

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **POLICY & FINANCE COMMITTEE** held in the Civic Suite, Castle House, on Thursday, 30 November 2017 at 6.00pm.

PRESENT: Councillor R.V. Blaney (Chairman)

Councillors: R.J. Jackson, R.B. Laughton D.J. Lloyd, P. Peacock, A.C. Roberts and D.B. Staples.

ALSO IN ATTENDANCE: Councillor: T. Wendels.

33. APOLOGIES FOR ABSENCE

There were no apologies for absence.

34. DECLARATIONS OF INTERESTS BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

Councillor D.J. Lloyd declared a personal interest in respect of Agenda Item No. 20 – Former Municipal Buildings as his employer owned the property.

35. DECLARATIONS OF INTENTIONS TO RECORD THE MEETING

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

36. MINUTES FROM THE MEETING HELD ON 21 SEPTEMBER 2017

The minutes from the meeting held on 21 September 2017 were agreed as a correct record and signed by the Chairman, subject to an amendment to Minute No. 23 – Housing Infrastructure to insert the word ‘bids’ in the first sentence as follows: “The Chief Executive presented a report which sought support for two bids to the Housing Infrastructure Fund...”

37. ESTABLISHMENT OF A DEVELOPMENT COMPANY

The Chairman advised that this item was withdrawn from the agenda and would be re-presented at the meeting scheduled to take place on 25 January 2018.

38. COMMUNITY AND ACTIVITY VILLAGE - NOTTINGHAMSHIRE COUNTY COUNCIL'S PROPOSALS FOR THE CREATION OF A CYCLE ROUTE ALONG SPARROW LANE

The Deputy Chief Executive presented a report concerning proposals by Nottinghamshire County Council to enhance the current right of way at Sparrow Lane, Newark, linking Bowbridge Road to Elm Avenue.

It was reported that following public consultation the County Council had revised their proposals which were now to create a cycle route along part of Bowbridge Road only, then directing cycles through Sparrow Lane to connect to London Road through Elm Avenue. District Council approval of the proposal was required given the District Council owned Sparrow lane.

It was considered that the proposal would deliver direct benefits in that it would provide an enhanced access by bicycle to the Newark Sports and Fitness Centre and to the Community and Activity Village. The County Council would provide the capital funding to undertake the works to widen the footpath and the capital costs of providing lighting but would look to the District Council to meet future revenue costs in respect of the lighting and to be responsible for the future maintenance of the cycle path. If the scheme was to proceed the District Council would work with the County Council in determining the final specification for the work in order to have some control over revenue costs. The Deputy Chief Executive confirmed that the estimated cost of lighting was £65.67 per annum, if these were dimmed between 10pm and 7am.

AGREED (unanimously) that:

- (a) the County Council's proposals for the enhancement of Sparrow Lane in order to provide a designated cycle route linking Bowbridge Road to Elm Avenue be approved with the Deputy Chief Executive being given delegated authority to sign any necessary legal documentation to give effect to this accordingly; and
- (b) the District Council accepts responsibility for any future maintenance costs including lighting of the proposed route, with appropriate budget provision being made accordingly.

Reason for Decision

To approve the County Council's proposals to enhance Sparrow Lane in order to provide a designated cycle route and to improve accessibility to council facilities.

39. COMMUNITY AND ACTIVITY VILLAGE - ARRANGEMENTS WITH RHP SPORTS AND SOCIAL CLUB

The Deputy Chief Executive presented a report which advised that terms had been agreed with RHP Sports & Social Club in respect of their relationship with the Community and Activity Village.

Negotiations had been ongoing with the club regarding the use of the area of land immediately adjacent to the Sports & Social Club for the provision of staff parking for use by YMCA staff during the daytime, with the car parking then available for the Sports & Social Club in the evenings. The club would grant a vehicular right of way over their land into the Community and Activity Village. The club had also released covenants over the former sports field to enable the development to proceed.

The district council would sublease an area of land to the club at the front of their building and erect fencing at the back of the premises adjacent to Sparrow Lane. YMCA had also agreed to undertake various works as set out in the report.

It was reported that Heads of Agreement had now been agreed and the details of these were set out in the report. The terms agreed would bring positive benefits to both the club and the Community and Activity Village.

AGREED (unanimously) that:

- (a) the Heads of Agreement entered into between RHP Sports & Social Club, YMCA and Newark & Sherwood District Council be noted and endorsed; and
- (b) the Deputy Chief Executive be given delegated authority to enter into detailed legal documentation to reflect the agreed terms accordingly.

Reason for Decision

To advise members of the Heads of Agreement entered into between the Council, RHP Sports and Social Club and the YMCA and to conclude the associated legal documentation.

40. COMMUNITY AND ACTIVITY VILLAGE - UPDATE ON CRICKET

The Deputy Chief Executive presented a report which advised of the progress on the provision of a second cricket pitch at Kelham Road, Newark and associated issues. The former RHP sports field, on which the proposed Community and Activity Village would be constructed, had previously included a cricket pitch used by Newark R&M Cricket Club. In order to enable the proposals for the Community and Activity Village to proceed, it was necessary to satisfy both Sport England and the English Cricket Board (ECB), that replacement facilities could be provided to replace the pitch which would be lost. To this end, an agreement was reached with Newark R&M Cricket Club to transfer land in the District Council's ownership to the Club at a peppercorn consideration, in order for them to provide a second pitch. It was also agreed to allocate Section 106 monies held by the District Council, up to a maximum of £40,000 to go towards funding the cost of providing the second pitch. In the medium/longer term it was also the aspiration of Newark R&M Cricket Club to enhance their existing changing facilities by the provision of new changing facilities at the Kelham Road site and to maximise the social uses of the existing pavilion to generate additional income to support the ongoing maintenance of their ground and the future sustainability of the club.

It was reported that discussions had been ongoing with the ECB who had offered their full support to Newark R&M Cricket Club. They had indicated, in principle, that they would be willing to provide funding towards both the provision of the second pitch and the new changing facilities. However, their clear advice was that the project should be delivered in two phases with the intention being that work on the provision of the second pitch would commence in May 2018 with work on the new changing facilities commencing in 2019, so that the new changing facilities would be constructed and available at the same time as the second pitch was suitable for play. Accordingly, the ECB would contribute grant funding towards the first phase of the project in 2018/19 and similarly the second phase of the project, namely the new changing facilities, in 2019/20.

The report gave an update in respect of potential costings, funding, design and details of delivery of phase one of the scheme, the provision of a second pitch. ECB had advised that in order to secure VAT savings the district council should be responsible for seeking funding for phase 1 of the works from ECB and appointing a contractor to undertake the works. The club should then be given a leasehold rather than a freehold transfer of the land on completion of the works. This presented an increased risk to the Council but this was mitigated by the fact that the contractor would not be appointed until the club had entered into an agreement for lease in respect of the second pitch, ECB had given approval in principle to provide grant funding and the Town council had confirmed that they would meet any funding deficit.

AGREED (unanimously) that:

- (a) progress on the provision of the second pitch and new changing facilities at Kelham Road, Newark be noted;
- (b) subject to Newark R&M Cricket Club first entering into an agreement for lease and subject to confirmation of in principle funding from the ECB, approval be given for the District Council to retain ownership of the land which will comprise the second pitch until completion of the works to provide the second pitch, with the District Council being responsible, through its appointed consultants TGMS, for the appointment of contractors to undertake the works and for the carrying out of those works;
- (c) delegated authority be given to the Deputy Chief Executive to submit an application to the ECB for funding for the phase 1 works to create a second pitch at Kelham Road;
- (d) ownership of the land transfer to Newark R&M Cricket Club as soon as the works have been completed with the Club taking on responsibility for the second pitch for the consequent 12 month maintenance period; and
- (e) the costs be included in the Capital Programme as per the proposal.

Reason for decision

To facilitate the delivery of a second cricket pitch at Kelham Road.

41. COMMUNITY AND ACTIVITY VILLAGE - PROPOSED ACQUISITION OF A PARCEL OF LAND FROM SUSTRANS

The Deputy Chief Executive presented a report which sought approval to purchase a parcel of land from Sustrans to enhance the proposed Community and Activity Village and to enter into legal agreements with Sustrans to enable linkages to be made to the Sustrans route.

The parcel of land was immediately adjacent to the rear of the Community and Activity Village. This land was shown on the plan attached as an appendix to the report. As part of the Community and Activity Village proposals, it would be necessary to divert the public footpath which currently crossed part of the site and create a new link from that path to the permissive path owned by Sustrans. The Council was also looking to acquire additional land from Tarmac in order to extend the Community and Activity Village, although formal terms have not yet been agreed. The intention was that the proposed cycle track would extend into the additional area of land to be acquired from Tarmac and as a second phase of their proposals, YMCA would erect a boat store with the intention to reach agreement with Balderton Parish Council to use Balderton Lake for water based activities. To this end it would be necessary to cross the Sustrans path in order to gain access from the boat store to Balderton Lake. Sustrans had indicated their agreement to granting the Council the right to extend the proposed footpath diversion over land in Sustrans ownership, to connect to the Sustrans route and to grant a Deed of Easement to the Council to cross land in Sustrans ownership in order to pass from the Community and Activity Village to Balderton Lake.

AGREED (unanimously) that:

- (a) delegated authority be given to the Deputy Chief Executive to enter into a Deed of Easement and other associated documentation within Sustrans/Railway Paths Ltd. to enable the proposed footpath diversion to be extended over land in Sustrans ownership to connect to the Sustrans route and, further to create a right to pass and re-pass from the proposed boat store to be erected at the Community and Activity Village to Balderton Lake on the terms set out in the body of the report;
- (b) the Deputy Chief Executive be given delegated authority to purchase a parcel of land from Sustrans adjacent to the Community and Activity Village, as shown on the plan attached to the report, at a nominal consideration, but with the Council meeting Sustrans legal and other associated costs; and
- (c) on the completion of the land transfer the land be included in the area to be leased to YMCA and any rights and easements granted to the Council by Sustrans be passed on to YMCA as the leasehold occupiers of the site.

Reason for Decision

To enable the enhancement of the proposed Community and Activity Village.

42. ICT STRATEGY

The Director – Customers presented a report which set out the new ICT Strategy. The report advised that since July 2011 the Council had been part of a shared services partnership for the provision of ICT and information management services with

Rushcliffe and Broxtowe Borough Councils. It was noted that at the end of March 2017 the ICT Shared Service had generated £1.63M of cumulative savings across the three councils. In addition, the councils were benefiting from collaborative working in relation to business continuity and security, sharing knowledge, learning and experiences.

The ICT Strategy, which was attached as an appendix to the report, had been developed in consultation with employees, managers, and the wider ICT shared service partnership. The Strategy provided five themes to support the strategic objectives namely: enabling efficiency; responding flexibly and with agility to customer needs; increase ability to work in effective partnerships; modern architecture supporting efficient and agile working culture; and robust arrangements for business continuity, information management and governance and security.

AGREED (unanimously) that the ICT Strategy be adopted.

Reason for Decision

The adoption of the Strategy will achieve the first truly common ICT strategy for the ICT shared service partnership, one of the strategic goals of the partnership.

43. DISQUALIFICATION CRITERIA FOR COUNCILLORS - GOVERNMENT CONSULTATION

The Deputy Chief Executive presented a report concerning a Government Consultation on proposed legislative changes to extend the criteria for disqualification of councillors. It was proposed to extend the disqualification criteria as detailed in the report.

Members expressed anxiety regarding the civil elements as these could be of a low level and as such it was felt that civil penalties should be excluded. However they did feel that disqualifications should be introduced for those convicted of benefit or Council Tax fraud. The Committee considered that only convictions issued by the courts should be relevant in this context, and should not include cautions.

AGREED (unanimously) that the Deputy Chief Executive respond to the DCLG consultation paper in accordance with the views put forward by the Committee.

Reason for Decision

To respond to the government proposals to extend the criteria for disqualification of councillors.

44. POLICY AND FINANCE COMMITTEE DRAFT REVENUE BUDGET 2018/19

The Assistant Business Manager – Financial Services presented a report which informed Members of the progress to date on the budget for 2018/19. At their meeting on 21 September 2017 the Policy & Finance Committee considered the preliminary report on the 2018/19 Budget and agreed the overall strategy including the appropriate basis on which the budget should be developed, including salaries, wages, general inflation, debt charges etc.

The Council had agreed policies on Budgeting and Council Tax, Reserves and Provisions and also a set of Budget Principles, a Charging Policy and Value for Money Strategy which set out the approach to be taken to the budget process. These policies and principles had been reviewed and updated by the Policy & Finance Committee in September 2017.

Business Managers and service budget officers had been working with officers from Financial Services to determine a first draft General Fund budget and Medium Term Financial Plan. The budgets had been prepared in line with the strategy agreed by the Policy & Finance Committee on 21 September 2017. A summary of the figures to date for the Policy and Finance Committee were given in Appendix A to the report.

It was noted that the current draft budget showed an increase in 2018/19 primarily due to changes in National Insurance rebates and banding and the 2.5% pay award to employees, however it was now considered unlikely that a 2.5% pay award would be awarded. It was important for the Committee to continue to scrutinise and review its budget on order to achieve additional savings in future years.

AGREED (unanimously) that:

- (a) the Committee undertakes a review of fees and charges accordance with the Corporate Charging Policy;
- (b) the current draft Committee budget be incorporated into the overall service budget; and
- (c) the Business Manager – Financial Services, continues to formulate budget proposals for formal consideration at the Policy & Finance Committee meeting on 25 January 2018 for recommendation to Policy & Finance Committee on 22 February 2018.

Reason for Decision

To ensure that the preliminary figures for the budget are considered by Policy & Finance Committee and final budget proposals for 2018/19 are submitted to the Policy & Finance Committee on 17 January 2018 for recommendation to Policy & Finance Committee on 22 February 2018.

45. COUNCILS OVERALL DRAFT REVENUE BUDGET 2018/19

The Assistant Business Manager – Financial Services presented a report which informed Members of the progress to date on the budget for 2018/19. At their meeting held on 21 September the Policy & Finance Committee considered the preliminary report on the 2018/19 Budget and agreed the overall strategy including the appropriate basis on which the budget should be developed, including salaries, wages, general inflation, debt charges etc.

The individual Committees had met throughout November and had recommended that their current draft budgets should be reported to this meeting of the Policy & Finance Committee for further consideration. It should be noted that at this stage the Committee was considering only the budget and not the implications for Council Tax levels. The level of fees and charges would be considered by individual Committees during January 2018 and these would be reported to Policy & Finance Committee on 22 February 2018.

A summary of the budget figures were set out in Appendix A to the report. Committee expenditure currently showed an overall increase of £833,070. This figure assumed a 2.5% increase in salary and wages costs overall in 2018/19. The Committee expenditure currently also included a number of items which were funded from reserves. These were detailed in the report.

Officers would continue to develop the budget and deliver strategic savings and functional Committees had been requested to look at opportunities for savings in 2018/19, and also any investment potentials which would increase and support revenue income levels, in order to reduce the projected burdens in future years. It was noted that there was considerable work to be undertaken before the budget was completed, however good progress had been made towards a balanced budget for 2018/19.

AGREED (unanimously) that:

- (a) the overall position on the 2018/19 budget be noted; and
- (b) the Business Manager – Financial Services continues to formulate budget proposals for formal consideration at the Policy & Finance Committee Meeting on 22 February 2018.

Reason for Decision

To ensure that the Council's Budget is prepared in accordance with the necessary timescale.

46. CAPITAL PROGRAMME MONITORING TO 30 SEPTEMBER 2017

The Capital Programme Accountant presented a report which monitored the progress of the overall Capital Programme since the last progress report to the Committee on 21 September 2017. Appendices A and B to the report provided details of the capital projects over their whole life to illustrate total budget, expenditure, progress and explanations for any amendments. Variations to the Capital Programme since it was last reported to the Committee on 21 September 2017 were detailed in Appendix C. It was advised that the current revised capital programme for 2017/18 for General Fund and HRA was £33,591,000.

AGREED (unanimously) that the variations listed in Appendix C of the report be approved.

Reason for Decision

To enable the Capital Programme to be amended to reflect changes to resources available and better clarity of the cost and phasing of projects.

47. REVIEW OF PROGRESS ON CORPORATE PEER CHALLENGE ACTION PLAN

The Deputy Chief Executive presented a report which advised of progress on the Corporate Peer Challenge Action Plan. The agreed action plan which detailed the agreed actions, along with a note of progress made and revised target dates for completion of relevant actions, was attached as an appendix to the report.

AGREED (unanimously) that progress on the Corporate Peer Challenge Action Plan be noted.

Reason for Decision

To inform Members of progress against the Corporate Peer Challenge Action Plan.

48. GENERAL FUND PROJECTED OUTTURN REPORT TO 31 MARCH 2018 AS AT 30 SEPTEMBER 2017

The Assistant Business Manager – Financial Services presented a report which compared the General Fund Revised Budget for the period ending 31 March 2018 with the Projected Outturn forecast for the period based on half yearly performance information.

The appendices to the report detailed anticipated performance against budget for the period to 31 March 2018 for all general Fund service provision. The total for service net expenditure showed a projected shortfall of income and small overrun on expenditure totalling £165,190 against the revised budget for the period to 31 March 2018. The main variations from the revised budget were detailed in the report.

AGREED (unanimously) that the current projection of the Council's net expenditure compared to budget at 31 March 2018 be noted.

Reason for Decision

To advise Members of the projected outturn monitored against service budgets for the period ending 31 March 2018, as at 30 September 2017.

49. EXCLUSION OF THE PRESS AND PUBLIC

AGREED (unanimously) that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

50. ELM AVENUE, NEWARK

The Committee considered the exempt report presented by the Deputy Chief Executive in relation to the purchase of land at Elm Avenue, Newark.

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

51. KEEPERS COTTAGE, NEWARK

The Committee considered the exempt report presented by the Deputy Chief Executive in relation to the sale of Keepers Cottage, Newark.

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

52. HOPE HOUSE SCHOOL, NEWARK

The Committee considered the exempt report presented by the Deputy Chief Executive in relation to Hope House School.

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

53. FORMER MUNICIPAL BUILDINGS

The Committee considered the exempt report presented by the Deputy Chief Executive in relation to the former Municipal Buildings.

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

Meeting closed at 7.40pm.

Chairman