



Report to: Audit & Governance Committee  
Date: 27 July 2022  
Report Author: Chief Executive  
Lead Officer: John Robinson: [john.robinson@newark-sherwooddc.gov.uk](mailto:john.robinson@newark-sherwooddc.gov.uk)

Report Summary	
<b>Report Title</b>	<b>Audit Report – London Road Municipal Buildings</b>
<b>Purpose of Report</b>	This report appends the findings and suggested improvements from Assurance Lincolnshire following their audit of decision-making surrounding the sale of Municipal Buildings and proposed extension to London Road car park.
<b>Recommendations</b>	To approve the action plan set out at Appendix 2 to this report in response to the audit.

## 1.0 Background

At an extraordinary meeting of Full Council held on 24 November 2021, it was agreed to rescind a previous decision taken by the Council on 12 October 2021 to proceed with an extension to London Road car park.

The circumstances leading up to this decision are covered in the attached audit report from Assurance Lincolnshire and two aspects are of particular note. Firstly, the high profile and substantial public campaign against the loss of trees to facilitate the proposed car park extension scheme, which generated substantial media attention and damaged the Council's relationship with some members of its community. Secondly and, in order to dispose of its contractual obligation to construct the car park, the significant financial impact on the Council to purchase the freehold of part of the land it had previously sold.

Given the considerable reputational and financial impact on the Council, Assurance Lincolnshire were commissioned to provide an independent review of the facts surrounding the decision-making process and to identify any lessons learnt.

The specific objectives of the review are set out below:-

- To review and assess the decisions taken, and reasons for those decisions, in relation to the sale and lease of land and buildings at London Road, Newark
- To review and assess the quality and timeliness of information that was provided to decision makers
- To identify any omissions or failures in practice and procedure relating to decisions made and negotiations that took place in relation to the sale and lease of land and buildings at London Road, Newark
- To make recommendations on lessons to be learnt and improvements to be made on Council practice, policies and procedures

In advance of the Audit and Governance Committee, the report has been shared with the two external organisations that Assurance Lincolnshire consulted as part of the review – Newark Civic Trust and Protect Newark Green Spaces.

It is understood that concerns have been raised that the audit report does not give attention to the public campaign against the loss of the trees and, in particular, the events of the public protest that took place on the site. It is important to emphasise that this does not in any way lessen the significance or the impact of that protest, rather the focus of the review was on the decisions that led to the creation of this situation, not the situation itself.

## **2.0 Comments of the Deputy Chief Executive and Section 151 Officer**

The recommendations from Assurance Lincolnshire on areas of improvement are set out in Appendix 2. All recommendations have been accepted by management. A number of these actions pertaining to finance, assets, project management and content of business cases have already been implemented.

Since 2018, all reports to formal meetings of members include a section on financial implications with a unique, trackable, reference number. A standard template for business cases includes the five key components recommended by Assurance Lincolnshire and all business cases for major projects follow this standard template. Every key project also now starts with a Project Initiation Document (PID) which maps out the decision making process, stipulates the project sponsor, project manager, project team, required resources, interdependencies and risks. The council also now has a Corporate Asset Management Strategy and an Acquisition and Disposal Policy.

The remaining areas of improvement will be addressed and actions implemented within this financial year.

## **3.0 Comments of the Assistant Director of Legal and Democratic Services and the Council's Monitoring Officer**

The Audit Report Action Plan makes some suggestions for improvement which can be incorporated into the Council's review of its new governance arrangements; the Council adopted Executive Arrangements, also known as the Cabinet System, in May 2022. Audit and Governance Committee is due to receive a 6-month review report in

November 2022. Report templates for the new governance arrangements will also be kept under review.

Any proposed changes to arrangements in relation to declarations of interest will be reported to Audit and Governance Committee. For information, all declarations made by Members in formal meetings are already published on the relevant Members' page on the Council's website, as well as being included in meeting minutes.

Training suggestions will be implemented as set out in the Action Plan.

## **Background Papers and Published Documents**

Report to Full Council dated 24 November 2021

### **London Road Car Park Final Report 27.06.22**



London Road Car  
Park - Final ReportV1

## **Appendix 2**



London Road Action  
Plan - June 2022.pdf