



**NEWARK &
SHERWOOD**
DISTRICT COUNCIL

*Kelham Hall
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Chairman: Councillor R.V. Blaney
Vice-Chairman: Councillor D.J. Lloyd

Members of the Committee:

Councillor P.C. Duncan
Councillor R.J. Jackson
Councillor R.B. Laughton
Councillor P. Peacock
Councillor D. Staples (Opposition Spokesperson)

Substitute Members

Councillor Mrs C. Brooks
Councillor A.C. Roberts
Councillor Mrs L.J. Tift
Councillor T. Wendels

MEETING: Policy and Finance Committee

DATE: Thursday 26 January 2017 at 6.00pm

VENUE: Room G21, Kelham Hall

**You are hereby requested to attend the above Meeting to be held at the time/place
and on the date mentioned above for the purpose of transacting the
business on the Agenda as overleaf.**

If you have any queries please contact Nigel Hill on 01636 655243.

AGENDA

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None.	
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None.	
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None.	

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **POLICY & FINANCE COMMITTEE** held in Room G21, Kelham Hall, Newark on Thursday, 1 December 2016 at 6.00pm.

PRESENT: Councillor R.V. Blaney (Chairman)

Councillors: P.C. Duncan, R.J. Jackson, R.B. Laughton, P. Peacock and D. Staples.

SUBSTITUTE: Councillor A.C. Roberts for D.J. Lloyd.

ALSO IN Councillor: T. Wendels.

ATTENDANCE:

41. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor D.J. Lloyd.

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

There were no declarations of interest.

43. DECLARATIONS OF INTENTIONS TO RECORD THE MEETING

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

44. MINUTES FROM THE MEETING HELD ON 22 SEPTEMBER 2016

The minutes from the meeting held on 22 September 2016 were agreed as a correct record and signed by the Chairman.

45. CORPORATE PEER CHALLENGE

The Chief Executive presented a report which advised of the findings of the Corporate Peer Challenge following the publication of the final report. The key recommendations from the report were detailed and a draft action plan to progress the recommendations was attached as an appendix to the report.

AGREED (unanimously) that:

- (a) the feedback report of the Corporate Peer Challenge, from 19 – 21 July 2016, be noted; and
- (b) the proposed action plan be approved with an interim report being submitted to the April 2017 meeting and a full report to the June 2017 meeting as to progress on addressing the peer challenge team's key recommendations.

Reason for Decision

To consider the findings of the corporate peer challenge and produce and appropriate action plan to address the findings of the report.

46. MOVING AHEAD PROGRAMME

The Moving Ahead Programme Manager presented a report which provided an update on the initiative to 'shuffle up' at Kelham Hall in order to get staff used to working in an agile manner ahead of the move to the new office. The report also provided an update in respect of the decommissioning of parts of Kelham Hall and the efforts being made to reduce the levels of paper storage.

The Committee were also invited to consider possible names for the new office. The report suggested that Castle House offered the best alternative given the Castle was the most prominent landmark in the area and had been a feature of the Newark skyline for centuries.

AGREED (unanimously) that:

- (a) the progress with the Moving Ahead Programme be noted;
- (b) at this stage the proposed name for the new offices be Castle House, subject to any alternative name that had the support of the whole Council and partners moving into the new office; and
- (c) officers consult with the partners moving into the new office over the proposed name.

Reason for Decision

To ensure Members are kept informed of all work relating to the Moving Ahead Programme and to choose a name so that branding and signage relating to the building can progress.

47. INFORMATION REQUESTS, COMPLAINTS AND RIPA 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 2015/16 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 2015/16.

In respect of RIPA the report detailed the outcome of the inspection undertaken by the Office of Surveillance Commissioners and proposed two minor changes to the Council's policy on RIPA relating to the use of social media sites and to omit the Director – Resources from the list of Designated Authorising Officers.

AGREED (unanimously) that:

- (a) the report be noted; and
- (b) the proposed revisions to the Council's Regulation of Investigatory Powers Act Policy as detailed in paragraph 5.5 of the report be approved and the revised policy adopted.

Reason for Decision

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

48. LOCAL HOUSING DEVELOPMENT COMPANY VEHICLE

The Director - Safety presented a report concerning progress with the Council's proposals to establish a housing development company. The report referred to the number of different models to achieve such a company to develop new market housing within the district. These were direct delivery via a wholly owned council company or as a joint venture; a financial investment/special purpose vehicle; or contractual through a development agreement. The report also set some suggestions as to the various aims and objectives that the Council could seek to deliver through establishing a housing delivery vehicle.

In order to ensure due diligence it was proposed that the Committee undertake a detailed analysis of the options to set up a housing development company in the context of the aims and objectives that the Council wish to achieve and the strategic sites currently available to the Council. It was suggested that the most effective way of undertaking this work would be to set up a working party in order to hold a facilitated workshop to review the main aims and objectives that needed to be addressed through establishing a housing delivery vehicle and then to appraise the various delivery options against these objectives taking into account the Council owned strategic sites. The working party would then submit its recommendations to the Committee for consideration. The workshop would need to be facilitated by external specialist legal advice and it was proposed that an external legal firm with known experience and expertise in advising local authorities on establishing housing delivery models be commissioned to undertake this work.

AGREED (unanimously) that:

- (a) a working party, comprising of all members of the Policy & Finance Committee and the Vice Chairman and Opposition Spokesperson for the Homes & Communities Committee, be established to undertake a detailed analysis of the Council's aims and objectives in setting up a housing delivery vehicle, assess these against the Authority's strategic housing sites and the different housing delivery models available and report back to the Committee with its recommendations as to progressing the establishment of the most appropriate vehicle; and

- (b) budget provision of £20,000 be allocated to cover the cost of external expert legal advice to facilitate the work referred to in (a) above.

Reason for Decision

To progress the Council's strategic priority of establishing a development company to act as a vehicle for new housing development.

49. HOUSING GROWTH - HRA DEVELOPMENT PROGRAMME

The Business Manager – Strategic Housing presented a report which invited the Committee to consider the £500,000 capital sum made available from the Housing Revenue Account (HRA) reserves in order to prepare HRA sites for development and the designation of HRA finance to enable the acquisition of additional sites.

At its meeting on 9 July 2015, the Policy & Finance Committee approved an initial capital fund of £500,000 to be made available from HRA reserves to prepare HRA sites for development. Work had progressed on appraising all of the smaller HRA sites including garage areas, redundant land and infill sites to identify whether these had the potential for development, disposal or retention. Based upon this work a 5 year programme of Council housing development had been approved, which will deliver approximately 335 units. Work was now underway to complete site investigations, resolve any rights of way/access and submit full planning applications. Legal work was also required as part of this preparatory stage. Both the planning preparation and legal work involved a recharge to the HRA which must be treated as revenue rather than capital cost. As such an adjustment was now required to reallocate a proportion of the £500,000 as revenue budget.

The report also referred to the opportunities which may arise to acquire sites on the market that bring additionality to the current programme, for example where a site was located close to existing HRA sites and was earmarked for development, or where it increased the HRA land portfolio for future programmes. It was considered that the acquisition of such sites also had the potential to meet wider objectives, for example to intervene where a site was attracting anti-social behaviour. It was recognised that any site identified would need to be fully appraised prior to acquisition. This would include financial modelling, risk and liability assessments, legal and planning review, market intervention/competition, consideration of site location and housing need.

In respect of the development of the extra care scheme off Bowbridge Road, Newark, it was necessary, in order to avoid delays in the development programme, to name both the access road and the Scheme in order to provide the relevant utility companies with a full postal address to enable the timely installation of such services.

AGREED (unanimously) that:

- (a) £100,000 of the capital fund of £500,000 be reallocated as a revenue budget to be utilised in preparing Housing Revenue Account sites for development;

- (b) support be given to the principle of site acquisition as detailed in paragraph 3 of the report and a further report be submitted to the Committee to consider designating finance for a site acquisition fund on conclusion of the work by officers to appraise the available capacity within the Housing Revenue Account financial model; and
- (c) the access road leading off Bowbridge Road onto the Council owned land is called Pulford Way and the new build Extra Care Scheme on the site is named Gladstone House.

Reason for Decision

To ensure that the appropriate level and split of funding was available to deliver the HRA Housing Development Programme.

50. NEWARK & SHERWOOD HOMES - MANAGEMENT FEE 2017/18

The Business Manager – Strategic Housing presented a report which sought to approve the base fee to be paid to the Council’s housing management company, Newark and Sherwood Homes, for the 2017/18 financial year, along with agreeing the efficiency target for the following two financial years.

The Management Agreement was the overarching contractual agreement between the Council and Newark and Sherwood Homes. From 31 March 2014 a new Management Agreement was entered into. This provided for the management fee to be set on a three year rolling period. In year one (2014/15) the baseline for the management fee was set and then in years’ 2 and 3 inflationary factors and efficiency targets applied. In year 4 (2017/18) there was a ‘rebasings’ of the management fee and in years 5 and 6 inflation and efficiency targets were to be applied.

The report detailed the components of the core management service fee, the annual works fee the company receives, the additional fee income the company receives from services it provides to third parties and through investment activities and the project management fee to deliver the Council’s housing development programme.

AGREED (unanimously) that:

- (a) in accordance with the Management Agreement the Committee consider and approve the Base Fee of £7,959,513 and IT reserve adjustment of £139,000, giving a total Service Fee of £8,098,513 to be paid to Newark and Sherwood Homes for 2017/18, as detailed within the table at paragraph 3.10 of the report;
- (b) an efficiency target of 3% be set for 2018/19 and 2019/20 (years two and three of the three year rolling period);
- (c) the project management fee to be paid to Newark & Sherwood Homes for the Bowbridge Road extra care scheme development be revised to a maximum of £97,600; and

- (d) delegated authority be given to the Director – Safety, in consultation with the Chair and Vice Chair of the Policy & Finance Committee and Opposition Spokesperson, to set the project management fee for the 5 year HRA development programme on conclusion of the negotiation process with Newark and Sherwood Homes.

Reason for Decision

To fulfil the requirements of the Management Agreement between the Council and its Housing Management Company, Newark and Sherwood Homes.

51. POLICY & FINANCE COMMITTEE DRAFT REVENUE BUDGET 2017/18 - 2021/22

The Assistant Business Manager – Financial Services presented a report which informed Members of the progress to date on the budget for 2017/18 and future years. At their meeting on 22 September 2016 the Policy & Finance Committee considered the preliminary report on the 2017/18 Budget and agreed the overall strategy including the appropriate basis on which the budget should be developed, including salaries, wages, general inflation, debt charges etc.

The Council had agreed policies on Budgeting and Council Tax, Reserves and Provisions and also a set of Budget Principles, a Charging Policy and Value for Money Strategy which set out the approach to be taken to the budget process. These policies and principles had been reviewed and updated by the Policy & Finance Committee in September 2016.

Business Managers and service budget officers had been working with officers from Financial Services to determine a first draft general fund budget and medium term financial plan. The budgets had been prepared in line with the strategy agreed by the Policy & Finance Committee on 22 September 2016. A summary of the figures to date for the Policy and Finance Committee were given in Appendix A to the report.

Until the Local Government Finance Settlement was announced later this month all figures for government grants were based on internal estimates. Reductions in government grant were expected to continue for 2017/18.

It was reported that whilst there was always a need to improve efficiency and review existing budgets, the Council's budget gap in future years was already significant without the uncertainties detailed in the report, such as the result of the EU Referendum and changes to Business Rates retention and should principally be addressed through strategic measures. Savings from leisure commissioning, devolution and collaboration and savings following the move to the new offices and associated working practices had already been built into the Medium Term Financial Plan. These uncertainties would lead to the necessity to identify significant savings potentially for 2018/19 and for future years.

AGREED (unanimously) that:

- (a) the Committee undertakes a review of fees and charges in accordance with the Corporate Charging Policy;

- (b) the current draft Committee budget be incorporated into the overall service budget to be reported to Policy & Finance Committee later in this agenda; and
- (c) the Business Manager and Chief Financial Officer – Financial Services, continues to formulate budget proposals for formal consideration at the Policy & Finance Committee meeting on 26 January 2017 for recommendation to Policy & Finance Committee on 23 February 2017.

Reason for Decision

To ensure that the preliminary figures for the budget are considered by Policy & Finance Committee and that final budget proposals for 2017/18 to 2021/22 are submitted to the Policy & Finance Committee on 26 January 2017 for recommendation to Policy & Finance Committee on 23 February 2017.

52. COUNCIL'S OVERALL DRAFT REVENUE BUDGET 2017/18 - 2021/22

The Assistant Business Manager – Financial Services presented a report which informed Members of the progress to date on the budget for 2017/18 and future years. As part of the 2016/17 Local Government Finance Settlement the Government offered Council's the ability to take up a 4 year funding settlement to 2019/20 to provide funding certainty and stability to enable more proactive planning of service delivery and support strategic collaboration with local partners. Councils who wished to accept this offer were required to produce an efficiency plan. However this certainty of funding only applied to Revenue Support Grant and Rural Services Delivery Grant, which in 2019/20 would only amount to £113,000. Confirmation of the 4 year funding was received 16 November 2016. In practice, the final determination of the local government finance settlement for any given year cannot be made until calculations were completed taking account of the business rates multiplier which was based on the September RPI figure.

The 2015/16 budget outturn position identified sustainable under-spends in service expenditure which would be built into future budgets. These amounted to approximately £340,000 per year and had been built into the draft budget figures at Appendix A to the report. The budget presented took account of the move to the new offices in September 2017, however running costs and some employee costs for Kelham Hall had been included for a further 3 months in order to ensure that the decommissioning work was included in the budget. The savings accrued from devolving services to town and parish councils continued to be built into the budget as further devolution of services was undertaken. Savings achieved from moving leisure services into Active4Today Ltd had also been built into the budget.

The figures set out in the report were a first draft only and a substantial amount of work had yet to be completed before any conclusions could be drawn. The Council continued to consider the current level of service provision and there would be little or no room for service development. It was important that savings that could be identified in the current financial year were realised to ensure maximum flexibility in future years. It was also essential not only to consider the budget for 2017/18 but to give some consideration to the need for further savings in the following years as well.

AGREED (unanimously) that:

- (a) the overall position on the 2017/18 budget be noted and Members should consider the strategy for achieving a balanced budget in 2017/18 onwards; and
- (b) the Business Manager and Chief Financial Officer – Financial Services continues to formulate budget proposals for formal consideration at the Policy & Finance Committee Meeting on 23 February 2017.

Reason for Decision

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

53. BUSINESS RATES APPEALS - GP SURGERIES

The Chief Executive presented a report which set out the risks to Business Rates income in the district from appeals for a reduced rateable value made on behalf of GP surgeries. The current system of Business Rates collection and redistribution places the risk of losses which might arise through appeals about business rates onto Collection Authorities. A new rateable value list would apply from 2017 which in itself would bring new risks in terms of appeals. However, there was still a backlog of Business Rates appeals relating to the current list and many of those appeals would, if successful, require a repayment of part of the Business Rates to the appellant backdated to 2010.

A particular concern had arisen about the number of Business Rates appeals for GP Surgeries. It was reported that there were currently twelve outstanding appeals in Newark & Sherwood and if all were successful this would result in a loss of £1.1 million of business rates income in order to refund those surgeries back to 2010. The report proposed specific actions which could be taken in order to draw the risk to the attention of local surgeries, NHS England and the government.

AGREED (unanimously) that the actions to draw attention to and ameliorate the impact of GP Surgeries business rates appeals, as set out in paragraph 3.1 of the report, be approved.

Reason for Decision

To make Members aware of the risks to business rates income arising from any appeals from GP surgeries and to take appropriate action to address this issue now.

54. CAPITAL PROGRAMME MONITORING TO 30 SEPTEMBER 2016

The Financial Services Accountant presented a report which monitored the progress of the overall capital programme since the last progress report to the Committee on 22 September 2016. 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. Appendix C to the report listed any proposed amendments to the capital programmes since it was last approved on 22 September 2016. Appendix D to the report listed all the current schemes with expenditure to date against the latest budget approved by the Policy & Finance Committee on 1 December 2016 and the consequent overall financing position was shown at Appendix E to the report.

The Committee considered that as the scheme for the Lorry Park was still to be approved this needed to be removed from the Programme.

AGREED (unanimously) that the variations listed in Appendix C be approved and the Programme shown in Appendix D be accepted as the latest approved Capital Programme, subject to the removal of scheme TB6148 Lorry Park of £500,000 which was still to be submitted to the Policy & Finance Committee for consideration.

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.

55. EXCLUSION OF THE PRESS AND PUBLIC

AGREED (unanimously) that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraphs 3, 4 and 5 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

56. MARKETS AND CAR PARKS

The Committee considered the exempt report presented by the Deputy Chief Executive in relation to the future operation of markets and car parks.

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

57. LAND ADJACENT TO 157 BOUNDARY ROAD, NEWARK

The Committee considered the exempt report presented by the Deputy Chief Executive in relation to land adjacent to 157 Boundary Road, Newark.

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

58. SPORTS HUB, BOWBRIDGE ROAD, NEWARK

The Committee considered the exempt report presented by the Deputy Chief Executive in relation to the Sports Hub at Bowbridge Road, Newark.

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

Meeting closed at 8.17pm.

Chairman

HOUSING GROWTH

1.0 Purpose of Report

- 1.1 To provide the Committee with an update on progress with the Housing Revenue Account (HRA) development programme and advise on the potential to designate HRA finance to a site acquisition fund.
- 1.2 The report also provides details on the recent opportunities presented to the Council to promote and deliver further housing growth in the district, namely the submission of a 'HRA Capacity' proposal and funding application to the Department for Communities and Local Government's (DCLG) Estate Regeneration Programme.

2.0 Background Information

- 2.1 Work has been progressing on appraising all of the smaller HRA sites; including garage areas, redundant land and infill sites to identify whether these have the potential for development, disposal or retention. Members will be aware that the Committee, at its meeting on 30th June 2016, approved a 5 year programme of Council housing development, to deliver an indicative 335 additional units.
- 2.2 A further report was presented to the 1 December 2016 Committee meeting exploring the opportunities that could arise for the Council to acquire sites on the market that bring additionality to the current HRA development programme, for example where a site is located close to existing HRA sites and is earmarked for development, or where it would increase the HRA land portfolio for future programmes.
- 2.3 In this respect work has progressed between the Council and Newark and Sherwood Homes to determine what capacity the HRA Business Plan has to allocate finance for site acquisitions and this is detailed in the following paragraphs.

3.0 Housing Growth - Progress

HRA Development Programme

- 3.1 All legal, site investigation and pre-planning work has now been concluded, together with the site designs for year 1 (2017/18) of the programme. Planning Applications are currently being finalised for submission. This activity will be completed by the end of the month and the present timetable is that all planning applications for year 1 will be determined during April and May 2017.

- 3.2 Initial Member consultation over the proposed sites was undertaken on 11 October 2016 raising awareness of the range of HRA sites that have the potential for development and follow up contact has now been made with those Members where sites are being put forward for planning in the first phase of development.
- 3.3 The procurement of a development contractor will be concluded by March 2017 and, subject to planning, the first tranche of schemes are scheduled to commence on site during April 2017, with all schemes to be underway by June 2017. In year one (2017/18) 70 units are programmed for delivery.

Site Acquisition

- 3.4 The opportunity for the HRA to acquire sites has now been financially modelled within the parameters of the HRA Business Plan (HRA BP), set against the overriding imperative to maintain a viable HRA BP and deliver the approved development programme.
- 3.5 The modelling undertaken has concluded that if the current development programme was extended for an additional year this would release £2M capacity within the HRA BP to establish a site acquisition fund.
- 3.6 Currently at certain points within the 5 year programme the HRA BP is maximised to capacity, only allowing for the previously agreed £1m 'cushion' up to the borrowing headroom, and therefore does not provide flexibility for site acquisitions.
- 3.7 By taking a prudent financial approach and allowing some flexibility in the progression of the development programme this would enable the Council to establish a site acquisition fund, to either bring additionality to the current programme and/or increase the HRA land portfolio for future programmes, and ensure that the approved development programme delivers a consistent number of new units each year.
- 3.8 The indicative delivery of 335 new Council homes within 5 years is still on target to be achieved through the existing development programme, taking into account the 60 unit extra care development and those that will commence on site from April 2017.
- 3.9 It is recognised that any site(s) identified for purchase would need to be fully appraised prior to acquisition. This would include financial modelling (*capturing the cost of site acquisition, associated works, e.g. demolition, and development of the site*), risk and liability assessments, legal and planning review, market intervention/competition, consideration of site location and housing need.

HCA funding

- 3.10 Members should also note that the current financial model does not assume that any grant funding would be available from the Homes and Communities Agency (HCA). This is because the current 2016 – 2021 funding programme is primarily focused on the delivery of shared ownership units.

- 3.11 Following the Chancellor's 2016 Autumn Statement, however, the government has now announced that an additional £1.4 billion will be made available to deliver a further 40,000 affordable homes, with grant being made available for Affordable Rent schemes.
- 3.12 The Council now has the opportunity to bid for HCA grant over the course of its ongoing development programme and this is being explored further by officers.
- 3.13 If grant funding bids are submitted to the HCA, and successful, this will have a positive impact on the HRA BP - increasing both capacity for the delivery of the existing housing development programme and enables further flexibility in the HRA BP to enhance it.

HRA Capacity Proposal

- 3.14 The Council, in partnership with Newark and Sherwood Homes, is one of three local authorities who have recently submitted a 'HRA Capacity' proposal to DCLG Ministers for consideration.
- 3.15 The proposal has been made under the umbrella of the 'Local Authority Housing Group' (*established by the four national organisations the Chartered Institute of Housing, the Chartered Institute of Public Finance and Accountancy, Association of Retained Council Housing and the National Federation of ALMOs*). It puts forward a case on how minor adjustments in Government housing policy could give local authorities the ability to accelerate existing development programmes, and enable additional new homes to be delivered, therefore supporting the government to deliver its objective of one million new homes by 2020.
- 3.16 The Council and Newark and Sherwood Homes through the 'HRA Capacity' proposal have requested the following, which would enable the approved development programme to be accelerated from 5 to 3 years:
1. The HRA borrowing cap to be increased by increased debt cap of £18M from 2017/18.
 2. Annual rent increases to be confirmed as CPI+1%, for a period of 30 years and subject to a minimum of 2% in any particular year.
 3. Existing land ownership to be invested and disregarded as subsidy for HCA grant assessment.
 4. A facility to combine RTB receipts and HCA grants/to a maximum (say) of 50% of total scheme costs.
- 3.17 The proposal was submitted following liaison with both the Leader of the Council and Chairman of the Homes and Communities Committee. The outcome of the submission is still awaited.

Bridge Ward Neighbourhood Study

- 3.18 A key output of the Bridge Ward Neighbourhood Study (2012) relates to a key 'transformational project' focussing on the growth and regeneration of the Yorke Drive estate (predominantly Council housing) in Newark; along with proposals for delivering new homes on the Lincoln Road playing fields and enhancing the local sport and play provision offer and creating a community hub.

- 3.19 As an outcome of the Study, the Yorke Drive estate and Lincoln Road playing fields is an allocated housing site in the Council's Allocations & Development Management DPD.
- 3.20 The Study consisted of a master planning exercise, a programme of community engagement and headline feasibility work. It identified in principle a viable regeneration scheme of the Yorke Drive estate when cross subsidised by development of the adjacent Lincoln Road playing fields (in Council ownership).
- 3.21 Since completion of the Study, progression has been stifled due to the lack of: capital finance; internal officer resources; and skills and knowledge of the commercial sector.
- 3.22 Further to DCLG's announcement of the 'Estate Regeneration Programme' (<https://www.gov.uk/government/publications/estate-regeneration-fund>), the Council has recognised that this gives the opportunity to appraise and refresh the key transformational project identified at paragraph 3.18.
- 3.23 Most recently DCLG has also announced that, under the 'Estate Regeneration Programme', an additional £32m 'Capacity & Enabling' funding is available to assist with the completion of viability assessments, planning and community engagement.
- 3.24 In this respect initial meetings have been held with the DCLG's Estate Regeneration team to review the key findings of the Bridge Ward Neighbourhood Study and consider what additional capacity and technical expertise would be required to refresh the key assumptions made in the Study's master plan to enable progression of this transformational project.
- 3.25 Officers have reviewed the Study set against the three key requirements of the 'Estate Regeneration Programme':
1. Demonstrate viability
 2. Demonstrate Local Authority backing
 3. Demonstrate community support
- 3.26 The review has identified that three phases of activity are required as a precursor to formal Committee approval for a submission to be made to the main 'Estate Regeneration Fund'. The phases can be seen in the proposed work programme at **Appendix A**.
- 3.27 The work programme identifies that additional capacity and technical expertise (*internal and external activities*) will be required to accelerate this transformational project, enabling the delivery of an updated viability appraisal of the master-plan (including sensitivity analysis), identification of the finance/funding mechanisms, completion of the necessary due diligence work, updating the original master plan and undertaking a procurement exercise to identify the most appropriate public/private partnership delivery vehicle, along with commissioning the relevant 'enabling' feasibility/technical studies and developing an engagement programme.

- 3.28 Based on the work programme at **Appendix A** and in consultation with Leader of the Council, the Council has now submitted a bid to DCLG's 'Capacity & Enabling' estate regeneration fund.
- 3.29 Should the Council be successful in this funding application a further report will be submitted to the Committee at its meeting on 23 February 2017 in order to consider proposals to progress the work programme as detailed at **Appendix A**.

4.0 Proposals

- 4.1 In considering the detail contained within the above paragraphs it is proposed that:
- a. taking into account the issues and opportunities detailed in paragraphs 3.4 to 3.16 of this report, that a prudent financial approach and some flexibility be adopted in the progression of the development programme to enable the creation of a £2m site acquisition fund over the period of the programme, with the finance available to be apportioned between capital and revenue costs as determined by the Director – Safety and Business Manager & Chief Financial Officer – Financial Services; and
 - b. the Committee note the submission of the HRA Capacity proposal and Estate Regeneration funding bid with further updates provided to Members once the outcome of these are known.

5.0 Equalities Implications

- 5.1 In taking forward the housing (HRA) development programme under the Council's growth agenda, equality implications will be considered and assessed against the delivery of additional housing to ensure the evidenced housing need across all tenures and communities is addressed.

6.0 Impact on Budget/Policy Framework

- 6.1 Within the contents of the main report all the budgetary and policy framework requirements have been considered.

7.0 Comments of Business Manager & Chief Financial Officer – Financial Services

- 7.1 The bids for additional funding and flexibility around rent levels and borrowing limits, if successful, would allow the Council to accelerate the HRA Development Programme and also free up funding for the HRA to acquire additional sites for future development, whilst ensuring that the HRA Business Plan is sustainable into the future.

8.0 RECOMMENDATION

That the proposals as set out at paragraph 4.1 of the report be approved.

Reason for Recommendations

The housing (HRA) development programme will contribute to the Council's housing growth agenda and wider strategic priorities, meeting the evidenced housing need across the district for all tenures and maintain a viable Housing Revenue Account Business Plan.

Background Papers

30 June 2016 Policy & Finance Committee Report (Agenda Item. No.9) – Housing Growth: Revised Housing Revenue Account Business Plan and 5 Year Development Programme.

For further information please contact Karen White (5240) or Rob Main (5930).

Karen White
Director – Safety

ESTATE REGENERATION: PROPOSED WORK PROGRAMME

Phase	Current Status	Actions Required
A. Scoping	Detailed master plan for Bridge Ward included in the Neighbourhood Study.	<p>Review of master plan to focus on:</p> <ul style="list-style-type: none"> ▪ Sustaining a viable HRA Business Plan (<i>HRA 5 year development programme = sensitivity analysis</i>). ▪ Land and key elements of each transformational project. ▪ Relationship between projects and the strategic vision across the Ward. ▪ Identification of current barriers and opportunities. ▪ Relationship between the master plan, housing need, unit numbers and tenure. ▪ Create additional capacity within the Council to project manage the programme, ensuring the Council has the necessary commercial acumen.
B. Reappraise Viability and Delivery	Initial appraisal completed as part of Neighbourhood Study Delivery Strategy	<p>Review of initial appraisal, updated to current values and in greater detail, including assessment of:</p> <ul style="list-style-type: none"> ▪ Full viability appraisal (cost analysis) and examine the cross subsidy principles of the HRA asset and General Fund land. ▪ Review risk analysis. ▪ Position of the HRA Business Plan. ▪ Clarification on the treatment of HRA demolition set against the 2012 self- financing settlement, use of 1-4-1 receipts, rent increases, increasing the HRA borrowing cap. ▪ Gearing on HRA now and then (impact on demolition, when to demolish and when to replace). ▪ Review site delivery (unit numbers/ tenure type and marketability) to meet existing housing need. ▪ Update existing Master Plan: <ul style="list-style-type: none"> ○ Detailed design of regeneration proposals and development brief. (<i>Looking at mix and density of units, the infrastructure and any abnormal costs in order to quantify in greater detail.</i>) ○ Assessing key infrastructure requirements and costs (roads, reconfiguration of the playing field, key development costs, enhancing the sports offer, etc.), including undertaking all relevant feasibility and technical studies. ○ Submission of a full planning application, including all preparation work, e.g. design & access statement and pre-planning activities. ▪ Undertake a procurement exercise, market appraisal/testing to assess the most appropriate delivery partner and delivery mechanism, (e.g. LLP, Joint Vehicle, etc.) ▪ Undertake all necessary due diligence work.

		<ul style="list-style-type: none"> ▪ Revenue benefits and costs to the General Fund (CIL, Council Tax, New Homes Bonus, tax implications, SDLT, legal requirements, risk analysis) ▪ Liaising with statutory agencies, e.g. Highways Agency, Sports England. ▪ Assessing impact on the five year land supply and identifying possible planning mechanisms that may add value e.g. a Local Development Order. ▪ Identify complimentary funding sources that may unlock wider strategic opportunities/transformational projects identified by the Study, e.g. D2N2, HCA, Highways, railway station regeneration. ▪ Appraise impact of wider national policies, e.g. Housing & Planning Act (starter homes, higher value homes). ▪ Update the delivery project timetable, identifying key stages and phasing.
C. Engagement		<p><i>Engagement programme to be undertaken on completion of Phase B, dependant on outcome.</i></p> <p>Exercise to engage and give support to project:</p>
(i) Community/ Stakeholders	Residents involved in Bridge Ward Neighbourhood Study	<ul style="list-style-type: none"> ▪ Tenant Panel ▪ Local Members ▪ Community Groups ▪ Need to capture wider voluntary and statutory stakeholders. ▪ Sports facility
(ii) Community Offer	Neighbourhood Study identified potential to invest in sports provision, community facilities, address issues around ASB and health	<ul style="list-style-type: none"> ▪ Investment in current assets and infrastructure ▪ Football academy or other scheme ▪ Employment (direct and indirect) ▪ Infrastructure (for broader community) ▪ Health
(iii) Political	Members engaged in Study and approved Final Report	<ul style="list-style-type: none"> ▪ Develop cross-party support ▪ Engage with the County Council ▪ Engage with D2N2

CONSULTATION - FUNDING FOR SUPPORTED HOUSING

1.0 Purpose of Report

1.1 For Members to consider the Council's response to the Department for Communities and Local Government (DCLG) and Department of Work and Pensions (DWP) 'Funding for Supported Housing' consultation document.

2.0 Background Information

2.1 The consultation seeks views on the government's plans for a new 'housing costs funding model' for supported housing, as well as views on how funding for emergency and short term placements should work. It covers the following areas:

- devolved top-up funding to local authorities in England
- funding for emergency and short term supported housing placements across Great Britain.

2.2 As part of the government's reforms to the welfare system it wants to ensure a sustainable future for the supported housing sector and previously announced that from 2019/20 a new funding model for supported housing will be introduced, which will ensure that the sector continues to be funded at current levels, taking into account the effect of the government policy on social sector rents.

2.3 Supported housing, which supports some of the most vulnerable people from across the country, will continue to be exempt from the Local Housing Allowance (LHA) cap until 2019. From then the new funding model will protect the sector from the cap with a top-up of additional ring-fenced funding.

2.4 This will mean that housing benefit and the housing element of universal credit will focus on paying for core housing costs, whilst the new ring-fenced pot of money will give local authorities greater flexibility to commission services in line with local needs.

2.5 The application of the LHA policy for general needs accommodation will also now be aligned with the timing of these plans so will now be introduced in 2019 instead of 2018.

Consultation

2.6 The consultation period runs for 12 weeks with the deadline for submissions being 13 February 2017.

2.7 The consultation identifies five issues that government wish to be explored through the consultation process to develop the detail that will underpin the new approach to funding for supported housing. These are:

- i. Fair access to funding, the detailed design of the ring-fence and whether other protections are needed for particular client groups to ensure appropriate access to funding, including for those without existing statutory duties;
- ii. Clarifying expectations for local roles and responsibilities, including what planning, commissioning and partnership arrangements might be necessary locally;
- iii. Confirming what further arrangements there should be to provide oversight and assurance for the Government and taxpayers around ensuring value for money and quality outcomes focussed services;
- iv. Exploring the appropriate balance between local flexibility and provider certainty, including what other assurance can be provided beyond the ring-fence, for developers and investors to ensure a pipeline of new supply; and
- v. Developing options for workable funding model(s) for short term accommodation, including hostels and refuges.

2.8 Issues I – IV relate to the detailed arrangements for the local top-up model in England. Issue V relates to short term accommodation provision across Great Britain, since it is currently funded through the welfare system.

2.9 The full consultation document can be found in the following link:

[https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/571013/161121 - Supported housing consultation.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/571013/161121_-_Supported_housing_consultation.pdf)

Local Schemes

2.10 There will most probably be Council (HRA) supported housing schemes, namely Vale View, the new build bungalows in Bilsthorpe and Gladstone House, Bowbridge Road, that will be affected by the proposals being made within the consultation.

2.11 A number of Registered Provider schemes in the district will also included, for example Russel House (offering temporary accommodation) in Newark, own and managed by Framework Housing Association. This is in addition to any potential impact the new funding model could have on refuge accommodation, such as the local Women’s Refuge managed by Newark Women’s Aid.

2.12 In considering the supported housing schemes operating in the district it will be imperative that the new funding model continues to protect local vulnerable residents to ensure that they have access to affordable, secure and supported housing.

2.13 For the Council it is also essential that the new funding model sustains a viable Housing Revenue Account Business Plan through guaranteeing rental income and allowing certainty for future growth.

Task & Finish Group

- 2.14 The government has set up four task and finish groups to work across the key issues outlined in paragraph 2.7 above, which will include membership from key stakeholders and partners from across the sector and from across Government departments and the devolved administrations where appropriate. This Authority has been invited onto the membership of the 'Fair Access to Funding' group and will be represented by the District Council's Business Manager – Strategic Housing.

Consultation Response

- 2.15 The questions being asked in the consultation document and the suggested responses to these can be found at **Appendix A**.
- 2.16 It should be noted that conversations have been held with Newark and Sherwood Homes on the consultation document and the responses provided at **Appendix A** have been informed by this.

3.0 Proposal

- 3.1 Set against the detail contained within the above paragraphs and in the government's 'Funding for Supported Housing' consultation document, it is proposed that the Committee consider and approve the responses set out at **Appendix A** along with any amendments it may wish to make to these.

4.0 Equalities Implications

- 4.1 In drawing up the Council's proposed consultation response equality implications have been considered to ensure that vulnerable residents across the district continue to be able to access affordable and secure supported accommodation.
- 4.2 The government will also have a duty to complete an equalities impact assessment on any proposals it wishes to implement.

5.0 Impact on Budget/Policy Framework

- 5.1 As this is a consultation document there are no budgetary and policy framework impacts to consider at this stage.

6.0 Comments of Business Manager & Chief Financial Officer – Financial Services

- 6.1 Information from Financial Services has been considered within the response and further consideration will be required once government confirm its approach to the future funding for supported housing.

7.0 RECOMMENDATION

That the Committee consider the suggested response to the Government’s consultation on ‘Funding for Supported Housing’ (as detailed in Appendix A to the report) and approve it together with any alterations or amendments to be submitted as the Council’s response to the consultation document.

Reason for Recommendation

To ensure that the Council submits its response to the Government’s consultation on Funding for Supported Housing within the deadline for submissions of 13 February 2017.

Background Papers

Nil.

For further information please contact Rob Main, Business Manager – Strategic Housing on 01636 655930.

Karen White
Director – Safety

FUNDING FOR SUPPORTED HOUSING: DRAFT CONSULTATION RESPONSE

- I. **Fair access to funding, the detailed design of the ring-fence and whether other protections are needed for particular client groups to ensure appropriate access to funding, including for those without existing statutory duties.**

51. Local authorities will administer the local top-up, and in two tier areas, there is a case for the upper-tier local authority to hold the funding as they tend to be responsible for commissioning the bulk of supported housing services.

52. Different types of supported housing provision and services are commissioned by different bodies locally, such as Clinical Commissioning Groups and district housing authorities. It will be important to ensure that funding streams are better aligned so they can deliver their respective commissioning objectives.

Q1. The local top-up will be devolved to local authorities. Who should hold the funding; and, in two tier areas, should the upper tier authority hold the funding?

Proposed Response:

In this instance it is considered appropriate that the upper tier authority should hold the funding. It is imperative, however, that a joint commissioning group is constituted and represented by housing (including housing benefit), health, social care and probation so to address a range of systemic challenges in the current delivery of personal support services to vulnerable individuals, including, but not exclusively:

- Reduced availability of public funding;
- Shared clients accessing multiple agency services;
- Some individuals “falling through the net” between agencies; and
- Duplicated administrative and compliance systems resulting in inefficiencies in back office operations.

It is also important not to duplicate present structures and there is a need to consider utilising existing frameworks, for example through the Health & Wellbeing Boards and emerging NHS Sustainability & Transformation Plans.

The new funding approach for supported housing should be as flexible as possible and aim to:

- Ensure there is a strategic oversight based on evidenced need to inform the priorities of a locality;
- Ensure there is a clear definition of what supported housing is covering both statutory and non-statutory ‘preventive’ functions;
- Ensure that individual need is assessed fairly and responded to in a consistent way, regardless of geographical location or point of access to public services;

- Enable the transfer of resources away from administrative functions and into direct service delivery;
- Ensure sufficient flexibility to meet the changing needs of the population without introducing instability;
- Ensure that individual needs are addressed in a holistic way that reduces duplication of effort by multiple agencies; and
- Introduce a national framework and oversight of local commissioning, quality, evaluation and resourcing;

The introduction of a new funding model will result in the need for additional local resource and capacity to deliver this, therefore clarity is required on what 'ring fenced' administrative resources will be made available through the model.

Q2. How should the funding model be designed to maximise the opportunities for local agencies to collaborate, encourage planning and commissioning across service boundaries, and ensure that different local commissioning bodies can have fair access to funding?

Proposed Response:

As proposed in the response to Question 1 a joint commissioning group should oversee the local funding model and be able to pool diverse funding streams, distributed to providers set against an agreed funding formula. Through this process it is also essential to understand provider's expectations on how they can access funding.

Separate funding streams, often providing services to the same individuals, are inefficient in use of back office services, require multiple compliance and quality assurance frameworks and frequently result in duplicated effort by multiple agencies.

The funding model should be designed to yield efficiency savings that may be used to optimise the supply of care and support services and to address the current funding shortfall.

It is suggested that the joint commissioning group (*see the response to Question 1*) would have responsibility to:

- Pool diverse funding streams and distribute according to a standard funding formula. A local pooled budget will enable the efficient distribution of diverse funding streams, which should be ring-fenced and vired from the appropriate commissioning budgets;
- Map need requirements of the local community against need types ;
- Ring fence funding to need types to ensure that the future of non-statutory services are protected until a comprehensive needs mapping exercise yields robust data on community needs, at which point funding streams are realigned against demand;
- Grow the local market to meet local need types;
- Commission flexible accommodation based and non-accommodation based services to meet local needs using capital and revenue funding streams;
- Align capital and revenue funding streams, which in the short term will optimise provider confidence in the development of new accommodation based services;

- Commission outcome focussed services: by grouping funding around needs types, rather than client groups, significant efficiencies could be achieved through a more holistic approach by reducing overlap of commissioning, administration and quality assurance. The majority of time in most services, is spent on low level, generic activities, with a minority spent on more expensive, specialist input. A centralised register of specialist staff who work across agencies will yield significant savings, share good practice across services and enable the potential for higher levels of training and expertise whilst providing greater flexibility and more comprehensive coverage of staff absences;
- Administer a more flexible funding arrangement, based on need types whilst tied to the service rather than the client will allow for more targeted delivery which would be more efficient, and will remove the need for different arrangements for short term services. These arrangements would be in place for all those people presenting and assessed regardless of whether there is a statutory duty. The suggested identified needs types are:

Housing Support.

For people who need help in maintaining their accommodation to prevent homelessness;

Cognitive Support

Intervention for people with learning disabilities and mental health issues, including people with dementia;

Family Support

Intervention with families in need: this may include assistance with parenting skills and preventative work with young parents;

Physical Support

Services for people with physical needs, including personal care, medication management, advice and assistance with assistive technology and aids and adaptations;

Resource Support

Assistance in financial inclusion and independence, i.e. benefits, worklessness and preparing for work support, budgeting;

Safety Support

Assistance to customers requiring support to maintain personal safety and security, either because of external threat of violence, such as women escaping domestic abuse or for some older and vulnerable customers, the maintenance of safety and security through the use of assistive technology;

Inclusivity Support

Assisting individuals to avoid/reduce social exclusion e.g. gypsies and travellers, anti-social behaviour, or for older people, the prevention of isolation; may also include with offenders, particularly with employment and accommodation intervention to reduce reoffending;

Substance Support

Specialist support with, for example, substance or alcohol misuse.

- Establish a standard, comprehensive needs and risk assessment model that determines placement choices for individual clients whilst setting a standard funding formula based on levels of client dependency (and thus resource input) whilst using a centralised register of specialist staff detailed above to deliver specialist care and support; and
 - Establish a standard, comprehensive quality assurance system to meet joint commissioners' requirements including a comprehensive value for money framework that uses established tools such as the HACT Value Calculator to evidence social value of service interventions. This system should initially align with, and eventually replace separate compliance systems.
-

53. We will ring-fence the top-up fund to ensure it continues to support vulnerable people. We propose that the ring-fence should be set to cover expenditure on a general definition of supported housing provision, rather than there being separate ring-fenced pots for different client groups.

54. Many people who rely upon supported housing have multiple and complex needs and supported housing services often address a combination of these needs (e.g. homelessness, mental health issues and substance misuse problems) and therefore, breaking down funding between different client groups becomes complicated and could limit flexibility for local areas to manage changing circumstances. Local authorities will, of course, need to comply with the public sector equality duty under section 149 of the Equality Act 2010 when deciding how to allocate funding.

55. However, some stakeholders have raised concerns that certain vulnerable groups could be overlooked, or particular groups could be prioritised for funding at the expense of others. We are keen to understand what, if any, statutory provision could be made to provide reassurance, including what potential role additional statutory duties for local authorities in England could play, particularly in terms of protecting provision for specific vulnerable groups within the context of the overall ring-fence.

Q3. How can we ensure that local allocation of funding by local authorities matches local need for supported housing across all client groups?

Proposed Response:

As already referenced a responsibility of the joint commissioning group would be to map the needs of the local community now and in the future and to then commission services that meet local needs, using aligned capital and revenue funding streams to optimise provider confidence in the development of new accommodation based services.

Five-yearly comprehensive mapping exercises will yield robust data on community needs, with contributory funding streams realigned against demand with funding vired from the appropriate commissioning budgets.

There will also be a need to provide a clear definition of who will qualify for the funding both at a statutory and non-statutory (preventative) level.

It would be a key objective of the joint commissioning group to simplify planning and commissioning across local boundaries, speed up decision making and minimise administrative costs.

Q4. Do you think other funding protections for vulnerable groups, beyond the ring-fence, are needed to provide fair access to funding for all client groups, including those without existing statutory duties (including for example the case for any new statutory duties or any other sort of statutory provision)?

Proposed Response:

Not within the proposed joint commissioning group structure, as their responsibility would be to map and monitor local need/demand across the locality at a statutory and non-statutory (preventative) level.

There will, however, need to be consideration of how existing residents of supported accommodation are offered the appropriate protections on implementation of the new funding model.

Also through the Homelessness Reduction Bill and focus on prevention the implications of this under the guise of statutory and non-statutory responsibilities needs to be considered to ensure homelessness preventative support services are protected within the funding model.

II. Clarifying expectations for local roles and responsibilities, including what planning, commissioning and partnership arrangements might be necessary locally.

56. The new model will give local authorities in England an enhanced role in commissioning supported housing in their areas. In addition, local partnerships could combine this funding with existing care, support and supervision funding to commission services. This could be helpful in encouraging local authorities to consider all supported housing funding in the round. It should incentivise efficiencies and join up existing care and support funding, helping with health and social care integration across the life course.

57. We will consider what level of new burdens funding would be appropriate to enable local authorities to fulfill their new role.

Q5. What expectations should there be for local roles and responsibilities? What planning, commissioning and partnership and monitoring arrangements might be necessary, both nationally and locally?

Proposed Response:

A remit of the joint commissioning group would be to identify and define shared roles and responsibilities.

At a national level it is suggested that there is oversight through a joint monitoring unit representing the Departments of Communities and Local Government, Work & Pensions, Health, Education and the Ministry of Justice.

The role of the unit would be to:

- Ensure the local joint commissioning boards were fulfilling their statutory and other obligations to map, commission and quality assure local services;
- Ensure that cross authority services are mapped and commissioned;
- Monitor and report on changing supply and demand and plan for future investment;
- Establish and administer a robust tool monitoring and reporting on value for money and social value, evidencing the return on investment on care and support;
- Advise ministers on local authorities' compliance and effectiveness and take action through its own joint inspectorate as required.

A local model would then be implemented set against the national framework.

Q6. For local authority respondents, what administrative impact and specific tasks might this new role involve for your local authority?

Proposed Response:

Administrative impact and tasks are dependent on the final model implemented.

If as suggested this was managed by an upper tier authority then reference should be made to the costs incurred under the Supporting People regime.

The consequence of the fund being managed at a lower tier level would have a significant administrative impact and the need for upskilling to tender, let and manage commissioned support services.

III. Confirming what further arrangements there should be to provide oversight and assurance for Government and taxpayers around ensuring value for money and quality outcomes focussed services.

58. Supported housing is of vital importance to vulnerable people and we want to continue to work with providers to ensure that services are as good as they can be. We want to build on the work of excellent providers to drive all quality and value for money up to the level of the best. These reforms, giving local areas greater control and strategic oversight, represent the first step towards that goal, whilst giving the sector the necessary certainty over the total amount of funding available nationally. We also want quality and a focus on individual outcomes to play a greater role in how we fund the sector.

Q7. We welcome your views on what features the new model should include to provide greater oversight and assurance to tax payers that supported housing services are providing value for money, are of good quality and are delivering outcomes for individual tenants?

Proposed Response:

Reference should be made to the previous responses, which already touch on this particular matter.

By underwriting the costs of service delivery rather than subsidising the cost of care and support to the individual client, the funding model will improve value for money by reducing unnecessary administration across statutory services.

In addition, by using a benefits realisation methodology, such as that developed by SITRA, the joint commissioning board would provide assurance to local partners of the value added by care and support services and the efficiency savings directly delivered to partner statutory agencies.

IV. Exploring the appropriate balance between local flexibility and provider certainty, including what other assurance can be provided beyond the ring-fence, for developers and investors to ensure a pipeline of new supply.

59. Providers have told us that within a localised funding model they would prefer a degree of standardisation with regards to the administration of a local top-up as well as the underpinning framework for reaching a funding decision – for example, via a national statement of expectations or a national commissioning framework. This is particularly important for larger providers who operate across many different local areas and would welcome a degree of standardisation and consistency. However, it is important to balance this against the need to preserve flexibility for local areas to design the delivery of the top-up in their area in a way which best meets the needs and circumstances of supporting vulnerable people in their areas.

Q8. We are interested in your views on how to strike a balance between local flexibility and provider/developer certainty and simplicity. What features should the funding model have to provide greater certainty to providers and in particular, developers of new supply?

Proposed Response:

The funding model needs to provide certainty so Providers can sustain and grow their Business Plans in order to take forward new supply to meet growing demand.

The model also needs to have the necessary flexibility to enable the alignment of capital and revenue funding streams, to optimise provider confidence in the development of new accommodation and accommodation based services.

Q9. Should there be a national statement of expectations or national commissioning framework within which local areas tailor their funding? How should this work with existing commissioning arrangements, for example across health and social care, and how would we ensure it was followed?

Proposed Response:

Reference has already been made to this particular matter and it would be deemed appropriate that a national framework is established which is flexible enough to be effective locally.

As suggested the establishment of a joint commissioning group, with a statutory responsibility to commission services against evidenced local need, would ensure consistency of approach, overseen by a national framework and monitoring unit.

To prevent inconsistency of supply, a national standard framework should be implemented to determine the methodology for researching and mapping local need.

Q10. The Government wants a smooth transition to the new funding arrangement on 1 April 2019. What transitional arrangements might be helpful in supporting the transition to the new regime?

Proposed Response:

The implementation of early transition arrangements is essential for both the vulnerable residents receiving support and providers in terms of the ongoing viability of their Business Plans.

In this respect it is suggested that:

- Pilots are introduced across several rural and urban authority areas in 2017/18 to identify and plan for implementation;
- Data capture and initial needs mapping exercise in 2018/19 is undertaken to evidence the requirement for medium term funding merger;
- The establishment of a high project group (similar to that established for the implementation of Supporting People) to negotiate with central government departments and to recruit an operational team to begin implementation planning.

From a Housing Benefit perspective any transitional arrangements can be problematic and attract numerous exceptions. If the cut-off point is 1st April 2019 then all cases should be reassessed and limited to the relevant LHA from that date. This provides clarity and consistency for both residents and providers.

Q11. Do you have any other views about how the local top-up model can be designed to ensure it works for tenants, commissioners, providers and developers?

Proposed Response:

Based on individual need, a more flexible funding arrangement tied to the service rather than the client will allow for more targeted delivery which would be more efficient, and will remove the need for different arrangements for short term services.

In addition at both a national and local level there is significant variations/disparity with Local Housing Allowance rates and the top of model needs to be designed to reflect this ensuring the model is fair and equitable.

V. Developing options for workable funding model(s) for short term accommodation, including hostels and refuges.

60. While we are confident that the local top up model will meet the needs of the majority of the sector, we recognise some particular challenges, such as the monthly payment of Universal Credit, may remain for very short term accommodation, including hostels and refuges. We will work with the sector to develop further options to ensure that providers of shorter term accommodation continue to receive appropriate funding for their important work. Whilst the mechanism or mechanisms (if more than one model is necessary) may be different, funding for this type of accommodation will benefit from the same protection as supported housing in general.

Q12. We welcome your views on how emergency and short term accommodation should be defined and how funding should be provided outside Universal Credit. How should funding be provided for tenants in these situations?

Proposed Response:

Short term accommodation should be defined as ‘accommodation where the tenure only allows for a stay of three to six months’. This type of accommodation should be automatically classed as being exempt and therefore those occupying it would be excluded from the housing element of Universal Credit which would be paid direct to the landlord.

NEWARK LORRY PARK SAFETY ENHANCEMENT

1.0 Purpose of Report

- 1.1 To seek the approval of Members to implement various measures to enhance safety at the Newark lorry park.

2.0 Background Information

- 2.1 The Newark lorry park continues to be a very popular and well used facility. In April 2016 use of part of the upper area of the site ceased to facilitate the building of the new Council HQ, thus reducing the overall capacity of the Lorry Park.
- 2.2 The lorry park now provides for overnight parking of HGVs, access to the busy Live Stock Markets that take place on Wednesdays and Saturdays and also access for the construction traffic associated with the HQ build.
- 2.3 As with all multiple use sites, the risks at the Lorry Park, associated with vehicle movements and interaction with pedestrians is thus greater and to ensure the Council meets its statutory obligations it has commissioned an assessment by an independent safety consultant who has visited the site and subsequently has submitted a report including an assessment of risk and various recommendations to assist with the mitigation of that risk.
- 2.4 The risks identified by the Safety Consultant relate largely to the potential risk of collision with vehicles and pedestrians using the site.

3.0 Proposals

- 3.1 The Business Manager for Markets and Car Parks along with the Council's Safety Officer have considered the safety Consultant's report and have compiled the following response and an action plan (see **Appendix B**), both of which the Council's Management team endorse:
- 3.1.1 The parking of the Newark Livestock Market (NLM) staff/customers on the Lorry Park greatly increases the risk of vehicular collision with pedestrians and is essentially difficult to enforce and control. As such it is suggested that their parking permits only apply to the front livestock car park and only on Wednesday and Saturday. In addition, the new car park order will prohibit the parking of passenger cars at the Lorry Park other than those carrying livestock or pulling trailers carrying livestock. Officers will meet with the NLM management prior to the issue of the annual permits and to appraise them of the safety proposals and the Council's transport management plan.

- 3.1.2 A key aspect of the risk mitigation will be the provision and management of a one way system. A meeting with consultants has been held to undertake an assessment of impact on any site expansion plans of the proposed traffic management plan and action plan based on the ROSPA recommendations. Their analysis is that a one way system can be accommodated without detriment to the proposed expansion layout and that the viability of the access routes shown on the plan has been suitably tested with appropriate software.
- 3.1.3 It is suggested that notwithstanding the increased complexity of the site with access required for the new HQ build, the main risk interface is during times of livestock markets on Wednesdays and Saturdays. On other days, any increased risk can be managed with the improvements set out in the action plan, especially those relating to pedestrian safety and the café area. It is therefore suggested that the need for additional continual management/supervision on site is not essential to ensure reasonable safety on days, other than the two market days, when it is suggested that 2 external security staff are engaged to carry-out the roles and duties identified as being necessary by ROSPA. However, to further improve the control on site, daily inspections will be made and the Civil Enforcement Officers will recommence daily patrols once the amended car park order is enforceable. An inspection log shall be maintained and urgent matters brought to the attention of the Business Manager.
- 3.1.4 It is recognised that a key necessity in providing adequate risk management at the site is the effective ongoing liaison with and control of the HQ contractors and especially the Livestock Company with regard to their activities which interface with the Lorry park operation. To this end, ongoing dialogue with the NLM company is essential along with their acceptance of the statutory requirement to share relevant safety information with the Council and the HQ build contractors and importantly to provide adequate controls specific to their activities and the risks emanating from such. The Council will thus seek the sharing of the NLM risk assessments and Traffic Management Plan.
- 3.1.5 The Fire Authority have confirmed that the parking of hazardous loads at such a facility with complete safety is not achievable and suggest that the Council looks to provide areas of exclusion rather than dedicated parking areas for such loads. This is similar to what is already in place and the system of notification by drivers can be highlighted and emphasised through the issue of site rules and posters. The Council's traffic management plan clearly identifies advisory zones of exclusion.
- 3.1.6 The safety consultant's report suggests that cattle grids are provided to prevent the escape of animals from the site. It is suggested that this is not the responsibility of the Council to provide such as the risk of animal escape emanates from the activities of the NLM and not the Council. Also, the provision of a continuous cattle grid to the NLM Livestock unloading area and pens, as suggested by the safety consultant, would present operational access/egress issues. This control would also necessitate the need for additional walkways to allow pedestrian access. This in turn would present easily accessible routes for escaping animals to bypass the grid. It would however be appropriate for the Council to ensure that any fencing provided at the rear of the new build is livestock proof and also that a gate is provided to the HGV driver walkway that will be available when the HQ is built.

3.1.7 The suggestion for a barrier at the bridge to the upper part is supported. This would serve as a control mechanism on what is a 24 hr accessible site, and could be lowered as necessary, including, if thought necessary, during market days. Livestock vehicles waiting for the NLM lorry wash will be advised to use a holding area immediately north of it but on Saturdays it is suggested that the size of the market and number of vehicles attending would require the top part to be available to the NLM.

3.2 An estimate of costs for the recommended additional measures are provided within the action plan and subject to approval of a capital programme bid the measures, with both capital and revenue costs, should be implemented without delay.

4.0 Equalities Implications

4.1 There are no equalities implications with this report and its recommendations

5.0 Impact on Budget/Policy Framework

5.1 The estimated costs of the suggested measures are detailed in Capital Project Appraisal Form (**Appendix A**) and the action plan (**Appendix B**). These are £19,700 capital and £19,120 forecast annual revenue costs.

6.0 Comments of Business Manager & Chief Financial Officer - Financial Services

6.1 The capital costs of the health and safety improvements can be found from within reserves.

6.2 The annual revenue costs can be met from the income generated by the lorry park.

6.3 If these recommendations are not implemented, there is a risk that in the event of an injury to a member of the public, a significant financial burden falls to the Council, if it is found to have been negligent.

6.0 Comments of Director - Safety

6.1 Having commissioned an independent safety review of the existing lorry park and developed an action plan that reflects the recommendations coming out of that review, it is now essential that the Council carries out the recommended works as soon as possible in order to demonstrate compliance with Health and Safety requirements and enhance the safety profile of the lorry park.

7.0 RECOMMENDATIONS that:

- (a) the enhanced safety proposals as detailed in the Action Plan, attached as Appendix B to the report, be approved and implemented as soon as possible; and**
- (b) the project be added to the Council's Capital Programme.**

Reason for Recommendations

To ensure that the Council can demonstrate that it has considered and responded to the recommendations contained in the safety consultants report.

Background Papers

Nil.

For further information please contact Ian Harrison on Ext 5720.

Andy Statham
Director - Communities

COMMITTEE: Policy and Finance

SERVICE AREA: Car Parks and Markets

PROJECT OFFICER: Business Manager Markets and Car Parks

1. PROJECT TITLE: Newark Lorry Park Safety Enhancement

2. DESCRIPTION OF PROJECT

A project to enhance safety provision at the Lorry Park and to mitigate risks associated with multiple use including lorry parking, cattle market and access and parking for new Council HQ build.

3. DEMONSTRATION OF NEED (Please include any supporting information at the end of this document e.g. references to legislation, results of surveys, extract from strategies)

The Council's Corporate Management Team commissioned an independent safety audit and assessment of the site and its multiple uses and a subsequent report suggested that risks associated with the current multiple uses of the site, and in particular; the risk of vehicles colliding with pedestrians, required mitigation by the provision of various measures to reduce the risk to an acceptable level.

3a Detail how the project meets Regional and National Strategies (include details of any statutory obligations to undertake the scheme):

Consultations have been carried out with Highways England and the Road Haulage Association, both of whom confirm that a lorry park in the vicinity of Newark is a vital asset with regard to enabling hauliers and their drivers to have access to an essential stop off facility. Newark is at a junction of two major truck roads and is seen as strategically important as a location.

3b Detail how the Project meets links to the Council's Key priorities:

Consultation with the police confirmed that theft from freight vehicles namely fuel and cargo is an ongoing problem in the Newark corridor of the A1. The provision of a secure overnight provision for these types of vehicles that can be reached within the time constraints of tachograph legislation is clearly beneficial from a policing perspective. The security provided by the Newark lorry park greatly assists in the reduction of inquisitive crime and has a direct impact on community safety. In addition, the access through the site is essential to enable completion of the new HQ building that will release annual revenue savings.

3c Provide details of consultation undertaken with the Community: Lorry Driver survey undertaken in 2015.

3d Describe the impact of this project on other Council Services:

Income of £317,000 was obtained from the lorry park operation in 15/16 and the Lorry Park continues to assist with the Council's community safety function objectives through the provision of a secure parking area.

3e Detail any outputs (quality) and outcomes (effects) the project will deliver in the short/long term:

The project will secure the feasibility of the site and its multiple occupations and enhance the safety of its users and minimise the liability of the Council.

3f Detail alternative strategies for meeting this need:

No viable alternative strategy

4 OTHER INFORMATION	
4a Crime and Disorder CT 1998 (reduction and preventative measures):	
This project will assist in the safe maintenance of a facility that assists with management of inquisitive crime in the District by providing a suitable capacity of facility to enable HGVs to park safely within a fenced and CCTV monitored area rather than laybys and rural roads.	
4b Planning Implications:	
None	
4c Listed Building Implications:	
None	
4e Risk Assessment of planning/legal issues and financial/partnership funding uncertainties:	
Risks:	
1. Financial: If the Lorry Park operation was halted due to an accident and the site temporarily closed etc there would be a risk of significant loss of income and potential interruption to the Cattle Market operation and the new HQ build.	
2. Reputational: Currently the facility is regarded by hauliers and drivers as a safe and Reliable, and importantly an easily accessible overnight facility. A serious accident could present reputational issues both for the Lorry park operation but also for the Council as a whole and its Officers and Members.	
3. Health and Safety: The report of the independent safety consultant has highlighted potential risks associated with the use of the site by HGVs and pedestrians attending the site and in particular, the Cattle Market sales on Wednesdays and Saturdays	
4f Procurement. Has the Council's procurement strategy been considered when developing the project. For example has the possibility of procuring the scheme with partners been considered and the issues raised in "rethinking construction in local government"	
The procurement will be undertaken by the Councils Corporate Property team in accordance with Council procurement requirements	
5 RESOURCE REQUIREMENTS	
Please attach details of the basis of estimates and wherever relevant confirmation from technical services or third party of the costing.	
See Action Plan- Appendix B. (£17,200 capital + fees and £19,120 revenue)	
5a Details of Land/Buildings (including current condition):	
The actual lorry park is constructed of crushed and rolled aggregates. There is a café and shower facility on site which is in good condition. There is a lorry wash facility also on site which is operated by a third party. The proposed works include new directional signs for a one way system, barriers and interactive speed signs to assist with and the support the safety of pedestrians and to facilitate a one way system for vehicles.	
5b Estimated Capital Costs	
	Equipment £17,200
	Fees £2,500
	Other –contingencies/prelims-nil
	TOTAL £19,700
6 FUNDING ARRANGEMENTS	
External Finance	Status
Nil	
Internal Finance	£19,700
Total Finance already identified:	
Status = (C) Committed Funding	

Internal Finance from existing Revenue Budgets will need Committee approval

7 REVENUE IMPLICATIONS (Detailed estimates have been prepared to support these figures) – See action plan – appendix B

Employee Costs	nil
Running Costs	£ 2,800
Security staff on Livestock market days	<u>£16,320</u>
TOTAL	£19,120 per annum
Income	
NET REVENUE COSTS	
	VAT Status...

Comments (see notes) Please ensure that the costs reflect the whole life of the asset
Please confirm the VAT status of any income derived from this asset (contact Jenna Allen (5327)

8 ANTICIPATED TIMESCALE FOR COMMENCEMENT AND COMPLETION OF SCHEME:
Please detail key milestones for grant aid to be received and time for project to be completed and for full year effect of revenue consequences.

Planning Consent - None
Out to Tender - February 2017
Commence Work - March/April 2017
Completion - April 2017

9 DATE FORM COMPLETED:

January 4 2017

10 APPROVED BY HEAD OF SERVICE

SIGNED *A J Statham*

DATE January 4 2017

**NEWARK LORRY PARK SAFETY ENHANCEMENT
ACTION PLAN**

Priority Ref No.	Action	Cap Cost	Rev Cost	Who	When
1.	CONTROL OF SITE				
1.1	Provide lockable raising barrier to Bridge and keys to Carters. Operate closure as required and inform NLM of closure	2500		IH	4 weeks
1.2	Provide advisory holding area for livestock vehicles waiting for livestock lorry wash – signage	300		IH	3 weeks
1.2	On Wednesdays provide two trained security personnel in Hi viz to direct and monitor traffic movements and liaise as necessary with NLM named supervisor- either external security personnel or NSDC part time . Daily inspection and incident log maintained.		8160 per 2 operatives per day per annum (local security company personnel)	IH	3 weeks
1.3	Monitor Livestock activity on Saturdays and interface with Carters vehicles/staff and if necessary provide part time employee to direct /monitor and enforce as necessary		8160 for 2 operatives per day per annum	IH	
1.4	Carryout management weekly site inspection and record hazards and mitigation- to be undertaken			IH	Immediately
1.5	Produce HGV leaflet with site rules inc traffic flow, speed limits , prohibition of children etc, times of café opening etc for HGV drivers		100	IH	3 weeks
1.6	Prohibit all open fires at the Lorry park			IH	Immediately
1.6	Review and provide as necessary additional free standing signage and cones re speed and site rules.	1000		IH	4 weeks

1.7	Complete car park order asap enabling enforcement. Target enforcement especially on Wednesdays and Saturdays. (need final agreement of CMT to site NLM permit parking at from car park and agree number of permits)			CMT to determine parking and number of NLM permit holders	ASAP
1.8	1 x interactive speed sign	3000			6 weeks
2	MANAGEMENT OF HAZARDOUS LOADS				
2.1	Provide an advisory exclusion zone for hazardous load parking- away from watercourse and railway in accordance with Fire Authority response- by signage and leaflets.	400		BR	4 weeks
2.2	Provide clear signage that hazardous load confirmation forms must be completed and deposited as required.				Done
3	PEDESTRIAN SAFETY				
3.1	Include in car parking order and enforce against parking outside café and on Bridge and prohibit parking of cars unless delivering or collecting livestock or pulling trailers carrying such			IH	Done - car park order enforceable Feb/Mch
3.2	Cut back foliage and apply DYLS and blips on both sides of bridge or gridded markings and refer to same in order	2000		BR	8 th Dec
3.3	Meet with Morgan Tucker re Lorry park enhancement proposals and assess potential for one way system as well as effective turning and queuing for lorry wash.			AS/IH/RB	Done
3.4	Subject to Morgan Tucker meeting- provide one way system with necessary signage and barrier system	2500		IH	4 weeks
3.5	Agree with NLM a response procedure for escape of livestock			IH	4 weeks

3.6	Provide designated and marked pedestrian way at Bridge from Bridge to Café including one zebra crossing. Clear foliage from Bridge	1500		BR	
3.7	Provide barriers to segregate café car park from HGVs and barriers to afford safe passage to café entrance. Relocate 2 ticket machines to improve sight lines and pedestrian safety. Stop off front entrance to café and sign from adjacent car park	3500		IH	4 weeks
4	LIVESTOCK MARKET and CARTERS LIAISON				
4.1	Produce draft site rules for Livestock Market attendees inc prohibition of children, where to park with permits etc- consult with NLM. Ask SNAP to issue t & c		200	RB/IH	3 weeks
4.2	Request meeting with NLM and their safety consultant-ensure amendment to consultants report re matters relating to Council action to provide cattle grids to Bridge etc. and share relevant parts of report with them. Seek documentary evidence re risk assessment, Bob cat inspection/maintenance and competency of users and fitting of yellow hazard beacon. Request sharing of NLM sharing of their risk assessments and TMP and provide them and Carters with same. Ask for updated/reviewed risk assessment and TMP from Carters			Director of Safety and Director of Community/IH/RB	ASAP

4.3	Introduce monthly Lorry Park site meetings with Carters and NLM lead by NSDC – share all updated control statements and review performance and issues. Refer as necessary back to DJ re project and KW re Market			IH/AB with RB attendance	ASAP
4.4	Confirm to NLM the provision of ?? permits for use at NSDC 1 on Wednesdays and Saturdays until opening of NSDC 3 at which time permits will only be useable on a Saturday at NSDC 3. Include proviso for such in car park order.			CMT and IH	ASAP
5	NETWORK RAIL				
5.1	Meet with Network Rail – seek programme of works, confirmation of control and agree coordination, pre notification and mitigation of any HGV income loss			IH	COMPLETED. David Best to meet also on 17 Nov to agree rent.
6	LITTER and Misc				
6.1	Meet with NSDC refuse and Grounds maintenance to agree performance standards required for litter collection and foliage management.			IH	2 weeks
6.2	R and R for additional signage markings etc.	500	2500		
TOTAL		£17,200	£19,120		

OLLERTON HALL

1.0 Purpose of Report

- 1.1 To update members on progress following the acquisition of Ollerton Hall and to consider an appropriate forum for determining future options for the property.

2.0 Background

- 2.1 Since acquiring the property from Mr Pullan following alternative dispute resolution proceedings, the Council has now undertaken works to remove the unauthorised extensions from the property and to render the building safe, secure and wind and water tight.
- 2.2 It is now possible to safely gain access into the property for inspection purposes.
- 2.3 Following completion of these urgent works members now have the opportunity to view the property both externally and internally and to consider options for the future of the property.

3.0 Introduction

- 3.1 A bid was submitted to the Notts. Pre-Development Fund (funding from the Nottinghamshire Business Rates Pool) for feasibility studies in respect of Ollerton Hall. The sum of £25,000 has been allocated to Newark & Sherwood District Council to support this.
- 3.2 A heritage significance report is currently being commissioned and there is a possibility of this being jointly funded by Heritage England. Essentially this will identify remaining elements of the building which are considered to be important in terms of the weight to be given to securing their retention and protection. The report would also consider the extent to which enabling development might be acceptable within the grounds of the building. It is estimated that the report will cost in the region of £5,000 to £10,000.
- 3.3 Following the conclusion of the heritage significance report the next step would be to commission a design and planning brief for Ollerton Hall. This document would provide a framework for the future use of the building and, potentially, some limited development within the grounds.
- 3.4 Members will need to determine what level of involvement the District Council should have in the future of the building. One option would be to identify the quickest route to dispose of the property on the basis that any such disposal would include appropriate guarantees as to its sensitive renovation and future sustainability. An alternative option would be for the Council to retain a more extensive involvement in the redevelopment of the property such as through a joint venture vehicle.

- 3.5 Notwithstanding that the property has not been actively marketed there have been a number of expressions of interest in its acquisition. Potential uses range from a single residential dwelling to use as offices. Landmark Trust have been approached to gauge if they might be interested in its acquisition for holiday apartments and a response is awaited.
- 3.6 Potential sources of funding for the repair and refurbishment of the building are proactively being explored and the District Council will work closely with Heritage England in securing a suitable end use for the property, given its past history. An initial inspection at the property has already taken place with representatives of Heritage England.
- 3.7 It is suggested that a task and finish group would be the most appropriate vehicle to give detailed consideration to the future of the building, options for its disposal and the level of the Council's involvement in its restoration. It is recommended that such a task and finish group should comprise members drawn from the Policy and Finance Committee with consideration being given to the inclusion on the task and finish group of local members.
- 3.8 Suggested terms of reference for the task and finish group are attached at **Appendix 1**.

4.0 Comments of Business Manager & Chief Financial Officer – Financial Services

- 4.1 The cost of the heritage significance report will be covered by funding from the Notts. Pre-Development Fund. If an agreement on joint funding arrangements is reached with Heritage England more of the Notts. Pre-Development funding would be available to support feasibility work.
- 4.2 The source of any future funding for repair and refurbishment of the building will need to be determined once proposals are identified.

5.0 RECOMMENDATIONS that:

- (a) **progress on completion of the demolition of the unauthorised works to the property and works to render it safe, secure and wind and water tight be noted; and**
- (b) **a task and finish group be established with the terms of reference set out in Appendix 1 to this report and members of the Policy and Finance Committee determine the composition of the task and finish group.**

Reason for Recommendations

To consider the establishment of a task and finance group to consider options for the future of Ollerton Hall and to make recommendations to the Policy and Finance Committee.

Background Papers - Nil

For further information please contact Kirsty Cole on Extension 5210.

Kirsty Cole
Deputy Chief Executive

Ollerton Hall Task and Finish Group

Membership: To be determined by the Policy and Finance Committee

Delegated Authority: None – to make recommendations and to report back to the Policy and Finance Committee

Terms of Reference:

1. To consider options as to the future use of Ollerton Hall and to make recommendations to the Policy and Finance Committee.
2. To consider the extent (if any) to which the District Council should be involved in the restoration of Ollerton Hall and mechanisms by which this might be achieved.
3. Alternatively, if the preferred route is to secure the early disposal of the property, to consider:
 - (i) How the property should be marketed.
 - (ii) Mechanisms by which its restoration and future sustainability might be secured.
 - (iii) To ensure that appropriate studies are undertaken (to include a heritage significance report and planning and design brief) to enable appropriate development of the property and to make its recommendations in the light of the conclusions contained in those reports).

POLICY & FINANCE COMMITTEE REVENUE BUDGET 2017/18 - 2021/22

1.0 Purpose of Report

- 1.1 To inform the Committee of the budget and scales of fees & charges for those areas falling under the remit of the Policy & Finance Committee for 2017/18 and future years.

2.0 Background Information

- 2.1 Business Managers and service budget officers have been working with officers from Financial Services to determine a first draft general fund budget and medium term financial plan. The budgets have been prepared in line with the strategy agreed by Policy & Finance Committee on 22 September 2016.

- 2.2 As part of the budget strategy it was agreed that the functional Committees be requested to look at opportunities for savings in 2017/18, and also any investment potentials which would increase and support revenue income levels, in order to reduce the projected burdens in future years. As part of the 2015/16 final accounts process a sum of £300,000 was identified from savings made during the year and it was recommended that this should be set aside to fund initiatives which would achieve future savings for the authority. Members of this Committee are asked to identify any 'spend to save' initiatives in order that these can be considered by the Policy and Finance Committee and funded from this reserve.

- 2.2 The Policy & Finance Committee met on 23 November 2016 to scrutinise the budget and continue to look for ways to achieve further savings in 2017/18 and future years. The budget proposals attached at **Appendix A** have been developed following consideration by the Committee.

- 2.3 It was agreed that Business Managers should continue to work with officers from Financial Services to formulate a final budget for submission to Policy & Finance Committee on 23 February 2017. The current budget proposals are attached at **Appendix A**. A schedule of fees and charges pertaining to Policy & Finance Committee are attached at **Appendix B**.

3.0 Revenue Budget Proposals

- 3.1 The current draft budget shows a decrease in 2017/18. Direct service expenditure including deferred and capital charges, and all central services recharges currently shows an overall decrease of £187,840 against 2016/17 budget. When central recharges and capital are excluded this becomes a saving of £299,380. Capital charges have decreased by £1,000 and net central support services have increased by £112,540 (the latter being due to a reduction in the level of recharges where services are costing less, eg charges for Kelham Hall v charges for Castle House).

- 3.2 A budget briefing was presented to an informal meeting of this Committee on Monday, 12 December 2016. At the briefing a number of savings were suggested by officers and these have been incorporated into the figures presented in this report. The savings comprise:

	£
Electoral Registration	8,590
Kelham Hall additional saving	37,690
Building Services	17,630
Work for HRA	15,730
Chauffeur services	3,000
Contingency for vacant posts	50,000
Change Management	15,830
	<hr/>
Net saving (included in budget)	148,470

- 3.3 This budget figure includes an average of 2% inflation on expenditure and income, as approved by the Policy & Finance Committee at its meeting on 22 September 2016. It also assumes a 1% increase in salary and wages costs overall in 2017/18 and future years.
- 3.4 Staffing costs account for approximately 64% of the gross service budget (excluding capital and central recharges) and significant budget savings cannot be achieved without affecting staffing levels.
- 3.5 Major variances between 2016/17 and 2017/18 are shown below:
- 3.5.1 When comparing the gross budgets (with support service or capital charges) for Kelham Hall and Building Services against the costs of Castle House there is an overall saving of £115,910 in running costs. This saving assumes that the relocation to Castle House is completed by the end of September 2017.
- 3.5.2 Savings have been achieved on the Council Tax budget as a result of closing the local offices.
- 3.5.3 It has been possible to increase the contingency for vacant posts to £150,000. Service budgets are based on full establishment. Whenever a post becomes vacant the need to fill the post is scrutinised and savings accrue either from the deletion of a post or a delay in filling the vacancy.
- 3.5.4 The 'Moving Ahead' project team will no longer be required after the move to Castle House is completed. This has been funded from a reserve set aside specifically for the project and move so does not impact on the taxpayer.
- 3.5.5 A detailed copy of individual service budgets is available on the Members' Extranet.

4.0 Fees and Charges

- 4.1 The level of fees and charges has been considered by officers within the framework set out in the Corporate Charging Policy. Proposals for increases in fees and charges are attached at **Appendix B** for consideration and recommendation to Policy & Finance Committee on 23 February 2017 and Council on 9 March 2017.

5.0 Conclusions

5.1 It is important that the Committee continues to scrutinise and review its budget in order to achieve additional savings in future years at a time when the Council is facing reducing government grants and other financial pressures.

6.0 RECOMMENDATIONS that:

(a) the final Committee budget as shown at Appendix A be recommended to Policy & Finance Committee at its meeting on 23 February 2017 for inclusion in the overall council budget; and

(c) the scales of fees and charges as shown at Appendix B be recommended to Policy & Finance Committee at its meeting on 23 February 2017 and Council on 9 March 2017.

Reason for Recommendations

To ensure that the final budget proposals for 2017/18 to 2020/21 and level of fees and charges for 2017/18 are recommended to Policy & Finance Committee on 23 February 2017.

Background Papers

Detailed budget papers available on the Members' Extranet

For further information please contact Nicky Lovely on Extension 5317 or Amanda Wasilewski on Extension 5738.

Nicky Lovely
Business Manager and Chief Financial Officer – Financial Services

BUDGET SUMMARY**POLICY & FINANCE**

CODE	DESCRIPTION	2016/17 INITIAL BUDGET	2017/18 BASE BUDGET	MORE/ (LESS)	2018/19 BASE BUDGET	2019/20 BASE BUDGET	2020/21 BASE BUDGET	2021/22 BASE BUDGET
A10601	ELECTORAL REGISTRATION	213,610	219,180	5,570	217,410	218,940	220,370	221,910
A10803	INTERNAL AUDIT	0	0	0	0	0	0	0
A10805	INCOME SECTION	0	0	0	0	0	0	0
A10806	BANK CHARGES	0	0	0	0	0	0	0
A10807	MORTGAGE ADMINISTRATION	0	0	0	0	0	0	0
A10812	HUMAN RESOURCES	0	0	0	0	0	0	0
A10815	POLICY & COMMISSIONING	184,000	185,750	1,750	192,730	194,720	196,530	198,580
A10818	COMMITTEE SECTION	0	0	0	0	0	0	0
A10819	LEGAL SECTION	0	0	0	0	0	0	0
A10821	KELHAM HALL	0	0	0	0	0	0	0
A10822	THE LODGE	0	0	0	0	0	0	0
A10827	BUILDING SERVICES	0	0	0	0	0	0	0
A10831	CENTRAL REPROGRAPHICS	0	0	0	0	0	0	0
A10832	CENTRAL TELEPHONES	0	0	0	0	0	0	0
A10833	CENTRAL POSTAGES	0	0	0	0	0	0	0
A10841	CENTRAL PERSONNEL EXPENSES	0	0	0	0	0	0	0
A10842	OTHER EMPLOYEE EXPENSES	0	0	0	0	0	0	0
A10845	INFORMATION GOVERNANCE	75,410	76,660	1,250	79,550	80,390	81,170	82,030
A10864	CORPORATE MANAGEMENT TEAM	0	0	0	0	0	0	0
A10895	FINANCIAL SERVICES	0	0	0	0	0	0	0
A10896	PERFORMANCE	0	0	0	0	0	0	0
A10897	PROCUREMENT	54,060	57,990	3,930	58,930	61,800	62,410	63,090
A10898	ADMINISTRATION SERVICES	0	0	0	0	0	0	0
A10904	COUNCIL TAX	280,180	242,200	(37,980)	246,240	254,750	262,800	271,510
A10905	RENT ALLOWANCES	(18,090)	(16,950)	1,140	(16,950)	(16,950)	(16,950)	(16,950)
A10906	COUNCIL TAX BENEFITS	0	0	0	0	0	0	0
A10907	RENT REBATES	20,010	20,070	60	20,070	20,070	20,070	20,070
A10908	HOUSING BENEFIT ADMIN	329,930	299,460	(30,470)	305,730	313,700	321,030	329,670
A10910	DISCRETIONARY HOUSING PAYMENTS	0	0	0	0	0	0	0
A11122	RISK MANAGEMENT	0	0	0	0	0	0	0
A11332	KELHAM HALL GROUNDS	32,490	32,750	260	0	0	0	0
A11831	CASTLE HOUSE	0	0	0	0	0	0	0
A11841	CORPORATE PROPERTY	0	0	0	0	0	0	0
A11901	MEMBERS EXPENSES	0	0	0	0	0	0	0
A11902	CIVIC EXPENSES	46,470	47,190	720	45,010	45,230	45,420	45,640
A11911	OTHER FINANCIAL TRANSACTIONS	(99,060)	(148,820)	(49,760)	(148,810)	(148,790)	(148,780)	(148,770)
A11912	MISCELLANEOUS LOANS	(760)	0	760	0	0	0	0
A12301	ELECTION EXPENSES	131,550	134,390	2,840	136,270	137,900	139,390	141,060
A12505	TRANSFERRED ASSETS	920	0	(920)	0	0	0	0
A12507	MOVING AHEAD	194,920	172,360	(22,560)	0	0	0	0
A12510	DEMOCRATIC REPRESENTATION	748,010	783,220	35,210	786,000	793,950	801,120	809,380
A12512	ETHICAL GOVERNANCE & STANDARDS	1,410	1,640	230	1,660	1,670	1,680	1,690
A12520	CORPORATE MANAGEMENT	1,020,980	937,740	(83,240)	919,620	927,850	935,360	943,190
A12530	NON DISTRIBUTED COSTS	910	1,140	230	1,160	1,170	1,180	1,190
A15028	COMBINED SERVICE COSTS	147,520	135,420	(12,100)	137,800	140,240	142,720	145,250
A15029	CORPORATE PRINTERS	51,910	38,920	(12,990)	49,670	60,080	60,090	60,100
A15030	KELHAM HALL EVENTS	(36,850)	(28,620)	8,230	0	0	0	0
A15031	SUPPORT SERVICE HOLDING ACCT	0	0	0	0	0	0	0
TOTAL		3,379,530	3,191,690	(187,840)	3,032,090	3,086,720	3,125,610	3,168,640

**BUDGET SUMMARY
POLICY & FINANCE SUBJECTIVE SUMMARY**

CODE	DESCRIPTION	2016/17 INITIAL BUDGET	2017/18 BASE BUDGET	More (Less)	2018/19 BASE BUDGET	2019/20 BASE BUDGET	2020/21 BASE BUDGET	2021/22 BASE BUDGET
111	SALARIES AND WAGES	3,301,940	3,146,710	(155,230)	3,044,870	3,078,180	3,110,760	3,140,680
112	OTHER SALARIES/WAGES PAYMENTS	31,390	31,390	0	31,390	31,390	31,390	31,390
113	NATIONAL INSURANCE	253,440	323,630	70,190	313,950	317,320	320,620	324,150
114	SUPERANNUATION	406,530	398,990	(7,540)	385,130	389,180	393,150	396,840
115	OTHER EMPLOYERS CONTRIBUTIONS	23,190	24,500	1,310	24,500	24,500	24,500	24,500
	EMPLOYEE SUB TOTAL	4,016,490	3,925,220	(91,270)	3,799,840	3,840,570	3,880,420	3,917,560
211	REPAIRS AND MAINTENANCE	58,440	52,240	(6,200)	30,350	30,960	31,580	32,210
212	ENERGY COSTS	133,680	100,800	(32,880)	51,560	52,590	53,640	54,710
214	RATES	125,590	130,800	5,210	114,240	116,520	118,850	121,230
215	WATER SERVICES	9,820	15,090	5,270	19,380	19,770	20,170	20,570
217	CLEANING AND DOMESTIC	4,000	4,660	660	3,320	3,390	3,460	3,530
219	CONTRIBUTION TO FUNDS	147,250	135,700	(11,550)	191,420	191,420	191,420	191,420
315	CAR ALLOWANCES	35,310	35,140	(170)	35,560	36,000	36,450	36,900
411	EQUIPMENT AND FURNITURE	11,860	7,420	(4,440)	7,250	7,270	7,290	7,310
412	MATERIALS	200	200	0	200	200	200	200
421	INTERNAL	290	550	260	550	550	550	550
431	CLOTHING AND UNIFORMS	1,050	1,280	230	920	940	960	980
441	GENERAL OFFICE EXPENSES	89,370	84,350	(5,020)	85,750	85,850	85,950	86,050
451	CONTRACTUAL	406,220	362,590	(43,630)	319,920	331,850	335,230	338,660
452	OTHER SERVICES	217,310	194,730	(22,580)	196,380	197,240	198,110	199,000
461	COMMUNICATIONS AND COMPUTING	526,680	528,830	2,150	539,470	552,740	561,970	571,390
471	STAFF	15,830	15,760	(70)	15,830	15,840	15,850	15,860
472	MEMBERS	221,600	253,310	31,710	255,840	258,400	260,980	263,590
473	CHAIRMAN	10,180	10,180	0	10,180	10,180	10,180	10,180
482	SUBSCRIPTIONS	39,570	38,740	(830)	39,400	40,070	40,760	41,470
491	INSURANCE	89,440	85,900	(3,540)	86,090	88,420	90,010	91,660
493	OTHER	195,890	131,550	(64,340)	132,210	132,880	133,560	134,260
496	CAPITAL	500	0	(500)	0	0	0	0
611	HOUSING BENEFITS	25,131,390	25,262,000	130,610	25,262,000	25,262,000	25,262,000	25,262,000
711	ADMIN BUILDINGS	290,090	217,630	(72,460)	172,960	176,960	180,830	184,650
712	CENTRAL DEPARTMENT SUPPORT	2,392,440	2,527,030	134,590	2,503,100	2,528,370	2,547,690	2,573,300
713	CSS MONTHLY PERCENTAGE RECHGS	60,100	61,350	1,250	61,090	62,150	63,250	64,310
714	CENTRAL EXPENSES	468,920	508,200	39,280	505,420	509,760	513,410	517,960
715	DEPARTMENTAL ADMINISTRATION	231,330	155,310	(76,020)	36,000	36,000	36,000	36,000
811	LOANS POOL	980	0	(980)	0	0	0	0
817	DEBT MANAGEMENT EXPENSES	10	0	(10)	0	0	0	0
821	CAPITAL CHARGE	103,940	103,930	(10)	103,940	103,930	103,940	103,930
	RUNNING EXPENSES SUB TOTAL	31,019,280	31,025,270	5,990	30,780,330	30,852,250	30,904,290	30,963,580
911	Government Grants	(25,311,370)	(25,440,880)	(129,510)	(25,440,880)	(25,440,880)	(25,440,880)	(25,440,880)
922	Contributions From Other Las	(204,410)	(182,860)	21,550	(164,290)	(164,290)	(164,290)	(164,290)
928	Recharge Non Gf Accounts	(913,510)	(898,040)	15,470	(812,120)	(820,760)	(828,830)	(836,530)
931	Sales	(1,500)	(1,500)	0	(1,500)	(1,500)	(1,500)	(1,500)
932	Fees And Charges	(377,000)	(373,000)	4,000	(373,000)	(373,000)	(373,000)	(373,000)
933	Rents	(134,870)	(235,220)	(100,350)	(242,260)	(242,260)	(242,260)	(242,260)
939	Other Receipts	(251,830)	(251,450)	380	(251,450)	(251,450)	(251,450)	(251,450)
951	Recharge Gf Rev Accounts	(4,461,750)	(4,375,850)	85,900	(4,262,580)	(4,311,960)	(4,356,890)	(4,402,590)
	INCOME SUB TOTAL	(31,656,240)	(31,758,800)	(102,560)	(31,548,080)	(31,606,100)	(31,659,100)	(31,712,500)
	COMMITTEE TOTAL	3,379,530	3,191,690	(187,840)	3,032,090	3,086,720	3,125,610	3,168,640

NON PAYMENT OF COUNCIL TAX/NNDR - POLICY AND FINANCE COMMITTEE

Council Tax	2016-17 £	2017-18 £
Summons	£80	£80
Liability Order	With summons	With summons

NNDR	2016-17 £	2017-18 £
Summons	£100	£100
Liability Order	With summons	With summons

NEW ROOM HIRE CHARGES - NEW COUNCIL OFFICES – POLICY & FINANCE COMMITTEE

Room	Seating Capacity	No Webcasting			To include Webcasting		
		Full Day 9am-5pm	Half-day 4 hrs	Hourly Charge	Full Day 9am-5pm	Half-day 4 hrs	Hourly Charge
Meeting Room	6 or less	£40	£25	£10	£44	£28	£11
Meeting Room	7 to 10	£60	£40	£15	£66	£44	£17
Meeting Room	11 to 20	£100	£60	£25	£110	£66	£28
Civic Suite	up to 100	£280	£170	£60	£308	£187	£66

Includes:

Projectors and screens
Microphone system
Refreshment facilities
Food preparation kitchen for caterers

Other Charges

1. Addition of £1 per person for tea/coffee if required.
2. Buffet and biscuits can be provided at cost plus 15% admin charge.
3. VAT to be added to all charges.

DESK RENTAL

Annual charge £4,350 + VAT

Daily charge £18 + VAT

HOUSING REVENUE ACCOUNT BUDGET AND RENT SETTING 2017/18

1.0 Purpose of Report

- 1.1 To show actual outturn of the Housing Revenue Account for the year 2015/16 (column 2 of **Appendix A1**).
- 1.2 To examine the proposed income and expenditure on the Housing Revenue Account for 2017/18 (column 4 of **Appendix A1**) and, in accordance with Section 76 of the Local Government and Housing Act 1989, to make recommendations to avoid a deficit on the Housing Revenue Account.
- 1.3 To receive indicative figures of income and expenditure for the financial years 2018/19 to 2021/22 (columns 5 to 8 of **Appendix A1**).
- 1.4 The report makes recommendations to set rent levels and service charges with effect from April 2017. In the past these have been calculated in accordance with Government guidance which is in line with the rent setting policy amended by Policy and Finance on 29 January 2015. On 8 July 2015 the Government made an announcement that local authorities must reduce social rents by 1% each year for four years from 2016-17. The rent setting policy was amended in line with the new guidance and rents reduced accordingly.
- 1.5 To determine these rent decreases having regard to the Welfare Reform and Works Bill 2015-16, which, amongst other things, requires that *“social landlords reduce their rents by 1% every year for four years”*.
- 1.6 To determine charges for garage rents, plots and garage ports.
- 1.7 To approve arrangements to determine housing support service charges.
- 1.8 To approve the annual management fee payable to Newark and Sherwood Homes, in accordance with the Management Agreement.

2.0 Introduction

- 2.1 The setting of the budget and the approval of rent levels at Council in February 2017 will allow the required time to notify tenants of proposed changes to rents in accordance with the legislation.
- 2.2 Members will be aware that since April 2012 the Housing Revenue Account is now self-financing and there is no longer any central government control though HRA subsidy. Other controls continue to exist such as the cap on overall HRA debt and the ring-fencing of the account.
- 2.3 The timetable for approval of the budget and rent setting to enable rents to be decreased from the beginning of the financial year in April 2017 is restricted by external constraints, in that the correct notification of variation needs to be given to tenants.

2.4 The key dates in the budget setting timetable are detailed in the table below:

Council determination of HRA budget and rent setting	14 February 2017
Newark and Sherwood Homes update of rent systems	By end of February 2017
Generation of rent cards and letters to notify tenants of variation of their rent levels (tenants are required to be given one month's notice by law of rent changes).	By end of February 2017

Any slippage from these key dates would jeopardize the implementation of rent decrease for 1 April 2017.

3.0 Background Information

3.1 Since April 2012, following the housing finance reforms the Housing Revenue Account has been operating within a 30 year self-financing Housing Revenue Account business plan. Council officers have been working with colleagues from Newark and Sherwood Homes to monitor and review the business plan which informs the 2017/18 budget process and medium term financial plan 2018/19 to 2021/22.

3.2 Under the new management agreement with Newark and Sherwood Homes, the Council's housing management company, which came into effect on 1 October 2013 there is a new methodology for calculating the management fee and this process has been followed for determining the fee for 2017/18. Details of the fee are shown in paragraphs 6.1 to 6.10 of this report.

3.3 The budget proposed in this report is based on the Government announcement made on 8 July 2015 that local authorities must secure that the amount of rent in the relevant year by a tenant of social housing is 1% less than the amount that was payable by the tenant in the previous 12 months. This 1% per year rent reduction is for three more years from 2017/18.

4.0 National Policy and Impact

4.1 Further to the publication of the Housing & Planning Bill and Welfare Reform & Work Bill, along with the impact of the Spending Review and the Autumn Statement on 23 November 2016, officers are continuing to assess the impact of the following Policy areas:

- year 1% rent reduction – Implementation April 2016 (as mentioned previously in the report)
- Sale of High Value Council houses - expected implementation April 2018
- Ending of life time tenancies - expected implementation April 2017
- Introduction of Right to Buy to Housing Association properties.

4.2 Due to the status of the above policies, that currently lack specific detail around implementation frameworks, initial scenarios are being assessed but based on a range of financial assumptions. These will be set against the requirement to maintain a viable HRA BP.

- 4.3 Currently, this presents key challenges for the Council in being able to appropriately assess the ability of the HRA BP to deliver both its strategic housing priorities, including a programme of Council HRA housing growth, and in maintaining the current management and maintenance standards.

Spending Review Nov 2015	<p>The rate of housing benefit in the social sector will be capped at the relevant local housing allowance - in other words, the same rate paid to those in the private rented sector who receive the same benefit.</p> <p>‘Shared accommodation rate’ - the level of housing benefit that applies to single people in the private rented sector who are under 35 and do not have dependent children.</p> <p>The above will apply to new tenancies only signed after 1 April 2016, with housing benefit entitlement changing from 1 April 2019 onwards.</p>
Housing & Planning Bill:	
Selling of High Value Homes	Formulae approach to be adopted to ensure equitable approach across all LA’s and in effect this will be annual levy to the HRA BP. No receipts required in 2017/18.
Pay to Stay	This proposal was abolished in the Autumn Statement.
Ending Lifetime tenancies.	Amendment now to be included in the H&P Bill for the mandatory inclusion of fixed term tenancies, this will have implications for all registered applicants.

5.0 HRA Bid for Extension of Borrowing Cap/Exemption from 1% Rent Reduction/Flexibility of 1-4-1 Receipts

5.1 The Local Authority Housing Group (LAHG), made up of four major housing/public sector finance organisations, CIH, ARCH, CIPFA and the NFA, has identified and recommended a set of changes that would allow local government to deliver more housing and support the government in its delivery of their objective of one million new homes by 2020. Newark and Sherwood District Council via Newark and Sherwood Homes Ltd., along with Stoke and Sheffield City Councils’ are putting forward pilot proposals to the government to allow such new build initiatives to progress.

5.2 A detailed report outlining the Newark and Sherwood District Council/Newark and Sherwood Homes joint bid is at Agenda Item No. 5. In order for the Council to accelerate the HRA Development Programme, we have requested the following:-

1. The HRA borrowing cap to be increased by increased debt cap of £18M from 2017/18.
2. Annual rent increases to be confirmed as CPI+1%, for a period of 30 years and subject to a minimum of 2% in any particular year.
3. Existing land ownership to be invested and disregarded as subsidy for HCA grant assessment.

4. A facility to combine RTB receipts and HCA grants/to a maximum (say) of 50% of total scheme costs.

5.3 Depending on the timing of any decision with regards to the bid, this may impact on the notification process to tenants with regards to their rent from April 2017.

6.0 Newark and Sherwood Homes Management Fee

6.1 Under the new management agreement, Newark and Sherwood Homes will be paid a fee in accordance with the framework detailed below. The activity of NSH is integral to the effective management and long term viability of the Housing Revenue Account (HRA) Business Plan. This gives rise to a requirement for the Management Fee to be considered within the context of the HRA as a whole.

Fee Elements

The annual management fee comprises:

- (i) Service Fees – Core Housing Management Services - Tenancy sustainment and income recovery
- (ii) Service fees – Core Housing Management Services – Repairs and maintenance
- (iii) Service Fees – Core Housing Management Services – Core service support
- (iv) Service Fees – Core Housing Management Services – Company

6.2 Re-Basing of the Service Fee

The **service fee** for the fourth Financial Year (*being 2017/18 and the start of the new 3 year rolling period*) is prescribed in ‘Schedule 5 – Fee Principles’ of the Management Agreement, being described as the **base fee**. Schedule 5 states:

Prior to the fourth Financial Year, the parties shall agree (having regard to the principles set out in this Schedule):

- (a) *a new base fee which will be the Services Fee for the fourth Financial Year (the **Base Fee**); and*
- (b) *the Efficiency Targets for the fifth and sixth Financial Years.*

6.3 Set against the above, Officers of the Council and Company have held discussions to formulate the **base fee** for 2017/18, in accordance with the principles detailed in the Management Agreement.

6.4 In taking forward these discussions the imperative for both the Council and Company has been to ensure that the HRA Business Plan remains viable and sustainable over a 30 year period.

Additionally Newark and Sherwood Homes will receive income for managing the Housing Revenue element of the Council’s capital programme, i.e. Works fee – fee payable for the delivery of the Asset Management Programme. A fee of 8% is paid by the District Council for management of the capital programme and 5% for project managing the Council’s current house building programme. Both fees are calculated on the total level of spend during the financial year.

Payments will also be made where Newark and Sherwood Homes provide general fund Services to the Council, i.e. Other NSH Work – Non HRA Core Services (Right to buy/Hostel management)

Finally, the company will be able to provide services to third parties such as rent income from properties that it has purchased or built and fee income from third party schemes/investments including the income from photovoltaic cells where solar panels are fitted to council properties. Approximately £0.5m income is received in the Housing Revenue Account annually and passported to Newark and Sherwood Homes.

- 6.5 The total management fee payable for 2015/16 was £7,705,041 for 2016/17 is £7,796,900, and 2017/18 is **£8,083,310**.
- 6.6 In formulating the **base fee** a range of matters have been considered including the **service fee** paid to the Company for the last 3 years and **efficiency target** achieved, the reduction in the Asset Management Programme from 2017/18 (reduced by £750,000), the Company's Annual Delivery Plan for 2017/18, the existing operational service standards, performance levels, progression of the approved 5 year development programme within the HRA and risks identified by the Company that have the potential to impact on service delivery and performance.
- 6.7 Key issues that have been acknowledged as impacting on future costs to the Company, and therefore the **service fee**, primarily involve the pending implementation of regulation through the Housing & Planning Act 2016 (e.g. fixed term tenancies), introduction of Universal Credit and the community development activities in Hawtonville following completion of the Neighbourhood Study.
- 6.8 The Company has also made the Council aware that variations may be requested during 2017/18 if service costs escalate, impacting on current service delivery. The areas identified cover; potential increases in the Building Cost Indices, implementation of cashless systems, management of the Bowbridge Road extra care scheme and the allocation/management of new properties resulting from the HRA development programme. Further discussions and approvals would be required on such variations.
- 6.9 The Committee should note that information on the process followed to inform and formulate the **base fee** has been presented to the Strategic Housing Liaison Panel (SHLP). This included discussion around service standards, the Asset Management Programme, financial modelling (inputs and assumptions) of HRA Business Plan and delivery of the HRA development programme.
- 6.10 Further to the discussions and consideration of the above points the Company has now presented to the Council its proposed **base fee** for 2017/18, being the start of the new 3 year rolling period, as detailed below:

Elements of the Service Fee	Proposed Fee 2017/18	Comparative Service Fee breakdown 2015/16
Tenancy Sustainment and Income Recovery	£1,910,185	£1,782,362
Repairs and Maintenance	£3,938,870	£3,920,578
Core Service Support	£2,004,189	£1,937,878
Company	£91,066	£64,223
Proposed Base Fee	£7,959,513	£7,705,041
Reserve Adjustment – IT Reserve £100k missed from calculation in 2015/16 and 2016/17 – adjustment needed to recoup lost income by 2023/24	£139,000	
Proposed total Service Fee	£8,083,310	

Project Management Fee

- 6.11 The Company is project managing the extra care new build development at Bowbridge Road, Newark and a one off fixed fee of £60,000 was originally approved by the Committee at its meeting 4 June 2015. Due to the passage of time it has taken to commence the development and further due diligence work undertaken to review the scope of the project management role, e.g. additional activities have now been added such as managing the interior design of the scheme, a revised ***project management fee*** of 1.22% of the total build programme costs, equating to approximately £97,556, has now been put forward by the Company for Council consideration.
- 6.12 The Council and Company are currently in negotiation to agree a ***project management fee*** to deliver the Council's 5 year housing development programme providing an indicative 335 new Council homes, estimated to be a £30m programme.
- 6.13 In this respect the Company have put forward a standard ***project management fee*** of 5% for the total 5 year HRA build programme and identified a number of variables where this fee could be discounted. As already stated negotiations are ongoing with the Company to agree the fee, which will be benchmarked against the wider sector and scope of the project management role.

Efficiency Target

- 6.14 At the SHLP meeting on 26th July 2016 the Panel recommended that a continued ***efficiency target*** of 3% for Year two (2018/19) and Year three (2019/20) was appropriate, balanced against service delivery, costs of the current services and the ability of the Company to take incoming generating opportunities as they arise.

Indices

- 6.15 The following inflation ***indices*** will also be applied in Year two (2018/19) and Year three (2019/20):
- Employee costs – Local Government pay award
 - Repairs & maintenance costs – Building Costs Indices (BCI)
 - Other elements – Retail Price Index (RPI)

Reserves

- 6.16 For the Committee's information the Company's reserves are listed below and accord with the Management Agreement:

Reserves	Outturn 2015/16 (£)	Estimate 2016/17 (£)
Minimum Reserve	431,000	431,000
Core Service Reserve	100,000	100,000
Bad Debt Reserve	50,000	50,000
Development and IT reserve	29,000	29,000
Staffing and Pay Reserve	100,000	100,000
Growth Reserve (<i>Contribution of £625,000) made to Bowbridge Road Extra Care Scheme in the two years 2016/18)</i>	1,652,000	537,000

- 6.17 The Company, subject to specific clauses in the Management Agreement, must use any available surpluses or reserves, following discussion with the Council, in furtherance of the Council's strategic housing objectives/aims
- 6.18 In considering the detail contained within the above paragraphs the following proposals are put forward for the Committee's consideration and approval:
- a) the **base fee** of £7,944,310 plus IT reserve adjustment of £139,000, which equates to a total **service fee** of £8,083,310 be agreed to be paid to Newark and Sherwood Homes for the Management Fee for 2017/18 (details of which are set out in table at paragraph 6.10);
 - b) an **efficiency target** of 3% be set for 2018/19 and 2019/20 of the three year rolling period between 2017 - 2020;
 - c) the **project management fee** to be paid to Newark and Sherwood Homes for the Bowbridge Road extra care scheme development be revised to 1.22% of the total costs; and
 - d) delegated authority be given to the Director – Safety after consultation with the Chair and Vice Chair of the Policy & Finance Committee and Opposition Spokesperson to agree the **project management fee** for the HRA development programme on conclusion of the negotiation process with Newark and Sherwood Homes.

7.0 Rent Levels

- 7.1 As part of the self-financing settlement in 2012 the assumption was made that local authorities would continue to follow the Government's guidelines on annual rent setting i.e. that rents would continue to move towards convergence with other Registered Providers and that rent increases would be based on September RPI plus 0.5% with a cap on increases of RPI + 0.5% plus £2. As a result of this the self-financing settlement figure assumed a certain level of income in the business plan.
- 7.2 Cabinet considered the report on the Self-financing HRA in January 2012 and agreed a rent setting policy that rent levels should continue to be determined by following the Government's guidance as assumed in the self-financing settlement.

- 7.3 Further to this, the Government then actioned a consultation on the future rent setting policy for social housing. It proposed to end convergence with effect from 1 April 2015, and to increase rents in future by CPI + 1% rather than RPI +1%. There is an element of flexibility as the proposals allow for vacant properties to be relet at target (formula) rent. The rent setting policy was amended to reflect this change.
- 7.4 Members will be aware that on 8 July 2015 Government made an announcement that local authorities must reduce social rents by 1% each year for four years from 2016-17.
- 7.5 In line with the Government announcement and Welfare Reform & Work Bill the rent levels on all Council held stock have been calculated by applying a decrease of 1%. Any new lets during the year 2016/17 will be set at target rent as at 8 July 2015 less 1%.
- 7.6 Setting a rent decrease will have a detrimental impact on the long term HRA Business Plan as the debt settlement under self-financing was calculated on the assumed rent levels (i.e. converged rents) rather than actual rent income. Officers are currently working on the impact that this will have on the HRA Business Plan, along with the impact of all the other proposed changes affecting the HRA.
- 7.7 The Committee should note that the total rent rebate case load is 3,206 (59% of the total housing stock). The position related to benefits is now complicated by the under occupation charge which is applied after benefit is calculated – 2,199 (40%) tenants are currently on 100% benefit, with 1,007 (18%) claimants receiving partial benefit. Of the total number of claimants 670 (21%) have their benefit reduced due to an under occupation charge – these could be full or partial benefit cases.
- 7.8 Officers from Revenues and Benefits work closely with Newark and Sherwood Homes to ensure that Discretionary Housing Payment funds are committed to households in real need and to date this funding has benefited District Council tenants as follows:
- Funds already paid out £49,207
 - Committed payments £7,258
 - 130 households have been helped all due to under occupation
 - Of these 130 properties, 59 have been substantially adapted for the claimants needs; these are automatically renewed each year.

This financial support helps households to progress solutions aimed at enabling the long term sustainability of their tenancy and alleviates hardship.

8.0 Housing Support Service Charge

- 8.1 Housing based support services are a core function provided by Newark and Sherwood Homes under the terms of its management agreement with the Council.
- 8.2 The main support service provided is to tenants in the Council's supported accommodation, representing approximately 50% of the Council's housing stock.
- 8.3 All tenants living in designated supported housing are responsible for paying a mandatory lifeline service of £1.55 per week in line with the conditions of the tenancy agreement.

- 8.4 An increase of CPI plus 1% would increase the charge to £1.60 per week to the next 5p. This charge is not covered by Housing Benefit.
- 8.5 The Company also offers the following support services, which are discretionary:
- a) An intensive housing management service to aid those tenants who need higher levels of involvement to sustain their tenancy, and
 - b) A range of additional services available to tenants and private customers, each attracting a varying charge.
- 8.6 **It is proposed that all discretionary services provided to tenant and private customers should be increased by September 2016 CPI plus 1% (2%).**

9.0 Other Service Charges

- 9.1 A number of tenants have heating and water/sewerage provided at their property with the costs of these being recharged through a weekly service charge. It is proposed that these weekly charges are increased in line with September 2016 CPI + 1% i.e. 2%.
- 9.2 New properties built since 2010/11 are currently subject to a weekly service charge of between £3.65 and £6.08 covering the costs (where appropriate) of landscaping, lighting and drainage. It is proposed that these weekly charges are increased in line with September 2016 CPI +1%, i.e. 2%.
- 9.3 On 29 January 2015 the Housing Revenue Account Budget and Rent Setting 2015/16 report was taken to the Policy and Finance Committee. As part of this report, Members approved the implementation of a service charge at Seven Hill's Newark and Wellow Green, Ollerton. Approval of the level of the service charge was delegated to the Director – Resources following consultation with the Leader, Deputy Leader and Leader of the Opposition party. The service charge of £31.68 per week was duly agreed to be implemented at the beginning of the financial year 2016/17. The weekly service charge will increase to £32.30 from 1 April 2017.
- 9.4 It is proposed that these weekly charges are increased in line with September 2016 CPI + 1% i.e. 2%.

10.0 Garage Rents, Plots and Garage Ports

- 10.1 The level of garage rents was raised in 2016/17, in line with the average rent increase, to £7.91 per week (plus VAT if they are let to non-Council tenants).
- 10.2 The level of garage plot rents was raised in 2016/17, in line with the average rent increase, to £40.37 per annum with VAT payable for non-Council tenants.
- 10.3 The level of garage port rents was raised in 2016/17, in line with the average rent increase, to £3.53 per week with VAT payable for non-Council tenants.
- 10.4 Officers from both the District Council and Newark and Sherwood Homes have undertaken a review of the garage sites focusing on the following matters:

- Location
- Condition
- Investment required
- Demand/availability
- Customer preferences
- Future options, e.g.: introducing differential rent levels for garages based on demand/condition, incentivising low demand garage sites, assessing a sites development potential.

10.5 Whilst it may be possible to increase rents by more than CPI + 1% for the more desirable garages, officers are aware that a large increase in rent will increase the expectations of tenants around improvements to the condition and security of the garages. Therefore it is not proposed to introduce differential rent levels at the current time.

10.6 Officers from both NSDC and NSH continue to identify existing and redundant garage sites which could be suitable for small scale new build projects should the Council decide on a policy of future growth.

10.7 The 1% reduction in rent does not extend to garage rents.

11.0 Financial Considerations

11.1 The Housing Revenue Account balances at 31 March 2016 were £2,000,000. Under self-financing, the risks previously met by the Government through housing subsidy have now been transferred to local authority HRAs therefore the self-financing HRA business plan assumes a minimum prudent general reserve of £2,000,000.

11.2 Once again it has been a very difficult year, with a significant amount of resources being used in the preparation of the Housing Revenue Account annual budget and self-financing business plan.

11.3 The budget includes costs that continue to fall to the HRA following the transfer of management of the housing stock to Newark and Sherwood Homes, for example property insurance, depreciation, and costs of financing the borrowing to fund the capital programme. The budget also includes costs of back funded superannuation (in respect of the service prior to 1 November 2004 of those staff who transferred to Newark and Sherwood Homes), external audit fees, and costs of central services which continue to fall to the HRA, for example a recharge from Financial Services for work done in respect of rent setting, servicing the Strategic Housing Liaison Panel, final accounts and budget processes etc.

Right to Buy

11.4 The number of properties sold under 'Right To Buy' sales in 2016/17 to December 2016 amount to 17. The District Council has signed up to the national 1-for-1 replacement policy whereby additional receipts can be retained in order to part fund the construction of new social housing.

- 11.5 Under the 1-for-1 replacement policy the Government states that every additional council home sold under Right to Buy will be replaced at a national level by an affordable rent home. The baseline is the number of Right to Buy property sales assumed in the self-financing settlement made prior to the recent policy invigoration (40,000 nationally in the first 10 years of self-financing).
- 11.6 The conditions for retaining 1-for-1 receipts are that they must constitute no more than 30% of the total amount spent on the provision of new affordable housing and that the full amount of spending on the scheme must be spent (work completed) within 3 years of the retained receipts. The remaining 70% of the scheme cannot be funded from public sector grant (e.g. HCA funding) or non RTB housing receipts.
- 11.7 1-for-1 receipts can be used for development costs of replacement homes at affordable rent which may be acquired or constructed and can be provided by a registered provider so long as the local authority has nomination rights. Development costs may include the cost of acquiring new land but not the value of land already owned by the authority.
- 11.8 Through the Housing Growth Strategy it is essential that Members consider a programme of new build or acquisition of properties to ensure that the conditions of retaining the receipts are met.

Depreciation

- 11.9 On the advice of the Audit Commission, depreciation continues to be calculated based on the valuation of the Council stock rather than on a componential basis, however it is no longer reversed out of the HRA 'below the line'. It remains as a charge to the HRA transferring funds to the Major Repairs Reserve. There is an additional transfer from the HRA to the Major Repairs Reserve to ensure that there is sufficient funding for the capital programme during the life of the 30 year business plan. Officers from the Council and Newark and Sherwood Homes continue to scrutinise the capital programme on an ongoing basis to ensure that sufficient funding is available.

Balances

- 11.10 At the end of the financial year 2015/2016, the Housing Revenue Account added £543,948 to the Major Repairs Reserve (MRR). £5,771,280 was also added to the MRR from the HRA General Reserve to allow a prudent £2,000,000 in the general reserve and to allow for continuing repair and growth within the HRA.
- 11.11 Under current Council Policy the Housing Revenue Account debt level is not reducing, although as loans become due for repayment they are refinanced using internal borrowing from the General Fund. The budget set out in Appendix A1 indicates that towards the end of the 5 year medium term financial plan, large surpluses are accumulating within the Major Repairs Reserve. The revenue budget does not take account of any future growth and contributions which may be required either from revenue or to fund any additional borrowing (up to the HRA borrowing cap).

12.0 Proposals

- 12.1 The proposed budget for 2017/18 is attached at **Appendix A1**.

- 12.2 The proposed combined management and maintenance fee of £8,083,310 under the existing management agreement as stated in paragraph 6.10 should be noted.
- 12.3 Following a fundamental review of the support service provision, the Council implemented charges on a tiered service approach, these charges have remained static for a number of years. It is recommended that these charges should be increased by 2% in line with CPI + 1% from 1 April 2017.
- 12.4 As stated in paragraphs 9.1, 9.2, 9.3 and 9.4 it is proposed that all other services charges are increased by 2% in line with CPI + 1% from 1 April 2017.
- 12.5 That charges for garages, garage plots and garage ports are increased in line with the rent policy relating to garages with effect from 1st April 2017. The new weekly charges based on 2% - CPI + 1% will be:

	£	
Garage Rents	8.05	(plus VAT if they are let to non-Council tenants)
Garage Ports	3.60	(plus VAT if they are let to non-Council tenants)
Garage Plots	41.20	per annum (plus VAT if they are let to non-Council tenants)

13.0 RECOMMENDATIONS

That the following recommendations be made to Council at its meeting on 14 February 2017:

- (a) the Housing Revenue Account budget for 2017/2018 as set out in Appendix A to this report be recommended to Council on 14 February 2017;**
- (b) the Management and Maintenance Fee for 2017/2018 of £8,083,310 be noted;**
- (c) the rent of all properties in the Housing Revenue Account be decreased by 1% in accordance with Welfare Reform and Works Bill;**
- (d) that other services charges and support charges should be increased by 2 % with effect from April 2017;**
- (e) that garage, garage plot and garage port rents are increased by 2% in line with CPI + 1% with effect from 1 April 2017.**

Reason for Recommendations

To enable the HRA budget for 2017/2018, the rent levels, garage rent, garage plots, garage ports and Housing Support Service Charge levels to be recommended to Council.

Background Papers - Nil

For further information please contact Dean Rothwell on extension 5587, Robin Clay on Extension 5332 or Rob Main on Extension 5930.

Nicola Lovely
Business Manager and Chief Financial Officer –
Financial Services

Karen White
Director - Safety

HOUSING REVENUE ACCOUNT - OUTTURN 2015/16 and BUDGET 2017/18 to 2021/22 - RENT DECREASE 1% ANNUALLY

LINE NO.	Col 1 SUMMARY	Col 2 2015-16 OUTTURN £	Col 3 2016-17 BASE BUDGET £	Col 4 2017-18 BASE BUDGET £	Col 5 2018-19 BASE BUDGET £	Col 6 2019-20 BASE BUDGET £	Col 7 2020-21 BASE BUDGET £	Col 8 2021-22 BASE BUDGET £
	INCOME							
1	Dwelling rents	21,269,594.04	20,369,540	20,459,470	20,254,880	20,052,330	20,653,900	21,273,520
2	Non dwelling rents	257,076.83	250,950	267,780	272,450	277,220	282,080	287,040
3	Charges for services	330,219.23	304,750	353,770	360,840	368,050	375,410	382,920
4	Contributions to expenditure	73,060.83	65,550	64,940	64,940	64,940	64,940	64,940
5	HRA Subsidy Grant	0.00	0	0	0	0	0	0
6	Other income	129,960.03	137,470	144,130	144,130	144,130	144,130	144,130
7	Sub Total - Income	22,059,910.96	21,128,260	21,290,090	21,097,240	20,906,670	21,520,460	22,152,550
	EXPENDITURE							
	Management & maintenance							
	Supervision & Management General:							
8	Management	589,994.61	576,600	669,470	673,580	683,690	691,800	699,960
9	Management Fee NaSH	3,791,923.42	3,796,930	4,144,440	4,144,440	4,144,440	4,144,440	4,144,440
10	Maintenance Fee NaSH	3,920,580.89	3,910,470	3,938,870	3,938,870	3,938,870	3,938,870	3,938,870
11	Rents, rates, taxes & other	0.00						
12	Government subsidies payable							
13	Depreciation - dwellings	2,291,039.62	2,294,860	2,408,580	2,408,580	2,408,580	2,408,580	2,408,580
14	Depreciation - others	396,511.72	393,550	400,950	400,950	400,960	400,950	400,950
15	Impairments of assets - dwellings	(7,331,686.45)						
16	Impairments of assets - others							
17	Debt Management Expenses	27,802.12	36,350	37,850	39,310	40,430	41,590	42,880
18	Sub Total - Expenditure	3,686,165.93	11,008,760	11,600,160	11,605,730	11,616,970	11,626,230	11,635,680
19	NET COST OF SERVICES	(18,373,745.03)	(10,119,500)	(9,689,930)	(9,491,510)	(9,289,700)	(9,894,230)	(10,516,870)
20	Profit/Loss on sale of HRA fixed assets	3,456,144.02						
21	Interest Paid	4,348,861.60	4,321,310	4,058,600	3,982,000	3,728,520	3,562,880	3,554,550
22	Interest Receivable	(13,397.55)	(36,330)	(8,400)	(8,400)	(8,400)	(9,800)	(11,200)
23	Income from Feed In Tariffs	(438,722.14)	(525,000)	(525,000)	(525,000)	(525,000)	(525,000)	(525,000)
24	Feed in Tariff to NSH	438,722.24	525,000	525,000	525,000	525,000	525,000	525,000
25	Provision for Bad Debt	94,278.03	0	0	0	0	0	0
26	Contribution to NSH Reserves	0.00	0	0	0	0	0	0
27	NET OPERATING EXPENDITURE	(10,487,858.83)	(5,834,520)	(5,639,730)	(5,517,910)	(5,569,580)	(6,341,150)	(6,973,520)
	APPROPRIATIONS							
28	Premiums on repaid debt							
29	Profit/Loss on sale of HRA fixed assets	(3,456,144.02)						
30	Employers Contribution NCC	260,000.00	260,000	260,000	260,000	260,000	260,000	260,000
31	Major Repairs Reserve Movement	6,315,227.72	5,574,520	5,379,730	5,257,910	5,309,580	6,081,150	6,713,520
32	Contribution to capital	0.00						
33	Impairments of assets - dwellings	7,367,857.15						
34	Depreciation							
35	Impairments of assets - others							
36	Repaid debt/De-Minimis Transfers	917.98						
37	HRA (SURPLUS)/DEFICIT FOR YEAR	0.00	0	0	0	0	0	0
38	WORKING BALANCE B/F (excluding NSH efficiency gain)	(2,000,000.00)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
39	WORKING BALANCE C/F (excluding NSH efficiency gain)	(2,000,000.00)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)

SUBJECTIVE SUMMARY

HOUSING REVENUE ACCOUNT

APPENDIX A2

CODE	SERVICE	2016/17 BASE BUDGET	2017/18 BASE BUDGET	MORE (LESS)	2018/19 BASE BUDGET	2019/20 BASE BUDGET	2020/21 BASE BUDGET	2021/22 BASE BUDGET
		£	£	£	£	£	£	£
	EMPLOYEES							
114	SUPERANNUATION	260,000	260,000	0	260,000	260,000	260,000	260,000
	EMPLOYEES SUB-TOTAL	260,000	260,000	0	260,000	260,000	260,000	260,000
	PREMISES RELATED EXPENDITURE							
211	REPAIRS & MAINTENANCE	3,910,470	3,938,870	28,400	3,938,870	3,938,870	3,938,870	3,938,870
214	RATES	0	0	0	0	0	0	0
	SUPPLIES & SERVICES							
451	CONTRACTUAL	3,796,920	4,144,440	347,520	4,144,440	4,144,440	4,144,440	4,144,440
452	PROFESSIONAL SERVICES	19,270	19,000	(270)	19,380	19,770	20,170	20,570
471	STAFF EXPENSES & FEES	1,500	1,500	0	1,500	1,500	1,500	1,500
482	SUBSCRIPTIONS	2,200	2,200	0	2,200	2,200	2,200	2,200
491	INSURANCES	189,940	196,010	6,070	199,690	205,130	208,950	212,860
492	TRANSFER TO MAJOR REPAIRS/GROWTH RESERVE	5,574,520	5,379,730	(194,790)	5,257,910	5,309,580	6,081,150	6,713,520
	TRANSFER PAYMENTS							
612	FEED IN TARIFF PAYABLE TO NSH	525,000	525,000	0	525,000	525,000	525,000	525,000
	CENTRAL DEPARTMENTAL EXPENSES							
712	CENTRAL DEPARTMENTAL SUPPORT	273,320	361,050	87,730	360,160	363,280	366,260	369,170
715	DEPARTMENTAL ADMINISTRATION	90,380	89,710	(670)	90,650	91,810	92,720	93,660
	RUNNING EXPENSES SUB-TOTAL	14,383,520	14,657,510	273,990	14,539,800	14,601,580	15,381,260	16,021,790
	CAPITAL FINANCING							
811	LOANS POOL	4,321,310	4,058,600	(262,710)	3,982,000	3,728,520	3,562,880	3,554,550
817	DEBT MANAGEMENT EXPENSES	36,350	37,850	1,500	39,310	40,430	41,590	42,880
821	CAPITAL CHARGES	2,688,410	2,809,530	121,120	2,809,530	2,809,540	2,809,530	2,809,530
	CAPITAL FINANCING SUB-TOTAL	7,046,070	6,905,980	(140,090)	6,830,840	6,578,490	6,414,000	6,406,960
	INCOME							
911	GOVERNMENT GRANTS	0	0	0	0	0	0	0
922	OTHER LA CONTRIBUTIONS	0	0	0	0	0	0	0
928	RECHARGE TO NON GENERAL FUND A/CS	(6,830)	(5,330)	1,500	(5,330)	(5,330)	-5,330	-5,330
932	FEED IN TARIFFS	(525,000)	(525,000)	0	(525,000)	(525,000)	-525,000	-525,000
932	FEES & CHARGES	(70,010)	(77,300)	(7,290)	(77,300)	(77,300)	-77,300	-77,300
933	RENTS	(20,985,870)	(21,142,520)	(156,650)	(20,949,670)	(20,759,100)	-21,372,890	-22,004,980
939	OTHER RECEIPTS	(65,550)	(64,940)	610	(64,940)	(64,940)	-64,940	-64,940
941	INTEREST	(36,330)	(8,400)	27,930	(8,400)	(8,400)	-9,800	-11,200
	INCOME SUB-TOTAL	(21,689,590)	(21,823,490)	(133,900)	(21,630,640)	(21,440,070)	(22,055,260)	(22,688,750)
	COMMITTEE TOTAL (SURPLUS)/DEFICIT	0	0	0	0	0	0	0
	WORKING BALANCE B/Fwd Excluding NSH EFFICIENCY PAYMENT	(2,000,000)	(2,000,000)		(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
	WORKING BALANCE C/Fwd	(2,000,000)	(2,000,000)		(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)

CAPITAL PROGRAMME MONITORING TO 30 NOVEMBER 2016

1.0 Purpose of Report

- 1.1 To enable members to monitor the progress of the overall capital programme since the last progress report on 1 December 2016. The current five year programme was approved by Council on 10 March 2016 and regular reports on progress and variations are required.

2.0 Issues for Consideration

- 2.1 **Appendix A & B** provide details of the capital projects over their whole life to illustrate total budget, expenditure, progress and explanations for any amendments. **Appendix C** lists any proposed amendments to the capital programmes since it was last approved on the 1 December 2016. **Appendix D** lists the current capital schemes budgets to be approved by Policy Committee on 26 January 2017 and the subsequent overall financing position is shown at **Appendix E**.

3.0 RECOMMENDATION

That the variations listed in Appendix C are approved and the Programme shown in Appendix D be accepted as the latest approved Capital Programme.

Reason for Recommendation

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

Background Papers

Nil

For further information please contact Mike Marriott (Accountant) on extension 5327.

Nicky Lovely
Business Manager and Chief Financial Officer – Financial Services

Project	Capital Description	Project Manager	Original Budget - Whole life	Revised Budget Whole life	Actuals to date	Projected future costs	Projected Total costs - Life of project	Revisions - Whole life	Additions/Reductions since Policy & Finance 01.12.16	Comments - Revisions over project life
TA1211	Newark, New Leisure Centre	Matt Finch	10,122,000	10,321,999	9,178,786	1,143,213	10,321,999	199,999	0	The increase of £199,999 in the capital programme relates to a successful bid from the district council to the CCG to include additional items in the new leisure centre that could be linked to the achievement of CCG health outcomes. Although the project is now complete and we are awaiting a final account, the contract price for completing the whole project was significantly below the £10,122,000 included in the capital programme, or the £10,321,000 when the CCG money is included.
TA1214	Leisure Centre Access Road Enhancement	Matt Finch	197,025	156,916	156,916	0	156,916	-40,109	0	Works completed - Underspend on this project of £40k
TA3050	National Civil War Centre	Andy Carolan	5,488,751	5,778,511	5,455,899	322,612	5,778,511	289,761	0	The £289,761 reflects the envisaged additional project costs, currently we are in dispute with contractor over the final bill. The additional £150,000 was built in on the advice of our cost consultants for this project. Funding switch between NCWC other NCC funded expenditure and NCWC trail £11,000. Correction - Funding agreed through RR and HLF of £128,761 but not attributed to budget originally, it has now been actioned.
TA3050A	NCWC other NCC funded Expenditure	Matt Finch	288,313	288,313	288,313	0	288,313	0	0	
TA3051	Newark Civil War Town Trail	Michael Constantine	211,000	199,935	199,935	0	199,935	-11,065	0	Funding switch between NCWC other NCC funded expenditure and NCWC trail £11k. Project now completed, balance of £65 removed from programme.
TA3052	Palace Theatre/Museum Integration	Matt Finch	1,460,846	1,615,620	1,486,059	129,561	1,615,620	154,774	0	The tender returns for completing the integration project were higher than forecast when received in summer 2015. This led to an increase in costs of £145k, the scheme was subsequently approved by Policy and Finance Committee at the increased price. The further addition of £10k which has been contributed from Palace revenue relates to works carried out to fix the roof (not part of original works).
TA3053	Museum Improvements	Michael Constantine	750,000	750,000	199,527	550,473	750,000	0	0	
TA3286	Information Technology Investment	Sharon Parkinson	1,526,841	1,541,541	288,296	1,253,245	1,541,541	14,700	0	£14.7k ICT requirements for members to facilitate paperless vision
TA	CUSTOMERS		20,044,776	20,652,835	17,253,731	3,399,104	20,652,835	608,059	0	
TB2253	Vehicles & Plant (NSDC)	Andrew Kirk (Veh) / Matt Finch (Leis Equip)	5,145,526	5,145,526	3,116,625	2,028,901	5,145,526	0	0	
TB3057	Maun Valley Phase II	Phil Beard	60,000	60,000	57,226	0	57,226	-2,774	-2,774	No Progress - Funds OF £2,774 to be returned to central pot
TB3154	Castle Gatehouse Project	Phil Beard	60,000	117,600	0	117,600	117,600	57,600	0	Total funding increased to £117,600. This is an addition of £57,600, it is made up of an additional £5,000 from NSDC and £52,600 external funding. NSDC total contribution is now £25,000.
TB3158	Hawtonville School Playing Field	Phil Beard	107,742	107,742	84,619	23,123	107,742	0	0	
TB6145	Grant to Farndon Sports Pavilion	Phil Beard	43,099	43,099	28,449	14,650	43,099	0	0	
TB6149	Lorry Carpark - Health and Safety	Andy Statham	0	19,700	0	19,700	19,700	19,700	19,700	Lorry park, To be Proposed at P&F 26.01.17
TB	COMMUNITY		5,416,367	5,493,667	3,286,919	2,203,974	5,490,893	74,526	16,926	
TC1000	New Council Offices	Matt Finch	6,302,000	7,607,628	2,289,627	5,318,001	7,607,628	1,305,628	0	The cost estimate for the office in 2013 was based on an estimated build cost of £157.50 per square foot for the office space. Current proposals are for a cost of £162 per square foot, which is a marginally higher figure reflecting rising construction costs. The current proposals include additional space due to the inclusion of the CAB and DWP in the new offices. These additional public services will, of course be contributing to the additional costs. The additional costs have been agreed formally through Policy and Finance

Project	Capital Description	Project Manager	Original Budget - Whole life	Revised Budget Whole life	Actuals to date	Projected future costs	Projected Total costs - Life of project	Revisions - Whole life	Additions/Reductions since Policy & Finance 01.12.16	Comments - Revisions over project life
TC2280	Ollerton Hall acquisition and works	David Best	350,000	408,664	400,238	8,426	408,664	58,664	0	Additional budget required in respect of purchase of Ollerton Hall and associated legal costs. Actual Legal bill under dispute, if successful costs will reduce
TC3017	Workshop Frontage Improvements	David Best	111,100	111,100	4,455	106,645	111,100	0	0	
TC3132	20 Baldertongate Repairs	Darren Wardale	14,800	14,800	14,538	262	14,800	0	0	
TC	RESOURCES		6,777,900	8,142,192	2,708,858	5,433,334	8,142,192	1,364,292	0	
TE3266	Growth Point (Grant Funded)	Andrew Muter	449,121	449,121	0	449,121	449,121	0	0	Potential contribution to SLR/A1 roundabout
TE3267	Rural Broadband Provision	Andrew Muter	250,000	250,000	250,000	0	250,000	0	0	
TE3268	Southern Link Road Contribution	Andrew Muter	2,500,000	9,500,000	1,019,215	8,480,785	9,500,000	7,000,000	6,000,000	Additional grant income received contributing to the project as a whole. Total contribution from the LEP now stands at £7m.
TE	GROWTH		3,199,121	10,199,121	1,269,215	8,929,906	10,199,121	7,000,000	6,000,000	
TF3161	Balderton land drainage	Darren Wardale	12,000	12,000	2,895	9,105	12,000	0	0	
TF3220	Major Flood Alleviation	Ben Adams	150,000	150,000	0	150,000	150,000	0	0	
TF3222	Works to Wellow Green Hostel	Dennis Roxburgh	150,000	150,000	92,327	57,673	150,000	0	0	
TF3223	CCTV	Oliver Vale	0	325,000	0	500,000	500,000	500,000	175,000	New budget for CCTV - Upgrade and Move. Agreed at P&F 30.06.16. P&F 26.01.17 Total project costs have increased to £500k post tender process. Contribution from partners anticipated to be £100k.
TF3224	Seven Hills	Leanne Monger	0	69,023	0	69,023	69,023	69,023	0	New budget for Seven Hills - Meet Health and Safety requirement. To be Proposed at P&F 01.12.16
TF	SAFETY		312,000	706,023	95,222	785,800	881,023	569,023	175,000	
	TOTALS		35,750,164	45,193,837	24,613,945	20,752,118	45,366,063	9,615,900	6,191,926	

Project	Capital Description	Project Manager	Original Budget - Whole life	Revised Budget Whole life	Actuals to date	Projected future costs	Projected Total costs - Life of project	Revisions - Whole life	Additions/Reductions since Policy & Finance 01.12.16	Comments - Revisions over project life
SA1013	25 supported dwellings - Bilsthorpe	Rob Main / Peter Harley	2,330,141	2,386,915	2,287,877	99,038	2,386,915	56,774	0	Tender agreed for works to be completed was at a higher price by £56,774 than originally estimated when project first considered for capital approval.
SA1015	Affordable Rural Housing Grant	Rob Main / Peter Harley	260,000	260,000	150,000	110,000	260,000	0	0	
SA1016	Site A - Wolfit Avenue, Balderton	Rob Main / Peter Harley	424,434	313,344	277,261	36,083	313,344	-111,090	0	Tender agreed for works to be completed was at a lower price of £111,090 than originally estimated when project first considered for capital approval.
SA1017	Site B - Wolfit Avenue, Balderton	Rob Main / Peter Harley	441,846	357,952	322,317	35,635	357,952	-83,894	0	Tender agreed for works to be completed was at a lower price of £83,894 than originally estimated when project first considered for capital approval.
SA1018	Coronation Street/Grove View Rd, Balderton	Rob Main / Peter Harley	709,628	728,351	655,968	72,383	728,351	18,723	0	Tender agreed for works to be completed was at a higher price of £18,723 than originally estimated when project first considered for capital approval.
SA1019	Lilac Close	Rob Main / Peter Harley	941,415	747,544	671,394	76,150	747,544	-193,871	0	Tender agreed for works to be completed was at a lower price of £193,871 than originally estimated when project first considered for capital approval.
SA1020	Second Avenue, Edwinstowe	Rob Main / Peter Harley	545,809	487,032	430,018	57,014	487,032	-58,777	0	Tender agreed for works to be completed was at a lower price of £60,723 than originally estimated when project first considered for capital approval.
SA1021	Ash Farm Farnsfield	Rob Main / Peter Harley	1,176,000	1,176,000	325,921	850,079	1,176,000	0	0	
SA1022	St Leonards Hospital Trust	Rob Main / Peter Harley	330,000	330,000	0	330,000	330,000	0	0	
SA1023	Bowbridge Road	Rob Main / Peter Harley	8,937,121	8,937,121	1,036,085	7,901,036	8,937,121	0	0	
SA1030	HRA Site Development	Rob Main / Peter Harley	500,000	400,000	3,707	396,293	400,000	-100,000	0	Report to P&F 01.12.16 - Reduce capital programme by £100k and use this reduction in HRA reserve required to fund associated project revenue costs
Total - Affordable Housing			16,596,394	16,124,259	6,160,549	9,963,710	16,124,259	-472,135	0	

General Fund Additions

Project	Capital Description	Additions/Reductions - 16-17	Additions/Reductions - 17-18	Comments
TE3268	Southern Link Road Contribution		6,000,000	LEP confirmed grant increased by £6m, total LEP grant now stands at £7m
TB3057	Maun Valley Way	-2,774		Original project for £60,000. Final spend of £57,226, balance of £2,774 to be returned to central pot
TB6149	Lorry Carpark - Health and Safety	19,700		Capital Expenditure required to meet current Health and Safety requirements for the site
TF3223	CCTV	175,000		Total project costs have increased to £500k post tender process. Contribution from partners anticipated to be £100k.
Total additions/Reductions		191,926	6,000,000	

General Fund - Reprofiting

Project	Capital Description	Movements 16-17	Movements 17-18	Movements 18-19	Movements 19-20	Movements 20-21
TE3268	Southern Link Road Contribution	-2,480,785	2,480,785	0	0	0
TC1000	New Offices	-1,000,000	1,000,000	0	0	0
Total General Fund Re profiting		-3,480,785	3,480,785	0	0	0

HRA Additions/Reductions

Project	Capital Description	Additions/Reductions - 16-17	Additions/Reductions - 17-18	Comments
TF6011	DFG	-20,425	0	Funding now agreed for Better care fund, slight reduction in original estimate
TF6012	Discretionary DFG	175,000	0	Funding of £175k has been granted from the Better care fund for Discretionary DFG
Total additions/Reductions		154,575	0	

CAPITAL PROGRAMME 2016/17 - 2020/21																APPENDIX D
SCHEME	REVISED - Post Slippage	2016/17			2017/18			2018/19			2019/20			2020/21		
		Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	
HOUSING REVENUE ACCOUNT																
PROPERTY INVESTMENT PROGRAMME																
S91100	ROOF REPLACEMENTS	0	540,000	-540,000	540,000	540,000	0	540,000	540,000	0	540,000	540,000	0	540,000	540,000	0
S91111	Roofing 2016/17	216,000	0	216,000												
S91112	Flat Roofing 2016/17	324,000	0	324,000												
S711	ROOF REPLACEMENTS	540,000	540,000	0	540,000	540,000	0	540,000	540,000	0	540,000	540,000	0	540,000	540,000	0
S91200	KITCHEN & BATHROOM CONVERSIONS	0	1,620,000	-1,620,000	1,620,000	1,620,000	0	1,620,000	1,620,000	0	1,620,000	1,620,000	0	1,620,000	1,620,000	0
S91215	Kitchen & Bathroom 2016/17	1,296,000	0	1,296,000												
S91216	Kitchen & Bathroom materials 2016/17	324,000	0	324,000												
S712	KITCHEN & BATHROOM CONVERSIONS	1,620,000	1,620,000	0	1,620,000	1,620,000	0	1,620,000	1,620,000	0	1,620,000	1,620,000	0	1,620,000	1,620,000	0
S91300	EXTERNAL FABRIC	48	378,000	-377,952	378,000	378,000	0	378,000	378,000	0	378,000	378,000	0	378,000	378,000	0
S91330	External Fabric 2016/17 area 1	189,578	0	189,578												
S91331	External Fabric 2016/17 area 2	162,000	0	162,000												
S91332	Chatham Court Windows/Floors	16,200	0	16,200												
S713	EXTERNAL FABRIC	367,826	378,000	-10,174	378,000	378,000	0	378,000	378,000	0	378,000	378,000	0	378,000	378,000	0
S91400	DOORS & WINDOWS	0	183,600	-183,600	183,600	183,600	0	183,600	183,600	0	183,600	183,600	0	183,600	183,600	0
S91411	Doors and Windows 2016/17	183,600	0	183,600												
S714	DOORS & WINDOWS	183,600	183,600	0	183,600	183,600	0	183,600	183,600	0	183,600	183,600	0	183,600	183,600	0
S91500	OTHER STRUCTURAL	351	54,000	-53,649	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S91511	Walls Re-Rendering	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S91520	H535a King Street	821	0	821												
S91521	Delacy Court Canopy Removal	3,483	0	3,483												
S91522	DPM works 2016-17	10,800	0	10,800												
S91523	33 Nowood Gardens	1,825	0	1,825												
S91524	1 Manvers View Major Works	38,146	0	38,146												
S715	OTHER STRUCTURAL	109,426	108,000	1,426	108,000	108,000	0	108,000	108,000	0	108,000	108,000	0	108,000	108,000	0
S93100	ELECTRICAL	0	680,400	-680,400	680,400	680,400	0	680,400	680,400	0	680,400	680,400	0	680,400	680,400	0
S93111	Rewires 2016/17	594,000	0	594,000												
S93112	Disturbance allowance 2016/17	86,400	0	86,400												
S731	ELECTRICAL	680,400	680,400	0	680,400	680,400	0	680,400	680,400	0	680,400	680,400	0	680,400	680,400	0
S93200	SMOKE ALARMS	0	0	0	0	0	0									
S93205	Carbon Monoxide Detectors	0	270,000	-270,000	270,000	270,000	0	270,000		+270,000	0		0	0	0	
S732	SMOKE ALARMS	0	270,000	-270,000	270,000	270,000	0	270,000	0	+270,000	0	0	0	0	0	
S93300	PASSENGER LIFTS															
S733	PASSENGER LIFTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
S93500	HEATING	0	594,000	-594,000	594,000	594,000	0	594,000	594,000	0	594,000	594,000	0	594,000	594,000	0
S93508	Heating replacements 2016/17	594,000	0	594,000												

		2016/17			2017/18			2018/19			2019/20			2020/21		
	SCHEME	REVISED - Post Slippage	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.
S735	HEATING	594,000	594,000	0	594,000	594,000	0	594,000	594,000	0	594,000	594,000	0	594,000	594,000	0
S93600	ENERGY EFFICIENCY	93,474	502,200	-408,726	502,200	502,200	0	502,200	502,200	0	502,200	502,200	0	270,000	270,000	0
S93618	EE Doors 2016/17	162,000	0	162,000												
S93619	21 Forge Close Air Supply	9,126	0	9,126												
S93620	EWI Winston Court	54,000	0	54,000												
S93621	EE Boilers 2016/17	183,600	0	183,600												
S736	ENERGY EFFICIENCY	502,200	502,200	0	502,200	502,200	0	502,200	502,200	0	502,200	502,200	0	270,000	270,000	0
S95100	GARAGE FORECOURTS	0	108,000	-108,000	108,000	108,000	0	108,000	108,000	0	108,000	108,000	0	108,000	108,000	0
S95109	Garages	0	0	0	27,000	0	+27,000	27,000	0	+27,000	27,000	0	+27,000	27,000	27,000	0
S95112	Resurfacing works 2016-17	108,000	0	108,000												
S751	GARAGE FORECOURTS	108,000	108,000	0	135,000	108,000	+27,000	135,000	108,000	+27,000	135,000	108,000	+27,000	135,000	135,000	0
S95200	ENVIRONMENTAL WORKS	293	340,200	-339,907	313,200	340,200	-27,000	313,200	340,200	-27,000	313,200	340,200	-27,000	313,200	313,200	0
S95250	Communal Lighting	0	21,600	-21,600	21,600	21,600	0	21,600	21,600	0	21,600	21,600	0	21,600	21,600	0
S95252	Flood Defence Systems	0	10,800	-10,800	10,800	10,800	0	10,800	10,800	0	10,800	10,800	0	10,800	10,800	0
S95253	Play Areas	0	27,000	-27,000	27,000	27,000	0	27,000	27,000	0	27,000	27,000	0	27,000	27,000	0
S95254	Estate Remodelling	5,891	162,000	-156,109	162,000	162,000	0	162,000	162,000	0	162,000	162,000	0	162,000	162,000	0
S95276	Delacy Court Communal Doors	50,760	0	50,760												
S95277	Knotts Court Environmental	38,880	0	38,880												
S95278	Lovers Lane Flats Drying area	16,200	0	16,200												
S95279	St Marys Gardens	37,000	0	37,000												
S95280	Yorke Drive Barrier	4,428	0	4,428												
S95281	Yorke Drive Communal Doors	3,460	0	3,460												
S95282	Play areas 2016-17	27,000	0	27,000												
S95283	Communal Gas Mains	62,495	0	62,495												
S95284	H581 Door King Street Conservation area	1,696	0	1,696												
S95285	Vine Way Gated Access	19,332	0	19,332												
S95286	Forest Road Fencing	5,999	0	5,999												
S95287	Delacy Court Communal Fire Doors	57,240	0	57,240												
S95288	Boundary Walls 2-4 Lime tree close	5,400	0	5,400												
S95289	Garage/Site/Roofing	54,000	0	54,000												
S95290	Environmental improvements (various)	91,800	0	91,800												
S95291	Parking Boy Lane	21,600	0	21,600												
S95292	Communal Lighting 2016/17	21,600	0	21,600												
S95293	Fencing Various Locations	23,760	0	23,760												
S95294	Coghill Court Communal entrance doors	11,340	0	11,340												
S95295	Local Office Kiosk Project	20,174	0	20,174												
S95296	Delacy Court Scooter Stores	27,000	0	27,000												
S752	ENVIRONMENTAL WORKS	607,348	561,600	45,748	534,600	561,600	-27,000	534,600	561,600	-27,000	534,600	561,600	-27,000	534,600	534,600	0
S97100	ASBESTOS	0	108,000	-108,000	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S97111	Asbestos Surveys 2016/17	43,200	0	43,200												
S97112	Asbestos Removal 2016/17	64,800	0	64,800												
S771	ASBESTOS	108,000	108,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S97200	FIRE SAFETY	0	54,000	-54,000	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S97215	H522 Comm fire door Kings Court	33,480	0	33,480												
S97216	H580 Comm fire door Wolfit Ave	16,200	0	16,200												

		2016/17			2017/18			2018/19			2019/20			2020/21		
	SCHEME	REVISED - Post Slippage	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.
S97217	Auto Closer Forge Close	2,160	0	2,160												
S97218	Fire Risk Assessments	23,760	0	23,760												
S772	FIRE SAFETY	75,600	54,000	21,600	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S97300	DDA IMPROVEMENTS	0	21,600	-21,600	21,600	21,600	0	21,600	21,600	0	21,600	21,600	0	21,600	21,600	0
S97307	DDA WORKS 2016-/17	24,840	0	24,840												
S773	DDA IMPROVEMENTS	24,840	21,600	3,240	21,600	21,600	0	21,600	21,600	0	21,600	21,600	0	21,600	21,600	0
S97400	DISABLED ADAPTATIONS	0	432,000	-432,000	432,000	432,000	0	432,000	432,000	0	432,000	432,000	0	432,000	432,000	0
S97411	Adaptation care plans 2016/17	399,600	0	399,600												
S97412	Adaptation OT 1's 2016/17	32,400	0	32,400												
S774	DISABLED ADAPTATIONS	432,000	432,000	0	432,000	432,000	0	432,000	432,000	0	432,000	432,000	0	432,000	432,000	0
S97500	LEGIONELLA	0	32,400	-32,400	32,400	32,400	0	32,400	32,400	0	32,400	32,400	0	32,400	32,400	0
S97502	legionella Works 2016/17	32,400	0	32,400												
S791	UNALLOCATED FUNDING	32,400	32,400	0	32,400	32,400	0	32,400	32,400	0	32,400	32,400	0	32,400	32,400	0
S99100	UNALLOCATED FUNDING	29,160	54,000	-24,840	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
S99101	Grant Income	-145,780	0	-145,780												
S791	UNALLOCATED FUNDING	-116,620	54,000	-170,620	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0	54,000	54,000	0
	SUB TOTAL PROPERTY INVESTMENT	5,869,020	6,247,800	-378,780	6,193,800	6,193,800	0	6,193,800	5,923,800	+270,000	5,923,800	5,923,800	0	+5,691,600	5,691,600	0
AFFORDABLE HOUSING																
SA1012	Buy-back of RTB Council Houses	0	0	0												
SA1013	25 supported dwellings - Bilsthorpe	99,038	0	99,038												
SA1015	Affordable Rural Housing Grant	110,000	0	110,000												
SA1016	Site A - Wolfit Avenue, Balderton	0	31,334	-31,334	29,326	0	29,326									
SA1017	Site B - Wolfit Avenue, Balderton	0	35,795	-35,795	28,229	0	28,229									
SA1018	Coronation Street/Grove View Rd, Balderton	116,437	61,953	54,484	72,383	0	72,383									
SA1019	Lilac Close	0	74,754	-74,754	59,522	0	59,522									
SA1020	Second Avenue, Edwinstowe	68,549	48,703	19,846	57,014	0	57,014									
SA1021	Ash Farm Farnsfield	608,469	0	608,469	562,700	0	562,700									
SA1022	St Leonards Hospital Trust	0	0	0	330,000	0	330,000									
SA1023	Bowbridge Road	2,947,234	0	2,947,234	5,894,500	0	5,894,500									
SA1030	HRA Site Development	196,560	150,000	46,560	200,000	200,000	0									
		4,146,286	402,539	3,743,747	7,233,674	200,000	+7,033,674	0	0	0	0	0	0	0	0	0
	SUB TOTAL HOUSING REVENUE ACCOUNT	10,015,306	6,650,339	3,364,967	13,427,474	6,393,800	+7,033,674	6,193,800	5,923,800	+270,000	5,923,800	5,923,800	0	5,691,600	5,691,600	0
HOUSING GENERAL FUND																
TF6011	Private Sector Disabled Facilities Grants	540,627	465,000	75,627	465,000	465,000	0	465,000	465,000	0	465,000	465,000	0	465,000	465,000	0
TF6012	Discretionary DFG	175,000	0	175,000	0	0	0	0	0	0	0	0	0	0	0	0
		715,627	465,000	250,627	465,000	465,000	0	465,000	465,000	0	465,000	465,000	0	465,000	465,000	0
	TOTAL HOUSING REVENUE ACCOUNT	10,730,934	7,115,339	3,615,595	13,892,474	6,858,800	+7,033,674	6,658,800	6,388,800	+270,000	6,388,800	6,388,800	0	6,156,600	6,156,600	0
GENERAL FUND																

		2016/17			2017/18			2018/19			2019/20			2020/21		
	SCHEME	REVISED - Post Slippage	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.
TA1211	Newark, New Leisure Centre	1,682,114	1,473,390	208,724	300,000											
TA1214	Leisure Centre Access Road Enhancement	155,791	0	155,791												
TA3050	National Civil War Centre	315,958.97	150,000	165,959												
TA3050	NCWC other NCC funded Expenditure	11,686.83	0	11,687												
TA3051	Newark Civil War Town Trail	0	0	0												
TA3052	Palace Theatre/Museum Integration	242,462	0	242,462												
TA3053	Museum Improvements	386,113	297,500	88,613	297,500	297,500	0									
TA3054	Palace Boiler Replace	0	0	0												
TA3286	Information Technology Investment	487,778	580,000	-92,222	660,000	470,000	+190,000	80,000	80,000	0	80,000	80,000	0	25,000	25,000	0
TA	CUSTOMERS	3,281,904	2,500,890	781,014	1,257,500	767,500	+190,000	80,000	80,000	0	80,000	80,000	0	25,000	25,000	0
TB2250	Vehicles & Plant (NSH)	0	0	0				675,000	675,000	0						
TB2253	Vehicles & Plant (NSDC)	783,604	40,000	743,604	78,000	78,000	0	132,000	132,000	0	1,113,595	1,113,595	0	688,000	688,000	0
TB3057	Maun Valley Phase II	0	0	0												
TB3154	Castle Gatehouse Project	0	0	0	117,600											
TB3158	Hawtonville School Playing Field	23,123	0	23,123												
TB3159	Humberstone Road Open Space, Southwell	0	0	0												
TB3252	Newark Castle Essential Works Ph I	0	0	0												
TB3263	Sconce & Devon Park Restoration Ph II	0	0	0												
TB3264	Barnby Road Open Space	0	0	0												
TB6145	Grant to Farndon Sports Pavilion	14,650	0	14,650												
TB6147	Contribution to Cycle Route Improvements	0	0	0												
TB6148	Lorry Carpark Extension	0	0	0												
TB6149	Lorry Carpark - Health and Safety	19,700	0	19,700												
TB	COMMUNITY	841,077	40,000	801,077	195,600	78,000	0	807,000	807,000	0	1,113,595	1,113,595	0	688,000	688,000	0
TC1000	New Council Offices	5,235,892	4,648,108	587,784	1,657,520	657,520	+1,000,000	151,800	0	+151,800						
TC2280	Ollerton Hall acquisition and works	317,632	0	317,632												
TC3017	Workshop Frontage Improvements	109,940	109,940	0												
TC3132	20 Baldertongate Repairs	262	0	262												
TC3282	Energy Saving Proposals	0	0	0												
TC	RESOURCES	5,663,726	4,758,048	905,678	1,657,520	657,520	+1,000,000	151,800	0	+151,800	0	0	0	0	0	0
TE3110	Newark Signage Strategy	0	0	0												
TE3266	Growth Point (Grant Funded)	0	0	0												
TE3266	Growth Point (Internally Funded)	449,121	0	449,121												
TE3267	Rural Broadband Provision	85,000	85,000	0												
TE3268	Southern Link Road Contribution	1,000,000	0	1,000,000	8,480,785											
TE	GROWTH	1,534,121	85,000	1,449,121	8,480,785	0	0	0	0	0	0	0	0	0	0	0
TF3161	Balderton land drainage	9,105	0	9,105												
TF3220	Major Flood Alleviation	150,000	0	150,000												
TF3222	Works to Wellow Green Hostel	57,673	0	57,673												
TF3223	CCTV	500,000	0	500,000												
TF3224	Seven Hills	69,023	0	69,023												
TF	SAFETY	785,800	0	785,800	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL GENERAL FUND	12,106,629	7,383,938	4,722,691	11,591,405	1,503,020	+1,190,000	1,038,800	887,000	+151,800	1,193,595	1,193,595	0	713,000	713,000	0
	TOTAL PROGRAMME	22,837,562	14,499,277	8,338,285	25,483,879	8,361,820	+8,223,674	7,697,600	7,275,800	+421,800	7,582,395	7,582,395	0	6,869,600	6,869,600	0

CAPITAL PROGRAMME SUMMARY															APPENDIX E
	2016/17			2017/18			2018/19			2019/20			2020/21		
	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.
COMMITTED SCHEMES EXPENDITURE															
Housing Services	10,730,934	7,115,339	+3,615,595	13,892,474	6,858,800	+7,033,674	6,658,800	6,388,800	+270,000	6,388,800	6,388,800	0	6,156,600	6,156,600	0
Other Services	12,106,629	7,383,938	+4,722,691	11,591,405	1,503,020	+10,088,385	1,038,800	887,000	+151,800	1,193,595	1,193,595	0	713,000	713,000	0
Total Expenditure	22,837,562	14,499,277	+8,338,285	25,483,879	8,361,820	+17,122,059	7,697,600	7,275,800	+421,800	7,582,395	7,582,395	0	6,869,600	6,869,600	0
CAPITAL EXPENDITURE FINANCING															
Net Internal and External Borrowing Approval	6,001,272	5,783,303	+217,969	2,740,020	1,225,020	+1,515,000	151,800	0	+151,800	1,188,595	1,188,595	0	708,000	708,000	0
Government Grants	2,241,004	465,000	+1,776,004	9,695,785	465,000	+9,230,785	465,000	465,000	0	465,000	465,000	0	465,000	465,000	0
Contributions from Third Parties	2,335,469	0	+2,335,469	2,056,689	0	+2,056,689	0	0	0	0	0	0	0	0	0
Community Infrastructure Levy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Receipts	768,397	252,539	+515,858	459,953	273,000	+186,953	882,000	882,000	0	0	0	0	0	0	0
Capital Reserve	4,467,661	1,604,135	+2,863,526	8,500	8,500	0	8,500	8,500	0	8,500	8,500	0	8,500	8,500	0
Revenue Support	7,023,759	6,394,300	+629,459	10,522,933	6,390,300	+4,132,633	6,190,300	5,920,300	+270,000	5,920,300	5,920,300	0	5,688,100	5,688,100	0
Total Resources Available	22,837,562	14,499,277	+8,338,285	25,483,879	8,361,820	+17,122,059	7,697,600	7,275,800	+421,800	7,582,395	7,582,395	0	6,869,600	6,869,600	0
Net resources before allowing for Earmarked Funds	0	0	0	0	0	+0	0	0	0	0	0	0	0	0	0
<i>Note - Other Unallocated Resources</i>															
Community Infrastructure Levy	2,072,221	2,307,720	-235,499	2,795,798	2,899,220	-103,422	3,774,854	3,490,720	+284,134	4,888,927	4,082,220	+806,707	5,660,686	0	+5,660,686
Capital Receipts	2,584,290	2,081,433	+502,857	8,670,588	8,354,683	+315,905	7,934,838	7,265,933	+668,905	8,081,088	7,412,183	+668,905	8,227,338	0	+8,227,338
Available Resources	4,656,511	4,389,153	+267,358	11,466,386	11,253,903	+212,483	11,709,691	10,756,653	+953,038	12,970,014	11,494,403	+1,475,611	13,888,024	0	+13,888,024
GENERAL FUND PROGRAMME SUMMARY															
	2016/17			2017/18			2018/19			2019/20			2020/21		
	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.	REVISED	Issue 1	DIFF.
COMMITTED SCHEMES EXPENDITURE															
Housing Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Services	12,106,629	7,383,938	+4,722,691	11,591,405	1,503,020	+10,088,385	1,038,800	887,000	+151,800	1,193,595	1,193,595	0	713,000	713,000	0
Total Expenditure	12,106,629	7,383,938	+4,722,691	11,591,405	1,503,020	+10,088,385	1,038,800	887,000	+151,800	1,193,595	1,193,595	0	713,000	713,000	0
CAPITAL EXPENDITURE FINANCING															
Net Internal and External Borrowing Approval	6,001,272	5,783,303	+217,969	2,740,020	1,225,020	+1,515,000	151,800	0	+151,800	1,188,595	1,188,595	0	708,000	708,000	0
Government Grants	775,377	0	+775,377	8,480,785	0	+8,480,785	0	0	0	0	0	0	0	0	0
Contributions from Third Parties	340,819	0	+340,819	92,600	0	+92,600	0	0	0	0	0	0	0	0	0
Community Infrastructure Levy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Receipts	525,000	0	+525,000	273,000	273,000	0	882,000	882,000	0	0	0	0	0	0	0
Capital Reserve	4,464,161	1,600,635	+2,863,526	5,000	5,000	0	5,000	5,000	0	5,000	5,000	0	5,000	5,000	0
Total Resources Available	12,106,629	7,383,938	+4,722,691	11,591,405	1,503,020	+10,088,385	1,038,800	887,000	+151,800	1,193,595	1,193,595	0	713,000	713,000	0
Net resources before allowing for Earmarked Funds	0	0	+0	0	0	0	0	0	0	0	0	0	0	0	0