

Date: 2 October 2017

Dear Sir/Madam,

COUNCIL MEETING – 10 OCTOBER 2017

Notice is hereby given that a meeting of the Newark and Sherwood District Council will be held in the Civic Suite, Castle House on Tuesday, 10 October 2017 at 6.00pm.

Yours faithfully



A.W. Muter
Chief Executive

AGENDA

Pages

- | | | |
|----|--|-------|
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| 4. | Declaration of any Intentions to Record the Meeting | |
| 5. | Communications which the Chairman or the Chief Executive may wish to lay before the Council | |
| 6. | Communications which the Leader of the Council and Committee Chairmen may wish to lay before the Council | |
| 7. | Questions from Members of the Public | |
| 8. | In accordance with Rule No. 10 to receive Petitions from Members of the Council (if any) | |

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NOTES:

- (1) The Conservative Group will meet at 5.00pm in Rooms F1 - F3 prior to the Council Meeting.
- (2) The Labour Group will meet at 5.00pm in Room G1 prior to the Council Meeting.
- (3) The Independent Group will meet at 5.00pm prior to the Council Meeting.
- (4) Tea and coffee will be available in the Civic Suite.

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Extraordinary Meeting of **NEWARK & SHERWOOD DISTRICT COUNCIL** held in the Civic Suite, Castle House, Newark on Tuesday, 26 September 2017 at 6.00pm.

PRESENT: Councillor Mrs L.J.M. Tift (Chairman)
Councillor K. Walker (Vice-Chairman)

Councillors: Mrs K. Arnold, R.V. Blaney, Mrs B.M. Brooks, Mrs A.C. Brooks, Mrs I. Brown, M.G. Cope, R.A. Crowe, Mrs R. Crowe, Mrs G.E. Dawn, Mrs M. Dobson, G.P. Handley, Mrs L. Hurst, R.J. Jackson, R.B. Laughton, J. Lee, D.J. Lloyd, Mrs S.M. Michael, N. Mison, N. Mitchell, D.R. Payne, P. Peacock, Mrs P. Rainbow, A.C. Roberts, Mrs S.E. Saddington, Mrs S. Soar, D.B. Staples, F. Taylor, Mrs A.A. Truswell, I. Walker, K. Walker, B. Wells and Mrs Y. Woodhead.

APOLOGIES FOR ABSENCE: Councillors: M. Buttery, D. Clarke, P.C. Duncan, K. Girling and D. Thompson.

28. MINUTES

Minute No. 27 – Minutes for Noting
Licensing Committee – 15 June 2017 (Minute No. 7)

Minutes to be amended to clarify that Councillor Mrs R. Crowe, Chairman of the Licensing Committee presented the Minutes and that Councillor D.R. Payne referred to the specific findings of the House of Lords Select Committee.

AGREED that, subject to the above amendment, the minutes of the Meeting held on 11 July 2017 be approved as a correct record and signed by the Chairman.

29. DECLARATIONS OF INTERESTS BY MEMBERS AND OFFICERS

NOTED:- that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

30. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

Other than the Council recording in accordance with usual practice, there were no declarations of intention to record the meeting.

31. COMMUNICATIONS FROM THE CHAIRMAN AND CHIEF EXECUTIVE

In addressing the Council, the Chairman reflected on events which had taken place during the summer period. She referred to the success of the Tour of Britain, her visit to the Sconce & Devon Park and the Council's move to their new headquarters. She thanked everyone for their hard work in making the move to Castle House a success, with specific mention for the Moving Ahead Team.

The Chief Executive concurred with the comments of the Chairman in relation to the Moving Ahead Team and also advised Members that should they wish to make any suggestions as to what they considered would further enhance the working environment that they contact him.

32. COMMUNICATIONS FROM THE LEADER OF THE COUNCIL AND COMMITTEE CHAIRMEN

The Leader of the Council made reference to the Moving Ahead Team, thanking them for their efforts. He also reiterated the Chief Executive's comments in asking Members to forward comments and suggestions as to how the working environment could be further enhanced.

33. AMENDED CORE STRATEGY – DEVELOPMENT PLAN DOCUMENT - SUBMISSION

The Council considered the report of the Deputy Chief Executive which provided Members with an overview of the representations received following the publication of the Amended Core Strategy Development Plan Document (DPD). The report set before Members modifications which sought to address the issues raised by the representations. The report also sought approval to submit to the Secretary of State, for examination, the Amended Core Strategy DPD as amended by the proposed modifications; approval to accept the Planning Inspectors recommendations as binding; and sought approval for delegated authority to make any further minor amendments and to comment on the Government's consultation "Planning for the Right Houses in the Right Places".

The report provided, at Appendix A, a summary of the main points raised during the representation period with Appendix B setting out proposed modifications to the plan. Four main issues were referred to in the report with the action to be taken and an indication of the district council's response.

Councillor R.V. Blaney referred to the difficulties encountered with identifying suitable gypsy and traveller sites within the district and the decision taken by Council to decouple the allocation work from the Core Strategy. He also referred to the appointment of a Critical Friend to review the decision who, on reviewing the circumstances, had concluded that it had been entirely reasonable and that if the Council could provide evidence as to the steps it had taken to rectify the issues it should be able to satisfy the Planning Inspectorate.

Members of the Council were supportive of the proposals and thanked Members of the Local Development Framework Task Group and Officers for their continued efforts in developing the Core Strategy.

AGREED (unanimously) that:

- (a) the content of the report be noted;
- (b) (i) the DPD as amended by the proposals contained within Appendix B and the further amended as noted above be submitted to the Secretary of State for examination;

- (ii) when asked the District Council agree to accept a binding report from the Inspector; and
 - (iii) the Deputy Chief Executive be given delegated authority to make amendments to the DPD following consultation with the Leader of the Council and Chairman of Economic Development Committee and Vice Chairman of Local Development Framework Task Group; and
- (c) the Deputy Chief Executive be given delegated authority following consultation with the Local Development Framework Task Group to prepare a response to the Governments consultation on “Planning for the right houses in the right places.”

Meeting closed at 6.35pm.

Chairman

COMMERCIAL STRATEGY

1.0 Purpose of Report

- 1.1 To seek approval of the Commercial Strategy and the establishment of a budget of £20,000 for external mentoring support to the Commercial Projects Developments Team.

2.0 Background Information

- 2.1 This Commercial Strategy follows up on the key messages in the Council's Medium Term Financial Plan (MTFP), which was approved by Council on 29 June 2017.
- 2.2 The MTFP states that whilst the Council managed to balance the budget for 2017/18, because of prudent decisions made in the past, future funding of its services will depend on its ability to raise additional income; otherwise it will need to make up funding gaps by increasing Council Tax or/and depleting its general fund reserves.
- 2.3 The MTFP highlights that the Council, since 2010, has made efficiency savings of 33% of its service budgets. Further savings will inevitably have an impact on the delivery of its services. The alternative to savings is to increase income; however there are statutory, ethical and political restrictions on the amount that additional income can be raised through increases in fees and charges. Similarly, there are constraints on the ability to raise revenue through council tax increases. There is, therefore, a need to earn "new" income streams, as well as continually striving to make efficiency savings, in order to bridge the future gap in funding.
- 2.4 The Council is in a good position to utilise reserves and the potential to borrow, to fund capital investment projects that will generate "new" income streams to the Council; this includes direct investments in government bonds, corporate bonds, property funds and the establishment of a wholly owned development company.
- 2.5 The MTFP also sets out forecasts of other funding available to the Council such as New Homes Bonus and growth in business rates, which could be invested in projects to improve the Council's future sustainability.
- 2.6 This Commercial Plan sets out how the Council can address and meet the funding challenges identified in the MTFP.
- 2.7 The Policy & Finance Committee considered the Commercial Strategy at their meeting held on 21 September and recommended its adoption by the Council.

3.0 Proposals

3.1 What is meant by Commercialism?

Commercialisation for Newark & Sherwood will involve the following:

- Continuous improvement in procurement
- Pricing analysis
- Selling services
- Shared services
- Fitness of traded services
- Contract management
- Investments
- Development Company

3.2 This Strategy advocates that the commercialisation approach is open to all services (or elements of services). This approach enables us to ensure organisational learning is built up, processes are refined and projects can be resourced without the need for extensive external support.

3.3 **Principles**

The principles of commercialisation will include:

- Open to all options for service delivery
- Willingness to take considered risks – acceptance that some ideas may fail
- Honesty about current performance – not all current traded services will be market ready
- Preparedness to invest now for a return in the future
- A requirement for concessions to be carefully considered.

3.4 **Key Aims & Objectives:**

The overarching aim of this strategy is to deliver positive financial returns to the Council's General Fund.

It will be important to develop clearer commissioning intentions and medium term delivery strategies across all major service areas, e.g. by making decisions around collaborative working, shared services, seeking more innovative approaches to delivery, challenging existing approaches and having a clear vision of what the Authority will look like in 2020.

The key objectives will be:

- Deliver a financial contribution in order to re-invest in current services where at present we cannot recover adequate, or any, income;
- Invest in new projects that will save costs, increase revenue, or both;
- Help enable non-statutory services to at least cover all their costs including overheads (and potential opportunity cost) in order to reduce risk of closure and be profit generating where possible.
- Actively engage in market development and market shaping where no such market currently exists and using insight to manage specification and demand;
- Apply our financial strength to invest in order to deliver on going positive returns;
- Ensure that outcomes in the local community are delivered on a sustainable basis;
- Strengthen our reputation with residents, local businesses, the Local Government sector, staff, other customers, partners, and stakeholders in general;

- Become a services provider to new and existing customers both from within the local authority environment and beyond, particularly where we are uniquely placed to do so;
- Develop and cultivate our commercial/transformational knowledge.

3.5 **How will the Strategy be delivered?**

Newark & Sherwood will follow a three tier approach to the delivery of this strategy:

Tier 1: Business Units commercialisation

Tier 2: Shared Services (with public and/or private sector)

Tier 3: Corporate Investment and Trading

This strategy will be supported by a communications (internal and external) and training programme delivered as part of the roll-out project.

The development and roll out of the three tiers of Commercialisation will be conducted as formal projects.

In support of the development of the commercial business plan framework and subsequent implementation and delivery, a new internal team will be formed: the Commercial Projects Development Team (CPDM) and the Corporate Management Team (CMT) will assume some new, specific responsibilities.

The CPDM will require upskilling and development and therefore a budget of £20,000 is requested to fund any external advice, training and mentoring.

4.0 **Equalities Implications**

4.1 There are no equalities implications of approving this Commercial Strategy. Equality implications will be considered and assessed on delivering the objectives set out in this Strategy.

4.0 **Impact on Budget/Policy Framework**

5.1 There is no established budget for the implementation of the Commercialisation Plan and therefore a budget of £20,000 is requested to fund any mentoring/development support to the CPDT. This amount can be allocated from the Change Management reserve and therefore there are no implications to the base budget.

5.2 There are no financial implications of adopting the Commercial Strategy. The implementation of the measures and actions contained in the strategy will have cost, savings and income implications which will reported on a case by case basis.

6.0 **RECOMMENDATIONS that:**

(a) the Commercial Strategy be approved; and

(b) the establishment of a Commercial Support budget of £20,000, to be funded from the Change Management Reserve, be approved.

Background Papers

Corporate Plan

Medium Term Financial Plan (MTFP), approved by Council 29 June 2017

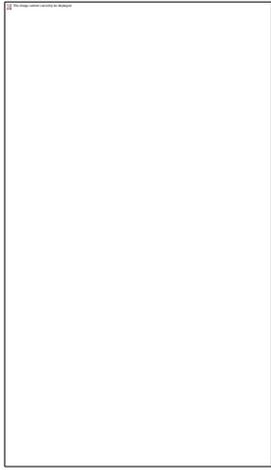
Commercial Plan, 10 October 2017

For further information please contact Sanjiv Kohli on 01636 655303.

Sanjiv Kohli

Director of Resources/Deputy Chief Executive

Section 151 Officer



Newark & Sherwood District Council

Commercial Plan

2017/18 to 2020/21

Newark and Sherwood Commercial Strategy 2017/18 to 2020/21

1.0 Introduction and Main Drivers

The changes to Local Government Finance over the past 5 to 7 years have been unprecedented with successive reductions in funding as government seeks to address the high levels of government debt. The Council has so far responded positively to these reductions in funding by being forward thinking in identifying strategic areas where savings have been achieved without impacting on the quality and extent of service delivery. This has been achieved, for example, through devolution of services to Town and Parish Councils, the setting up of the partnership with the Council's wholly owned company, Active4Today to manage the Council's leisure facilities and through collaboration and joint working with other Nottinghamshire Authorities. The development of the visitor hub with the Palace Theatre, National Civil War Centre-Newark Museum and the Newark Tourist Information Centre has delivered savings and the move to Castle House which will be the new Council Headquarters to be shared with other public sector partners to, not only deliver financial savings for all partners, but also, improve accessibility and provision of seamless services to the people of Newark and Sherwood. In addition, these initiatives have improved services to local residents and have enhanced the economy of Newark.

Since 2010, the Council has made efficiency savings in total of £5.67m in response to central government funding reductions. These savings have only been achieved through the close work of elected members, senior management and most importantly the staff who work for the Council. However, the funding pressures will continue to at least 2020 as central government moves towards greater devolution of funding, as well as greater devolution of services to local government. The Council is, however, now in a position where further cost savings will start to have a detrimental impact on the quality and types of services delivered to the residents of Newark and Sherwood and therefore the Council will need to be even more innovative about the way it delivers services and how those services are funded.

This Commercialisation Plan aims to build upon the good work done so far and is continuing to be done by elected members, corporate management team, business unit managers, front line staff and support staff. The Strategy will now seek to include all aspects of service reviews and redesign, the commissioning cycle, pricing, shared services, multi-borough joined-up services, and new opportunities for revenue generation; including direct property investment and operating a wholly owned development company.

The main driver, therefore, for greater commercialism is financial necessity (due to successive central government funding reductions) and the opportunity that exists at present of using existing reserves and available prudential borrowing powers to generate new income.

1.1 Central government funding

Central Government Funding for Newark and Sherwood has reduced from £8.5m in 2013/14 to £5.9m in 2016/17. This represents a reduction in core funding of 30.5% over this 3 year period. In response to this reduction in funding, the Council has reduced its net service expenditure over this same period from £12m to £10.8m and is budgeted to reduce this requirement further by £1m in 2017/18 to £9.8m.

Newark and Sherwood Commercial Strategy 2017/18 to 2020/21

Further reductions in government funding are, however, anticipated to 2020, when Revenue Support Grant (RSG) may be replaced by 100% business rates retention. It is very unlikely that this anticipated change will mean retention of 100% business rates billed and collected in Newark and Sherwood as there will certainly be a national system of equalisation to accompany the new funding regime. Furthermore, government have already stated that new responsibilities will be passed on to Local Government resulting in additional funding pressures. The deficits in funding, that Local Government has, by now, become accustomed to, will therefore continue.

- 1.2 The **Council's income from fees and charges** has been maintained over the period of the reductions in central government funding at around £4.5m and at present is forecast to be maintained at this level, as follows:

	2015/16 (actual) £	2016/17 (budget) £	2017/18 (budget) £	2018/19 (est) £	2019/20 (est) £
Discretionary Charges	4,522,380	4,326,290	4,530,110	4,656,970	4,669,870

Notes: New from 2017/18: Castle House income from partners £121,130, full year 2018/19 £242,260

The total income needs to be increased significantly if the Council is to bridge the gap in funding in order to continue to deliver its current services and if it wants to meet the expectations and ambitions of the people of Newark and Sherwood.

- 1.3 The Council is limited as to how much additional funding it can (or is willing to) generate **through Council Tax increases**. The government has, in the past, applied a cap to Council Tax increases and this Council has chosen to increase average Band D Council Tax by 1.94% for the last two years. A 1% increase in Council Tax, at average Band D, equates to around £63,000. Therefore, although future increase will make a contribution to the budgetary pressures, this alone will not be significant enough to bridge the gap in future funding.
- 1.4 The Council, through past financial planning, has built up **cash reserves and balances** that are now available to invest in programmes that will deliver further efficiency savings and earn new income to fund future services.
- 1.5 The Council has no General Fund borrowing and therefore has the ability to **prudentially borrow** in order to invest in projects that will return a positive net income to the Council, which is sustainable over the term of the project.

2.0 Commercialisation Vision:

“Our vision is to be 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”

Newark and Sherwood

Commercial Strategy

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There will increasingly be a culture of business units actively looking for additional opportunities for increasing net revenue, without losing focus upon their existing customer base and the quality of service delivery.

Staff will be involved in actively seeking out potential for reviewing services, and will have a reputation for being aware, willing, and able.

We will have an understanding of our abilities, knowing what we can deliver and what we cannot, supported with a clear understanding of where it is desirable to be able to increase our capabilities and where we do not wish to. We will have an understanding of our portfolio of external service offerings, and understand not only which ones offer a greater return than others, but also what our approach needs to be in order to deliver efficient services.

3.0 Meaning and Principles of Commercialisation:

Commercialisation for Newark and Sherwood involve the following:

- Continuous improvement in procurement
- Pricing analysis
- Selling services
- Shared services
- Fitness of traded services
- Contract management
- Investments

This strategy advocates that the commercialisation approach is open to all services (or elements of services). This approach enables us to ensure organisational learning is built up, processes are refined, and projects can be resourced without the need for extensive external support.

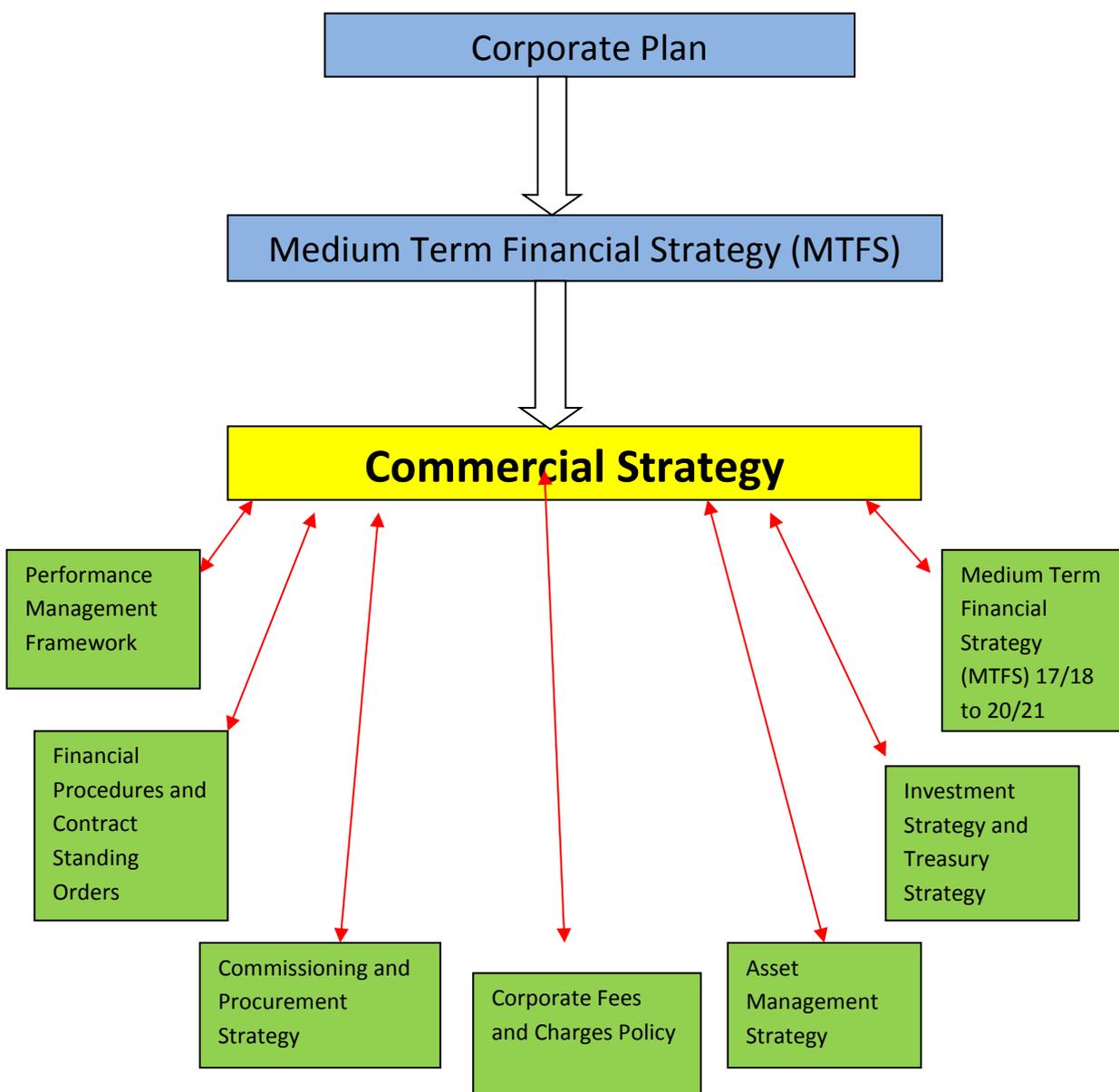
The principles of commercialisation include:

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Newark and Sherwood Commercial Strategy 2017/18 to 2020/21

4.0 Links to Other Council Strategies:

The hierarchy and interdependence of The Commercialisation Strategy within and to other Newark and Sherwood strategies and policies is shown below:



5.0 Key Aims & Objectives:

The overarching aim of this strategy is to deliver positive financial returns to the Council's General Fund.

Newark and Sherwood

Commercial Strategy

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It will be important to develop clearer commissioning intentions and medium term delivery strategies across all major service areas, e.g. by making decisions around collaborative working, shared services, seeking more innovative approaches to delivery, challenging existing approaches and having a clear vision of what the Authority will look like in 2020.

The key objectives will be:

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- Develop and cultivate our commercial/transformational knowledge.

6.0 How will the Strategy be Delivered?

Newark and Sherwood will follow a **three tier** approach to the delivery of this strategy:

Tier 1: Business Units commercialisation;

Tier 2: Shared Services (with public or/and private sector)

Tier 3: Corporate Investment and Trading.

This strategy will be supported by a communications (internal and external) and training programme delivered as part of the roll-out project.

The development and roll out of the three tiers of Commercialisation will be conducted as formal projects.

Newark and Sherwood

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In support of the development of the commercial business plan framework and subsequent implementation and delivery, a new internal team will be formed: the **Commercial Projects Development Team (CPDM)** and the Corporate Management Team (CMT) will assume some new, specific responsibilities.

6.1 Tier 1: Business Units Commercialisation.

Newark and Sherwood, is restricted by statute in that there are some services it has to provide. The Council cannot choose to enter or exit certain markets (and the levels of fees it may charge for these statutory services are set or/and restricted by central government). There are, however, a number of services which are discretionary and the Council can decide whether or not to provide these services or to add new services. The Council can also decide how much to charge for these services depending on social, economic and political considerations.

This mix of statutory and non- statutory services means that the Council will be constrained as to how commercial it can be in practice. It is therefore important that business plans are developed for each business unit which incorporate the following:

- **Commissioning** – Business Units will conduct a commissioning exercise to confirm exactly what outcomes are required from their Service(s). This exercise will first identify those outcomes that add no value to the target recipient and therefore should be stopped. The next stage will be to assess whether it is more cost effective to continue to provide the service directly or to externalise the service to the third sector or private sector. **The objective of commissioning is to ensure that the Council is allocating resources to outcomes that support its Corporate Plan, and not wasting resources delivering unnecessary or unwanted outcomes.**
- **Business Improvement.** - This will be followed up by process mapping and action costing (and a review of whether services are being delivered in a cost effective manner); allowing the creation of accurate baseline business plans, from which it will be possible to measure the impacts of Commercialisation and also to challenge for value services that are being bought internally. Corporate Business Improvement methodologies will be applied in collaboration with the Service in order to achieve the desired level of service at the best price. **The objective of Business Improvement is to reduce the overall cost of Newark and Sherwood's service delivery.**
- **Charging** – Newark and Sherwood already undertakes charging, and the revenue received represents a substantial level of income. The Finance Business Unit already factors charging revenue into net service costs to give a net service spend. The revenue received through charging will be shown in the Business Unit's commercial business plans, in detail. When measured against the costs identified from Business Improvement, it will be possible to more accurately show profitability (or otherwise); work out the true costs of delivery (including accurate overheads and required reinvestment as allowed by the Local Government Act 2003), and ensuring fees reflect this

Newark and Sherwood Commercial Strategy 2017/18 to 2020/21

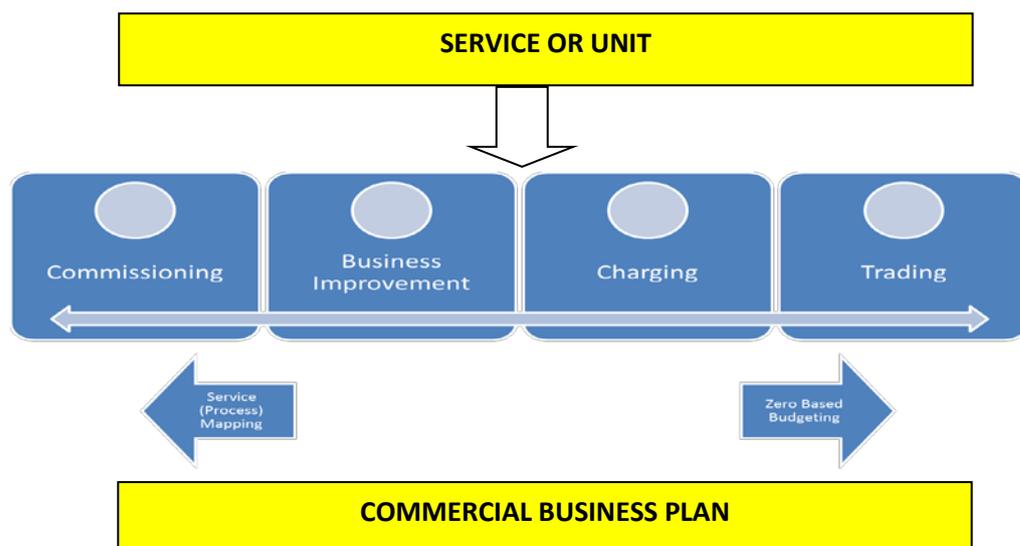
(within the constraints made by the Corporate Fee and Charging Policy); to analyse the impact of fee variations on demand and thereby ensure fees are set at the maximum possible level. As the 'profit' rules under the Act allow Newark and Sherwood to take one financial year with another, Charging also represents opportunities to test ideas identified under 'Trading' of this paragraph before moving to trading proper; and then eventually to an external trading company. **The objective is to ensure that the maximum revenues possible; allowed by the Corporate Fees and Charges Policy, and at levels that are socially and politically acceptable are being charged and received.**

- **Trading** – Not every Business Unit will have the opportunity to trade, but a review will be conducted by the business unit to assist with modelling these opportunities for inclusion in the commercial business plan; and bidding for resources, if required, to implement the trading activity. **The objective of trading will be to introduce the net profit into the Service revenues.**

The framework of commercial business plans will be developed and rolled out across units and services within Newark and Sherwood by means of a formal project. The commercial business plans will show how a Unit or Service intends to achieve their annual targets.

A percentage (to be set by the Director of Resources in consultation with the Chief Executive and CMT) of positive contribution to the general fund will be available for reinvestment back into the Service which generated it; it effectively becoming a part of the Commercial Investment Fund. Services will bid for this reinvestment via CMT.

COMMERCIALISATION



Newark and Sherwood Commercial Strategy 2017/18 to 2020/21

6.2 Tier 2: Shared Services

The Council has previously invested significant time and resources in exploring the potential for shared services with other Councils within Nottinghamshire and has had a little success. Business Units will continue to look for opportunities to share services with neighbouring councils and where appropriate the private sector.

The Commercial Projects Development Team will develop and agree a criteria framework for exploring shared service(s) opportunities.

6.3 Tier 3: Corporate Investment and Trading.

6.3.1 Treasury Investments. Newark and Sherwood will maintain a level of core investments in accordance with its approved Treasury and Investment Policy. The Council will however develop and agree a wider **Investment Plan** that will sit between this Commercialisation Strategy and the Treasury Strategy.

- **6.3.2 Corporate Property Investment** – Newark and Sherwood will start to develop a property portfolio either directly or through a wholly owned company, from which three main benefits will be derived:
 - Net revenue.
 - Appreciating assets through market movement or development.
 - A positive impact to housing within the District.

The rules about borrowing against the Council's owned assets make developing a portfolio of investment property extremely difficult to do **'in-house'**. There is also a risk to Newark and Sherwood's housing investments presented by Right to Buy. Newark and Sherwood will, therefore, explore creating a company limited by share to develop its portfolio. This is an increasingly common vehicle local authorities are using to hold property. The advantages of establishing a wholly owned development company are as follows:

- The need to increase the supply of homes in Newark and Sherwood in order to meet wider housing demand
- The need to meet the challenging local housing targets set by central government.
- Increase investment in regeneration in the District.
- Have a positive impact on the local economy by increasing the number of people who live in the District.
- Make the very best use of land assets in the ownership of the Council.
- Safeguard the character of the District by controlling the housing mix and design standards to be complimentary to existing dwellings.

Newark and Sherwood

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- Enable the Council to retain full control of the development and construction process, including the marketing
- Generate long term revenue for the Council. As stated throughout this strategy, it is imperative that new revenue streams are being delivered by 2020/21 when there will minimum (if any) support from Central Government.
- To have the flexibility to develop commercial property for sale or lease.

The Council has identified land suitable for residential development and is, at the time of writing this strategy, working on developing a business case with the assistance of external legal advisers to support, or not support, the setting up of a development company. It is anticipated that the business case will be presented to Council for approval by November 2017

- **6.3.3 Corporate Trading** – Where trading a service has reached a level where it is profitable and where it would be possible to bid for clients other than Newark and Sherwood, then consideration will be given to the formation of an external trading company. The Teckal rules allow Newark and Sherwood to award a company which it owns contracts without recourse to tender, under certain conditions, and this will put any new company on a sound footing to bid for further work. If it is successful, however, in bidding for external work, then it may have to re-bid for the Council's contracts as Teckal may no longer apply. Legal advice will be sought on a case by case basis.

Newark and Sherwood, in the course of delivering its core activities, facilitates the flow of large amounts of public money to the private sector, or creates commercial opportunity. Examples might include the funding of emergency housing; or the awarding of enforcement to third parties. These are situations where corporate trading can flourish and bring this money back to the public purse.

7.0 Organisational Changes.

In support of the development of the commercial business plan framework a new internal team will be formed: the Commercial Projects Development Team (CPDT). The team will be supported by new specific responsibilities assumed by the Corporate Management Team.

7.1 Corporate Management Team (CMT)

Although CMT is clearly not a new group, it will have new special responsibilities to execute as part of this strategy, as follows:

- To receive recommendations for projects and proposed Service commercial business plans for final review before submission to Policy and Finance Committee, or council.
- To 'hold' the Commercial Investment Fund outlined at para 6.1 and weigh the cost/benefit (opportunity cost) of a proposal and make recommendations to Policy and Finance Committee/Council accordingly.

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- To act as the final arbiter where potential internal conflicts of commercial interest are raised by CPDT or the Business Unit.

There may be a need to provide development support in upskilling members of CMT.

7.2 Commercial Projects Development Team (CPDT).

The CPDT will be a permanent but ad-hoc group providing support to Business Unit Managers, when required. It will be chaired by the Director of Resources and supported by the Council's Business Development Manager, Senior Accountant, Procurement Manager and the Administrations Manager. Other officers will attend meetings on an ad-hoc basis, depending upon the project, and will be drawn from the following departments: Legal; Property; ICT; Communications; Policy and Customer Services.

It will be necessary for the core members of CPDT to be provided with upskilling development in commercialism. It may also be necessary to engage external expertise in support of CPDT's functions, where skills or knowledge gaps are identified, or where there may be a conflict of interest.

Functions of the CPDT will be as follows:

- To provide advice to Business Unit Managers on the development of commercial opportunities.
- To assist with Commercial Business Plan writing, and financial modelling.
- To provide analysis of the impact of projects or plans to the General Fund.
- To provide recommendations and advice to CMT and Policy and Finance Committee on the approval of commercial business plans.
- To hold the corporate commercial projects register.
- To identify commercial conflicts of interest, or to highlight them to CMT for direction.
- To hold the approved framework of approved Commercial Business Plans across Newark and Sherwood District Council.
- To measure and monitor performance against the Commercial Business Plans.
- To look for trading projects that prioritise capture of commercial opportunities afforded by our existing statutory and non-statutory services, so that synergy exists between our commercial and other desired outcomes.

8.0 Measuring Success.

The only proper measure of success is the net effect of commercialisation to the General Fund, expressed in monetary terms.

Newark and Sherwood

Commercial Strategy

2017/18 to 2020/21

In order to plan for, and measure success, it is going to be essential to 'benchmark' each service as Commercialisation is introduced to it. In practice, this means identifying its net financial impact to the Corporate Budgets (its net Service Spend) at a given point; which, it is envisioned will be the current total budget. The Director of Resources will set and confirm these start points.

This gives the basis for handing a Service or Unit a target to alter that financial impact. This has happened historically, but the Service will no longer be targeted to reduce its financial impact through reduced budgets, alone. Now the Service will be allowed to undertake wide reaching commercial activity in order to generate net profit, which can be counted towards its target. Business Unit Managers will have discretion to plan activity: cost-cutting or generating net profit to achieve those targets, using the measures highlighted in this Strategy.

Business Unit Managers can now plan for those actions with the assistance of the Commercial Development Unit and produce a Commercial Business Plan for approval by their Director and the Commercial Projects Development Team..

9.0 Organisation wide activity:

In view of the potential opportunities, it is intended to move at pace with the implementation of this strategy. The following activities can be progressed first:

9.1 Pricing review

This activity will review our current subsidy position across all non-statutory services that we charge for to ascertain whether it warrants amendments to our pricing if full cost recovery is the agreed goal.

9.2 Trading vehicle

The Council is at an advanced stage of investigating the possibility and ramifications of establishing a wholly owned development company to support the delivery of new revenue streams. A business case and a recommended governance structure will be brought to Policy and Finance Committee in November

9.3 Culture and capability review

A review of the Council's workforce to determine whether a new governance approach and mind-set shift is required to achieve the maximum benefits from a Council-wide commercialisation programme. Training, objective setting, revision of job descriptions, and resources are some of the measures being considered within this activity.

9.4 Action Plan

A detailed action plan, with timelines, will be developed to support this strategy; setting out the short (one year) and medium term (one to three years) service reviews and activities.

INVESTMENT PLAN

1.0 Purpose of Report

1.1 To seek approval of the Council's Investment Plan.

2.0 Background Information

2.1 Newark and Sherwood's Medium Term Financial Plan (MTFP), 2017/18 to 2020/21, identifies the need to take steps to ensure that the Council maintains its financial resilience and protects its long term financial position, by exploring and developing alternative sources of funding that reduce its reliance on government grants and council tax increases in the future.

2.2 The MTFP stresses the importance of innovation in the delivery of services in the interests of Newark and Sherwood's residents and businesses and the need to develop the Council's approach to revenue generation through reviewing fees for services, trading and investment.

2.3 In addition, as part of its transformation programme, as set out in the Council's Commercial Strategy, the Council needs to increase its future local tax base income (Council tax and NNDR) by investing capital resources within Newark and Sherwood to stimulate growth.

3.0 Proposals

3.1 The proposal is for Council to adopt the Investment Plan, the main objectives of which are:

- to support the Council's MTFP and Commercialisation Plan;
- develop a balanced portfolio of investments that support the Council's stated intentions of enhancing financial resilience in the longer term;
- the establishment of appropriate governance arrangements, including the creation of an **Investment Advisory Board (IAB)** to provide advice to the Policy and Finance Committee, on the implementation of the Investment Plan.
- The proposal to establish, subject to a full business case, a wholly owned Property Development Company.

In addition, these arrangements will also allow for investment in schemes that will support economic growth in Newark and Sherwood provided that these schemes are consistent with the Investment Plan outlined in this report.

4.0 Equalities Implications

4.1 There are no equalities implications in adopting the Investment Plan. Equality implications will be considered on a case by case basis on the delivery of the objectives set out in the Plan.

5.0 Impact on Budget/Policy Framework

5.1 There is no impact on the adoption of the Investment Plan. In order to meet the objectives of income generation, there will be necessary cash outlay in order to generate “new” income. Each investment will need to be assessed in accordance with the criteria set out in the Investment Plan, which will include a thorough assessment of associated risk.

6.0 Comments of Director - Resources

6.1 The adoption of this Plan will provide a framework that supports the Council’s MTFP, Commercialisation Strategy in order to ensure the future resilience of Council services without significant reliance on central government funding.

7.0 Policy & Finance Committee

7.1 The Policy & Finance Committee considered the Investment Plan at their meeting held on 21 September 2017 and recommended adoption by the Full Council.

8.0 RECOMMENDATIONS that:

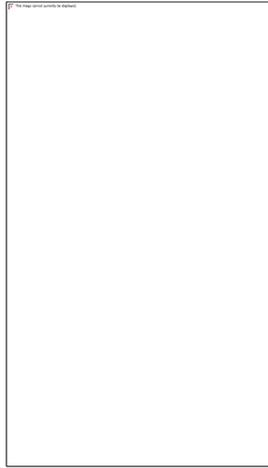
- (a) the Investment Plan be approved; and**
- (b) the establishment of the Investment Advisory Board be approved.**

Background Papers

Corporate Plan
Medium Term Financial Strategy (MTFP)
Commercial Plan
Investment Plan

For further information please contact Sanjiv Kohli on 01636 655303

Sanjiv Kohli
Director – Resources/Deputy Chief Executive
Section 151 Officer



Newark & Sherwood District Council

Investment Plan

2017 to 2021

Newark and Sherwood – Draft Investment Plan 2017 - 2020

1.0 Introduction

- 1.1 Newark and Sherwood's Medium Term Financial Plan (MTFP), 2017/18 to 2020/21 identifies the need to take steps to ensure that the Council maintains its financial resilience and protects its long term financial position by exploring and developing alternative sources of funding that reduce its reliance on government grants and council tax increases in the future.
- 1.2 The MTFP stresses the importance of innovation in the delivery of services in the interests of Newark and Sherwood's residents and businesses and the need to develop the Council's approach to revenue generation through reviewing fees for services, trading and investment.
- 1.3 In addition, as part of its efficiency plan and transformation programme, as set out in the Council's Commercial Strategy, the Council needs to increase its future local tax base income (Council tax and NNDR) by investing capital resources within Newark and Sherwood to stimulate growth. Capital resources could be a combination of asset purchase, co investment in projects or capital loan(s).
- 1.4 Following further work to examine the scope for such initiatives, this paper sets out:
 - The Investment Plan to enhance income to the council in the longer term.
 - the proposed governance framework, including establishment of an **Investment Advisory Board (IAB)** to advise the Council's Policy and Finance Committee on implementation of the investment Plan.
 - The proposal to establish, subject to a full business case, a wholly owned Property Development Company

This Investment Plan supports the Council's MTFP and Commercialisation Plan.

2.0 Current Approach to Investments.

- 2.1 Both the CIPFA Code and the CLG Guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Authority will aim to achieve a total return that is at least equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.
- 2.2 The Council's current 2017/18 Treasury Strategy identifies the following investment types:

Newark and Sherwood – Draft Investment Plan 2017 - 2020

Banks Unsecured: Deposit accounts, certificates of deposit and senior unsecured bonds with banks and building societies. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. Unsecured investment with banks rated BBB+ is restricted to overnight deposits.

Banks Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 20 years.

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.

Registered Providers: Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services they retain the likelihood of receiving government support if needed.

Pooled Funds: Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Property Funds: The Council may consider investing in Property Funds. Discussions with the Council's treasury advisers Arlingclose have identified the potential to invest in managed property funds, whereby a third party pools investments from local authorities to purchase commercial properties and earn lease income from them. The third party manages the property portfolio removing the need for local authorities to have the relevant expertise, and the return on investment is usually higher than for equivalent investments with financial institutions. These funds should only be used for longer term investments to achieve a reasonable return; therefore the decision to invest in them will be made in conjunction with consideration of the use of internal reserves to fund the capital programme.

Newark and Sherwood – Draft Investment Plan 2017 - 2020

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These would allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council’s investment objectives would be monitored regularly.

2.3 The Council has historically adopted) a very cautious approach to investments and has not sought to develop a balanced portfolio of investments. The investments have almost exclusively been with secured and unsecured banks with little or no investments with institutions and funds listed in the Council’s Treasury Strategy, as listed in 2.2 above. A typical profile of investments is reflected in the Council’s investments as at 31 March, 2017, as follows:

<u>Investment</u>	<u>Interest Rate</u>	<u>Type</u>	<u>Date Invested</u>	<u>Balance at 31 March 2017</u>
NatWest SIBA Account	0.25%	Call	N/A	0
Santander	0.40%	Call	N/A	0
Santander	1.15%	180 day Notice	15/01/16	5,000,000
Handelsbanken	0.10%	Call	N/A	5,000
Goldman Sachs Treasury Money Market Fund	0.20%	Call	N/A	6,134,000
Deutsche Bank Sterling Money Market Fund	0.17%	Call	N/A	3,345,000
Invesco	0.31%	Call	N/A	8,380,000
Lloyds TSB	0.32%	32 day Notice	N/A	5,000,000

3.0 A Balanced Portfolio Approach

3.1 The development of a balanced portfolio of investments supports the Council’s stated intentions of enhancing financial resilience in the longer term and will be delivered through:

- the adoption of this Investment Plan which supports the Council’s MTFP and Commercialisation Plan; and
- the establishment of appropriate governance arrangements, including the creation of an Investment Advisory Board (IAB) to provide advice to the Policy and Finance Committee on the implementation of the Investment Plan.

Newark and Sherwood – Draft Investment Plan 2017 - 2020

In addition, these arrangements will also allow for investment in schemes that will support economic growth in Newark and Sherwood provided that these schemes are consistent with the Investment Plan outlined in this report.

Newark and Sherwood – Draft Investment Plan 2017 - 2020

3.2 The proposed strategic approach to investment is based upon the following:

- prioritising use of the Council’s cash reserves and balances to support income generating investment through a revolving Investment Fund (the Investment Fund) to meet the initial revenue costs of funding initiatives that will deliver savings and enhance income in the longer term (some of which may be used to replenish the Investment Fund);
- using the Investment Fund to support investments in order to generate additional income for the council that can be used to provide additional financial support for the delivery of functions and services;
- investing in a diversified and balanced portfolio to manage risk and secure an annual overall rate of return to the Council;
- investing in schemes that have the potential to support economic growth in the District (and the County);
- retaining assets where appropriate; undertaking effective property and asset management, and if necessary associated investment, to enhance income generation.

4.0 The Property Investment Fund (PIF)

4.1 As clarification, the following descriptions have been used in this section:

- **“Investments – Yield”** .These are property investments where the objective is to increase rental income to the Council
- **“Investments – Tax base”** .These are property investments where the objective is to increase NNDR or Council tax income to the Council
- **“Investments – Loans”** .These are loans to business for capital expenditure where the objective is to increase rental income to the Council or to increase NNDR or Council tax income to the Council.
- **Investments “Co Investment”** is where Council with another investor provides finance or jointly purchases.
- **Investments “Property Purchase”** –purchase of land and/or buildings

Residential and Commercial Property Developments have been excluded from this Plan as this activity will be carried out by the Council’s Wholly Owned Development Company (WODC) and will be subject to its own business case and business plan(s).

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4.2 Risk and Reward. This Plan reflects a suitable balance between the risks inherent in the types of property/investments to be acquired and the financial rewards obtainable whilst limiting risks appropriately. In addition, the portfolio of investments being acquired should be diversified in order to spread risks via a balanced portfolio, such diversification principally being across geographical location and the use type of properties held.

4.3 Available Funds.

4.3.1 Review of Daily Cash Flow

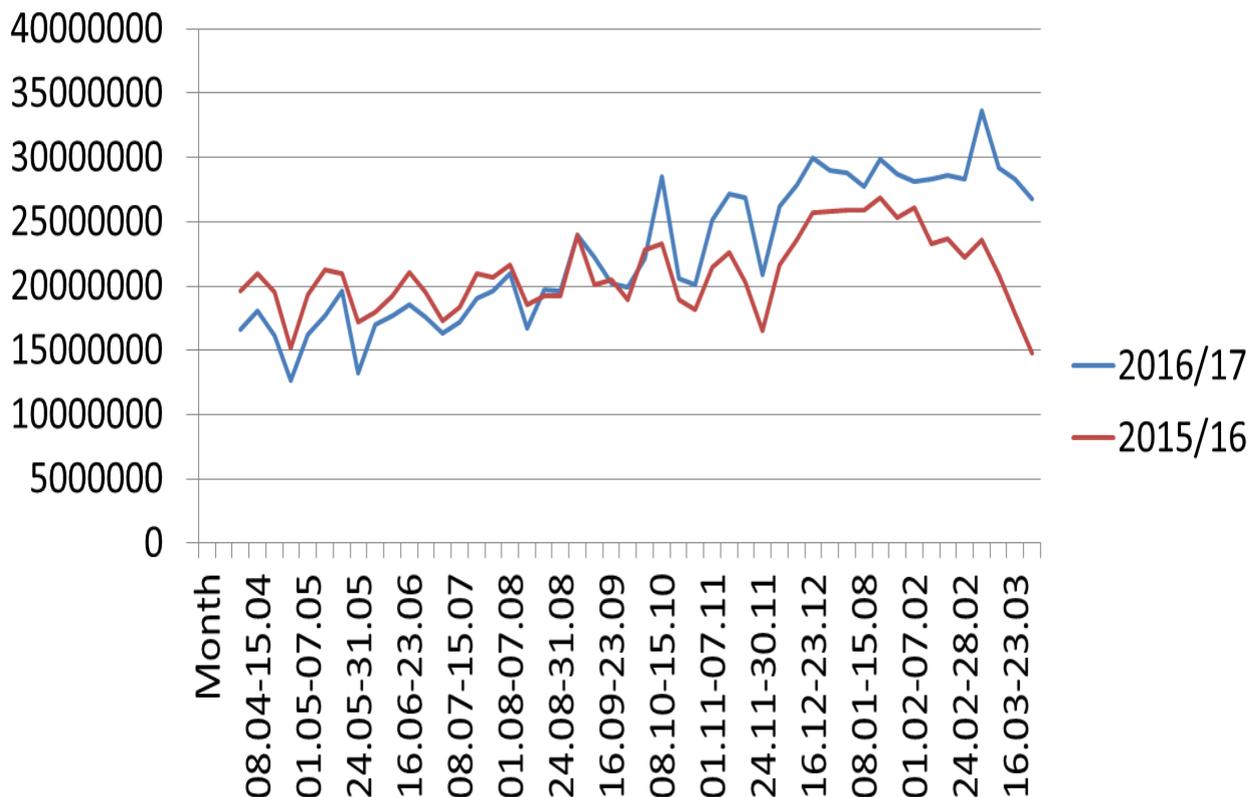
The amounts invested monthly for the last 2 financial years are summarised in the table below:

	2015/16 £000	2016/17 £000
Monthly Minimum	13.184	11.140
Monthly Maximum	29.310	35.924
Monthly Average (over 12 months)	21.010	22.537

A further review of the Council's daily cash flow reveals the following pattern of money flow for the last two financial years:

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Cash Flow 2015/16 and 2016/17



This diagram demonstrates the following:

- The flow of funds follows a consistent pattern with peaks and troughs occurring around the same period each year.
- In 2016/17, the flow of funds was at a lower level for the first 2 months than in 2015/16 (and previous years). This was principally due to the change for 2016/17 in direct debit collections as Council Tax and Business Rates customers moved from making payments by direct debit over a 12 month period instead (as previously) over a 10 month period. This, together with an increased take up of direct debit payments, has resulted in a reduction in cash flow for the first two months as the terms of payments to the Council’s major Preceptors remained unchanged from previous years.
- The cash flow in 2016/17, however, improves significantly for the remainder 10 months of the year as direct debit payments accumulate and reaches a peak of £35m in February 2017.

Newark and Sherwood – Draft Investment Plan 2017 - 2020

- The minimum cash balance for 2016/17 is therefore lower at £11.140m when compared to the minimum balance in 2015/16 which was £13.184m. Further examination shows that the cash flow is at this minimum level of around £12m for about 12 days between 20th April and 2nd May and for 5 days between 26th May and 31st May. This, as stated above, is due to payments to Preceptors which are not yet fully matched by timings of cash inflows from Council Tax and Business Rates collections.
- Following this initial short term dip in cash, the Council holds cash balances close to £16m for the rest of the financial year.

This analyses of the cash flow suggests that the Council could:

- invest a minimum of £11m to £12m from existing funds without the need to borrow
- invest £15m to £16m with some very short term borrowing during the periods stated above when cash balances are at the minimum.
- Invest up to £22m, being the average cash flow, and bridge the short term gap with further borrowing. The Council should only consider this option if there is a business case that supports a substantial (6% plus), sustainable return on the investments as set out in this Investment Plan.

4.3.2 Usable Reserves and Balances

The Council's approved financial statements for the year ended 31 March 2017 show the Change Management Reserve to be £10.944m. Adding to this the contractual remaining receipt for the sale of Kelham Hall (of £4m less deposit and rent) and adding also the NHB allocation for 2017/18 received post year end of £1.980m gives a total of funds available to **£16m**.

4.3.3 Property Investment Fund (PIF)

The cash flow analyses in 4.3.1 above, and the review of reserves and balances in 4.3.2, suggests that the Council could invest up to £16m with the need to only borrow for a short period at the end of April and May each year. This is on the premise that the Council's chosen investments deliver a return as stated in this Plan, i.e. a minimum of 2% above borrowing costs.

Since 31 March 2017, there have been approvals of draw down totalling around £210K. In addition, the MTFP identified and provided for £100K for any pressures to the refuse, recycling and street cleansing service (with the increases in housing in the District) and £100K for setting up costs for wholly owned company. Allowing a further £250K for additional unknown (at the time of this strategy) service pressures, leaves £15.34m available to invest.

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It is proposed that £15m of this fund be allocated as follows:

- £4.620m for the purchase of Lowfield Land Balderton
- £10.4m be available to form the Investment Fund which will be controlled and managed by the Investment Advisory Board (IAB). THE IAB will consider whether £3.5m of this fund should be allocated for equity investment in the proposed wholly owned development company; subject to a viable and sustainable business case. This assumes 30%:70% equity to loan funding
- The remaining IF to be allocated to a balanced portfolio of investments that will generate a return of at least 6% gross and 2% net.

The Council’s Treasury advisers, Arlingclose have provided the following useful summary of types of investments with the corresponding returns for each type of investment for the past 10 years:

Rank by % return	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1	Hedge 12.56%	All Gilts 13.05%	UK Equities 26.34%	Property 14.50%	All Gilts 16.92%	Corporates 13.33%	UK Equities 20.86%	Property 16.40%	Property 12.00%	UK Equities 29.44%
2	UK Equities 7.26%	Cash 6.30%	Hedge 18.57%	UK Equities 12.31%	Corporates 7.16%	UK Equities 12.40%	Hedge 9.73%	All Gilts 14.68%	Corporates 0.72%	All Gilts 10.60%
3	Cash 5.79%	Corporates (3.62%)	Corporates 11.09%	Hedge 10.95%	Property 6.70%	Hedge 6.67%	Property 9.00%	Corporates 12.35%	All Gilts 0.47%	Corporate Bonds 10.60%
4	All Gilts 5.20%	Hedge (19.07%)	Cash 1.62%	Corporates 8.41%	Cash 0.67%	All Gilts 2.80%	Corporates 0.76%	Hedge 4.13%	Cash 0.45%	Property 2.30%
5	Corporates 1.81%	UK Equities (27.71%)	All Gilts (1.26%)	All Gilts 7.60%	Hedge (2.52%)	Cash 0.84%	Cash 0.39%	UK Equities 1.47%	Hedge (0.71%)	Hedge 1.24%
6	Property (6.70%)	Property (32.00%)	Property (5.40%)	Cash 0.54%	UK Equities (3.07%)	Property 0.20%	All Gilts (4.25%)	Cash 0.42%	UK Equities (2.50%)	Cash 0.44%
Average	4.32%	(10.51%)	8.49%	9.05%	4.31%	6.04%	6.08%	8.24%	1.74%	9.10%
Cash	5.79%	6.30%	1.62%	0.54%	0.67%	0.84%	0.39%	0.42%	0.45%	0.44%
Relative	(1.47%)	(16.81%)	6.87%	8.51%	3.64%	5.20%	5.69%	7.83%	1.29%	8.67%

Investment In Property

Historic data shows that a 6% income return from property is achievable over the longer term and through a full economic cycle.

4.4 Factors affecting returns. Various factors will affect the level of income return a property investment Plan will deliver over time including;

Newark and Sherwood – Draft Investment Plan 2017 - 2020

- **general economic environment** (driving rent growth or reductions)
- **interest rates** (low rates drive prices up and property yields down)
- **investment demand** (high liquidity drives prices up and property yields down)

The Investment Property Database analyses global property performance, reflecting different methods of investing in property (direct, unlisted funds and listed property shares/ funds) and analyses the returns and risks associated with each over various time periods. In addition, comparable return and risk analysis is provided for other types of investments – bonds and general equities. This shows that investing in direct property has the second lowest risk (after bonds) as measured by volatility and that higher returns can be earned from investing in listed property shares

5.0 Investment Criteria

5.1 The objectives of the Property Investment Fund, will be met in accordance with the following Investment Criteria:

- The Council will invest in a balanced portfolio of property assets with a focus on traditional, lower risk sectors including offices, retail, industrial and residential with a focus on Freehold (or Long Leasehold). The portfolio will be developed through a range of means including acquisition of existing investments, and investment in property funds and shares.
- Development opportunities that exploit existing Council assets and the Council's knowledge of the District to maximise competitive advantage will be prioritised.
- Investments will achieve an overall target yield of 6% although a balance of lower and higher yielding investments will be considered on their merits to ensure an appropriate balance between risk and return.

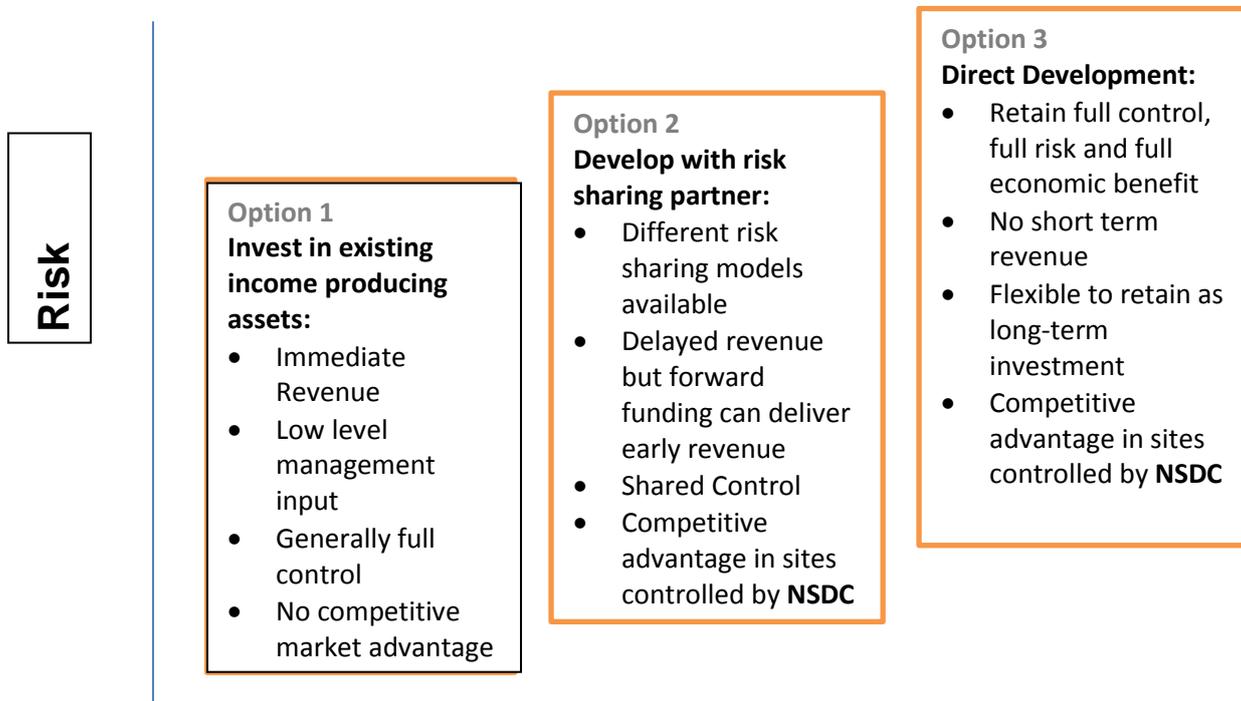
5.2 Achieving Greater Return

The Council is planning for a growing shortfall in Central Government funding which may result in a need to achieve greater than a 6% income return on its initial Investment Fund over time. This can potentially be achieved in two ways:

- Firstly by increasing the amount of the Property Investment Fund (PIF) investment while still achieving a target 6% income return, and
- Secondly by taking greater risk in the investment Plan.

There are a range of investment strategies with different financial risk and timing profiles. Below is a potential model for taking progressively increased, measured, risk over time:

Newark and Sherwood – Draft Investment Plan 2017 - 2020



Options 1

Initial investment in existing income producing assets, i.e. property funds and listed property shares. This investment is proposed in the most liquid categories of delivery methods to generate immediate income.

Options 2

Higher value adding/risk activities, with or without partners i.e. direct property investments will be focused initially within Newark and Sherwood as the Council’s knowledge creates a competitive advantage and allows it to better manage risk and deliver wider NSDC objectives.

Option 3

Higher value adding/risk activities without partners including construction either directly or through wholly owned development company.

The intention will be that a blend of risk profiles are employed and that the proceeds of higher risk (and shorter term) activities are partly redeployed back into the lower risk, long term sustainable “core” investment plan.

Newark and Sherwood – Draft Investment Plan 2017 - 2020

Achieving a spread of risk across a greater number of assets and by acquiring properties across the range of different property asset classes, namely retail, leisure, office and industrial, will be desired, however it has to be recognised that opportunities to do this may not arise, and ultimately if individual business cases are robust groupings in any individual property class should not pose any increased risk to the Council.

The IAB will from the onset set guideline limits on individual, and, or categories of investments.

The principle of being relatively risk-averse by limiting fresh investment to properties with minimum unexpired lease terms of five years at the date of acquisition, and with tenants of strong financial standing, will be adopted.

Minimum and maximum yield

	Investment - Yield	Investment - Tax base	Investment- loans & co investment
Yield	Rental	NNDR	Loan repayments or rental
Minimum Yield Required (before costs)	6% of purchase price (or 2% above estimated borrowing costs)	Increased Council NNDR income (after multiplier) equivalent and/or rental yield to 6% of purchase price (or 2% above estimated borrowing costs)	6% of investment value (or 2% above estimated borrowing costs) If capital loan prevailing borrowing rates + 2%
Maximum Yield	10%	10%	10%
Benchmarked Yield (linked to rate/size)	Yes	Yes	Yes

Acquisitions of assets will be pursued at a target minimum yield (before costs) of 6.0% and, as a guide to potential risk, maximum yield of 10.0%.

Assets producing initial yields in excess of 10.0% are likely to exhibit high risk characteristics, such as very short unexpired leases, or financially weak or insubstantial tenants, or obsolete buildings and are therefore to be avoided. Assets with a projected yield of over 10% will be discounted unless officers can demonstrate that risk characteristics are acceptable and avoid very short unexpired leases, financially weak tenants or obsolete buildings.

5.3 Sector spread

Newark and Sherwood – Draft Investment Plan 2017 - 2020

Traditionally, the highest returns come from the office and industrial sub-sectors. Offices can provide an income return of 5.5% in quality in-town areas and between 7.5% and 8.5% for reasonable quality offices in regional and sub-regional centers. Industrial income yields can range from 6.0% up to 7.5% for acceptable quality assets. The retail sub-sector for prime retail property is lower than comparable office/industrial assets with typical yields ranging between 5% and 7% for high quality in-town properties. On this evidence it is likely that predominantly office and industrial/warehouse will be targeted for acquisition with a lesser emphasis on retail. Leisure and mixed use investments will also be eligible under the Plan.

Residential property tends to be management intensive and requires specialist expertise. It is therefore proposed that this sector is excluded from this Investment Fund Plan and is covered by the Business Plan of the Wholly Owned Development Company (WODC)

5.4 Locations

	Investment - Yield	Investment - Tax base	Investment- loans & co investment
Location	National (UK)	NSDC	NSDC
Location – Diversity	25% in any Council area	100% NSDC	100% NSDC

Newark and Sherwood would be the preferred location for fresh acquisitions of investment properties, so that reinvestment is retained within the local economy and any additional capital expenditure is made in the local area. However, there is a finite and limited supply of property within the local area, and of that supply only a small proportion may be available for purchase at any time. A wider area should also be considered for fresh acquisitions. Tax base investments, loans and co investments will be for investments only within the Newark and Sherwood area.

5.5 Target assets

The following assets will be sought;

- (i) **Retail investments** with the following characteristics;
 - Good locations in town centers or in good out-of-town retail clusters/parks
 - Well let to sound tenants on leases with a minimum of five years unexpired terms
 - Income yield range from 6% to 10.0%
- (ii) **Office investments** with the following characteristics;
 - Modern specification, likely to be built since 1990
 - Good locations in commercially strong town/city centres or in good out-of-town

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business parks

- Well let to sound tenants on leases with a minimum of five years unexpired terms
- Multi-let properties to be considered with average unexpired lease terms of 3 years, subject to a spread of expiry dates
- Income yield range from 6% to 10.0%

(iii) **Industrial/Warehouse** investments with the following characteristics;

Modern specification with flexible standard layout, built since 1980

- Good locations on major road routes and good access to motorways
- Well let to sound tenants on leases with a minimum of five years unexpired terms
- Multi-let properties to be considered with average unexpired lease terms of 3 years, subject to a spread of expiry dates
- Income yield range from 6% to 10.0%

(iv) Leisure investments, such as public houses, restaurants and health & fitness centres with similar characteristics as above will also be sought.

(v) Mixed-use investments would also be potentially suitable additions to the portfolio. These may include a mixture of commercial uses or a mixture of retail and office use. Again, similar characteristics as set out above for office investments will apply.

Residential investment – tends to be significantly more management intensive than the types of commercial property investment envisaged under this Plan and requires specialist residential management expertise, so is proposed to be excluded from the Plan under the proposals set out in this report and will be covered by the WODC.

6.0 Leveraging the Investment Pot

6.1 Whilst there are a number of potential constraints imposed upon the Council, which will result in the Investment Fund operating differently from a commercial entity; as the Council has a higher duty of care for public funds than a privately operated property company. There are, however, areas where the Council has an advantage as a local authority to enhance the performance of the Investment Fund, or create/ identify opportunities that may not be available to the private sector..

6.2 **Use of Prudential Borrowing** – The Council does not have any borrowing through its General Fund. It can access funding at significant lower rates than the private sector. Comparatively, this results in better return on investment or improved development margin. The Council's Treasury advisers, Arlingclose, have advised that the Council has a General Fund borrowing head room of £34m, based on the Council's Balance Sheet as at 31 March 2016.

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- 6.3 **Tax Efficiencies** – there may be opportunities where investment can be made directly through the Council which may be potentially more tax efficient than making the investment through a wholly owned development company.
- 6.4 **Access to Public Sector Grants** – whilst recognising potential State Aid issues, there is potential to use sources of public sector grant to support and benefit investment made through the Investment Fund.
- 6.5 **Use of existing assets** – there will be opportunities to optimise the value of existing assets through acquisition of neighbouring sites using the Investment Fund. The ‘marriage value’ of existing and acquired sites is likely to be greater than individual sites.

7.0 Resources

It is proposed that the Director of Resources will manage the Investment Business Plan and programme delivery. This will be using resources and expertise primarily from within that team, however, where specialist external advice, such as Treasury advisers or a Property specialist, is needed, this work will be commissioned on an ‘as required’ basis, funded from the income from the Property Investment Fund. This approach will be reviewed regularly as part of the Investment Business Plan.

- 7.1 The detailed market searches and acquisition process will be undertaken either by the Estates Services or external agents as determined by the current review being carried out on the Estates and Assets Business Unit. After acquisition, the new property will form part of the Council’s Investment Property Portfolio.

8.0 Governance

8.1 Investment Advisory Board (IAB)

Decisions on taking forward each investment opportunity will be taken by Policy and Finance Committee. However, the development of the Investment Plan will likely mean more decisions coming forward for consideration and an Investment Advisory Board will be established to provide advice to Committee. This will ensure appropriate rigour in advance of Policy and Finance Committee’s decision by ensuring only credible options are progressed to Policy and Finance Committee, and providing the forum for strategically managing the overall portfolio of investments consistent with the aims of the Investment Plan. The Investment Advisory Board will comprise:

3 Elected Members, advised by the Chief Executive and Director of Resources with appropriate timely support from CMT and CPDT (see below)

The IAB will consider all proposals that contribute to the delivery of the investment Plan and meet the investment criteria. In some cases these could be investments which form part of

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wider proposals which have a primary focus on improving services but which may, for example, involve property or assets, or trading as part of the delivery mechanism

Officers will provide advice on each proposal coming forward to the Board for consideration. This advice will include how each investment proposal could be taken forward, including consideration of the risks, how it is structured in terms of appropriate delivery mechanisms, and how it will be financed.

The role of the Investment Advisory Board would be to advise on any investment opportunities which are involved in the development of proposals for new trading ventures before those proposals are considered by Policy and Finance Committee.

This structure will allow the council to respond in a timely manner to market opportunities whilst ensuring that decisions are made in accordance with a process against which independent professional advice will be provided. It is recommended that this arrangement should be reviewed periodically, and at least annually, to ensure that it is providing an efficient and effective governance framework consistent with the objectives of the Investment Plan.

The IAB will additionally be supported by appropriate professional advisors, when required, including, Treasury advisers, Property investment advisers, legal and financial specialists, including taxation advice. Officers will commence the procurement process to put in place appropriate arrangements. The cost of these advisors will be set against the income delivered as a result of the Investment Plan.

8.2 Commercial Projects Development Team (CPDT).

The CPDT will be established on approval of the Commercial Plan. This will be a permanent but ad-hoc group providing support to Business Unit Managers, when required. It will be chaired by the Director of Resources. Other members of the unit will be called in depending upon the project, and will be drawn from the following departments: Legal; Finance; Procurement; Property; ICT; Communications; Policy and Customer Services. It will also be able to retain external expertise in support of its functions where skills or knowledge gaps are identified, or where there may be a conflict of interest. As part of its commercialisation remit, the CPDT will provide advice to Business Unit Managers on the development of commercial, investment opportunities assist and advise on the writing up of options appraisals and business plans and present proposals for consideration by CMT and IAB.

The full terms of reference of the CPDT are set out in the Council's Commercial Strategy.

8.3 Decision making structure:

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The decision making process will be as follows:



8.2 Assessment Process and Investment Criteria

The objective for this Investment Plan is to help ensure that the Council has a sustainable financial position over the medium to long term. The Investment Advisory Board will consider and provide advice to Policy and Finance Committee on all opportunities that require an initial investment, including property, assets and service delivery vehicles. Each investment opportunity will be assessed through a two stage/Gateway process.

Gateway One comprises a number of criteria to determine whether there is an opportunity to consider and take forward. Stage One establishes whether the opportunity can be recommended to IPD and for in-principle agreement or full agreement, or that the opportunity does not meet the decision criteria and therefore proceeds no further.

Gateway Two involves the development of a much more detailed business case to be considered by the Investment Advisory Board, and for approval by Policy and Finance Committee as appropriate.

Gateway One

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Gateway One will address the criteria listed below. Some of the criteria relate to the characteristics of the specific opportunity; others are concerned with the effect of that opportunity on the overall portfolio. The Plan envisages that the balance between different types of investment as in (d) below will be achieved over a period of 3 to 5 years. An opportunity needs to meet each of the following criteria:

- (a) The acquisition or investment is within the powers of the Council and can be undertaken with appropriate regard to tests of reasonableness, fiduciary duty and value for money. If this is the case, then the following criteria will be evaluated:
- (b) The amount of investment required is less than, or equal to, than threshold for investment which has been set for the Investment Plan (initially **£10 million** except for Trading opportunities where this threshold will not apply).
- (c) The period over which a return will be made is consistent with the overall balance that the Investment Plan has set for a medium and longer term return (less or more than 5 years respectively).
- (d) The opportunity will fit within the ceilings which have been set for the Investment Plan in terms of the balance between property investment and other forms of investment.
- (e) The return on the investment is consistent with the rate of return that has been set for the level of risk involved (within tolerances) which will be considered as part of the development of the full business case.

Gateway Two

Gateway Two will identify whether the investment is appropriate to achieve the recommended balance between types of property, geographic mix and risk profile.

The conclusion of the Gateway One and Two process will determine whether the opportunity is worth further consideration, if that is the case, the Investment Advisory Board would recommend the opportunity proceeds to Policy and Finance Committee (i.e. a full business case will be available) for decision.

Where further work is required to develop a full business case, the opportunity will proceed to Policy and Finance Committee to sanction any additional spend necessary to complete the due diligence and full business case, ahead of a final decision to proceed going back to Committee if the opportunity continues to be supported by the Investment Advisory Board.

9.0 Wholly Owned Development Company (WODC)

To comply with legislation, as explained below, to operate property investment on a commercial basis, the Council would need to establish a

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property development company. Section 1 of the Localism Act 2011 ('the power of general competence) enables local authorities to do anything that a private individual is empowered to do, subject to certain statutory limitations. The power includes the ability to do such things for a commercial purpose but any such commercial activity must be undertaken through a company within the meaning of section 1 of the Companies Act 2006.

Local authorities also have powers to trade under section 95 of the Local Government Act 2003. It is likely that aspects of the investment scheme will overlap the S95 power to trade and so the Council would be bound by the conditions set out in the Local Government (Best Value Authorities) (Power to Trade) Order 2009 which requires that before exercising such powers the authority should prepare and approve a business case.

The Business Case for the creation of a Wholly Owned Development Company (WODC) will be developed for consideration at a future Policy and Finance Committee meeting and will cover the following aspects:

- The objectives of the business
- The investment and other resources required to achieve those objectives
- Any risks the business might face and how significant those risks are and
- The expected financial results of the business, together with any relevant outcomes the business is expected to achieve.

The precise funding mechanism for the Company will be considered as part of the development of the full business case. However, such a mechanism will include a loan or series of loans by the Council to the Company to allow it to invest in accordance with the Plan, decision making and investment criteria described above. Under such circumstances, borrowing costs would be met by the Company. Loans would be made available to the Company on a basis which is compliant with the Market Economy Investor Principle so that the terms of funding are similar to those which would be achievable by a private funder given the structure and risks associated with the portfolio. This is important both in the context of Competition law and State Aid rules and further specialist legal advice will be sought as part of the development of the business case.

Once investments have been made, ensuring that target rate of return is achieved for the property investment portfolio will require specialist advice on:

- (a) investment management to optimise value with annual Business Plans for each investment which examine the scope to add value, the risks involved and the time scale for delivering the investment opportunity and which, taken together, allow for portfolio management. Performance analysis will take place on an annual basis including benchmarking against similar funds and will be supported by independent valuations.

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- (b) asset and property management to maintain and improve the financial performance of an investment property including ensuring statutory and regulatory compliance, tenant compliance, landlord responsibilities, securing receipt of rents, dealing with voids and insurance matters.

10.0 Risk Management Implications

This is a medium to long-term Plan for the Council which will test the statutory and legal boundaries set by the Localism Act 2011. The council may be also subject to increased scrutiny because it is innovative, and it will be essential that the Investment Plan and the governance arrangements are deemed to be reasonable and robust by external auditors.

The implementation of the Investment Plan means the council will be managing different financial risks. Investments will be subject to inherent economic and market risks, and therefore a balanced portfolio of investment is recommended. However a balanced portfolio will take some time to create and will be dependent upon appropriate opportunities coming to the market.

Investment in property and the carrying out of development activities carries risks at both macro and micro levels. Property rentals, values and occupancy rates typically fluctuate broadly in line with the regional, national and increasingly, the global economy.

The timing of acquisitions and sales can thus have a significant impact on the rate of return as can complementary investment in lower risk or countercyclical investments such as private rental residential property. Historically, however, property rentals and capital returns have delivered growth and as it is the Council's intention to be a long term investor it is considered that these risks can be mitigated through a balanced portfolio approach. Individual Investments will be the subject of pre-acquisition due diligence and risk assessments and regular updates to the Council's Investment Board.

10.1 The following are the types of risks that will need to be assessed:

Asset-specific risks

Income and capital returns for property will depend principally on the following five main characteristics;

- Location of property
- Building specification quality
- Length of lease unexpired
- Financial strength of tenant(s)
- Rental levels payable relative to current open market rental values

Location – this is the single most important factor in considering any property investment. In

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the retail sector prime or good secondary locations in major regional or sub-regional shopping centres are likely to provide good long-term prospects, or alternatively prime locations in sub-regional or market towns.

Industrial and warehouse property has a wider spectrum of acceptable locations with accessibility on good roads to the trunk road and motorway network being the key aspect.

Experienced knowledge will be required to ensure that good locations are selected where property will hold its value in the long term.

Building specification quality – In office property especially, it is important to minimise the risk of obsolescence in building elements, notably mechanical and electrical plant. Modern, recently built office and industrial property should be acquired to ensure longer-term income-production and awareness of the life-cycle of different building elements and costs of replacement is critical in assessing each property's merits. For town centre, retail property trends have been towards larger standard retail units being in strongest demand from retailers.

Length of lease unexpired – At present capital values are highest for long-term leased property and values tend to reduce significantly when unexpired lease terms fall below five years, as owners expect significant capital expenditure to be necessary when leases expire and tenants may not renew leases and continue to occupy. Fresh investments should be made ensuring that diminishing lease terms will not either adversely affect capital value or that significant capital expenditure and voids are experienced. A Plan to dispose of investments before unexpired lease terms reach terms of shorter than three years should be adopted.

Financial strength of tenant(s) – assessment will be required of each tenant of potential acquisitions through analysis of their published accounts and management accounts where necessary. Risk of tenant default in rent payment is the main issue but the relative strength of a tenant's financial standing also impacts upon capital value of property which is let to that tenant and careful analysis of financial strength is a key part of due diligence prior to purchase of investments.

Rental levels – following the banking crash in 2007/8 rental levels fell across most occupier markets, particularly in office and retail markets. As a result rents payable on leases that were granted before 2007 may be at levels which are higher than current rental values. Rents in some sub-sectors have recovered back to pre-2007 levels but care is required in all purchases to assess market rents local to each property to check whether rents payable under leases are above or below current levels, as this will impact on whether growth in rents in the future will be fully reflected in the specific property being analysed.

Environmental and regulatory risks - Risks such as flooding and energy performance are taken into account during the due diligence process on every property purchase.

Reputational risks - A policy on specific types of commercial tenant which may not be

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acceptable to the Council such as tobacco, gambling or alcohol-related companies should be adopted. Properties tenanted by such companies would not then be considered for purchase. However, this would not necessarily protect the Council in the event of a future transfer of any tenancy to a prohibited company.

10.2 Mitigation Process

The governance process recommended in the Plan is designed to mitigate these risks. All investment opportunities will be based upon a robust business case, developed using appropriate technical advisors and which take into account due and proper consideration of the balance between risk and reward and an assessment of the underlying security of the investment to ensure compliance with the fiduciary duty the council holds.

Specific mitigation measures in relation to property investment additionally include:

- Annual valuation and reporting by an investment advisor to inform the acquisition and disposal Plan to achieve a balanced portfolio at any given time;
- A target rate of return which allows for the financing costs of delivering the Investment Plan to be met and the generation of an annual surplus and which will be subject to annual assessment;
- Each investment acquisition will be subject to a detailed business case that clearly sets out the risks and associated mitigation measures and addresses market, legal, financial, property and reputational issues;
- Property assets will be of good quality with income derived from good covenanted tenants in good or growth locations to include mixed schemes avoiding, at least in the short term, asset management requirements;
- An overall investment scheme provision that there will be an agreed cap on the percentage of income that is derived from a single organisation or tenant and a cap on the single asset value as a percentage of Gross Asset Value.
- Professional advice on asset management will be sought as part of the appointment of investment advisors given the significance of asset management to the generation of return

Communications

A communications Plan will be developed to ensure that Political Leaders, Ward Councillors and wider stakeholders are informed of decisions, acquisitions and disposals at appropriate times without compromising commercial confidentiality.

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FARNSFIELD AND FERNWOOD NEIGHBOURHOOD PLANS

1.0 Purpose of Report

- 1.1 To advise the Council of the result of the Farnsfield and Fernwood Neighbourhood Plan Referendums and to seek approval from Council for the 'making' of the Plans.

2.0 Background Information

- 2.1 Fernwood Neighbourhood Area was designated in May 2015 and Farnsfield Neighbourhood Area in June 2014. Since that time both Parish Councils have progressed the production of their plans, assisted by Planning Officers of this Council. The first stage of public consultation on the Fernwood NP was carried out on a draft plan in June 2016, and November 2016 for the Farnsfield NP. Following consideration of responses these were developed into the versions submitted to this Council on 4th January 2017 (Fernwood NP) and 23rd February 2017 (Farnsfield NP).
- 2.2 Having established that the plans met the necessary legal and procedural requirements, the plans were placed on deposit and representations sought. This involved details being made available on the Council's and the Neighbourhood Plan's websites, at District Council offices and at local libraries between 16th January 2017 and 3rd March 2017 (Fernwood NP) and 27th February to 11th April 2017 (Farnsfield NP). The District Council also fulfilled its obligation to directly notify those who were notified by Parish Councils at the draft consultation stage that the plans had been received.
- 2.3 During this consultation period the District Council considered its own response to the plans. Having been closely involved with the preparation of the plan, Officers expectations that the contents would be in accordance with the District Councils development plan and national planning policy were confirmed. Consequently, under the delegated authority granted by Economic Development Committee, the Council supported the plans as submitted.
- 2.4 An independent examiner was appointed in conjunction with the two Parish Councils and at close of the consultations the three responses received on each Plan, together with the District Councils own response, were submitted to the independent examiner on 8th March 2017 (Fernwood NP) and 13th April 2017 (Farnsfield NP). In both cases the overall conclusion of the Examiner was that subject to her recommendations the Plans met the Basic Conditions. On this basis it would be appropriate to 'make' the Plans (as modified) and it was recommended that they proceed onto referendum. Consequently the 11th July 2017 meeting of the Full Council authorised the Chief Executive, acting as Returning Officer, to arrange both referendums for the 28th September 2017.

3.0 'Making' the Farnsfield and Fernwood Neighbourhood Plan's

- 3.1 Council are advised that the Neighbourhood Planning Act 2017 has amended section 38 (subsection 3) of the Planning and Compulsory Purchase Act 2004 (development plan).

Through these revisions where more than half of those voting in its referendum have voted in favour of the plan then it comes into force as part of the statutory development plan, and so can be used in the determination of planning applications within the neighbourhood area from that point forward. Where a Neighbourhood Plan is successful at referendum then the Council must proceed to formally 'make' the plan within 8 weeks of the referendum, thus confirming that it has come into force. There are a narrow range of circumstances under which the Council could elect to not make a plan. These are where the making of the plan would breach, or would otherwise be incompatible with, any EU Obligation or any of the Convention rights (within the meaning of the Human Rights Act 1998). Where the Council decides that a plan should not be made then it ceases to form part of the Development Plan.

- 3.2 With the Examiner's recommended modification(s) both the Farnsfield and Fernwood Neighbourhood Plan's meet the basic conditions set out in paragraph 8(2) of Schedule 4B of the Town and Country Planning Act 1990, are compatible with EU obligations and the Convention rights and comply with relevant provisions made by or under Section 38A and B of the Planning and Compulsory Purchase Act 2004 (as amended).
- 3.3 The referendums were held on Thursday 28th September 2017 and posed the question, 'Do you want Newark and Sherwood District Council to use the neighbourhood plan for Farnsfield/ Fernwood to help it decide planning applications in the neighbourhood area? For Farnsfield this resulted in a yes vote of 620 and a no vote of 45 (representing a turnout of 29%). In Fernwood there was a yes vote of 295 and a no vote of 48 (representing a turnout of 18%).
- 3.4 The Neighbourhood Plan's, and their preparation, have been assessed and are not considered to breach or be otherwise incompatible with, any EU obligation or any of the Convention rights (within the meaning of the Human rights Act 1998).

4.0 Financial Implications

- 4.1 There are no costs associated with 'making' the Farnsfield and Fernwood Neighbourhood Plan's. Costs already incurred in producing the plan and carrying out the referendums are covered by funds received from central government.

5.0 RECOMMENDATIONS that:

- a) the report be noted; and**
- b) the Council 'make' the Referendum Versions of the Farnsfield and Fernwood Neighbourhood Plans confirming that they form part of the Development Plan for Newark & Sherwood District.**

Background Papers

Referendum Versions of the Farnsfield and Fernwood Neighbourhood Plan's - available to view on the Councils website at:

<http://www.newark-sherwooddc.gov.uk/planningpolicy/neighbourhoodplanning/>

For further information please contact Matthew Tubb on extension 5850.

Kirsty Cole
Deputy Chief Executive

APPOINTMENT TO OUTSIDE BODIES – SHERWOOD & NEWARK CITIZENS ADVICE BOARD

1. Purpose of Report

- 1.1 To advise members of the outcome of a request by the Council, agreed at the May Annual Council Meeting, to appoint two representatives to the Sherwood & Newark Citizens Advice Board (CAB).

2. Background

- 2.1 The Council, at its meeting on 16 May 2017 reviewed its representation on outside bodies following recommendations from the Councillors' Commission. The Council resolved that it should seek a second representative on the Sherwood & Newark Citizens Advice Board.

3. Introduction

- 3.1 Following the decision of Council a formal request was made to the Sherwood & Newark Citizens Advice Board to allow the appointment of a second representative by Newark & Sherwood District Council.
- 3.2 The request has now been considered by Sherwood & Newark Citizens Advice Board who have declined the request to appoint two representatives to their Board. The reason they have given for declining the request are that they wish to treat the whole of the district as a single, unified entity. Further, they are in discussions with two other North Nottinghamshire Citizens Advice Bureaux as to a possible merger and any combined board would only have space for one representative from each of the Councils involved. Any merger would be likely to take place in the next 6-8 months. Moreover, the membership agreement with Citizens Advice nationally limits the ratio of funders/councillors allowed on any CAB to protect its independence.
- 3.3 The CAB pointed out that the previous representative appointed by the Council chose not to become a full Board member but, rather, chose to act in the capacity of observer. This enabled them to attend all Board meetings and to engage fully in discussions and put forward the views of the District Council but not to vote.
- 3.4 They have also pointed out that if the Council's nominated representative were to become a full member of the Board they would in practice become a non-executive director which would mean that they would have a duty to act in the best interests of the company at all times and to declare any potential conflicts of interest with the District Council. Their overriding duty would be to the company rather than to represent the views of the District Council.
- 3.5 At the May Council meeting, two representatives were appointed by the Council in the event that the Board were to agree to the District Council request, Councillor Paul Peacock to represent the west of the district and Councillor Penny Rainbow to represent the east of the district.

- 3.6 The Board have advised that whilst they would object to more than one representative attending Board meetings as a non-executive director, they have no objection to both Councillors Peacock and Rainbow attending board meetings in an observer capacity.
- 3.7 Both have been invited to attend Board meetings in an observer capacity and on the understanding that they will contribute to discussions in the interests of the district as a whole rather than reflecting an east / west split.
- 3.8 The Board have however advised that they may wish to review this position if they were to become part of a larger merged North Notts Bureau.
- 3.9 The Council will therefore need to decide if they wish both appointed representatives to continue to attend Board meetings in an observer capacity only, or whether they wish to appoint one representative only to continue to attend Board meetings.

4. RECOMMENDATION

That the Council determine whether they wish both Councillors Rainbow and Peacock to continue to represent the Council on Sherwood and Newark Citizen Advice Bureau in an observer capacity only or whether they wish to nominate a single representative to act as a full board member.

Background Papers

Correspondence from Sherwood and Newark CAB.

For further information please contact Kirsty Cole on Extension 5210.

Kirsty Cole
Deputy Chief Executive

NEWARK AND SHERWOOD HOMES LIMITED - APPOINTMENT TO OUTSIDE BODIES AND GOVERNANCE

1. Purpose of Report

- 1.1 To update members on the position regarding the Council's appointments to the Board of Newark and Sherwood Homes Ltd and to consider various requests received from the Company in relation to its governance.

2. Background – Board Appointments

- 2.1 The Council, at its Annual Meeting on 17 May 2016, appointed Councillors Mrs C. Brooks, P. C. Duncan, P Handley and D. R. Payne to the Board of Newark and Sherwood Homes Ltd for a two year term up to May 2018 to coincide with the Memorandum and Articles of the Company. The Board currently numbers twelve, made up of: four Council Board Members; four Tenant Board Members; and four Independent Board Members. Councillor Handley's term of office on the Board will end in November 2017 as he will have served two consecutive three year terms (the maximum currently permitted under the Company's Articles).

3. Company Governance

- 3.1 The Company has recently undertaken a comprehensive review to consider two key issues in relation to the Company's governance, namely around: Board recruitment and succession review; and executive and governance resilience. The objectives of the review were to:

- a. *“Provide clarity on the skills required of the Board to ensure delivery of the corporate direction;*
- b. *Determine the most effective and efficient governance structures required;*
- c. *Ensure mechanisms are in place to build and maintain the skills and knowledge of the board; and*
- d. *Ensure the Executive and leadership expertise is maintained to ensure delivery of the Company's vision and Mission, Business Plan and low cost, high performing status.”*

- 3.2 Following this review the Board drafted a series of proposals in relation to the size of the Board, the term of Directors of the board, and payment of Board Directors. As a consequence the Company has submitted a request seeking the Council's approval, as its sole shareholder, to make changes to the Company's constitution as follows:

- a) To reduce the Board from 12 to 9 (with a provision for 10 dependent upon the treatment of the Independent Members)**

N.B. It has been indicated by the Company that this provision for 10 will be a temporary one to take account of the current Independent Board Members' tenures. If this provision is agreed the Council will not need to appoint a replacement for Councillor Handley.

- b) Amend the term for a Director of the Board to 3 Terms of 3 years (maximum of 9 years) dependent on a satisfactory assessment at the end of each three year term**

N.B. Currently the maximum tenure is 6 years, i.e. 2 terms of 3 years, but this is considered to be too short.

- c) Amend the requirement of a quorum to include 2 of the 3 constituent parts of the Board**

N.B. The Company's current Articles require a quorum of 3 consisting of 1 from each of the constituent parts of the Board. Whilst attendance at Board meetings is good, it is considered that with the proposed reduction in Board numbers it might frustrate business being conducted in a timely manner unless this requirement relating to the quorum is amended.

- d) Introduce the facility to make an honorarium payment to Members of the Board to be determined by the Board from time to time. Facilitate an honorarium to the Board from time to time, subject to the Council's approval.**

- e) Amend the honorarium arrangements in the constitution to enable the Board to determine the amount as required to attract the calibre of the individual required to undertake the role.**

N.B. Currently the Company's Articles precludes the payment of remuneration to Board Members except the Chairman, to whom an honorarium payment (up to a maximum sum of £6,500 and approved by the Council) may be made. This proposal has been put forward by the Company in recognition of the skills, knowledge and time commitment required of the Board Member role, particularly in light of the proposed reduction in size of the Board – which is likely to increase the workload of the remaining members.

3.3 The Company has also requested that the Council, as the sole shareholder, approve an honorarium payment of £6,500 per annum to the current Chairman of the Board.

3.4 The Local Government Companies Order 1995 places specific restrictions on the payment of remuneration to Councillors in respect of carrying out their duties as directors of local authority controlled companies. The Order provides that the Company may not pay Councillor Directors remuneration in excess of a 'maximum amount'. This amount is determined by looking at the sums payable for a comparable duty under Council's Members' Allowance Scheme – after deducting any amount already paid by the Council to the Councillor in respect of them undertaking the role of director of the Company. Effectively the purpose of the Order is to ensure that a councillor is not 'paid twice' for undertaking the same role (i.e. payments from both the Council as part of their Members' allowance and from the Company as an honorarium). This does mean that consideration will need to be given to each individual case of the Council Board representatives before any honorarium payments are made to them to ensure that the requirements of the 1995 Order are not breached.

4. **RECOMMENDATION**

That the Council determines whether to approve the changes proposed to the Constitution of Newark and Sherwood Homes Limited as set out in paragraph 3.2 a) to e) of the report (subject to the restrictions imposed by the Local Government Companies Order 1995), and the proposal detailed in paragraph 3.4, to approve an honorarium payment of £6,500 per annum to the current Chairman of the Board.

Background Papers

Letter from Newark and Sherwood Homes Ltd.

For further information please contact Karen White on Extension 5240.

Karen White
Director - Safety

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **POLICY & FINANCE COMMITTEE** held in the Civic Suite, Castle House, on Thursday, 21 September 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. Staples.

ALSO IN ATTENDANCE: Councillors: Mrs A.C. Brooks and Mrs L.J.M. Tift.

19. APOLOGIES FOR ABSENCE

There were no apologies for absence.

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

There were no declarations of interest.

21. DECLARATIONS OF INTENTIONS TO RECORD THE MEETING

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

22. MINUTES FROM THE MEETING HELD ON 29 JUNE 2017

The minutes from the meeting held on 29 June 2017 were agreed as a correct record and signed by the Chairman.

23. HOUSING INFRASTRUCTURE FUND BIDS

The Chief Executive presented a report which sought support for two to the Housing Infrastructure Fund which was a new government capital grant programme set up with the aim of delivering new homes.

The bids needed to be linked to both delivering infrastructure and unlocking housing development with the housing developments having already been planned or envisaged strategically. The report referred to two pieces of infrastructure which required investment linked to unlocking housing growth, the Newark Southern Link Road and the Ollerton roundabout.

Given the timescales officers had been preparing the two bids. A team comprising Council officers, the relevant developers and their consultants, economic advisors, and the Homes and Community Agency had been assembled with a view to preparing bid submissions. Both bids were likely to be jointly badged with Nottinghamshire County Council and LEP support and would be accompanied by a suite of supporting statements by local MP's, stakeholders, and businesses.

AGREED (unanimously) that the submission by Officers of the Housing Infrastructure Fund bids detailed at Section 3 of the report, on or before 28 September 2017, be supported.

Reason for Decision

To ensure grant opportunity is maximised in order to unlock significant infrastructure and housing on strategic housing and employment sites.

24. ESTATE REGENERATION

The Business Manager – Strategic Housing presented a report which provided an update on the work being progressed further to the Council successfully receiving ‘Capacity and Enabling’ funding through the Department for Communities and Local Government’s (DCLG) Estate Regeneration Programme, which was designed to accelerate and improve estate regeneration schemes. This programme concerned the viable regeneration scheme of the Yorke Drive estate when cross subsidised by development of the adjacent Lincoln Road playing fields.

In accordance with the delivery timetable officers undertook a procurement exercise to procure a suitably qualified consultant to action the early deliverables around enhancing the commercial capacity of the Council and re-appraising the financial elements of the estate regeneration scheme to ensure that it was still a viable proposition. This would then enable progression of the remaining deliverables, including engaging with residents, the local Ward Members and all other local stakeholders. Further to the procurement process, Campbell Tickell had now been appointed as consultants to project manage and undertake the following activities, in relation to delivering this ‘transformational project’.

The report also provided details in respect of the outcome of the Council’s Expression of Interest submitted to the Homes & Communities Agency’s (HCA) Accelerated Construction Programme (ACP). The HCA had now reviewed all the Expressions of Interest and shortlisted 222 sites to go forward for due diligence on the basis of the published criteria. The Council’s submission for the Lincoln Road Playing Field and Yorke Drive Estate had been included in this short list. The due diligence process was designed to assess each site’s suitability for a tailored offer of support. Once the due diligence process was complete all sites included in the shortlist would be assessed against a wider portfolio of sites in central government ownership, to inform final investment decisions. The final assessment would include value for money, additionality and strategic fit considerations and it was reported that the HCA hoped to complete the assessment process within three months.

AGREED (unanimously) that:

- (a) the progress being made under DCLG’s Estate Regeneration Programme for the Yorke Drive estate and Lincoln Road playing fields be noted; and
- (b) approval be given to support the work being undertaken to progress to the ‘due diligence’ stage of the HCA’s Accelerated

Construction Programme, subject to the outcome of the discussions referred to in paragraph 3.12 of the report that the ACP complements and doesn't duplicate the work already being taken forward on the Estate Regeneration Programme for the York Drive Estate.

Reason for Decision

To progress the key outputs from the Bridge Ward Neighbourhood Study relating to the 'transformational project' focussing on the growth and regeneration of the Yorke Drive estate and Lincoln Road playing fields.

25. CAPITAL PROGRAMME - FINAL ACCOUNTS ON THE NEWARK SPORTS & FITNESS CENTRE AND THE PALACE THEATRE AND NATIONAL CIVIL WAR CENTRE INTERGRATION

The Director - Customers presented a report which set out the final accounts for the Newark Sports & Fitness Centre and the integration between the Palace Theatre and the National Civil War Centre.

The Newark Sports & Fitness Centre opened in April 2016, following a construction programme which began in January of 2015. Following the contractual completion of the defect period, the final account for the work was £9,352,654. That figure represented an under spend against the £10,321,999 sum contained in the Capital Programme of £969,345.

The integrated Palace Theatre and National Civil War Centre opened in March 2016, following a seven-month construction period which began in September 2015. The final account for the works, which were delivered on programme, was £1,528,137 representing an under spend against budget of £87,482.

AGREED (unanimously) that the final accounts for both the Newark Sports & Fitness Centre and the Palace Theatre and National Civil War Centre Integration be agreed and included within the Council's Capital Programme.

Reason for Decision

To appraise Members of the final accounts of the Newark Sports and Fitness Centre and the Palace Theatre and National Civil War Centre Integration.

26. CAPITAL PROGRAMME MONITORING TO 31 JULY 2017

The Director - Resources and S151 Officer presented a report which monitored the progress of the overall Capital Programme since the last progress report to the Committee on 29 June 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 29 June 2017 were

detailed in Appendix C. The overall financing of the Capital Programme for 2017/18 to 2021/22, including any variations, were illustrated in Appendices D and E.

AGREED (unanimously) that the variations listed in Appendix C be approved and the Programme shown in Appendices D and E be accepted as the latest approved Capital Programme.

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.

27. COUNCIL'S ANNUAL BUDGET 2018/19 - OVERALL CORPORATE STRATEGY

The Assistant Business Manager – Financial Services presented a report which introduced the Annual Budget Strategy. The Council's Constitution required that the Council's Section 151 Officer present a report on the overall Budget Strategy to the Policy & Finance Committee for approval. The budget process would result in the setting of the budget and the Council Tax for 2018/19.

The strategy took into consideration financial policies previously approved by the Policy & Finance Committee and was set in the context of the Council's Medium Term Financial Plan (MTFP) which was approved by the Policy & Finance Committee on 29 June 2017.

The Council's Medium Term Financial Plan set out the estimated service expenditure, net budget requirement and the total settlement funding to arrive at the possible funding gap for 2018/19. The report identified a range of the funding gap from £706,000 if Council Tax at average Band D was increased by £5, to a gap of £898,000 if Council Tax at average Band D was frozen at the 2017/18 average Band D level.

The Council would continue to make efficiency savings in order to reduce the funding gap, however as emphasised in the MTFP, further significant savings would start to impact on future service delivery. The Council would therefore look to introduce a Commercial Plan which would be supported by an Investment Strategy.

The report gave details of the updated Council's financial policies and gave some context in terms of the financial environment. The report also set out proposals for the 2018/19 budget including details about business rates, provision for inflation and increases in fees and charges.

AGREED (unanimously) that:

- (a) the overall budget strategy be approved;
- (b) budget officers continue work on the assessment of various budget proposals affecting services for consideration in setting the Council's budget;
- (c) budget managers work with finance officers in increasing income

from fees and charges and in identifying new income; and

- (d) officers develop an action plan to support the Commercialisation Plan.

Reason for Decision

To enable the Council's budget process to proceed encompassing agreed inflation and salaries and wages rates for 2018/19 to 2020/21.

28. COMMERCIAL STRATEGY

The Director - Resources and S151 Officer presented a report concerning the adoption of a Commercial Strategy for the Council. The proposed Commercial Strategy followed up on the key messages in the Council's Medium Term Financial Plan (MTFP).

The MTFP stated that whilst the Council managed to balance the budget for 2017/18, because of prudent decisions made in the past, future funding of its services would depend on its ability to raise additional income. Otherwise the Council would need to make up funding gaps by increasing Council Tax or/and depleting its general fund reserves. The Commercial Plan set out how the Council could address and meet the funding challenges identified in the MTFP.

The overarching aim of this strategy was to deliver positive financial returns to the Council's General Fund. It would be important to develop clearer commissioning intentions and medium term delivery strategies across all major service areas, for example by making decisions around collaborative working, shared services, seeking more innovative approaches to delivery, challenging existing approaches and having a clear vision of what the authority would look like in 2020.

The report set out the key objectives of the commercial strategy and how it would be delivered. It was proposed to follow a three tier approach to the delivery of the strategy, Business Unit commercialisation; shared services; and corporate investment and trading.

In support of the development of the commercial business plan framework and subsequent implementation and delivery, it was proposed that a new internal team be formed, the Commercial Projects Development Team (CPDM). It was reported that the CPDM would require upskilling and development and therefore a budget of £20,000 was requested to fund any external advice, training and mentoring.

AGREED (unanimously) that:

- (a) the Commercial Strategy be recommended to Council for approval; and
- (b) the establishment of a Commercial Support budget of £20,000, to be funded from the Change Management Reserve, be recommended to Council for approval.

Reason for Decision

The strategy consolidates the Council's existing commercial activity and provides a framework, with defined objectives for the delivery of future commercial activity and projects.

(Councillor R.V. Blaney left the meeting at this point. Councillor D.J. Lloyd took the Chair for the remainder of the meeting).

29. INVESTMENT PLAN

The Director - Resources and S151 Officer presented a report concerning the adoption of an Investment Plan for the Council which would support the proposed Commercial Strategy. The MTFP identified the need to take steps to ensure that the Council maintained its financial resilience and protected its long term financial position, by exploring and developing alternative sources of funding that reduced its reliance on government grants and council tax increases in the future. The MTFP also stressed the importance of innovation in the delivery of services in the interests of residents and businesses and the need to develop the Council's approach to revenue generation through reviewing fees for services, trading and investment.

The main objectives of the proposed Investment Plan were:

- to support the Council's MTFP and Commercialisation Plan;
- develop a balanced portfolio of investments that support the Council's stated intentions of enhancing financial resilience in the longer term;
- the establishment of appropriate governance arrangements, including the creation of an Investment Advisory Board to provide advice to the Policy and Finance Committee, on the implementation of the Investment Plan; and
- the proposal to establish, subject to a full business case, a wholly owned Property Development Company.

The Committee debated the role of the Audit & Accounts Committee in respect of the Investment Plan and the composition of the proposed Investment Advisory Board.

AGREED (unanimously) that:

- (a) the Investment Plan be approved and recommend to Council for adoption; and
- (b) the establishment of the Investment Advisory Board be approved.

Reason for Decision

The adoption of this Investment Plan meets the Council's objectives as set out in the MTFP and Commercial Plan; primarily to increase revenue generation in order to become financially independent and ensure the future sustainability of Council services.

30. SOUTHWELL FLOOD MITIGATION SCHEME - FUNDING

The Director- Safety presented a report which invited the Committee to consider the level of contribution to be made towards the Southwell Flood Mitigation Scheme. The Scheme was now being prepared by Nottinghamshire County Council for submission in September, via the Environment Agency, to the National Project Assurance team (NPAS) to gain approval for the release of national funding relating to Flood Defence Grant in Aid (FDGiA) and Local Levy. The confirmation and securing of contributions from the other various stakeholders, including the District Council, was key to gaining these national funding approvals.

Currently the economic analysis was showing £26m of benefits on a scheme cost of £3.6m. This included an optimism bias of 30% which at this stage of the process was reasonable and seen as quite low risk. Confirmed partner contributions were currently £0.9m, made up of £600,000 from Nottinghamshire County Council and £300,000 from Local Levy. With these contributions the calculator was at 80% which meant that more benefits/contributions were needed.

At its meeting on 11 September 2017, the Homes and Communities Committee considered an update report on the various flood alleviation schemes proposed within the Newark and Sherwood District. The report contained an update on the Southwell Flood Mitigation Scheme and the County Council's request for the District Council to indicate the level of its partner funding support. The Committee resolved to recommend a figure of £220,000 to the Policy & Finance Committee.

AGREED (unanimously) that £220,000 funding be committed towards the cost of the Southwell Flood Mitigation Scheme in order to support the submission of the Scheme for funding to the National Project Assurance Team.

Reason for Decision

The District Council's funding support will assist the Southwell Flood Mitigation Scheme to attract the necessary funding from the relevant national funding bodies.

31. INFORMATION REQUESTS, COMPLAINTS AND RPIA UPDATE

The Business Manager – Customer Services and External Communications presented a report which informed the Committee of the activity in relation to requests made to the Council during 2016/17 under the Data Protection Act 1998, Freedom of Information Act 2000 and Environmental Information Regulations 2004. The report also advised of the complaints made to the Local Government Ombudsman and the use by the Council of the Regulation of Investigatory Powers Act (RIPA) during 2016/17.

AGREED (unanimously) that the report be noted.

Reason for Decision

To keep Members informed of activities in relation to various regulations.

32. URGENCY ITEM – DISCRETIONARY REVALUATION SPPORT

The Committee noted the decision to approve the proposed discretionary Revaluation Support scheme, subject to any concerns made by either Nottinghamshire County Council or the Combined Fire authority.

AGREED (unanimously) that the urgency item be noted.

Reason for Decision

To implement the scheme to assist the Council to provide revaluation support by way of business rates relief.

Meeting closed at 7.43pm.

Chairman

NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the **ECONOMIC DEVELOPMENT COMMITTEE** held on Wednesday, 13 September 2017 in the Civic Suite, Castle House at 6.00pm

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

Councillors: R.V. Blaney (ex-officio), M.G. Cope, Mrs R. Crowe, Mrs G.E. Dawn, P.C. Duncan N. Mitchell, P. Peacock (Opposition Spokesperson), A.C. Roberts, T. Wendels and Mrs Y. Woodhead.

ALSO IN ATTENDANCE: Councillors: Mrs I. Brown, R. Crowe and D.R. Payne

10. APOLOGIES FOR ABSENCE

None

11. DECLARATION OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

12. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

NOTED: that an audio recording was to be made of the meeting by the Council.

13. MINUTES OF THE MEETING HELD ON 21 JUNE 2017

AGREED (unanimously) that the Minutes of the meeting held on 21 June 2017 be approved as a correct record and signed by the Chairman.

In accordance with Section 100(B)(4)(b) of the Local Government Act 1971, the Chairman agreed to take the following item as a late item of business in order to allow Members to approve the review and associated timescale into the provision of electric charging points in Council Car Parks.

14. ELECTRIC VEHICLE CHARGING PROVISION IN COUNCIL CAR PARKS

The Committee considered the report presented by the Business Manager – Environmental Health & Licensing in relation to the future development of an electric vehicle charging network within the Council’s car parks.

The report set out that two electric vehicle charging points had been provided at the Council’s new offices and that during the last year the RingGo parking app had been introduced to allow car park users to use their mobile phones to pay for parking. It was also reported that additional machines that allowed card payments including contactless options were to be provided. Paragraph 4 of the report set out what would be considered as part of the review and that a further report would be presented to committee with its finding in January 2018.

A Member of the Committee queried whether recently devolved car parks would be invited to participate and also whether, that as sales of traditional fuel declined, would the Council be in competition with petrol stations that amended their customer offer. The Business Manager confirmed that administrators of devolved car parks would be contacted to ascertain whether they wished to participate in the scheme. In relation to petrol stations, it was noted that they would offer little in the way of 'entertainment' for the customer as at present it only took approximately 5 minutes to put fuel in a vehicle but it would take up to an hour to use an electrical charging facility. It was further noted that supermarkets may be a more attractive offer but it could be that the Council would benefit from customers taking advantage of the surrounding facilities arising from town centre parking.

A Member suggested that as part of the review, consideration be given to the users of mobility scooters being able to use the charging facilities. In response the Business Manager noted that there was concern about conflict between cars and mobility scooters and that, at present, there was no standardised charging point.

The Director – Communities advised that the use of electric charging points was still in the early stages and that there were approximately 6 different types of point available but that it was his belief that these would eventually become standardised.

AGREED (unanimously) that the review and associated timescale into the provision of electric charging points in the Council Car Parks be approved.

15. ECONOMIC DEVELOPMENT STRATEGY REVIEW

The Committee considered the report of the Business Manager – Economic Growth which sought to provide Members with the opportunity to review the Vision, Objectives and Work Plan relating to Economic Growth and Tourism. Contained within the report was an Options Appraisal Table for consideration as to what activities within the forthcoming financial year should be prioritised by the Economic Growth Team. Prior to the meeting a number of the Committee had attended a workshop to look at the appraisal table in more detail.

A Member suggested that schools and business leaders alike be informed as to the Council's aspirations for growth within the district.

Another Member raised the issue of traffic in Newark Town, stating that the regular problems with traffic congestion deterred tourists and businesses from visiting or investing in the town. It was further noted that the increase in frequency of trains to Castle Station and the associated problems of barriers failing to rise/lower, further exacerbated the situation. In response to the previous comments about general traffic congestion in Newark a Member noted that the car parks were often full which suggested that the town was busy and that related revenue had increased. It was suggested that all major centres were busy and that traffic was heavy there too. Again in response to the last comment, several other Members of the Committee agreed that the traffic congestion in Newark was very poor and that the situation needed to be reviewed and rectified as soon as possible, with Members querying as to how the County Council were responding to the issue.

The Leader of the Council, who was in attendance in his ex-officio capacity, agreed that the traffic situation in Newark was poor and that the alleviation works were not now due to be completed until 2027 which was much later than ever previously stated by Highways England. However, action arising from the report could not wait until the works were carried out as the strategy was for the whole of the district and not just Newark. In relation to the issues with the barriers, the Leader advised that a meeting was to be held between the CEO of Network Rail and the relevant Government Minister. The CEO was also to meet with the local MP to discuss the matter. However, at present, Network Rail did not know why the problems were occurring but had instructed an employee to be on-call and stationed at the Northgate Station to respond and rectify any barrier failings immediately.

A Member stated that the report did not appear to reflect what students in schools wanted and whether this had been considered. In relation to interaction with schools, a Member of the Committee advised that schools and their teachers would need to be persuaded to allow the Council to meet with students and that their proposals for engaging with students were worthwhile.

AGREED (unanimously) that:

- (a) the outcomes of the workshop to review the Economic Development Strategy be developed and brought back to the Committee in November 2017; and
- (b) the collaboration model for Business Facing Departments be progressed.

16. BUSINESS CASE PROPOSAL – SHERWOOD FOREST EDUCATION PARTNERSHIP

The Committee considered the report presented by the Business Manager – Economic Growth which sought Members' approval for financial support to conduct two pilot projects within the Sherwood Forest Education Partnership. The report provided information as to the newly formed Community Interest Company: Sherwood Forest Education Partnership and the remit thereof. The report also provided information as to the findings of the House of Commons Education Committee – Underachievement in Education by White Working Class Children (First Report of Session 2014/15). Paragraph 3 of the report set out the broad proposals and offered detail as to future careers and employment awareness tackling the poverty of aspiration; anticipated outcomes from the pilot; and the costs for the pilot.

Members all agreed that the proposals were extremely worthwhile and that the targeting of pupils at the proposed age group was vital to provide encouragement and opportunities for the future. A Member noted that primary school age children were often more receptive and that it was also beneficial to provide something for them to aim for. Members also asked to be kept informed of when the sessions were to take place so that they could be personally involved with the scheme.

AGREED (unanimously) that the proposal to provide funding of £6,600 to develop innovative approaches to the long-standing issues of poverty of aspiration and future employment for children, young people and their parents in the Dukeries area be supported.

The meeting closed at 6.40pm

Chairman

NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the **HOMES & COMMUNITIES COMMITTEE** held on Monday, 11 September 2017 in the Civic Suite, Castle House at 6.00pm.

PRESENT: Councillor R.B. Laughton (Chairman)
Councillor T. Wendels (Vice-Chairman)

Councillors: R.V. Blaney (ex-officio), Mrs B.M. Brooks, Mrs A.C. Brooks, Mrs I. Brown, M. Buttery, R. Crowe, K. Girling, Mrs S.M. Michael, N. Mitchell, Mrs P. Rainbow and Mrs S. Soar.

14. APOLOGIES FOR ABSENCE

None recorded – all Members present.

15. DECLARATION OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

16. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

NOTED: that there would be an audio recording of the meeting undertaken by the Council.

17. MINUTES OF THE MEETING HELD ON 12 JUNE 2017

AGREED (unanimously) that the Minutes of the meeting held on 12 June 2017 be approved as a correct record and signed by the Chairman.

18. PERFORMANCE MONITORING: NEWARK AND SHERWOOD HOMES

The Committee considered the report presented by the Business Manager – Strategic Housing in relation to performance information relating to the operations of Newark and Sherwood Homes (NSH – the Company) in accordance with the Management Agreement and Annual Delivery Plan.

The report provided information as to the Committee's remit to undertake scrutiny of the operational performance of the Company and that Policy & Finance Committee took responsibility for the determination of Key Performance Indicators. Information was also reported on the Delivery Plan; the Asset Management Programme; the Tenant Panel Feedback/Work Programme; Assurance Report; Details of Formal Complaints; List of Let Contracts; Procurement Plan; and Management Fee.

Members discussed the information provided and made a number of observations. A Member noted that despite reassurances that measures would be taken to improve the repairs system it continued to be problematic, with contractors not keeping to appointment times or arriving without an appointment.

Members noted that there had been a general trend of a reduction in tenant satisfaction and queried whether the reason for that was known. Officers confirmed that the issue would be discussed and form part of the forthcoming review.

It was also noted that there was no measure of tenant satisfaction in relation to the actual application process. A Member commented that he received complaints about supporting information being handed in and subsequently going missing. Officers advised that a new allocation scheme was in operation and was being regularly reviewed and the above comments would be fed into that review process.

In relation to walkabouts, Members agreed that they were a useful exercise but little action had arisen from them in the past. Members requested that they be kept up to date on the situation. Some Members also noted that they did not receive notification of the walkabouts. Again, Officers advised that they would forward the comments to the Company.

AGREED (unanimously) that:

- (a) the strategic performance information supplied in relation to the activities of Newark and Sherwood Homes and the Housing Revenue Account be noted; and
- (b) the above comments be forwarded to Newark and Sherwood Homes.

19. AFFORDABLE HOUSING DELIVERY

The Committee considered the report presented by the Business Manager – Strategic Housing which provided detail on affordable housing delivery across the district for the financial year 2016/17 and an indicative guide on future anticipated delivery.

The report provided statistical information for affordable housing delivery for 2016/17 which included Council and Company developments, Section 106 Agreements and 100% Affordable Housing Schemes. The report also provided information on anticipated affordable housing delivery; rural exception sites; and Council Housing – 5 Year Development Programme.

In considering the report Members agreed that the number of affordable homes delivered for the first year, currently 63, was to be welcomed, noting that the target for the initial year was 70. It was also noted that lessons had been learnt on how best to progress the programme and that this was very important in order to fulfil the Council's 5-year supply.

Members all agreed that the Strategic Housing Business Unit was to be commended for their ongoing efforts to deliver the programme, adding that the service provided was an example to other local authorities.

AGREED (unanimously) that the affordable housing delivery in 2016/17, the future anticipated delivery and progress with the Council's 5-year development programme be noted.

20. UPDATE ON FLOOD PREVENTION SCHEMES IN NEWARK & SHERWOOD

The Committee considered the report presented by the Business Manager – Community Safety which sought to update Members on the current position of proposed flood alleviation schemes within the district.

The report provided information of the four schemes within the District that could have the potential to be delivered with the current proposals being listed in paragraph 3.0.

In relation to the Girton Scheme, the Business Manager advised that following receipt of a report from Nottinghamshire County Council the funding gap had increased considerably therefore making the delivery of a satisfactory flood defence difficult.

It was reported that in relation to Lowdham and Gunthorpe, the Lowdham Scheme seemed better able to progress as the securing of funding for Gunthorpe would possibly take a longer period of time.

In relation to the Southwell Scheme, it was reported that the Scheme of Engineering Works was due to commence in December 2017. Nottinghamshire County Council (NCC) were soon to submit a bid for Grant in Aid funding and wanted to pull together all the partners who would be able to contribute. Members were advised of the possible level of funding from other partner organisations and that the Council has put aside £400k in capital reserves but that any contribution would need to be approved and authorised by the Policy & Finance Committee.

The Chairman of the Committee updated Members as to the latest position in relation to funding from central Government advising that in his role as a County Councillor he was to attend a meeting with Councillor Roger Jackson (County Councillor for the Southwell Division) to speak to the relevant Minister in the DCLG. He also advised that discussions were ongoing with the Environment Agency in relation to the local levy scheme and that these appeared to be positive in that they would possibly increase their funding contribution. He further commented that the Committee should agree a sum of money from the amount set aside in capital reserves, suggesting a figure of £220k, and that a recommendation be forwarded to the Policy & Finance Committee for their consideration.

The Leader of the Council, who was in attendance in his ex-official capacity, noted that Ministers wished to see the cost benefit analysis for the scheme and suggested that this be provided as soon as possible. He also noted that the DCLG Minister would report his findings to the Secretary of State, Michael Gove MP and again

suggested that the MP for Newark, Robert Jenrick, make contact with the Secretary of State on behalf of the Council in an attempt to expedite the matter. He requested that such cost benefit analysis also be provided to the Policy & Finance Committee stating that it would provide Committee with a better understanding of the costs involved thereby assisting them with their decision making.

The Leader also noted that Southwell Town Council had increased their precept by some £40k and that residents believed that the whole of the annual increase would be ring-fenced for flood prevention. However, the contribution to the flood prevention scheme had reduced year on year with some £85k being spent on other issues. A Member of the Committee voiced his concern about the Southwell precept and that the Council may be required to contribute an increased amount because of that, adding that the capital reserve was for schemes throughout the district and not just Southwell.

In relation to the Chairman's suggested contribution figure of £220k a Member of the Committee stated that he was supportive of the Southwell Scheme but did not wish to see the contribution jeopardise the other proposed schemes in the district, noting that they too had suffered greatly from incidents of flooding. The Business Manager advised that he had received information that the scheme in Lowdham was likely due to commence in 2019 with a finish date of 2021.

AGREED (unanimously) that:

- (a) the current situation and potential financial contributions for the schemes be brought back to Committee when detailed costings were confirmed; and
- (b) the Homes & Communities Committee recommend to the Policy & Finance Committee a figure in the region of £220k as the Council's contribution towards the Southwell Flood Alleviation Scheme.

21. SINGLE HOMELESSNESS IN NEWARK AND SHERWOOD

The Committee considered the report of the Business Manager – Housing & Safeguarding which sought to provide Members with an insight into the causes of homelessness with particular focus on single homelessness and rough sleeping within a local and national context.

The report provided statistical information as to the national situation in England and also at a district level. It also provided an explanation of some situations that could result in an individual or family finding themselves homeless. Details of how individuals were assisted were listed at paragraph 5.0 of the report which also included some case studies. The report also gave detail of the Council's Severe Weather Emergency Provision (SWEP); Individual Mentoring Partners and Churches Together (IMPACT); Modern Day Slavery Action Day; and an estimate of the districts number of rough sleepers.

Members all agreed that the work undertaken by the Housing & Safeguarding Business Unit was of great importance and that the staff were to be thanked for

their hard work and dedication. It was also noted and agreed that not all individuals classed as homeless wanted or asked for assistance but that the Council continued to offer to them assistance regardless of that.

A Member queried whether there had been any incidents of individuals pretending to be homeless and begging on the streets and, if so, what action had been taken. The Business Manager advised that if they received information of this type of incident they worked with Community Safety Officers and the Police to resolve the situation.

It was noted that work was undertaken in partnership with Framework and much was centred in Newark. A Member queried whether any work was done in outlying areas also. The Business Manager advised that assistance was given to individuals wherever they were in the district and that Officers relied on the receipt of intelligence in order to deploy resources accordingly.

In relation to the No Second Night Initiative a Member queried whether individuals presented to the Council and how the authority may practically assist them. The Business Manager stated that this was largely dependent on the individual and their willingness to work with Officers, adding that some of the situations that individuals found themselves in were very challenging.

It was noted that the Modern Day Slavery Action Day had been held on 1 August 2017 in Newark and a Member queried as to how frequently these would be held and whether they would be in other areas of the district too. In response, the Business Manager advised that the frequency of the action would rely on the gathering of information but it was likely that the next target would be looking at individuals working in nail bars.

The following item on the Agenda was a letter from the Department for Communities and Local Government relating to the Homelessness Reduction Act. The Chairman advised the Committee that this would be taken as part of Agenda Item No. 8 as they were both in relation to the same matter.

AGREED (unanimously) that the contents of the report (and Agenda Item No. 9) to increase Members' understanding regarding the challenges faced in tackling and responding to single homelessness and rough sleeping in the district be noted.

22. GRENFELL FIRE – UPDATE RELATING TO IMPACT UPON THE COUNCIL'S HOUSING STOCK

The Committee considered the report presented by the Assistant Director – Asset & Development Services for Newark and Sherwood Homes (NSH – the Company) which sought to provide Members with an overview of the impact of the Grenfell fire upon the Council's housing stock and fire safety measures in place.

The report provided an overview of the fire safety measure currently in place and what actions had been taken by NSH subsequent to the Grenfell fire. It was reported that the Nottinghamshire Fire & Rescue Service were complementary of

NSH's work and what measures had taken place since the fire. The Company had asked the Fire Authority to review their current policies and proposed changes thereto.

A Member of the Committee commented that she had been approached by a local resident who resided in a bungalow that only had one means of access and egress and whether any action was to be taken to rectify this. The Assistant Director advised that only one means of access did not contravene current fire safety regulations but the outcomes of the Grenfell Public Inquiry would be closely monitored.

Members noted that one of the issues that had hampered the authorities to identify the number of individuals who had perished in the fire had been because a number of the flats had been sub-let. Members queried whether this was something that the Company were looking into. The Assistant Director noted that sub-letting was in contravention of the tenant's agreement but that if information was received that confirmed this had taken place, the Company would act accordingly. However, a review of this was not a specific piece of work that was scheduled to take place at present.

Members noted that advice given to tenants was to remain in their flats should a fire start and whether this should be revised. The Assistant Director confirmed that the advice remained unchanged as it was based upon the flats being safe for a period of time. All tenants had been re-advised as to the fire safety protocols but no-one could obviously enforce them. The Fire Authority's rationale for the advice was that should a tenant leave their flat they would not know what they were escaping to but the Company shared the concerns expressed by Members. The advice had been reviewed following the Grenfell fire and remained unchanged.

A Member of the Committee who also acted as a representative on the Company's Board of Directors advised that the Company were looking into ways in which checks could be carried out to ascertain who lived in a property even if they were not the named tenant. This was specifically relevant to Houses in Multiple Occupation.

The Assistant Director advised that although it was not a legislative requirement, it was incumbent on the Company to ensure that its tenants could escape if necessary and that a review of this was to be undertaken.

The Chairman of the Committee noted that it had been an Arm's Length Management Organisation that had been administering Grenfell Tower but that the criticism had been directed at the local authority, therefore the Council needed to take ownership of the review. He stated that it was likely that sub-letting of properties occurred without either the Council's or NSH's knowledge. He also stated that where there were multi-storey buildings protection must be given to the access and egress points and that consideration should be given to the retrospective fitting of a sprinkler system in those locations.

AGREED (unanimously) that the fire safety measure that Newark and Sherwood Homes have in place in relation to the Council's Housing stock and actions undertaken following the Grenfell Tower incident be noted.

The meeting closed at 7.24pm

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the meeting of the **LEISURE & ENVIRONMENT COMMITTEE** held in the Civic Suite, Castle House, Newark on Tuesday, 19 September 2017 at 6.00 pm.

PRESENT: Councillor R.J. Jackson (Chairman)
Councillor N.B. Mison (Vice-Chairman)

Councillors: R.V. Blaney (Ex-Officio), Mrs G. Dawn, P.C. Duncan,
Mrs L. Hurst, J.D. Lee, D.B. Staples, Mrs L.M.J. Tift,
Mrs A.A. Truswell and K. Walker.

11. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors M.G. Cope and Mrs Y. Woodhead.

12. DECLARATION OF INTERESTS BY MEMBERS AND OFFICERS

The following Members declared their interests.

<u>Member/Officer</u>	<u>Agenda Item No.</u>
Councillors: R.V. Blaney and Mrs A.A. Truswell	Item No. 5 – Active4Today Update Report. Personal Interests as they were both Directors of Active4Today.

13. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

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

14. MINUTES OF THE MEETING HELD ON 27 JUNE 2017

AGREED that the Minutes of the meeting held on 27 June 2017, be approved as a correct record and signed by the Chairman.

15. ORDER OF BUSINESS

The Chairman with the agreement of the Committee changed the order of business on the agenda. Agenda Item No. 7 – Health Scrutiny Group was taken as the first item for decision. The agenda resumed its stated order thereafter.

16. HEALTH SCRUTINY GROUP

At the last meeting of the Committee, Members invited County Councillor K Girling to attend the next meeting of the Committee to inform them of the reason why the District Council had been excluded from future meetings of the Health Scrutiny Group.

County Councillor K Girling informed the Committee that he had withdrawn the voting rights for the District Councillors on the Health Scrutiny Group as Health Scrutiny was a

statutory requirement for Nottinghamshire County Council and was not a District Council requirement. The Health Scrutiny Group meeting was an open public meeting and district councillors were welcome to attend however they would not be permitted to speak or vote. Councillors could contact County Councillor Girling with any issues to be submitted before the Health Scrutiny Group at his discretion. The agenda and meeting timetable was provided online, an agenda would also be provided to any interested Members on request.

A Member raised his concerns and disappointment regarding the decision that had been made. He felt that the District Council had made valuable contributions to the Group and had done a good job. The Group had researched the provision of other health services and had secured interesting evidence. The Group also scrutinised the health services Nottinghamshire County Council were providing. It was felt that the independent Members on the Group strengthened that role.

NOTED: the verbal update.

17. ACTIVE4TODAY UPDATE REPORT

The Committee considered the report presented by the Director Customers and the Director - Active4Today.

The Committee were asked to consider two items highlighted by Active4Today in its Management Report. The items included an update on the Dukeries Leisure Centre and the new arrangements with South Forest and to request the closure of one squash court at the Dukeries Leisure Centre due to escalating maintenance costs and low levels of usage and income.

The report also provided a detailed update on the Dukeries Academy; the current position; background information regarding the squash court closure at the Dukeries Leisure Centre and the current position; proposal; budget implications and equality and diversity implications.

Members considered the report and a Member commented on the closure of the swimming pool at the Dukeries Academy. He felt that whilst the Trust had notified him with an explanation as to why the facility was going to be closed; the Council's staff did not see a reason for immediate closure through the grounds of health and safety. There had been a lack of cleaning in the shower area but nothing to warrant immediate closure. There had been no attempt by the Trust to discuss the problem with the District Council to try and find a solution to retain the facility. The closure of the pool had resulted in the loss of a swimming facility for the Dukeries Academy, neighbouring schools and community. Active4Today were congratulated for securing the swimming pool facility at South Forest Swimming Complex in Edwinstowe. It was suggested that a letter be sent on behalf of the Committee expressing their dismay of the loss of the facility for the community of Ollerton and Boughton and that any future decisions be undertaken in consultation with Newark & Sherwood District Council.

A Member suggested that the Committee should undertake legal advice to see if it was appropriate to send the suggested letter. The Trust had been placed on notice, of the intension by the Council and its Company to seek financial redress as detailed at 3.0

within the report.

Clarification was sought regarding the numbers of customers that had transferred to South Forest Leisure Centre. It was confirmed that almost all customers had transferred over. There had been some losses due to transport issues; there had also been some gains from Edwinstowe. It was confirmed that work was on-going with South Forest to add value to the scheme.

A Member commented that it was necessary for the Council to review the leisure facilities in the West of the district, as there was no current Council run wet facility in the West of the district.

Members also discussed the loss of the squash court at the Dukeries Leisure Centre and whilst regretted the loss of that facility, understood the logic and sensible decision to develop it into part of the fitness suite.

AGREED (unanimously) that:

- (a) the issues at the Dukeries Leisure Centre and the new arrangements at South Forest be noted; and
- (b) the change of use of a squash court at the Dukeries Leisure Centre and its development into part of the fitness suite.

18. NEWARK & SHERWOOD PLAYING PITCH STRATEGY

The Committee considered the report presented jointly by the Community Projects Manager and the Business Manager Parks & Amenities, which provided Members with the Newark & Sherwood Playing Pitch Strategy and sought Committee's endorsement of the revised strategy.

It was reported that the main purpose of the review was to go through the Strategy Action Plan and identify progress towards achieving objectives and any key issues that needed to be addressed. In November 2016 a questionnaire was circulated to relevant sporting National Governing Bodies (NGBs), Active4Today, secondary schools and relevant Newark & Sherwood District Council officers. The questionnaire asked recipients to review the short and medium term actions and objectives associated with their sports and to provide an update on progress. The report detailed the review process; the key findings; equalities implications; impact on budget/policy framework; and comments of the Director Community.

Members considered the report and it was commented that the report showed a healthy provision of sport within the district.

A Member raised concern regarding the proposed development on the fields off Lincoln Road and asked that the sports clubs that used the fields for recreational purposes be fully consulted. It was felt that the loss of the fields would have a detrimental impact on health for residents of an area already noted for its deprivation.

The Business Manager Parks & Amenities confirmed that the adult football that had

previously taken place on the fields off Lincoln Road had ceased. Suitable playing fields would be retained to meet the needs of the Bridge Ward and the surrounding area.

A Member confirmed that the capital receipts received from the development on the fields on Lincoln Road would pay for improvement works in the Yorke Drive area. A proportion of the Lincoln Road land would be set aside for development and a proportion for improved sports development.

A Member commented on the decline in adult sports participation and asked if the Sports Development Team would provide a report to a future meeting of the Committee explaining what work had been undertaken to establish sport teams, with an explanation regarding the difficulties they had in engaging the community. It was commented that there were tennis courts at the Dukeries Leisure Centre and football pitches which were not being used. It was considered that both facilities could be provided free of charge. It was further commented that the residents of the deprived estates of Ollerton and Boughton did not use the Dukeries Leisure Centre which was suggested to be due to cost and other issues.

A Member commented on the swimming pool facility at the Wellow House School at Wellow and informed the Committee that Wellow Parish Council had been approached by the School inviting residents to use their facilities. It was suggested that the Council may be able to utilise that facility.

AGREED (unanimously) that:

- (a) the findings of the review of the Newark & Sherwood Playing Pitch Strategy be endorsed; and
- (b) an update report from the Sports Development Team be provided to a future meeting of the Committee, explaining the work achieved to establish sports teams within the district and any difficulties they had in engaging the community.

(Councillor R.V. Blaney left the meeting at this point).

19. UPDATE ON RECYCLING

The Committee considered the report presented by the Director Community which updated Members on the current information as to what can be recycled via the Councils Silver Recycling Bin and provided information on the current status and challenges for the kerbside recycling of glass and food waste.

A video entitled 'Mansfield Materials Recovery Facility' was presented to the Committee. A leaflet entitled 'Are you bin smart' was also tabled for information.

Members discussed the issues of recycling and raised concern with their own knowledge regarding what could be placed in the silver recycling bin and the inconsistency of recycling of waste within the County. The sticker system was raised and Members asked if a further sticker could be distributed to residents of the district, informing them of what should not be disposed in their recycling bins.

The Director Community confirmed that an article was included in the Newark & Sherwood District Council community newspaper 'Voice' annually in November, which would be supplemented with what can be recycled in the silver bin.

A Member raised concern regarding the amount of fly tipping that was taking place in the district and requested an update report on fly tipping, including the cost the Authority incurred, be provided to a future meeting of the Committee. The Director Community confirmed that an annual report regarding fly tipping would be brought to the spring meeting of the Committee. Members were also informed regarding the increase in tyre dumping within the district over the last few months.

A Member raised an issue regarding the size of the residual bin as a resident had received a new bin which was smaller than that of the previous bin. The Director Community confirmed that this was Council policy; any new residual bins distributed would be smaller to encourage recycling. The Director confirmed that he would clarify when the scheme was introduced and forward the information to Members of the Committee

The Director Community commented that Veolia needed to provide educational information on what should be recycled to all Council's in the County and make a contribution to the distribution of educational stickers to be placed in the inside of bins.

AGREED (unanimously) that:

- (a) the report be noted;
- (b) clarification regarding when the smaller residual bin scheme was introduced be forward to Members of the Committee.

20. HEALTH AND WELLBEING

The Leisure & Environment Committee Vice-Chairman informed the Committee that there had been one Health and Wellbeing Board meeting since that last meeting of the Committee, which he was unable to attend due to the clash with the Tour of Britain event.

The Vice-Chairman also informed the Committee of the consultation which was taking place regarding the second Joint Health & Wellbeing Strategy for Nottinghamshire. The consultation would close 29 October 2017. A consultation meeting would be undertaken by the Health & Wellbeing Board in the Civic Suite, Castle House, Newark on Tuesday, 10 October 2017, 2.00pm – 4.00pm. Further consultation would take place at the Parish Conference to be held at the same venue on Tuesday, 17 October 2017.

It was reported that the next meeting of the Health Forum, the Clinical Commissioning Group (CCG) would look at the split in demographics for the east and west of the district.

Members also discussed various schemes they had come across over the summer including 'Happy to share a chair' and the 'Bisto Together' project – spare chair Sunday, both schemes had been put in place to combat loneliness. The Director Community confirmed that he would raise the schemes at the next Public Health meeting and would report back to a future meeting of the Committee.

AGREED (unanimously) that:

- (a) the verbal update be noted; and
- (b) the Director Community report the loneliness schemes to the next Public Health meeting and report any feedback to a future meeting of the Committee.

The meeting closed at 7.45pm.

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the **GENERAL PURPOSES COMMITTEE** held on Thursday, 7 September 2017 in Room G21, Kelham Hall at 6.00pm.

PRESENT: Councillor Mrs R. Crowe (Chairman)
Councillor I. Walker (Vice - Chairman)

Councillors: Mrs K. Arnold, Mrs B.M. Brooks, Mrs I. Brown, D. Clarke, M. Cope, Mrs S.M. Michael, D.R. Payne, Mrs S.E. Saddington, Mrs S. Soar, K. Walker and B. Wells.

06. APOLOGY FOR ABSENCE

An apology for absence was submitted by Councillor M. Buttery

07. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

08. DECLARATION OF INTENTION TO RECORD MEETING

NOTED: that there would be no recording of the meeting.

09. MINUTES OF MEETING HELD ON 15 JUNE 2017

AGREED that, subject to Councillor Mrs K. Arnold's apologies being recorded, the Minutes of the meeting held on 15 June 2017 be approved as a correct record and signed by the Chairman.

10. ORDER OF BUSINESS

With the agreement of the Committee, the Chairman changed the order of business and Agenda Item Nos. 7 and 8 (Applications for a Hackney Carriage/Private Hire Driver's Licence) and Agenda Item Nos. 9(i)-(iii) (Notes of Hackney Carriage/Private Hire Vehicle Sub-Committee Meetings) were taken as the first five items on the agenda. The agenda resumed its stated order thereafter.

11. EXCLUSION OF PRESS & 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 item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 1 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

12. APPLICATION FOR A HACKNEY CARRIAGE/PRIVATE HIRE DRIVER'S LICENCE

The Committee considered the report presented by the Business Manager – Environmental Health & Licensing in relation to an application received for a Hackney Carriage/Private Hire Driver's Licence.

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

13. APPLICATION FOR A HACKNEY CARRIAGE/PRIVATE HIRE DRIVER'S LICENCE

The Committee considered the report presented by the Business Manager – Environmental Health & Licensing in relation to an application received for a Hackney Carriage/Private Hire Driver's Licence.

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

14. NOTES OF HACKNEY CARRIAGE/PRIVATE HIRE VEHICLE SUB-COMMITTEE MEETINGS

AGREED that the Notes of the Hackney Carriage/Private Hire Vehicle Sub-Committee Meetings held on 8 May, 3 August and 16 August 2017 be noted.

15. LOCAL AUTHORITY TAXI LICENSING RESPONSIBILITIES

The Committee received a verbal presentation from the Business Manager – Environmental Health & Licensing in relation to the key points of law of the differences between Hackney Carriage and Private Hire (HC/PH) Drivers and providing an update of issues surrounding the taxi licensing trade in the district.

The Business Manager highlighted the key differences between the two types of drivers adding that the Council issued a dual badge for licensed drivers and that the Council also issued badges to Private Hire Ambulance Drivers. All individuals applying for a licence must prove that they are a fit and proper person to hold such a licence and that thorough checks were carried out which included the recently added safe guarding check. If all requirements were met then the licence could be issued under delegated powers by Officers, if not, the applicant was required to attend Committee for Members to consider and determine their application. In relation to the licensing of vehicles it was reported the standard for a HC was slightly higher than that for a PH.

In response to the latest position with regard to licensed drivers from Wolverhampton working in the district, the Business Manager advised that the company who had employed them no longer had a valid operator's licence and therefore they would not be permitted to continue to work in the district. However, a Nottingham based company had expressed an interest in purchasing the company and applying for an Operator's Licence. This would likely mean that, if successful, they would sub-contract out some of their work to their Nottingham based drivers.

In relation to the taxi rank situated on Castlegate it was reported that this was constantly used by private vehicles thereby preventing hackney carriages from legally standing on the rank. Currently the hours that the rank was in operation were from 8pm to 3am and vehicles that were parked prior to that were frequently left illegally parked in the rank. Discussions had been held with Nottinghamshire County Council with a view to amending the hours to 6pm to 3am the findings of which would be reported back to the Committee.

AGREED that the verbal update be noted.

16. UPDATE ON PERFORMANCE AND ENFORCEMENT MATTERS

The Committee considered the report presented by the Business Manager – Environmental Health & Licensing in relation to the activity and performance of the Licensing Team together with details of current ongoing enforcement issues.

Information contained in the report related to the number of applications for the grants and renewals of licences for Hackney Carriage; Private Hire; and Ambulance Drivers together with those for Hackney Carriage and Private Hire Vehicles. A note of ongoing enforcement activity was also listed with information as to what action had been taken to date.

Information was also provided in relation to Street Collections and House to House Collections. Members expressed their concern in relation to some of the very low percentage rates of the amount collected actually given to the charity. The Business Manager advised that, when contacted, the reasons given for this was that the overhead costs were high e.g. provision of bags; collection; and sorting. He added that if they wished the Committee could refuse to grant a licence and that by doing so if the applicant chose to appeal the decision it would be forwarded to the Cabinet Office for determination. It was also suggested that when an application was received, Officers would review the return given in previous years and that if it was less than 75% of the total collected then the application would be subject to further scrutiny.

AGREED (unanimously) that:

- (a) the contents of the report be noted; and
- (b) in relation to application forms received for House to House Collections and prior to any permit being issued, Officers to undertake a review of the percentage return given to the Charity in previous years and if this was found to be less than 75% of the total collected, then the application would be subject to further scrutiny.

The meeting closed at 7.04pm

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the **LICENSING COMMITTEE** held on Thursday, 7 September 2017 in Room G21, Kelham Hall immediately following the meeting of the General Purposes Committee.

PRESENT: Councillor Mrs R. Crowe (Chairman)
Councillor I. Walker (Vice - Chairman)

Councillors: Mrs K. Arnold, Mrs B.M. Brooks, Mrs I. Brown, D. Clarke, M. Cope, Mrs S.M. Michael, D.R. Payne, Mrs S.E. Saddington, Mrs S. Soar, K. Walker and B. Wells.

10. APOLOGY FOR ABSENCE

An apology for absence was submitted by Councillor M. Buttery

11. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

12. DECLARATION OF INTENTION TO RECORD MEETING

NOTED: that there would be no audio recording of the meeting.

13. MINUTES OF MEETING HELD ON 15 JUNE 2017

Minute No. 05 – Licensing Act Training for Members and Officers

It was agreed that the Licensing Act training provided in the morning session had been first class and welcomed by the Members in attendance. However, Members again expressed their concern about the afternoon session and its benefit to those in attendance. It was suggested that rather than having role play showing what should not happen in a licensing hearing that the session be used to provide an exemplar of the proceedings for a licensing hearing. Members agreed that if the format was not changed they would be unlikely to attend the afternoon session.

AGREED (unanimously) that:

- (a) subject to Councillor Mrs K. Arnold's apologies being recorded, the Minutes of the meeting held on 15 June 2017 be approved as a correct record and signed by the Chairman; and
- (b) that the Business Manager – Environmental Health & Licensing pass on the comments of the Committee in relation to the afternoon session from the Licensing Act training.

14. NOTES OF THE LICENSING PANEL HEARINGS

AGREED that the Notes of the Licensing Hearings held in relation to: 45 Kirk Gate, Newark; Chapel Farm, Wellow; Rainworth Village Hall; and Rutland Arms, Newark 2017 be noted.

15. UPDATE ON QUARTERLY PERFORMANCE AND ENFORCEMENT MATTERS

The Committee considered the report presented by the Business Manager – Environmental Health & Licensing in relation to the activity and performance of the Licensing Team between 1 April and 30 June 2017 inclusive, together with details of current ongoing enforcement issues.

Information contained within the report related to the number of applications for the grant or variation of licences received between the above dates and the enforcement activity between the same two dates being listed at paragraph 2.2.

NOTED the information contained within the report.

16. TEMPORARY EVENT NOTICES RECEIVED AND ACKNOWLEDGED BETWEEN 1 APRIL AND 30 JUNE 2017 INCLUSIVE

The Committee considered the report presented by the Business Manager – Environmental Health & Licensing in relation to the notices received and acknowledged between 1 April and 30 June 2017 inclusive.

NOTED the Temporary Event Notices received and acknowledged between 1 April and 30 June 2017 inclusive.

17. ANY OTHER BUSINESS

The Committee took the opportunity to express their thanks to their Legal Advisor, Mrs Lisa Ingram, who was due to leave the Council at the end of the month and wished her well in her new employment.

It was also noted that the Licensing Committee was the last official Council Committee meeting to be held at Kelham Hall before the move to the new Council building at Castle House in Newark.

The meeting closed at 7.15pm

Chairman

NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the meeting of the **AUDIT & ACCOUNTS COMMITTEE** held in Room G21, Kelham Hall on Wednesday, 26 July 2017 at 10:00am.

PRESENT: Councillor Mrs S.M. Michael (Chairman)

Councillors: Councillor R.A. Crowe, G.P. Handley, D.R Payne and B. Wells.

ALSO IN

ATTENDANCE: Nicky Lovely - Business Manager - Financial Services (NSDC)
John Sketchley - Audit Manager (Assurance Lincolnshire)
Lucy Pledge (Audit and Risk Manager (Head of Internal Audit) Assurance Lincolnshire)
Jonathan Gorrie - Director (KPMG)
Helen Brookes - Manager (KPMG)
Nicola Pickavance - Assistant Business Manager - Financial Services (NSDC)

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

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

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

3. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

The Chairman informed the Committee that the Council was undertaking an audio recording of the meeting.

4. MINUTES OF MEETING HELD ON 8 FEBRUARY 2017

AGREED that the Minutes of the meeting held on 27 April 2017 be approved as a correct record and signed by the Chairman.

5. TREASURY OUTTURN REPORT 2016/17

The Business Manager- Financial Services presented the Treasury Outturn report for 2016/17, prior to reporting it to Council on 10 October. The Treasury Strategy and Prudential Indicators for 2016/17 were approved by Council on 10th March 2016 and the Outturn report was the last report for the financial year, required by the CIPFA Code. It was prepared on the basis of the draft final accounts.

The report set out the economic background and the Councils levels of borrowing, investment activity, financial requirements, and usable reserves. The Business Manager explained that approved borrowing rates were above the actual amount borrowed to ensure that the Council had some headroom to enable it to borrow in the event of an emergency or urgent need. The headroom was considered each year and was based on

the capital programme. The report confirmed that the Council had operated with the Treasury Management Strategy and complied with all its prudential indicators during the year.

AGREED (unanimously) that

(a) the Treasury outturn position for 2016/17 be noted; and

(b) the report be referred to Council for consideration and approval.

6. EXTERNAL AUDITORS ANNUAL GOVERNANCE REPORT

Jonathan Gorrie and Helen Brookes (KPMG) presented the External Auditors Annual Governance report, and explained that they expected to issue an unqualified opinion on the Authority's financial statement. A number of audit adjustments and presentational adjustments had been identified, but they had no overall effect on the bottom line. Nine recommendations had been made, which were included in the report.

The report outlined the significant audit risks, including significant changes in the pension liability due to LGPS Triennial Valuation and the provision for Business rate appeals. The pensions liability was highlighted as a significant audit risk, though it was noted that this was common across most authorities, as it was based on estimates, and therefore accuracy was a challenge. However, there were no discrepancies found. The external auditors also confirmed that they would seek details about the comparative pension provision cost across council pension providers.

With regard to the Business rates appeals, in the previous financial year, the external auditors had recommended that the Council assess the liability of outstanding claims. The Council had subsequently engaged a specialist to assess these, and as a result, increased the provision to £7.5 million.

Two other areas of audit focus had been identified, though not significant risks, which were Disclosures associated with retrospective restatement of CIES, EFA and MiRS and Major capital transactions. Levels of prudence within the key judgements in the financial statement and accounting estimates were all found to be balanced, within the acceptable range.

The Committee then considered the nine key recommendations, two of which were high priority. These related to Active4Today and Related Parties. With regard to Active4Today, the external auditors felt that their accounts should be subject to audit. Active4Today had argued that their accounts were not be subject to audit on the grounds that it claimed small company exemption under Section 477 of the Companies Act 2006 ('the Act'). However, Section 479 of the Act stated that a company was not entitled to the exemption conferred by section 477 in respect of a financial year during any part of which it was group company. A local authority owned company was not entitled to take advantage of the small company exemption granted by Section 477 of the Act unless it was dormant or the group qualified as a small group. The Business Manager- Financial Services informed the Committee that she had sought legal advice on this matter, and was awaiting a response. This would be reported to the Committee, along with comments of the S151 Officer. The Committee felt strongly that the

accounts of Active4Today should be audited. It was noted that should it be determined that it was a legal requirement for the accounts to be audited the deadline for audit would be 21 months from the date of incorporation.

With regard to Related parties, the External Auditors recommended that these should be updated annually, and a response sought from each Member. The Committee agreed that this was important, and it may assist Members if the form used could be simplified to aid Members completion and return.

The External Auditors explained that they had also undertaken risk-based work to consider whether in all significant respects the Authority had proper arrangements to ensure that it had taken properly informed decisions, and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

They had concluded that the Council had adequate arrangements in place to demonstrate it was providing value for money. Whilst considering the significant value for money risks, the Committee considered the medium term financial plan, noting the difference in net budget requirement and amount of settlement funding and Council Tax. It was noted that the Council were creating an investment plan and commercialisation plan, however, the Committee considered reduction of costs was also important.

AGREED (unanimously) that

- (a) the Committee receives the External Auditors Annual Governance Report for 2016/17;
- (b) the Committee notes the adjustments to the financial statements set out on page 32 of the report;
- (c) the letter of representation signed by the Assistant Business Manager - Financial Services, be approved; and
- (d) that the Committee receives a report at their next meeting regarding the auditing of the accounts of Active4Today.

7. APPROVAL OF THE STATEMENT OF ACCOUNTS

The Assistant Business Manager- Financial Services presented the final Statement of Accounts. In accordance with the Accounts and Audit Regulations 2015 there was a legal requirement that the Statement of Accounts for the Council receive approval by an appropriate Committee by the 31st July following the end of the financial year to which the Accounts relate.

There was a statutory requirement for the accounts of Newark and Sherwood Homes Ltd and Active4Today Ltd, the Council's two subsidiary companies, to be combined with the District Council's accounts to produce Group accounts which also have to be approved by the same date. A deadline of 19th May was agreed with Newark and Sherwood Homes Ltd and Active4Today Ltd for submission of completed accounts, and their accounts were received by this date.

Some changes had been made to the core statements of the Statement of Accounts following the external audit. There was one material error on the balance sheet and three non-material errors which impacted a number of core statements. None of them impacted on the Council's surplus for the year. There was, in addition, one error in the Collection Fund which had impacted on the Council's surplus for the year. The surplus had been reduced by £37k.

In considering the Statement of Accounts, Members requested that further detail be included in relation to the HRA operating surplus and transfer to the Major Repairs Reserve.

Before concluding, the Chairman agreed a vote of thanks to the Finance Team and Internal and External auditors for a good set of accounts and successful audit. She also passed on special thanks on behalf of the Committee to Mrs N. Pickavance, as it was her final Audit and Accounts meeting with the Council.

AGREED (unanimously) that

- (a) Members approve the Annual Governance Statement for the financial year ended 31st March 2017
- (b) Members approve the Statement of Accounts for the financial year ended 31st March 2017
- (c) Members note the intention of the s151 Officer and the Chairman to sign the Letter of Representation

8. INTERNAL AUDIT PROGRESS REPORT 2017/18

The Director- Safety was in attendance to address concerns raised by the Committee at their previous meeting in relation to the Audits of CCTV and ASB, outstanding Business Continuity Work, and the postponed audits of Emergency Planning Audit and Risk Management.

There were a number of actions reported as overdue for implementation within CCTV and ASB. The Director Safety clarified that the actions within the ASB report were now actually completed, although they were yet to inform Internal Audit. The actions undertaken were training on idox uniform system which had been undertaken by 31 March 2017, and a move to wholly electronic caseload documents. The backlog of hard copy documents had been scanned, and staff were now working with electronic documents.

Within CCTV, the actions resulting from the audit was still outstanding. The action related to the production of an annual report, as it was noted that there was no annual report to the Council. The Committee heard that there was a draft report ready for submission to the Homes and Communities Committee. The Director Safety explained that the delay was due to the staff focus on relocation of the CCTV room, which had taken priority.

In relation to the Business Continuity Plan, the Director Safety acknowledged that there was delay in this area. An action list had been developed by the Emergency Planning Officer, as a result of the Audit. However the officer in post had recently left, and the newly appointed Emergency Planning Officer was currently undergoing training. There had been other staffing issues which had a significant impact on the small business unit. It was however noted, that the work to move to the new office had been positive in relation to Business Continuity, particularly in enabling staff to work in an agile manner.

The Committee heard that the Emergency Planning audit had been postponed to be undertaken in November in the 2018/19 audit plan. The Director- Safety explained that the team already had three scheduled audits for 2017/18 - those being Risk Management, Health and Safety and CCTV. The Emergency Planning Audit had been postponed as it was felt that it would have created too significant a demand on the workload of the Business Unit. In the meantime, Emergency Planning exercises would be undertaken prior to the audit to test the new control room in Castle house and test out the new systems in place as a result of the move to Castle House.

The Committee sought assurance that the Council would be able to act in the event of an emergency. The Director-Safety felt that the Council was well placed to address an emergency. The Council had successfully dealt with previous incidents, including flooding, held exercises to test systems, and the Director was part of the local County-wide resilience forum which was a network to promote co-operation and co-ordination in dealing with emergencies in the County.

Finally, the Director- Safety acknowledged that the management response to the Procurement Audit had been delayed, but the recommendations from this had been put in place.

The Audit Manager (Assurance Lincolnshire) then presented the Internal Audit Progress report outlining the audits completed and progress against the audit plan. Six reports had been issued during the period, one with high assurance which was Human Resources, and four with substantial assurance:- Civica ICT Application; Counter Fraud; NNDR; and Affordable Housing Growth. One report, Security, had been issued with limited assurance. Details of all the audits were included in the report to Members.

The Audit Committee considered the report, and whilst it was acknowledged that the move to Castle House may impact of the delivery of the plan, as it would be the main focus for Business Managers for a period, the Committee agreed that it would, wherever possible, assist in minimising any delays. The Committee also considered it was appropriate to make use of the contingency budget to enable an assurance review to be undertaken of Business Continuity within 2017/18, as it was identified as a strategic risk for the Council.

AGREED (unanimously) that

- (a) the Audit & Accounts Committee consider and comment upon the latest internal audit progress report.
- (b) that the Committee write to CMT to help assist Internal Audit

minimising any delays in the audit plan; and

- (c) that the use of contingency budget be approved to enable Internal Audit to undertake a full assurance review of Business Continuity.

9. ANNUAL INTERNAL AUDIT REPORT 2016/17

The Audit Manager (Assurance Lincolnshire) presented the Annual Internal Audit report for 2016/17. She explained that the report commented on the adequacy and effectiveness of the Council's arrangements for Governance, Risk, Internal Control and Financial Control. All these areas were rated as performing well, with only Governance and Internal Control requiring some improvement. Details of these were included in the report to Members.

Details of other significant work undertaken were included for Members, including on ethics, which was currently on-going. 96% of the plan had been completed.

AGREED (unanimously) that the Audit & Accounts Committee consider and comment upon the annual internal audit report.

10. RESULTS OF THE REVIEW OF THE ASSESSMENT OF EFFECTIVENESS OF THE INTERNAL AUDIT FUNCTION AND THE AUDIT AND ACCOUNTS COMMITTEE

The Business Manager- Financial Services, presented the results of the review of the assessment of the effectiveness of the Internal Audit function. The Chairman, Councillor Handley and the Business Manager- Financial Services, had met on the 19 June to undertake the assessment.

The review considered the results of the independent external assessment of the Internal Audit function against the Public Sector Internal Audit Standards and the Local Government Advisory Note, which had been carried out by CIPFA during the latter half of 2016. The group considered the report and agreed that its conclusions corresponded with the Committee's experience of the Internal Audit service. The group also agreed that the Quality Assurance Improvement Programme provided by the Head of Internal Audit met the requirements of the Council, and that the aims and objectives of the Internal Audit Strategy had been achieved. Some further queries had been raised with the Head of Internal Audit, relating to delivery of the annual audit plan, the responses to which were included in the report to Members.

With regard to the effectiveness of the Audit and Accounts Committee, the self-assessment was undertaken using a questionnaire provided within CIPFA's Practical Guidance for Audit Committees. For 28 out of the 30 questions, the group agreed that the Audit & Accounts Committee demonstrated best practice against the guidance (27 in 2015/16); there was one question where the group considered that the Committee did not meet best practice (0 in 2015/16), and one question was not applicable to the arrangements at Newark & Sherwood District Council. An action plan had been developed to address areas where it was felt improvements could be made.

The Chairman also invited feedback from both the Internal and External Auditors with regard to the effectiveness of the Audit and Accounts Committee. In response, it was

suggested that the Committee could consider inviting an independent lay member to be appointed to the Committee, inviting Business Managers and CMT to the meetings as a matter of course to attend when their audit reports were presented, and also placing more focus on the Committee's work programme and linking this to the assurance map.

AGREED (unanimously) that the Committee

- (a) notes the results of the review of the effectiveness of the Internal Audit Function;
- (b) notes the results of the Self-Assessment of the Effectiveness of the Audit & Accounts Committee;
- (c) adopts the action plan; and
- (d) agrees that the next assessment should be undertaken in June/July 2019.

11. REPORT ON THE INTERIM ARRANGEMENTS FOR THE S151 OFFICER

The Business Manager & Chief Financial Officer - Financial Services presented a report outlining the interim arrangements for the role of the Section 151 Officer, due to the resignation of the Business Manager - Financial Services and recently appointed Director of Resources, Sanjiv Kohli, who would commence in the role on 31 July 2017. The recruitment process for the Business Manager was underway.

The Committee had raised concern in the event that these posts, and the Assistant Business Manager were all vacant simultaneously. This would not be the case due to the recruitment, however, it was clarified that the duty of the Section 151 Officer could be undertaken by somebody who was not an employee of the Council, and therefore the Council had the contingency of appointing a consultant if required.

AGREED (unanimously) that the Committee welcomes the appointment of the Director of Resources and that report be noted.

12. AUDIT COMMITTEE WORK PROGRAMME

The Committee considered the work programme detailing items to be considered during their meetings throughout the municipal year.

AGREED that the Work Plan be noted.

13. DATE OF NEXT MEETING

NOTED that the date of the next meeting was Wednesday, 29 November 2017, at 10am in G21.

Prior to the close of the meeting, the Chairman, of behalf of the Committee, expressed her thanks to the Business Manager - Financial Services for her dedication and hard work, as she would be leaving the authority and this was to be her last Audit and Accounts Committee.

The meeting closed at 12.06pm.

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **PLANNING COMMITTEE** held in the Council Chamber, Kelham Hall, Newark on Tuesday, 8 August 2017 at 4.00pm.

PRESENT: Councillor D.R. Payne (Chairman)
Councillor G.P. Handley (Vice-Chairman)

Councillors: Mrs K. Arnold, R.V. Blaney, Mrs A.C. Brooks, R.A. Crowe, Mrs M. Dobson, J. Lee, N.B. Mison, Mrs P.J. Rainbow, Mrs L.M.J. Tift, I. Walker, B. Wells and Mrs Y. Woodhead.

ALSO IN

ATTENDANCE: Councillor R.J. Jackson.

45. APOLOGIES FOR ABSENCE

An apology for absence was received on behalf of Councillor Mrs S.E. Saddington.

46. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

Member/Officer

Agenda Item

Councillors: Mrs A.C. Brooks, G.P. Handley and D.R. Payne	Agenda Item No. 16 – Land at Staveley Court, Farndon (17/00219/FUL). The three Members were Directors of Newark and Sherwood Homes and declared their interests on the grounds of potential bias. They left the meeting and took no part in the discussion or voting of both items.
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47. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that the Council was undertaking an audio recording of the meeting.

48. MINUTES OF THE MEETING HELD ON 4 JULY 2017

Minute No. 38 – Robin Hood View Caravan Park, Middle Plantation, Belle Eau Park, Bilsthorpe (17/00147/FUL). The minute should read 'The Environmental Health Business Unit felt that there was a dumping issue'.

A Member also requested that the minute should reflect the advice provided by the Business Manager Growth and Regeneration in relation to Planning contravention as follows: The Business Manager made clear that Officers intended, irrespective of the current proposals, to serve a Planning Contravention Notice in order to establish facts on numbers of nature of occupancy of units on the site.

AGREED that subject to the above amendments the minutes of the meeting held on 4 July 2017 be approved as a correct record and signed by the Chairman.

49. ORDER OF BUSINESS

With the agreement of the Committee, the Chairman changed the order of business and Agenda item 17, Bluebell Wood Lane, Phase II, Clipstone (16/00139/RMAM), was taken as the first item for decision. The agenda resumed its stated order thereafter.

The Committee was also informed that Agenda items 6, 7 and 9 had been withdrawn from the agenda.

50. BLUEBELL WOOD LANE, PHASE II, CLIPSTONE (16/00139/RMAM)

The Committee considered the report of the Deputy Chief Executive, which sought approval for 161 dwellings. The scheme had been amended in June and July in response to concerns raised by the Planning case officer in relation to the car dominated layout and in relation to concerns raised by the Highways Authority.

The local Ward Member informed the Committee that further to the last Planning Committee, which had considered an application on this site, Members had raised concern regarding the lack of green space allocated within this development. It was confirmed that a conversation had taken place with the developer regarding allocated green space for this application and the local Ward Member was now satisfied with the amount of green space allocated. Members therefore felt that the proposal was acceptable.

AGREED (with 13 votes for and 1 vote against) that reserved matters approval be granted subject to:

- (a) the signing and sealing of a Deed of Variation to Amend the Section 106 Agreement as detailed in the report; and
- (b) the conditions and reasons contained within the report.

51. LAND OFF KESTREL RISE, RAINWORTH (17/00418/OUTM)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought outline planning permission for the proposed residential development of 95 dwellings consisting of bungalows and a mixture of 3 and 4 bedroom dwellings with access to be confirmed.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the following: the Agent; Neighbours; and Newark and Sherwood District Council Environmental Business Unit – Contaminated Land.

Members considered the application and the access off Kestrel Rise was raised with some Members being pleased that the number of dwellings that would be accessed off Kestrel rise had been reduced to 14, with larger bungalows being allocated within that area, which were in keeping with Kestrel Rise. Members however were mindful that the application was seeking outline planning permission and they did not want to see any future changes in dwelling numbers. Further concerns were raised regarding the

routing of construction traffic to avoid existing estate roads. A Member raised concern that the application was not policy compliant. The Authority had made it clear to the applicant that a strategic landscaping buffer was required to the south of the development and that there would be no access through Kestrel Rise. Concern was raised regarding affordable housing viability and land values which had been seen on the open market for over £1 million per hectare, when the report was showing the land value as £433,000 for this site. A Member sought specific explanation as to why land half a mile away from the site was hugely different in value. It was therefore suggested that the application be deferred pending clarification of issues surrounding the landscape buffer and access via Kestrel Rise.

AGREED (unanimously) that the application be deferred for the following reason:

- (a) to allow the re-examination of the viability position on the basis of land values presented;
- (b) a discussion to take place with the applicant to increase the landscape buffer to the south and to re-assess access to dwellings from Kestrel Rise; and
- (c) condition 13 be amended to provide a construction management plan to include routing of construction traffic avoiding existing estate roads.

52. REAR OF CHAPEL FARM, NEWARK ROAD, WELLOW (16/01638/FUL)

The application was withdrawn from the agenda.

53. HUTCHINSON ENGINEERING SERVICES LTD, GREAT NORTH ROAD, WESTON (17/00901/FUL)

The application was withdrawn from the agenda at the applicant's request.

54. THE CROFT. GREAT NORTH ROAD, CROMWELL (17/00975/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought full planning permission for the erection of a four bedroom dwelling with attached garage.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from Cromwell Parish Council.

Members considered the application and felt that the proposal was acceptable.

(Councillor J. Lee took no part in the debate or vote for this application as he was not present for the duration of the Officer presentation).

AGREED (with 9 votes for and 4 votes against) that contrary to Officer recommendation full planning permission be granted subject to reasonable conditions.

In accordance with paragraph 12.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

Councillor	Vote
Mrs K. Arnold	Against
R.V. Blaney	For
Mrs A.C. Brooks	Against
R.A. Crowe	For
Mrs M. Dobson	Against
G.P. Handley	For
J. Lee	Took no part in the vote
N. Mison	For
D.R. Payne	For
Mrs P. Rainbow	For
Mrs S.E. Saddington	Absent
Mrs L.M.J. Tift	For
I. Walker	For
B. Wells	For
Mrs Y. Woodhead	Against

55. LAND AT MAIN STREET, NORTH MUSKHAM (16/01885/FULM)

The application was withdrawn from the agenda.

56. FIELD REFERENCE NUMBER 5254, HARGON LANE, WINTHORPE (17/01003/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit held prior to the meeting, which sought change of use of land to be used as a burial plot.

Members considered the application and felt that the proposal was acceptable.

AGREED (unanimously) that full planning permission be approved subject to the conditions contained within the report.

57. 9A CROSS LANE, FARNDON (16/01903/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit held prior to the meeting, which sought the conversion of an outbuilding to form a dwelling.

Members considered the application and felt that the proposal was acceptable.

AGREED (with 13 votes for and 1 vote against) that planning permission be granted subject to the conditions contained within the report.

58. LAND OFF HOCKERTON ROAD, HOCKERTON (17/00801/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought full planning permission for the erection of two detached two storey dwellings. Both dwellings are four bedrooms with internal double garages.

Members considered the application and felt that the proposal was acceptable.

AGREED (with 11 votes for and 3 votes against) that full planning permission be approved subject to the conditions contained within the report.

59. ROEWOOD LODGE, BLEASBY ROAD, THURGARTON (17/00641/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought planning permission for the erection of a two bedroomed dwelling and detached garage, including internal and external alterations (revision of approved planning permission 15/02291/FUL.

The application had been deferred from the 4 July 2017 Planning Committee to allow the applicant the opportunity to consider re-locating the proposed garage away from the site frontage. In response, the applicant had not amended the scheme but presented additional information to Committee to demonstrate why this scheme was not practicable.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from Thurgarton Parish Council; Neighbours; and the applicant.

Councillor R.J. Jackson as local Ward Member spoke on behalf of Thurgarton Parish Council against the application in accordance with their views, as contained within the report.

Members considered the application and it was commented that a number of properties within this area abutted the footpath as that of the proposed dwelling. It was therefore felt that the proposed dwelling would not compromise the street scene. The need of properties within Thurgarton was also challenged as there had been a lot of refurbishment applications but not development which there was a need.

AGREED (with 7 votes for, 7 votes against and the Chairman using his casting vote in favour of granting the application) that full planning permission be approved subject to the conditions contained within the report and the signing of a Section 106 agreement to secure in perpetuity an appropriate visibility splay.

60. SCONCE AND DEVON PARK, BOUNDARY ROAD, NEWARK (17/01316/FUL)

The Committee considered the report of the Deputy Chief Executive which sought full planning permission for the erection of a cycle sculpture.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from Newark Town Council.

The Business Manager Growth and Regeneration sought an amendment to the recommendation contained within the report which would grant delegated authority to the Business Manager should there be any further comments received before the close of the consultation period.

Members considered the application and felt that the proposal was acceptable.

AGREED (with 13 votes for and 1 abstention) that full planning permission be approved subject to no comments being received which would raise additional material planning consideration to those already considered within the report and subject to the conditions and reasons contained within the report. In the event of any further comments being received, delegated authority be granted to the Business Manager Growth and Regeneration to address those comments.

61. 102 PYTHON HILL ROAD, RAINWORTH (17/00554/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought full planning permission to retain a replacement close boarded timber fence between 1.8m & 2.1m high around the east and southern boundaries with Vera Crescent. The applicant had confirmed that the fence would be stained in a darker colour.

Members considered the application and felt that the fence was not in keeping with the surrounding area and was out of character and incongruous and had a detrimental visual impact. Members also confirmed that an enforcement notice be served at the same time as the planning refusal was issued.

AGREED (unanimously) that:

- (a) contrary to Officer recommendation full planning permission be refused on the grounds that the design was not in keeping with the surrounding area and was out of character and incongruous and therefore had a detrimental visual impact; and
- (b) an enforcement notice be served at the same time as the planning refusal.

(Having declared interests on the grounds of potential bias given their position as Directors of Newark and Sherwood Homes. The Chairman, Vice-Chairman and Councillor Mrs C. Brooks took no part in the discussion or vote in relation to the following minute and left the meeting).

The Planning Committee Chairman sought Planning Committee approval, which was agreed unanimously for Councillor R.V. Blaney to act as Chairman for the duration of the following minute.

62. LAND AT STAVELEY COURT, FARNDON (17/00219/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought planning permission for the development of two, one bedroom bungalows and one, three bedroom bungalow.

Members considered the application and felt that the proposal was acceptable.

AGREED (unanimously) that full planning permission be approved subject to the conditions contained within the report.

63. APPEALS LODGED

AGREED that the report be noted.

64. APPEALS DETERMINED

AGREED that the report be noted.

The meeting closed at 5.50pm

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **PLANNING COMMITTEE** held in the Council Chamber, Kelham Hall, Newark on Tuesday, 5 September 2017 at 4.00pm.

PRESENT: Councillor D.R. Payne (Chairman)
Councillor G.P. Handley (Vice-Chairman)

Councillors: Mrs K. Arnold, R.V. Blaney, R.A. Crowe, Mrs M. Dobson, J. Lee, N.B. Mison, Mrs P.J. Rainbow, Mrs S.E. Saddington, Mrs L.M.J. Tift, I. Walker, B. Wells and Mrs Y. Woodhead.

65. APOLOGIES FOR ABSENCE

An apology for absence was received on behalf of Councillor Mrs A.C. Brooks.

66. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

Member/Officer

Agenda Item

Councillors: D.R. Payne, I. Walker and B. Wells	Agenda Item No. 15 – Staunton Works Poultry Farm, Alverton Road, Staunton in the Vale (17/01398/FUL). Personal Interest - The three Members were all representatives on the Trent Valley Internal Drainage Board.
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Councillor J. Lee	Agenda Item No. 13 – Land Adjoining Braemar Farm, Station Road, Collingham (17/01092/RMAM). Personal Interest – Applicant known to Councillor Lee.
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67. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that the Council was not undertaking an audio recording of the meeting.

68. MINUTES OF THE MEETING HELD ON 8 AUGUST 2017

AGREED (unanimously) that the Minutes of the meeting held on 8 August 2017 be approved as a correct record and signed by the Chairman.

69. ORDER OF BUSINESS

With the agreement of the Committee, the Chairman changed the order of business and Agenda Item 8 (56 Lower Kirklington Road, Southwell (17/01243/FUL)) and Agenda Item 12 (Land off Kestrel Rise, Rainworth (17/00418/OUYM)) were taken as the first two items for decision. The agenda resumed its stated order thereafter.

70. 56 LOWER KIRKLINGTON ROAD, SOUTHWELL (17/01243/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought full planning permission for the construction of a conservatory on the side (SE) elevation positioned towards the rear of the property.

Having considered the application and the representations made by Southwell Town Council Members agreed that the proposal was acceptable.

AGREED (unanimously) that full planning permission be approved subject to the conditions contained within the report.

71. LAND OFF KESTREL RISE, RAINWORTH (17/00418/OUTM)

The Committee considered the report of the Deputy Chief Executive which sought outline planning permission for the proposed residential development of 95 dwellings consisting of bungalows and a mixture of 3 and 4 bedroom dwellings with access to be considered.

The application had been deferred from the Planning Committee held on 8 August 2017 in order to establish further detail on issues of viability, access for units via Kestrel Rise and the landscaping buffer to the south of the site. The report set out that: in relation to the landscape buffer, the applicant had offered greater clarity in showing the site in context, specifically in the form of an existing woodland area to the south of part of the site; that the Highway Authority's previous comments in relation to access of 14 no. units via Kestrel Drive remained unchanged; that a construction management plan had been confirmed to ensure that no construction traffic would be via Kestrel Rise; and that this would be controlled by amending planning condition no. 12.

Members considered the application noting that a previous application for development in the area in 1999 had had the number of dwellings reduced and thereby the traffic in the area. It was further noted that when the dwellings had been sold the residents had been assured that there would be no further access from Kestrel Rise but the current application would appear to be contrary to those assurances. Members agreed that the aforementioned issue of viability had been clarified.

Members noted that during the development of the current Local Plan in 2013 it had been agreed that any future development in the area should be off Warsop Lane and not from the surrounding roads in the area. The proposed 14 dwellings to be accessed via Kestrel Drive was contrary to the Local Plan with Members suggesting that access for them should be gained from Warsop Lane. It was suggested that clarification be sought from Nottinghamshire County Council – Highways Authority as to whether they considered that an amendment to the application to include the 14 no. units into the main body of the development with access from Warsop Lane was acceptable in highways terms.

AGREED (with 13 votes for and 1 abstention) that the application be deferred pending confirmation from Nottinghamshire County Council – Highways Authority as to the number of dwellings they would be willing to accept with direct access from Warsop Lane.

72. LAND AT MAIN STREET, NORTH MUSKHAM (16/01885/FULM)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought full planning permission for 16 affordable dwellings to be sited around a new cul-de-sac arrangement with a substantial area extended to the rear of the proposed houses labelled as a potential allotment site.

A schedule of communication was tabled at the meeting which detailed correspondence received after the agenda had been published from the following: the applicant; the applicant's flood consultants; the applicant's archaeology consultants; NCC – Highways; North Muskham Parish Council; 3 no. third party residents; and the case officer.

Parish Councillor Ian Harrison, Chairman of North Muskham Parish Council spoke against the application in accordance with their views contained within the report and the schedule of communication.

A Member of the Committee raised concerns about the proposed site, highlighting that there were no footpaths in that location and that should the A1 be closed due to an accident traffic was diverted through the village, thereby creating a greater risk for pedestrians. It was also noted that the road itself was narrow. If the application was to be approved it would exacerbate the situation.

The Member went on to highlight that the Parish Council had requested evidence as to the proven need for the development but that this had not been supplied. It was also suggested that the surrounding villages were not interested in taking occupation of the dwellings if a cascading system was operated and that the development was more to do with increasing the number of affordable houses in the district as a whole. It was noted that the area had not been earmarked for development and that the village did not have a doctor's surgery or a shop. A query was raised as to the ownership of the grass verge adjacent to the Old Hall with Officers assuring the Members that the verge was in the ownership of Nottinghamshire County Council. Also the issue of flooding was raised and it was noted that the Environment Agency had raised the riverbank to alleviate the risk.

A Member raised the issue of viability noting that there was a need for 1 or 2 dwellings, however, a housing association would not be able to build such a small quantity on an ad hoc basis in multiple locations and also that there was a potential issue with the schemes viability if a grant was not secured. In relation to the aforementioned cascading system it was suggested that should residents of North Muskham not meet the criteria to secure a property, this then be widened to the adjoining villages and from there to the adjoining Wards prior to them being offered to those persons on the whole of the housing register waiting list.

A vote was taken and lost to grant full planning permission with 4 votes for and 10 votes against.

AGREED (with 10 votes for and 4 votes against) that contrary to Officer recommendation full planning permission be refused on the grounds of the impact on the historical building, namely the Old Hall and the Church; that there is limited facilities in the village; and that there is no proven need for the full quantum of development proposed.

In accordance with paragraph 12.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

Councillor	Vote
Mrs K. Arnold	For
R.V. Blaney	Against
Mrs A.C. Brooks	Absent
R.A. Crowe	For
Mrs M. Dobson	For
G.P. Handley	For
J. Lee	Against
N. Mison	For
D.R. Payne	Against
Mrs P. Rainbow	For
Mrs S.E. Saddington	For
Mrs L.M.J. Tift	For
I. Walker	For
B. Wells	Against
Mrs Y. Woodhead	For

73. THE RIDGEWAY/MILLDALE ROAD, FARNSFIELD (17/01055/RMAM)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought reserved matters consent for the erection of 60 dwellings and associated public open space, landscaping and infrastructure. The reserved matters for consideration included details of the appearance, access, landscaping, layout and scale.

In considering the application Members noted issues from previous developments with the elevation of land at the development site but that these had been addressed for this application. Members also discussed the management and maintenance of the ecological corridor and the provision of a children's play area.

AGREED (unanimously) that reserved matters approval be granted subject to the conditions and reasons contained within the report.

74. LAND OFF ALLENBY ROAD, SOUTHWELL (16/02169/OUTM)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought outline planning approval for the erection of up to 67 dwellings.

A Member of the Committee raised the issue of previous flooding events in the area and whether the proposed Section 106 Agreement would cover the maintenance of ditches noting that any proposed conditions must be compatible with the emerging flood schemes for the whole of the Halam Catchment Area. The Member also queried how the maintenance of the buffer zone and the responsibility for such would be included within the Section 106 Agreement. In response, the Member was advised that off-site works would be secured and that Nottinghamshire County Council – as the Flood Authority, were satisfied with the proposals. It was also reported that the wording within the Section 106 would be explicit in relation to the maintenance of the buffer zone.

AGREED (with 12 votes for and 2 abstentions) that full planning permission is approved subject to the conditions and reasons contained in the report together with two additional conditions as follows:

- (i) any subsequent reserved matters application covering the site in whole, or part, contains a housing mix and type which reflects the housing needs of the area at the time of submission; and
- (ii) that a condition be formulated using information contained in paragraph 3.35 of the Affordable Housing Supplementary Planning Document in relation to the numbers, type, tenure and location of the affordable units, the timing of construction (particularly in relation to the overall development) and the arrangements to ensure initial and subsequent affordability.

75. LAND TO THE REAR OF 51 THE ROPEWALK, SOUTHWELL (17/01286/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought full planning permission for the erection of a two bedroomed dormer bungalow with an attached garage.

In considering the application it was suggested that an additional condition be applied to remove permitted development rights.

AGREED (with 13 votes for and 1 abstention) that full planning permission be approved subject to the conditions and reasons contained in the report and the additional condition to remove the permitted development rights.

76. RULE NO. 30 – DURATION OF MEETINGS

In accordance with Rule No. 30.1, the Chairman indicated that the time limit of an additional hour had expired and a motion was proposed and seconded to extend the meeting by a further one hour.

AGREED (unanimously) that the meeting continue for a further one hour.

77. LAND ADJACENT BLEASBY RAILWAY STATION, STATION ROAD, BLEASBY (16/00033/OUTM)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought outline planning permission for the erection of: 6 market houses; 6 affordable houses' railway station car park; equipped children's play area; sports pitch; allotments; and recycling centre.

A schedule of communication was tabled at the meeting which detailed correspondence received after the agenda had been published from the applicant's agent.

Parish Councillor Brian Cast, Chairman of Bleasby Parish Council spoke against the application in accordance with their views contained within the report.

In discussing the application Members noted that the development of the site would weaken the demarcation of the village boundary. It was also noted that should the proposed homes be occupied by families, children who attended the school in the village would be required to cross the railway lines and that recent incidents of barriers failing to lower when a train was approaching was of great concern.

AGREED (with 13 votes for and 1 abstention) that full planning permission be refused for the reasons as set out in the report.

78. THE OLD VICARAGE, HOLME LANE, LANGFORD (17/01151/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought a change of use and extension of the dwelling to form a C2 residential care home. The proposal was to erect a single storey extension to the west of the main dwelling to accommodate a staff room, 5 bedrooms with ensuite, sensory room and plant room.

Members discussed the proposal noting that its proposed location in relation to the church which was a Grade I listed building was poor. It was also noted that Holme Lane was unsuitable as the nearest bus stop was a distance away and the road was considered unsafe for driving, pedestrians and cyclists. It was accepted that some development could take place without planning permission within the existing property under permitted development rights.

AGREED (with 7 votes for and 7 votes against and the Chairman using his casting vote in favour of deferring the application) that full planning permission be deferred to allow the applicant to reconsider the design and location of the proposed extension of the dwelling.

Councillor J. Lee left the meeting during consideration and voting of the following item having declared a personal interest.

79. PHASE 3, LAND ADJOINING BRAEMAR FARM, STATION ROAD, COLLINGHAM (17/01092/RMAM)

The Committee considered the report of the Deputy Chief Executive which sought reserved matters approval for a total of 35 dwellings split into two areas of a Phase 3A and Phase 3B.

A schedule of communication was tabled at the meeting which detailed correspondence received after the agenda had been published from the applicant and the agent, Nottinghamshire County Council – Highways Authority, the Case Officer and Collingham Parish Council.

Having considered the application, Members felt that the proposal was acceptable.

AGREED (unanimously) that reserved matters approval be approved, subject to the conditions contained within the report, noting the comments of the Highways Authority contained within the schedule of communication.

80. THE RED LION PUBLIC HOUSE, HIGH STREET, SOUTH CLIFTON (17/01129/FUL)

This item was withdrawn from the Agenda.

81. STAUNTON WORKS POULTRY FARM, ALVERTON ROAD, STAUNTON IN THE VALE (17/01398/FUL)

The Committee considered the report of the Deputy Chief Executive which sought full planning permission for the erection of a temporary rural workers dwelling in the form of a detached single storey log cabin set to the front boundary of the application site within the wider development site and close to the access with the main road.

A schedule of communication was tabled at the meeting which detailed correspondence received after the agenda had been published from Sanham Agricultural Planning Ltd. and Trent Valley Drainage Board.

Members noted that the application was for a temporary dwelling only and queried as to why an application had not been made for a more temporary structure. It was reported that after the three year period that the application covered, there would be a requirement for the applicant to demonstrate any future need.

AGREED (with 10 votes for and 3 abstentions) that planning permission be approved subject to the conditions contained within the report.

82. APPEALS LODGED

AGREED that the report be noted.

83. APPEALS DETERMINED

AGREED that the report be noted.

The meeting closed at 7.55pm

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **PLANNING COMMITTEE** held in the Civic Suite, Castle House, Newark on Thursday, 14 September 2017 at 4.00pm.

PRESENT: Councillor D.R. Payne (Chairman)
Councillor G.P. Handley (Vice-Chairman)

Councillors: Mrs K. Arnold, R.V. Blaney, Mrs A.C. Brooks, Mrs M. Dobson, J.D. Lee, N.B. Mison, Mrs S.E. Saddington, Mrs L.M.J. Tift, I. Walker and Mrs Y. Woodhead.

ALSO IN

ATTENDANCE: Councillor: Mrs B. Brooks, D.J. Lloyd and K. Walker

84. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillors R.A. Crowe, Mrs P.J. Rainbow and B. Wells.

85. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

Member/Officer

Agenda Item

Councillors: Mrs M. Dobson and Mrs S.E. Saddington	Agenda Item No. 5 & 6 – Highfields School, London Road, Balderton (16/01134/FULM) & (17/00357/FULM). Personal interests as they were both former pupils and Nottinghamshire County Councillors.
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Councillor Mrs Y. Woodhead	Also declared a personal interest on the above items as she was also a Nottinghamshire County Councillor.
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86. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that the Council was undertaking an audio recording of the meeting.

87. MINUTES OF THE MEETING HELD ON 5 SEPTEMBER 2017

AGREED that the minutes of the meeting held on 5 September 2017 be approved as a correct record and signed by the Chairman.

88. ORDER OF BUSINESS

With the agreement of the Committee, the Chairman changed the order of business and Agenda item 6 was taken as the first item for decision. The agenda resumed its stated order thereafter.

89. HIGHFIELDS SCHOOL, LONDON ROAD, BALDERTON (17/00357/FULM)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought full planning permission for residential development comprising 95 dwellings and associated infrastructure, including the removal of 26 TPO trees. The proposed 95 dwellings would all be two-storey and would deliver a range of 2, 3, 4 and 5 bedroom accommodation as detailed within the report.

Councillor Mrs L Hurst, representing Balderton Parish Council spoke against the application in accordance with the views of Balderton Parish Council as contained within the report.

Councillor D.J Lloyd, Local Ward Member Newark (Beacon Ward) and also representing Newark Town Council spoke against the application on the grounds as contained within the report.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from Balderton Parish Council and Local Residents.

Members considered the application and raised the following concerns:

The impact on the existing housing on Barnby Road and the removal of trees. The reduced payment of Section 106 monies and no contribution to affordable houses as it was not viable. It was also commented that the Authority had a five year land supply and had allocated sites within the district, this site was not needed. It was felt that there was a shortfall of the Authority's core policies from this scheme and therefore was not policy compliant.

A Member raised concerns regarding the level of abnormal costs for the 95 dwellings which was significantly higher than the dwellings on the Fernwood application. The scheme offered no children's play facilities and was purely housing. The amenity land was on Barnby Road, some 300 metres away from the development. It was questioned whether this site was the right type of development for this site at the right time. Questions were also raised regarding the developers costs in terms of the archaeological investigations which had increased from that of the 2015 scheme.

A Member asked whether there was ability to clawback and recycle costs into affordable housing if the applicant were to deliver the scheme with less abnormal costs than assumed.

AGREED (unanimously) that contrary to Officer recommendation planning permission be refused on the following grounds:

The levels of abnormal costs were disproportionate to the level of houses, which consequently meant that full and needed developer contributions could not be viably provided. The lack of appropriate infrastructure mitigation, together with clear harm by the removal of 26 trees covered by tree preservation orders (TPO's) and lack of appropriate ecological

enhancement would result in a scheme which is compromised and could not reasonably be considered as sustainable in overall terms. There were no other material planning grounds that would outweigh this harm.

90. HIGHFIELDS SCHOOL, LONDON ROAD, BALDERTON (16/01134/FULM)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought full planning permission for residential development comprising 89 dwellings and associated infrastructure, including the relocation of the existing school car park and sports pitches, the provision of a Multi-Use Games Area (MUGA) and the removal of 8 TPO trees. Of the proposed 89 dwellings, 83 units would be two-storey houses and 6 units would be apartments with a two-storey block. The proposed scheme would deliver a range of 1, 2, 3, 4 and 5 bedroom accommodations as detailed in the report.

Councillor Mrs L Hurst, representing Balderton Parish Council spoke against the application in accordance with the views of their Parish Councils as contained within the report.

Councillor D.J Lloyd, Local Ward Member Newark (Beacon Ward) and also representing Newark Town Council spoke against the application on the grounds as contained within the report.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from Balderton Parish Council and Local Residents.

Members considered the application and concerns were raised regarding the Multi-Use Games Area (MUGA). The walls surrounding the MUGA were 2.4 m high, which was considered too tall and would create a visual problem for the pitch and would encourage anti-social behaviour and create a child safety issue given that nobody would be able to see in or out. Members also felt that the MUGA would be an enhancement to the school and therefore should be a cost to the school. The MUGA would offer very little community benefit as it would not be flood lit and was controlled by the school, unless the MUGA was vested to Balderton Parish Council and became a proper community facility.

Concern was also raised regarding the reduced S106 developer contribution, with no play area provision or community green space. The local schools were also full to capacity.

AGREED (unanimously) that contrary to Officer recommendation planning permission be refused on the following grounds:

The measures purported to address the Planning Inspectors requirements with respect to noise from the MUGA had themselves created an unattractive solution which would unacceptably create no natural surveillance and likely contribute to anti-social behaviour. There were no other material planning grounds that would outweigh this harm.

91. RULE NO.30 – DURATION OF MEETINGS

During the minute below and in accordance with Rule No. 30.1, the Chairman indicated that the time limit of three hours had expired and a motion was proposed and seconded to extend the meeting by one hour.

AGREED (unanimously) that the meeting continue for a further one hour.

92. LAND NORTH & EAST OF FERNWOOD, WEST & EAST OF HOLLOWDYKE/SPRING LANE, SOUTH OF A1 AND WEST OF RAILWAY LINE, FERNWOOD (14/00465/OUTM)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought residential development for up to 1050 dwellings and associated facilities (Education & Recreation) infrastructure and utilities; application for outline planning permission including access.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the following: local residents; Head Teacher, Chuter Ede School Annex; Fisher German LLP (on behalf of Government Pipelines and Storage Systems GPSS, CLH Pipeline Systems Ltd); the Applicant – Barratts.

Councillor Mrs L Hurst, representing Balderton Parish Council and Councillors Mrs M Weale, representing Fernwood Parish Council, both spoke against the application in accordance with the views of their Parish Councils as contained within the report.

Members considered the application and felt that the application was central to the Authority's Planning Policy and suggested that the application be accepted subject to all construction traffic to use Hollowdyke Lane.

Other Members raised concern regarding the use of Hollowdyke Lane for construction traffic and suggested that Hollowdyke Lane should only be used when there was a major incident on the A1 and traffic could therefore be diverted onto Hollowdyke Lane and could also be used to access other parts of the development by residents. Another Member suggested that there should be no access from Main Street as the road was very dangerous.

The Business Manager Growth and Regeneration informed the Committee that the Authority was negotiating a future bus route to gain access through the South of the estate.

A Member further suggested an amendment to not only safeguard the land got future bus provision but for the capital costs for or the actual implementation of the bus route along Hollowdyke Lane. Members also confirmed agreement for the 11.5% affordable housing.

The Business Manager stated that on the basis of a 11.5% affordable scheme that a review mechanism should be included in any S106 agreement, to be negotiated to officers to secure with officers having sought advice as required.

AGREED (with 9 votes for and 3 abstentions) that outline planning permission be granted subject to:

- (a) the conditions contained within the report with the additional condition to safeguard the land and capital costs/physical provision for the implementation of the bus route along Hollowdyke Lane within land within the application site;
- (b) the tested viability option which proposed 11.5% Affordable Housing to be secured, together with review at the appropriate stage;
- (c) the completion of a Section 106 Agreement to control the matters outlined in the report; and
- (d) delegated authority be granted to the Business Manager Growth & Regeneration, to modify the conditions/Section 106 obligation in order to achieve the same objectives prior to the issuing of the decision notice as advertised by legal representatives.

93. APPEALS LODGED

AGREED that the report be noted.

94. APPEALS DETERMINED

AGREED that the report be noted.

The meeting closed at 8.22pm

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **PLANNING COMMITTEE** held in the Civic Suite, Castle House, Newark on Thursday, 3 October 2017 at 4.00pm.

PRESENT: Councillor D.R. Payne (Chairman)
Councillor G.P. Handley (Vice-Chairman)

Councillors: Mrs K. Arnold, R.V. Blaney, Mrs A.C. Brooks, R.A. Crowe, Mrs M. Dobson, J.D. Lee, N.B. Mison, Mrs P.J. Rainbow, Mrs S.E. Saddington, Mrs L.M.J. Tift, I. Walker, B. Wells and Mrs Y. Woodhead.

ALSO IN

ATTENDANCE: Councillor: D. Clarke

95. APOLOGIES FOR ABSENCE

There were none.

96. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

Member/Officer

Agenda Item

Councillors: Mrs A.C. Brooks,
G.P. Handley and
D.R. Payne

Agenda Item No. 5 – Land Adjacent 23 Haywood Oaks Lane, Blidworth (17/0221/FUL). The three Members were Directors of Newark and Sherwood Homes and declared their interests on the grounds of potential bias. They left the meeting and took no part in the discussion or voting.

97. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that the Council was undertaking an audio recording of the meeting.

98. MINUTES OF THE MEETING HELD ON 14 SEPTEMBER 2017

AGREED that the minutes of the meeting held on 14 September 2017 be approved as a correct record and signed by the Chairman.

99. ORDER OF BUSINESS

With the agreement of the Committee, the Chairman changed the order of business and Agenda item 14 was taken as the first item for decision followed by item 13 and then item 6, the agenda resumed its stated order apart from item 5 which was taken as the last item for decision.

100. THE RED LION PUBLIC HOUSE, HIGH STREET, SOUTH CLIFTON (17/01129/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought to vary condition 10 of planning permission 16/01052/FUL to allow the boundary wall to be raised.

Councillor D. Clarke, Local Member for Collingham Ward spoke in support of the application for the following reasons. It was felt that there was a history regarding planning applications for this site. South Clifton Parish Council had objected to the original planning application and their objection to the height of the wall was considered as sour grapes. Highways had commented that they were happy that the Leylandii hedging and other planting had been removed from the boundary to the corner of the plot. This was a small village which was not used as a rat run like some villages. The only people coming to the village were residents and their visitors. Approximately five/six cars would negotiate the corner per day, therefore the chance of an accident due to the height of the wall and visibility splays was very small. There were considerably taller walls in South Clifton than this one. The applicant had reduced the wall to 1.54 metres and it was considered that the Planning Authority was being picky and wasting a lot of time over a few courses of brickwork. The height of the present wall took the eye level off any overlooking and therefore should be approved.

Members considered the application and it was commented that the original planning permission was granted unanimously by the Planning Committee with a condition regarding the height of the boundary wall of 1 metre. The applicant was advised that if he was not happy with the condition regarding the height of the wall, he should appeal against the imposition of that condition. The wall was built higher and retrospective planning permission was sought. This was considered inappropriate given Nottinghamshire County Council's Highways comments in the original planning application. It was felt that the planning permission should be refused because of the lack of appropriate visibility splays and a breach of condition notice should be served.

AGREED (with 13 votes for, 1 against and 1 abstention) that planning permission be refused for the reasons contained within the report and a breach of condition notice to be served.

101. LAND OFF KESTREL RISE, RAINWORTH (17/00418/OUTM)

The Committee considered the report of the Deputy Chief Executive, which sought outline permission for the proposed residential development of ninety-five dwellings, consisting of bungalows and a mixture of three and four bedroom dwellings with access to be considered.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from Nottinghamshire County Council Highways and Blidworth Parish Council.

Members considered the application and were pleased that there was no access off Kestrel Rise. Members were disappointed with the reduction of bungalows and smaller house types and felt that very little was being invested through Section 106 monies for the community. A Member also raised concern regarding the removal of the

emergency access point. The Business Manager Growth & Regeneration confirmed that Condition 16 could be amended to include reference to details of emergency access if required.

A Member also commented that the viability appraisals were not transparent to Members and the public and asked whether Members should be given the opportunity to look at the viability appraisal, even as an exempt report if that would be appropriate in order for them to make informed decisions. The Business Manager Growth & Regeneration confirmed that Planning Committee training was scheduled to take place next week for Members and viability appraisals would be considered at the training.

AGREED (with 14 votes for and 1 abstention) that outline planning permission be granted subject to:

- (a) the conditions contained within the report, subject to the amendment of Condition 16 to include reference to details of emergency access if required;
- (b) the signing and sealing of a Section 106 planning Agreement to control the matters set out in the table contained within the Summary Developer Contributions section as contained within the report; and
- (c) the further ecology survey work as required by the submitted Ecology Report being undertaken with delegated officer responsibility for adding ecology related conditions should they be required as a result of the findings.

102. THE OLD BARN, CHURCH LANE, BESTHORPE (17/01216/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought a two storey extension to an existing house, with proposed first floor accommodation in the roof space.

Members considered the application and it was felt that further work could be achieved with the applicant to resolve the Case Officer's concerns. It was proposed that the application be deferred for further negotiation and submitted back to the next Planning Committee, in November.

AGREED (unanimously) that the application be deferred pending further negotiation and submitted back to the next Planning Committee.

103. WOODLAND VIEW, MAIN STREET, THORNEY (17/01107/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought the re-modelling of a dwelling incorporating side extension.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the Planning Case

Officer.

Councillor J. Day, representing Thorney Parish Council spoke in support of the application in accordance with the views of Thorney Parish Council as contained within the report.

Councillor D. Clarke, Local Member for Collingham Ward also spoke in support of the application for the following reasons. He felt that the application complied with Government Policy and Core Strategy Policy 9 which he read out to the Committee. Planning policy and decision should not stifle originality and initiative. The application was considered to be of our time. He felt that the Planning Officers were not following guidelines and were not being broad minded. The design showed aesthetic consideration and integration to the environment. There had been no objection from neighbours who lived in larger homes. The applicant wanted to provide not only for himself and his children, but wanted his grandchildren to be able to stay. If the building was any smaller in scale the applicant would not be able to achieve his goal. The applicant was considered an asset to Thorney.

Members considered the application and concerns were raised regarding whether an extension of an increase size of 104% was appropriate. The extension doubled the size of the property which was contrary to the Council's policy. Members felt that to double the size of a property which could be divided into two properties was of concern, as was the height of the roof space which had not been identified for any use. The paddock was also discussed and it was commented that the paddock should not be used as a garden, if the paddock was to be used for the purposes of a garden, planning permission should be sought for that change of use.

AGREED (with 9 votes for and 6 votes against) that planning permission be refused for the amended reason contained within the late items schedule.

104. BAY HOUSE, 42 MAIN STREET, CODDINGTON (17/01391/FUL)

The application was withdrawn from the Agenda and delegated to the Business Manager Growth & Regeneration for decision.

105. LAND AT REAR OF 196 LONDON ROAD, BALDERTON (17/01381/OUT)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought two two – storey semi-detached town houses and one detached two storey house with access off road to the rear car parking and amenity space.

Members considered the application and felt that the proposal was acceptable.

AGREED (unanimously) that full planning permission be approved subject to the conditions contained within the report.

106. THE OLD VICARAGE, HOLME LANE, LANGFORD (17/01151/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought the

change of use and the extension of the dwelling to form a C2 Residential Care Home.

Members considered the application and some Members felt that whilst they were not against Care Homes, they felt this care home was in the wrong location. It was not in a central location in easy reach of local facilities. It was felt that the young adults being cared for would be isolated and needed to be taken out by their carers, which would be difficult given the location. Concern was also raised regarding the poor highway with no public footpaths and no traffic plan. Further concerns were raised regarding the visual impact the extension would have on the grade one listed parish church and that the extension would be better located elsewhere on the site. It was considered that the proposed extension would create harm to the setting and views of the church given its close proximity. Other Members commented that although they were supportive of churches, they were aware of the need for care homes in every community and the need of that facility should be considered rather than the views of the church.

AGREED (with 9 votes for and 6 votes against) that contrary to Officer recommendation full planning permission be refused on the grounds of harm to the setting of the Parish Church.

In accordance with paragraph 12.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

Councillor	Vote
Mrs K. Arnold	For
R.V. Blaney	For
Mrs A.C. Brooks	Against
R.A. Crowe	Against
Mrs M. Dobson	For
G.P. Handley	Against
J. Lee	For
N. Mison	Against
D.R. Payne	Against
Mrs P. Rainbow	For
Mrs S.E. Saddington	For
Mrs L.M.J. Tift	For
I. Walker	For
B. Wells	Against
Mrs Y. Woodhead	For

107. THE OLD FORGE, STAYTHORPE ROAD, AVERHAM (17/01279/FUL

The Committee considered the report of the Deputy Chief Executive, which sought the erection of a three bed house and garage and the removal of a cherry tree to the frontage of Staythorpe Road to facilitate the vehicular access which was positioned along the site frontage.

A schedule of communication was tabled at the meeting, which detailed correspondence received after the agenda was published from the Agent.

Members considered the application and felt that as planning permission had been

granted one year ago, it was appropriate to grant planning permission with the condition that the development be commenced within the time period of one year.

AGREED (unanimously) that contrary to Officer recommendation full planning permission be granted subject to the conditions of the previous planning permission and for a further time period of one year.

108. HOVERINGHAM HOUSE, GONALSTON LANE, HOVERINGHAM (17/01361/FUL)

The Committee considered the report of the Deputy Chief Executive, which sought planning permission for the erection of a garage to the existing house.

Members considered the application and felt that the height of the garage was too high and agreed with the Officer recommendation of refusal. It was however commented that if the applicant reduced the ridge height by 431mm the garages could be built under permitted development rights.

AGREED (unanimously) that full planning permission be refused for the reasons contained within the report.

(Having declared interests on the grounds of potential bias given their position as Directors of Newark and Sherwood Homes. The Chairman, Vice-Chairman and Councillor Mrs C. Brooks took no part in the discussion or vote in relation to the following minute and left the meeting).

The Planning Committee Chairman sought Planning Committee approval, which was agreed unanimously for Councillor R.V. Blaney to act as Chairman for the duration of the following minute.

109. LAND ADJACENT 23 HAYWOOD OAKS LANE, BLIDWORTH (17/0221/FUL)

The Committee considered the report of the Deputy Chief Executive, following a site visit prior to the meeting, which sought the demolition of six garages and the development of three, one bed flats.

Members considered the application and concerns were raised regarding the flooding on the site after substantial rainfall and the steep drop into the neighbouring gardens which also flooded. The visual impact was also considered too immense for the neighbouring properties. A Member raised concern on highways grounds as the road was congested with traffic with poor visibility. Other Members commented that there were no Highway objection, the site was in flood zone 1 and the removal of the garages would reduce the amount of cars in the vicinity.

AGREED (with 8 votes for and 4 votes against) that full planning permission be approved subject to the conditions contained within the report.

(The Chairman, Vice-Chairman and Councillor Mrs C. Brooks returned to the meeting, Councillor D.R. Payne resumed Chairman).

110. APPEALS LODGED

AGREED that the report be noted.

111. APPEALS DETERMINED

AGREED that the report be noted.

The meeting closed at 6.10pm