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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, 20 February 2020 at 6.00 pm.

PRESENT: Councillor D Lloyd (Chairman)

Councillor B Clarke-Smith, Councillor R Jackson, Councillor T Wendels, Councillor R White, Councillor N Mison (Substitute for Councillor K. Girling) and Councillor N Mitchell (Substitute for Councillor P. Peacock)

APOLOGIES FOR ABSENCE: Councillor K Girling and Councillor P Peacock

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

There were no declarations of interest.

80 DECLARATIONS OF INTENTION TO RECORD THE MEETING

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

81 MINUTES OF THE MEETING HELD ON 23 JANUARY 2020

The minutes from the meeting held on 23 January 2020 were agreed as a correct record and signed by the Chairman.

82 CHAIRMAN'S REPORT

The Chairman presented his first 'Chairman's Report', explaining that the new initiative would be replicated across the Council's operational committees and would give the Chairmen the opportunity to provide an update on progress made since the previous meeting of a Committee and introduce items included on the agenda.

He advised the Committee that since their previous meeting, the Council had completed the successful transfer of the housing management service back in house with no impact on tenants, and positive feedback from staff and that the recommended increase to rents of 2.7% had been approved by Full Council on 11 February 2020. Items to be included on the Forward Plan were also noted, including and update report on the former Robin Hood site, Forest Corner Edwinstowe, and Section 106 balances held by the Council.

The Chairman then introduced the financial reports on this agenda which took forward the financial planning framework of the Committee and sat alongside the Council's Community Plan which had been developed after consultation with residents of the District.

The Chairman also took the opportunity to thank those officers who had worked in

response to the recent flooding events and expressed best wishes to all those residents who had been affected.

83 FORWARD PLAN OF POLICY & FINANCE ITEMS

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

84 PAY POLICY STATEMENT 2020/21

The Director – Governance & Organisational Development presented a report which sought to review the content of the Pay Policy Statement for 2020/21 and subject to any necessary revisions to recommend the Statement to the Council for approval.

In accordance with Section 38 (1) of the Localism Act 2011, Newark and Sherwood District Council were required to produce a Pay Policy Statement for 2012/13 and for each financial year thereafter.

The Pay Policy Statement must set out the authority's policies for the financial year relating to:

- the remuneration of the authority's lowest-paid employees (together with a definition of "lowest-paid employees") and the reasons for adopting that definition;
- the relationship between remuneration of Chief Officers and that of other officers (pay multiples); and
- the remuneration of Chief Officers.

The report detailed the changes that had been made to the 2020/21 Statement which included payment of the living wage supplement, the transfer of housing management services back in-house and deputising Director duties.

AGREED (unanimously) that the content of the Pay Policy Statement for 2020/21 be recommend to the Full Council for approval.

Reason for Decision

To ensure compliance with Section 38 (1) of the Localism Act 2011.

85 FERNWOOD VILLAGE HALL ASSET TRANSFER REQUEST

The Chief Executive presented a report which sought approval to transfer Fernwood Village Hall to Fernwood Parish Council under asset transfer powers, as detailed in the Council's Asset Transfer - Corporate Principles Policy.

It was reported that Fernwood Parish Council was granted a 40 year lease by the District Council in 2008 and had managed the village hall as per the terms of the lease exceptionally well throughout its tenure. In the last 12 months the Parish Council had improved the sustainability of the hall by improving the heating system and introducing photo-voltaic cells to the roof to reduce energy consumption and improve

the buildings green credentials. The hall was an important part of the Fernwood community and served as a focal point and hub facility for a wide range of community-focussed activities. Fernwood Parish Council had now formally approached the District Council to request the transfer of the freehold interest in the building following resolution at its Full Council meeting on 16th September 2019.

AGREED (unanimously) that

(a) Fernwood Village Hall be transferred to Fernwood Parish Council under asset transfer powers as detailed in the Council's Asset Transfer - Corporate Principles Policy; and

(b) the Director – Communities & Environment be given delegated authority to progress the transfer.

Reason for Decision

To ensure that corporate principles are followed to guide the consideration of the transfer of community assets.

86 CASTLE HOUSE CONCESSIONS POLICY

The Business Manager – Financial Services Committee presented a report which set out a proposed Castle House Concessions Policy. The Council had developed a Castle House Concessions Policy, appended to the report, in order to ensure a transparent process of approving concessions for partners within the building.

The Policy sought applicants where they were non-public sector bodies for renewal on an annual basis. Applicants would be assessed against three levels of criteria:

- Did the aims of the organisation and its approach generally fit with the Council's Community Plan?
- Did the organisation have a sufficient financial challenge that it is unlikely that they could pay the full price of a desk licence?
- Did the organisation have a track record of effective delivery of services?

Where all of these criteria were met the S151 Officer would have discretion to award a maximum of 50% concession, with awards at 25% or 10% respectively also based on their assessment of the financial information. The Council's Senior Leadership Team would then determine the final concession award.

AGREED (unanimously) that the Policy, as attached at Appendix A to the report, be recommended to Full Council for approval, and delegated authority to agree concessions for partners at Council House within the scope of the policy be granted to Chief Officers in accordance with the general delegation to Chief Officers under the Councils' Constitution.

Reason for Decision

In order to support our partners and ensure that their co-location at Castle House

does not compromise their sustainability.

87 GENERAL FUND, HRA AND CAPITAL PROJECTED OUTTURN REPORT TO 31 MARCH 2020 AS AT 31 DECEMBER 2019

The Business Manager – Financial Services presented a report which compared the revised budgets for the General Fund Revenue, Housing Revenue Account and Capital Programme, for the period ending 31 March 2020, with the Projected Outturn forecast for the period based on three quarters performance information.

The accounts showed a projected favourable variance against the revised budget of £0.514m on service budgets, with an overall favourable variance of £0.363m. The main variations from the revised budgets were detailed in the report. The report also summarised the position for the Capital Programme up to the end of December 2019 and was split between the General Fund and Housing Revenue Account.

AGREED (unanimously) that:

- (a) the General Fund projected favourable outturn variance of £0.514m be noted;
- (b) the Housing Revenue Account projected favourable outturn variance of £0.052m be noted;
- (c) the variations to the Capital Programme at Appendix B be approved; and
- (d) the Capital Programme projected outturn and financing of £30.953m be noted.

Reason for Decision

To update Members with the forecast position for the 2019/20 financial year.

88 2020/21 PROPOSED GENERAL FUND REVENUE BUDGET

The Business Manager – Financial Services presented a report which enabled Members to consider spending proposals and recommendations to the Council for the budget in 2020/2021. The budget proposals had been formulated in accordance with the framework set out in the Council's Constitution with the initial report having being presented to the Policy Committee on 27 June 2019. The proposed budget sought to allocate resources in order to ensure the delivery of the refreshed Community Plan.

The Local Government Finance Settlement provided key figures for Government Grant that formed part of the Council's budget. The provisional settlement was announced on 20 December 2019 and was confirmed on 6 February 2020 as £3.762m. This was an increase of 1.6% compared to 2019/20.

The report had been prepared by the Resources Directorate in conjunction with the appropriate Committees and relevant budget holders. In accordance with the

Constitution, all Members, Directors and Business Unit Managers had been involved with the preparation of the budget.

AGREED (with 6 votes for and 1 abstention) that:

a) the Committee notes the Community Plan in Appendix B and Employee Plan in Appendix C; and

b) the Committee recommends to the Full Council at its meeting on 9 March 2020 that:

i. the following amounts be now calculated by the council for the 2020/21 financial year, in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011:

1. £48,168,720 being the aggregate of the amounts which the council estimates for items set out in Section 31A(2)(a) to (f) of the Act (the District Council's gross expenditure for 2020/21);

2. £34,664,330 being the aggregate of the amounts which the council estimates for the items set out in Section 31A(3)(a) to (d) of the Act (the District Council's gross income for 2020/21); and

3. £13,504,380 being the amount by which the aggregate at (b)(i) above exceeds the aggregate at (b)(ii) above, calculated by the council, in accordance with Section 31A(4) of the Act, as its Net Budget Requirement for the year;

ii. the figures shown as i.1. and i.3. above to be increased only by the amount of Parish Precepts for 2020/21;

iii. the budget amounts included in the report be the council's budget for 2020/21; and

iv. the fees and charges shown in Appendices E to Y be implemented with effect from 1 April 2020.

Reason for Decision

To enable Policy & Finance Committee to make recommendations to Full Council of the amounts to be calculated in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011 for the purposes of setting Council Tax levels for the year 2020/21.

The Business Manager – Financial Services presented a report concerning the Medium Term Financial Plan (MTFP) for 2020/21-2023/24. A copy of the MTFP was attached as an appendix to the report.

The MTFP provided members and officers with a clear financial framework for delivering the Council's Community Plan objectives over the next four financial years and maintaining the Council's MTFP was an essential pre-requisite to the annual budget setting process for future years. The MTFP demonstrated that the Council was able to set a balanced budget for 2020/21, though would need to raise additional income to pay for service delivery in future years. Members' attention was drawn to the financial projections contained within the appendix to the report.

AGREED (with 6 votes for and 1 abstention) that the Committee recommends the 2020/21 to 2023/24 Medium Term Financial Plan (MTFP) for approval by the Full Council at their meeting to be held on 9 March 2020.

Reason for Decision

To provide a framework to support the Council's future spending plans.

90 CAPITAL PROGRAMME BUDGET 2020/21 TO 2023/24

The Business Manager – Financial Services presented a report which detailed the available capital resources, the Council's existing committed Programme and the priority schemes identified. In accordance with Financial Regulations the Policy & Finance Committee was required to consider the Capital Programme and recommend to Council the final Programme on 9 March 2020.

In respect of the general fund capital expenditure the Council intended to spend £39.727m from 2020/21 to 2023/24 on the schemes as set out in Appendix A to the report. In respect of the Housing Revenue Account expenditure the Council intended to spend £56.471m from 2020/21 to 2023/24. This was made up of £21.398m on existing property investment and £35.073m on Affordable Housing. The HRA property investment and development programme were set out in Appendix B to the report.

AGREED (unanimously) that the General Fund schemes set out at Appendix A to the report and the Housing Services schemes set out at Appendix B to the report are recommended to Full Council on 9 March 2020 as committed expenditure in the Capital Programme for 2020/21 – 2023/24.

Reason for Decision

To enable the Capital Programme to be considered by the Policy & Finance Committee in accordance with Financial Regulation 6.2.3 prior to its submission to Council.

91 32 STODMAN STREET, NEWARK

The Committee considered the report of the Director - Growth & Regeneration regarding the decision to purchase the former Marks & Spencer's unit at 32 Stodman Street, Newark.

AGREED (unanimously) that the urgency decision taken to purchase 32 Stodman Street, as detailed at the Appendix to the report, be noted.

Reason for Decision

To formally capture the decision to purchase of 32 Stodman Street.

92 LEGIONELLA COMPLIANCE WORKS

In accordance with Section 100(B)(4)(b) of the Local Government Act 1972, the Chairman agreed to take this item as a late item of business in order to put in place the funding to ensure the Council could proceed with the required legionella compliance.

The Committee considered the report of the Deputy Chief Executive, Director – Resources and S151 Officer which sought approval for additional budget to undertake capital works to the Council’s estate in response to Health and Safety Executive (HSE) changes regarding legionella compliance.

Following changes to the HSE Approved Code of Practice there was now a requirement for the Council to undertake Legionella Risk Assessments in significantly more detail and to a greater risk mitigation level than was previously the case. The Council’s Asset Management Team had completed an audit of all Council owned sites and had identified a range of additional compliance works required. Some works, including Active4Today sites, had been completed, and others were required to be done as soon as practically possible.

AGREED (unanimously) that:

- (a) an increase to the Council’s Capital Programme for 2019/2020 by £135,060 in order to allow compliance works to be implemented without delay be approved;
- (b) the General Fund Revenue Budget for 2020/21 be increased by £19,000 and include this within the base budget for years thereafter.

Reason for Decision

The works identified were necessary to ensure that the Council remains compliant with the HSE Approved Code of Practice.

Meeting closed at 6.36 pm.

Chairman

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