,760</b>                        | <b>91,760</b>                 | <b>0</b>                            |   |
| S95100      | GARAGE FORECOURTS                                     |                 | 0  |  |  | 0                   | 0                          | 0                                    | 0                             | 0                                   | 0   |
| S95109      | Garages   |                 | 4,000                                    | 0  | 4,000  | 0                   | 10,000                     | (6,000)                              | 4,000                         | 0                                   | 14.12.21 Ongoing - Anticipate spend to budget. Request to move monies of £30k to Resurfacing works to P&F Nov   |
| S95115      | Resurfacing Works                                     |                 | 105,000                                  | 0  | 105,000  | 0                   | 0                          | 105,000                              | 105,000                       | 0                                   | 14.12.21 Currently being re-tendered. Additional monies of £30k to be transferred from S95109   |
| <b>S751</b> | <b>GARAGE FORECOURTS</b>                              |                 | <b>109,000</b>                           | <b>0</b>   | <b>109,000</b>                                   | <b>0</b>            | <b>10,000</b>              | <b>99,000</b>                        | <b>109,000</b>                | <b>0</b>                            |   |
| S95200      | ENVIRONMENTAL WORKS                                   | M Carman        | 206,090                                  | (150,000)  | 56,090   | 3,309               | 0                          | 52,781                               | 56,090                        | 0                                   | 14.12.21 Ongoing - Anticipate underspend to budget of £60k, monies requested to be moved to Roofs budget at P&F Nov. Further underspend anticipated in year of £150k, request to P&F Jan 22 to reprofile to 22/23 |
| S95203      | Car Parking Schemes                                   | D Roxburgh      | 100,000                                  | 0  | 100,000  | (2,817)             | 0                          | 102,817                              | 100,000                       | 0                                   | 14.12.21 Ongoing - Anticipate spend to budget   |
| S95206      | Chatham Court Target Hardening - Safer Neighbourhoods | A Batty         | 3,945                                    | 0  | 3,945  | 2,183               | 1,401                      | 361                                  | 3,945                         | 0                                   | 14.12.21 Complete - Underspend back to HRA programmes   |
| S95207      | Vineway Gated Access                                  | M Carman        | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | 14.12.21 Project now complete   |
| S95208      | Roewood Lane Sewerage Treatment Station               | D Bamford       | 10,000                                   | 0  | 10,000   | 0                   | 0                          | 10,000                               | 10,000                        | 0                                   | 14.12.21 Work is in progress  |
| S95250      | Communal Lighting                                     | G Bruce         | 4,000                                    | 0  | 4,000  | 1,439               | 0                          | 2,561                                | 4,000                         | 0                                   | 14.12.21 Ongoing - Anticipate spend to revised budget - Request to reprofile £16k to 22/23 to P&F Nov   |
| S95252      | Flood Defence Systems                                 | D Bamford       | 10,000                                   | 0  | 10,000   | 0                   | 0                          | 10,000                               | 10,000                        | 0                                   | 14.12.21 Ongoing - Anticipate spend to budget - Reactionary budget  |
| S95253      | Play Areas  | L Powell        | 40,000                                   | 0  | 40,000   | 40,234              | 0                          | 0                                    | 40,234                        | 234                                 | 14.12.21 Works complete.  |
| S95254      | Estate Remodelling                                    | G Bruce         | 30,000                                   | 0  | 30,000   | 0                   | 13,600                     | 16,400                               | 30,000                        | 0                                   | 14.12.21 Ongoing - Anticipate spend of £30k in year. Request to reprofile £35k to 22/23 to P&F Nov  |
| S95303      | Target Hardening - HRA                                | Andrew Kirk     | 18,625                                   | 0  | 18,625   | 0                   | 1,200                      | 17,425                               | 18,625                        | 0                                   | 14.12.21 Designs currently been drawn up. Anticipate full spend in year   |
| <b>S752</b> | <b>ENVIRONMENTAL WORKS</b>                            |                 | <b>422,660</b>                           | <b>(150,000)</b>                                 | <b>272,660</b>                                   | <b>44,348</b>       | <b>16,201</b>              | <b>212,345</b>                       | <b>272,894</b>                | <b>234</b>                          |   |
| S97100      | ASBESTOS  | J Knowles       | 0  |  |  | 0                   | 0                          | 0                                    | 0                             | 0                                   | 0   |
| S97115      | Asbestos Surveys                                      | J Knowles       | 43,000                                   | 0  | 43,000   | 20,909              | 18,240                     | 3,851                                | 43,000                        | 0                                   | 14.12.21 Ongoing - Anticipate spend to budget   |
| S97116      | Asbestos Removal                                      | J Knowles       | 28,000                                   | 0  | 28,000   | 3,310               | 24,061                     | 629                                  | 28,000                        | 0                                   | 14.12.21 Spend will follow the above surveys  |
| <b>S771</b> | <b>ASBESTOS</b>                                       |                 | <b>71,000</b>                            | <b>0</b>   | <b>71,000</b>                                    | <b>24,219</b>       | <b>42,301</b>              | <b>4,480</b>                         | <b>71,000</b>                 | <b>0</b>                            |   |
| S97200      | FIRE SAFETY   | J Knowles       | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | Monies moved to S97221  |
| S97218      | Enhanced Fire Risk Assessments                        | J Knowles       | 450,000                                  | 0  | 450,000  | 95,308              | 132,177                    | 222,516                              | 450,000                       | 0                                   | 14.12.21 Actions from FRAs to complete  |
| S97221      | Fire Risk Assessments                                 | J Knowles       | 86,870                                   |  | 86,870   | 0                   | 0                          | 86,870                               | 86,870                        | 0                                   | 14.12.21 Amalgamate budgets   |
| <b>S772</b> | <b>FIRE SAFETY</b>                                    |                 | <b>536,870</b>                           | <b>0</b>   | <b>536,870</b>                                   | <b>95,308</b>       | <b>132,177</b>             | <b>309,386</b>                       | <b>536,870</b>                | <b>0</b>                            |   |
| S97300      | DDA IMPROVEMENTS                                      | L Powell        | 20,000                                   | 0  | 20,000   | 2,334               | 1,166                      | 16,500                               | 20,000                        | 0                                   | 14.12.21 Ongoing - Further works planned fitting metal handrails to steep path at The Stackyard plus a mobility scooter storage scheme at Wm Bailey House. Full spend anticipated.                                |
| <b>S773</b> | <b>DDA IMPROVEMENTS</b>                               |                 | <b>20,000</b>                            | <b>0</b>   | <b>20,000</b>                                    | <b>2,334</b>        | <b>1,166</b>               | <b>16,500</b>                        | <b>20,000</b>                 | <b>0</b>                            |   |

| Project     | Capital Description             | Project Manager | Revised Budget Policy & Finance 25.11.21 | Variations Proposed to Policy & Finance Period 8 | Revised Budget including Variations for Approval | Actuals to 30.11.21 | Current outstanding orders | Additional anticipated spend in year | Total Projected spend in year | Variance Unavourable / (Favourable) | Comments - Spend to date   |
|-------------|---------------------------------|-----------------|--|--|--|---------------------|----------------------------|--------------------------------------|-------------------------------|-------------------------------------|--|
| S97400      | DISABLED ADAPTATIONS            | L Powell        | 0  |  |  | 0                   | 0                          | 0                                    | 0                             | 0                                   | 0  |
| S97416      | Major Adaptations               | L Powell        | 472,000                                  | 170,000  | 642,000  | 342,279             | 65,529                     | 234,192                              | 642,000                       | 0                                   | 14.12.21 Still expect to spend current PO in place with M & T by end of November. We're typically paying £42k a month on M & T's PO so this will be enough to pay up to Decembers valuations. We also have some large extensions to deal with £60k+. Given the current level of spend and the anticipated addition in year of £42k per calendar month. A request to increase allocation by £170k to be made at P&F Jan 22. Monies moved from Kitchens & Bathroom underspend  |
| S97417      | Minor Adaptations               | L Powell        | 33,000                                   | 0  | 33,000   | 19,791              | 13,209                     | 0                                    | 33,000                        | 0                                   | 14.12.21 Referrals still similar in number to 20/21 as of end of Sep 2021. Typically £2500 a month therefore might not be quite enough for March 2022 payment on current PO but i see there is £3000 further in budget we can add to that PO which will be enough.   |
| S97418      | Adaptation Stair Lift/Ho        | L Powell        | 43,000                                   | 15,000   | 58,000   | 40,656              | 2,359                      | 14,984                               | 58,000                        | 0                                   | 14.12.21 We have 3nr further jobs due which will cost £7275 collectively and therefore take us over the £40,000 order value raised. Will need PO value raising to £43000 in order to pay these and then some additional funds transferring into this budget to take us through the next 6 months. There has been a large volume of stair lift and hoist jobs in first six months, many being of an expensive nature. Signs in last couple of months of a slow down in this type of request. Request for additional £15k to be made at P&F Jan 22 |
| <b>S774</b> | <b>DISABLED ADAPTATIONS</b>     |                 | <b>548,000</b>                           | <b>185,000</b>                                   | <b>733,000</b>                                   | <b>402,726</b>      | <b>81,098</b>              | <b>249,176</b>                       | <b>733,000</b>                | <b>0</b>                            |  |
| S97500      | LEGIONELLA                      | A Tutty         | 30,000                                   | 0  | 30,000   | 224                 | 24,095                     | 5,681                                | 30,000                        | 0                                   | 14.12.21 Ongoing - Anticipate spend to budget  |
| <b>S791</b> | <b>UNALLOCATED FUNDING</b>      |                 | <b>30,000</b>                            | <b>0</b>   | <b>30,000</b>                                    | <b>224</b>          | <b>24,095</b>              | <b>5,681</b>                         | <b>30,000</b>                 | <b>0</b>                            |  |
| S99100      | PROPERTY INVESTMENT CONTINGENCY | M Carman        | 50,000                                   | 0  | 50,000   | 0                   | 0                          | 50,000                               | 50,000                        | 0                                   | 14.12.21 Ongoing - Anticipate spend to budget  |
| S99102      | Housing Capital Fees            | M Carman        | 270,680                                  | 0  | 270,680  | 0                   | 0                          | 270,680                              | 270,680                       | 0                                   | 14.12.21 Ongoing - Anticipate spend to budget  |
| <b>S791</b> | <b>UNALLOCATED FUNDING</b>      |                 | <b>320,680</b>                           | <b>0</b>   | <b>320,680</b>                                   | <b>0</b>            | <b>0</b>                   | <b>320,680</b>                       | <b>320,680</b>                | <b>0</b>                            |  |
|             | <b>PROPERTY INVESTMENT</b>      |                 | <b>6,152,010</b>                         | <b>(150,000)</b>                                 | <b>6,002,010</b>                                 | <b>1,967,976</b>    | <b>1,724,124</b>           | <b>2,185,811</b>                     | <b>5,877,911</b>              | <b>(124,099)</b>                    |  |



| Project                              | Capital Description                             | Project Manager       | Revised Budget Policy & Finance 25.11.21 | Variations Proposed to Policy & Finance Period 8 | Revised Budget including Variations for Approval | Actuals to 30.11.21 | Current outstanding orders | Additional anticipated spend in year | Total Projected spend in year | Variance Unavourable / (Favourable) | Comments - Spend to date  |
|--------------------------------------|---|-----------------------|--|--|--|---------------------|----------------------------|--------------------------------------|-------------------------------|-------------------------------------|---|
| <b>AFFORDABLE HOUSING</b>            |   |                       |  |  |  |                     |                            |                                      |                               |                                     |   |
| SA1031                               | Site Acquisition (Inc RTB)                      | K Shutt / J Sanderson | 1,996,632                                | (1,745,882)                                      | 250,750  | 0                   | 750                        | 250,000                              | 250,750                       | 0                                   | 14.12.21 3 sites with Legal, One site to be completed by November (2 for phase 4, cluster 4 and 1 potentially phase 5). Firmer idea on potential slippage to be confirmed quarter 3. Request to slip £1,746k into 22/23 to be made at P&F Jan 22  |
| SA1032                               | New Build Programme                             | K Shutt               | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | 14.12.21 - Miscodes corrected - Project complete  |
| SA1033                               | Estate Regeneration                             | C Clarkson            | 1,482,000                                | 950,000  | 2,432,000  | 428,006             | 163,472                    | 1,840,523                            | 2,432,000                     | 0                                   | 14.12.21 - Currently working on design and planning applications. Monies of £2,951k has been reprofiled to 22/23. Additional £950k added to the programme following the award of £1.05m from Levelling Up Fund (Brown Field Land) to be split between HRA (£950k) and GF (£100k) project. The additional £950k to be proposed at P&F Jan 22 |
| SA1036                               | Affordable Homes Southwell                      | J Sanderson           | 240,497                                  | 0  | 240,497  | 0                   | 0                          | 240,497                              | 240,497                       | 0                                   | 14.12.21 - Approved at P&F 23rd October. Anticipate spent in full this financial year   |
| SA1047                               | New Build Contingency                           | K Shutt               | 109,800                                  | (109,800)  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | 19.08.21 Ongoing - Movements to contingency from SA1048 £600k, SA1062 £47k, SA1063 £234k. Request for budget of £110k + Movement of £881k to be moved to 22-23 to be made at P&F Jan 22   |
| SA1048                               | Boughton Extra Care                             | K Shutt               | 1,213,379                                | (600,000)  | 613,379  | 508,704             | 31,626                     | 73,049                               | 613,379                       | 0                                   | 14.12.21 Full PC including fit out by august 21, ready for tenants. Expecting an underspend against the full budget of £350k. Request to move £350k to contingency to be made at P&F Jan 22, along with reprofile of £250k relating to the retention to be paid in 22/23  |
| SA1053                               | Phase 2 Cluster 3 - Hawtonville                 | K Shutt               | 0  | 0  | 0  | (3)                 | 0                          | 0                                    | (3)                           | (3)                                 | 14.12.21 - Project complete - No further spend  |
| SA1054                               | Phase 2 Cluster 3 - 1-4-1 Hawtonville           | K Shutt               | 0  | 0  | 0  | (0)                 | 0                          | 0                                    | (0)                           | (0)                                 | 14.12.21 - Project complete - No further spend  |
| SA1055                               | Phase 2 Cluster 4 - Sherwood                    | K Shutt               | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | 14.12.21 - Project complete - No further spend  |
| SA1060                               | Phase 3   | K Shutt               | 0  | 0  | 0  | 19,943              | 71,450                     | (91,393)                             | 0                             | 0                                   | 14.12.21 to be moved to appropriate cost centres. Investigation works, planning.  |
| SA1061                               | Phase 3 - Cluster 1 Stand Alone                 | K Shutt               | 0  | 0  | 0  | (23,170)            | 23,170                     | 0                                    | 0                             | 0                                   | 14.12.21 Retention only outstanding, due December 2021.   |
| SA1062                               | Phase 3 - Cluster 2 Various                     | K Shutt               | 100,310                                  | (46,731)   | 53,579   | 27,976              | 21,604                     | 4,000                                | 53,579                        | 0                                   | 14.12.21 Retention only outstanding, due Feb 2022. Request to be made at P&F Jan 22 to move the remaining £47k budget to contingency  |
| SA1063                               | Phase 3 - Cluster 3                             | K Shutt               | 1,208,513                                | (261,765)  | 946,748  | 943,693             | 3,055                      | 0                                    | 946,748                       | 0                                   | 14.12.21 Completion by end of September 2021. Anticipate underspend of £234k on this project, to be moved to contingency. Request to reprofile £28k to 22-23 and the balance to be moved to contingency at P&F Jan 22   |
| SA1064                               | Phase 3 - Cluster 4                             | K Shutt               | 3,029,810                                | (900,000)  | 2,129,810  | 923,013             | 583,714                    | 623,082                              | 2,129,810                     | 0                                   | 14.12.21 Expected completion by April/May 2022. Request to reprofile £900k to 22/23 to be made at P&F Jan 22  |
| SA1070                               | Phase 4   | K Shutt               | 1,921,126                                | (570,900)  | 1,350,226  | 78,951              | 106,982                    | 1,164,294                            | 1,350,226                     | 0                                   | 14.12.21 - Will be redistributed as new clusters for phase 4 as they come on board. Request to allocate £571k to SA1074 (200k 21/22 + £371k 22/23) to be made at P&F Jan 22   |
| SA1071                               | Phase 4 Cluster 1                               | K Shutt               | 1,480,861                                | 0  | 1,480,861  | 1,200,405           | 269,021                    | 11,434                               | 1,480,861                     | 0                                   | 14.12.21 Expected completion early 2022 (9 units). Any underspend on project to be moved to contingency   |
| SA1072                               | Phase 4 Cluster 2                               | K Shutt               | 1,189,329                                | 0  | 1,189,329  | 426,833             | 762,496                    | 0                                    | 1,189,329                     | 0                                   | 14.12.21 Start on site July (5 units) - Monies to be moved from SA1070 to fund  |
| SA1073                               | Phase 4 Cluster 3                               | K Shutt               | 2,400,000                                | 0  | 2,400,000  | 194,145             | 1,304,127                  | 901,728                              | 2,400,000                     | 0                                   | 14.12.21 Started on site November (20 units). Anticipate two thirds of works to be completed this financial year. To be confirmed in quarter 3 before reprofile request   |
| SA1074                               | Phase 4 Cluster 4                               | K Shutt               | 0  | 200,000  | 200,000  | 0                   | 0                          | 200,000                              | 200,000                       | 0                                   | 14.12.21 Start on site by end of November (17 units), Budget to be allocated from Phase 4 once numbers finalised. Request to be made for £571k at P&F Jan 22. £200k for 21/22 and remaining balance £371k for 22/23   |
| SA1080                               | Phase 5   | K Shutt               | 1,900,000                                | (1,400,000)                                      | 500,000  | 4,092               | 0                          | 495,908                              | 500,000                       | 0                                   | 14.12.21 - Planning permission being progressed. Anticipate spend in year £0.5m. Request to be made to reprofile £1.4m into 22/23 at P&F Jan 22   |
| SA3001                               | Ollerton Local Office Refurbishment & Repurpose | J Baker               | 29,610                                   | 0  | 29,610   | 28,286              | 1,018                      | 0                                    | 29,304                        | (306)                               | 14.12.21 Works ongoing  |
| SC2000                               | Careline Analogue to Digital                    | S Hartley-Hill        | 80,540                                   | 0  | 80,540   | 0                   | 80,540                     | 0                                    | 80,540                        | 0                                   | 14.12.21 Works complete just awaiting payment   |
| SC2001                               | Asset Data Software Migration                   | C Wagstaff            | 90,765                                   | 0  | 90,765   | 79,278              | 0                          | 0                                    | 79,278                        | (11,487)                            | 14.12.21 - Expect completion this financial year. Slight underspend envisaged on project. Balance to be returned to HRA reserve   |
| <b>SUB TOTAL AFFORDABLE HOUSING</b>  |   |                       | <b>18,473,172</b>                        | <b>(4,485,077)</b>                               | <b>13,988,094</b>                                | <b>4,840,151</b>    | <b>3,423,024</b>           | <b>5,713,123</b>                     | <b>13,976,299</b>             | <b>(11,796)</b>                     |   |
| <b>TOTAL HOUSING REVENUE ACCOUNT</b> |   |                       | <b>24,625,182</b>                        | <b>(4,635,077)</b>                               | <b>19,990,104</b>                                | <b>6,808,127</b>    | <b>5,147,148</b>           | <b>7,898,934</b>                     | <b>19,854,209</b>             | <b>(135,895)</b>                    |   |

| Project                               | Capital Description                                     | Project Manager   | Revised Budget Policy & Finance 25.11.21 | Variations Proposed to Policy & Finance Period 8 | Revised Budget including Variations for Approval | Actuals to 30.11.21 | Current outstanding orders | Additional anticipated spend in year | Total Projected spend in year | Variance Unavourable / (Favourable) | Comments - Spend to date  |
|---------------------------------------|---|-------------------|--|--|--|---------------------|----------------------------|--------------------------------------|-------------------------------|-------------------------------------|---|
| TA3053                                | Museum Improvements                                     | C Coulton-Jones   | 231,808                                  | (180,000)  | 51,808   | 7,577               | 35,283                     | 8,949                                | 51,808                        | 0                                   | 08/11/21 As reported to committee in January 2020, Heritage and Cultural services have been reviewed and a revised forward plan will be developed to ensure a strategic approach to service delivery post-COVID recovery, aligned to the Economic Growth strategies and wider initiatives such as Towns Fund. Planning is underway with spend anticipated in 2022/23. Request to P&F Jan 22 to reprofile £180k to 22/23 |
| TA3056                                | NCWC Tudor Hall   | C Coulton-Jones   | 60,000                                   | 0  | 60,000   | 986                 | 0                          | 59,014                               | 60,000                        | 0                                   | 14.12.21 Met with Woodheads end of July to discuss apportionment of costs, as a result request made at P&F to reprofile and move £140k to 22/23 (approved P&F - Nov 21). Still on track to be spend in the next FY with some expenditure this year. Full balance required until the final costs are assessed/ agreed.   |
| TB3154                                | Castle Gatehouse Project                                | C Coulton-Jones   | 25,000                                   | 0  | 25,000   | 0                   | 967                        | 24,033                               | 25,000                        | 0                                   | 14.12.21 Purely planning and permission applications this financial year. Reprofiled at P&F Nov 21  |
| TB3160                                | Castle Electrical Upgrade & Fire Alarm                  | C Coulton-Jones   | 85,000                                   | 0  | 85,000   | 65,859              | 7,009                      | 12,138                               | 85,006                        | 6                                   | 14.12.21 Works to be completed by the end of the summer.  |
| TC3131                                | Extension to London Road Car Park                       | N Cuttell         | 246,000                                  | 204,000  | 450,000  | 0                   | 0                          | 450,000                              | 450,000                       | 0                                   | 14.12.21 Tenders received - report to P&F in September. Additional funding agreed Full Council 12th October. Anticipate spend to full budget 01/12/21 - ME to seek purchase of site   |
| TC3134                                | Works to SFACC  | M Eyre            | 23,560                                   | 0  | 23,560   | 11,556              | 1,660                      | 10,344                               | 23,560                        | 0                                   | 14.12.21 Will be spent in the current year.   |
| TC3135                                | Works to Buttermarket                                   | P Preece          | 693,571                                  | 0  | 693,571  | 9,244               | 42,953                     | 641,374                              | 693,571                       | 0                                   | 14.12.21 Estimated costs in place - meeting with prospective tenant before progressing other works.   |
| TC3140                                | Car Park Ticket Machine Replacement                     | B Rawlinson       | 60,000                                   | 0  | 60,000   | 0                   | 39,762                     | 20,238                               | 60,000                        | 0                                   | 14.12.21 On target to spend in year. An apportionment of original allocation of £60k is actually one off revenue costs. Budget to be reallocated once final invoice received. Funded from Reserve so no impact on Financing   |
| TC3141                                | Improvements to Newark Beacon                           | M Eyre            | 52,000                                   | 0  | 52,000   | 2,300               | 5,100                      | 44,600                               | 52,000                        | 0                                   | 14.12.21 Works are underway. Anticipate completion this financial year  |
| TC3142                                | Common Lighting at Industrial Estates                   | M Eyre            | 25,000                                   | 0  | 25,000   | 0                   | 0                          | 25,000                               | 25,000                        | 0                                   | 14.12.21 Discussions to take place regarding procurement options. Update to be provided next meeting  |
| TC3143                                | Roller Shutter Doors at Industrial Units                | M Eyre            | 90,000                                   | 0  | 90,000   | 0                   | 0                          | 90,000                               | 90,000                        | 0                                   | 14.12.21 Discussions to take place regarding procurement options. Update to be provided next meeting  |
| TC3144                                | Fire & Security Rear Entrance Doors at Industrial Units | M Eyre            | 40,000                                   | 0  | 40,000   | 0                   | 0                          | 40,000                               | 40,000                        | 0                                   | 14.12.21 Discussions to take place regarding procurement options. Update to be provided next meeting  |
| TC3145                                | Fire Signage and Emergency Lighting at Industrial Units | M Eyre            | 75,000                                   | 0  | 75,000   | 0                   | 0                          | 75,000                               | 75,000                        | 0                                   | 14.12.21 Discussions to take place regarding procurement options. Update to be provided next meeting  |
| TC3146                                | Electrical Upgrades to Industrial Units                 | M Eyre            | 100,000                                  | 0  | 100,000  | 0                   | 0                          | 100,000                              | 100,000                       | 0                                   | 14.12.21 Discussions to take place regarding procurement options. Update to be provided next meeting  |
| TC3148                                | RHH Units Fit Out                                       | M Eyre            | 135,000                                  | 0  | 135,000  | 0                   | 0                          | 135,000                              | 135,000                       | 0                                   | 14.12.21 Dependant on interest from prospective tenants. £140k has been reprofiled to 22-23 - approved at P&F Nov 21  |
| TC3149                                | Onstreet Residential Chargepoint Scheme                 | B Rawlinson       | 25,509                                   | 0  | 25,509   | 0                   | 0                          | 25,509                               | 25,509                        | 0                                   | 14.12.21 Slight delay on project. Still on track to be completed this financial year  |
| TC3150                                | RHH Stamp Duty on Finance Lease                         | M Eyre            | 71,000                                   | 0  | 71,000   | 71,239              | 0                          | 0                                    | 71,239                        | 239                                 | 14.12.21 lease is now in place. Scheme complete   |
| TC3153                                | Places to Ride - Thoresby Vale                          | Richard Huthwaite | 150,000                                  | 0  | 150,000  | 0                   | 0                          | 150,000                              | 150,000                       | 0                                   | 14.12.21 Funding agreed at P&F 1st April 21. Works have commenced, to be completed this financial year in line with grant conditions  |
| TE3268                                | Southern Link Road Contribution                         | Matt Lamb         | 2,000,000                                | 0  | 2,000,000  | 0                   | 0                          | 2,000,000                            | 2,000,000                     | 0                                   | 14.12.21 Some funding due to be released in the current year, may then need to reprofile depending on outcome of other funding opportunities. Update on projects to be delivered at Nov P&F   |
| TC3152                                | Target Hardening - GF                                   | Andrew Kirk       | 107,250                                  | 0  | 107,250  | 717                 | 4,300                      | 102,233                              | 107,250                       | 0                                   | 14.12.21 Designs for works currently been drawn up. Will be able to quantify potential slippage at quarter 3 meeting  |
| <b>Economic Development Committee</b> |   |                   | <b>4,295,698</b>                         | <b>24,000</b>                                    | <b>4,319,698</b>                                 | <b>169,477</b>      | <b>137,034</b>             | <b>4,013,432</b>                     | <b>4,319,943</b>              | <b>245</b>                          |   |

| Project                                  | Capital Description                               | Project Manager  | Revised Budget Policy & Finance 25.11.21 | Variations Proposed to Policy & Finance Period 8 | Revised Budget including Variations for Approval | Actuals to 30.11.21 | Current outstanding orders | Additional anticipated spend in year | Total Projected spend in year | Variance Unavourable / (Favourable) | Comments - Spend to date  |
|--|---|------------------|--|--|--|---------------------|----------------------------|--------------------------------------|-------------------------------|-------------------------------------|---|
| TA1221                                   | SLC Fire Safety Remedial Works                    | S Young          | 77,000                                   | 0  | 77,000   | 5,385               | 0                          | 41,615                               | 47,000                        | (30,000)                            | 14.12.21 Instructed some of the works, still awaiting quotes for others. Currently anticipate a £30k underspend on project  |
| TA2210                                   | Purchase of Alms Houses                           | M Cook           | 0  | 0  | 0  | (96)                | 96                         | 0                                    | 0                             | 0                                   | 14.12.21 - Project complete   |
| TA3097                                   | Yorke Drive Regeneration and Community Facility   | C Clarkson       | 110,000                                  | 100,000  | 210,000  | 50                  | 0                          | 209,950                              | 210,000                       | 0                                   | 14/12/2021 currently working on design and planning applications. Requested £3,248k to be reprofiled to next financial year. Additional £100k added to the programme following the award of £1.05m from Levelling Up Fund (Brown Field Land) to be split between HRA and GF project. The additional £100k to be proposed at P&F Jan 22  |
| TA3286                                   | Information Technology Investment                 | D Richardson     | 748,850                                  | 44,750   | 793,600  | 91,997              | 237,776                    | 463,826                              | 793,600                       | 0                                   | 14.12.21 On target to spend in year. Request to increase budget by £44,750 approved at P&F in Nov, included on appendix C for approval to be added at P&F Jan 22  |
| TF2000                                   | CCTV Replacement Programme                        | A Batty          | 140,500                                  | 0  | 140,500  | 0                   | 0                          | 140,500                              | 140,500                       | 0                                   | 14.12.21 Report to H&C in September with a full review of CCTV. Support was given to complete the CCTV replacement programme at this meeting  |
| TF3221                                   | Southwell Flood Mitigation                        | A Batty          | 453,421                                  | 0  | 453,421  | 0                   | 0                          | 453,421                              | 453,421                       | 0                                   | 14.12.21 Requested info from NCC re drawing down funding.   |
| TF3228                                   | Homeless Hostel                                   | K Shutt / M Cook | 603,590                                  | 0  | 603,590  | 47,922              | 24,106                     | 531,562                              | 603,590                       | 0                                   | 14.12.21 Contractor appointed and additional budget agreed at recent P&F meeting. Reprofiled as set out below proposed and agreed at P&F Nov 21 - £2.650m to 22/23 and remaining £0.050m to 23/24 to cover retention  |
| TF6011                                   | Private Sector Disabled Facilities Grants         | A Batty          | 700,000                                  | 0  | 700,000  | 311,081             | 12,067                     | 376,852                              | 700,000                       | 0                                   | 14.12.21 £600-£700k spend in the current year will review as year progresses.   |
| TF6012                                   | Discretionary Disabled Facilities Grants          | A Batty          | 90,000                                   | 0  | 90,000   | 17,416              | 0                          | 72,584                               | 90,000                        | 0                                   |   |
| TF6020                                   | Flood Grants - 2020 - 2022                        | A Batty          | 429,901                                  | 0  | 429,901  | 56,448              | 0                          | 373,454                              | 429,901                       | 0                                   | 14.12.21 Dependant on applications. Not all flooded properties have taken up the opportunity to claim. Nov 19 & Feb 20 floods, grant dates have been extended.  |
| TF6807                                   | Warm Homes on Prescription                        | H Richmond       | 70,000                                   | 0  | 70,000   | 46,319              | 8,412                      | 15,269                               | 70,000                        | 0                                   | 14.12.21 Covid caused delays but enquires have picked up. Any unspent monies will be rolled forward to next financial year  |
| TF6809                                   | Fairholme Park (Ollerton) Conversion to Mains Gas | H Richmond       | 9,289                                    | 0  | 9,289  | 5,992               | 3,167                      | 130                                  | 9,289                         | 0                                   | 14.12.21 Project is now complete  |
| TF6810                                   | PV Units - EON                                    | H Richmond       | 567,854                                  | 0  | 567,854  | 0                   | 0                          | 567,854                              | 567,854                       | 0                                   | 14.12.21 delivery agents (NEP and E-ON) are still undertaking marketing and engagement activities. The project (along with the rest of the Country's LAD2 projects) has been extended. Phase 2 will be granted additional time to complete works. This means the ability to complete retrofit co-ordinator assessments by 31st March 2022, complete upgrades by 30th June 2022 and have until the 31st July 2022 to submit final reports and lodge measures with Trustmark. |
| <b>Homes &amp; Communities Committee</b> |   |                  | <b>4,000,405</b>                         | <b>144,750</b>                                   | <b>4,145,155</b>                                 | <b>582,515</b>      | <b>285,624</b>             | <b>3,247,017</b>                     | <b>4,115,155</b>              | <b>(30,000)</b>                     |   |

| Project | Capital Description  | Project Manager           | Revised Budget Policy & Finance 25.11.21 | Variations Proposed to Policy & Finance Period 8 | Revised Budget including Variations for Approval | Actuals to 30.11.21 | Current outstanding orders | Additional anticipated spend in year | Total Projected spend in year | Variance Unavourable / (Favourable) | Comments - Spend to date   |
|---------|--|---------------------------|--|--|--|---------------------|----------------------------|--------------------------------------|-------------------------------|-------------------------------------|--|
| TA1216  | Dukeries LC New Pool   | A Hardy                   | 1,581,356                                | 0  | 1,581,356  | 1,436,502           | 173,765                    | (58,912)                             | 1,551,356                     | (30,000)                            | 14.12.21 PC signed off and the pool is operational. Waiting on final invoices. Changing village is complete.   |
| TA1217  | Southwell Leisure Centre Improvements                            | A Hardy                   | 1,500,000                                | (1,500,000)                                      | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | 14.12.21 Works have been paused while user base is reviewed following covid. Proposed the reprofiling of the £1.5m to 22/23 at P&F Jan 22  |
| TB2253  | Vehicles & Plant (NSDC)  | A Kirk                    | 664,916                                  | 0  | 664,916  | 592,452             | 70,505                     | 1,958                                | 664,916                       | 0                                   | 14.12.21 On target to spend in year  |
| TB6154  | S106 Community Facilities Provision Community & Activity Village | A Hardy                   | 56,183                                   | 351,026  | 407,209  | 0                   | 0                          | 407,209                              | 407,209                       | 0                                   | 14.12.21 Linked to PC on the community hub, which will be spring 22. Will review progress throughout the year. Balance of capital receipt in respect of Elms Avenue - £351k, added project, to be paid to YMCA. To be proposed at P&F Jan 22 |
| TB6162  | Loan to Newark Academy   | A Hardy                   | 240,000                                  | (240,000)  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | 14.12.21 Reprofiled into 22/23, report tabled at Jan 22 P&F relating to change in proposal   |
| TC3136  | Climate Change   | M Finch/M Eyre            | 105,000                                  | (68,100)   | 36,900   | 20,700              | 0                          | 16,200                               | 36,900                        | 0                                   | 14.12.21 Currently Solar works to be completed £30k. Other projects still been built up. Request to reprofile £68k to 22/23 at P&F Jan 22. The balance remaining still anticipated to full spend in year                                     |
| TC3154  | Solar PV   | M Finch/M Eyre            | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | 14/12/21 - Works to commence in 2022/23. Currently procuring contractors. Addition to be ratified at P&F Jan 22 to be added to 22/23 programme   |
| TC3137  | Brunel Drive Door Entry System                                   | A Kirk                    | 0  | 0  | 0  | 0                   | 0                          | 0                                    | 0                             | 0                                   | 14.12.21 Accrual from 20/21 still to be offset   |
| TC3147  | Street Scene Building Upgrade                                    | Andy Kirk / Stephen Young | 43,000                                   | 0  | 43,000   | 29,973              | 9,560                      | 3,467                                | 43,000                        | 0                                   | 14.12.21 Works complete, waiting on final invoice.   |
| TA3057  | Palace Theatre Lighting  | Carys Coulton-Jones       | 42,280                                   | 0  | 42,280   | 31,017              | 0                          | 11,263                               | 42,280                        | 0                                   | 14.12.21 Added as an Urgency Item - On target to complete this year  |
| TB3142  | Binrastructure Wrap Grant  | Andy Kirk                 | 20,466                                   | 0  | 20,466   | 17,595              | 0                          | 2,871                                | 20,466                        | 0                                   | 14.12.21 On target to spend in year  |
| TB3143  | Vicar Water Embankment Works                                     | Stephen Young             | 60,000                                   | 0  | 60,000   | 1,550               | 58,449                     | 1                                    | 60,000                        | 0                                   | 14.12.21 Ground investigations are due to be carried out before works can start. Anticipate completion before year end   |
| TB6164  | S106 Community Facilities and CPS to Edwinston                   | Andy Hardy                | 43,480                                   | 0  | 43,480   | 0                   | 0                          | 43,480                               | 43,480                        | 0                                   | 14.12.21 Anticipate completion in year   |
| TB6165  | S106 Community Facilities to SOT                                 | Andy Hardy                | 239,620                                  | 0  | 239,620  | 0                   | 0                          | 239,620                              | 239,620                       | 0                                   | 14.12.21 Anticipate completion in year   |
| TB6166  | S106 Children and Young People Space                             | Andy Hardy                | 111,271                                  | 0  | 111,271  | 0                   | 0                          | 111,271                              | 111,271                       | 0                                   | 14.12.21 Anticipate completion in year   |
|         | <b>Leisure &amp; Environment Committee</b>                       |                           | <b>4,707,571</b>                         | <b>(1,457,074)</b>                               | <b>3,250,497</b>                                 | <b>2,129,790</b>    | <b>312,279</b>             | <b>778,428</b>                       | <b>3,220,497</b>              | <b>(30,000)</b>                     |  |

| Project | Capital Description                           | Project Manager | Revised Budget Policy & Finance 25.11.21 | Variations Proposed to Policy & Finance Period 8 | Revised Budget including Variations for Approval | Actuals to 30.11.21 | Current outstanding orders | Additional anticipated spend in year | Total Projected spend in year | Variance Unavourable / (Favourable) | Comments - Spend to date  |
|---------|---|-----------------|--|--|--|---------------------|----------------------------|--------------------------------------|-------------------------------|-------------------------------------|---|
| TC2005  | Land Acquisition - Dukeries                   | M Eyre          | 70,000                                   | 0  | 70,000   | 0                   | 0                          | 70,000                               | 70,000                        | 0                                   | 14.12.21 Update to provided in quarter 3 monitoring   |
| TC2006  | Purchase of Land at Bowbridge Road            | M Lamb          | 1,020,760                                | 0  | 1,020,760  | 0                   | 0                          | 1,020,760                            | 1,020,760                     | 0                                   | 14.12.21 As of January 22 discussions still taking place with the Owner. An offer has been made and we will report back on progress.  |
| TC3016  | Legionella Remedial Works                     | M Eyre          | 20,975                                   | 0  | 20,975   | 2,448               | 0                          | 18,527                               | 20,975                        | 0                                   | 14.12.21 Large accrual to be offset, anticipate spend in full   |
| TC3138  | Lord Hawke Way Rememdial Work & Bond          | M Eyre          | 384,150                                  | 0  | 384,150  | 192,290             | 0                          | 191,860                              | 384,150                       | 0                                   | 14.12.21 CCTV surveys carried out. All connections into the Arkwood site are complete. Discussions to take place with Severn Trent.   |
| TG1003  | Housing Regeneration Loan Facility            | N Wilson        | 1,300,000                                | 0  | 1,300,000  | 663,929             | 0                          | 636,071                              | 1,300,000                     | 0                                   | 14.12.21 Arkwood will draw down the money as and when required. £11m is the maximum head room, currently anticipated that only £1.3m is required this financial year                  |
| TI1001  | Joesph Whittaker School Contribution          | M Norton        | 620,000                                  | 0  | 620,000  | 620,000             | 0                          | 0                                    | 620,000                       | 0                                   | 19/08/21 Project complete   |
| TI1002  | A1 Overbridge Improvements                    | M Norton        | 60,000                                   | 0  | 60,000   | 0                   | 0                          | 60,000                               | 60,000                        | 0                                   | 14.12.21 Under review - Not anticipating spend in full this financial year. Reduced allocation in year to £60k to match design fees for project. Works will not commence until 22/23. |
| TT1000  | Towns Fund - 32 Stodman Street Regeneration   | N Cuttell       | 750,524                                  | 0  | 750,524  | 90,845              | 10,056                     | 649,624                              | 750,524                       | 0                                   | 14.12.21 Planning permission and demo to sort in 2021/22. £2m grant due to be claimed in 2022/23. £750k required in this financial year. Reprofile the remaining budget to 22/23.     |
| TT1003  | Towns Fund - Newark Gateway Cattlemarket Ph1  | N Cuttell       | 249,365                                  | 0  | 249,365  | 83,610              | 94,464                     | 71,291                               | 249,365                       | 0                                   | 14.12.21 Demolition has taken place. Anticipate budget will be spent in full by March 2022.   |
| TT1004  | Towns Fund - YMCA Community & Activity Villag | Neil Cuttell    | 2,000,000                                | 0  | 2,000,000  | 680,000             | 0                          | 1,320,000                            | 2,000,000                     | 0                                   | 14.12.21 Funding approved at P&F 24/06/21.  |
| TT1005  | Towns Fund - Cycle Town                       | Neil Cuttell    | 200,000                                  | 0  | 200,000  | 0                   | 0                          | 200,000                              | 200,000                       | 0                                   | 14.12.21 Added to programme in September. Timescales currently been reviewed. Once agreed an update will be provided for the profiling of spend                                       |
| TC3151  | Lorry Park access turnstile                   | Mark Eyre       | 32,000                                   | 0  | 32,000   | 7,175               | 21,525                     | 3,300                                | 32,000                        | 0                                   | 14.12.21 Urgency item added to capital programme, works to commence asap, fully anticipate completion this year   |
|         | <b>Policy &amp; Finance Committee</b>         |                 | <b>6,707,774</b>                         | <b>0</b>   | <b>6,707,774</b>                                 | <b>2,340,296</b>    | <b>126,045</b>             | <b>4,241,433</b>                     | <b>6,707,774</b>              | <b>0</b>                            |   |
|         | <b>TOTALS</b>                                 |                 | <b>19,711,448</b>                        | <b>(1,288,324)</b>                               | <b>18,423,124</b>                                | <b>5,222,078</b>    | <b>860,982</b>             | <b>12,280,309</b>                    | <b>18,363,369</b>             | <b>(59,755)</b>                     |   |

## POLICY & FINANCE COMMITTEE

27 JANUARY 2022

### POLICY & FINANCE COMMITTEE REVENUE BUDGET 2022/23

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

- 1.1 To seek approval from the Committee for the 2022/23 base budget in **Appendix A** to be recommended to its meeting on 21 February 2022 for inclusion in the overall council budget.
- 1.2 To seek approval from the Committee for the 2022/23 fees & charges in **Appendix D** to be recommended to its meeting on 21 February 2022 and Council at its meeting on 8 March 2022.

#### **2.0 Background Information**

- 2.1 Business managers and service budget officers have been working with officers in the Financial Services team to prepare a general fund budget for 2022/23 and medium-term financial plan for between 2022/23 and 2025/26. The general fund budgets have been prepared in line with the strategy agreed by this Committee on 24 June 2021.
- 2.2 The budget and medium-term financial plan have been developed to reflect, in financial form, the corporate priorities of the Council. Where further targeted areas of focus have been identified, additional resources have been directed to these business units.
- 2.3 **Appendices A** and **B** summarise the budgets proposed for the Committee for 2022/23 by service team and subjective level respectively. These **appendices** exclude capital charges and central support recharges, because service officers do not have direct influence over how much they pay for these. The budgets in this report and its **appendices** are for controllable costs: costs which service officers have direct influence over.

#### Revenue Budget

- 2.4 The 2022/23 General Fund revenue budget will be derived from the 2022/23 base budget within the 2021/22 - 2024/25 (2021/25) Medium Term Financial Plan (MTFP) approved by Full Council on 9 March 2021. This will be adjusted for changes which have been approved by either SLT or this Committee since 9 March 2021; changes in inflation and other assumptions; and growth and efficiencies proposed by services.
- 2.5 *Table 1* summarises the changes between the 2022/23 base budget within the 2021/25 MTFP and the current draft 2022/23 budget for services in the Committee.

*Table 1: changes between the 2022/23 base budget within the 2021/25 MTFP and the current draft 2022/23 budget for services in the Committee*

|   |                |
|---|----------------|
| <b>2022/23 base budget (approved by Full Council on 9 March 2021)</b> | <b>£5.556m</b> |
| Changes agreed by either SLT or P&F after approval of 2021/25 MTFP    | £0.028m        |
| Changes in assumptions (such as inflation)                            | £0.110m        |
| Growth  | £0.173m        |

|  |                |
|--|----------------|
| Efficiencies   | £(0.200)m      |
| <b>2022/23 budget (current draft for services in the Committee)</b>      | <b>£5.667m</b> |
| <b>2022/23 budget: change from Full Council approval on 9 March 2021</b> | <b>£0.111m</b> |

2.6 **Appendix C** lists the main reasons for the changes in *Table 1*.

#### Fees & Charges

2.7 Officers have considered the Fees and Charges Toolkit approved by Economic Development Committee on 20 November 2019 when setting the level of fees & charges. The proposed fees & charges for 2022/23 are in **Appendix D** for consideration.

### **3.0 Proposals**

3.1 Officers are proposing to the Committee that it recommends to its meeting on 21 February 2022:

- a) the 2022/23 base budget in **Appendix A** for inclusion in the overall council budget;
- b) and to Council on 08 March 2022 the 2022/23 fees & charges in **Appendix D**.

### **4.0 Equalities Implications**

4.1 Business Managers consider the implications on equalities when assessing how best to deliver the services they are responsible for.

### **5.0 Digital Implications**

5.1 None arising from this report.

### **6.0 Financial Implications (FIN21-22/3858)**

6.1 The Committee's proposed 2022/23 budget is £111,000 more than its base budget within the 2021/25 MTFP: an increase of 2%. Employee budgets of £5.615m account for 69% of controllable costs (excluding Housing Benefit expenditure). Significant budget savings cannot be achieved without affecting staffing levels.

6.2 The council's medium-term financial plan for between 2022/23 and 2025/26 requires significant savings in future years, as changes to how councils manage their finances and other challenges take effect.

6.3 It is important that the Committee continually scrutinises and reviews its budget in order to identify additional savings which will be achieved in future years.

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

7.1 The proposals in this report support the council to achieve all of the objectives of the Community Plan 2020-2023.



## **8.0 RECOMMENDATION**

**That the following recommendations be made to its meeting on 21 February 2022:**

- i. the 2022/23 base budget in Appendix A for inclusion in the overall council budget; and**
- ii. to Council on 8 March 2022 the 2022/23 fees & charges in Appendix D.**

### **Reason for Recommendation**

**To ensure that the budgets and fees & charges finally proposed for 2022/23 are recommended to its meeting on 21 February 2022.**

### **Background Papers**

Nil.

For further information please contact Nick Wilson (Business Manager – Financial Services) on Extension 5317 or Mohammed Sarodia (Assistant Business Manager – Financial Services) on Extension 5537.

Sanjiv Kohli  
Director - Resources and Deputy Chief Executive



**2022/23 General Fund revenue base budget approved by Full Council in March 2021 against current 2022/23 draft budget (January 2022)**

| Cost centre | Cost centre name               | 2022/23 Base Budget: Mar-21 | Changes agreed by SLT or P&F | Changes in assumptions: net effect | Growth  | Efficiencies | 2022/23 Base Budget: Jan-22 | 2022/23 Base Budget: Variance |
|-------------|--------------------------------|-----------------------------|------------------------------|------------------------------------|---------|--------------|-----------------------------|-------------------------------|
| A10601      | Electoral Registration         | 75,140                      |                              | 20,750                             |         |              | 95,890                      | 20,750                        |
| A10801      | Service Ict Applications       | 2,260                       |                              | (2,260)                            |         |              | 0                           | (2,260)                       |
| A10802      | Ict                            | 765,600                     |                              | 10,470                             | 50,910  |              | 826,980                     | 61,380                        |
| A10803      | Internal Audit                 | 82,030                      |                              |                                    |         |              | 82,030                      | 0                             |
| A10804      | Payments & Receipts            | 1,770                       |                              | 0                                  |         |              | 1,770                       | 0                             |
| A10805      | Income Section                 | 70,580                      |                              | 39,140                             |         |              | 109,720                     | 39,140                        |
| A10806      | Bank Charges                   | 137,470                     |                              |                                    |         |              | 137,470                     | 0                             |
| A10812      | Human Resources                | 200,970                     |                              | 7,510                              | 8,440   |              | 216,920                     | 15,950                        |
| A10818      | Committee Section              | 257,480                     |                              | 8,800                              |         |              | 266,280                     | 8,800                         |
| A10819      | Legal Section                  | 300,510                     |                              | 82,660                             | 15,580  |              | 398,750                     | 98,240                        |
| A10832      | Central Telephones             | 94,700                      |                              |                                    | 14,910  |              | 109,610                     | 14,910                        |
| A10833      | Central Postages               | 43,990                      |                              |                                    |         |              | 43,990                      | 0                             |
| A10841      | Central Personnel Expenses     | 113,030                     | 22,870                       | (10,930)                           |         |              | 124,970                     | 11,940                        |
| A10842      | Other Employee Expenses        | 21,040                      |                              | (1,240)                            |         |              | 19,800                      | (1,240)                       |
| A10845      | Information Governance         | 73,840                      |                              | 10,150                             |         |              | 83,990                      | 10,150                        |
| A10864      | Senior Leadership Team         | 724,810                     |                              | (6,040)                            |         |              | 718,770                     | (6,040)                       |
| A10865      | Corporate Asset Development    | 15,570                      |                              | (2,910)                            |         |              | 12,660                      | (2,910)                       |
| A10895      | Financial Services             | 688,940                     |                              | (13,530)                           |         | (31,020)     | 644,390                     | (44,550)                      |
| A10896      | Transformation                 | 356,520                     | 5,000                        | (38,820)                           | 35,000  |              | 357,700                     | 1,180                         |
| A10897      | Procurement                    | 37,880                      |                              |                                    |         |              | 37,880                      | 0                             |
| A10898      | Administration Services        | 331,570                     |                              | 23,080                             |         |              | 354,650                     | 23,080                        |
| A10899      | Insurance Claims               | 0                           |                              |                                    | 10,000  |              | 10,000                      | 10,000                        |
| A10904      | Council Tax                    | 7,000                       |                              | (20,100)                           |         |              | (13,100)                    | (20,100)                      |
| A10905      | Rent Allowances                | (83,790)                    |                              | (29,960)                           |         |              | (113,750)                   | (29,960)                      |
| A10907      | Rent Rebates                   | (61,740)                    |                              | 28,900                             |         |              | (32,840)                    | 28,900                        |
| A10908      | Housing Benefit Admin          | 176,750                     |                              | (78,970)                           |         |              | 97,780                      | (78,970)                      |
| A10911      | Business Rates Property Unit   | 18,020                      |                              | 20,610                             |         |              | 38,630                      | 20,610                        |
| A11122      | Risk Management                | 67,260                      |                              | 34,440                             | 3,800   |              | 105,500                     | 38,240                        |
| A11831      | Castle House                   | 210,820                     |                              | 27,080                             | 19,590  |              | 257,490                     | 46,670                        |
| A11833      | Hayside Cottage Lowfield Lane  | 7,290                       |                              | 160                                |         |              | 7,450                       | 160                           |
| A11838      | Beaumont Cross                 | (11,600)                    |                              | 6,760                              |         |              | (4,840)                     | 6,760                         |
| A11841      | Corporate Property             | 389,740                     |                              | 12,550                             | 14,930  |              | 417,220                     | 27,480                        |
| A11901      | Members Expenses               | 310,060                     |                              | (200)                              |         |              | 309,860                     | (200)                         |
| A11902      | Civic Expenses                 | 14,280                      |                              | 0                                  |         |              | 14,280                      | 0                             |
| A11911      | Other Financial Transactions   | (556,480)                   |                              |                                    |         | (103,470)    | (659,950)                   | (103,470)                     |
| A12301      | Election Expenses              | 36,530                      |                              |                                    |         |              | 36,530                      | 0                             |
| A12510      | Democratic Representation      | 500                         |                              |                                    |         |              | 500                         | 0                             |
| A12512      | Ethical Governance & Standards | 300                         |                              |                                    |         |              | 300                         | 0                             |
| A12520      | Corporate Management           | 177,260                     |                              |                                    |         |              | 177,260                     | 0                             |
| A12530      | Non Distributed Costs          | 265,300                     |                              |                                    |         | (65,300)     | 200,000                     | (65,300)                      |
| A15028      | Combined Service Costs         | 150,550                     |                              | (1,000)                            |         |              | 149,550                     | (1,000)                       |
| A15029      | Corporate Printers             | 25,090                      |                              |                                    |         |              | 25,090                      | 0                             |
| C54032      | New Burden Council Tax Reform  | 17,000                      |                              | (17,000)                           |         |              | 0                           | (17,000)                      |
|             |                                | 5,555,840                   | 27,870                       | 110,100                            | 173,160 | (199,790)    | 5,667,180                   | 111,340                       |

**2022/23 General Fund revenue base budget approved by Full Council in March 2021 against current 2022/23 draft budget (January 2022)**

| Code  | Description                       | 2022/23 Base Budget: Mar-21 | Changes agreed by SLT or P&F | Changes in assumptions: net effect | Growth         | Efficiencies     | 2022/23 Base Budget: Jan-22 | 2022/23 Base Budget: Variance |
|-------|-----------------------------------|-----------------------------|------------------------------|------------------------------------|----------------|------------------|-----------------------------|-------------------------------|
| RE111 | Salaries And Wages                | 4,160,550                   |                              | 7,950                              |                | (103,470)        | 4,065,030                   | (95,520)                      |
| RE112 | Other Salaries/Wages Payments     | 31,700                      |                              | (11,700)                           |                |                  | 20,000                      | (11,700)                      |
| RE113 | National Insurance                | 446,990                     |                              | 58,390                             |                |                  | 505,380                     | 58,390                        |
| RE114 | Superannuation                    | 1,051,760                   |                              | 16,300                             |                | (65,300)         | 1,002,760                   | (49,000)                      |
| RE115 | Other Employers Contributions     | 22,020                      |                              |                                    |                |                  | 22,020                      | 0                             |
|       | <b>Employees Sub-Total</b>        | <b>5,713,020</b>            |                              | <b>70,940</b>                      |                | <b>(168,770)</b> | <b>5,615,190</b>            | <b>(97,830)</b>               |
| RE211 | Repairs And Maintenance           | 352,430                     |                              | 740                                |                |                  | 353,170                     | 740                           |
| RE212 | Energy Costs                      | 92,420                      |                              | 17,050                             |                |                  | 109,470                     | 17,050                        |
| RE213 | Rent                              | 310,000                     |                              |                                    |                |                  | 310,000                     | 0                             |
| RE214 | Rates                             | 150,950                     |                              | (9,270)                            |                |                  | 141,680                     | (9,270)                       |
| RE215 | Water Services                    | 29,800                      |                              | (860)                              |                |                  | 28,940                      | (860)                         |
| RE217 | Cleaning And Domestic             | 4,740                       |                              |                                    | 9,950          |                  | 14,690                      | 9,950                         |
| RE219 | Contribution To Funds             | 117,860                     |                              | 500                                | 4,960          |                  | 123,320                     | 5,460                         |
| RE313 | Contract Hire Op Lease            | 0                           |                              |                                    |                |                  | 0                           | 0                             |
| RE315 | Car Allowances                    | 31,450                      |                              | 2,500                              |                |                  | 33,950                      | 2,500                         |
| RE411 | Equipment And Furniture           | 178,770                     |                              | (310)                              | 20,110         |                  | 198,570                     | 19,800                        |
| RE412 | Materials                         | 220                         |                              |                                    |                |                  | 220                         | 0                             |
| RE421 | Catering                          | 11,740                      |                              |                                    |                |                  | 11,740                      | 0                             |
| RE431 | Clothing And Uniforms             | 1,140                       |                              | (150)                              |                |                  | 990                         | (150)                         |
| RE441 | General Office Expenses           | 81,330                      |                              | 5,190                              | 35,000         |                  | 121,520                     | 40,190                        |
| RE451 | Contractual                       | 337,750                     |                              | 62,590                             | 9,640          |                  | 409,980                     | 72,230                        |
| RE452 | Other Services                    | 281,780                     |                              | 4,540                              | 37,010         |                  | 323,330                     | 41,550                        |
| RE461 | Communications And Computing      | 1,019,770                   | 5,000                        | 101,190                            | 39,150         |                  | 1,165,110                   | 145,340                       |
| RE471 | Staff                             | 19,180                      |                              | 1,300                              |                |                  | 20,480                      | 1,300                         |
| RE472 | Members                           | 299,600                     |                              |                                    |                |                  | 299,600                     | 0                             |
| RE473 | Chairman                          | 8,280                       |                              | 0                                  |                |                  | 8,280                       | 0                             |
| RE481 | Grants                            | 4,330                       |                              |                                    | (4,330)        |                  | 0                           | (4,330)                       |
| RE482 | Subscriptions                     | 53,710                      |                              | 960                                | 3,860          |                  | 58,530                      | 4,820                         |
| RE491 | Insurance                         | 226,020                     |                              |                                    | 10,000         | (31,020)         | 205,000                     | (21,020)                      |
| RE493 | Other                             | 169,660                     | 22,870                       | (9,520)                            | 1,000          |                  | 184,010                     | 14,350                        |
| RI928 | Recharge Non Gf Accounts          | (1,569,560)                 |                              | (81,770)                           |                |                  | (1,651,330)                 | (81,770)                      |
| RE611 | Housing Benefits                  | 19,948,550                  |                              | (1,098,550)                        |                |                  | 18,850,000                  | (1,098,550)                   |
|       | <b>Running Expenses Sub-Total</b> | <b>22,161,920</b>           | <b>27,870</b>                | <b>(1,003,870)</b>                 | <b>166,350</b> | <b>(31,020)</b>  | <b>21,321,250</b>           | <b>(840,670)</b>              |
| RI911 | Government Grants                 | (20,159,520)                |                              | 1,021,220                          |                |                  | (19,138,300)                | 1,021,220                     |
| RI922 | Contributions From Other Las      | (162,930)                   |                              | (1,160)                            |                |                  | (164,090)                   | (1,160)                       |
| RI928 | Recharge Non Gf Accounts          | (715,050)                   |                              | 5,470                              | 6,810          |                  | (702,770)                   | 12,280                        |
| RI931 | Sales                             | (2,000)                     |                              |                                    |                |                  | (2,000)                     | 0                             |
| RI932 | Fees And Charges                  | (760,680)                   |                              | (1,500)                            |                |                  | (762,180)                   | (1,500)                       |
| RI933 | Rents                             | (256,520)                   |                              | 15,000                             |                |                  | (241,520)                   | 15,000                        |
| RI939 | Other Receipts                    | (262,400)                   |                              | 4,000                              |                |                  | (258,400)                   | 4,000                         |
|       | <b>Income Sub-Total</b>           | <b>(22,319,100)</b>         |                              | <b>1,043,030</b>                   | <b>6,810</b>   |                  | <b>(21,269,260)</b>         | <b>1,049,840</b>              |
|       | <b>Committee Total</b>            | <b>5,555,840</b>            | <b>27,870</b>                | <b>110,100</b>                     | <b>173,160</b> | <b>(199,790)</b> | <b>5,667,180</b>            | <b>111,340</b>                |

**Policy & Finance Committee**

**Variances between 2022/23 General Fund revenue base budget approved by Full Council in March 2021 against current 2022/23 draft budget (January 2022)**

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

| <b>Variances between 2022/23 base budget (March 2021) and current 2022/23 draft budget (January 2022) by service (cost centre)</b>  | <b>Increase or (decrease) in budget (£m)</b> |
|---|--|
| <b>Electoral Registration:</b> increase in computer software costs, and removal of grant which used to be received from Department for Work and Pensions (DWP)              | 0.021  |
| <b>ICT:</b> increase in costs associated with cybersecurity and assistance for projects due to be taken forward   | 0.061  |
| <b>Income Section:</b> increased employee costs in light of establishment changes   | 0.039  |
| <b>Human Resources:</b> increase in computer software and employee-related costs  | 0.016  |
| <b>Legal Section:</b> increase in computer software and employee-related costs  | 0.098  |
| <b>Central Telephones:</b> increase in standing charges for 8x8 system  | 0.015  |
| <b>Central Personnel Expenses:</b> increase in cost of council-wide training, partly offset by change in assumption regarding HR apprentice                                 | 0.012  |
| <b>Information Governance:</b> increased employee costs in light of establishment changes   | 0.010  |
| <b>Financial Services:</b> reduced employee costs in light of establishment changes and reduction in forecast council-wide insurance costs                                  | (0.045)                                      |
| <b>Administration Services:</b> increased employee costs in light of establishment changes  | 0.023  |
| <b>Council Tax:</b> reduced employee costs in light of establishment changes  | (0.020)                                      |
| <b>Housing Benefit Admin:</b> reduced employee costs in light of establishment changes, and increase in Housing Benefit Administration grant income to be received          | (0.079)                                      |
| <b>Business Rates Property Unit:</b> reduced costs rechargeable to the other local authority participants within the scheme, due to a change in number of participants      | 0.021  |
| <b>Risk Management:</b> increased employee costs in light of establishment changes  | 0.038  |
| <b>Castle House:</b> increase in cost of electricity, cleaning materials and compliance-related maintenance services  | 0.047  |
| <b>Corporate Property:</b> increased employee costs in light of establishment changes, and increase in anticipated number of valuations required for acquisitions/disposals | 0.027  |
| <b>Other Financial Transactions:</b> increase in percentage of total employee costs to be saved from posts remaining vacant within 2022/23 before being recruited to        | (0.103)                                      |
| <b>Non Distributed Costs:</b> reduced allocation for one-off pension-related costs related to termination of employment. One-off costs to be funded from reserve instead.   | (0.065)                                      |
| <b>New Burden Council Tax Reform:</b> change in assumption regarding spend in relation to new activities for which the government provides grant income                     | (0.017)                                      |
| Other small variances   | 0.012  |
| <b>Committee Total:</b>   | <b>0.111</b>                                 |

**CASTLE HOUSE - CIVIC SUITE HIRE & PARTNERS' DESK USAGE***(Prices are exclusive of VAT)*

| <b>No Webcasting</b> |                 |                       |                       |
|----------------------|-----------------|-----------------------|-----------------------|
| <b>Room</b>          | <b>Duration</b> | <b>2021/22 Charge</b> | <b>2022/23 Charge</b> |
| G2                   | Hourly charge   | <b>£15.00</b>         | <b>£15.00</b>         |
| G3                   | Hourly charge   | <b>£15.00</b>         | <b>£15.00</b>         |
| Civic 1              | Hourly charge   | <b>£25.00</b>         | <b>£25.00</b>         |
| Civic 2              | Hourly charge   | <b>£25.00</b>         | <b>£25.00</b>         |
| Civic 3              | Hourly charge   | <b>£15.00</b>         | <b>£15.00</b>         |
| Civic 4              | Hourly charge   | <b>£15.00</b>         | <b>£15.00</b>         |
| Civic 1 + 2          | Hourly charge   | <b>£40.00</b>         | <b>£40.00</b>         |
| Civic 3 + 4          | Hourly charge   | <b>£25.00</b>         | <b>£25.00</b>         |
| Civic 2+3+4          | Hourly charge   | <b>£40.00</b>         | <b>£40.00</b>         |
| Civic 1+2+3+4        | Hourly charge   | <b>£65.00</b>         | <b>£65.00</b>         |
| Desk Charge          | Per Desk        | <b>£4,420.00</b>      | <b>£4,420.00</b>      |

**NON-PAYMENT OF COUNCIL TAX/NNDR**

| <b>Council Tax</b> | <b>2021/22 Charge</b> | <b>2022/23 Charge</b> |
|--------------------|-----------------------|-----------------------|
| Summons            | <b>£80</b>            | <b>£80</b>            |
| Liability Order    | With summons          | With summons          |

| <b>NNDR</b>     | <b>2021/22 Charge</b> | <b>2022/23 Charge</b> |
|-----------------|-----------------------|-----------------------|
| Summons         | <b>£100</b>           | <b>£100</b>           |
| Liability Order | With summons          | With summons          |

The level of costs to have to be justified to the court and there is case law against raising to a level that is deemed excessive.

## POLICY & FINANCE COMMITTEE

27 JANUARY 2022

### 2022/23 HOUSING REVENUE ACCOUNT (HRA) BUDGET AND RENT SETTING

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

1.1 The annual report being presented to the Committee on the Housing Revenue Account (HRA) will:

- a) provide the actual outturn of the HRA for the 2020/21 financial year (1 April 2020 - 31 March 2021) (column 2 of **Appendix A1**);
- b) examine the proposed income and expenditure on the HRA for the 2022/23 financial year (column 4 of **Appendix A1**), in accordance with Section 76 (Duty to prevent debit balance on Housing Revenue Account) of the *Local Government and Housing Act 1989*;
- c) provide indicative amounts of income and expenditure for the 2023/24 to 2025/26 financial years (columns 5 to 7 of **Appendix A1**); and
- d) set rent levels and service charges for 2022/23 (with effect from the first Monday in April 2022).

1.2 The following paragraphs provide the necessary detail for the matters above.

#### **2.0 Background Information**

2.1 The setting of the HRA budget and the approval of rent levels will allow the required time to notify tenants of proposed changes to rents in accordance with legislation.

2.2 The key dates in the budget setting timetable are detailed in the table below:

|  |                         |
|--|-------------------------|
| Council determination of HRA budget and rent setting   | 8 February 2022         |
| Newark & Sherwood District Council update of rent systems  | By end of February 2022 |
| Generation of rent cards and letters to notify tenants of variation of their rent levels (tenants are required to be given one month's notice by law of rent changes). | By end of February 2022 |

2.3 Any slippage from these key dates would jeopardise the implementation of rent increases from the first Monday in April 2022, and as a consequence, pose a risk to the sustainability of the 30-year HRA Business Plan (BP).

#### Statutory Duty

2.4 Section 76 of the *Local Government and Housing Act 1989* requires local housing authorities to set a budget annually for their HRA, and that implementation of the budget proposals will not result in a debit balance (deficit position) at year-end.

- 2.5 Following housing financing reforms (self-financing) in April 2012 the council's HRA has been operating within a 30-year business plan. The inputs and assumptions in the Business Plan are key to setting the HRA budgets annually for each year of the HRA's four-year medium-term financial plan (MTFP).
- 2.6 Members will be aware that on 8 July 2015, Government announced that registered providers (including social housing stock-owning local authorities) had to reduce social housing rents by 1% each year for four years from 2016/17, in accordance with section 23 (Reduction in social housing rents) of the *Welfare Reform and Work Act 2016*. 2019/20 was the last year of the 1% rent reduction.
- 2.7 The 1% annual rent reductions resulted in the HRA Business Plan losing more than £11m (13%) in rental income over the four years. This was equivalent to more than six months' worth of rental income in 2019-20, or the funds to build more than 100 homes.
- 2.8 This budget supports the delivery of the Landlord Strategy (elsewhere on this agenda) and supports the aspirations for our services as detailed within the Strategy.
- 2.9 Members should note that any surpluses in 2021/22 are unlikely to be repeated and are the result of underspend due to an abnormal year in terms of a pandemic and the restructure of Housing services resulting in holding a number of senior posts vacant therefore these funds would not be annually available to offset against any rent increase.
- 2.10 Due to Covid-19 pandemic there have been supply problems for a wide range of products in the building and maintenance trade which has already lead to significant increases in costs this year. This is currently masked in the HRA as only essential repairs were carried out during the first lockdown period due to Covid-19. Now teams have caught up with the backlog and we enter the busiest half of the year this impact will become more visible as we reinstate our full services again. Officers are also predicting that these increases in costs will not reduce post Covid-19.
- 2.11 Members will also be aware that now that Brexit has been implemented, there will be an even greater impact on the supply chain for building supplies and other materials than as per paragraph 2.10 above. The HRA will need to position itself to be able to absorb cost increases as necessary.

#### Rent Standard 2020

- 2.12 In February 2019, the Secretary of State for Housing, Communities & Local Government published a Direction to the Regulator of Social Housing (RSH) to set a Rent Standard which would apply from 2020. This was published alongside a Policy Statement on Rents for Social Housing 2018 (Rent Policy Statement) for the Regulator to have regard to when setting its Rent Standard.
- 2.13 The Rent Standard 2020 specifies that rents must be set in accordance with the Rent Policy Statement. The government's Rent Policy Statement now allows annual rent increases to social rent and affordable rent properties for at least five years, up to (and including) the Consumer Price Index (CPI) rate published for September of the preceding financial year plus 1%.

- 2.14 As the CPI for September 2021 was 3.1%, the Rent Policy Statement allows an annual rent increase of 4.1% for 2022/23. This would represent an average weekly social rent increase of £3.18 per week based on 52 week social rent in 2021/22 of £77.60 (average of all our housing stock rents). This is equivalent to £165.36 per year or £13.78 per month, and will provide over £900,000 of additional income for the HRA.
- 2.15 By providing a five-year rent settlement, the Government has recognised:  
*“the need for a stable financial environment to support the delivery of new homes”, and that “enabl[ing] registered providers to plan ahead” will allow them “to make the best possible use of their resources”.*
- 2.16 In restricting annual rent increases to CPI + 1%, the Government aims to:  
*“strike a fair balance between the need to maintain existing affordable homes and the provision of additional affordable housing; the interests of existing and potential social housing tenants; and the cost to taxpayers through Housing Benefit/Universal Credit”.*
- 2.17 From 1 April 2020, therefore, social housing providers registered with the RSH (‘registered providers’) must now comply with the Rent Standard 2020.
- 2.18 It is worth noting the November 2021 CPI was 5.1% which means the Council’s rent increase is below the national CPI increase, however, our inflationary costs are increasing as a result.

#### Borrowing Cap

- 2.19 As part of the HRA self-financing reforms introduced in April 2012, the government set a maximum amount of housing debt that each local authority could have. In subsequent years, the government awarded some local authorities limited increases to their housing borrowing limits. On 29 October 2018, the Limits on Indebtedness (Revocation) Determination 2018 revoked all previous determinations that specified limits on local authority housing indebtedness.
- 2.20 Though councils are no longer restricted in how much they can borrow in their HRAs, there is still the requirement for councils to make sure that all borrowing is affordable and proportionate within the context of their 30-year HRA business plan (BP). The council has used the expert external advice it obtained on the assumptions in the BP to monitor the affordability of future indebtedness. Anticipated future levels of indebtedness are currently viable within the plan.

#### 30-year HRA Business Plan (BP)

- 2.21 The BP summarises the viability of the council’s plans to fulfil its management, maintenance and investment responsibilities to its HRA assets over the next 30-years. Key assumptions are made in the BP based on the council’s strategic priorities and policies, detailed stock data and other factors.
- 2.22 The assumptions in the BP are key to setting the HRA budgets annually for each year of the HRA’s four-year MTFP. Adverse variations in these assumptions can have significant



consequences, as the examples in paragraph 2.7 make clear. Failure therefore for Members to agree the proposals in this report could lead to a material impact on the delivery of housing management services to tenants, as well as the viability and delivery of any future proposals for any further HRA development programmes, future phases (non-committed) for Yorke Drive regeneration scheme and other investment activities.

- 2.23 The council obtained expert external advice on monitoring the BP's capacity for borrowing (paragraph 2.20). The narrative of the HRA BP and assumptions in the financial model will be reviewed and updated when circumstances allow and presented to the Committee for approval.
- 2.24 Officers monitor relevant government policy announcements and model the implications of these on the HRA BP. The Building Safety Bill and Fire and Building Safety (Public Inquiry) Bill are currently both with the House of Commons for review; any changes to the Decent Homes Standard, the carbon zero/green agenda and the detailed requirements arising from the Social Housing White Paper which was released in November 2020. Officers will model the impacts of these changes on the HRA BP as further details become available. There is an expectation of increased scrutiny on performance, accountability to tenants and an increased expectation of regulation.

#### Rent Cycle

- 2.25 Rent is currently charged over 48 weeks, giving tenants four rent free weeks albeit that the full years rent charge is the same as if charged across 52 weeks. Members will be aware we are looking at the possibility to move from a 48 week rent cycle (with 4 rent free weeks) to a 52 week rent cycle annually as part of the secure tenancy review which is planned for 2022/23.

#### Affordability Considerations

- 2.26 This section provides information regarding the impact of the proposed changes to rent and services charges, as well as data on how tenants pay their rent and the support they receive from Housing Benefit and Universal Credit.

#### ***Rent level comparable data***

- 2.27 *Table 1* compares 2020/21 data on average rent levels for the private rented sector (PRS) in Newark and Sherwood and in England to the council's average social housing rents for general needs tenants.

*Table 1: Comparison of 2020/21 data on average rent levels for the PRS in Newark and Sherwood, the PRS in England, and NSDC's social housing rents for general needs tenants*

| <b>Size of accommodation</b><br><b>All amounts are average amounts per week</b> | <b>Private rented sector: Newark &amp; Sherwood</b> | <b>Private rented sector: England</b> | <b>Social housing rents for general needs tenants: NSDC</b> |
|---|---|---------------------------------------|---|
| Room only   | £99.92  | £95.08                                | -   |
| Studio  | £72.23  | £132.69                               | £57.75  |
| 1 bedroom   | £98.08  | £150.00                               | £64.75  |
| 2 bedrooms  | £126.92   | £161.54                               | £72.15  |
| 3 bedrooms  | £144.23   | £184.62                               | £82.83  |
| 4+ bedrooms   | £252.69   | £311.54                               | £89.62  |
| <b>Average: all accommodation sizes</b>   | <b>£126.92</b>                                      | <b>£168.46</b>                        | <b>£79.95</b>   |

2.28 For all sizes of accommodation, the council's average social housing rents for general needs tenants are significantly lower than those in the PRS.

2.29 *Table 2* compares 2020/21 data on average rent levels for Private Registered Providers (PRPs) in Newark and Sherwood to the council's average social housing rents, split for each by whether properties are for general needs tenants or supported housing tenants.

*Table 2: Comparison of 2020/21 data on average rent levels for PRPs in Newark and Sherwood and NSDC's social housing rents, split by general needs tenants and supported housing tenants*

| <b>Type of accommodation</b><br><b>All amounts are average amounts per week</b> | <b>Social Rent: General Needs</b> |                                     | <b>Social Rent: Supported Housing/Housing for Older People</b> |                                     |
|---|-----------------------------------|-------------------------------------|--|-------------------------------------|
|   | <b>NSDC</b>                       | <b>Private Registered Providers</b> | <b>NSDC</b>  | <b>Private Registered Providers</b> |
| Non-self-contained  | -                                 | -                                   | -  | £152.72                             |
| Bedsit  | £57.75                            | £65.64                              | £68.96   | £116.70                             |
| 1 bedroom   | £64.75                            | £75.95                              | £70.33   | £93.67                              |
| 2 bedrooms  | £72.15                            | £90.03                              | £78.59   | £91.05                              |
| 3 bedrooms  | £82.83                            | £92.02                              | £85.68   | £109.69                             |
| 4 bedrooms  | £89.62                            | £101.41                             |  |                                     |
| 5 bedrooms  | £95.70                            | £96.45                              |  |                                     |
| <b>Average: excluding non-self-contained</b>                                    | <b>£79.95</b>                     | <b>£87.97</b>                       | <b>£75.08</b>  | <b>£95.48</b>                       |
| <b>Average: all accommodation types</b>   | <b>£79.95</b>                     | <b>£87.97</b>                       | <b>£75.08</b>  | <b>£108.24</b>                      |

2.30 For all sizes of accommodation, the council's average social housing rents are lower than those of the PRPs. It should be noted that direct comparisons can only be made between the accommodation types for general needs tenants, due to variation in the type and nature of accommodation provided for supported housing tenants/housing for older people.

2.31 The average 2020/21 social rent levels of £87.97 (general needs tenants) and £108.24 (supported housing tenants) by Newark and Sherwood PRPs in *Table 2* excludes service charges. *Table 3* shows the average 2020/21 service charges for these groups.

Table 3: average 2020/21 net rent, service charge and gross rent charged by PRPs in Newark and Sherwood to general needs tenants and supported housing tenants

| Type of tenant                                  | Net rent | Service charge | Gross rent |
|---|----------|----------------|------------|
| <b>All amounts are average amounts per week</b> |          |                |            |
| General Needs                                   | £87.97   | £4.67*         | £90.61*    |
| Supported Housing/Housing for Older People      | £108.24  | £71.39         | £179.63    |

2.32 It should be noted in *Table 3* that the gross rent equals the sum of the net rent and service charge only for supported housing tenants: not for general needs tenants. This is because the average service charge relates only to those properties with service charges, and as all properties for supported housing tenants have service charges whereas not all properties for general needs tenants have service charges.

2.33 Further information on the council’s limited range of service charges are provided in the ‘Service Charges’ section below.

***Housing Benefit (HB) and Universal Credit (UC)***

2.34 A snapshot of data taken in December 2021 shows that of the 5,448 current tenants, 3,474 (64%) received help from benefits towards paying their rent. 2,179 (40%) were in receipt of Housing Benefit and 1,295 (24%) were in receipt of Universal Credit. The remaining 1,974 (36%) of tenants paid their rent without receiving help from benefits.

2.35 Universal Credit (UC) is the Government’s working-age benefit which combines six means-tested (‘legacy’) benefits, including Housing Benefit (HB), into a single monthly payment. UC was a central feature of the government’s *Welfare Reform Act 2012*. The Government started rolling out UC in 2013, with the full service commencing in 2018 across Newark and Sherwood.

2.36 Since 2018, there has been a significant increase in the number of council housing tenants claiming UC, increasing from 95 to 1,295 between June 2018 and December 2021. Of these 1,295 UC claimants, around 31% have their rent paid directly to the council, either due to being in arrears or due to a vulnerability. Over 70% of these 1,295 UC claimants are general needs tenants.

2.37 UC cases increased significantly during 2020 due to the COVID-19 pandemic, but have since stabilised as people have moved off the benefit. It is anticipated that over 2,000 tenants will be claiming UC once all relevant households have transferred to UC.

2.38 As the number of council housing tenants claiming UC is increasing, the number claiming Housing Benefit (HB) as a standalone (‘legacy’) benefit is decreasing. Around 2,300 of council households had tenant(s) in receipt of legacy HB in December 2020, compared to the 2,179 currently receiving legacy HB.

2.39 Despite the trends outlined above, a significant number of council housing tenants will continue to receive legacy HB even after all relevant households have transferred to UC. This is because eligible adults of all ages (including older people) can claim legacy HB, whereas

only eligible adults of working-age can claim UC. Around 47% of the council's social housing stock is designated for older people.

- 2.40 Around 1,406 of the 2,179 households, or just under two-thirds, are entitled to the maximum amount of HB, and around 773 households to partial HB.
- 2.41 Residents claiming HB or UC who need additional help with meeting their housing costs can request a Discretionary Housing Payment (DHP) from their local council. Claimants are supported to make claims for DHP where appropriate with a view to sustain tenancies wherever possible.
- 2.42 The Committee should note that officers recognise the importance of supporting tenants at an early stage to sustain their tenancies, especially around rent collection, benefit entitlement and arrears management.
- 2.43 This commitment to a supportive approach is illustrated by two specific projects within the Community Plan, the Starting Well project and the Targeted Arrears Support Project, which seek to ensure tenancies are sustained wherever possible.
- 2.44 The Starting Well project will implement a range of initiatives to ensure new tenancies start in a positive way to give the best chance of tenancy success; whilst the Targeted Arrears Support Project will aim to provide targeted support to tenants that have been financially affected by the Coronavirus pandemic.

#### Service Charges

- 2.45 In addition to rent, local authorities can charge for other services they provide (service charges). Section 93 (Power to charge for discretionary services) of the *Local Government Act 2003* requires charges to be set such that taking one financial year with another, the income from charges for a service does not exceed its costs of provision.
- 2.46 The Policy Statement on Rent for Social Housing (February 2019) sets out an expectation that service charge increases remain within the limit of rent charge of CPI + 1% in order to keep service charges affordable. **Appendix C** details the current (2021/22) and proposed (2022/23) service charges, with proposed increases to current charges of 4.1% (CPI + 1%). Subsequent paragraphs provide details about the services that tenants are charged for.

#### ***Housing-Based Services for Supported Housing and Extra Care Services***

- 2.47 The main housing-based support service provided is a community alarm service, to help tenants live more independently. Tenants with lifeline units in their properties can raise an alarm call from anywhere in the home if they require this. Around half of the council's social housing properties have these lifeline units.
- 2.48 Tenants in properties with lifeline units currently pay £1.78 per week for the community alarm service and this report proposes to increase that charge by 7 pence a week to a weekly charge of £1.85 per week. This represents an increase of around 3.93% per week. This charge is mandatory, in line with the terms of their tenancy agreement. This charge is not eligible for housing benefit.

- 2.49 In addition to these support services, tenants in the extra care housing schemes receive additional housing management and housing-related services due to their specialist needs. The council currently has four extra care housing schemes. These are at Gladstone House, The Broadleaves, Vale View and the Bilsthorpe Bungalows.

#### ***Other Housing-Based Services***

- 2.50 Other weekly service charges applied to tenants are for the costs of water and sewerage provided to properties at Vale View (£3.88 per week) and for the costs (where appropriate) of landscaping, lighting and drainage provided to 70 general needs properties (average weekly charge of £5.53 per week).
- 2.51 The council provides a number of housing-related services for which it does not currently recover the cost of provision through service charges, therefore resulting in costs being met through rent income. Such services include communal cleaning, communal lighting and grounds maintenance. It is proposed that work is undertaken to identify these costs and how they might be separated from the rent charge and identified as distinct service charges. This would help to meet the cost of provision, increase transparency and meet the expectations of the Regulator.

#### ***Non-Housing Based Services***

- 2.52 Officers manage the garages, garage ports (or car ports/parking spaces) and garage plots (or parking plots) within the council's HRA. Garages and garage ports are structures owned by the council, fully enclosed and partially enclosed respectively, whereas garage plots are pieces of land on which tenants supply their own garage structure. The charges for garages (garage rents) and garage plots are weekly, whilst those for garage ports are annually. All garage-based charges exclude standard rate value-added tax (VAT) if let to council housing tenants, and include VAT if let to non-council housing tenants.
- 2.53 Whilst it may be possible to increase rents by more than 4.1% (CPI + 1%) for more desirable garages, officers are aware that a large increase in rent may increase the expectations of tenants around improvements to the condition and security of garages. It is therefore proposed not to introduce differential rent levels at the current time.
- 2.54 Officers continue to identify existing and redundant garage sites which could be suitable for inclusion in the council's approved housing development programme.

### **3.0 Proposals**

- 3.1 In light of the above, officers are proposing to the Committee that it recommends to Council at its meeting on 8 February 2022:
- a) the HRA budget for 2022/23, as set out in **Appendix A1** to this report;
  - b) an increase of 4.1% (CPI + 1%) in the 2022/23 rents of all properties in the HRA as at 31 March 2022; and
  - c) the 2022/23 service charges as set out in **Appendix C** to this report.

#### **4.0 Digital Implications**

4.1 There are no digital implications directly arising from this report.

#### **5.0 Equalities Implications**

5.1 The proposed rent increase would apply to all council social housing properties, whether or not these are occupied, rather than to the tenants themselves or to tenants in specific properties. The proposed rent increase is therefore not expected to discriminate against any of the characteristics protected under the *Equality Act 2010*.

5.2 The proposed rent and service charge increases are, however, expected to adversely impact tenants in receipt of benefits. The government's increase of 3.1% in State Pension and working-age benefits for 2022/23 is less than the 4.1% proposed increase in rent and most service charges for next year.

5.3 As outlined in paragraph 2.41, working-age council housing tenants claiming benefits in need of help with housing costs can request a DHP from the council. The Government has not yet announced how much DHP it will be giving councils for 2022/23.

5.4 Officers recognise the importance of supporting tenants of all ages to sustain their tenancies, as outlined in paragraph 2.42.

#### **6.0 Financial Implications (FIN21-22/6206)**

6.1 The majority of the financial implications are set out in the body of this report or its **appendices**. The financial implications of tenants' Right to Buy (RTB) are covered in further detail below.

##### Right to Buy (RTB)

6.2 The council signed a Retention Agreement with the Secretary of State to use 40% of its retained receipts (1-4-1 receipts) from properties sold under the RTB scheme on the provision of replacement social housing. The one-for-one replacement of RTB sales with new affordable rent homes is at the national level.

6.3 If the council is unable to spend its retained receipts within three years of receiving them, it must return these to Government with interest of 4% above the base rate (currently 0.25%).

6.4 By December 2021, the council managed to spend all of the 1-4-1 receipts received between April 2013 and December 2016; and by December 2026, the council anticipates that it will spend all of the 1-4-1 receipts received between January 2017 and December 2021.

6.5 Officers closely monitor spend against the council's approved HRA development programme to ensure that 1-4-1 receipts are used as appropriate.

6.6 The number of RTB sales affects how much the council receives in 1-4-1 receipts, and thus how much the council must spend on replacement social housing from its own resources or borrowing, though also affects the number of properties from which the council receives weekly rent.

6.7 Officers consider current and prospective local and national trends in RTB sales when setting the HRA budget annually.

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

7.1 The implementation of the proposals in this report will directly support the council’s HRA to meet multiple objectives of the Community Plan 2020-2023, such as to:

- a) *“Create vibrant and self-sufficient local communities...”*; and
- b) *“Create more and better quality homes...”*

7.2 Some of the actions the council is taking to achieve the Community Plan objectives are:

- enhancing the quality of empty homes when let;
- exploring & developing carbon neutral initiatives to upgrade properties and improving fuel efficiency;
- encouraging tenancy success in a home by developing and delivering the first phase of the 'Starting Well';
- integrating the management of housing revenue account green spaces within the public realm and provided by our in house StreetScene;
- supporting the regeneration of a central estate and improving local amenities through delivering Yorke Drive Regeneration Project; and
- contributing to the offer of digital inclusion for tenants and local communities.

## **8.0 RECOMMENDATION**

**That the following recommendations be made to Council at its meeting on 8 February 2022:**

- a) **the HRA budget for 2022/23, as set out in Appendix A1 to this report;**
- b) **an increase of 4.1% (CPI + 1%) in the 2022/23 rents of all properties in the HRA as at 31 March 2022; and**
- c) **the 2022/23 service charges as set out in Appendix C to this report.**

### **Reason for Recommendations**

**To advise Members of the proposed HRA budget and changes in rent and service charge levels for 2022/23 and for these to be recommended to Council at its meeting on 8 February 2022.**

### **Background Papers**

Nil.

For further information please contact Caroline Wagstaff (Business Manager - Housing Projects) on Extension 5637 or Mohammed Sarodia (Assistant Business Manager - Financial Services) on Extension 5537.

Sanjiv Kohli  
Director – Resources/Deputy Chief Executive

Suzanne Shead  
Director – Housing, Health & Wellbeing



## HOUSING REVENUE ACCOUNT (HRA) - OUTTURN 2020/21, BUDGET 2021/22 and BUDGETS 2022/23 to 2025/26

## Annual rent increases of Consumer Price Index (CPI) + 1% between 2022/23 and 2024/25

CPI + 1%

CPI + 1%

CPI + 1%

CPI

4.1% estimate 3.0%

estimate 3.0%

estimate 2.0%

| Column 1   | Column 2            | Column 3            | Column 4            | Column 5            | Column 6            | Column 7            |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| SUMMARY  | 2020/21             | 2021/22             | 2022/23             | 2023/24             | 2024/25             | 2025/26             |
|  | OUTTURN             | BASE BUDGET         | BASE BUDGET         | BASE BUDGET         | BASE BUDGET         | BASE BUDGET         |
|  | £                   | £                   | £                   | £                   | £                   | £                   |
| <b>INCOME</b>  |                     |                     |                     |                     |                     |                     |
| Rents: dwellings                                     | (22,188,938)        | (22,761,110)        | (23,913,120)        | (24,702,590)        | (25,773,480)        | (25,690,480)        |
| Rents: non-dwellings                                 | (165,938)           | (169,140)           | (169,140)           | (169,140)           | (169,140)           | (169,140)           |
| Charges for services                                 | (975,869)           | (1,172,560)         | (1,218,570)         | (1,255,140)         | (1,292,810)         | (1,331,600)         |
| Contributions to expenditure                         | (1,017,297)         | (954,750)           | (1,230,630)         | (1,259,160)         | (1,288,460)         | (1,318,550)         |
| <b>Sub Total - Income</b>                            | <b>(24,348,042)</b> | <b>(25,057,560)</b> | <b>(26,531,460)</b> | <b>(27,386,030)</b> | <b>(28,523,890)</b> | <b>(28,509,770)</b> |
| <b>EXPENDITURE</b>                                   |                     |                     |                     |                     |                     |                     |
| Repairs & maintenance                                | 4,330,381           | 4,381,500           | 4,477,620           | 4,451,550           | 4,558,390           | 4,667,970           |
| Supervision & management                             | 4,850,633           | 4,517,740           | 4,853,220           | 4,991,160           | 5,113,330           | 5,238,830           |
| Special services                                     | 675,651             | 1,614,270           | 1,780,770           | 1,712,020           | 1,748,220           | 1,785,390           |
| Rents, rates, taxes & other charges                  | 574,588             | 535,250             | 587,980             | 595,740             | 614,160             | 633,260             |
| Depreciation & impairment                            | 4,859,663           | 5,420,200           | 5,516,280           | 5,635,870           | 5,635,870           | 5,635,870           |
| Debt management costs                                | 12,350              | 80,000              | 25,000              | 25,000              | 25,000              | 25,000              |
| Revenue expenditure funded by capital                | 104,969             | 0                   | 0                   | 0                   | 0                   | 0                   |
| Revaluation loss or (gain)                           | 3,254,313           | 0                   | 0                   | 0                   | 0                   | 0                   |
| Pension-related one-off costs                        | 43,147              | 0                   | 0                   | 0                   | 0                   | 0                   |
| Efficiency savings: prospective revenue initiatives  | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| Efficiency savings: revenue initiatives              | 0                   | 100,000             | 643,000             | 643,000             | 643,000             | 643,000             |
| Efficiency savings: contribution to capital          | 0                   | 590,000             | 0                   | 0                   | 0                   | 0                   |
| <b>Sub Total - Expenditure</b>                       | <b>18,705,696</b>   | <b>17,238,960</b>   | <b>17,883,870</b>   | <b>18,054,340</b>   | <b>18,337,970</b>   | <b>18,629,320</b>   |
| <b>NET COST OF SERVICES</b>                          | <b>(5,642,346)</b>  | <b>(7,818,600)</b>  | <b>(8,647,590)</b>  | <b>(9,331,690)</b>  | <b>(10,185,920)</b> | <b>(9,880,450)</b>  |
| Interest payable/(receivable)                        | 4,263,865           | 3,770,030           | 3,904,450           | 3,650,750           | 3,446,350           | 3,312,160           |
| Increase/(decrease) in provision for bad debt        | 53,484              | 0                   | 0                   | 0                   | 252,800             | 251,830             |
| Capital grants & contributions                       | (355,278)           | 0                   | 0                   | 0                   | 0                   | 0                   |
| (Profit)/loss on sale of non-current assets          | 427,679             | 32,500              | 27,300              | 27,300              | 27,300              | 27,300              |
| <b>NET OPERATING EXPENDITURE</b>                     | <b>(1,252,597)</b>  | <b>(4,016,070)</b>  | <b>(4,715,840)</b>  | <b>(5,653,640)</b>  | <b>(6,459,470)</b>  | <b>(6,289,160)</b>  |
| <b>APPROPRIATIONS</b>                                |                     |                     |                     |                     |                     |                     |
| (Profit)/loss on sale of non-current assets          | (427,679)           | (32,500)            | (27,300)            | (27,300)            | (27,300)            | (27,300)            |
| Financial instrument account                         | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| Pension-related costs                                | (1,029,187)         | 208,170             | 208,170             | 250,000             | 250,000             | 250,000             |
| Revaluation loss or (gain)                           | (3,254,313)         | 0                   | 0                   | 0                   | 0                   | 0                   |
| Capital grants & contributions                       | 355,278             | 0                   | 0                   | 0                   | 0                   | 0                   |
| Revenue expenditure funded by capital                | (104,969)           | 0                   | 0                   | 0                   | 0                   | 0                   |
| Revenue contribution to/(from) Major Repairs Reserve | 5,008,627           | 3,840,400           | 4,534,970           | 5,430,940           | 6,236,770           | 6,066,460           |
| Contributions to earmarked reserves                  | 704,840             | 0                   | 0                   | 0                   | 0                   | 0                   |
| <b>HRA (SURPLUS)/DEFICIT FOR YEAR</b>                | <b>(0)</b>          | <b>0</b>            | <b>0</b>            | <b>0</b>            | <b>0</b>            | <b>0</b>            |
| WORKING BALANCE brought forward (b/f)                | (2,000,000)         | (2,000,000)         | (2,000,000)         | (2,000,000)         | (2,000,000)         | (2,000,000)         |
| WORKING BALANCE carried forward (c/f)                | (2,000,000)         | (2,000,000)         | (2,000,000)         | (2,000,000)         | (2,000,000)         | (2,000,000)         |

## HOUSING REVENUE ACCOUNT (HRA) - BUDGET 2021/22 to 2025/26

## SUBJECTIVE SUMMARY

| CODE | SERVICE                                  | 2021/22<br>BASE BUDGET<br>£ | 2022/23<br>BASE BUDGET<br>£ | MORE/(LESS)<br>£   | 2023/24<br>BASE BUDGET<br>£ | 2024/25<br>BASE BUDGET<br>£ | 2025/26<br>BASE BUDGET<br>£ |
|------|--|-----------------------------|-----------------------------|--------------------|-----------------------------|-----------------------------|-----------------------------|
|      | <b>EMPLOYEES</b>                         |                             |                             |                    |                             |                             |                             |
| 111  | SALARIES AND WAGES                       | 3,783,170                   | 3,923,970                   | 140,800            | 4,022,770                   | 4,103,220                   | 4,185,290                   |
| 113  | NATIONAL INSURANCE                       | 346,510                     | 375,260                     | 28,750             | 381,850                     | 389,480                     | 397,280                     |
| 114  | SUPERANNUATION                           | 678,440                     | 711,090                     | 32,650             | 724,160                     | 738,630                     | 753,410                     |
|      | <b>EMPLOYEES SUB-TOTAL</b>               | <b>4,808,120</b>            | <b>5,010,320</b>            | <b>202,200</b>     | <b>5,128,780</b>            | <b>5,231,330</b>            | <b>5,335,980</b>            |
|      | <b>PREMISES-RELATED EXPENDITURE</b>      |                             |                             |                    |                             |                             |                             |
| 211  | REPAIRS AND MAINTENANCE                  | 598,260                     | 594,870                     | (3,390)            | 499,360                     | 508,110                     | 517,120                     |
| 212  | ENERGY COSTS                             | 185,170                     | 215,940                     | 30,770             | 226,740                     | 238,060                     | 249,960                     |
| 214  | RATES                                    | 8,400                       | 9,000                       | 600                | 9,270                       | 9,550                       | 9,840                       |
| 215  | WATER SERVICES                           | 48,780                      | 44,590                      | (4,190)            | 45,920                      | 47,300                      | 48,710                      |
| 216  | FIXTURES AND FITTING                     | 14,330                      | 13,000                      | (1,330)            | 13,120                      | 13,240                      | 13,370                      |
| 217  | CLEANING AND DOMESTIC                    | 5,030                       | 8,700                       | 3,670              | 8,780                       | 8,860                       | 8,940                       |
|      | <b>TRANSPORT-RELATED EXPENDITURE</b>     |                             |                             |                    |                             |                             |                             |
| 311  | TRANSPORT                                | 29,340                      | 97,390                      | 68,050             | 94,250                      | 97,100                      | 100,020                     |
| 312  | RECHARGE FROM TRANSPORT POOL             | 193,800                     | 126,450                     | (67,350)           | 114,000                     | 117,420                     | 120,950                     |
| 315  | CAR ALLOWANCES                           | 103,660                     | 104,550                     | 890                | 92,550                      | 92,550                      | 92,550                      |
|      | <b>SUPPLIES &amp; SERVICES</b>           |                             |                             |                    |                             |                             |                             |
| 411  | EQUIPMENT AND FURNITURE                  | 20,830                      | 32,210                      | 11,380             | 33,030                      | 33,880                      | 34,750                      |
| 412  | MATERIALS                                | 545,900                     | 575,600                     | 29,700             | 565,560                     | 582,530                     | 600,010                     |
| 421  | CATERING                                 | 123,330                     | 130,000                     | 6,670              | 133,900                     | 137,920                     | 142,050                     |
| 431  | CLOTHING AND UNIFORMS                    | 6,860                       | 8,420                       | 1,560              | 7,320                       | 7,320                       | 7,320                       |
| 440  | NASH PROJECTS                            | 138,590                     | 110,670                     | (27,920)           | 112,790                     | 114,970                     | 117,220                     |
| 441  | GENERAL OFFICE EXPENSES                  | 18,000                      | 18,540                      | 540                | 19,100                      | 19,670                      | 20,260                      |
| 451  | CONTRACTUAL                              | 1,062,070                   | 1,210,210                   | 148,140            | 1,179,160                   | 1,213,500                   | 1,248,880                   |
| 452  | OTHER SERVICES                           | 2,475,550                   | 2,645,880                   | 170,330            | 2,721,010                   | 2,798,390                   | 2,878,060                   |
| 461  | COMMUNICATIONS AND COMPUTING             | 44,090                      | 45,450                      | 1,360              | 46,700                      | 48,080                      | 49,500                      |
| 471  | STAFF                                    | 8,900                       | 9,420                       | 520                | 9,230                       | 9,460                       | 9,690                       |
| 482  | SUBSCRIPTIONS                            | 63,920                      | 65,840                      | 1,920              | 67,820                      | 69,850                      | 71,950                      |
| 491  | INSURANCE                                | 344,670                     | 355,010                     | 10,340             | 365,660                     | 376,630                     | 387,930                     |
| 492  | CONTRIBS TO FUNDS AND PROVISNS           | 9,468,770                   | 10,259,420                  | 790,650            | 11,316,810                  | 12,122,640                  | 11,952,330                  |
| 493  | OTHER                                    | 891,160                     | 889,530                     | (1,630)            | 878,420                     | 1,133,180                   | 1,134,220                   |
|      | <b>TRANSFER PAYMENTS</b>                 |                             |                             |                    |                             |                             |                             |
| 612  | OTHER TRANSFER PAYMENTS                  | (32,500)                    | (27,300)                    | 5,200              | (27,300)                    | (27,300)                    | (27,300)                    |
|      | <b>RUNNING EXPENSES SUB-TOTAL</b>        | <b>16,366,910</b>           | <b>17,543,390</b>           | <b>1,176,480</b>   | <b>18,533,200</b>           | <b>19,772,910</b>           | <b>19,788,330</b>           |
|      | <b>CAPITAL FINANCING</b>                 |                             |                             |                    |                             |                             |                             |
| 811  | LOANS POOL                               | 3,775,030                   | 3,909,450                   | 134,420            | 3,655,750                   | 3,451,350                   | 3,317,160                   |
| 817  | DEBT MANAGEMENT EXPENSES                 | 80,000                      | 25,000                      | (55,000)           | 25,000                      | 25,000                      | 25,000                      |
| 821  | CAPITAL CHARGE                           | 32,500                      | 48,300                      | 15,800             | 48,300                      | 48,300                      | 48,300                      |
|      | <b>CAPITAL FINANCING SUB-TOTAL</b>       | <b>3,887,530</b>            | <b>3,982,750</b>            | <b>95,220</b>      | <b>3,729,050</b>            | <b>3,524,650</b>            | <b>3,390,460</b>            |
|      | <b>INCOME</b>                            |                             |                             |                    |                             |                             |                             |
| 922  | CONTRIBUTIONS FROM OTHER LAS             | (2,000)                     | 0                           | 2,000              | 0                           | 0                           | 0                           |
| 926  | RECEIPTS FROM OTHER FUNDS                | (33,910)                    | (35,120)                    | (1,210)            | (36,340)                    | (37,610)                    | (38,930)                    |
| 928  | RECHARGE NON GF ACCOUNTS                 | (5,650)                     | (5,880)                     | (230)              | (6,060)                     | (6,240)                     | (6,430)                     |
| 931  | SALES                                    | (263,820)                   | (440,820)                   | (177,000)          | (449,030)                   | (457,400)                   | (465,940)                   |
| 932  | FEES AND CHARGES                         | (552,610)                   | (632,940)                   | (80,330)           | (650,910)                   | (669,420)                   | (688,480)                   |
| 933  | RENTS                                    | (24,019,350)                | (25,244,810)                | (1,225,460)        | (26,068,120)                | (27,173,870)                | (27,126,770)                |
| 938  | FEES AND CHARGES                         | (37,000)                    | (17,000)                    | 20,000             | (17,000)                    | (17,000)                    | (17,000)                    |
| 939  | OTHER RECEIPTS                           | (143,220)                   | (154,890)                   | (11,670)           | (158,570)                   | (162,350)                   | (166,220)                   |
| 941  | INTEREST                                 | (5,000)                     | (5,000)                     | 0                  | (5,000)                     | (5,000)                     | (5,000)                     |
|      | <b>INCOME SUB-TOTAL</b>                  | <b>(25,062,560)</b>         | <b>(26,536,460)</b>         | <b>(1,473,900)</b> | <b>(27,391,030)</b>         | <b>(28,528,890)</b>         | <b>(28,514,770)</b>         |
|      | <b>COMMITTEE TOTAL (SURPLUS)/DEFICIT</b> | <b>0</b>                    | <b>0</b>                    | <b>0</b>           | <b>0</b>                    | <b>0</b>                    | <b>0</b>                    |
|      | WORKING BALANCE brought forward (b/f)    | (2,000,000)                 | (2,000,000)                 | 0                  | (2,000,000)                 | (2,000,000)                 | (2,000,000)                 |
|      | WORKING BALANCE carried forward (c/f)    | (2,000,000)                 | (2,000,000)                 | 0                  | (2,000,000)                 | (2,000,000)                 | (2,000,000)                 |

## **Housing Revenue Account (HRA) Rent Setting Policy**

### **1.0 Introduction**

- 1.1 Each year, the council must set rents for its housing properties and notify each individual tenant of any proposed rent change, in accordance with legislation.
- 1.2 This policy outlines how Newark and Sherwood District Council (NSDC, the council) will calculate and charge rent for the housing properties that it owns within its Housing Revenue Account (HRA) and has responsibility to manage and maintain.

### **2.0 Purpose of Policy**

- 2.1 The purpose of this policy is primarily to ensure that rents are set in accordance with all relevant legislation and obligations; and provide a clear framework for setting and reviewing the rent levels of properties.

### **3.0 Background Information**

- 3.1 On 08 July 2015, the Government announced that registered providers (including social housing stock-owning local authorities) had to reduce social housing rents by 1% each year for four years from 2016/17, in accordance with section 23 (Reduction in social housing rents) of the *Welfare Reform and Work Act 2016*. 2019/20 is the last year of the 1% rent reduction.
- 3.2 In February 2019, the Government published a Direction to the Regulator of Social Housing (RSH) to set a Rent Standard which would apply from 2020. This was published alongside a Policy Statement on Rents for Social Housing 2018 (Rent Policy Statement) for the Regulator to have regard to when setting its Rent Standard.
- 3.3 The Rent Standard 2020 specifies that rents must be set in accordance with the Rent Policy Statement. The government's Rent Policy Statement now allows annual rent increases to social rent and affordable rent properties for at least five years, up to (and including) the CPI rate published for September of the preceding financial year plus 1%.
- 3.4 By providing a five-year rent settlement, the Government has recognised:
 

*“the need for a stable financial environment to support the delivery of new homes”, and that “enabl[ing] registered providers to plan ahead” will allow them “to make the best possible use of their resources”.*
- 3.5 In restricting annual rent increases to CPI + 1%, the Government aims to:
 

*“strike a fair balance between the need to maintain existing affordable homes and the provision of additional affordable housing; the interests of existing and potential social housing tenants; and the cost to taxpayers through Housing Benefit/Universal Credit”.*

## 4.0 The Policy

4.1 In accordance with the Rent Policy Statement, the council will calculate and charge rent for all housing properties that it owns within its HRA and has responsibility to manage and maintain. The paragraphs below summarises the relevant content from this document.

### Social Rent

4.2 Social rent properties here refers to accommodation, as defined by section 69 (Low cost rental) of the *Housing and Regeneration Act 2008*, not classified as:

- a) affordable rent accommodation;
- b) let to social tenants with high incomes;
- c) shared ownership low cost rental accommodation;
- d) intermediate rent accommodation;
- e) specialised supported housing;
- f) relevant local authority accommodation;
- g) student accommodation;
- h) Private Finance Initiative (PFI) social housing;
- i) temporary social housing; or
- j) care homes.

4.3 The council will set the initial rent on a social rent property at a level no higher than 10% above formula rent for supported housing, and no higher than 5% above formula rent for all other social rent properties.

4.4 Formula rent is based on:

- a) 30% of a property's rent being based on relative property values;
- b) 70% of a property's rent being based on relative local earnings; and
- c) a bedroom factor, so that other things being equal, smaller properties have lower rents.

4.5 Formula rent will increase by the Consumer Price Index (CPI) plus 1% each year, based on the CPI rate for September of the previous financial year.

4.6 Formula rent is subject to a rent cap based on the number of bedrooms in a property. Where formula rent would be higher than the rent cap for a particular property, the rent cap will be used instead.

4.7 The rent cap will increase by CPI plus 1.5% each year.

4.8 The annual change in rent for tenants in a specific property will increase by no more than CPI plus 1% each year.

4.9 The rent for a property which exceeds the rent flexibility level will increase by no more than CPI each year, until the rent for the property is brought within the rent flexibility level.

4.10 The rent for a property which exceeds the rent flexibility level will not exceed formula rent plus the rent flexibility level when the property is re-let.

- 4.11 A social rent property will not be converted to market rent, intermediate rent or affordable rent properties, except for the latter where agreed to by Homes England or the Secretary of State.

#### Affordable Rent

- 4.12 Affordable rent properties here refers to accommodation which Homes England or the Secretary of State have agreed can be let at an affordable rent (including service charges).
- 4.13 Affordable rent will not exceed 80% of gross market rent (including applicable service charges).
- 4.14 Gross market rent is the rent the property would reasonably be expected to be let for in the private sector. Factors including property size, location type and service provision will be taken into account when determining gross market rent.
- 4.15 The council will comply with the terms of any agreements with Homes England or the Secretary of State when setting affordable rents.
- 4.16 The council will also have regard to the local market context, including the Local Housing Allowance (LHA) for the Broad Rental Market Area (BRMA) the property is located in, when setting affordable rents.
- 4.17 Affordable rent will, as a minimum, be the potential formula rent for the property.
- 4.18 Affordable rent properties will not be converted to market rent or intermediate rent.
- 4.19 The annual change in rent for tenants in a specific property will increase by no more than CPI plus 1% each year.
- 4.20 The rent of an affordable rent property let to a new tenant (or licensee) or re-let to an existing tenant (or licensee) will be based on a new valuation, so as to ensure the new rent does not exceed 80% of relevant market rent.
- 4.21 The rent of an affordable rent property re-let to the same tenant because their probationary tenancy has ended will not be re-set.

#### 2020 Limit for Social Rent and Affordable Rent Accommodation

- 4.22 In 2020/21, the maximum rent increase for existing tenants will be calculated using the 2020 limit.
- 4.23 The 2020 limit is the average weekly rent payable by a tenant for accommodation in 2019/20. For properties re-let in 2019/20, the average weekly rent will be calculated based on the period since the property was last re-let.
- 4.24 The average weekly rent will be calculated based on the council's annual rent cycle of 48 weeks in a 52 week financial year, and 49 weeks in a 53 week financial year (four rent free weeks a year).

### Service charges

- 4.25 The council is expected to set reasonable and transparent service charges which reflect the service provided to tenants.
- 4.26 The council is expected to identify service and rent charges separately for social rent properties.
- 4.27 The council should endeavour to keep service charge increases within the CPI + 1% limit of annual rent changes, so that charges remain affordable.
- 4.28 The council should consult with tenants where an additional charge may need to be made for new or extended services.

### Garages

- 4.29 The approach to charging for garages, garage ports (or car ports/parking spaces) and garage plots (or parking plots) may differ from the approach to charging for rents and the approach to charging for housing-based support services.
- 4.30 The council should endeavour to strengthen the relationship between garage-related expenditure and income, and to adopt a more transparent pricing structure which better reflects garage-related demand.
- 4.31 The council should consider factors including the location, condition and availability or demand when setting garage-related rents.

### Notification of rent changes

- 4.32 Tenants will be given at least four weeks' notice in writing of any changes in rent due and the reasons for the rent change.

**Newark and Sherwood District Council (NSDC): proposed 2022/23 Housing Revenue Account (HRA) service charges**

| Service charge   | 2021/22 charge (£) | Proposed 2022/23 charge (£) | Frequency | Other information  |
|--|--------------------|-----------------------------|-----------|--|
| <b>CareLine service</b>  |                    |                             |           |  |
| Lifeline alarm monitoring. Advice, contact of next of kin or emergency service if required by tenant | 1.78               | 1.85                        | per week  | All tenants  |
| Lifeline installation fee  | 25.37              | 25.00                       | one-off   | General needs tenants only   |
| Sensor rental and monitoring for two to five sensors   | 1.56               | 1.61                        | per week  | All tenants. Lifeline customers only   |
| Lifeline plus two to five sensors installation fee   | 35.52              | 36.52                       | one-off   | New general needs tenants only   |
| 5 x 5 minute calls at times agreed between 6am - 8pm   | 3.55               | 3.66                        | per week  | All tenants. Lifeline customers only   |
| Additional Tenancy Assistance (opt-in service)   | 5.20               | 5.36                        | per week  |  |
| <b>Gladstone House</b>   |                    |                             |           |  |
| Support Charge   | 1.78               | 1.85                        | per week  |  |
| Intensive Housing Management Charge  | 98.16              | 72.08                       | per week  | Due to reduce from £98.16 to £69.25 from February 2022 because of changes in service provision |
| Communal TV Licence  | 0.21               | 0.21                        | per week  |  |
| Meal Charge  | 37.64              | 39.18                       | per week  |  |
| <b>Broadleaves</b>   |                    |                             |           |  |
| Support Charge   | 1.78               | 1.85                        | per week  |  |
| Intensive Housing Management Charge  | 69.90              | 72.76                       | per week  |  |
| Communal TV Licence  | 0.27               | 0.27                        | per week  |  |
| Meal Charge  | 47.25              | 49.18                       | per week  |  |
| <b>Vale View</b>   |                    |                             |           |  |
| Intensive Housing Management Service   | 79.71              | 82.97                       | per week  |  |
| Support Charge   | 1.78               | 1.85                        | per week  |  |
| Water Charge   | 3.88               | 4.03                        | per week  |  |
| <b>Extra Care Bungalows, Bilsthorpe</b>  |                    |                             |           |  |
| Intensive Housing Management Service   | 102.70             | 106.91                      | per week  |  |
| Support Charge   | 1.78               | 1.85                        | per week  |  |
| <b>Other charges relating to dwellings or tenants</b>  |                    |                             |           |  |
| New build landscaping, lighting and drainage   | 2.93 - 7.08        | 3.05 - 7.37                 | per week  |  |
| <b>Garages</b>   |                    |                             |           |  |
| Garage Rent  | 9.00               | 9.36                        | per week  | VAT added if let to non-council tenant   |
| Garage Plot  | 44.58              | 46.40                       | annually  | VAT added if let to non-council tenant   |
| Garage Port  | 4.02               | 4.18                        | per week  | VAT added if let to non-council tenant   |





**Newark and Sherwood District Council (NSDC) 30-year Housing Revenue Account (HRA) Business Plan (BP): some key assumptions**

| <b>Assumption topic</b>                | <b>Assumption</b>   |                |                |                |                |                |                    |      |      |      |      |
|--|---|----------------|----------------|----------------|----------------|----------------|--------------------|------|------|------|------|
| Income: inflation                      | <p>Increase in 2022/23 rental income by 4.1%, based on the Consumer Price Index (CPI) for September 2021 (3.1%) plus 1%.</p> <p>The Bank of England's Monetary Policy Committee forecasts CPI inflation in 2022 to average 4.5%, though sets monetary policy to sustainably return to the government's target inflation rate of 2%, typically over a period of around two years.</p> <p>For prudence, and in light of the current volatility, 3% increases (CPI of 2.0% + 1%) have currently been assumed in rental income for future years of the government's five-year rent settlement (2023/24 and 2024/25). For 2025/26, a 2% increase (CPI of 2.0%) has currently been assumed.</p> <table border="1"> <thead> <tr> <th></th> <th><b>2022/23</b></th> <th><b>2023/24</b></th> <th><b>2024/25</b></th> <th><b>2025/26</b></th> </tr> </thead> <tbody> <tr> <td><b>Rent change</b></td> <td>4.1%</td> <td>3.0%</td> <td>3.0%</td> <td>2.0%</td> </tr> </tbody> </table> |                | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> | <b>2025/26</b> | <b>Rent change</b> | 4.1% | 3.0% | 3.0% | 2.0% |
|  | <b>2022/23</b>  | <b>2023/24</b> | <b>2024/25</b> | <b>2025/26</b> |                |                |                    |      |      |      |      |
| <b>Rent change</b>                     | 4.1%  | 3.0%           | 3.0%           | 2.0%           |                |                |                    |      |      |      |      |
| Income: rent loss from void properties | 1% in each year between 2022/23 and 2025/26.  |                |                |                |                |                |                    |      |      |      |      |
| Expenditure: capital                   | Capital expenditure between 2022/23 and 2025/26 is updated in line with the reports presented to Policy & Finance Committee as part of the annual budget-setting and quarterly budget monitoring processes.   |                |                |                |                |                |                    |      |      |      |      |
| Right to Buy (RTB)                     | <p>21 sales in each year between 2022/23 and 2025/26.</p> <p>The council has had 16 RTB sales in 2021/22 Q1-Q3.</p> <p>Nationally and locally, the number of RTB sales seemed to have peaked in recent years. The current environment could increase the ability or likelihood of some RTB sales (such as for tenants whose properties become relatively more affordable to purchase, if the ratio of house prices to rents decreases); and decrease the ability or likelihood of other RTB sales (such as for tenants whose financial circumstances have worsened as a result of the pandemic).</p>  |                |                |                |                |                |                    |      |      |      |      |

## **POLICY & FINANCE COMMITTEE**

**27 JANUARY 2022**

### **LANDLORD STRATEGY**

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

- 1.1 To approve the Council's Landlord Strategy which sets out the approach the Council intend to take with landlord services over the next five years.

#### **2.0 Background Information**

- 2.1 SLT have previously set out a strategic framework for Council strategies and the Landlord Strategy is a key element that sets out our ambitions for housing services
- 2.2 A landlord strategy is essential to show the journey of improvement through directed investment, modern and responsive services. To know where we are going, we need to understand our base line and our key priorities and objectives.

#### **3.0 Proposals**

- 3.1 The document sets out at a high level, our approach to tenure; tenant and leasehold management including engagement, sustainment, ASB and enforcement; income including rent and service charge management; services to older people and housing with care as well as asset management and regeneration.
- 3.2 The landlord strategy is attached as an **Appendix** to the report.

#### **4.0 Equalities Implications**

- 4.1 The Landlord Strategy sets out our overall approach. Individual services will undertake Equality Impact Assessments as required to ensure they meet needs and requirements and do not adversely affect any protected group.

#### **5.0 Digital Implications**

- 5.1 Part of our strategy involves investment in our ICT – both as a foundation of understanding our customers and our properties as well as a mechanism for engagement, feedback and service delivery. There is a separate project plan that sets out our significant plans for ICT.

#### **6.0 Financial Implications (FIN21-22/308)**

- 6.1 There are no direct financial implications which result from the landlord strategy, as the strategy establishes the vision for Council-owned social housing within Newark & Sherwood. The financial implications of proposals to implement elements of the landlord strategy will be modelled into the 30 year HRA Business Plan, in order to determine their affordability. If appropriate, affordable proposals will be included in the annual report presented to members each January/February to approve the proposed HRA budgets and rents for the forthcoming financial year (and provisional budgets for the three subsequent financial years), or in a report outside of this process if necessary.

6.2 Modelled within the business plan are the quantifiable priorities set out in the landlord strategy, such as existing services and projects such as Yorke Drive, and priorities which have been identified to use the efficiency savings. Other ambitions that are not currently quantifiable, such as the decarbonisation agenda and any future housing development programmes have not currently been modelled within the business plan.

6.3 Based on the known assumptions, the HRA business plan is currently sustainable over the next 30 year period.

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

7.1 This strategy supports our objective to create more and better quality homes through our roles as landlord, developer and planning authority.

## **8.0 Homes & Communities Committee**

8.1 The Housing Advisory group endorsed this strategy at their meeting on 6 December 2021. This report is to be considered by the Homes & Communities Committee at their meeting to be held on 24 January 2022. Their comments will be reported at the meeting.

## **9.0 RECOMMENDATION**

**That the Landlord Strategy as the narrative for the Council’s 30 year HRA Business Plan be approved.**

### **Reason for Recommendation**

**To ensure the Council has a clear approach for our landlord services into the future and that we have the finances in place to support them.**

### **Background Papers**

Nil.

For further information please contact Suzanne Shead on Ext 5520.

Suzanne Shead  
Director – Housing, Health & Wellbeing

## Newark & Sherwood District Council - Landlord Strategy 2022-27

### PICTURE

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## 1 Introduction

- 1.1 This strategy establishes our vision for Council-owned social housing within Newark & Sherwood and the contribution that it will make to achieve the ambitions of the Community Plan 2020-23 and beyond.
- 1.2 Through the Community Plan we want to improve residents' quality of life and enable those who live, work and invest in Newark & Sherwood to prosper and fulfil their potential.
- 1.3 Social housing plays an invaluable role in providing homes which are affordable for local people and which enable them to establish and sustain roots within communities throughout the district.
- 1.4 However, social housing is a scarce resource which must be fairly allocated to people in housing need. It can provide a strong foundation from which local residents can flourish and fulfil their potential.
- 1.5 As a landlord, the Council has significant responsibilities to ensure that homes and the surrounding areas are well maintained, healthy and safe. This includes addressing the significant carbon emissions arising from social housing use.
- 1.6 The Council also has significant responsibilities to ensure that tenants are given a wide range of opportunities to influence and be involved in decisions affecting the services they receive and the quality of their homes.
- 1.7 Having brought the management of social housing back under the Council's direct control in 2020, this strategy sets out our ambitions for the next five years.

## 2 Our role as a Landlord

We want our tenants to be proud of being a tenant of Newark and Sherwood District Council, and they tell we listen and are responsive to their views as well as ensuring they are part of the decision making process for services that they receive and creating new ones.

We aim to have modern services that tenants can access in the way they wish with well-resourced teams to ensure our homes and communities are well kept, safe and secure.

At the end of this strategy, we aspire to have:

- Customer Satisfaction Levels over 90% against our performance standards underpinned by strong set of performance standards that exceed our regulatory requirements
- A positive relationship with our tenants through proactive engagement opportunities and our annual visits process enabling us to know our customers
- A multi-channel engagement structure so tenants can get involved at a level they want, understand how we are performing and have opportunities to take part in scrutinising and improving our services
- Sound data across 100% of our housing stock which drives our investment in our homes and ensures we know our homes

- An understanding of the scale and costs to decarbonise our homes, having worked alongside our tenants to ensure there is clarity on what our approach and methods and how together we will achieve the targets
- Clear information on our assets such as community centres which are a hive of activity and a community hub
- Completed a further development programme following successful completion of our existing programme
- Completed the regeneration of Yorke Drive and other regeneration activities that involve our homes
- Have clear finances in place to service the activities set out in this Strategy through robust management of the 30 year HRA Business Plan through setting appropriate rent levels and acting commercially

### 3 Community Plan 2020-23

3.1 This strategy contributes towards achieving the following Community Plan objectives:

- Creating vibrant and self-sufficient local communities where residents look out for each other and actively contribute to their local area
- Creating more and better quality homes through our roles as landlord, developer and planning authority
- Continuing to maintain the high standard of cleanliness and appearance of the local environment
- Reducing crime and anti-social behaviour and increasing feelings of safety in our communities
- Improving the health and wellbeing of local residents

### 4 Contribution to other Council strategies

4.1 This strategy contributes towards achieving the following Council strategies, which also contribute to achieving the landlord strategy:

- Housing strategy
- Climate change strategy
- Customer strategy
- Community engagement strategy
- Crime and disorder strategy (CSP)
- Digital strategy

### 5 Context

5.1 The time of writing, the Council owns 5,576\* homes, of which 2,576 are designated for older people. This includes our housing with care schemes at Gladstone House, Vale View and The Broadleaves.

5.2 These are a mixture of houses, bungalows and accommodation located within 337 blocks (including bedsits, flats and maisonettes). None of the blocks are 'high rise residential multi-occupied buildings', with the maximum height under 16 metres

- 5.3 In addition, the Council is responsible for 39 homes for temporary use (which are occupied by homeless households) and it has 159 leaseholders, who own their homes which are located within the 337 blocks. There are also 31 community centres located amongst Council homes.
- 5.4 Council homes are located throughout the district, in the principal settlements of Newark, Southwell, Boughton, Bilsthorpe, Edwinstowe and Collingham, as well as more rural areas.
- 5.5 Throughout the life of this strategy, the number of homes in ownership and management will vary as a result of additional social housing being developed by the Council, the regeneration of the Yorke Drive estate (and other projects), homes purchased through the Right to Buy and, potentially, through active asset management.

## 6 Housing Revenue Account (HRA)

- 6.1 The Council is legally required to maintain an HRA. This is a ring-fenced fund which records expenditure and income (mainly from rents) related to the Council's homes and closely related services or facilities.
- 6.2 The landlord strategy provides the overarching direction for how the resources and assets held within the HRA are to be used. To accompany the strategy, the Council has established an HRA Business Plan which ensures that the Council's homes are well managed and maintained over the long term, social housing-related goals (such as our carbon reduction ambitions) are achieved and also enables new social housing to be developed within the district.

## 7 Operating environment

- 7.1 The principal external factors which were impacting upon social housing as this strategy was developed and which are expected to play a significant influence during the period 2022-27 are:
  - High demand for and an acute shortage of social housing and within Newark and Sherwood district, a shortage of private rented accommodation.
  - The continued social and economic implications arising from the Covid-19 global pandemic and the impact of this on service delivery models and hybrid services
  - Meeting the existing standards of the Regulator of Social Housing (RSH) which includes expectations relating to rents, tenant involvement and empowerment, neighbourhoods and communities, tenancies and tenants' homes (including property health & safety)
  - The Social Housing White Paper, which focuses on realigning the relationship between the tenant and social landlords, with a major focus on transparency and accountability. Within the life of this strategy, the RSH is expected to significantly strengthen its regulation of the Council with a focus on tenant safety, service quality, tenant influence and the quality of homes and neighbourhoods
  - An increasingly assertive Housing Ombudsman which has significantly raised expectations of social landlords for how tenants' complaints are addressed
  - Legislation relating to building and fire safety which will place more stringent requirement and cost implications on landlords around understanding our stock and implementing any works identified to meet new requirements.
  - Changes to the way in which tenants want to receive housing-related services and their expectations for customer service, reflecting wider societal changes, including greater

digital self-service for most transactions and more personalised solutions for more complex or sensitive issues.

- The climate emergency, including reaching the Council’s target of being carbon neutral by 2035 (excluding our housing stock).
- 7.2 Specifically, the Council has a responsibility to ensure that tenants are given opportunities to influence the:
- formulation of their landlord’s housing-related policies and strategic priorities
  - making of decisions about how housing-related services are delivered, including the setting of service standards
  - the scrutiny of their landlord’s performance and the making of recommendations to their landlord about how performance might be improved
  - management of their homes (in some circumstances)
- 7.3 The combined impact of these factors is expected to redefine the relationship between the Council, as landlord, and its tenants and this is reflected in the direction and ambitions which are set out in this strategy. Our approach to tenant influence and accountability is set out in our Community Engagement Strategy.

## 8 Obtaining a Council home

- 8.1 The Council is the largest source of social housing within the district and typically 400 homes are let each year.
- 8.2 All of the Council’s homes are let in accordance with the Allocations Scheme [\[insert link\]](#), which the Council administers on behalf of all social landlords which operate in the district through the use of a Housing Register.
- 8.3 Consistently, demand for social housing significantly exceeds the available homes and the Allocations Scheme establishes priorities based on applicants’ housing need including ‘reasonable preference’ for specified groups. Additional priority is also given to people with an armed forces connection and those who have a right to move. Anyone aged 16 years or over can apply to go on the Housing Register if they have a local connection and are not subject to immigration control.
- 8.4 The Allocations Scheme also explains how existing NSDC tenants may apply for a transfer to another property and specifies the circumstances in which a person may not be eligible to be allocated a Council home.

## 9 Tenure

- 9.1 The Council’s objective is to provide homes which offer long-term security of tenure. This provides a strong foundation from which tenants and members of their household can flourish and fulfil their potential. It also contributes to the creation of vibrant and self-sufficient local communities where residents look out for each other and actively contribute to their local area.
- 9.2 Initially, Council tenants are offered an Introductory Tenancy which is for 12 months (extendable to 18 months) and enables them to demonstrate that they are able to sustain their tenancy. Upon successful completion, it converts to become a Secure Tenancy, which enables them (with some exceptions) to remain in their home for as long as they want to.



- 9.3 The Council reserves the right to apply to a Court to demote a Secure Tenancy to an Introductory Tenancy in certain circumstances where a tenant has been unable to sustain their tenancy.
- 9.4 The Council provides a small amount of accommodation which is occupied for a limited period of time. Due to their temporary nature, these homes are let on a license agreement.

## 10 Tenant and Leaseholder Engagement

- 10.1 The Housing White Paper and Consumer Standards set out how the Council needs to build on its engagement with tenants and leaseholders, regularly and in a meaningful way. Two Tenant Engagement Officers have already been recruited to ensure the resource is in place to service our engagement structure.
- 10.2 The Council is moving to a new Governance structure enabling the creation of the Tenant Engagement Board (TEB) to ensure tenants are central to the governance and scrutiny of landlord services.
- 10.3 The Council is consulting with tenants on the mechanisms to get involved in a way that suits their time commitments and level of involvement and will link these methods to the TEB.

## 11 Tenancy management

- 11.1 Whilst occupying their home, a broad range of tenancy management issues arise, ranging from a tenants' request to make improvements to their home or a desire to create a tenancy in joint or sole names through to a failure to look after their home or garden, issues relating to a relationship breakdown or what happens when they want to move home.
- 11.2 The Council's ambition is to ensure that tenants have clear information about their rights and responsibilities, where we may exercise discretion, the services they can expect to receive from us and the way in which we will respond when there are problems.
- 11.3 During the life of this strategy we will develop our existing self-service portal to make it easy for tenants to undertake most transactions online themselves, without the need to speak to a member of staff. This will enable increasing focus of our staffing resources on customer interactions which are complex or sensitive, requiring high levels of empathy or specialist knowledge. Accompanying this, we will procure a new housing management system and work to ensure systems talk to each other to provide a better customer experience.

## 12 Tenancy sustainment

- 12.1 The Council provides homes for a wide range of people, some of whom may find it challenging to sustain their tenancy.
- 12.2 During the life of this strategy, through our 'Starting Well' pre-tenancy approach, we will ensure that prospective tenants who may require additional intervention are identified and supported so that they understand what their responsibilities would be if they were offered a Council home and are likely to be able to sustain a tenancy with us.

- 12.3 Once an offer of accommodation has been made, our 'Start Well' approach would then ensure they are supported so that the likelihood of their Introductory Tenancy being converted to a Secure Tenancy is maximised.
- 12.4 The Council recognises that some tenants will experience difficulties during the course of their tenancy. During the life of this strategy we will be getting to know our customers better, through a range of means including home visits and enhanced customer insight capabilities.
- 12.5 Where required, we will continue to provide or signpost the necessary support and advice to maximise the likelihood of tenancy success.

### **13 Leasehold management**

- 13.1 The Council provides services to leaseholders on the terms specified in their lease agreement. In general, these relate to ensuring the areas surrounding their homes are healthy, safe and well maintained (for example, undertaking grounds maintenance or providing fire safety equipment), insuring the building and maintaining the fabric and structure of the building in which their home is located (for example, replacing roofs or other significant building components).
- 13.2 The Council will ensure that costs are fair and transparent, ensuring that it meets legal and contractual obligations for consulting leaseholders so that costs can be recovered in full in accordance with the lease agreement.
- 13.3 Some leaseholders let their property and retain full responsibility for their tenants. The Council's relationship remains with the leaseholder.

### **14 Anti-social behaviour (ASB)**

- 14.1 The Council's aim is to enable tenants and leaseholders, their visitors, staff, people working on our behalf and other members of the local community including businesses to undertake their lawful activities without harm to the individual, their community, home, business or to their environment.
- 14.2 ASB can include harassment, hate crimes and domestic abuse. It can be perpetrated by a tenant, leaseholder, a member of their household, a visitor or any other person. When ASB occurs we will take prompt action to help resolve the situation. Our response will focus on prevention, enforcement and/or support depending on the circumstances.
- 14.3 We are committed to taking action and using the statutory powers available to us as a Council in addition to the contractual clauses contained within occupancy agreements, where we consider they can provide an effective solution.

### **15 Rents and service charges**

- 15.1 To ensure they are affordable, tenants' rents set at levels which are below the levels charged in the private rented sector for comparable properties. The Council is required to comply with strict regulatory requirements and government direction in terms of their initial calculation, maximum level and the application of any increases or decreases.
- 15.2 Most tenants' rents are inclusive of the costs of services which relate to the area surrounding their homes such as grounds maintenance and building-related health & safety. Tenants who live in newer homes are charged separately for these items through a service charge.

- 15.3 During the life of this strategy, we will be reviewing the basis on which rents and service charges are set to ensure that they are fair and equitable, enable the provision of high quality services which meet tenant and leaseholder expectations and to ensure that the Council is able to ensure that homes and buildings remain healthy, safe and well maintained in the long term, whilst reducing carbon emissions.

## **16 Income management**

- 16.1 Income received from tenants, leaseholders and other customers enables us to deliver this strategy as set out in the HRA Business Plan.
- 16.2 We will continue to maintain a rigorous approach to income collection, providing customers with a range of payment options which reflect their circumstances and preferences. This includes rents, service charges, Careline charges and one-off charges such as for building maintenance costs (leaseholders) and rechargeable repair costs (for tenants). We will also ensure they are able to understand the basis of their charges and have access to a statement of account.
- 16.3 Whilst tenants are not required to pay a deposit, we expect them to pay their rent in advance, in accordance with the terms of their tenancy agreement. Our 'Rent First' approach prioritises the payment of rent over other outgoings. For new tenants, this is a key element of our 'Starting Well' approach which will be embedded through the life of this strategy.
- 16.4 We recognise that customers' financial circumstances may vary over time and we will continue to provide support and guidance so that any welfare benefits are maximised and there is access to financial advice and assistance.
- 16.5 Where a customer does not pay their rent or other charges and reasonable avenues for recovery have been pursued, we reserve the right to recover any sums, together with our costs, through legal means.

## **17 Tenancy and lease enforcement**

- 17.1 The Council has a responsibility to ensure that all tenants and leaseholders adhere to the terms of their occupancy agreement.
- 17.2 Where we have taken reasonable steps to inform a tenant or leaseholder of a breach of their agreement with us, explained what action is required of them and they have failed to rectify the situation in a way which is acceptable to us, the Council reserves the right to apply to a Court to enforce the terms of their tenancy or lease. This could result in the loss of their home.
- 17.3 Our approach will be firm but fair and we also reserve the right to recover any sums owed to use, together with our costs. In the case of the recovery of a tenancy, eviction will be a last resort.

## **18 Housing with care and for older people**

- 18.1 The Council provides specialist accommodation which enables people to live independently as they get older or if they have certain medical requirements. There are four housing with care (or extra care) schemes located throughout the district. These provide a self-contained apartment with additional communal facilities, a range of social activities and personal care available (and delivered by third-party providers).

- 18.2 In addition, the Council provides a range of homes which are restricted to people aged 55 and over, including bungalows and former sheltered housing schemes. These tenants benefit from our Careline service.
- 18.3 During the next five years we will consider whether there are opportunities for the Council to develop further housing with care facilities within Newark & Sherwood and the success of our existing schemes. This will be undertaken in conjunction with our key stakeholders including Nottinghamshire County Council.
- 18.4 We will also continue to monitor the suitability of age restrictions on existing homes in respect of demand and community impact and, subject to consultation with tenants, redesignate homes as appropriate.

## 19 Careline

- 19.1 Careline is a service run for residents of Newark & Sherwood district. Also known as a lifeline service, it provides 24/7/365 contact with staff who can provide peace of mind for the resident and their family and friends.
- 19.2 Tenants who live in our age-restricted housing and our housing with care schemes automatically receive our Careline service, often through the provision of a fixed system which is installed in their homes, though increasingly through the use of mobile technology. Careline is also available to other Council tenants and all residents in the district.
- 19.3 Our ambition is to grow access to Careline facilities during the next five years as we believe there are many people within the district who would already benefit from the service and due to the aging population within the district. We also believe it can play an important role in overcoming some of the health and social care challenges we face.
- 19.4 Technological advances also mean that we expect the way in which customers receive the service to change in the coming years and the potential to access technology to help tenants remain independent for longer.

## 20 Right to Buy (RTB) and home ownership opportunities

- 20.1 Secure Tenants who live in many of our homes have the legal right to buy their home at a discount from its market value providing they meet legally-defined criteria and our own right RTB policy. The value of the discounts and any conditions associated with receiving the discounts are set by the government.
- 20.2 One of the outcomes of RTB is that it results in the loss of social housing in the district for future generations. We do, however, recognise the benefits to the individual arising from home ownership and for this reason we will seek opportunities to develop new homes which replace those lost through the RTB. We will also consider opportunities to help people into home ownership through the provision of new shared ownership homes (and similar tenures).

## 21 Strategic asset management

- 21.1 The Council is legally required to ensure that tenants' homes meet, as a minimum, the Decent Homes Standard (DHS). At the point of developing this Strategy, the DHS was being reviewed by the government.
- 21.2 During the next five years, we will develop our approach to strategic asset management so that it enables the Council to better respond to the changing operating environment

- (for example, the climate emergency and revisions to the DHS) and customer needs and expectations for their homes. We refer to this as active asset management and this will ensure that we sustain a long term and viable HRA Business Plan and are able to support the long term aims of the Community Plan.
- 21.3 This approach to active asset management will allow careful targeting of resources, informed investment decisions and identify areas for potential remodelling or growth that will maximise value for money and enable the Council to offer the highest quality homes and customer service.
  - 21.4 In order to ensure that we have accurate knowledge about our homes, a new externally-conducted stock condition survey of 50% of the housing portfolio is being undertaken in 2022 and further in-house surveys will take place over the following four years to achieve 100% stock condition information by 2025. We will use this information to reformulate the HRA Business Plan and to reconfigure our programmes of investment in tenants' homes.
  - 21.5 In addition, we will continue to invest in energy efficiency measures and initiatives that will reduce incidences of fuel poverty and the carbon created by our homes.
  - 21.6 We will develop knowledge and skills around carbon reduction measures to enable the Council to attract external funding to move away from fossil fuels but maintain affordability for our customers.

## **22 Building health and safety compliance**

- 22.1 The Council recognises its responsibilities and obligations for building health and safety compliance and considers this a business-critical function, necessary to safeguard the well-being of tenants and leaseholders, their visitors, staff, people working on our behalf and other members of the local community. We also understand our obligations for building health and safety compliance when set in the context of regulation, legislation and approved codes of practice.
- 22.2 New policies and procedures are in place for all key areas of building health and safety compliance, including gas safety, electrical safety, fire safety, asbestos management and water hygiene. At the point of developing this strategy, we were implementing new software which aims to help us provide great assurance of our building health and safety compliance.
- 22.3 We will continue to develop our approach so that, as a minimum, it complies with the requirements being introduced by the Building Safety Bill, Fire Safety Act 2021 and those arising from the Social Housing White Paper published in November 2020.
- 22.4 We will also continue to ensure that contractor performance and data governance remain robust, customer liaison, engagement and information (including enforcement action) is effective and assurance mechanisms are effective and subject to periodic independent review.

## **23 Repairs and maintenance**

- 23.1 The repairs and maintenance service is the very important to our tenants and a key determinant of customer satisfaction. The Council has contractual responsibility to maintain tenants' homes in a good state of repair and each year around 15,000 repairs are carried out.
- 23.2 Most repairs are delivered by the Council's in-house repairs team, with some work undertaken by external contractors where specialist skills or additional capacity is

- required. This approach provides flexibility and enables the Council to benchmark its costs and service quality.
- 23.3 We have aligned specifications where possible with our investment activity to ensure that materials used are standardised for greater efficiency.
  - 23.4 During the next five years, we will continue to monitor the effectiveness of the current delivery arrangements to ensure that we achieve value for money and high customer satisfaction. We will also keep under review our repairs policy to ensure that tenants are clear about the repairs which the Council will undertake and those which are a tenant's responsibility.

## 24 Empty homes (voids)

- 24.1 Each year around 400 properties become empty and they are prepared to our agreed re-let standard. This standard was increased during 2021 to ensure they are attractive to new tenants when they move in to their new home. Further improvements are being considered and any further changes are expected to be introduced during the first year of the Strategy.
- 24.2 Most void works are undertaken by the Council's in-house repairs team, with some work delivered by external contractors where specialist skills or additional capacity is required.
- 24.3 Some empty homes require substantial repair and investment to bring them up to the re-let standard. We will ensure that these properties are reviewed in line with our active asset management approach before incurring significant costs in bringing them back into use. This will allow us to determine the most appropriate solution which may include their disposal.

## 25 Environmental services and neighbourhood improvements

- 25.1 The Council is responsible for managing and maintaining a large number of communal areas near to our customers' homes. Our aim is to ensure that the tenants and leaseholders receive high quality, value for money services which result in them being healthy, safe and pleasant places. We also want to ensure that anyone who visits a communal area experiences a high quality physical environment.
- 25.2 The grounds maintenance service is, in particular, important to customers and since 2021 has been delivered by the Council's in-house team. We will monitor the service to ensure that it delivers the expected value for money and high levels of customer satisfaction.
- 25.3 We recognise that investing in the fabric of tenants' homes is not enough to create long term sustainable communities. We will therefore continue to invest in environmental improvements, such as improved lighting and security doors, as this is proven to reduce ASB and improve tenant satisfaction.
- 25.4 Alongside this, we will respond to some of the parking challenges that our tenants experience through targeted investment.

## 26 Community Centres

- 26.1 The Council has 39 community centres around the District, providing facilities for tenants and residents to improve their health and wellbeing and create social space.
- 26.2 We will assess the use and condition of our community centres and through our Tenant Engagement Team look to maximise their use as community hubs ensure they are well kept, clean facilities.

## 27 Provision of new homes and regeneration

- 27.1 The Council remains committed to providing new, high quality social housing within the district and, having established the capability and infrastructure, has delivered 300 new homes within the last four years, with a further 35 homes expected to be developed by the end of 2023 and the five year HRA development programme.
- 27.2 Our ambitions for new homes will be incorporated in the new HRA Business Plan which will be developed once the results of the new externally-conducted stock condition survey of 50% of the housing portfolio have been analysed.
- 27.3 We will continue to work in partnership with the Arkwood Living (the Council-owned housing development company), other property developers, with Homes England and other funders to secure more Council-owned social housing.
- 27.4 In addition, we will continue to pursue opportunities for the regeneration and redevelopment of existing sites. A key priority during the next five years is to ensure that the regeneration of Yorke Drive in Newark is delivered, building on the considerable work which has already been undertaken, and which will provide 100 new social homes, enhanced community facilities and 190 homes for private sale.

## Appendix - Supporting Documents

The Landlord Strategy is supported by the following documents, which provide further information about the Council's strategic approach and plans for delivering the strategy:

- HRA Business Plan (with narrative focussing on financial plan and risk)
- Asset management strategy (HRA)
- Action plan(s) to achieve Landlord Strategy
- Tenancy Policy

Social housing-specific policies:

- Lettings and voids
- Abandoned properties
- Income collection
- Rent and service charges
- Repairs
- Aids and adaptations
- Gas safety
- Asbestos management
- Electrical safety
- Water hygiene and safety
- Lift safety
- Fire safety
- Customer improvements
- RTB
- Leasehold management

Council-wide policies (or similar) which will incorporate a housing-specific element:

- Complaints
- Customer service
- Community protection/ASB (could include domestic abuse or be separate policy)
- Safeguarding
- Tree management?
- Community engagement (inc tenant involvement, influence and scrutiny)
- Community investment
- Illegal occupation
- Environmental and neighbourhood services (e.g. grounds maintenance, estate cleaning, bulk refuse, dumped items, parking)



## Approval, Consultation and Review Timetable

|                            |  |                                |   |
|----------------------------|--|--------------------------------|---|
| <b>Document title</b>      | Landlord Strategy  |                                |   |
| <b>Version number</b>      | DRAFT v.2  | <b>Protective marking</b>      | Official                                  |
| <b>Lead Director</b>       | Director Housing Health and Wellbeing  |                                |   |
| <b>Lead Business Unit</b>  | Directorate Wide   |                                |   |
| <b>Lead contact</b>        | Business Managers Housing Repairs & Asset Management and Housing and Estates |                                |   |
| <b>Date approved (SLT)</b> |  | <b>Date approved (Members)</b> |   |
| <b>Reviews due:</b>        | April 2023<br>April 2024<br>April 2025<br>April 2026<br>April 2027           |                                |   |
| <b>Consultation</b>        |  |                                |   |
| <b>Consultee</b>           | <b>Date</b>  | <b>Comments received</b>       | <b>Material change requested (yes/no)</b> |
| Tenants                    |  |                                |   |
| BMs                        |  |                                |   |
| HCC                        |  |                                |   |
| Audit                      |  |                                |   |

## **POLICY & FINANCE COMMITTEE**

**27 JANUARY 2022**

### **ALLOCATION OF HRA EFFICIENCY SAVINGS WITHIN HOUSING SERVICES**

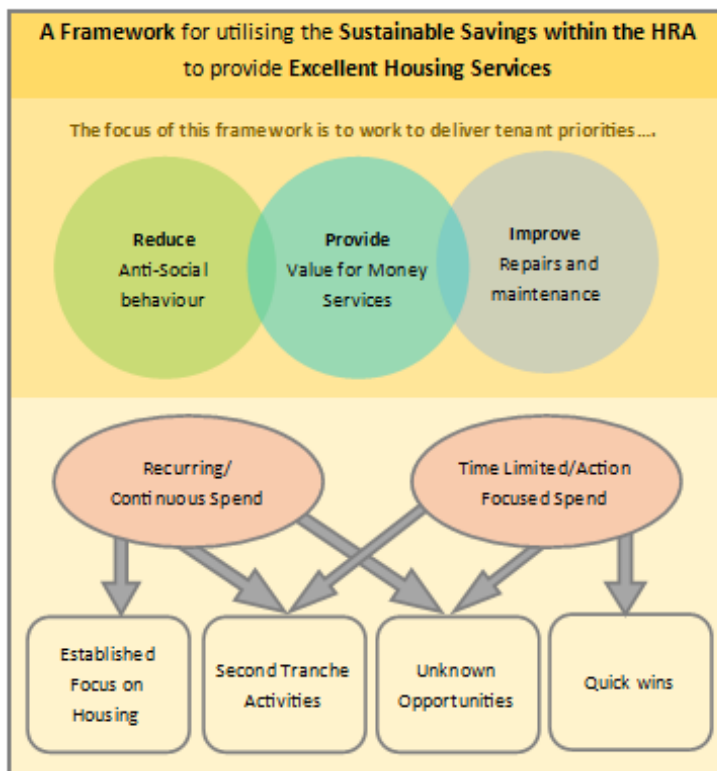
#### **1.0 Purpose of Report**

- 1.1 To update the Committee on proposed allocation of budget savings from the integration of housing services back to the Council.
- 1.2 To request delegated authority be given to the Homes & Communities Committee to approve the allocation of budgets subject to individual business case reports being presented.

#### **2.0 Background Information**

- 2.1 One of the principal reasons for the Council's decision to in-source the management of its social housing stock from Newark & Sherwood Homes (NSH) in February 2020, was the ability to generate significant cost savings through reductions in senior management costs.
- 2.2 Savings were estimated to be £0.95m per annum recurring through the life of the HRA Business Plan. In practice, savings of £1.053m were generated.
- 2.3 It was agreed that these savings would be used to improve the experience of tenants, through service enhancements, to the quality of homes and to neighbourhoods. To date, £0.410m has been invested in strengthening customer-facing staffing (such as tenant engagement) and other non-pay investments, as gaps existed, leaving £0.643m available for investment in improvements or reducing the level of HRA borrowing.
- 2.4 Since February 2020, energy has been directed at ensuring our services are fit for purpose and addressing challenges around our IT, resources, budgets and service delivery – including throughout a pandemic. We are now in a position to consider further improvements.
- 2.5 These proposals were taking the following principles into account:
  - Not about 'business as usual' activities but to enable spend that would not have otherwise been possible.
  - Consider the outcome of the initial tenant consultation and the 3 areas tenants highlighted as most important to them.
  - Balance across place and service type, ensuring that not all spending is one geographical or service specific area.
  - Consideration of immediate, ongoing and emerging opportunities, such that not all efficiencies accrued should be spent immediately.
  - Time should be taken to understand and look at the strategic opportunities through research and comparison to best practice.
  - A balance between recurring investment and one off/time limited actions and initiatives.
  - Ability for some of the efficiencies to be made available to undertake research/feasibility work for strategic service changes.

- 2.6 The framework below was agreed at both Homes and Communities and Policy and Finance Committee respectively.



- 2.7 Since bringing the service back into the Council, we have undertaken research to help us better understand the needs, expectations and priorities of our tenants. With SLT and HAG (Housing Advisory Group) agreement, we have also commenced pilot projects to improve the quality of customers' homes and services.
- 2.8 The Chair and Vice Chair of Homes and Communities met with a small number of tenants and officers in December 2021 to review nearly 3000 responses over two years from tenants on various services to provide some direction for projects and investment. The group agreed it was important not to spend "just because" and that it was important to make every penny count.
- 2.9 Clear priorities were ASB, Complaints, Repairs and Maintenance and Grounds Maintenance and the Council have already made some inroads into these areas, the proposals below complement these. The group were also keen to keep some budget for annual priorities and particularly as we learn more about the impact and recovery from Covid on our communities.
- 2.10 With the pilot projects not due to conclude until Spring 2022, we are yet to be in a position to draw firm conclusions on their outcomes. However, based on tenants' priorities obtained from feedback we have received through various engagement mechanisms, learning from pilots and the Council's strategic priorities for its social housing stock, we have been able to identify how we intend to prioritise the use of savings during 2022/23.

### **3.0 Proposals**

3.1 These proposals balance value for money and maximum impact on service improvement through undertaking improvements in the short term and taking time to consider and frame the direction of ongoing improvement giving regard to the framework approach set out in 2.7.

3.2 These are (in priority order):

- Improved lettings standard (pilot in place) – this involves decoration preparation (stripping walls down to bare wall and where required, re-plastering) in addition to the previously identified revised core lettings standard. This will include an evaluation of the difference this pilot has made to a tenants experience of moving into a Council home (£200k)
- ‘Starting Well’ (pilot in place) – this is a discretionary funding pot to enable housing teams to offer financial support to new tenants that is tailored to their circumstances and intended to help with the costs of setting up a new home, which could include, redecoration, furniture packs, blinds/curtain rails etc. The budget to be set at £75k
- Community Chest (currently in place)– funding to make improvements to tenants’ communities and community centres so can be used as local hubs £20k
- Explore improvements to our ASB service e.g. use of smart tech e.g. camera door bells, respite, mediation services, new tools and approaches to rehousing to support ASB complainants. We have allocated £50k to this.
- Supporting the identification of approaches to carbon reduction in tenants’ homes – this involves undertaking small scale pilots to test carbon reduction measures and engaging with tenants on what zero carbon. These would be achieved either as stand-alone projects or by providing match funding to other initiatives. We have provisionally allocated £100k to this.
- Reducing fuel poverty – this provides the capacity to support interventions in individual homes where it can be demonstrated that fuel poverty can be reduced (this is outside of planned investment works) £70k
- Strengthening complaints handling – by recruiting a complaints co-ordinator and improvements to complaint handling, whose role will be to help improve the quality of our responses to tenants and learning from complaints (£50k)
- Other service improvement priorities not yet started or that emerge from our ongoing customer research, such as projects for rural areas, parking projects, responding to emerging issues as we recover from the pandemic or “fresh start” for tenants with unruly gardens £78k.

3.3 At this stage, costs associated with the above priorities would be limited to 2022/23 only. During 2022/23 we will be rebuilding the HRA Business Plan from base upwards and the above priorities are currently expected to influence expenditure assumptions over the medium-long term. The pilots will, of course, need to demonstrate their value and if they are confirmed to be important, they will be considered alongside the other priorities, requirements, constraints and assumptions contained within the HRA Business Plan.

3.4 Finally, the group were keen to see how we can improve communication about existing and new services we can and will provide, to connect our Council with our communities in the most efficient way so this is another area to be explored.

#### **4.0 Equalities Implications**

4.1 Equality implications will be considered as part of the project management of each suggested element therefore overall there are no implications arising directly from this report.

#### **5.0 Digital Implications**

5.1 None identified from this report though individual projects may have digital implications which will be identified under separate cover.

#### **6.0 Financial Implications (FIN21-22/5668)**

6.1 As stated in paragraph 2.3, there is currently £0.643m unallocated funding from the Total efficiency savings of £1.053m resulting from bringing the Housing Service back in house. The initiatives, as detailed in paragraph 3.2, total £0.643m and can therefore be funded in total from this unallocated pot. Any future efficiency savings will also be utilised for further improvements to the service provided to our tenants and will be reviewed annually.

6.2 Spend in relation to the efficiency savings will be retained as a separate line for budget monitoring, with bi-annual reports to the Portfolio Holder and an annual update to Cabinet.

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

7.1 Supports the plan through creating more and better quality homes through our roles as landlord, developer and planning authority.

#### **8.0 Comments of Housing Advisory Group**

8.1 This report is being considered by the Homes & Communities Committee at their meeting to be held on 24 January 2022 and their comments will be reported to the Policy & Finance Committee. The Housing Advisory Group held on the 6 December 2021 considered the proposals which are based on a meeting with tenants before Christmas and are satisfied with the breadth and mixture of short and long term proposals and that the money will be spent wisely.

#### **9.0 RECOMMENDATION**

**That the proposals as set out in the report be approved, to enable Officers to build these proposals into the budget process for 2022-23.**

#### **Reason for Recommendation**

**To provide the plan for efficiency savings investment to show how these are will be used to develop and enrich services that are important and make a difference to tenants.**

#### **Background Papers**

Nil.

For further information please contact Suzanne Shead on Ext 5520.

Suzanne Shead  
Director – Housing, Health & Wellbeing

## **POLICY & FINANCE COMMITTEE**

**27 JANUARY 2022**

### **MAGNUS ACADEMY HOCKEY PITCH REFURBISHMENT**

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

1.1 To secure Committee approval to progress with the refurbishment of the existing Artificial Grass Pitch (AGP) at the Magnus Academy to secure a “fit for purpose” facility that will enable school and community use and in particular Newark Hockey Club (NHC), to continue to train and play competitive hockey in Newark from the site for the foreseeable future.

#### **2.0 Background Information**

2.1 Newark Hockey Club, one of only two clubs in Newark & Sherwood, was established in 1897 and has in excess of 300 members from 5 to 60+ from across the district and further afield and currently runs 8 senior teams (4 men’s and 4 ladies) competing in leagues across the Midlands. It also has a thriving junior section and academy set up developing the players of the future who will hopefully emulate the success of former club players, GB Captain and multiple Olympian, Adam Dixon and Olympic Gold and Bronze medallist Shona McCallin MBE. The Club also hosts and runs a very successful ‘Primary School’ programme from its club base which provides local schools with the opportunity to participate in the sport whilst serving as a player recruitment programme to sustain the clubs long-term future.

2.2 The current AGP was part of a larger Sport England grant funded project opened in 2001 to improve both indoor and outdoor sports provision at the Magnus School. NHC were a partner in the original project and moved to the new facility on its opening and has been a primary user of the facility for the last 20 years. The current pitch is a sand-filled AGP, which is one of the preferred surfaces for competitive hockey unlike the Third Generation (3G) pitches opened recently at the YMCA Community and Activity Village. The new pitches at the YMCA are the preferred surface for competitive football but not suitable for hockey. Like all artificial sports surfaces (carpets) they have a useable lifetime before they deteriorate to a point where they are no longer safe for competitive play. The typical lifespan of such a pitch is between 10 and 15 years although this is determined by the level of use and the maintenance undertaken.

2.3 Clearly the Magnus pitch has survived longer than most similar pitches but is now deemed to be in need of replacing if NHC is to continue to play hockey in the town given that the pitch is the only one of its type within an approximate 10 mile radius. The urgent need to replace the pitch is the recommendation of England Hockey’s approved synthetic turf pitch consultant based on a condition survey carried out in 2017 and more recently, December 2020. The conclusion and recommendation from the report is that ‘the pitch is at risk of failing its performance assessment’, which would mean that competitive hockey would not be deemed safe to play due to deterioration of the surface generally, including the shock-pad base and the failure of the seams across the pitch and line repairs causing potential trip hazards.

- 2.4 The need to support NHC to secure a refurbished playing facility has been recognised for some time and in January 2020 Policy & Finance Committee approved the principle of a loan of £240K to the Magnus Academy to progress with a refurbishment project to secure the facility for community use for a period of 15 years plus. Unfortunately the Academy then advised the Council that it was unable to enter into a loan arrangement for such a project with the District Council and therefore a different approach would need to be developed in order to secure the refurbishment.
- 2.5 Following a number of meetings with the Academy and discussions with partner organisations including NHC, Active4Today (A4T), England Hockey (EH) and Sport England (SE), it is now proposed that the District Council finances the new AGP facility through an approved procurement method and thereafter operates the AGP facility through A4T for a period of 15 years. The terms of the management arrangement will be set out in a Community Use Agreement (CUA) signed by the Magnus Academy Trust, Magnus Education Foundation, A4T and the District Council.
- 2.6 The CUA sets out the responsibilities of the parties and covers the operational aspects of the AGP. A4T will be responsible for the lettings of the facility and will retain all the income over the 15 year period and will be responsible for a level of specialist maintenance over the period of the agreement. The Academy will provide access to the AGP and ancillary facilities such as car parking, changing and toilet facilities. In addition the Academy will provide staffing as part of the partnership with a site officer being responsible for operational activities including the opening and closing of the AGP on behalf of A4T as the Academy will retain management responsibility of its indoor facilities and grass pitches for community use.
- 2.7 The change in approach will require Policy & Finance Committee approval and the budget provision will potentially need to be increased to cover rising costs and the latest cost estimate is estimated to be c.£352.5K which does include some optional added value elements which are highlighted in more detail in the table 1 below.
- 2.8 Although the refurbishment costs are not significantly higher than previously anticipated, the original grant support potentially available from either EH or SE, estimated to be in the region of £60K, is no longer accessible primarily because EH no longer has capital funding available to it. Also SE Community Asset Fund (CAF) has been temporarily suspended as resources have been redirected to Covid response and recovery schemes such as the National Leisure Recovery Fund (NLRF) for which the District Council received £267K to support its leisure centres through the pandemic. Table 1 outlines the estimated costs associated with the proposals as follows:

| <b>Description – Minimum Specification</b> | <b>Estimated Cost £ Ex VAT</b> |
|--|--------------------------------|
| Preliminaries and Site Establishment       | 10,000                         |
| Site Clearance                             | 15,500                         |
| Shockpad Replacement                       | 42,000                         |
| Synthetic Surface                          | 185,000                        |
| Pitch Markings                             | 4,000                          |
| Landscaping and Reinstatement              | 500                            |
| Contingency c.@5%                          | 12,000                         |
| Lighting Upgrade                           | 41,500                         |



|                             |                |
|-----------------------------|----------------|
| New Goals                   | 14,000         |
| <b>Total</b>                | <b>324,500</b> |
| <b>Optional Added Value</b> |                |
| Spectator Area              | 13,000         |
| Dug Outs and Recess Areas   | 15,000         |
| <b>Total Additional</b>     | <b>28,000</b>  |
| <b>Total Costs</b>          | <b>352,500</b> |

Table 1

The costs of the minimum specification deemed appropriate as outlined above is £324.5K with added value elements increasing the cost to £352.5K if they are included in the specification. The additional two items would improve the overall project and offer for parents and spectators, by accommodating them in a pitch side area which is outside the playing area therefore safer for all parties.

- 2.9 Although some previous grant funding opportunities are no longer accessible, additional grant funding opportunities will be investigated to secure financial support towards the project which could reduce the overall borrowing costs if successful. For example officers will work with representatives of NHC to bid for grant funding towards the purchase of new goals and 'dug outs' through the Nottinghamshire County Council Local Communities Scheme which is keen to receive applications from sports clubs. NHC has confirmed that it will lead on this application and make the submission. In addition the Club have been asked provide a written commitment, to the Council, to use the facilities for the duration of the CUA and this proposal will be considered by the NHC Committee at its next meeting.
- 2.10 As detailed in Table 1, it is proposed that the existing lighting system be upgraded as part of the overall scheme because it uses dated and expensive lamps which should be replaced with LED energy efficient and technologically advanced lights which will reduce future energy and maintenance costs, reduce the facilities carbon footprint as well as improving the performance characteristics of the lighting for all participants.
- 2.11 The proposed approach provides a number of benefits over the original loan proposal in that in addition to securing the new facility for all partners, it presents A4T with a new asset to develop (the only one it will have of its type in Newark) and an element of control over the community use of the new facility, presenting an opportunity to generate higher levels of income and usage secured through the CUA. It is therefore anticipated that this will have a positive impact on its trading position moving forwards and improve the Company's annual outturn position in future years which it presents to the Council.
- 2.12 The financial implications section below sets out the forecast annual income and expenditure likely to be realised from this facility. Based on the current assumptions it is estimated there would be an annual shortfall of income of circa £1,800.
- 2.13 In order to offset the potential annual shortfall in the operating outturn for the AGP it is suggested that a proportion of the current Sports Grant scheme is allocated towards this project if required. Currently within the inherent overall Management fee paid to A4T a sum of £7,500 is included which is part of the Council's wider Community, Sports and Arts open grant programme which provides support to sports clubs to deliver sporting projects

that benefit the clubs and the wider sporting community. A potential of utilising a small amount (up to £1,800PA based on the current figures) from this grant provision to support this project has been mooted, as it is felt this meets the criteria. As referenced elsewhere in this report, the NHC is an EH affiliated club, which supports 300 plus players. The facility is a community facility benefitting not just the hockey community but other sports also. Due to this, it is felt that the proposed contribution meets the objectives of the grant scheme. This would not affect the Council's budget but would in effect reduce the sports element from the scheme whilst the Coach Education £2.5K and Talented Individuals Free Use of A4T facilities support would be retained. It would however reduce the investment that the Council needs to contribute towards the project accordingly.

2.14 The proposal would be project managed on behalf of the Council by Notts Sport, which is the project delivery partner for England Hockey at no cost to the Council. Notts Sport have an approved list of 14 contractors which are part of an informal framework developed over many years, all of which would be invited to tender for the work through the Due North Pro-Contract system, thereby providing a level of transparency. However this approach would need the Council to complete a CPRE as the approved list is not a fully compliant framework but would demonstrate an acceptable level of due diligence in the approach and value for money in terms of the procurement.

2.15 If approvals can be secured to progress the project, it is likely that the work can be scheduled to take place before the summer holidays 2022, thereby reducing any disruption to a minimum for the NHC and the academy and enable the new facility to be available for community use during the summer holidays.

#### 2.16 **Comments from Active4Today**

2.16.1 A4T commenced trading as the Council's wholly owned Leisure Company on 1st June 2015. At this time it operated 3 leisure centres and a sports development team across the district with an overall aim of making more people, more active, more often.

2.16.2 Since then the company has developed its offer further and now operates another wet and dry leisure centre within the district, plus the leisure offer of 4 school academies (3 of which are Newark based and one in Nottingham).

2.16.3 Having the opportunity to take on the AGP at Magnus would add to A4T's portfolio and increase access for the community to another leisure asset. As has been stated above, the main user of the pitch would be the NHC, however, outside of their booking, it is estimated that football will also be a key user of the pitch with clubs, individuals and leagues being provided on this surface. In addition, the pitch will provide access for holiday time activities outside of the school programme and be available for use by the sports development team and the targeted work which they support.

2.16.4 The pitch will be added to the Company's on-line booking process and will form part of the suite of resources available for the community. It is expected that this facility will be well received by the customers and it is hoped that as the programme develops, so will usage and income for the site.

### **3.0 Proposals**

3.1 It is proposed that the project progresses as outlined in 2.5 above and the District Council delivers the new pitch facility through Notts. Sport in return for a 15 year CUA management agreement delivered by A4T.

### **4.0 Equalities Implications**

4.1 There are no equality implications in respect of the various protected characteristic groups in connection with this proposal. If approval is secured as proposed, the ATP facility provision, operated by the Magnus Academy, will be enhanced for the benefit of the whole community as its use is wider than hockey use and A4T will ensure that the facility aligns with its Equalities Policy.

### **5.0 Digital Implications**

5.1 There are no adverse digital implications for this proposal. A4T will build the system for the new facility into its existing management software and this will improve the user experience when it becomes operational. In addition, the facility will be promoted far more effectively through A4T's web and marketing infrastructure.

### **6.0 Financial Implications (FIN21-22/5212)**

6.1 Active 4 Today were asked to estimate the likely annual income and running costs anticipated from the site. The table below sets out that forecast. This has been supplemented by information gathered from internal departments and external sources regarding forecast use of utilities, maintenance and operational administration costs and income potential from NHC as the sites primary user.

|                                     | <b>Estimated Annual running<br/>(Cost)/Income</b> |
|-------------------------------------|---|
| Forecast Income                     | £37,500   |
| Utilities                           | (£3,700)  |
| Maintenance                         | (£2,000)  |
| Administration                      | (£3,000)  |
| <b>Total net operational income</b> | <b>£28,800</b>                                    |

6.2 The income forecast is based upon anticipated use including the hockey club's usage, and other alternative bookings for football. This could be improved upon utilising further marketing and advertising, or potentially the price point, but currently is the best quality forecast modelled. Conversations have taken place with Newark Hockey club regarding an uplift to the hourly rate that they pay currently. The £37,500 in the table above includes the uplift in the hourly rate agreed with the Hockey club and estimates a mix of adult and junior provision, whilst allowing for fallow hours where the facility is not utilised.

6.3 The figures forecast for expenditure have been generated from external advice, internal communications with the Environmental Policy and Projects Officer supplemented through conversations with A4T and Notts Sport and again represent the best estimates of annual expenditure.

- 6.4 Currently the Council has a £240,000 capital loan within the Capital Programme which was approved in January 2020 that is financed by borrowing. The original anticipation of that report was that the school would fund the principal and interest costs of the project. Should the proposals of this report be approved this would necessitate a change to the capital budget.
- 6.5 Based on the table at paragraph 2.9 the proposed capital cost is £352,500. As this scheme is proposed to be funded by borrowing, this cost will be charged to the revenue account over the life of the asset being approximately 15 years. This would equate to a principal repayment of £23,500 per annum (in MRP) with an additional £7,100 of interest cost, making a total cost of £30,600.
- 6.6 When including the annual running costs and income with the borrowing costs above, the annual shortfall is then:

|                             | Value           |
|-----------------------------|-----------------|
| Annual running costs/income | £28,800         |
| MRP and interest costs      | (£30,600)       |
| <b>Shortfall Total</b>      | <b>(£1,800)</b> |

From the table, this shows that the annual contribution that the Council would need to make to enable this project to happen would be £1,800. This does not include any allowance of reduction based on the grant programme described at paragraph 2.14 above.

- 6.7 There is potential to receive up to £20,000 from the Nottinghamshire County Council LCF, which would be able to contribute towards some of the costs of the project. This would have to be applied for by the Hockey club but having liaised with County colleagues, it is anticipated that the Hockey club may be able to passport their allocation to the Council in order to contribute to the overall project. Should this be the case, the £20,000 allocation would reduce the borrowing requirement to £28,800 overall meaning that the scheme would break even annually. As this is yet to be secured, this has not been factored into the table at 6.6 above. However, if this is not possible there is an option to remove the costs associated with the goals and dugouts from the scheme and this can be addressed outside of the contract through a separate arrangement thereby reducing the subsidy currently forecast at £1,800pa to zero. However, the discounts that can be achieved through purchasing the equipment through main contract would not be available to the Club and consequently the procurement of the equipment would be more expensive.
- 6.8 Should the decision be not to fund the anticipated shortfall of £1,800 per annum utilising the grant scheme, then this would fall as a cost to the Council as the budgeted Management fee to A4T would reduce by £28,800 with the additional costs of MRP and interest being £30,600. Should the decision be made to utilise the grant scheme, the A4T budget would be reduced by £30,600 accordingly. Also should the LCF grant from NCC be receivable of £20,000, this would then reduce the MRP and interest budgets to £28,800.
- 6.9 Should assumptions over income or expenditure be too prudent and an annual surplus on these projections be realised, this would contribute towards the overall A4T Company expenditure and hence mean that the actual management fee cost would be reduced by the additional surplus mean. Conversely the opposite would occur where a deficit compared to the above is actually realised.

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

7.1 The delivery of this project will make a significant contribution to the Council's Community Plan Objective of 'improving the health and wellbeing of local residents' by enabling greater participation in sport and recreational activities for the local community.

## **8.0 RECOMMENDATIONS that the Policy & Finance Committee approve:**

- (a) the proposal to progress with the refurbishment of the Artificial Grass Pitch at the Magnus Academy;**
- (b) the increase of £112,500 in the capital budget funded by borrowing;**
- (c) the reprofiling of the capital scheme into the 2022/23 financial year; and**
- (d) the shortfall of £1,800 be absorbed into the Council base budget, based on the reduction of £28,800 in the budgeted Management Fee to Active 4 Today together with the increase in capital charges of £30,600 within the General Fund revenue account from 2023/24.**

### **Reason for Recommendations**

To ensure that the facility is retained as a valuable recreational infrastructure resource for the wider community and to enable Newark Hockey Club to continue to play competitive hockey in Newark.

### **Background Papers**

Nil.

For further information please contact Andy Hardy on Ext 5708

Suzanne Shead  
Director – Housing, Health & Wellbeing

## **POLICY & FINANCE COMMITTEE**

**27 JANUARY 2022**

### **DIGITAL STRATEGY UPDATE**

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

1.1 To provide Members with an update on the Digital Strategy 2021-24 and associated projects.

#### **2.0 Background Information**

2.1 The Digital Strategy was approved by Policy & Finance Committee on 24 June 2021. The progress to date on delivery of the actions underpinning the Strategy are summarised in section 2.1 below with detail provided in the accompanying Digital Strategy Update Action Plan.

A Digital Transformation Board (DTB), made up of key officers from across the Council has been established. The Board undertakes a review of all digital projects and prioritises these projects in accordance with the Council's Community Plan objectives, with criteria and weightings as bulleted below. This provides Senior Leadership and Members assurance that digital projects align with the Community Plan, accurately reflect a return on investment, provide value for money and thereby ensure a benefit to our communities and service users.

#### **Digital Transformation Board scoring matrix prioritisation criteria**

- Delivery of the Community Plan
- Political
- Organisational and reputational considerations
- Number of residents that will benefit
- Number of staff that will benefit
- Full Lifetime Cost
- Legislative/compliance requirements
- Resource required (internal)
- Resource required (external including back fill -cost)
- Resource released
- Degree of difficulty in technology
- Risk
- Future proofing
- Ongoing support
- Time imperative
- Other factors

2.2 The Digital Strategy Action plan has been created with a detailed summary of strategic alignment and project detail. It should be noted that the action plan is a working document based on the business planning cycle, with priority matrices and the principles established from the local digital declaration and supported by officers on the Digital Transformation Board.

2.3 Successful key digital projects, worthy of noting between June 2021 and November 2021 are:

- The migration, redesign and publishing of the new look Council website; this increases the use of the website due to its more user friendly design; therefore providing a more accessible 24/7 on-line service, and improved customer experience.
- Further Cyber Resilience; ensuring systems are up-to-date, that risk to information and data held on the corporate network is manageable and within risk tolerances.
- The migration of land charges register to HMLR (Planning Development).
- Implementation of hybrid meeting devices; allowing officers the ability to communicate with colleagues both internally and externally of Council offices, ensuring our services continue at high standards.
- Investigation and part implementation of a new internal HR & Payroll system; increase employee self-serve functions, reduce management administration time and replace obsolete software.
- Investigation and part implementation of a new housing asset management system; removing the reliance on spreadsheets, minimise risks relating to compliance management, improved data management and analysis to support de-carbonisation requirements and investment management.
- Implementation of Customer Services call recording; to improve the quality of our customer care and the customer journey.

### **3.0 Proposals**

3.1 The next 6 months will see the following digital projects delivered, as featured in the Digital Strategy Action Plan:

- Digital democracy; improvements to the Castle House audio visual equipment within the Civic Suite, to ensure the equipment is consistently reliable, stable and user friendly.
- Using residents' feedback to develop and implement the NSDC My Account (MyNS); to provide residents with the ability able to self-serve and to see key information about all of their accounts with the Council at any time, when it suits them, together with the ability to track existing progress.
- Implementation of Agile Devices Phase 1; improving the ability of our workforce to access information and data from any location, thereby reducing visits back to the office base.
- Delivery of digital services directly to customers to ensure digital inclusion. Reduced/low carbon initiatives. Housing Repairs, Revenues visiting officers and Planning within Phase 1.
- Delivery of exercise Natural Strength, a Cyber Resilience business continuity exercise; ensuring continuity of service during high risk event.
- Investigation stage of Website Phase 2; further improvements to customer experience. Reducing the requirement to telephone for information.
- Implementation of two internal business systems; legal case management and improved servicedesk functionality that will streamline business processes making our services more effective and efficient.
- Enabling council e-newsletters; a modern approach to communication with communities whilst reducing paper copies produced and engaging through digital channels.

- Activation of customer webchat; a modern communication channel that continues to improve our customer service options for all customers providing an additional channel of communication.

#### **4.0 Equalities Implications**

- 3.1 Each project is required to specifically address equalities and access implications as they are developed. This will be captured through the Digital Transformation Board process.

#### **5.0 Digital Implications**

- 5.1 The projects proposed address a number of key areas in the digital strategy, and addresses other strategies highlighted in the action plan. Each project is evaluated within the capacity and capability of essential business units including Transformation, Communications, Customer Services and ICT & Digital Services. Furthermore, cultural change and training needs are identified across the organisation and working alongside digital champions we ensure projects are delivered effectively.

#### **6.0 Financial Implications – FIN21-22/8171**

- 6.1 There are no direct financial implications of this report as it seeks to report progress on delivery of the Digital Strategy action plan. Each project has a separate budget and the financial implication for each project is monitored by the Business Manager - ICT & Digital Services with oversight by the Digital Transformation Board. .

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

- 7.1 Each project has its own alignment to the Community Plan, as outlined in the Digital Strategy Update Action Plan.

#### **8.0 Comments of Director**

- 8.1 This report provides an update on the significant progress made in the last 6 months in the delivery of the Digital Strategy Action Plan. The report also sets out in section 3.0, the key projects that will be developed/delivered in the next 6 months under the overall oversight of the Digital Transformation Board.

#### **9.0 RECOMMENDATION**

**That the update provided be noted.**

#### **Reason for Recommendation**

**To keep elected members updated of the continued development regarding the work being undertaken on the Digital Strategy, Digital Transformation board and action plan.**

Background Papers - Nil

For further information please contact Dave Richardson - Business Manager - ICT & Digital Services on Ext. 5405.

Sanjiv Kohli - Director - Resources and Deputy Chief Executive





# Digital Strategy Action Plan



**NEWARK &  
SHERWOOD**  
*DISTRICT COUNCIL*

| Project Name                | Alignment with Digital Strategy Outcomes |                 |               | Alignment with Community Plan |                           |                           |                                |                 |                     |                                 |                            |
|-----------------------------|--|-----------------|---------------|-------------------------------|---------------------------|---------------------------|--------------------------------|-----------------|---------------------|---------------------------------|----------------------------|
|                             | Digital Community                        |                 |               | Economic Development Strategy | Future Workforce Strategy | Customer Service Strategy | Medium-Term Financial Strategy | Comms. Strategy | Commercial Strategy | Information Governance Strategy | Climate Emergency Strategy |
|                             | Digital Customer                         | Digital Council | Digital Place |                               |                           |                           |                                |                 |                     |                                 |                            |
| Hybrid Workforce            | ●  | ●               | ●             |                               | ●                         | ●                         |                                |                 | ●                   |                                 | ●                          |
| Microsoft Office 365        |  | ●               |               |                               | ●                         | ●                         |                                | ●               | ●                   | ●                               | ●                          |
| Website(s) Phases 1 & 2     | ●  |                 |               |                               |                           | ●                         |                                | ●               |                     |                                 | ●                          |
| MyNS NSDC MyAccount         | ●  |                 |               |                               |                           | ●                         |                                |                 | ●                   |                                 | ●                          |
| Connecting Systems          | ●  | ●               |               |                               |                           | ●                         |                                |                 | ●                   | ●                               | ●                          |
| Housing Management Review   | ●  | ●               |               |                               |                           | ●                         |                                | ●               |                     |                                 |                            |
| Asset Management Compliance |  | ●               |               |                               |                           |                           |                                |                 |                     |                                 | ●                          |
| Electronic Signing          | ●  | ●               |               |                               |                           |                           |                                |                 | ●                   | ●                               | ●                          |
| HR Workforce Management     |  | ●               |               |                               | ●                         |                           | ●                              |                 |                     |                                 | ●                          |
| Legal Case Management       |  | ●               |               |                               |                           |                           | ●                              |                 |                     | ●                               | ●                          |



| Project Name                     | Alignment with Digital Strategy Outcomes |                 |               | Alignment with Community Plan |                           |                           |                                |                 |                     |                                 |                            |
|----------------------------------|--|-----------------|---------------|-------------------------------|---------------------------|---------------------------|--------------------------------|-----------------|---------------------|---------------------------------|----------------------------|
|                                  | Digital Community                        |                 |               | Economic Development Strategy | Future Workforce Strategy | Customer Service Strategy | Medium-Term Financial Strategy | Comms. Strategy | Commercial Strategy | Information Governance Strategy | Climate Emergency Strategy |
|                                  | Digital Customer                         | Digital Council | Digital Place |                               |                           |                           |                                |                 |                     |                                 |                            |
| ICT & Digital Services Help Desk |  | ●               |               |                               |                           | ●                         |                                |                 |                     |                                 | ●                          |
| Digital Inclusion & Wellbeing    | ●  | ●               | ●             |                               | ●                         | ●                         |                                |                 |                     |                                 | ●                          |
| Council E-Newsletter             | ●  | ●               |               |                               |                           | ●                         |                                | ●               | ●                   |                                 | ●                          |
| Cyber Essentials                 | ●  | ●               |               |                               |                           |                           |                                |                 |                     | ●                               |                            |
| ICT Infrastructure Replacement   |  | ●               |               |                               |                           |                           | ●                              |                 |                     |                                 | ●                          |
| AR Repairs Support               | ●  | ●               |               |                               |                           | ●                         |                                |                 | ●                   |                                 | ●                          |
| Digital Democracy                | ●  | ●               | ●             |                               | ●                         |                           |                                | ●               |                     |                                 |                            |
| Digital Place                    |  |                 | ●             | ●                             |                           |                           |                                |                 | ●                   |                                 |                            |
| Omni-Channel Customer Services   | ●  | ●               |               |                               | ●                         | ●                         |                                |                 | ●                   |                                 | ●                          |
| Palace E-Commerce Platform       | ●  |                 | ●             | ●                             |                           |                           |                                |                 | ●                   |                                 |                            |

| Project Name                                | Project Description   | New Value / Expected benefits   | 2021 - 2024 Period |                   |                      |                   |  |
|---|---|---|--------------------|-------------------|----------------------|-------------------|--|
|   |   |   | Start Date         | Expected End Date | Current Status (RAG) | Budget Type       | Business Owner   |
| Hybrid Workforce                            | Improving the mobility and flexibility of service delivery with Agile devices and applications.                     | Improve the ability of workforce to access information and data from any location, reduction in return to base visits required. Delivery of digital services directly to customers to ensure digital inclusion. Reduced/low carbon initiatives. | 06-2021            | 11-2022           | ●                    | Capital & Revenue | ICT & Digital Services                                     |
| Microsoft Office 365                        | Migration of existing services to Microsoft 365 cloud and utilising those for digital transformation.               | Process transformation, cloud enablement, collaboration and unified services.   | 03-2021            | 03-2024           | ●                    | Revenue           | ICT & Digital Services                                     |
| Website Phase 1: Migrate, Rebuild. Redesign | Improvement and redevelopment of the existing NSDC website to provide an accessible and modern customer experience. | Reduction in people excluded from using the website due to its design and therefore providing a more accessible service. Improved customer experience. Reducing the requirement to telephone for information.                                   | 03-2021            | 03-2022           | ●                    | Capital & Revenue | Communications<br>ICT & Digital Services<br>Transformation |

RAG Status Key

● = Red

● = Amber

● = Green



| Project Name                           | Project Description   | New Value / Expected benefits   | 2021 - 2024 Period |                   |                      |                              |  |
|--|---|---|--------------------|-------------------|----------------------|------------------------------|--|
|  |   |   | Start Date         | Expected End Date | Current Status (RAG) | Budget Type                  | Business Owner   |
| Website Phase 2: Continual improvement | Further improvements to the website following from Website phase 1. Including further accessibility, ancillary sites and WCAG ranking improvements. | Further improvements to customer experience. Reducing the requirement to telephone for information.<br>Reduction in people excluded from using the website due to its design and therefore providing a more accessible service. | 03-2022            | 03-2023           | ●                    | Capital & Revenue            | Communications<br>ICT & Digital Services<br>Transformation |
| MyNS NSDC<br>MyAccount                 | Implementation of customer account portal, establishing a baseline 'tell us once' approach and unified services.                                    | Enabling residents able to self-serve and to see key information about their council accounts at any time when it suits them, with the ability to track existing progress.  | 10-2021            | 03-2022           | ●                    | Capital & Revenue            | Customer Services<br>ICT & Digital Services                |
| Connecting Systems                     | Working with existing and new systems to enable a 'tell us once' approach and unified services.   | Utilising webservice and APIs to connect/integrate systems for a unified approach, progressing towards a tell us once process.  | 06-2022            | 03-2024           | ●                    | GF/HRA,<br>Capital & Revenue | ICT & Digital Services                                     |

RAG Status Key

● = Red

● = Amber

● = Green

| Project Name                     | Project Description  | New Value / Expected benefits   | 2021 - 2024 Period |                   |                      |                           |   |
|----------------------------------|--|---|--------------------|-------------------|----------------------|---------------------------|---|
|                                  |  |   | Start Date         | Expected End Date | Current Status (RAG) | Budget Type               | Business Owner  |
| Housing Management System Review | Review of the existing Housing Management System used across the Housing Health and Wellbeing Directorate.   | Staff access to system in an agile way, integration options with other related systems such as council wide CRM, functionality to improve tenant engagement and service improvements.<br>Deliver new functionality to ensure continued compliance with legislation and regulatory responsibilities. | 03-2022            | 03-2024           | ●                    | GF/HRA, Capital & Revenue | Housing, Health & Wellbeing<br>ICT & Digital Services                   |
| Asset Management Compliance      | Review and improvement of outdated and inefficient processes within Housing Asset Management and Compliance. | Remove reliance on spreadsheets, minimise risks relating to compliance management, improved data management and analysis to support de-carbonisation requirements and investment management.  | 11-2021            | 11-2022           | ●                    | GF/HRA, Capital & Revenue | Housing, Health & Wellbeing<br>ICT & Digital Services<br>Transformation |
| Electronic Signing               | Modernising the process of document signing.   | Reduction in cost of production and delivery of contracts, quicker resolution as signature requests can be received via email.  | 06-2022            | 09-2022           | ●                    | Revenue                   | ICT & Digital Services<br>Transformation                                |

RAG Status Key      ● = Red      ● = Amber      ● = Green



| Project Name                     | Project Description   | New Value / Expected benefits   | 2021 - 2024 Period |                   |                      |                   |  |
|----------------------------------|---|---|--------------------|-------------------|----------------------|-------------------|--|
|                                  |   |   | Start Date         | Expected End Date | Current Status (RAG) | Budget Type       | Business Owner   |
| HR Workforce Management          | Modernising and improvement of HR & Payroll business processes, records and data management | Increase employee self-serve functions, reduce management administration time and replace obsolete software.  | 09-2021            | 03-2023           | ●                    | Capital & Revenue | Financial Services<br>HR & Training                    |
| Legal Case Management            | Implementation of a case management system, utilising modern services.                      | Enable effective case and document management. Reduce costs and save time on everyday business processes. Enable effective security and sharing of sensitive documents. | 01-2022            | 06-2022           | ●                    | Revenue           | ICT & Digital Services<br>Law & Information Governance |
| ICT & Digital Services Help Desk | Implementation of a modern servicedesk system, utilising modern services.                   | Improved support provided across multiple channels. Decrease the cost of support and save time with self-service options. Enhance productivity for council employees.   | 01-2022            | 03-2022           | ●                    | Capital & Revenue | ICT & Digital Services                                 |
| Digital Inclusion & Wellbeing    | Supporting our communities with access and skills to enable the use of digital services.    | Increasing the reach and availability of digital services to areas of digital deficit, to improve service consumption and delivery for all customers.                   | 03-2022            | 03-2024           | ●                    | Capital & Revenue | ICT & Digital Services                                 |

RAG Status Key      ● = Red      ● = Amber      ● = Green

| Project Name                       | Project Description   | New Value / Expected benefits   | 2021 - 2024 Period |                   |                      |                |  |
|------------------------------------|---|---|--------------------|-------------------|----------------------|----------------|--|
|                                    |   |   | Start Date         | Expected End Date | Current Status (RAG) | Budget Type    | Business Owner   |
| Council E-Newsletter               | Implementing a modern approach to communication with our communities. | Reduce paper copies produced and engage through digital channels.   | 09-2021            | 03-2022           | ●                    | Revenue        | Communications   |
| Cyber Essentials                   | Continual improvement and maintenance of our digital platforms.       | Ensure council services are and remain safe and secure for customers and staff.   | 06-2021            | 06-2023           | ●                    | Revenue        | ICT & Digital Services   |
| Infrastructure Capital Replacement | Continual improvement and maintenance of our digital platforms.       | Ensuring all council infrastructure is up to date and in support, with robust disaster recovery in place to ensure services are delivered and resilient.  | 06-2021            | 03-2023           | ●                    | Capital        | ICT & Digital Services   |
| AR Repairs Support                 | Modernising the repairs process.                                      | Investigations into Improved identification of repair need before site visit, reduction in repairs visits, and reduction in additional visits due to improved identification of resource requirements prior to visit. | 09-2021            | 03-2024           | ●                    | GF/HRA Revenue | Housing Maintenance & Asset Management<br>ICT & Digital Services |

RAG Status Key      ● = Red      ● = Amber      ● = Green



| Project Name                   | Project Description  | New Value / Expected benefits  | 2021 - 2024 Period |                   |                      |                   |  |
|--------------------------------|--|--|--------------------|-------------------|----------------------|-------------------|--|
|                                |  |  | Start Date         | Expected End Date | Current Status (RAG) | Budget Type       | Business Owner                                 |
| Digital Democracy              | Improvements to live streaming and investigation into a modern members portal.     | Greater access to the Council's decision making process. Improved connections with elected representatives.                        | 03-2022            | 03-2023           | ●                    | Capital & Revenue | Democratic Services<br>ICT & Digital Services  |
| Digital Place                  | Implementation of information capture devices.                                     | Produce and capture data to inform policy decisions supporting economic growth and resilience.                                     | 03-2023            | 03-2024           | ●                    | Capital & Revenue | Economic Development<br>ICT & Digital Services |
| Omni-channel Customer Services | Improving our customer contact channels (Call recording/Web chat/ CRM integration) | Continue to improve customer service options for all customers with the introduction of additional channels of communication.      | 02-2022            | 09-2022           | ●                    | Revenue           | Customer Services<br>ICT & Digital Services    |
| Palace E-Commerce Platform     | Replacement of existing digital ticket sales offering for the palace theatre.      | Improved customer experience with a modern platform with the potential to increase revenue. Ability to expand marketing potential. | 03-2022            | 03-2023           | ●                    | Capital & Revenue | Heritage & Culture<br>ICT & Digital Services   |

RAG Status Key      ● = Red      ● = Amber      ● = Green

## **POLICY & FINANCE COMMITTEE**

**27 JANUARY 2022**

### **URGENCY DECISION**

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

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

**Subject: YMCA Community & Activity Village (CAV), Newark**

**Appropriate Committee: Policy & Finance Committee**

#### **The Community & Activity Village (CAV)**

Members will be aware of the CAV from previous update reports, notably on 26.09.19 and throughout 2020 and 2021 as part of Towns Fund progress updates. Works continue to progress at pace on-site, with the full facility scheduled for opening in Spring 2022.

The CAV is nationally important and the first of its kind in providing education (Early-years, FE, HE and Adult), recreation, sport, training, music, conferencing, offices, mental health and family-based support services in a single hub. This is in addition to an Olympic standard climbing wall.

Whilst the CAV offer is already locally, regionally, and nationally significant the Council and YMCA are continually striving to enhance the offer and ambition wherever possible. One such area is with respect to the cycling facility and associated aspirations, working with British Cycling for a pump track. There is now an ability to secure funding for these works within the funding envelope already agreed by this Council. In effect a grant funder will contribute £100,000 provided a £10,998.57 third party contribution is provided by the District Council, representing c.11% of the total grant offer.

#### **Funding for the CAV**

The CAV (phases I and II) is a £19.2m capital project. The funding is principally through the YMCA albeit grant and S106 funding is also utilised. The overall funding envelope has previously been updated via the P&F reports of 26.09.21 and various Towns Fund updates in 2020 and 2021.

For the avoidance of doubt the table below provides an overall summary:

| <b>Organisation</b>                | <b>Contribution (£m)</b>   |
|------------------------------------|--|
| Newark & Sherwood District Council |  |
| (i) S106 Funds                     | 0.716 (of this balance £56,189 remains to be transferred based on milestones being achieved) |
| (ii) Elm Avenue Receipt            | 0.150 (paid to date)<br>Remainder to be 50% of land receipt minus reasonable costs           |
| D2N2 LEP                           | 2.2  |
| Football Foundation                | 0.450  |
| Newark Towns Fund                  | 2  |
| Newark Town Council                | 0.352  |
| Nottinghamshire County Council     | 1  |
| YMCA                               | c£12.4   |
|                                    |  |
| <b>TOTAL</b>                       | <b>£19.2</b>   |

### Proposal

The YMCA have been successful in an application to Entrust Landfill Communities Fund via Tarmac to secure £100,000 of funding for a new pump track at the CAV. This offer is subject to an additional match from NSDC of £10,998.57. It is proposed that this match contribution is paid for within the Elm Avenue receipt to be given to the YMCA as previously agreed.

The sale of Elm Avenue sale has now been concluded for £1,052,000. As agreed the sale receipt less NSDC costs will be split 50/50 between YMCA and NCC.

|                             |                     |
|-----------------------------|---------------------|
| Elm Avenue Sale             | 1,052,000.00        |
| NSDC Costs                  | 49,947.94           |
| <b>Net Receipt</b>          | <b>1,002,052.06</b> |
|                             |                     |
| <b>Apportionments 50/50</b> |                     |
| YMCA                        | 501,026.03          |
| NCC                         | 501,026.03          |

The YMCA have already benefited from £150k of forward funding from the capital receipt at Elm Avenue, this will need to be deducted from the capital receipt available to YMCA. It is also proposed that we include the £10,998.57 within the balance to be paid to YMCA as a third party contribution grant payment.

For the avoidance of doubt this will not mean any greater level of grant funding commitment to the CAV. The funding will remain within the 50% sales receipt envelope. In order to achieve this an amendment to the original agreement with YMCA will be signed by both parties, agreeing to the reduction of £10,998.57 from the Elm Avenue sale in order to be paid as match funding in relation to this project.

### **Financial Implications - FIN21-22/2231**

As referred to within the body of the report NSDC have an agreement in place that post the sale of Elm Avenue the monies received (less any reasonable costs of sale) will be split 50/50 between YMCA and NCC.

|                             |                     |
|-----------------------------|---------------------|
| Elm Avenue Sale             | 1,052,000.00        |
| NSDC Costs                  | 49,947.94           |
| <b>Net Receipt</b>          | <b>1,002,052.06</b> |
| <b>Apportionments 50/50</b> |                     |
| YMCA                        | 501,026.03          |
| NCC                         | 501,026.03          |

The £501,026.03 has already been paid to NCC in relation to the sale. This leaves a balance of £501,026.03 available from the receipt still.

NSDC have already forward funded £150,000 to the YMCA in advance of this capital receipt. Part of the remaining allocation to YMCA will include £10,998.57 specifically for 3<sup>rd</sup> party matching funding required.

The allocation to YMCA are set out below:

|                         |                   |
|-------------------------|-------------------|
| <b>YMCA</b>             |                   |
| Sale of Elm Avenue      | 340,027.46        |
| 3rd Party Match Funding | 10,998.57         |
| <b>Total Payment</b>    | <b>351,026.03</b> |

Purely for reconciliation purposes, the £351,026.03 plus the £150,000.00 previously forwarded funded equals total receipt available of £501,026.03

### **Decision**

- (a) To approve payment of £10,998.57 to YMCA from the NSDC 50% share of the Elm Avenue sales receipt to provide third party match contribution to a grant of £100,000 for a cycle pump track at the YMCA Community & Activity Village Newark. To be funded from Elm Avenue capital receipt.
- (b) To approve adjusted payment to YMCA in respect of Elm Avenue capital receipt of £340,027.46. To be funded from Elm Avenue capital receipt.
- (c) To add £351,026.03 to the capital programme to facilitate these payments

### **Reason for Urgency**

**To ensure that the grant funding is secured**

### **Members Consulted:**

Councillor David Lloyd – Leader of the Council and Chairman of Policy & Finance (09.12.21)  
Councillor Paul Peacock – Opposition Spokesperson Policy & Finance (14.12.21)

Signed 

Date 14/12/2021

Matt Lamb  
Director – Planning & Growth

## POLICY & FINANCE COMMITTEE

27 JANUARY 2022

### URGENCY DECISION

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

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

**Subject: 45 & 47 Grange Road and 99 Grange Road, Newark**

**Appropriate Committee: Policy & Finance Committee**

#### **Background**

Members are advised that Catesby Estates (Residential) Limited (Catesby), the master developer for the Middlebeck development to the south of Newark have an option agreement over a strip of Council-owned land to the rear of the above properties. The Option agreement was first signed in 2009 (2009 Option Agreement), and has been extended on two occasions, November 2014 and December 2019.

The option agreement is split into two parts, a 'Base Price' which should be paid by Catesby to the Council if the option is exercised and an 'Additional Payment' payable if Catesby (or its successors in title) secure a vehicular access over the land to the rear of numbers 45 & 47 Grange Road, Newark.

The 'Base Price' in the 2009, 2014, and 2019 agreements has remained at £50,000. The 'Additional Payment' price has equally remained constant in all agreements at £119,000. The current option expires on 15.12.21. U&C would like to extend the option for a 3<sup>rd</sup> time.

#### **Proposal**

There is no objection in principle to an extension of the option agreement. If the full Newark Southern Link Road (SLR) is implemented it is unlikely that an option will be implemented. Whilst design work on the SLT still needs concluding the announcement in October of the Council's (in partnership with Nottinghamshire County Council and U&C) successful Levelling Up Fund (LUF) bid of £20m for the SLR should now secure delivery. Notwithstanding this, it remains important to ensure that this Council secures best consideration for its land should any option be exercised by Catesby. On this basis, and given the passage of time since the original option agreement was signed a further valuation has been commissioned. This proposes an uplift, in line with inflation, to the original 'Base Price' and 'Additional Payment' values as detailed below:

| <b>Rights Option Charge</b> | <b>2009</b> | <b>Proposed 2021</b> |
|-----------------------------|-------------|----------------------|
| Base Price                  | £50,000     | £75,000              |
| Additional Payment          | £119,000    | £176,500             |

Catesby have agreed to the amended values as part of a new option agreement. It is therefore proposed that the Council extends the 2009 Option Agreement for a further option period with Catesby at the revised values, as informed by new independent advice.

**Financial Implications – (FIN21-22/8147)**

The above proposal of new values for the base price and additional payment for the agreement has been provided via an external valuers, Ian Holdsworth Chartered Surveyors, assessment of the site and original agreement. Without the agreement the land will hold little value for the Council and therefore if either option, as per the agreement, is exercised by Catesby this would represent best consideration for the Council. Any capital receipt received will therefore go into the Councils capital resources and be used to finance future capital investment.

**Decision**

**To further extend the 2009 Option Agreement with Catesby for land to the rear of 45-47 Grange Road, Newark and 99 Grange Road, Newark with a Base Price of £75,000 and Additional Payment of £176,500.**

**Reason for Urgency**

To ensure that a revised option is secured and represents best consideration for the Council.

**Members Consulted:**

Councillor David Lloyd – Leader of the Council and Chairman of Policy & Finance (14.12.21)  
Councillor Paul Peacock – Opposition Spokesperson Policy & Finance (14.12.21)

Signed 

Date 14/12/2021

Matt Lamb  
Director – Planning & Growth

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