

## NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Policy & Finance Committee** broadcast from the Civic Suite, Castle House, Great North Road, Newark, Notts NG24 1BY on Thursday, 2 April 2020 at 2.00 pm. Attendance at this meeting and public access to it were by remote means due to the Covid-19 pandemic.

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

Councillor B Clarke-Smith, Councillor R Jackson, Councillor P Peacock,  
Councillor T Wendels and Councillor R White

Prior to consideration of the items on the agenda, Members were advised that the Government had passed legislation enabling regulations to be made for Councils to undertake committee meetings remotely. However, the regulations setting out the detailed provisions and the procedures to be followed were not yet published. Therefore, to ensure that the Council complied with proper decision-making requirements during this interim period, the Chief Officer Urgent Decision Making Powers provided for in the Council's Constitution would be utilised. This Committee would therefore make recommendations to the Council's Chief Executive who would effectively determine each item relying on his delegated powers as set out in the Constitution.

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

Councillor T Wendels and Sanjiv Kohli declared conflicts of interest in respect of Agenda Item Nos. 5 and 13 – Arkwood Developments Limited – Bowbridge Road Development, Newark – as Directors of Arkwood Developments Limited.

Sanjiv Kohli declared an interest in respect of Agenda Item No. 16 – Funding Proposal for the Robin Hood Hotel as the Council's Representative on the Board of RHH Ltd.

### 94 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.

### 95 MINUTES OF THE MEETING HELD ON 20 FEBRUARY 2020

The minutes of the meeting held on 20 February 2020 were approved as a correct record, to be signed by the Chairman.

Prior to consideration of the items on the agenda, Members were advised that the Government had passed legislation enabling regulations to be made for Councils to undertake committee meetings remotely. However, the regulations setting out the detailed provisions and the procedures to be followed were not yet published. Therefore, to ensure that the Council complied with proper decision-making requirements during this interim period, the Chief Officer Urgent Decision Making Powers provided for in the Council's Constitution would be utilised. This Committee would therefore make recommendations to the Council's Chief Executive who would

effectively determine each item relying on his delegated powers as set out in the Constitution.

96 ARKWOOD DEVELOPMENTS - BOWBRIDGE ROAD DEVELOPMENT, NEWARK

The Director – Governance & Organisational Development presented a report which updated Members on the progress of the proposed Bowbridge Road development by Arkwood Developments. The proposal was for a residential development of 87 dwellings for which a revised planning application was to be considered by the Council's Planning Committee on 31 March 2020.

It was reported that the legal work in relation to the land transfer was progressing well and that parties were likely to be in a position to proceed immediately should planning permission be granted. A ground investigation report had indicated limited areas that would require remediation attention, details of which were contained in the exempt report attached to the agenda. It was anticipated that related planning and highways matters would need to be agreed before the land transfer was finalised.

In relation to the loan agreement, it was reported that the Bowbridge Road development was to be financed partly by a loan from the Council. Once established, the funding model could then be used for future developments. Further details were contained in the exempt report. Specialist advice was being sought to ensure the arrangement complied with State Aid rules. Specialist legal advice was also being sought for the structure of the loan model arrangement to ensure that the Council had adequate security for the loan and to consider the most appropriate mechanisms for both interest and capital repayments.

AGREED (by 6 votes for with 1 abstention) that the progress made with the development and associated loan agreement and land transfer be noted.

(Councillor T. Wendels abstained from voting given his conflict of interest).

Reason for Decision

To ensure the Policy & Finance Committee was kept up to date regarding Arkwood's first housing development at Bowbridge Road and to progress the land transfer and associated matters.

97 POSSIBLE PURCHASE OF LAND - BOWBRIDGE ROAD, NEWARK

The Director – Growth & Regeneration presented a report which provided an update on the opportunity to purchase land adjacent to the Newark Hospital on land off Bowbridge Road, Newark. Further details in relation to this matter were contained in the exempt report on the agenda.

It was reported that following a period of negotiation with the sole land agent representing the owners of both parcels of land, the Council presented the 'maximum offer' as permitted by Members at the 28 November 2019 meeting. However, this offer was declined. Subsequently the land agent asked the Council to consider a lease arrangement for the land, with a sub-lease being offered to the NHS Foundation Trust

in return but that option was not advocated. Officers had confirmed that the maximum offer previously presented was the Council's final offer. The land agent then requested that the Council consider buying solely parcel 1, the value for which exceeded the officer valuation. Members were advised that both parcels remained available for significantly higher price than the previously agreed maximum offer.

The report proposed that it be made clear to the land agent that the Council's maximum offer would shortly expire, after which time it would be formally withdrawn.

AGREED (unanimously) to recommend to the Chief Executive that the Director - Growth & Regeneration 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; and

b) confirm to the land agent representing both landowners that the maximum offer will be withdrawn at 5pm on 18 April 2020.

#### Reason for Decision

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

#### 98 YORKE DRIVE REGENERATION

The Director – Governance & Organisational Development presented a report which provided an update on progress within the Yorke Drive Regeneration Project including: procurement of a development partner; resident engagement; and preparation for start on site/next steps. The report sought to secure the necessary approvals to move to the next phase of the project, the selection of a preferred bidder and onsite enabling works.

The Director – Governance & Organisational Development reported on the procurement of a Development Partner. An evaluation and analysis of the tender submissions made across both quality and cost elements and anonymised scoring was set out in the report. Tender A was the recommended preferred developer following the analysis, further details of which were contained in the later exempt report.

Following the approval of a preferred developer and the ten day stand still period, the Council would begin detailed negotiations with the preferred developer. Running in parallel to the contract negotiations the developer would progress with detailed design work and obtaining reserved matters permission through the planning system.

The report provided further information in respect of resident engagement; decant and demolition; funding; and developing for the future. The Director – Governance & Organisational Development also referred to the comprehensive risk register and highlighted two key risks - market conditions and construction costs. In addition, there were the emerging impacts from Covid-19.

AGREED (unanimously) to recommend to the Chief Executive that:

- (a) the selection of developer A as preferred development partner be approved with delegated authority being given to officers to progress negotiations and discussion on the terms of the contract;
- (b) delegated authority be given to the Director - Governance & Organisational Development to enter into contract with the preferred developer, after consultation with the Chairman, Vice Chairman and Opposition Spokesperson of the Committee, where costs remain within the pre-approved cost envelope and there was no material change to the project's risk profile; and
- (c) the option of a lump sum payment for disturbance payment for those residents being decanted from their homes be approved, as set out in paragraphs 4.3.1/4.3.2 and Appendix 1 to the report presented to the Committee.

#### Reason for Decision

To progress the transformational project, focussing on the regeneration of the Yorke Drive estate and Lincoln Road playing fields.

#### 99 FOOTPATH AND ACCESS REALIGNMENT AND LEVELLING AT EPPERSTONE MANOR

The Director – Growth & Regeneration presented a report which updated Members on the progress of securing the transfer of 'recreational' land and a footpath from a developer to the Council (and in turn to Epperstone Parish Council) following a previous breach of a legal planning obligation under S106 of the Town and Country Planning Act 1990. The report also sought approval for additional funds to relocate fencing erected by the developer erroneously on land outside of their control.

The report provided Members with details of the background to the matter which had commenced following the approval of planning permission for the construction of twelve new dwellings in December 2008. The site was subject of a S106 Agreement with obligations which included the construction of a footpath in a location and to a specification agreed by the Council and that such footpath be transferred to the Council.

The Council's intention had always been to transfer the 'recreational land' and footpath to the parish council as soon as the matter was resolved. The parish council reasonably wished to have the land transferred to them when the legal titles were correct and formalised. For both the footpath and maintenance access strip, this included their provision on site in their correct alignment. It was also reported that the land required levelling so that it was fit for purpose in advance of the parish council accepting the transfer, quotes for which, together with associated fencing, had been sought and detailed in the report.

AGREED (unanimously) to recommend to the Chief Executive that:

- (a) the Business Manager - Legal Services ask Epperstone Developments Limited's solicitor to enter into a land swap in respect of the land detailed at paragraph 2.4 of the report [shown with red marker/red hatched area in Figure 2] and that completion be concluded as soon as is practicable;
- (b) delegated authority be given to Director – Growth & Regeneration to commission contractors to install a fence along an appropriate route, having regard to ownership issues as set out in the report presented to the Committee and confirmation from the Business Manager - Legal Services that such issues have been legally resolved to mitigate risk to the Council;
- (c) a budget of up to £12,212 + VAT be set up in 2020/21 to cover the cost of the works to implement (b) above; and
- (d) authorisation be granted to the Business Manager - Legal Services to recover all such reasonable costs from the developer.

#### Reason for Decision

To enable the future transfer of the land and footpath to Epperstone Parish Council and to ensure that the community can continue to use the footpath and recreational land.

#### 100 WARM HOMES FUND BID OUTCOME

The Director – Resources/Deputy Chief Executive/Section 151 Officer presented a report which informed Members of the Council's recent successful bid to the Warm Homes Fund for £97,488 to enable mains gas connections and fully fund the conversion of existing solid fuel/liquid propane gas heating systems and cooking appliances in up to 43 park homes in Ollerton. The report therefore recommended that a budget be set up in the Capital Programme in 2020/2021 to enable delivery.

The report provided information on the Energy Company Obligation, a Government energy efficient scheme which aimed to tackle fuel poverty and reduce carbon emissions. The scheme was delivered through energy suppliers and their agents. Information was also provided about the Warm Homes Fund provided by the National Grid and administered by Affordable Warmth Solutions across England, Scotland and Wales.

AGREED (unanimously) to recommend to the Chief Executive that:

- a) the outcome of the Warm Homes Bid be noted; and
- b) the budget to be set up in the Capital Programme in 2020/21 for £97,488, financed by the grant from the Warm Homes Fund be approved.

### Reason for Decision

To enable the Park Homes project to proceed.

#### 101 ALLOCATION AND APPROVAL OF SAVINGS ACCRUED AS PART OF THE HOUSING MANAGEMENT IMPLEMENTATION PROJECT

The Director – Governance & Organisational Development presented a report which sought approval for delegated authority to be given to the Homes & Communities Committee to approve the allocation of savings which had accrued as part of the Housing Management Implementation Project.

The report set out the background to the decision to bring the housing management service back in-house, which included the dissolution of the Council's housing management company, Newark and Sherwood Homes Ltd. The decision was taken in order to deliver significant efficiencies identified for the Housing Revenue Account (HRA) of £0.950m. It was reported that the savings would directly accrue to the HRA with the Council having made a commitment that they would be reinvested back into housing services for tenants.

A report written for the Homes & Communities Committee was attached as an appendix to the report which provided a detailed framework of how the savings and efficiencies would be utilised to meet tenant priorities and how they would improve the housing service. It was noted that the aforementioned meeting had been cancelled due to the Coronavirus situation but that the Chairman and Vice-Chairman of the Committee supported the proposals and recommendations detailed in the report.

AGREED (unanimously) to recommend to the Chief Executive that delegated authority be given to the Homes & Communities Committee to approve the allocation of savings to the Housing Revenue Account that have accrued as part of the Housing Management Implementation project, in line with the framework approach as set out in Appendix A to the report presented to the Committee.

### Reason for Decision

To give delegated authority to the Homes & Communities Committee to approve the allocation of HRA savings as part of the housing management transfer to the Council.

#### 102 URGENCY ITEM - CASTLE HOUSE CONCESSIONS POLICY

The Committee noted the decision to approve the deferral of the use of the Castle House Concessions Policy, as approved by the Full Council on 9 March 2020, for the period of one financial year.

AGREED (unanimously) that the urgency item be noted.

103 EXCLUSION OF THE PRESS AND PUBLIC

AGREED (unanimously) that, under section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act.

104 ARKWOOD DEVELOPMENTS - BOWBRIDGE ROAD DEVELOPMENT, NEWARK

The Committee considered the exempt report of the Director – Governance & Organisational Development concerning the development of Bowbridge Road, Newark by Arkwood Developments.

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

105 POSSIBLE PURCHASE OF LAND - BOWBRIDGE ROAD, NEWARK

The Committee considered the exempt report of the Director – Growth & Regeneration concerning the opportunity to purchase land adjacent to Newark Hospital, on land off Bowbridge Road.

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

106 ESTATE REGENERATION - YORKE DRIVE ESTATE AND LINCOLN ROAD PLAYING FIELDS

The Committee considered the exempt report of the Director – Governance & Organisational Development concerning the Yorke Drive Estate and Lincoln Road playing field regeneration project.

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

107 FUNDING PROPOSAL FOR THE ROBIN HOOD HOTEL

The Committee considered the exempt report of the Director – Resources/Deputy Chief Executive/Section 151 Officer concerning a funding proposal for the former Robin Hood Hotel.

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

Meeting closed at 3.35 pm.

Chairman