

Finance and Property Committee

Monday, 07 December 2015 at 10:30

County Hall, County Hall, West Bridgford, Nottingham, NG2 7QP

AGENDA

1	Minutes of the last meeting held on 9 Nov 2015	5 - 10
2	Apologies for Absence	
3	Declarations of Interests by Members and Officers:- (see note below) (a) Disclosable Pecuniary Interests (b) Private Interests (pecuniary and non-pecuniary)	
4	Better Care Fund Budget - Q1 and Q2 Reconciliation and Planning for 2016-17	11 - 16
5	Petition Re East Markham School Hall	17 - 24
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7	Property Transactions	
7a	Disposal of the Former Retford Highways Depot	47 - 52
7b	Rokerfield Day Centre, Sutton in Ashfield - Disposal	53 - 58
7c	Proposed Urban Extension East of Gamston-North of Tollerton - Update	59 - 62
7d	Property Services Mid-Year Performance Report 2015-16	63 - 74

9 EXCLUSION OF THE PUBLIC

The Committee will be invited to resolve:-

“That the public be excluded for the remainder of the meeting on the grounds that the discussions are likely to involve disclosure of exempt information described in paragraph 3 of the Local Government (Access to Information) (Variation) Order 2006 and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.”

Note

If this is agreed, the public will have to leave the meeting during consideration of the following items.

10 EXEMPT INFORMATION ITEMS

10a Disposal of the Former Retford Highways Depot EXEMPT Appx

- Information relating to the financial or business affairs of any particular person (including the authority holding that information);

10b Rokerfield Day Centre, Sutton in Ashfield - Disposal EXEMPT Appx

- Information relating to the financial or business affairs of any particular person (including the authority holding that information);

10c Property Services Mid-Year Performance Report 2015-16 EXEMPT Appx

- Information relating to the financial or business affairs of any particular person (including the authority holding that information);

Notes

- (1) Councillors are advised to contact their Research Officer for details of any Group Meetings which are planned for this meeting.
- (2) Members of the public wishing to inspect "Background Papers" referred to in the reports on the agenda or Schedule 12A of the Local Government Act should contact:-

Customer Services Centre 0300 500 80 80

- (3) Persons making a declaration of interest should have regard to the Code of Conduct and the Council's Procedure Rules. Those declaring must indicate the nature of their interest and the reasons for the declaration.

Councillors or Officers requiring clarification on whether to make a declaration of interest are invited to contact Paul Davies (Tel. 0115 977 3299) or a colleague in Democratic Services prior to the meeting.

- (4) Councillors are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.
- (5) This agenda and its associated reports are available to view online via an online calendar - <http://www.nottinghamshire.gov.uk/dms/Meetings.aspx>

Meeting	FINANCE AND PROPERTY COMMITTEE
Date	9 November 2015 (commencing at 10.30am)

Membership

Persons absent are marked with an 'A'

COUNCILLORS

Councillor David Kirkham (Chair)
Councillor Darren Langton (Vice-Chair)

Reg Adair	Diana Meale
Chris Barnfather	Liz Plant
A Richard Butler	Darrell Pulk
Kay Cutts MBE	Mike Pringle
Stephen Garner	Ken Rigby

A Ex-Officio: Alan Rhodes

OFFICERS IN ATTENDANCE

Mick Allen, Group Manager, Waste & Energy Management
Pete Barker, Democratic Services
Jayne Francis-Ward, Corporate Director, Resources
Tim Gregory, Corporate Director, Place
Jas Hundal, Service Director, Environment & Resources
Ivor Nicholson, Service Director, ICT
Andrew Stevens, Group Manager, Property
Nigel Stevenson, Service Director, Finance, Improvement and Procurement

MINUTES OF THE LAST MEETING

The minutes of the last meeting held on 12 October 2015, having been circulated to all Members, were taken as read and were confirmed and were signed by the Chair.

APOLOGIES FOR ABSENCE

Councillor Barnfather replaced Councillor Butler for this meeting only.

DECLARATIONS OF INTEREST

Councillor Kirkham, Councillor Langton and Jas Hundal all declared a private, non-pecuniary interest in the item on 'Establishing a Joint Venture for Property Design and Operations' as all had attended Scape board meetings, which did not preclude them speaking and/or voting on that item.

ESTABLISHING A JOINT VENTURE FOR PROPERTY DESIGN AND OPERATIONS

RESOLVED: 2015/121

- 1) That the establishment of a joint venture company, that is Teckal compliant, for the delivery of Property and Design Services, with Scape Group Ltd (currently Scape Systems Build Limited) be approved as outlined in the report and Exempt Appendix C.
- 2) That the governance arrangements as set out in paragraph 29 of the report be noted.
- 3) That the draft contractual arrangements with Scape Group Ltd (currently Scape Systems Build Limited) for the Business Plan, the Shareholders Agreement and the Transfer Agreement and the Service Contract as outlined in the report and Exempt Appendix C be noted.
- 4) That the delegation to the Chief Executive (or his nominee), the responsibility for developing and finalising the contractual terms of the Shareholders Agreement, the Transfer Agreement, the Service Contract and the Business Plan, in consultation with the Section 151 Officer and Group Manager - Legal, Democratic and Complaints be approved.
- 5) That the delegation to the Chief Executive (or his nominee) to enter into any and all necessary legal documentation to give effect to the approved recommendations of this report, in consultation with the Chairman of the Committee, Group Spokespersons, S151 Officer and Group Manager - Legal, Democratic and Complaints be approved.

Councillor Cutts and Councillor Barnfather requested that their votes dissenting against the above decisions be recorded.

FINANCIAL MONITORING REPORT: PERIOD 6 2015 -16

RESOLVED: 2015/122

- 1) That the revenue budget expenditure to date and year end forecasts be noted
- 2) That the Capital Programme expenditure to date and year end forecasts be noted and the variances to the Capital Programme be approved
- 3) That the Council's Balance Sheet transactions be noted

ICT PROGRAMMES AND PERFORMANCE QUARTER 2, 2015-16

RESOLVED: 2015/123

That the progress against the key [Page 6 of 78](#) programme and performance measures for ICT Services and the priorities for the next 6 month period be noted.

HOSTED EVENT AT SPECIALIST COMPUTER CENTRES, ROMANIA (SCC)

RESOLVED: 2015/124

That the attendance be noted of the Service Director (ICT) and the Group Manager Operational Delivery at the 2 day hosted event in Romania, which is fully funded by SCC.

KINGS MILL RESERVOIR DE-SILTING PROJECT - HERITAGE LOTTERY FUNDING BID

RESOLVED: 2015/125

That the match funding as detailed in the report be approved.

ASHFIELD DISTRICT COUNCIL GREEN WASTE INCENTIVE SCHEME

RESOLVED: 2015/126

- 1) That the use of monies from the PFI Waste Contract reserve to support the introduction of a district wide green waste collection service in Ashfield as an invest to save initiative be approved.
- 2) That the completion of a Service Level Agreement with Ashfield District Council if required by, and to the satisfaction of, the Group Manager for Legal Services to support the delivery of the initiative be approved.

Councillor Cutts, Councillor Barnfather and Councillor Rigby requested that their votes dissenting against the above decisions be recorded.

Councillor Adair requested that his abstention from the above vote be recorded.

PROPERTY TRANSACTIONS

DISPOSAL OF FORMER RAILWAY LAND AT GEDLING COLLIERY

RESOLVED: 2015/127

That approval be given to the disposal of 1.89 Hectares of land at Gedling Colliery in connection with the Regeneration Scheme for the Colliery site on terms as set out in the exempt appendix.

PROPOSED LEASES FOR LIBRARIES, ARCHIVES, INFORMATION & COMMUNITY LEARNING SERVICES

RESOLVED: 2015/128

That approval be given to the granting of leases for various properties in the schedule and on the terms detailed in the report.

UNIT 1, HERMITAGE WAY, MANSFIELD – LEASE TO REAL EDUCATION

RESOLVED: 2015/129

That approval be given to the granting of a lease to REAL Education for the use of Unit 1, Hermitage Way, Mansfield, on the basis outlined in the report and exempt appendix.

PROPOSED LEASE RENEWAL OF THE UNDERCROFT, HUTHWAITE LIBRARY, HUTHWAITE

RESOLVED: 2015/130

That approval be given to the renewal of the lease on terms detailed in the report.

IDENTIFY A PROTOCOL: CARETAKERS PROPERTIES WHEN THEY BECOME VACANT

RESOLVED: 2015/131

That approval be given to the protocol for the future treatment of vacant caretakers' properties.

WORK PROGRAMME

RESOLVED: 2015/132

That the Committee's work programme be noted.

EXCLUSION OF THE PUBLIC

RESOLVED: 2015/133

That the public be excluded from the remainder of the meeting on the grounds that discussions are likely to involve the disclosure of exempt information described in paragraph 3 of the Local Government (Access to Information) (Variation) Order 2006 and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

EXEMPT INFORMATION ITEMS

ESTABLISHING A JOINT VENTURE FOR PROPERTY DESIGN AND OPERATIONS

RESOLVED: 2015/134

That the information set out in the exempt appendices be noted.

ASHFIELD DISTRICT COUNCIL GREEN WASTE INCENTIVE SCHEME

RESOLVED: 2015/135

That the information set out in the exempt appendices be noted.

DISPOSAL OF FORMER RAILWAY LAND AT GEDLING COLLIERY

RESOLVED: 2015/136

That the information set out in the exempt appendix be noted.

UNIT 1, HERMITAGE WAY, MANSFIELD – LEASE TO REAL EDUCATION

RESOLVED: 2015/137

That the information set out in the exempt appendix be noted.

The meeting closed at 12.02pm.

CHAIR



7 December 2015

Agenda Item: 4

**REPORT OF THE CORPORATE DIRECTOR, ADULT SOCIAL CARE,
HEALTH AND PUBLIC PROTECTION, NOTTINGHAMSHIRE COUNTY**

**BETTER CARE FUND POOLED BUDGET – Q1 AND Q2 RECONCILIATION
AND PLANNING FOR 2016/17**

Purpose of the Report

1. This report sets out progress to date against the Nottinghamshire Better Care Fund (BCF) plan and the impact of recent policy changes. The Finance and Property Committee are requested to:
 - a. Note the findings of the reconciliation of the BCF Pooled Fund.
 - b. Note the changes to the pooled fund agreed at the October Health and Wellbeing Board and the need to vary the Section 75 agreement for 2015/16.
 - c. Note the current advice for 2016/17 and the need to extend the Section 75 BCF Pooled Fund Agreement to incorporate 2016/17.

Information and Advice

Quarter 1 and 2 reconciliation

2. Nottinghamshire County Council and the six Nottinghamshire Clinical Commissioning Groups (CCGs) contributing to the pooled fund undertook a reconciliation exercise of Quarter 1 and Quarter 2 2015/16 income and expenditure. Table 1 shows the reconciliation of Quarter 1 and demonstrates a £3.4m underspend on funds drawn from the pooled fund. During Quarter 2 there was a £1.1m overspend on the pooled fund (Table 2). To period 6 there was an underspend of £2.3m.
3. It should be noted that a full spend by year end is forecast for all organisations and the variance seen is due to re-phasing of schemes throughout the year.

Table 1: Quarter 1 2015/16

Contributing partner	Nottinghamshire Clinical Commissioning Groups (CCGs)	Nottinghamshire County Council	Total
£'000s			
Payments made into pooled budget	£12,567	£5,168	£17,735
Payments received from pooled budget	£7,512	£10,223	£17,735
Total spend to period 3	£6,134	£8,194	£14,328
Under/(over) spend to period 3	-£1,378	-£2,029	-£3,407

Table 2: Quarter 2 2015/16

Contributing partner	Nottinghamshire Clinical Commissioning Groups	Nottinghamshire County Council	Total
£'000s			
Payments made into pooled budget	£12,567	£0	£12,567
Payments received from pooled budget	£7,512	£5,055	£12,567
Total spend in periods 4-6	£8,792	£4,856	£13,648
Under/(over) spend in periods 4-6	£1,280	-£199	£1,081

Table 3: Quarters 1 and 2 2015/16

Contributing partner	Nottinghamshire Clinical Commissioning Groups	Nottinghamshire County Council	Total
£'000s			
Payments made into pooled budget	£25,134	£5,168	£30,302
Payments received from pooled budget	£15,024	£15,278	£30,302
Total spend to period 6	£14,927	£13,050	£27,977
Under/(over) spend to period 6	- £97	-£2,228	-£2,325

Changes to the pooled fund

- At their October 2015 meeting, the Health and Wellbeing Board approved amendments to the pooled fund.
- During the 2015/16 planning round, NHS Mansfield and Ashfield and NHS Newark and Sherwood CCGs significantly increased plans for emergency and planned care activity in response to confirm and challenge sessions with NHS England. This impacted on the

associated financial plan resulting in a reduction in the BCF investment.

6. The Mid Nottinghamshire Better Together programme is the bedrock of the CCG's contribution to the Nottinghamshire BCF plan. Delivery is moving at pace with the successful implementation of key schemes. The programme has been undergoing a full review to assess progress, refresh milestones and revise investments and benefits, as necessary and in line with the CCGs planning reconciliation processes with NHSE.
7. This review has prompted a number of changes:
 - a. Scheme l; self-care and care planning, is now live but experienced two months delay in implementation therefore the CCG's in-year costs have been reduced accordingly.
 - b. Scheme m; specialist intermediate care teams (SICTs); has a key risk around workforce availability, which is delaying set-up. Mitigating actions are being taken in the short-term e.g. the wider use of the "transfer of care" approach
 - c. Longer term plans are in place to resolve the workforce issues and the implementation of the teams is expected to commence in 2016.
8. The financial impact of these changes is managed within Newark and Sherwood CCG's contribution to the BCF fund as mitigations have been put in place to deliver the same outcome as the SICTs in the interim. This includes a change of use of the Fernwood Unit in Newark and also the crisis response teams. However, specific mitigations have not yet been identified for NHS Mansfield and Ashfield CCG, and changes to this plan are shown below (Table 4). The HWB were assured that NHS Mansfield and Ashfield CCG remains £1.9m above the minimum contribution to the BCF.

Table 4: NHS Mansfield and Ashfield CCG financial plan

		Original submission £,000	Revised value £,000	Variance £,000	Comments
Locality Integrated Care Teams	k	6,820	3,328	(3,492)	Adjustment of budget to align to project management arrangements stripping out IMT, self-care, specialist and intermediate care from LICTs and putting into SICTs and self-care and care planning.
Self care and care planning	l	99	357	258	Realignment of budget to include all self-care costs, additional costs transferred from LICTs balanced by two-months slippage in costs associated with a delayed go-live date. This is now live.

		Original submission £,000	Revised value £,000	Variance £,000	Comments
Specialist Integrated Care Teams	m	1,968	3,557	1,589	Re-phasing of implementation of SICTs has reduced 2015/16 expenditure; this is now budgeted for 2016/17. This is masked by the inclusion of specialist and intermediate aspects of the LICT teams and also includes short term mitigations such as transfer of care.
Improved primary care access and support closer to home	n	1,302	1,128	(174)	Discrete MACCG primary care project improving GP access now funded through the Prime Ministers Challenge Fund and therefore excluded from the BCF.
Better Together implementation support	o	583	1,409	826	IMT costs now excluded from other lines and included within implementation to facilitate effective monitoring.
Communications (social marketing).	p	62	86	24	Small increase in the cost of the planned communications project following the commercial tender.
Care Act funding		486	486	-	No change
Protecting social care		3,936	3,936	-	No change
Total		15,257	14,287	(969)	

9. As outlined in Table 4 the proposed changes to the Mid Nottinghamshire CCGs' schemes will result in a reduction of the size of the Pooled Budget from £59.3m to £57.9m. This is still above the minimum requirement of £49.7m. This necessitates a variation to the Pooled Fund Agreement and work is underway to transact this.

Planning for 2016/17

10. At the date of writing this report, confirmation that the Better Care Fund will continue in 2016/17 has been received. Further details will be available following Spending Review 2015 and a verbal update will be provided when the Committee meet.

11. The continuation of the Better Care Fund will necessitate a variation to the Section 75 Pooled Fund Agreement which will be done in accordance with the terms set out in Section 2 of the BCF Pooled Fund Agreement:
- a. the matter is discussed at least 3 months prior to the expiry of this Agreement (in accordance with clause 2.2);
 - b. the Partners are in unanimous agreement; and
 - c. the maximum period in respect of the extension shall be twelve (12) months.

Reason/s for Recommendation/s

12. To confirm appropriate governance is in place to oversee the delivery of the pooled fund as the Host Organisation.

Statutory and Policy Implications

13. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Legal Implications

The Care Act facilitates the establishment of the BCF by providing a mechanism to make the sharing of NHS funding with local authorities mandatory. The wider powers to use Health Act flexibilities to pool funds, share information and staff are unaffected.

RECOMMENDATION/S

That the Committee:

- 1) Note the findings of the reconciliation of the BCF Pooled Fund.
- 2) Note the changes to the pooled fund agreed at the October Health and Wellbeing Board and the need to vary the Section 75 agreement for 2015/16.
- 3) Note the current advice for 2016/17 and the need to extend the Section 75 BCF Pooled Fund Agreement to incorporate 2016/17.

David Pearson, Corporate Director, Adult Social Care, Health and Public Protection, Nottinghamshire County Council

For any enquiries about this report please contact:
Joanna Cooper, Better Care Fund Programme Manager
Joanna.Cooper@nottsc.gov.uk / 0115 9773577

Constitutional Comments

14. Because this report is for noting only no Constitutional Comments are required.

Financial Comments (KAS 23/11/15)

15. There are no financial implications arising from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- 'Terms of Reference for BCF Programme Board and Finance, Planning and Performance sub-group.
- Section 75 pooled budget agreement
- Better Care Fund Pooled Budget March 2015

Electoral Division(s) and Member(s) Affected

- All

7 December 2015

Agenda Item: 5

**REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY &
ENVIRONMENT**

PETITION RE EAST MARKHAM SCHOOL HALL

Purpose of the Report

1. This report advises the Committee about a Petition which has been received in respect of East Markham School Hall.

Information and Advice

2. A petition has recently been received signed by 186 people, requesting that the County Council provide East Markham School with a larger school hall. They feel that the education of the children attending the school is suffering and consider that they need a new hall due to:
 - a) older children cannot participate in sport during poor weather.
 - b) minimum school hall size as recommended by Department of Education is between 130 and 160m² with additional storage of 40 – 60m² – current hall at the school is 62m².
 - c) school performances have to be held in the Village Hall taking up valuable teaching time getting children to and from the hall and adding to the expense for the school.
 - d) planning of extra curricula activity is restricted due to the weather.
 - e) activities such as gymnastics have to be held away from school adding transportation costs for the school.
3. A letter has also been received from Robert Jenrick, MP for Newark, supporting the petition and urging the County Council to invest in the school to secure the future of this important facility for the local community. Whilst Mr Jenrick recognises the financial pressures faced by the Council he feels it is important to support rural primary schools and recognises the increased importance of such facilities in rural communities where alternatives are limited and often are some distance away.
4. The Governors state that in 2009 the school was assured by the County Council that they would have a hall built in 2011/12 and that on this basis they purchased additional land adjacent to the existing school to enable it to be constructed. The County Council is not aware of any request being made by the school that land be

purchased and it is understood that the school progressed this as a private purchase without reference to the County Council. A feasibility was undertaken for the construction of a new Hall in early 2013 but it was made clear to the school at that time that funding had not been secured and that the project was far from being approved.

5. The petition also refers to the Priority Schools Building Programme (PSBP) published in 2011. This was a government programme for the replacement of 'whole' schools in poor condition. East Markham School was not eligible for consideration in this initial, or subsequent rounds of the PSBP and at no time have the school been advised that their school would or could be the subject of a bid.
6. The Governors state that after further contact with local Councillors and their MP that a review was undertaken of the schools capital programme and that as a result East Markham School Hall was deemed unfit for purpose. In October 2012 they state that they were informed that a policy paper was due to go to committee and as a result, those schools without a hall would be prioritised according to the new policy. The school felt therefore that a new hall for the school was imminent.
7. The School's Capital Programme is constantly monitored to ensure the County Council's future and anticipated capital commitments both provide sufficient school places and remains within budget. Prior to this report, there have not been any other policy reports relating to the provision of school halls
8. There is no statutory requirement that a school must have a hall. There is guidance from the Department for Education for the construction of new schools which the County Council follows when constructing new schools and if an existing school is to be significantly expanded. The guidance suggests the minimum size for a hall for a small primary should be 140m², increasing to around 180m² for those with 210 pupils. Larger primaries are recommended to have an additional studio hall.
9. East Markham School has a published admission number of 15 per year which translates to an expected roll of 105 pupils. It has a room designated as a hall measuring 62m². There are approximately 100 primary phase schools across Nottinghamshire which have halls less than the 140m² recommended by the guidance. Eight primary phase schools are judged to have no designated hall space.
10. The County Council receives a capital grant from central government to address the need for additional school places and has a statutory duty to provide sufficient school places at schools to meet demand. Whilst the County Council continually strives to construct cost effective solutions to meet its statutory duty, the available funding does not extend to addressing other school accommodation issues including school halls. Schools across the County have understood this financial challenge and have worked with the Council to provide additional classroom accommodation without any enhancement to their ancillary accommodation.
11. The National Curriculum requires that pupils develop a broad range of physical skills through a range of activities. It is not prescriptive how or where these activities should take place. It should be recognised that the most recent Ofsted inspection of East Markham School in February 2014 judges the school to be Good.

12. In addition the Council has embarked on an extensive five year capital programme involving some £90m of spend utilising funding that had been identified to support the cancelled Building Schools for the Future programme. This Schools Capital Refurbishment Programme (SCRP) undertakes essential works, on a prioritised basis, to all of the Council's maintained schools in order to maintain them in a condition that is suitable for their continued use. This clearly represents a significant financial commitment from the County Council at a time of financial contraction. The remit of the programme, approved by Full Council, is not to address issues of sufficiency and suitability such as the provision of Halls. East Markham School has benefited from recently completed SCRPs works, addressing condition issues to the value of over £110,000.

13. Ideally, the County Council would wish to be in a position to be able to extend the hall at East Markham School, and at all other schools across the authority where no hall exists or where the current provision does not meet current guidance. However, the current and forecasted financial situation makes this an impossibility.

Other Options Considered

14. The establishment of any new Capital Initiative runs the risk of the County Council failing to meet its statutory duty to provide sufficient school places, due to limited funding.

Reason/s for Recommendation/s

15. Given the current financial constraints and the budget available, the County Council must ensure that its statutory duties and high priority repairs are prioritised.

Statutory and Policy Implications

16. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Implications for Service Users

17. The implications for the service users are set out above in paragraph 2 above.

RECOMMENDATION/S

- 1) It is recommended that the Committee notes the petition and recognises that the Council is not in a position to fund the Hall at East Markham Primary for the reasons detailed in the report.
- 2) It is further recommended that Committee agrees that a response to this effect be sent to the petitioner.

Jas Hundal
Service Director, Transport, Property and Environment

For any enquiries about this report please contact: Lynn Cave ext. 72086 or Sara Williams ext. 72359

Constitutional Comments (CEH 25.11.2015)

18.The recommendation falls within the remit of the Finance and Property Committee under its terms of reference.

Financial Comments (SES 18/11/15)

19.There are no specific financial implications arising directly from this report.

Background Papers and Published Documents

20.Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

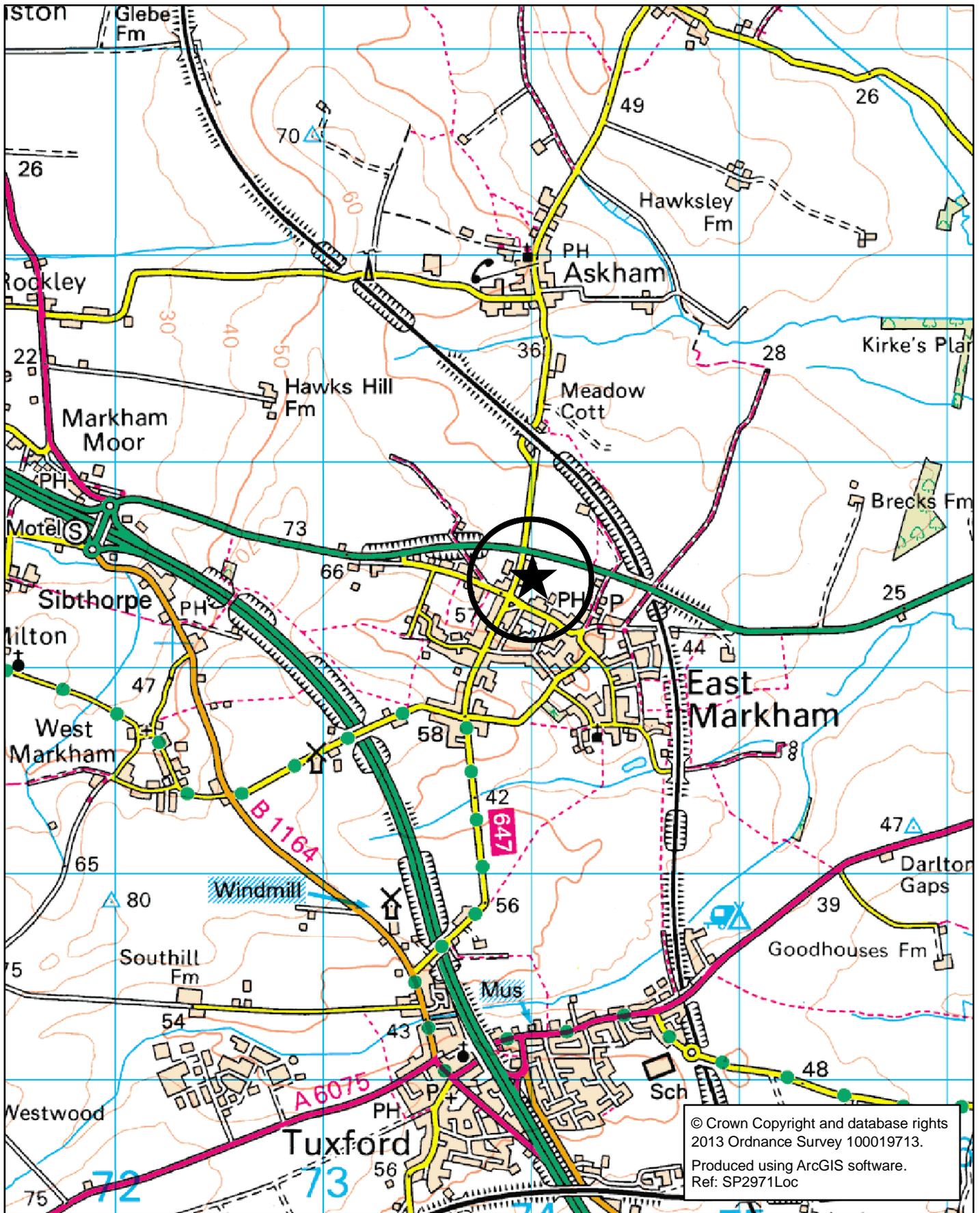
Letter from Robert Jenrick MP
Redacted version of petition (on request).

Electoral Division(s) and Member(s) Affected

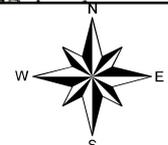
21.Ward(s): Tuxford
Member(s): Councillor John Ogle

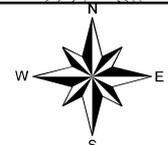
File ref.: /SB/SB/
SP: 2971
Properties affected: 01020 - East Markham Primary School

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 2013 Ordnance Survey 100019713.
 Produced using ArcGIS software.
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7 December 2015

Agenda Item: 6

**REPORT OF THE SERVICE DIRECTOR – FINANCE, PROCUREMENT AND
IMPROVEMENT**

FINANCIAL MONITORING REPORT: PERIOD 7 2015/2016

Purpose of the Report

1. To provide a summary of the revenue position of the County Council for the year to date with year-end forecasts.
2. To provide a summary of Capital Programme expenditure to date and year-end forecasts.
3. To inform Members of the Council's Balance Sheet transactions.
4. To provide Members with an update from the Procurement Team.
5. To provide Members with an update from the Accounts Payable and Accounts Receivable teams.

Information and Advice

Background

6. The Council approved the 2015/16 budget at its meeting on 26 February 2015. As with previous financial years, progress updates will be closely monitored and reported to both management and Committee on a monthly basis.

Summary Revenue Position

7. Table 1 below summarises the revenue budgets and forecast outturn for each Committee. A £1.9m underspend position is currently predicted. In light of the Council's continuing financial challenges, the key message to effectively manage budgets and wherever possible deliver in-year savings is being reinforced.

Table 1 – Revenue Expenditure and Forecasts as at Period 7

Forecast Variance as at Period 6 £'000	Committee	Annual Budget £'000	Actual to Period 7 £'000	Year-End Forecast £'000	Latest Forecast Variance £'000
2,337	Children & Young People	137,659	84,452	140,106	2,447
(3,529)	Adult Social Care & Health	208,069	100,492	203,244	(4,825)
410	Transport & Highways	59,081	40,385	59,078	(3)
(404)	Environment & Sustainability	31,262	16,010	30,935	(327)
242	Community Safety	3,008	523	3,218	210
(42)	Culture	13,285	8,247	13,122	(163)
(471)	Policy	25,371	15,847	24,403	(968)
(685)	Finance & Property	34,600	23,031	33,851	(749)
(527)	Personnel	3,218	1,493	2,696	(522)
2	Economic Development	1,533	64	1,535	2
(795)	Public Health *	5,217	(3,938)	3,622	(1,595)
(3,462)	Net Committee (under)/overspend	522,303	286,606	515,810	(6,493)
798	Central items	(7,758)	(43,003)	(6,951)	807
-	- Schools Expenditure	176	176	176	-
30	Contribution to/(from) Traders	(569)	2,264	(55)	514
(2,634)	Forecast prior to use of reserves	514,152	246,043	508,980	(5,172)
122	Transfer to / (from) Corporate Reserves	(6,363)	-	(5,968)	395
2,476	Transfer to / (from) Departmental Reserves	(14,525)	(39)	(11,684)	2,841
-	- Transfer to / (from) General Fund	(6,038)	-	(6,038)	-
(36)	Net County Council Budget Requirement	487,226	246,004	485,290	(1,936)

* The actual net expenditure for Public Health is skewed depending upon the timing of the receipt of grant.

Committee and Central Items

8. The main variations that have been identified are explained in the following sections.

Children & Young People (forecast £2.4m overspend)

9. The underlying overspend is £2.2m (after planned use of grant reserves and excluding redundancy costs). This is an increase of £0.2m compared with period 6 mainly due to additional costs relating to home to school transport with a large number of new SEN and complex contracts, together with an increase in the costs of fieldwork staffing and non LAC placements in Children's Social Care. A range of mitigating actions have been developed and pursued which has included a letter from the Corporate Director to restrict all non-essential spend and to adhere to vacancy control procedures as part of budget control measures. The recruitment of all agency staff requires the explicit approval of the Service Director Children's Social Care.

10. The Children's Social Care Division is reporting a forecast net overspend of £2.6m (£2.5m after the planned use of grant reserves), the major contributing variances being:

- £1.7m overspend on staffing due to the continued use of agency staff to cover vacancies in social work and safeguarding teams;
- £0.1m overspend on Provider Services (Looked after Children placements) due to the difficulty in moving children to lower cost in-house placements. There is also a continuing overspend in the Fostering Service due to the growth of Fostering Futures carers;
- £0.1m overspend on transport, as demand continues to exceed the budget;
- £0.3m overspend on the rest of Children's Disability Services (CDS) mainly due to flexible and targeted short breaks and associated childcare;
- £0.2m overspend on the social work practice pilot which includes a forecast extension to the original timescale of 6 months to 31 March 2016. This includes the successful bid of £0.2m from the Strategic Development Fund;
- £0.1m net overspend on all other budgets mainly due to Child Arrangement and Special Guardianship Orders.

11. The Education Standards and Inclusion Division is reporting a forecast overspend of £0.8m, mainly due to an overspend on Special Educational Needs and Disability Policy and Provision. There is a continued demand for home to school transport in excess of the budget.

12. The Youth, Families and Culture Division is forecasting an underspend of £1.0m mainly due to an underspend on Early Years and Early Intervention relating to contract savings and pension refunds.

13. The Capital and Central Charges area is forecasting a £0.3m overspend due to insurance charges in excess of the budget allocated for this purpose which is the additional cost of premiums for historic abuse cases.

14. There is also an underspend of £0.3m in Business Support.

Adult Social Care & Health (forecast £4.8m underspend)

15. The underlying forecast position is an underspend of £2.9m (after the planned use of reserves and excluding redundancy costs).

16. The Strategic, Commissioning, Access and Safeguarding Division is currently reporting a net underspend of £0.7m (£0.5m underspend after the use of reserves). The main variances are:

- Client Contribution income is still forecasting a shortfall of £1.4m. This is due to a general decline in personal budget income;
- Supporting People are forecasting a £1.4m underspend due to a reduction on the LD Contract spend;
- There remains an underspend of £0.2m on software costs within the Framework Team and the Market Development Team;
- Business Support are showing an underspend of £0.4m against various non-staffing budgets;

17. The North Nottinghamshire Division is currently forecasting a net underspend of £1.4m (£1.1m underspend after the use of reserves) against the budget. This is comprised of the following:

- Residential Services are now forecasting an underspend of £0.7m. This is primarily due to an underspend on staffing in the Care and Support Centres. It is still envisaged the refurbishment of James Hince Court could be met from within the service budget rather than from the use of reserves;
- Day Services and Employment are forecasting an underspend of £1.2m. This is comprised of a £1.5m underspend on staffing within Day Services and Supported Employment offsetting a £0.3m overspend on Transport Services;
- Bassetlaw Community Care are forecasting an overspend of £0.4m due to overspends in Younger Adults

18. The Mid and South Nottinghamshire Divisions are currently forecasting a net combined underspend of £0.7m (£1.0m overspend after the use of reserves) This is likely to increase as there is a backlog of assessments waiting to be done. Across Mid, South and North Nottinghamshire (including the £0.4m overspend from Bassetlaw) the major variances on care package costs are:

- Older Adults across the County are currently reporting an underspend of £1.9m; this is an increase in commitment of £0.5m since last month;
- Younger Adults across the County are reporting an overspend of £2.6m which is a decrease of £1.3m since last month, primarily due to an increase in income. £1.2m of the overspend relates to the additional costs of Transforming Care and £0.3m relates to the shortfall on ILF in year;
- Expenditure under the remit of Service Directors and the Principal Social Worker are reporting an underspend of £1.4m due mainly to delays in recruitment.

19. Throughout the County, the service continues to experience difficulties recruiting to vacancies. This is having an impact on the number of assessments and reviews waiting to be done.

20. The Transformation Division is currently forecasting an underspend of £2.0m against the budget. This is due to the announcement that the County Council will not be required to repay the funding provided by the Government for Part 2 of the Care Act.

Policy (forecast £1.0m underspend)

21. This forecast underspend is due to:

- £0.3m underspend in Legal Services due mainly to continuing improvements in electronic and digital working and an ongoing efficiency programme reducing operating costs where possible;
- £0.1m underspend relating to county hospitality and running costs in Democratic Services;
- £0.2m reduction in running costs at the Customer Services Centre, together with an increase in income resulting from a small increase in Blue Badge applications;
- £0.4m resulting from a detailed review of expenditure relating to the Programme and Project Team

Finance & Property (forecast £0.8m underspend)

22. This forecast underspend is due to:

- £0.4m underspend in Property due to a staffing rationalisation and savings on county office building maintenance in advance of saving requirements in 2016/17, together with additional Estates income;
- £0.2m underspend on county offices and facilities management due to reduced business rates payable on county offices;
- £0.2m underspend within Finance and Procurement relating to staff vacancies in advance of saving requirements in 2016/17.

Personnel (forecast £0.5m underspend)

23. This forecast net underspend is due to vacancy savings across the Health and Safety Group and the Workforce Planning and Organisational Development Group, together with savings on running costs and additional income generation.

Public Health (forecast £1.6m underspend)

24. This forecast underspend is mainly due to:

- £0.5m underspend against the Health Check Programme as a result of lower than expected take up;
- £0.5m contract savings against the Sexual Health and Domestic Violence and Abuse Programmes;
- £0.3m lower than anticipated employee costs against the Public Health Directorate budget;
- £0.3m underspending against the Smoking and Tobacco Programme.

25. The overall County Council forecast assumes that this net underspend will be transferred to the Public Health reserve.

26. The Department of Health have confirmed the Government's initial proposal to reduce local authority public health allocations for 2015/16 by 6.2%. It is anticipated that the funding shortfall will be met by in-year underspends and from reserves.

Central Items (forecast £0.8m overspend)

27. Central Items primarily consists of interest on cash balances and borrowing, together with various grants, contingency and capital charges.

28. Interest payments fluctuate depending on expectations of future rates and anticipated slippage on the capital programme. Current Treasury Management forecasts suggest a net overspend on interest of £1.2m.

29. At the time of setting the 2015/16 budget, several funding allocations had not been announced and therefore assumptions about certain grants were made, based on the best

information available at the time. Throughout the year confirmations are received, and current forecasts suggest a net increase of £0.4m will be received in 2014/15.

30. The Council's original budget included a contingency of £5.1m to cover redundancy costs, slippage of savings and unforeseen events. Following base budget adjustments (£2.5m) being removed from Departmental budgets and contingency requests (£4.5m) approved at previous Finance and Property Committees, the remaining contingency balance stands at £3.1m. Table 1 assumes that the full contingency allocation will be used before year end as new requests are likely to emerge.

Transfer to / (from) reserves

31. A review of reserves has been undertaken to identify surplus departmental reserves that may be released to support the budget. The outcome of this review resulted in £3.6m of departmental reserves being transferred to corporate reserves as part of the overall budget strategy.

Progress with savings (forecast shortfall £2.2m in 2015/16)

32. Given the continued financial challenge that the Council is facing, savings schemes were approved as part of the 2015/16 budget process.
33. Savings options experiencing slippage or non-deliverability issues have been reported to Finance and Committee previously. In addition, issues associated with the achievement of savings relating to Provider Services (LAC Placements) and SEND Home to School Transport / Independent Travel Training are being reviewed. The outcome of the reviews will be reported to the Corporate Leadership Team and subsequently to Finance and Property Committee.
34. The recent review of Redefining Your Council (considered by Policy Committee in July 2015) noted that transformation is inherently risky to deliver and that the task of achieving significant budget savings becomes increasingly difficult over time, as change is overlaid upon change. Considerable lessons have been learned from savings projects which have been approved and delivered to date. Whilst programme and project management arrangements have been effective, a stronger approach to the identification and management of the assumptions which underpin projects is being put in place to ensure that they are evidenced and challenged prior to full implementation.

Capital Programme

35. Table 2 summarises changes in the gross Capital Programme for 2015/16 since approval of the original programme in the Budget Report (Council 26/02/15):

Table 2 – Revised Capital Programme for 2015/16

	2015/16	
	£'000	£'000
Approved per Council (Budget Report 2015/16)		112,039
Variations funded from County Council Allocations : Net slippage from 2014/15 and financing adjustments	1,346	
		1,346
Variations funded from other sources : Net slippage from 2014/15 and financing adjustments	7,449	
		7,449
Revised Gross Capital Programme		120,834

36. Table 3 shows actual capital expenditure to date against the forecast outturn at Period 7.

Table 3 – Capital Expenditure and Forecasts as at Period 7

Committee	Revised Capital Programme £'000	Actual Expenditure to Period 7 £'000	Forecast Outturn £'000	Expected Variance £'000
Children & Young People	50,240	13,920	44,193	(6,047)
Adult Social Care & Health	4,933	1,789	4,930	(3)
Transport & Highways	35,961	20,922	36,924	963
Environment & Sustainability	2,416	508	2,545	129
Community Safety	-	-	-	-
Culture	1,532	689	1,284	(248)
Policy	2,033	1,316	2,028	(5)
Finance & Property	15,337	4,721	12,955	(2,382)
Personnel	298	23	298	-
Economic Development	7,554	2,393	7,561	7
Contingency	530	-	530	-
Total	120,834	46,281	113,248	(7,586)

37. In the Children and Young People's Committee, there is a total forecast underspend of £6.0m. This is mainly as a result of slippage against the School Places programme (£4.6m) and savings identified against the School Capital Refurbishment programme (£1.3m).

38. Also in the Children and Young People's Committee, a £0.7m allocation is already approved as part of the 2015/16 capital programme to provide childcare places for disadvantaged two year old children across the County. The Local Authority has approval from the Department for Education to use a further £0.3m of their revenue funding to further this programme.

It is proposed that the Children and Young People's capital programme is varied to reflect the addition to the Early Education Places for Two Year Olds programme.

39. In the Transport and Highways Committee, a forecast overspend of £1.0m has been identified. This is mainly as a result of over-programming against the Road Maintenance and Renewal and Integrated Transport Measures programmes. Work is on-going to drive this forecast overspend down and to manage within the approved budget.

40. In the Finance and Committee capital programme there is a forecast underspend of £2.4m. This is mainly as a result of underspends against the Water Monitoring System (£0.9m), the Sir John Robinson House project (£0.6m) and the Energy Saving Scheme (£0.5m).

41. A remote water monitoring trial (at nil cost) at TBH has not been successful. The supplier has not provided any assurances that the issues can be easily resolved. It is proposed to continue exploring this invest to save proposal but for the time being remove £0.9m associated funding from the capital programme. A further bid for funding will be submitted if confidence in the technical equipment can be improved.

It is proposed that the Finance and Property capital programme is varied to reflect that the Water Monitoring System project will not progress at this stage.

42. An underspend of £0.6m has been identified against the Sir John Robinson House project as works associated with boilers and mains will slip into the next financial year.

It is proposed that the Finance and Property capital programme is varied by £0.6m to reflect the slippage identified against the Sir John Robinson House project.

43. An underspend totalling £0.5m has been identified against the Energy Saving Scheme as, although feasibility and design work is underway on a number of projects, projects are expected to slip into the next financial year.

It is proposed that the Finance and Property Committee is varied by £0.5m to reflect the slippage identified against the Energy Saving Scheme.

Financing the Approved Capital Programme

44. Table 4 summarises the financing of the overall approved Capital Programme for 2015/16.

Table 4 – Financing of the Approved Capital Programme for 2015/16

Committee	Capital Allocations £'000	Grants & Contributions £'000	Revenue £'000	Reserves £'000	Gross Programme £'000
Children & Young People	17,536	26,486	817	5,401	50,240
Adult Social Care & Health	4,124	729	45	35	4,933
Transport & Highways	12,703	22,069	47	1,142	35,961
Environment & Sustainability	1,187	729	500	-	2,416
Community Safety	-	-	-	-	-
Culture	1,232	70	-	230	1,532
Policy	2,029	-	-	4	2,033
Finance & Property	13,348	50	-	1,939	15,337
Personnel	-	118	-	180	298
Economic Development	4,109	3,445	-	-	7,554
Contingency	530	-	-	-	530
Total	56,798	53,696	1,409	8,931	120,834

45. It is anticipated that borrowing in 2015/16 will decrease by £5.4m from the forecast in the Budget Report 2015/16 (Council 26/02/2015). This decrease is primarily a consequence of:

- £8.9m of net slippage from 2014/15 to 2015/16 and financing adjustments funded by capital allocations.
- Variations to the 2015/16 capital programme funded from capital allocations totalling £7.6m as approved to the November 2015 Finance and Property Committee.
- Net slippage in 2015/16 of £6.7m of capital expenditure funded by capital allocation identified as part of the departmental capital monitoring exercise.

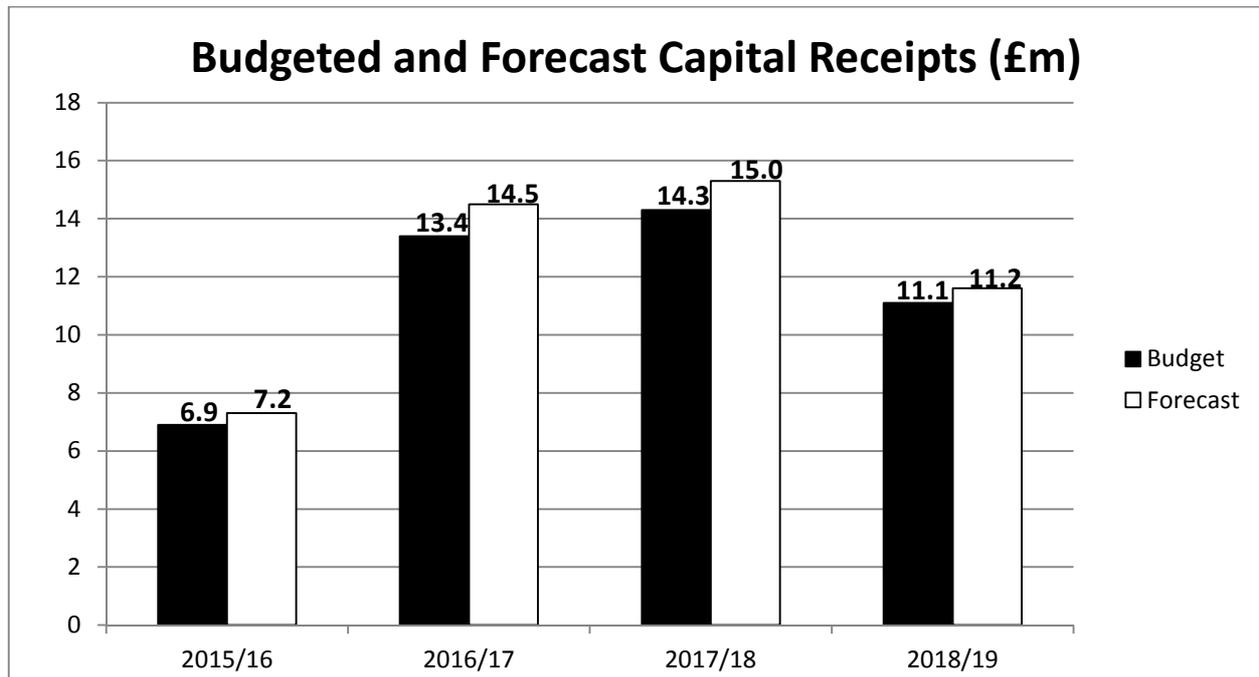
Prudential Indicator Monitoring

46. Performance against the Council's Prudential Indicators is regularly monitored to ensure that external debt remains within both the operational boundary and the authorised limit.

Capital Receipts Monitoring

47. Anticipated capital receipts are regularly reviewed. Forecasts are currently based on estimated sales values of identified properties and prudently assume a slippage factor based upon a review of risk associated with each property.

48. The chart below shows the budgeted and forecast capital receipts for the four years to 2018/19.



49. The dark bars in the chart show the budgeted capital receipts included in the Budget Report 2015/16 (Council 26/02/2015). These capital receipts budgets prudently incorporated slippage, giving a degree of “protection” from the risk of non-delivery.

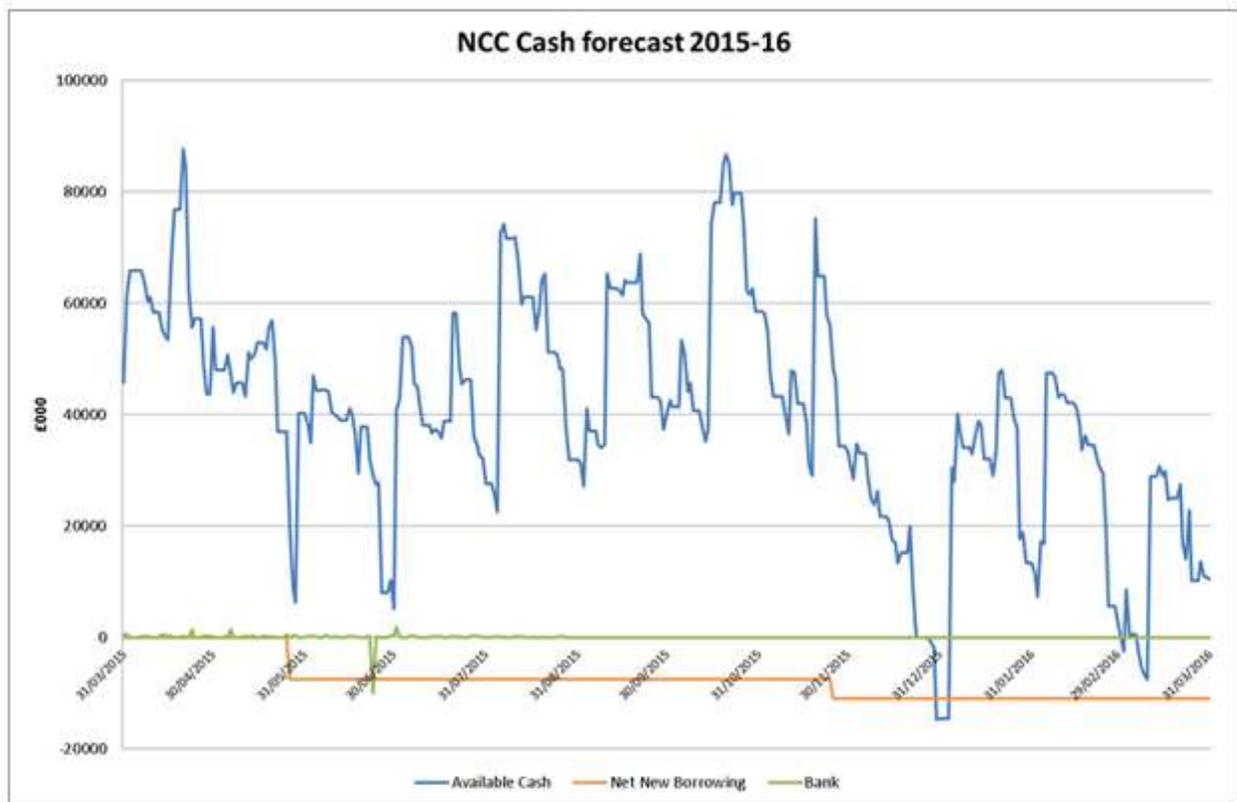
50. The capital receipt forecast for 2015/16 is £7.2m. To date in 2015/16, capital receipts totalling £5.1m have been received.

51. The number and size of large anticipated receipts increase the risk that income from property sales will be below the revised forecasts over the next three years. Although the forecasts incorporate an element of slippage, a delay in receiving just two or three large receipts could result in sales being lower than the forecast.

52. Current Council policy (Budget Report 2015/16) is to set capital receipts against the principal of previous years’ borrowing. This reduces the amount of Minimum Revenue Provision (MRP) to be set aside each year. It is important to regularly monitor capital receipt forecasts and their effect on the overall revenue impact of the Capital Programme.

Treasury Management

53. Daily cash management aims for a closing nil balance across the Council’s pooled bank accounts with any surplus cash invested in accordance with the approved Treasury Management Policy. Cash flow is monitored by the Senior Accountant (Pensions & Treasury Management) with the overall position reviewed quarterly by the Treasury Management Group. The Cash forecast chart below shows the actual cash flow position to date and forecasts for the remainder of the year. Cash inflows are typically higher at the start of the year due to the front loading receipt of Central Government grants, and the payment profile of precepts. However, cash outflows, in particular capital expenditure, tend to increase later in the year.



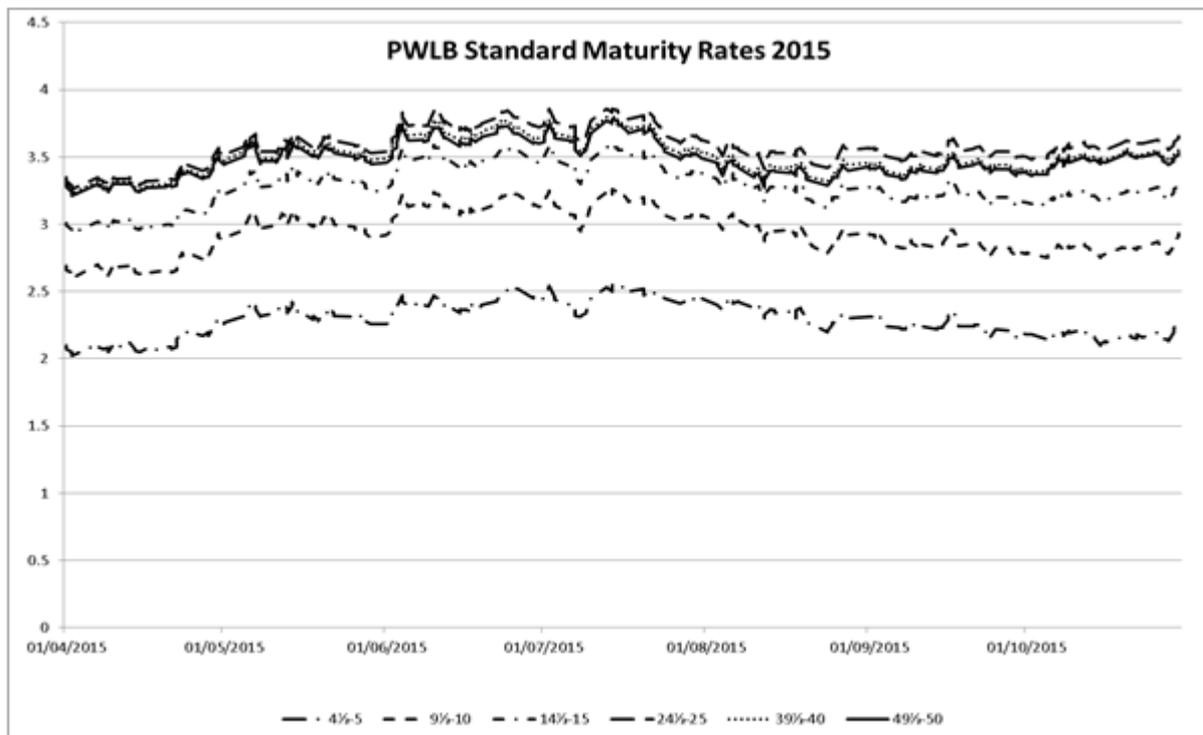
54. The chart above gives the following information:

Available cash	Surplus cash (invested in call accounts or money market funds) or a shortfall of cash indicating a need to borrow.
Net new borrowing	New loans taken during the year net of principal repayments on existing borrowing.
Available cash	That element of surplus cash held in the Council's Barclays Bank account.

55. The Treasury Management Strategy for 2015/16 originally identified a need for additional borrowing of £78m to fund the capital programme, replenish internal balances and to replace maturing debt. However, this has since been adjusted to nil, in line with the most recent capital monitoring and reserves forecast and the Treasury Management Mid-Year report, which indicates a year-end under-borrowed position of £215m. In other words, the Council reserves and working capital have will allow some £215m of potential debt to be postponed to 2016/17. To date for 2015/16 there has been no new borrowing.

56. However, the forecast above indicates that some temporary borrowing will almost certainly be required, possibly as soon as Dec-Jan, and so the option to take on new long-term PWLB debt will be considered at this time.

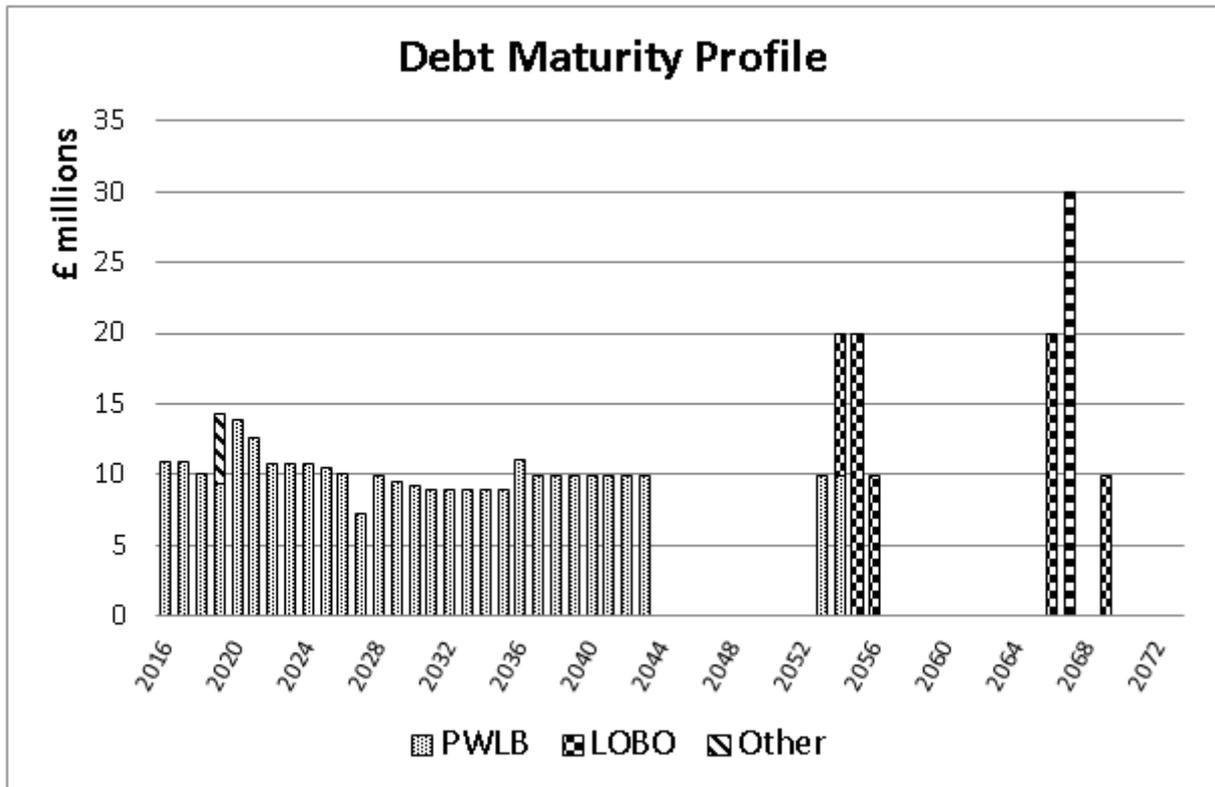
57. PWLB rates are monitored closely in order to feed into decisions on new borrowing. Longer term rates are currently slightly higher than they were at the beginning of the year although they have dropped off recently. Shorter term rates have drifted up by around 0.2%. The Council is able to take advantage of the PWLB “certainty rate” which is 0.2% below the standard rates. The chart below shows the movement in standard PWLB maturity rates during 2015/16.



58. Borrowing decisions will take account of a number of factors including:

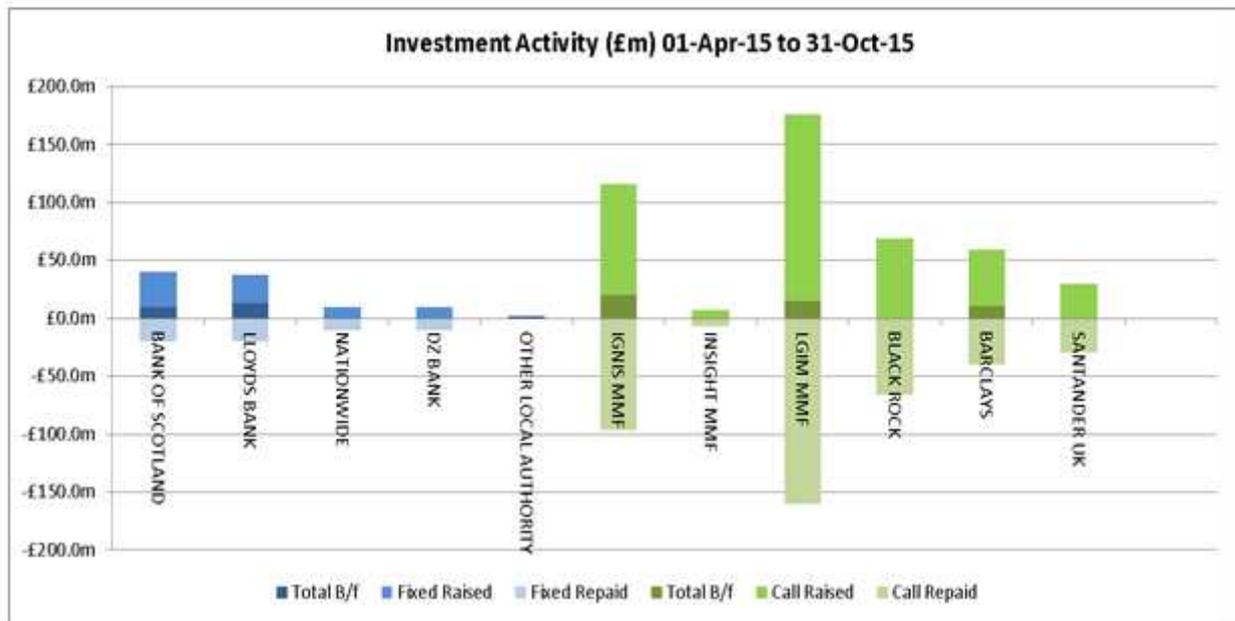
- expected movements in interest rates
- current maturity profile
- the impact on revenue budgets and the medium term financial strategy
- the treasury management prudential indicators

59. The maturity profile of the Council's debt portfolio is shown in the chart below. The PWLB loans are reasonably well distributed and have a maximum duration of 38 years. Longer-term borrowing (maturities up to 55 years) was obtained from the market some years ago in the form of ‘Lender’s Options, Borrower’s Options’ loans (LOBOs). These loans are treated as fixed rate loans (on the basis that, if the lender increases the rate at an option point, the Council will repay the loan) and were all taken at rates lower than the prevailing PWLB rate at the time. The ‘other’ loan denotes more recent borrowing from the money markets where the main objective was to minimise interest costs. Refinancing of these loans has been factored into the Treasury Management Strategy.



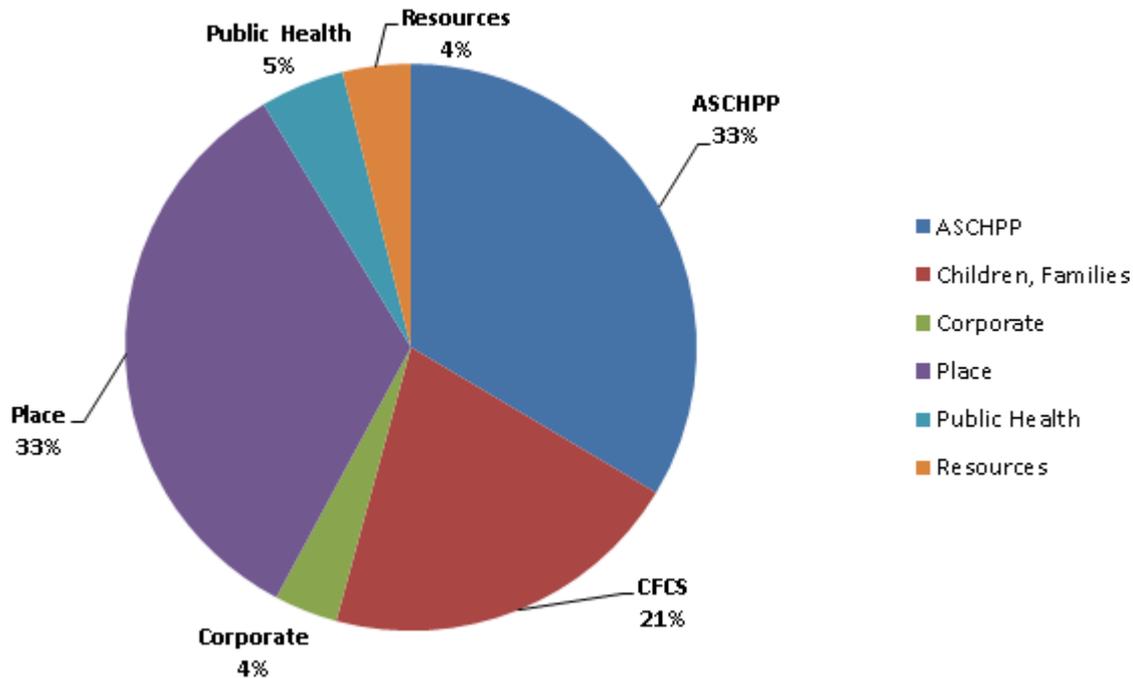
60. The investment activity for 2015/16 to the end of October 2015 is summarised in the chart and table below. Outstanding investment balances totalled £70.2m at the start of the year and £98.05m at the end of the period. This is in line with the forecast cash flow profile for the year.

	Total B/f £ 000's	Total Raised £ 000's	Total Repaid £ 000's	Outstanding £ 000's
Bank of Scotland	10,000	30,000	(20,000)	20,000
Lloyds Bank	13,000	25,000	(20,000)	18,000
Nationwide	-	10,000	(10,000)	-
DZ Bank	-	10,000	(10,000)	-
Other Local Authority	1,500	-	-	1,500
IGNIS MMF	20,000	96,250	(96,250)	20,000
Insight MMF	-	6,700	(6,400)	300
LGIM MMF	14,550	161,300	(160,000)	15,850
Black Rock	500	68,250	(66,350)	2,400
Barclays	10,650	49,100	(39,750)	20,000
Santander UK	-	29,500	(29,500)	-
Total	70,200	486,100	(458,250)	98,050



Procurement Performance

61. As an organisation, NCC has spent £366m in the first 7 months of the financial year 2015/16 with external suppliers, which is an increase of £6m from the same period of previous financial year.
62. The top 6.4% (370) of suppliers account for 80% (£292m) of the total supplier spend. The remaining 93.6% (5,389 suppliers) have a total expenditure of £73m with an average spend of £13,500.
63. The chart below shows how the total amount spent, in period, is divided across Departments, almost 60% of all expenditure going through Care (ASCHPP, CFCS and Public Health) and 40% through Resources and Place.



64. The Council's preferred ordering route is through BMS. The team have been working with stakeholders to improve the way that we procure to ensure compliance.

- Orders that are processed through BMS are classified as Compliant Purchase Orders (Compliant)
- Non Purchase Orders (or Non-Compliant) are those purchases that are made outside of any system
- Retrospective orders – are non-compliant in that they have been raised following the delivery of the goods/services
- Interface Orders are those that are out of scope and are paid through another system e.g. Frameworki

65. Purchase Orders are beneficial to the organisation as they provide visibility of what we spend. Currently:-

- Compliant ordering (PO) has increased by 8% in the last 7 months from 30.6% to 38.3% of the total spent
- Non-compliant (non PO) ordering has decreased by 7% in the last 7 months from 38% to 25% of the total
- Interface has increased only 5% in the last 7 months from 31% to 36% of the total spent

66. The table below shows the number of retrospective orders in a monthly basis across departments with a reasonable decrease every month.

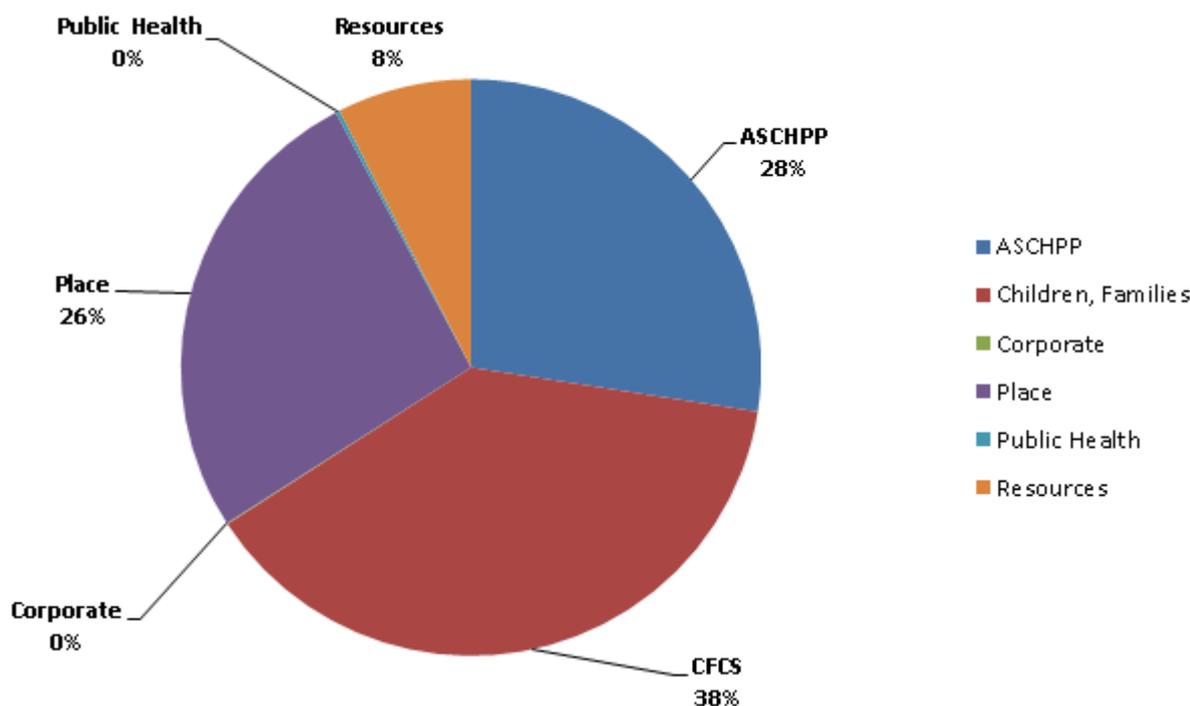
Department	Apr-14	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15
ASCHPP	457	349	360	377	346	287	306
Children, Families and Cultural Services	649	496	503	501	472	471	433
Corporate	3	9	0	2	0	2	2
Place	521	469	527	426	405	377	436
Resources	73	77	71	65	80	100	78
PublicHealth	2	1	0	5	1	1	6

67. The table below shows the percentage of retrospective spent of each department total spent.

	Total Spend	Retrospective Spend	Percentage
ASCHPP	15,791,464.66	£4,526,082.47	28.66%
Children, Families and Cultural Services	21,717,725.82	£7,700,787.56	35.46%
Place	29,268,969.26	£10,251,796.37	35.03%
Corporate	320,010.72	£11,882.00	3.71%
Public Health	383,087.67	£3,547.50	0.93%
Resources	3,732,840.53	£234,436.04	6.28%
Grand total	£71,214,098.66	£22,728,531.94	31.92%

68. Purchase orders themselves are split into Green and Red orders. Green orders are those which are raised with the Procurement Centre's pre-arranged agreements or contracted suppliers. Red orders are those that do not have approved suppliers or contracts set up on BMS, and require additional work.

69. The chart below identifies the percentage of total Red orders by Directorate in the second quarter of 2015/16 financial year. The category managers are working with stakeholders to address these figures.



70. A full list of ongoing developments within the Procurement Team is included in Appendix A.

Debt Recovery Performance

Invoices raised in quarter

	Qtr. 2	Year to date
Number	41,078	79,367
Value	£36,765,206	£76,221,491

Debt Position at 30/09/15

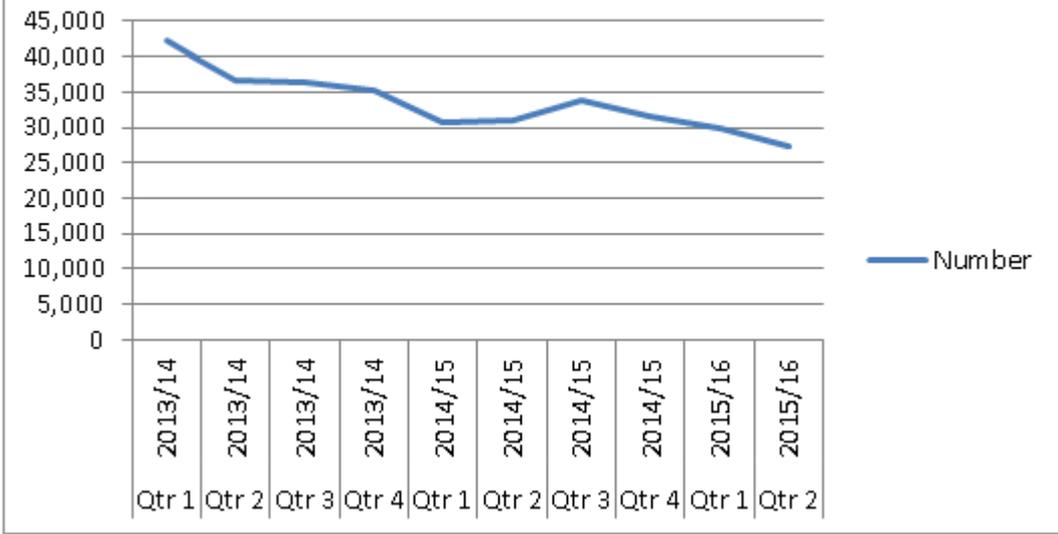
	Residential & Domiciliary Care	All Other	Total
Total	£8,531,208	£10,789,746	£19,320,954
Over 6 months	£4,043,081	£1,158,186	£5,201,267
% over 6 months	47.4%	10.7%	26.9%

71. The overall debt increased by over £1.76m during September. The increase was mainly due to the ACFS Residential invoices being raised at the end of the month, which is illustrated by the increase in the overall Residential and Domiciliary care debt figure by £1.73m. The overall other debt figure increased by £24,600. The over 6 months debt increased by over £226,000 during September. The increase was largely down to 2 invoices due from Bassetlaw CCG totalling £178,000 slipping into the over 6 months figures. These invoices have since been paid.
72. There are currently a few large invoices which may also enter into the over 6 months figures during October. There are £92,000 of invoices for Carillion in relation to Cleaning Contract charges, which have been disputed. The relevant NCC staff are currently looking at resolving the issues. In terms of the Residential and Domiciliary care debt over 6 months debt there is currently an invoice for £50,500 which will be paid once the property asset with an Estate has been sold.
73. During the second quarter we have received repayment of £2,529 following High Court action, £3,348 from 3rd Party Debt Collection agencies and £9,516 following other legal action.
74. Debts of £76,547 were written off as unrecoverable in the quarter following all possible legal action.

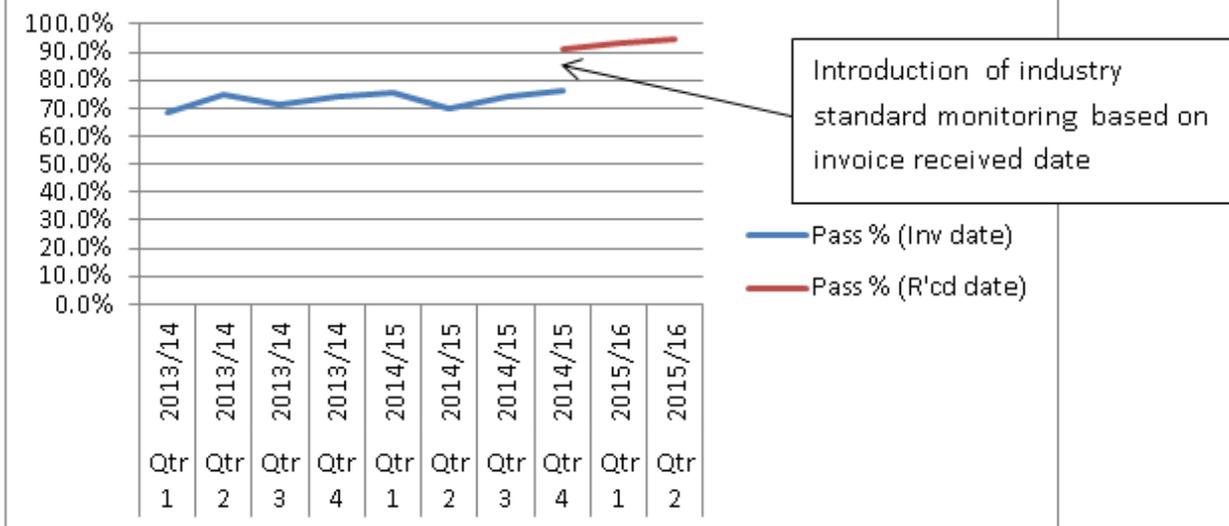
Accounts Payable Performance

75. The overall performance in terms of invoices paid within terms has increased slightly to 94.6%. The graphs show that the number of invoices processed by Accounts Payable continues to fall gradually. Much of the recent fall is due to the introduction of the Managed Service Provider (MSP) for Agency staff. This replaces a large number of small value invoices with one consolidated weekly invoice for all staff operating under the MSP.

Payments by Quarter



Percentage within terms



76. The two procure to pay pilot hubs have been established and went live in May 2015. The hubs operate within the business support function providing a dedicated procure to pay service within the ASCH&PP and CFCS departments at Lawn View House and Sir John Robinson Way. The hubs are working well and a great deal of positive feedback has been received. The next steps in rolling out this new way of working is currently under consideration by the project group.

Statutory and Policy Implications

77. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users,

sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATIONS

- 1) To note the revenue budget expenditure to date and year end forecasts
- 2) To note the Capital Programme expenditure to date and year end forecasts and approve variances to the Capital Programme
- 3) To note the Council's Balance Sheet transactions
- 4) To note the performance of the Procurement Team
- 5) To note the performance of the Accounts Payable and Accounts Receivable teams

Nigel Stevenson Service Director – Finance, Procurement and Improvement Division

For any enquiries about this report please contact:

Glen Bicknell - Senior Finance Business Partner, Senior Accountant

Simon Cunnington - Senior Accountant, Pensions and Treasury Management

Constitutional Comments (HD 23/11/15)

82. Committee has the authority to determine recommendations within the report.

Financial Comments (GB 20/11/2015)

83. The financial implications are stated within the report itself.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- 'None'

Electoral Division(s) and Member(s) Affected

'All'

Ongoing developments:

Action	Target Outcomes	Current status
Review our procurement structure to ensure it aligns with the needs of the business and delivery of the strategy	Efficient and effective team that works alongside the commissioners, providing a consistent approach in the delivery of the business needs	A new operating model has been in place for the past few months focussing on a Care and Non Care team split, this is being reviewed on a quarterly basis -and will continue until the any new structure change is introduced
Engagement with regional colleagues across local authority and health to develop a collaborative working approach	Identification of opportunities for collaboration to reduce costs of procurement and release savings through aggregation of spend	We are currently collaborating with colleagues across the region and health in a number of areas for example food, social care, ICT, and taxis
Regional Contracts Database	Creation of a single regional contracts database that allows for public access and monitoring of markets, and to meet the requirements of the transparency code	Currently in the contract register there are 487 NCC contracts which 38.1% of them are Small and Medium Enterprise Organisations (186) and 5% are Voluntary Community Sector organisations (26).
Develop a procurement customer satisfaction survey	Gain a better understanding of our customers' requirements and concerns so that we can improve the services that we delivery	Two separate surveys are being developed. One to capture feedback after a tendering process and one general survey for high level management satisfaction.
P2P Project	To improve the P2P process	A pilot requisition programme is underway at Sir John Robinson Way and Lawn View, the pilot will conclude at the end of November. Work is underway on the next steps
Retrospective orders	To reduce the non-compliant approach undertaken with retrospective orders	Category Managers are working with their relevant areas to address this issue
New EU regulations 2015	To ensure that the authority comply with the new regulations and that the procurement team utilise the changes to ensure added benefit to the council	The procurement and legal team are working together to refresh our standard documentation and embed these changes into our paperwork and approach.

7 December 2015

Agenda Item: 7a

**REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY &
ENVIRONMENT****DISPOSAL OF THE FORMER RETFORD HIGHWAYS DEPOT, BOLHAM
LANE, RETFORD, NOTTS, DN22 6SU****Purpose of the Report**

1. To report on the marketing of the property and offers received.
2. To seek approval to enter into a contract for the sale of the former Retford Highways Depot.

Information and Advice

3. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position. The exempt information is set out in exempt appendix.
4. Following the construction of the County Council's main highway depot in Bilsthorpe in 2012, various depots throughout the County were deemed to be surplus and the former depot at Retford closed in January 2015. At Finance and Property Committee on 13 October 2014, approval was obtained to dispose of these premises once they became surplus.
5. The property has been marketed seeking offers for sale by informal tender. Offers have been received from eight parties, six being conditional and two on an unconditional contract basis. Each of the bids has been subject to detailed scrutiny by Officers and by the Council's selling agents. A summary of the offers received is contained in the exempt appendix.

Other Options Considered

6. An alternative to disposal would be the letting of the property, but the letting potential of the site is not considered likely to deliver a significant income stream, with a high risk of significant void (empty) periods.
7. Consideration was given to sale by auction. However, due to the size of the site, some 1.04 hectares (2.58 acres), it was considered that a sale by informal tender was felt to be the best way to market the site and obtaining a higher capital receipt.
8. To retain the site, but this would incur on-going costs to the County Council i.e. Business Rates and CCTV security etc.

Reason/s for Recommendation/s

9. The Authority has no strategic or operational requirement for the property.

Statutory and Policy Implications

10. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) That the bids received for the site as detailed in the exempt appendix are noted.
- 2) That approval is given to the sale of property on terms detailed in the exempt appendix.

Jas Hundal

Service Director – Transport, Property & Environment

For any enquiries about this report please contact: Steve Rippey 0115 977 2089

Constitutional Comments (CEH 12.11.15)

11. The recommendations fall within the remit of the Finance and Property Committee under their terms of reference. When disposing of its land the Council is required to obtain the best price reasonably obtainable on the open market.

Financial Comments (SES 12/11/15)

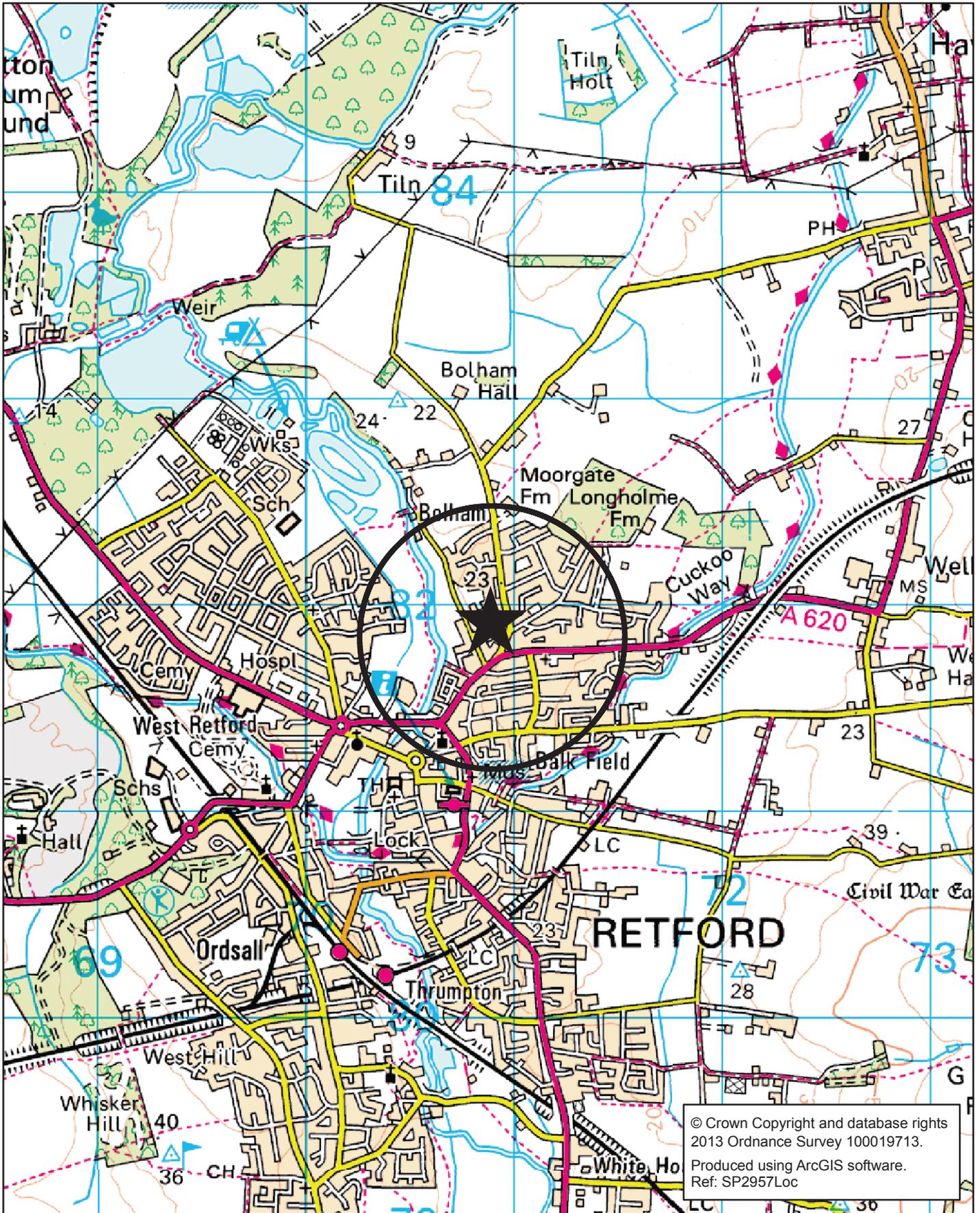
12. The financial implications are set out in the report.

Background Papers and Published Documents

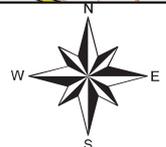
13. None.

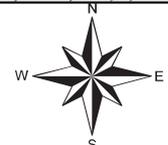
Electoral Division(s) and Member(s) Affected

14. Ward(s): Retford West
Member(s): Councillor Ian Campbell



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Ref: SP2957Loc





7 December 2015

Agenda Item: 7b

**REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY &
ENVIRONMENT**

ROKERFIELD DAY CENTRE, SUTTON IN ASHFIELD – DISPOSAL

Purpose of the Report

1. To seek approval to the disposal of the former Rokerfield Day Centre, Sutton in Ashfield.

Information and Advice

2. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position. The exempt information is set out in the exempt appendix.
3. The Rokerfield Day Centre building is located at the front of the Kings Mill Hospital site and shares an access off the A38 with the adjacent John Eastwood Hospice. The building is a single storey CLASP building constructed in 1966 and provides an internal area of 1,050 sq m on a 0.85 acre site.
4. The closing of Rokerfield Day Centre was approved by Full Council in June 2011 as part of the Day Service Review. It however remained open as a decant space during the refurbishments of the day centres which were to remain operational. It therefore became surplus at the end of 2012 but has been retained whilst other County Council users were considered. This has now concluded that the estimated capital cost of altering the building for alternative County Council use is prohibitive.
5. Given the location of Rokerfield meant that interest for its acquisition was most likely to come from nearby organisations. Negotiations have been undertaken as detailed in the exempt appendix. The proposed terms of sale are consequently as shown in the exempt appendix.
6. In accordance with Financial Regulations, in order to ensure compliance with the Council's obligations under s123 of the Local Government Act 1972 to ensure "best consideration", the proposed terms for the sale have been reviewed by the Council's Group Manager (Legal Services) and the "Section 151 Officer" (Service Director, Finance and Procurement). The disposal price is supported by an independent valuation by The District Valuation Service which confirms that the sale proceeds represent best value to the Council.

Other Options Considered

7. The County Council has declared Rokerfield Day Centre as surplus to requirements and is receiving market value in disposing of the property. No other options were therefore considered.

Reason/s for Recommendation/s

8. See exempt appendix.

Statutory and Policy Implications

9. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) That approval is given to the disposal of the former Rokerfield Day Centre, Sutton in Ashfield, on the basis as outlined in this report and exempt appendix.

Jas Hundal

Service Director – Transport, Property & Environment

For any enquiries about this report please contact: Brian Hoyle 0115 977 2479

Constitutional Comments (CEH) 12.11.15

10. The recommendation falls within the remit of the Finance and Property Committee by virtue of its terms of reference.

Financial Comments (JPEG) 12/11/15

11. The financial implications are set out in the exempt appendix to the report.

Background Papers and Published Documents

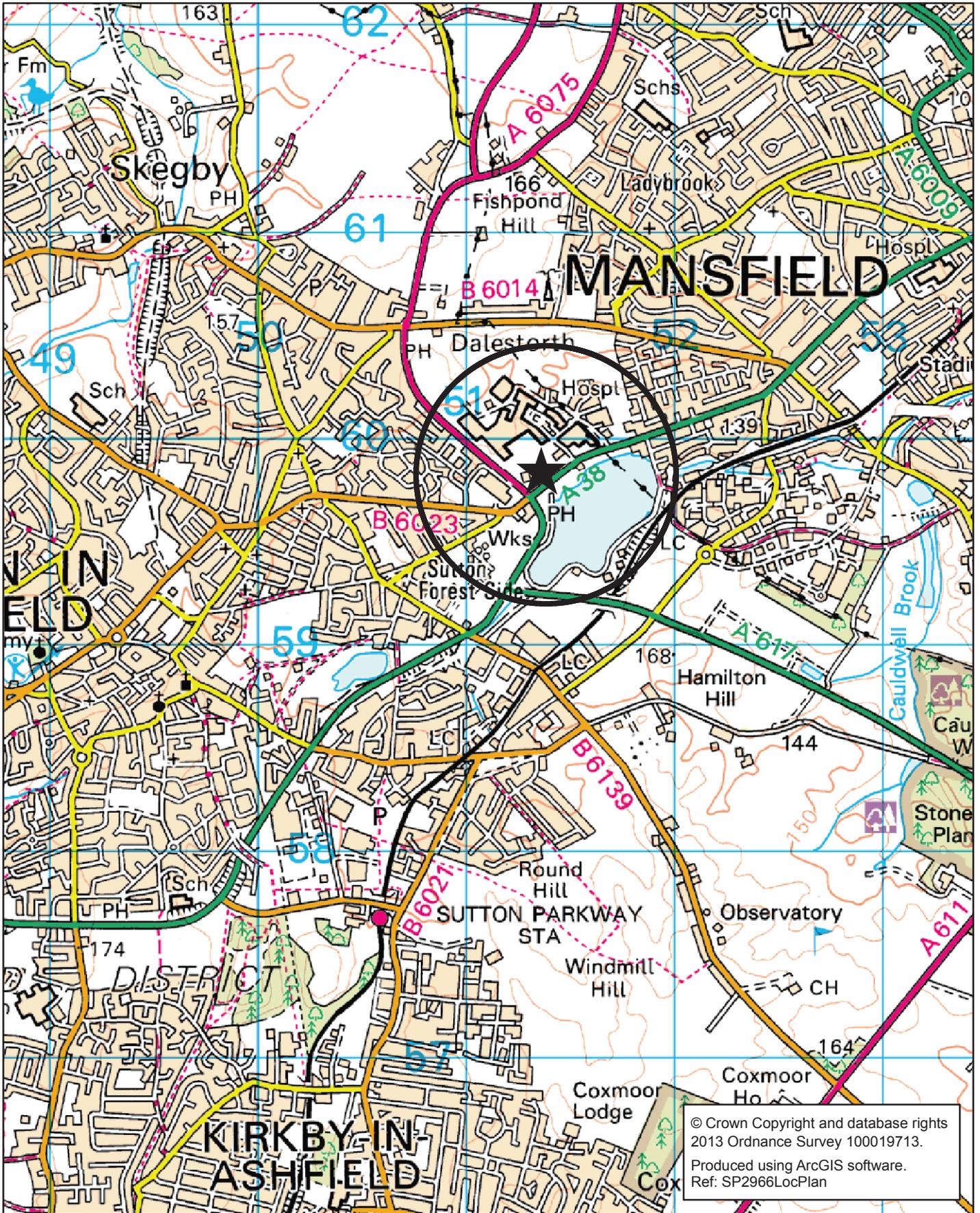
12. None.

Electoral Division(s) and Member(s) Affected

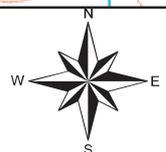
13. Ward(s): Sutton in Ashfield North
Member(s): Councillor Jason Zadrozny

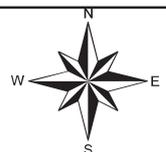
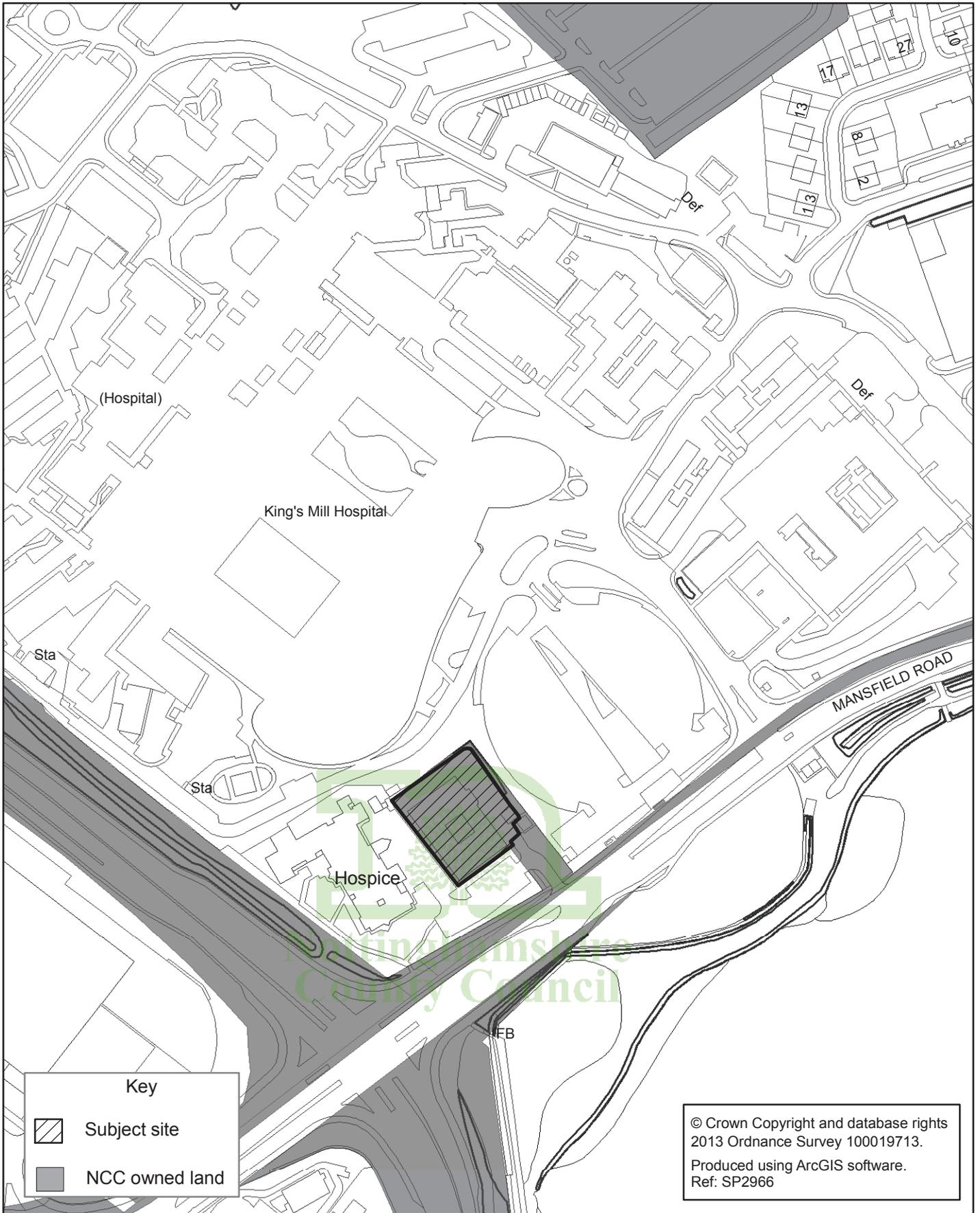
File ref.: /BH/SB/
SP: 2966

Page 54 of 78 Properties affected: 06163 - Rokerfield Day Centre



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 Ref: SP2966LocPlan





7 December 2015

Agenda Item: 7c

**REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY &
ENVIRONMENT**

**PROPOSED URBAN EXTENSION EAST OF GAMSTON/NORTH OF
TOLLERTON - UPDATE**

Purpose of the Report

1. To update Committee on progress on the proposed urban extension east of Gamston/North of Tollerton.
2. To note current arrangements to procure a funding partner and explore the possibility of submitting a joint application with the other private and public land owners (all members of the Gamston Consortium) to receive funding from the Local Enterprise Partnership (LEP) as part of the Local growth Fund round 3 for 2017/18.

Information and Advice

3. December 2014: Rushcliffe Borough Council (RBC) approved the first stage of its Local Plan Core Strategy Development Plan. This strategic planning document sets out the large housing and employment development sites within Rushcliffe borough up to 2028. The Local Plan identifies that land required for the Urban Extension East of Gamston/North of Tollerton is to be released from the Green Belt.
4. The landowners and their various representatives known as the Gamston Consortium, of which the County Council is one, have to date collaborated on the basis of Memoranda of Understanding. The members of the consortium are continuing to work together but now recognise the need to replace the Memoranda of Understanding with a (legally binding) agreement to promote their respective parcels of land through planning.
5. July 2015: the Finance & Property Committee approved the principal of a two stage approach the first to enter a Land Promotion Agreement, the second stage to enter a Land Collaboration Agreement.
6. The County and City Councils jointly appointed external solicitors who have now issued a first draft of the Land Promotion Agreement. This document simply outlines how the Gamston Consortium members manage and share the costs of promoting either the preparation of a Masterplan or Supplementary Planning Document (SPD) leading to an outline planning application for the whole Gamston site. An SPD creates a planning policy for the area and becomes part of the RBC Local Plan where as a Masterplan is not officially part of the planning policy for the area.

7. The Land Promotion Agreement contains key “planning milestones” these are as follows: -
- Master Plan
 - Phasing Plan
 - Infrastructure Plan
 - Public Consultation
 - Planning Application
 - Legal Planning Agreements
8. The Finance & Property Committee approved the key financial terms of how the private and public land owners, developers and house builders will work together as part of the Land Promotion Agreement. For reasons of confidentiality the names of the parties and commercial sensitivity of the detailed financial arrangements that relate to specific terms were contained in the exempt appendix to the report which was approved by the Council in July 2015.
9. There has been some delay in obtaining the required approval from some of the private landowners and their representatives. Notwithstanding these difficulties discussions are continuing positively with Rushcliffe BC in respect of entering a Planning Performance Agreement (PPA) with Rushcliffe BC.
10. This type of agreement is frequently entered into, given the overall scale of the proposed development, between the developer promoting the scheme and the Planning Authority. The PPA will set out a detailed programme for the pre-application discussions with key stakeholders.
11. We are also continuing to explore various funding alternatives; these could include submitting an application to the Local Enterprise Partnership (LEP) for funds circa 3-5M for initial infrastructure works, that will be made available as part of the Local Growth Fund Round 3 in 2017/18. A report will be presented to a future Committee on the whole question of funding. It is anticipated that the procurement of the funding partner will only be completed once a successful planning strategy has been further developed.

Other Options Considered

12. The County Council has considered the option of promoting its land separately but this is not practical as Rushcliffe Borough Council wish to receive a single and comprehensive planning approach for all the land released from the Green Belt.

Reason/s for Recommendation/s

13. To update members on the proposed Planning Promotion Agreement in order to bring forward the development of the whole site.

Statutory and Policy Implications

14. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and

where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) That Committee notes the progress currently being made with entering a Land Promotion Agreement with the other private and public landowners.
- 2) That Committee notes the ongoing exploration of various funding alternatives, one of which is to jointly submit with the other members of the Gamston Consortium an application to the LEP for initial funding during 2017/18.

Jas Hundal
Service Director – Transport, Property & Environment

For any enquiries about this report please contact: Oliver Dyke 0115 977 2395

Constitutional Comments (CEH 12.11.15)

15. The report is for noting purposes only.

Financial Comments (JPEG 12/11/15)

16. As this report is for noting, there are no specific financial implications arising directly from this report.

Background Papers and Published Documents

17. None.

Electoral Division(s) and Member(s) Affected

18. Ward(s): Ruddington, West Bridgford Central and South
Member(s): Councillor Liz Plant, Councillor Steve Calvert, Councillor Reg Adair

File ref.: /OD/SB/
SP: 2946

Properties affected: 50025 - Tollerton Airport, 50026 - Vacant Field off Bassingfield Lane

7 December 2015

Agenda Item: 7d

REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY & ENVIRONMENT

PROPERTY SERVICES MID-YEAR PERFORMANCE REPORT 2015/16

Purpose of the Report

1. This report provides information to the Committee on key action areas identified within the previous performance report in June 2015; a review of existing local performance indicators and an update on the current capital disposal programme including the level and timing of potential capital receipts.

Information and Advice

2. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position. The exempt information is set out in the exempt appendix.

Property Reviews

3. A key area of activity within the Property Group during the last six months has been the development of a business case that would seek to transfer the design and operation elements of the Property Group into a joint venture arrangement with the Scape Group. This has been the subject matter of a separate report to Finance and Property Committee on 9 November.

Property High Level Indicators:

4. Members will recall that during 2014, the Chartered Institute of Public Finance and Accountancy (CIPFA) high level property indicators were introduced. These are used to monitor and manage the corporate property estate. The indicators are reported upon annually with the latest update presented to this committee in June, 2015. There were three indicators identified that required further investigation, water consumption, space/occupancy standards and accommodation sharing. These are reported upon below.
5. Water Consumption
In the June report it was reported that water consumption was slightly below the Local Authority average, based on the then last available figures, although it was noted that

consumption had increased from last year. Further investigation has taken place why this increase has occurred.

cubic/sqm			
2011/12	2012/13	2013/14	2014/15
0.73	0.69	0.69	0.70

As will be noted there has been some reduction from 2011/12, possibly as a result of improved billing, identifying high usage or generally raising the profile of water consumption at certain sites.

However, from April 2013 onwards we have no data for schools' water consumption, so for the 13/14 & 14/15 years above, the average has been used for each school's water consumption from 11/12 and 12/13. For this reason, it is recommended that schools' water consumption be excluded from future water reporting.

The revised figures **excluding schools** are:

cubic/sqm			
2011/12	2012/13	2013/14	2014/15
0.69	0.60	0.57	0.62

The figures are lower because schools are generally more intensive users of water than most corporate buildings. The pattern is broadly similar with a drop in 2012/13, then remaining fairly stable."

LA average cubic/sqm			
2011/12	2012/13	2013/14	2014/15
0.58	0.397	0.465	Data not available

The average consumption is above the local authority average. As a result an exercise has been agreed with colleagues in the Waste and Energy Group to identify the top 10 worst performing properties and establish the reasons why and recommend mitigation measures. An update on this exercise to be reported upon in the end of year performance report.

6. Space usage/occupancy

The average floor space per full time employee (FTE) and the annual property cost per workstation, results were awaited from the Smarter Ways of Working programme in order to assist in the production of these two indicators.

The updated information is outlined below

	NCC (current)	LA average 13/14
(i) Average office floor space per FTE	9.2sqm	10.95sqm
(ii) Average annual property cost per office workstation:	£1,166*	£1,281

* Average excluding Chadburn Hse that is still to be assessed

These results suggest that the main property assets are being more intensively used than the local Authority average which is a positive trend indicator

7. Shared accommodation

	12/13	13/14	14/15
(a) % of corporate office space shared	1% (1040 sqm)	2.2% (2056 sqm)	2.43% (2056sqm)
(b) % of all space shared across the whole portfolio	4% (60,500 sqm)	4.9% (73,253 sqm)	4.88% (72,847sqm)

The reduction in total shared area percentage has arisen due to the removal of non-county office shared properties, following sale

Local Existing Performance Indicators

8. The indicators reflecting the performance of the Group are outlined in Appendix 1.0 and include a commentary explaining the reasons for the relevant out-turn. Particular points to note are:

Customer Satisfaction (↑)

The excellent feed-back received on satisfaction surveys continues which are all showing a consistent trend of high positive returns ranging from 91% to 100% all above the target of 80%.

Project Management (↓)

Accuracy in forecasting project design costs and time continues to below target. This is a reflection of the change in scope, budget and programme particularly for the large number of individual projects in the Schools Capital Refurbishment Programme where some of the base line information dates back to 2011.

Health and Safety (↑)

High levels of performance are being maintained in this key area of work for the Property Group covering, Asbestos, Legionella and Fire risks. Improved working practices have been introduced during the last 12 months that assists with data inputting and ensuring that delivery of remedial works are undertaken in a manner that more closely reflects risk ratings. In addition a monthly report is produced for the Property Group management team identifying any significant compliance risks.

The Property Group is liaising with colleagues in Health and Safety to consider whether various inspections made by respective officers at properties could be consolidated to avoid multiple inspections for different purposes. This could potentially have the benefit of ensuring that properties are visited more frequently (by using staff resources more effectively) and providing a higher degree of assurance that properties are being used and managed in a safe manner

Asset Management Planning and Asset Sharing (↑)

9. One of the core improvement areas of work for the Property Group is the development of Asset Management practices to ensure the corporate property estate is managed as effectively as possible to meet strategic and corporate objectives.

A two year work plan was established in the autumn of 2013 that seeks to conclude with the development of a strategic long term asset management plan. This period of time was necessary to effectively work up key components that will help inform the AMP. Key areas of work that have been completed are:-

- Resurvey of non-school properties to develop accurate and up to date condition survey information from which property condition and back-log repair information can be established - **Completed December 2013.**
- Development of a corporate wide and consistent suitability assessment model - **Completed December 2013**
- Development of a repairs and maintenance strategy - **Completed April 2014**
- Develop a new suite of high level property performance Indicators - **Completed May 2014**
- Undertake suitability assessments for all non-school properties - **Completed June 2014**
- Joint development of Smarter Ways of Working (SSWOW) Brief to inform future property need - **Completed autumn 2014**
- Area mapping of partner assets - **Initial stage completed September 2014**
(Ongoing work with partners to identify hotspots of property clusters)
- Partners given access to the area map **May/June 2015.** However, there still remains some data on Broxtowe Borough Council's assets that needs adding. To date Bassetlaw District Council has not engaged in the mapping process or One Public Estate (OPE) initiative.
- The first workshop to enable joint consideration of partners property assets in the Gedling, Broxtowe and the southern part of Ashfield took place with partners on **Friday 11 September 2015.**
- Workshop 2 has been scheduled for the December to enable consideration of the Mansfield, southern part of Ashfield and northern part of Newark and Sherwood.

Next steps

Identify asset categories that require urgent review - **Strategy for unsuitable properties completed March 2015.** A total of 78 properties have been identified as requiring urgent review. Each of these properties have been desk top reviewed in order to consider a potential 'exit strategy'. The results of this assessment will be reported to the Council's executive team in December.

Subject to executive approval the property group will engage with services in order to examine further the means of vacating these properties and work with departments to develop local asset management plans for their areas. The main objective will be to set a challenge to operate from a reduced property footprint by combining smarter ways of working with modern service delivery methods.

Asset Sharing (↑)

10. The County Council has been taking a lead role in the One Public Estate Pilot launched in March 2013. The aim of the initiative is to encourage local councils to work with central government and other public sector organisations to share buildings and re-use or release surplus property and land. As an OPE core participant, NCC was tasked with leading on the asset mapping of all partner assets.

More specifically during the last 12 months Corporate Property has been working with Gedling Borough Council and the Police to share space within Sir John Robinson House.

As indicated above, the first workshop with partners took place on Friday 11 September 2015 from at Gedling Borough Councils Offices. The area reviewed was Gedling, Broxtowe and the southern part of Ashfield. The workshop was well attended and the feedback from partners has been good. A significant number of opportunities / issues were identified and each of these will now be progressed by the identified lead and progress monitored. A further workshop has been scheduled for December to enable consideration of the Mansfield, southern part of Ashfield, northern part of Newark and Sherwood which is being held at Mansfield District Councils offices.

At the end of August there was the opportunity for a bid to be submitted for £250,000 of funding over 5 years to support delivery of OPE projects and for additional targeted funding to speed-up delivery of projects. It has also been decided by Central Government that OPE should be aligned with D2N2 and hence that the OPE bid should be made jointly with Derby/Derbyshire. The proposal is that Derbyshire will establish an OPE Steering Group similar to the one we already have in place and that both will in the future report to a Joint Assets Board which will be responsible for overseeing the work across the whole area and the Board will report to the Combined Authority and or the Mayor. The focus is on regeneration, housing development and achieving a more integrated approach to how the public sector uses and manages its property assets to facilitate improved services and make efficiency savings.

Design and Delivery

11. Recent examples of notable projects that have been undertaken is outlined below:-

Schools Basic Need Programme 14/15 (↑)

12. The 2014/15 programme has been successfully completed with the exception of:

- a. Butlers Hill which has experienced delays as the design required change. All capital projects involve our early engagement with our Planning Authority colleagues to mitigate likely objections, but the ones raised here by statutory consultees were unexpected.

- b. Hollywell Primary, Hillocks Primary and Manor Park Infants. The delivery of these projects has been delayed within the procurement process, due to window delivery issues the causes have been identified and measures have been put in place to avoid these occurrences in the future.
- c. Jefferies, Flintham, College House Junior and Stanhope (phase 2). These projects are on schedule to complete to the programme agreed with the Client department.
- d. Ash Lea Special School which has been delayed with the agreement of the school and the Client department to secure additional funding streams and so deliver an enhanced project. The feasibility for this enhanced project has now commenced.

The 2015/16 programme is under way with 16 projects – all of these are undergoing feasibility works.

Schools Capital Refurbishment Programme (<-->)

13. It is anticipated that works at all schools under the current programme will be completed during the 2015/16 financial year with the exception of Chilwell School. This site was the subject of an unsuccessful bid in the Priority Schools Building Programme (PSBP) resulting in the start date being delayed. Other sites affected by the PSBP bid process have been reassessed for delivery by the end of March 2016.

This has been one of the biggest investments by the County Council into improving the schools estate and tackling the considerable backlog of refurbishment that had accumulated over a long period.

A review of all the final out-turn cost of the projects is continuing, this will allow the programme to be closed down in an orderly fashion.

Capital Projects

14. In addition to the main school programmes the Group has a number of significant capital schemes that are being progressed and these are detailed below: -

- The Big House: £2.7m project to build a new respite care centre for children in Edwinstowe. This was handed over to the end user on the 16 October 2015 although some snagging items are ongoing. Funding has now been secured for the works required to the existing Big House, imposed via a planning condition, involving an expenditure of approximately £280,000. The building was handed over to the contractor on the 21 October 2015 to commence the remedial works.
- Worksop Bus Station: £2.9m project for construction of a new bus station. The on-site enabling works commenced in September 2014 with the project being handed over on the 11 August 2015.
- Clayfields House, Stapleford: Following successful bids to the Department for Education (DfE) a planning application has now been submitted for the replacement of the Scarlet Wing at this secure unit. Approval has been issued to proceed to the tender stage. Progress to delivery on site is subject to the approval of further bids for

funding by the DfE. Ultimately, if funds are forthcoming, the existing Scarlet Wing will be demolished and a new vocational block will be constructed.

- Hucknall Inner Relief Road: Support is being provided for this Highways scheme with regard to the demolition of some properties and the soundproofing of others. Demolition is to be complete by mid-January 2016 with the soundproofing element to continue until the end of September 2016.

Capital Disposals (↑)

15. As part of the budget setting process each year, a target is established for the amount of capital receipts it is anticipated will be achieved from the sale of surplus land and buildings during the next financial year. The target is set by considering the total number of properties that will be marketed during the next 12 months and based on various factors such as market conditions, the strength of demand for particular types of property etc. an assessment is then made of the likelihood of these properties being sold during this period. The target is then set for each year based on the assessment of risk and an estimated sale value of each asset. As Members will appreciate for various reasons the actual number of properties that are sold within the 12 month period will, despite this assessment process, almost certainly change during the year. Prospective purchasers may for example withdraw for a variety of reasons or attempt to renegotiate the terms of the sale in which case the sale may be delayed or one or other party withdraws and the property has to be remarketed. Some sites which are sold for development are complex and in order to maximise the receipts most are sold subject to planning permission being obtained and various surveys being carried, this can however, also impact on the estimated timescale for completion of the sale.

Development sites represent in value and number terms, the largest source of capital receipt generation. Property has on-going, regular and very positive dialogue with all the District Councils, in order to promote its strategic land holdings. As a result of this on-going planning work, the Council has achieved significant success in both bringing forward valuable sites to sell for development and protecting the Council's long term interests. Future projections therefore rely heavily on the successful disposal of a small number of large development sites. In the event that the estimated timeframe for the disposal of any of these key sites slips it can have a disproportionate effect on the capital receipt projection.

Capital receipts are therefore monitored closely throughout the year during regular monthly meeting between property and finance and the revised estimate of receipts for the year is regularly reported to Finance and Property Committee as part of the budget monitoring process. In addition to further improve the accuracy of the capital receipt projections, key disposals are more actively monitored with regular reports being presented to the Capital and Asset Management Group on progress with measures identified and agreed to mitigate risk, such as considering alternative methods of sale and the payment of non- returnable deposits once a draft contract is issued.

The capital receipts out-turn for year 2015/16 along with future year projections is shown below. Additional detail on some of the key asset disposals is set out in the exempt section of this report with an explanation on the reasons why the variation from target occurred.

	2015/16	2016/17	2017/18	2018/19
MTFS Target	7,300	14,500	15,250	11,500
Max Projected Potential Receipts	6,975	13,750	15,250	11,500
Balance	-325	-750	0	0

Initial Budget Book target for 2015/16: £6,927,500

Total Sales Achieved 2015/16: £5,094,023

Formal Compliments and Complaints (↑)

16. During the period April to September, 2015 one complaint was received involving the driving of an NCC van by a member of the property Group. The complaint was not upheld. This compares to four complaints being received in the previous year.

In the same period seven compliments were received covering a variety of activities including: -

Sir John Robinson House - Operations team
 Robert Mellors Primary - Operations team and external contractors
 Lambley Primary - BN15 - Design team
 Arnold Library Project - Refurbishment - Operations team
 Costock Primary - New Build Project - Operations and design team
 James Hince Court - Refurbishment - Departmental Services team
 Lyndene – Refurbishment - Design team

In addition during this reporting period two further 'going the extra mile awards' have been made in connection with the work undertaken by three members of the design and operations teams at Rufford Abbey and the last award to an officer with the property and strategy team for work undertaken outside of office hours.

Other Options Considered

17. This report is for noting only.

Reason/s for Recommendation/s

18. To provide members with an update on key action areas identified within the previous performance report in June 2015; a review of existing local performance indicators and an update on the current capital disposal programme including the level and timing of potential capital receipts.

Statutory and Policy Implications

19. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public

Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) That the information set out in the report on the Property Groups performance is noted.

Jas Hundal

Service Director – Transport, Property & Environment

For any enquiries about this report please contact: Andrew Stevens 0115 977 2085

Constitutional Comments (CEH 12.11.15)

20. The report is for noting purposes only.

Financial Comments (SES 12.11.15)

21. As this report is for noting, there are no specific financial implications arising directly from this report.

Background Papers and Published Documents

22. None.

Electoral Division(s) and Member(s) Affected

23. Ward(s): Other

Member(s): n/a Outside Nottinghamshire

File ref.: /SB/SB/

SP: 2956

Properties affected: 09998 - Various NCC Properties/non-property item

Appendix 1.0										
Property Indicators - Quarter 1 2015/16										
		Target	2014/15	2014/15	2015/16	2015/16				
			1st 6 months	2nd 6 months	1st 6 months	2nd 6 months				
PROP17a	Customer Satisfaction - Product Design a) Property	80%	100%	100%	95%					
PROP17b	Customer Satisfaction - Product Design b) External	80%	90%	93%	99%					
PROP18a	Customer Satisfaction - Service of Contractor a) Property	80%	100%	100%	100%					
PROP18b	Customer Satisfaction - Service of Contractor a) External	80%	91%	90%	91%					
PROP19a	Customer Satisfaction - Overall a) Property	80%	99%	99%	98%					
PROP19b	Customer Satisfaction - Overall a) External	80%	85%	86%	90%					
		Target	2014/15				2015/16			
			Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
PROP04b	Predictability of Project Design Cost (Constructing Excellence)	95%	31%	28%	30%	38%	38%	38%		
PROP05b	Predictability of Project Construction Cost (Constructing Excellence)	95%	59%	59%	60%	53%	52%	51%		
PROP06b	Predictability of Project Design Time (% of projects within 75%)	75%	67%	61%	62%	59%	58%	57%		
PROP07b	Predictability of Project Construction Time (% of projects within 75%)	75%	71%	65%	64%	73%	64%	61%		
PROP14	Annual Audit of Tank Inspections	100%	100%	100%	100%	100%	100%	100%		
PROP15	Water Biennial Risk Assessments	100%	86.75%	100%	100%	100%	100%	100%		
PROP20	Fire - biannual risk assessments completed	100%	100.00%	99%	99%	100%	100%	100%		
PROP21	Asbestos - annual risk assessments completed	100%	0.00%	20%	48%	73%	9.6%	88.6%		
PROP22	Capital Receipts - Target capital receipts figure delivered	£6927/100%	89%	165%	41%	71%	71%	73.5%		
Target £6,927,500 Actual £5,094,023 % of quarterly target = 73.5%										
PROP26	Schools Capital Refurbishment Percentage Budget Spent	100%	71%	71.00%	93%	75%	69.80%	70.54%		
PROP27	Schools Capital Refurbishment Number of Projects Complete	100%	27.34%	27.34%	43%	47%	47.00%	62.00%		

7 December 2015

Agenda Item: 8

REPORT OF CORPORATE DIRECTOR, RESOURCES**WORK PROGRAMME****Purpose of the Report**

1. To consider the Committee's work programme for 2015.

Information and Advice

2. The County Council requires each committee to maintain a work programme. The work programme will assist the management of the committee's agenda, the scheduling of the committee's business and forward planning. The work programme will be updated and reviewed at each pre-agenda meeting and committee meeting. Any member of the committee is able to suggest items for possible inclusion.
3. The attached work programme has been drafted in consultation with the Chair and Vice-Chair, and includes items which can be anticipated at the present time. Other items will be added to the programme as they are identified.
4. As part of the transparency introduced by the revised committee arrangements from 2012, committees are expected to review day to day operational decisions made by officers using their delegated powers. It is anticipated that the committee will wish to commission periodic reports on such decisions. The committee is therefore requested to identify activities on which it would like to receive reports for inclusion in the work programme.

Other Options Considered

5. None.

Reason/s for Recommendation/s

6. To assist the committee in preparing its work programme.

Statutory and Policy Implications

7. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required

RECOMMENDATION/S

- 1) That the committee's work programme be noted, and consideration be given to any changes which the committee wishes to make.

Jayne Francis-Ward
Corporate Director, Resources

For any enquiries about this report please contact: Pete Barker, x 74416

Constitutional Comments (HD)

8. The Committee has authority to consider the matters set out in this report by virtue of its terms of reference.

Financial Comments (NS)

9. There are no direct financial implications arising from the contents of this report. Any future reports to Committee on operational activities and officer working groups, will contain relevant financial information and comments.

Background Papers

None.

Electoral Division(s) and Member(s) Affected

All

FINANCE & PROPERTY COMMITTEE - WORK PROGRAMME

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>For Decision or Information ?</u>	<u>Lead Officer</u>	<u>Report Author</u>
25 January 2016				
Monthly Budget & Capital Monitoring Report 2014/15	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Training Needs Analysis	To be completed by Members of Committee.	Decision	Nigel Stevenson	Simon Cunnington
Operational Decisions	Quarterly report on operational property decisions	Info	Jas Hundal	Andrew Stevens
Property Transactions	Various	Decision	Jas Hundal	Various
8 February 2016				
Draft County Council Budget	Recommendation of draft County Council budget 2016/17 to County Council	Decision	Nigel Stevenson	Glen Bicknell
22 February 2016				
Monthly Budget & Capital Monitoring Report 2014/15	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
ICT Programmes and Performance Quarter 3	Progress Report	Info	Ivor Nicholson	Ivor Nicholson
Property Transactions	Various	Decision	Jas Hundal	Various
21 March 2016				
Monthly Budget & Capital Monitoring Report 2014/15	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Councillors Divisional Fund	Quarterly report on Councillors Divisional Fund	Info	Jayne Francis-Ward	Paul Davies
Property Transactions	Various	Decision	Jas Hundal	Various
25 April 2016				
Monthly Budget & Capital Monitoring Report 2014/15	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Operational Decisions	Quarterly report on operational property decisions	Info	Jas Hundal	Andrew Stevens

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>For Decision or Information ?</u>	<u>Lead Officer</u>	<u>Report Author</u>
Property Transactions	Various	Decision	Jas Hundal	Various
23 May 2016				
Monthly Budget & Capital Monitoring Report 2014/15	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
ICT Programmes and Performance Quarter 4	Progress Report	Info	Ivor Nicholson	Ivor Nicholson
Property Transactions	Various	Decision	Jas Hundal	Various
20 June 2016				
Monthly Budget & Capital Monitoring Report 2014/15	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Property Transactions	Various	Decision	Jas Hundal	Various
18 July 2016				
Monthly Budget & Capital Monitoring Report 2014/15	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Property Transactions	Various	Decision	Jas Hundal	Various