

Finance and Property Committee

Monday, 20 January 2014 at 10:30

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

AGENDA

1	Minutes of the last meeting held on 16 December 2013	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	Financial Monitoring Report, Period 8, 2013/14	11 - 32
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9e	All Saints Catholic Comprehensive School, Mansfield - Academy Conversion	105 - 112
10	Work Programme	113 - 118

11 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.”

12 Exempt Appendices to Item 9, Property Transaction Reports:

(a) Disposal of former Southwell Highways Depot, Fiskerton Road, Southwell.

(b) Former Portland School Site, Sparken Hill, Worksop.

(c) Centenary House, Wilford Lane, West Bridgford.

(d) The Hall, West Bridgford, Nottingham – Proposed Lease-in.

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.

Members 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) Members are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.

Notes

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(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) Reports in colour can be viewed on and downloaded from the County Council's website (www.nottinghamshire.gov.uk), and may be displayed at the meeting.

(4) 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.

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exception of those which contain Exempt or Confidential Information, may be recycled.

Meeting FINANCE AND PROPERTY COMMITTEE

Date 16 December 2013 (commencing at 10.30 am)

Membership

Persons absent are marked with an 'A'

COUNCILLORS

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

Reg Adair	Diana Meale
Nicki Brooks	Liz Plant
Kay Cutts	Darrell Pulk
Stephen Garner	Ken Rigby
Richard Jackson	

A Ex-Officio: Alan Rhodes

OFFICERS IN ATTENDANCE

Steve Bradley, Group Manager, Cultural and Enrichment Services
Paul Davies, Democratic Services Officer
Tim Gregory, Corporate Director, Environment and Resources
Ivor Nicholson, Service Director, ICT
Paul Simpson, Service Director, Finance and Procurement
Andrew Stevens, Group Manager, Property Strategy and Compliance
Nigel Stevenson, Group Manager, Corporate Accounting

MINUTES OF THE LAST MEETING

The minutes of the meeting held on 11 November 2013 were confirmed and signed by the Chair, subject to a correction to show that Councillor Diana Meale had been present in place of Councillor Pauline Allen.

DECLARATIONS OF INTEREST

There were no declarations of interest by councillors or officers.

FINANCIAL MONITORING REPORT: PERIOD 7, 2013/14

RESOLVED: 2013/181

- (1) That the current position regarding the monitoring of revenue expenditure be noted.
- (2) That the current position regarding the monitoring of capital expenditure be noted.
- (3) That the capital programme variations outlined in section 5 of the report be approved.
- (4) That the Balance Sheet update and future developments be noted.

RESTRUCTURE OF THE INTERNAL AUDIT SECTION

RESOLVED: 2013/182

That the importance of having an effective and sufficiently resourced Internal Audit Section be acknowledged, and the proposed new structure be approved.

SPORT ENGLAND FUNDING FOR THE NATIONAL WATER SPORTS CENTRE

RESOLVED: 2013/183

That approval be given:

- (1) for Nottinghamshire County Council to be the applicant for the Sport England grant and to vary the Children and Young People Committee's capital programme by £826,000.
- (2) to enter into a legal agreement to passport funding and future conditional obligations of the grant to Serco Leisure.

ICT PROGRAMMES AND PERFORMANCE, QUARTER 2, 2013/14

RESOLVED: 2013/184

That the progress against the key programme and performance measures for ICT Services and the priorities for the next six months period be noted.

PROPERTY SERVICES PERFORMANCE AND MID YEAR UPDATE 2013/14

RESOLVED: 2013/185

- (1) That the information on the Property Group's performance be noted.
- (2) That quarterly updates on the capital receipt projections together with details regarding progress with individual key sales and the reasons for any variation to the disposals programme be brought to the Finance and Property Committee as part of the regular quarterly performance monitoring report.

- (3) That a further report be submitted to Members on the conclusions of the Value for Money and related reviews outlined in Section 2 of the report; the report to include detailed proposals for the adoption of new property performance indicators.

PROPERTY TRANSACTIONS

HUCKNALL TOWN CENTRE IMPROVEMENT SCHEME (HCTIS) PROPERTY ACQUISITION – LAND AT TITCHFIELD STREET, HUCKNALL

RESOLVED: 2013/186

That approval be given to the acquisition of 0.232 hectares (0.573 acres) at Titchfield Street, Hucknall for the Hucknall Town Centre Improvement Scheme on the terms set out in the exempt appendix to the report.

PROPOSED DISPOSAL OF LAND BENEATH CLIFTON ROAD BRIDGE, CLIFTON LANE, RUDDINGTON

RESOLVED: 2013/187

That approval be given to the disposal of land beneath Clifton Road Bridge, Ruddington, Nottingham on the terms set out in the exempt appendix to the report.

LAND TO REAR OF EASTBOURNE CENTRE, OFF LAWN ROAD, SUTTON-IN-ASHFIELD – DISPOSAL

RESOLVED: 2013/188

- (1) That approval be given to the sale by auction of the vacant site on the terms set out in the report.
- (2) That W A Barnes be appointed auctioneers for the sale.
- (3) That delegated authority be granted to the Service Director, Transport, Property and Environment to determine the reserve price in consultation with the Chair (or Vice-Chair in his absence) of Finance and Property Committee, and also with the auctioneers shortly before the auction date.

MANSFIELD WOODHOUSE LIBRARY – GRANT OF LEASE

RESOLVED: 2013/189

That approval be given to the granting of a lease on the terms and conditions outlined in the exempt appendix to the report.

TRENT VALE INFANT SCHOOL – LICENCE TO BEESTON FREE CHURCH

RESOLVED: 2013/190

That approval be given to the grant of a licence to Beeston Free Church on the terms set out in the exempt appendix to the report.

HUCKNALL REGISTRATION SERVICE – RELOCATION TO ASHFIELD DISTRICT COUNCIL OFFICES, WATNALL ROAD HUCKNALL

RESOLVED: 2013/191

That approval be given to relocating Hucknall Registration Service from its current occupation within the Under One Roof Community Resource Centre, 3a Vine Terrace, Hucknall to Ashfield District Council Offices, Watnall Road, Hucknall.

COTGRAVE COLLIERY DEVELOPMENT – DEED OF GRANT AND RELEASE

RESOLVED: 2013/192

That approval be given to a deed of grant and release pertaining to the Cotgrave Colliery redevelopment on the terms contained in the exempt appendix to the report.

BIRKLANDS PRIMARY AND NURSERY SCHOOL, WARSOP – ACADEMY CONVERSION

RESOLVED: 2013/193

- (1) That approval be given to the grant of a 125 year lease on the standard terms set out in the appendix to the report to the Academy Trust for Birklands Primary and Nursery School, Warsop, this being subject to subsequent approval of any site specific details.
- (2) That the Corporate Director, Environment and Resources (or his nominee) be authorised to approve site details and specific conditions in consultation with the Chair (or Vice-Chair in his absence) of Finance and Property Committee.

PEAFIELD LANE PRIMARY SCHOOL, MANSFIELD WOODHOUSE – ACADEMY CONVERSION

RESOLVED: 2013/194

- (1) That approval be given to the grant of a 125 year lease on the standard terms set out in the appendix to the report to the Academy Trust for Peafield Lane Primary School, Mansfield Woodhouse, this being subject to subsequent approval of any site specific details.
- (2) That the Corporate Director, Environment and Resources (or his nominee) be authorised to approve site details and specific conditions in consultation with the Chair (or Vice-Chair in his absence) of Finance and Property Committee.

BISHOP ALEXANDER PRIMARY SCHOOL, NEWARK – ACADEMY CONVERSION

RESOLVED: 2013/195

- (1) That approval be given to the grant of a 125 year lease on the standard terms set out in the appendix to the report to the Academy Trust for Bishop Alexander Primary School, Newark, this being subject to subsequent approval of any site specific details.
- (2) That the Corporate Director, Environment and Resources (or his nominee) be authorised to approve site details and specific conditions in consultation with the Chair (or Vice-Chair in his absence) of Finance and Property Committee.

LATEST ESTIMATED COST: SCHOOLS PLACES PROGRAMME 2014

RESOLVED: 2013/196

That latest estimated cost report for the building works programme as set out in the report be approved.

WORK PROGRAMME

RESOLVED: 2013/197

That the Committee's work programme be noted, with the inclusion of an additional meeting on 10 February 2014 to consider the draft County Council budget for 2014/15.

EXCLUSION OF THE PUBLIC

RESOLVED: 2013/198

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.

UPDATE ON CAPITAL DISPOSALS PROGRAMME

RESOLVED: 2013/199

That the information contained in the report be noted.

HUCKNALL TOWN CENTRE IMPROVEMENT SCHEME (HCTIS) PROPERTY ACQUISITION – LAND AT TITCHFIELD STREET, HUCKNALL

RESOLVED: 2013/200

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

PROPOSED DISPOSAL OF LAND BENEATH CLIFTON ROAD BRIDGE, CLIFTON LANE, RUDDINGTON

RESOLVED: 2013/201

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

LAND TO REAR OF EASTBOURNE CENTRE, OFF LAWN ROAD, SUTTON-IN-ASHFIELD – DISPOSAL

RESOLVED: 2013/202

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

MANSFIELD WOODHOUSE LIBRARY – GRANT OF LEASE

RESOLVED: 2013/203

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

TRENT VALE INFANT SCHOOL – LICENCE TO BEESTON FREE CHURCH

RESOLVED: 2013/204

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

HUCKNALL REGISTRATION SERVICE – RELOCATION TO ASHFIELD DISTRICT COUNCIL OFFICES, WATNALL ROAD HUCKNALL

RESOLVED: 2013/205

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

COTGRAVE COLLIERY DEVELOPMENT – DEED OF GRANT AND RELEASE

RESOLVED: 2013/206

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

The meeting closed at 11.20 am.

CHAIR

**REPORT OF THE SERVICE DIRECTOR – FINANCE & PROCUREMENT
FINANCIAL MONITORING REPORT: PERIOD 8 2013/2014****Purpose of the Report**

- 1.1 To provide a summary of the revenue position of the County Council for the year to date with year-end forecasts.
- 1.2 To request approval of contingency requests.
- 1.3 To provide a summary of Capital Programme expenditure to date and year-end forecasts.
- 1.4 To request approval of proposed variations to the capital programme.
- 1.5 To inform Members of the Council's in year Balance Sheet transactions.

Information and Advice**2. Background**

- 2.1 The Council's budget was approved at the Full Council meeting 28 February 2013. As with the previous financial year, progress updates will be reported to Committee each month.

3. Summary Financial Position

- 3.1 The Council is forecasting an underspend of £2.7m and therefore may not have to draw down the full £15.1m of general fund reserves as approved in the budget report. In light of the Council's ongoing financial challenges, the key message to effectively manage budgets and wherever possible deliver in-year savings is being reinforced. The impact of this will continue to be monitored and reported to Members, as will the forecast reserves requirement.

Table 1 – Summary Revenue Position

Forecast Variance as at Period 7 £'000	Committee	Annual Budget £'000	Actual to Period 8 £'000	Year-End Forecast £'000	Latest Forecast Variance £'000
(2,792)	Children & Young People	158,883	96,218	156,076	(2,807)
2,614	Adult Social Care & Health	215,256	162,019	218,332	3,076
102	Transport & Highways	64,047	47,407	64,209	162
(331)	Environment & Sustainability	29,287	17,046	28,904	(383)
(55)	Community Safety	4,074	1,310	4,056	(18)
(62)	Culture	15,589	10,133	15,481	(108)
(800)	Policy	32,445	20,343	31,551	(894)
(351)	Finance & Property	29,539	23,476	29,353	(186)
5	Personnel	3,152	626	3,393	241
(477)	Economic Development	1,724	868	1,267	(457)
(2,942)	Public Health	-	(7,170)	(3,527)	(3,527)
(5,089)	Net Committee (under)/overspend	553,996	372,276	549,095	(4,901)
(2,301)	Central items	(12,270)	(50,030)	(14,511)	(2,241)
(7,390)	Forecast prior to use of reserves	541,726	322,246	534,584	(7,142)
-	Transfer from Earmarked Reserves	(13,981)	-	(13,981)	-
949	Transfer to/(from) Departmental Reserves	-	-	949	949
2,942	Transfer to Public Health Reserve	-	-	3,527	3,527
-	Transfer to / (from) General Fund	(15,138)	-	(15,138)	-
(3,499)	Net County Council	512,607	322,246	509,941	(2,666)

Note:

Public Health expenditure is funded in full by a ring-fenced grant of £35.1m. Given the forecast underspend, it is proposed to transfer the balance to a reserve at year end, to ensure the full grant is spent on Public Health priorities.

4. Committee and Central Items

4.1 The main variations that have been identified are explained in the following section.

Children and Young People (£2.8m underspend)

4.2 Children's Social Care Division

The Division is reporting a £1.0m net underspend, the major contributing variances being:

- £2.0m overspend on social work staffing due to the use of agency staff to cover vacancies
- £0.5m overspend on home to school transport for looked after children
- £0.3m overspend in the Fostering Service as efforts are made to increase in-house capacity

- The above are offset by a £3.5m underspend on Child Placements due to lower numbers of children requiring these places than originally anticipated. This is an increase of £0.2m in the reported underspend at period 7 due to a reduction in demand for placements, as opposed to the forecast growth.
- The Children's Disability Service is forecasting an underspend of £0.3m across its services.

4.3 Youth, Families, & Culture Division

The forecast reflects a net underspend of £1.8m consisting of :

- £0.8m underspend largely due to staff vacancies across the division
- £0.2m underspend on Early Years & Early Intervention Service in relation to contract & transitional savings.
- £0.8m underspend due to reduced activity on academy conversions.

- 4.4 Given the forecast underspend outlined above, consideration is being given to making a contribution to earmarked reserves to support specific schemes in the following financial year. Final recommendations on this will be made once the year end position across the Council is known.

Adult Social Care & Health (forecast £3.1m net overspend)

4.5 Younger Adults Division

The Division is currently forecasting a breakeven position. There is still a forecast overspend of £1.2m on Community Care budgets for Disability Services. This is a reduction of £0.8m due to accurate rate increases now being commissioned in Framework as other increases in community care budgets have been offset by a corresponding reduction in the predicted needs and transitions. However it is anticipated that this will reduce further as we get closer to the end of the financial year.

This is partly offset by an increased underspend of £1.0m in Day Services This is mainly due to one off savings relating to furniture and activities budgets, which aren't required in full this year due to the recent reorganisation and refurbishment of the centres and the transfer of the meals income.

There is an underspend in the Short Breaks units of £0.2m, primarily due to very few staff being in the pension scheme.

4.6 Joint Commissioning Division

The Division is currently reporting a forecast overspend of £0.6m which is a reduction of £0.6m since last month due to additional income being received from the Department of Health for Mental Health and Advocacy.

This is comprised of an overspend of £2.8m in Operational Policy and Performance due to a shortfall in Client Contribution Income of £3.0m offset by £0.2m underspend across the other area's including £0.1m relating to Business Object licenses which are not required.

Business Change and Support is showing an underspend of £0.5m mainly due to lower salaries and on-costs due to part time employees and vacancies within the 3 Business Support Centre's.

Joint commissioning is also showing a £1.6m underspend due to £0.2m on Older Adults and Carers and £0.3m on Mental Health and Advocacy and a £0.8m underspend on Supporting People, which is offset by a lower use of reserves.

4.7 Older Adults Division

The Division is currently forecasting an overspend of £2.5m, which is an increase of £1.0m since last month, due to increases in commitments for Long Term Care and Homecare.

The overspend is due to a £0.2m overspend on long term care, an overspend on Direct Payments of £2.9m and an overspend £0.2m on Short Term Care. There is also a shortfall on the recovery of Third Party payments of £0.2m. These are partly offset by a £0.9m underspend in the Care and Support Centres and a £0.1m underspend on Daycare and other Community Care Support Budgets.

The Older Adults division are currently exploring a number of options to reduce the additional costs.

4.8 Promoting Independence Division

The Division is currently forecasting a net underspend of £0.8m, which is a reduction of £0.5m.

This is due to a £1.4m underspend on the National Welfare Assistance Fund, which is partly offset by an overspend of £0.6m on the use of agency and overtime within the Reablement Service.

There is also a £0.2m underspend on the Reviewing Teams which is offset by a corresponding reduction in the use of the reserve.

4.9 Transfer to / from reserves

This forecast includes the anticipated use of £6.7m of earmarked reserves.

Environment & Sustainability (forecast £0.4 underspend)

- 4.10 The main underspend is due to additional income relating to energy rebates of £0.3m as a result of the increased rebate received rising from 0.06p to 0.1p per Kilowatt hour of energy used; this is higher than budgeted due to the last 6 months of 12/13 rebate being received in the 13/14 financial year.

Policy (forecast £0.9m underspend)

- 4.11 The variance mainly relates to staff vacancies in Business Support and Customer Services Centres (£0.4m) and Corporate Strategy and Communications (£0.3m). There is an underspending of £0.2m in reduced members allowances and hospitality.

Economic Development (forecast £0.5m underspend)

- 4.12 Youth Employment Strategy – A report was taken to the Economic Development Committee on 17th October to re-programme spending up to 2015-16. An earmarked reserve is to be created to be drawn down in later years. The creation of this reserve was approved at the Finance and Property Committee on 11th November. This reserve has been created in December and will be reflected in the period 9 monitoring report.

Public Health (forecast £3.5 underspend)

4.13 Proposed development funding

A forecast underspend of £1.9m relates to the proposed developments in the following policy areas being put on hold for 2013/14:-

- Sexual Health £0.5m
- Health Check Programme £0.5m
- Smoking and Tobacco £0.8m
- Community Safety £0.1m

The need for these developments was agreed by the Public Health Subcommittee in order to deliver health improvements and tackle inequalities. However they were subsequently put on hold until a full review of the budget was completed.

4.14 Sexual Health

The Sexual Health policy area is reporting a forecast overspend of £0.3m. This is mainly due to an estimated increase in activity in relation to the contracts held in relation to contraception and GUM.

4.15 Public Health Directorate

The Public Health Directorate policy area is reporting a forecast underspend of £0.9m. The majority relates to a predicted underspend on the Public Health transition contingency with minor salary savings arising from unfilled vacancies.

4.16 Other Areas

There are other smaller underspends with Public Health that total £0.9m, the largest ones relate to Health at Work, Obesity and Health Check Programme.

Central Items (forecast £2.3m net underspend)

- 4.17 Central Items primarily consists of interest on cash balances and borrowing, together with various grants, contingency and movements on reserves.
- 4.18 Interest payments are currently forecast to be £2.2m less than the original budget. This is primarily due to slippage of the 2012/13 capital programme, resulting in a reduction in the Council's borrowing requirement.
- 4.19 At the time of setting the 2013/14 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. Since then, confirmations have been received, resulting in a net increase of £0.5m in 2013/14.
- 4.20 Central items also include the Pension Enhancement budget which relates to the cost of additional years' service awards. These were approved in previous years as this practice is no longer permitted following changes to the pension rules. This budget requires realignment as attrition rates have not kept pace with pension increases. An overspend of £0.4m is predicted in the current year and has been factored into future years budgets.
- 4.21 The 2012/13 contingency budget was originally set at £5m, of which, £3m was earmarked for redundancy. As in previous years, and in accordance with accounting practice, a provision was set aside in 2012/13 to meet the costs of expected redundancies that will fall in 2013/14. This was based on outstanding Section 188 notices at the time and totalled £1.3m. Redundancy payments made in the current financial year to date total £1.1m. It is expected that the remaining provision will be required later in the year.
- 4.22 On 5 November a new Section 188 notice was published listing 758 posts potentially at risk of redundancy, of which 268 are already vacant. The publication of this Notice marks the start of a 45-day consultation period with employees and the trade unions which ended on Thursday 19 December 2013. It also forms part of the wider public consultation on the Budget Challenge which runs until 17 January 2014. Once the outcome is known, estimates of the required financial provision can be calculated.
- 4.23 In relation to the general contingency, two schemes have been identified for funding since the last monitoring report and now require approval:
- Forward funding of development sites £170,000, of which at least £40,000 will be required in 2013/14, the remainder will be required in 2014/15
 - Lindhurst Scheme £250,000, revenue expenditure relating to capital project bid
- 4.24 Should these schemes be approved, the balance of contingency would then be £3.1m. It is likely that further contingency requests will be made throughout the year, and, given that a redundancy provision will need to be made in the current year, it is assumed that any surplus will be transferred to the Councils

Corporate Redundancy Reserve. The figures in Table 1 reflect the assumption that the allocation for general contingency will be required in full.

- 4.25 The Council is also anticipating additional one-off revenue from the establishment of the new Business Rates mechanism. It is too early to predict with certainty what this might amount to, but could be in excess of £0.5m. There would be a number of options as to how Members may want to utilise any additional resources.

Progress with savings and risks to the forecast

- 4.26 Since 2010/11 the Council has delivered savings of over £100m with a further £10m expected in the current year. The base budget review identified some movement in the savings and realignments were made to 2013/14 budgets where appropriate. Officers monitor the deliverability of individual schemes and targets as part of the budget monitoring process and reflect achievability in the forecast outturn.
- 4.27 The draft proposals for the consultation on how the Council will begin to address its medium term financial challenges were discussed at the Policy Committee on the 13th November 2013. These proposals will be issued for public consultation and this process will continue until the 17th January. The responses to the consultation and the Council's subsequent final proposals for its 2014/15 budget will be set out in the budget reports that will be discussed in February 2014.

5. Capital Programme

Approved Capital Programme

- 5.1 Table 2 summarises changes in the gross Capital Programme for 2013/14 since approval of the original programme in the Budget Report (Council 28/02/13):

Table 2 – Revised Capital Programme for 2013/14

	2013/14	
	£000	£000
Approved per Council (Budget Report 2013/14)		132,956
Variations funded from County Council Allocations: Net slippage/variations from 2012/13 and financing adjustments.	11,081	
Variations approved to F&P Committee (15/07/13)	(1,318)	
Variations approved to F&P Committee (09/09/13)	(4,559)	
Variations approved to F&P Committee (14/10/13)	(2,600)	
Variations approved to F&P Committee (11/11/13)	(656)	
Variations approved to F&P Committee (16/12/13)	(2,150)	
		-202
Variations funded from other sources: Net slippage/variations from 2012/13	1,551	
Variations approved to F&P Committee (15/07/13)	2,453	
Variations approved to F&P Committee (09/09/13)	592	
Variations approved to F&P Committee (14/10/13)	1,139	
Variations approved to F&P Committee (11/11/13)	127	
		5,862
Revised Gross Programme		138,616

Capital Monitoring

Table 3 shows actual capital expenditure to date against the forecast outturn at Period 8.

Table 3 – Capital Expenditure and Forecasts as at Period 8

Committee	Revised Capital Programme £'000	Actual Expenditure to Period 8 £'000	Forecast Outturn £'000	Expected Variance £'000
Children & Young People	60,900	31,881	60,842	(58)
Adult Social Care & Health	4,500	263	4,029	(471)
Transport & Highways	40,955	27,422	41,917	962
Environment & Sustainability	4,682	2,619	5,113	431
Community Safety	289	337	289	0
Culture	6,569	840	5,105	(1,464)
Policy	6,168	2,752	5,796	(372)
Finance & Property	13,329	4,986	12,744	(585)
Personnel	145	0	145	0
Contingency	1,079	0	1,079	0
TOTAL	138,616	71,100	137,059	(1,557)

5.2 A capital programme review is currently underway to ensure that the County Council's capital programme is aligned as closely as possible to the new administrations priorities. The outcome of the capital programme review will be

reported in due course. Out-turn variations identified by Departments at Period 8 are highlighted below:

- 5.3 In the Transport and Highways Committee, there is a total forecast overspend of £0.962 million mainly as a result of planned over-programming in the Local Transport Plan and Road Maintenance and Renewal programme (£1.502 million). Work is on-going to drive these forecast overspends down and to manage within approved budgets.
- 5.4 Also in the Transport and Highways Committee, the Rail Improvements budget of £0.300 million for this year and the following two years has been taken out of the programme along with an element of the Green Network budget (£0.240 million)

It is proposed that the Transport and Highways Capital Programme is varied to reflect the identified reductions.

- 5.5 In the Policy Committee, an underspend of £0.372 million has been forecast mainly as a result of slippage in the Customer Services Centre programme. The introduction of further channel shift technologies is now planned to be introduced in the next financial year.

It is proposed that the Policy Committee Capital Programme is varied to reflect the identified slippage.

- 5.6 In the Environment and Sustainability Committee, a forecast overspend totalling £0.431 million has been identified mainly as a result of a forecast overspend of £0.500 million against the Local Improvement Scheme programme. Work is currently on-going to manage this overspend down.
- 5.7 In the Finance and Property Committee, an overall underspend of £0.585 million has been identified. The majority of this relates to slippage totalling £0.329 million against the Microsoft Enterprise Agreement budget line as 'truing up' costs will not be incurred until June 2014.

It is proposed that the Finance and Property Committee Capital Programme is varied to reflect the identified slippage.

- 5.8 Also, in the Finance and Property Committee, slippage totalling £0.199 million has been reported against the Renewable Boiler Replacement Programme budget as a further project has been put on hold subject to the outcome of a service review.

It is proposed that the Finance and Property Committee Capital Programme is varied to reflect the identified slippage.

- 5.9 The ICT Division have identified savings totalling £0.080 million against the 2013/14 ICT Infrastructure Replacement Programme.

It is proposed that the Finance and Property Committee Capital Programme is varied to reflect the identified saving.

- 5.10 Finally, in the Finance and Property Committee, the ICT budgets have been re-organised. £0.486 million budget has been removed from existing ICT capital budgets to create an ICT Transition budget. This budget will be used to support the definition and implementation of ICT's new operating structure and also the accelerated delivery of the Computer Equipment Replacement Programme and a number of remedial infrastructure initiatives.

It is proposed that the Finance and Property Committee Capital Programme is varied to reflect the re-organised IT budgets.

- 5.11 In the Culture Committee Capital Programme, a forecast underspend totalling £1.464 million has been identified. This is mainly due to £1.070 million slippage on the Archives Extension Project as the project has been delayed by planning issues. The project is now progressing well with a start on site date in early 2014.

It is proposed that the Culture Committee Capital Programme is varied to reflect the identified slippage.

- 5.12 Also in the Culture Committee Capital Programme minor slippage has been identified on two library projects plus underspends have been identified against the following projects:

Rufford Schemes	£0.118 million
Rufford Improvements	£0.031 million
Tuxford Conservation	£0.045 million

It is proposed that the Culture Committee Capital Programme is varied to reflect the identified underspends.

- 5.13 In the Adult, Social Care and Health Committee, although progress has been made and contracts signed with respect to the Living At Home programme, slippage totalling £0.471 million has been identified.

It is proposed that the Adult Social Care and Health Committee Capital Programme is varied to reflect the identified slippage.

5.14 In the Children and Young People's Committee, a number of section 106 contributions have been received into the Council to part fund projects in the Basic Need programme as follows:-

Richard Bonington Primary	£808,222
Arnold View Primary	£48,274
Heymann Primary	£286,894
Coppice Farm Primary	£166,098
Lambley Primary	£94,340
Pierrepont Gamston Primary	£275,109
Kirkby Woodhouse Primary	£468,652

It is proposed that the Children and Young People's Committee Capital Programme is varied to reflect the identified external funding.

Financing the Approved Capital Programme

5.15 Table 4 summarises the financing of the overall approved Capital Programme for 2013/14.

Table 4 – Financing of the Approved Capital Programme for 2013/14

Committee	Capital Allocations £'000	Grants & Contributions £'000	Revenue £'000	Reserves £'000	Gross Programme £'000
Children & Young People	37,158	22,202	0	1,540	60,900
Adult Social Care & Health	2,472	1,891	45	92	4,500
Transport & Highways	7,310	21,685	0	11,960	40,955
Environment & Sustainability	3,682	500	500	0	4,682
Community Safety	289	0	0	0	289
Culture	1,408	1,465	7	3,689	6,569
Policy	6,168	0	0	0	6,168
Finance & Property	12,676	50	0	603	13,329
Personnel	0	0	0	145	145
Contingency	1,079	0	0	0	1,079
TOTAL	72,242	47,793	552	18,029	138,616

5.16 It is anticipated that borrowing in 2013/14 will decrease by £1.6 million from the forecast in the Budget Report 2013/14 (Council 28/02/13). This decrease is a primarily as a consequence of:

- £11.1 million of net slippage from 2012/13 to 2013/14 and financing adjustments funded by capital allocations.
- Variations to the 2013/14 capital programme funded from capital allocations totalling £11.3 million as approved to November Finance & Property Committee.
- net slippage/reduction in 2013/14 of £1.4 million of capital expenditure funded by capital allocation identified as part of the departmental capital monitoring exercise.

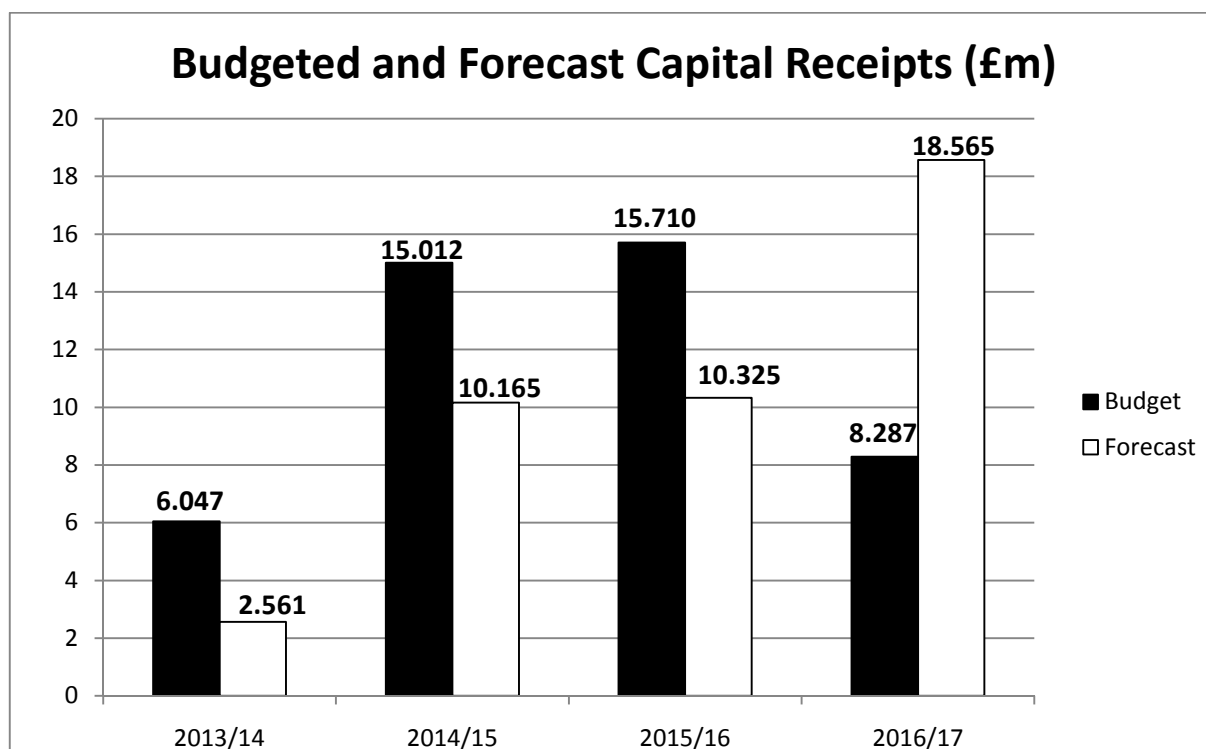
Prudential Indicator Monitoring

5.17 Performance against the Council's Prudential Indicators will be regularly monitored to ensure that external debt remains within both the Operational Boundary and the Authorised Limit.

Capital Receipts Monitoring

5.18 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. They also include an estimated £50,000 of vehicle receipts.

5.19 The chart below shows the budgeted and forecast capital receipts for the four years to 2016/17.



- 5.20 The dark bars in the chart show the budgeted capital receipts included in the Budget Report 2013/14 (Council 28/02/2013). These capital receipts budgets prudently incorporated slippage, giving a degree of “protection” from the risk of non-delivery. The bars also incorporate anticipated slippage.
- 5.21 The forecast for 2013/14 is currently estimated to be £3.486m less than the budgeted capital receipts as a result of slippage.
- 5.22 The number and size of large anticipated receipts increase the risk that income from property sales will be even lower than the revised forecasts over the next three years. Although the revised forecasts incorporate an element of slippage, a delay in receiving just two or three large receipts could result in sales being lower than these forecasts. For example, a scenario in which £4m of capital receipts are realised in 2012/13 and £9m of capital receipts are realised in 2013/14 would not be considered unlikely. This would represent a reduction of £36m from the budgeted level of capital receipts for 2012-14.
- 5.23 Current Council policy (Budget Report 2013/14) 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.
- 5.24 As highlighted in the Budget Report 2013/14, the Council’s medium-term forecasts were predicated on an ambitious level of capital receipts. Given current concerns about further revenue reductions, it is important to regularly monitor capital receipt forecasts and their effect on the overall revenue impact of the Capital Programme.

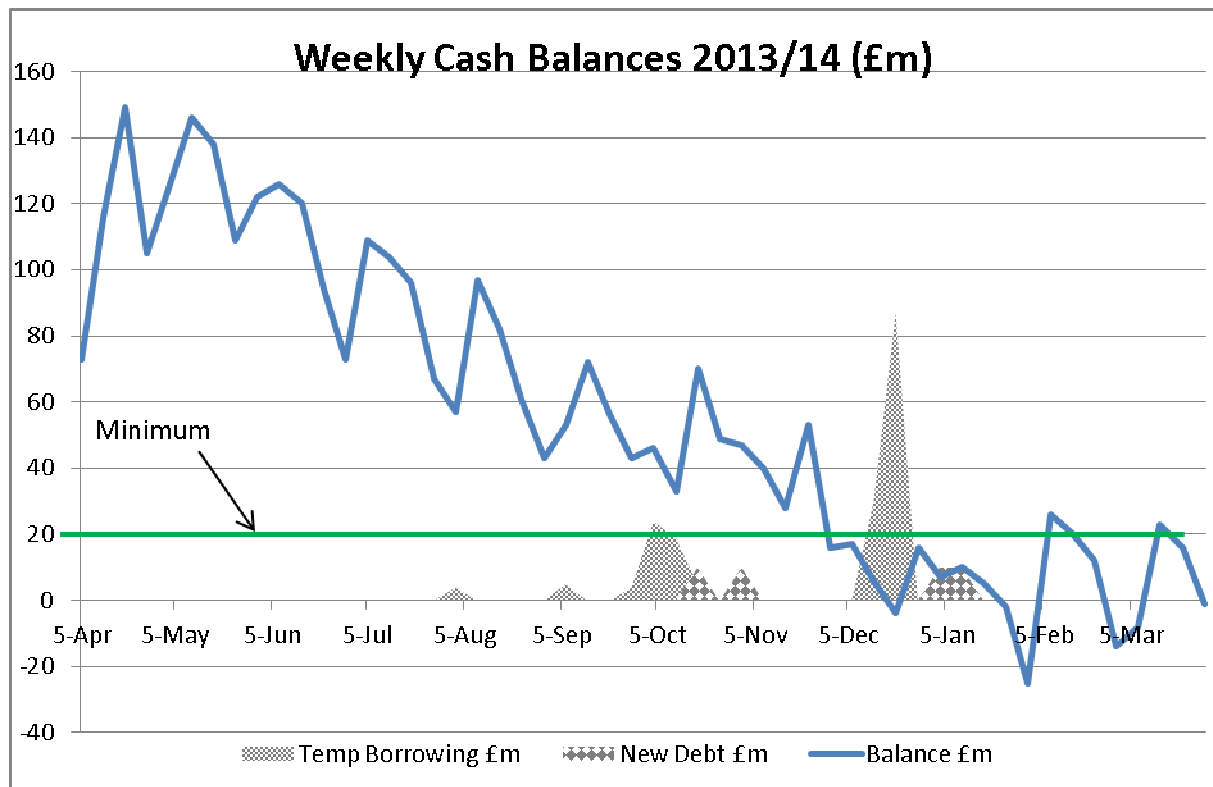
6. Balance Sheet

Impact on General Fund Balances

- 6.1 Members approved the 2012/13 closing General Fund Balance of £42.1m (Council 11 July 2013). The 2013/14 budget approves utilisation of £15.1m of balances which will result in a closing balance of £27m at 31/03/2014, which is just over 5% of the Budget Requirement.

Treasury Management - Period 8

- 6.2 Cash flow is kept under constant monitoring by the Senior Accountant (Pensions & Treasury Management) with the overall position reviewed quarterly by the Treasury Management Group. The following graph shows the actual cash balances to date and the 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 occur later in the year.

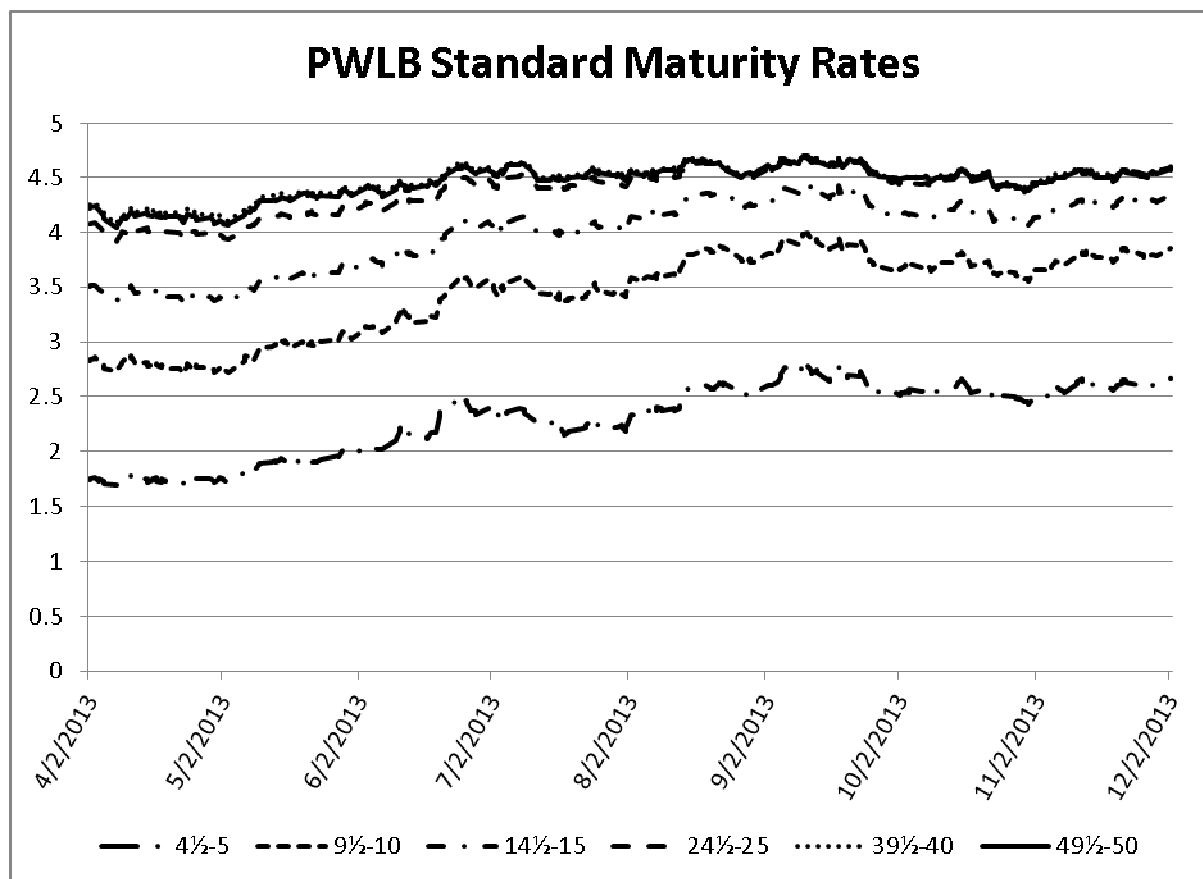


6.3 The treasury strategy for 2013/14 identified a need for additional borrowing of £10m to replenish cash reserves and £30m to fund the capital programme. The chart above indicates that sufficient cash balances will be maintained for much of the year but that external borrowing will be required towards the end of the year. New long term debt of £30m has so far been approved by the Treasury Management Group of which £20m has been taken in October. Temporary borrowing has also been utilised to cover overnight shortfalls when necessary.

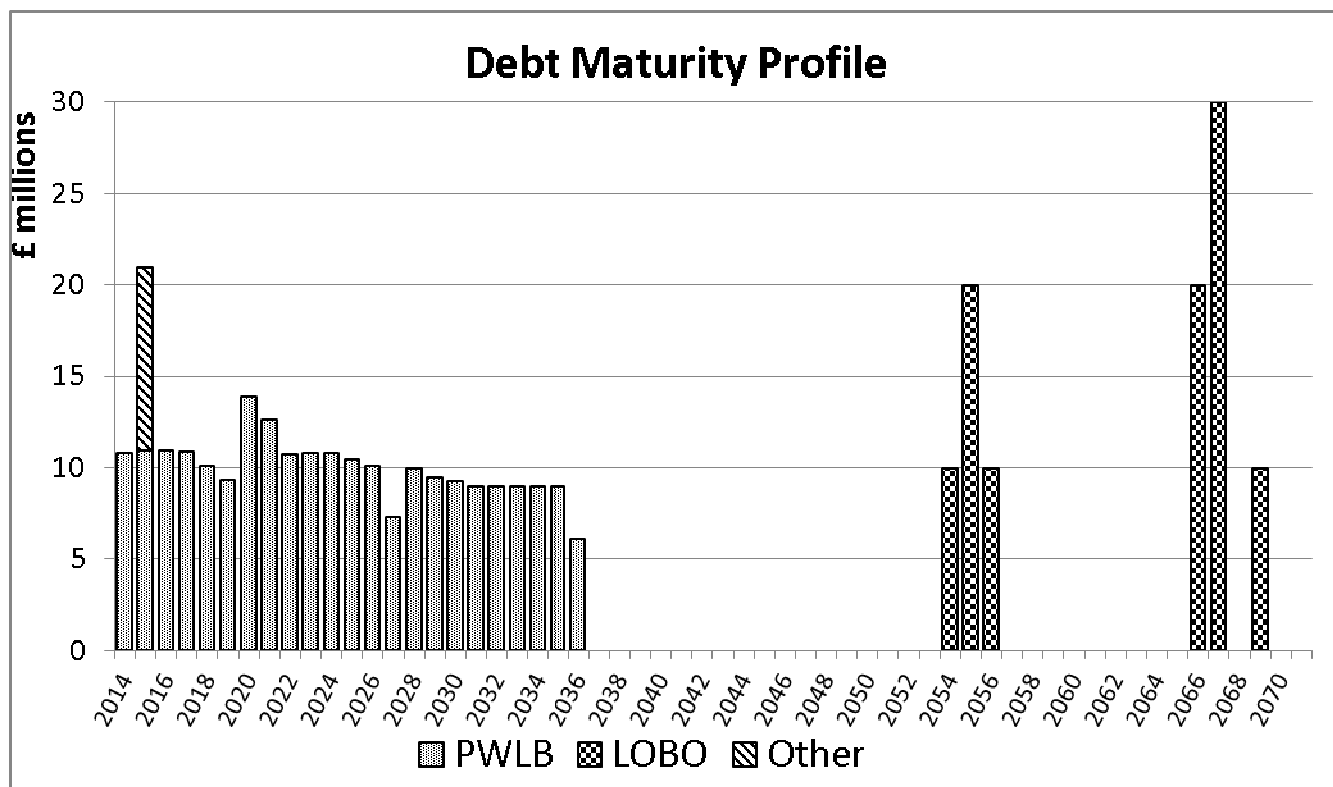
6.4 Borrowing decisions take account of a number of factors including:

- Current interest rates and recent trends
- The impact of new debt on revenue budgets
- The maturity profile of existing debt

6.5 The chart below shows the movement in standard PWLB interest rates during 2013/14 to date. Improving economic data combined with comments from the US Federal Reserve about the possible removal of quantitative easing has caused gilt yields to move sharply higher and this is reflected in PWLB rates. Rates drifted back towards the end of September following concerns over the US budget stalemate.

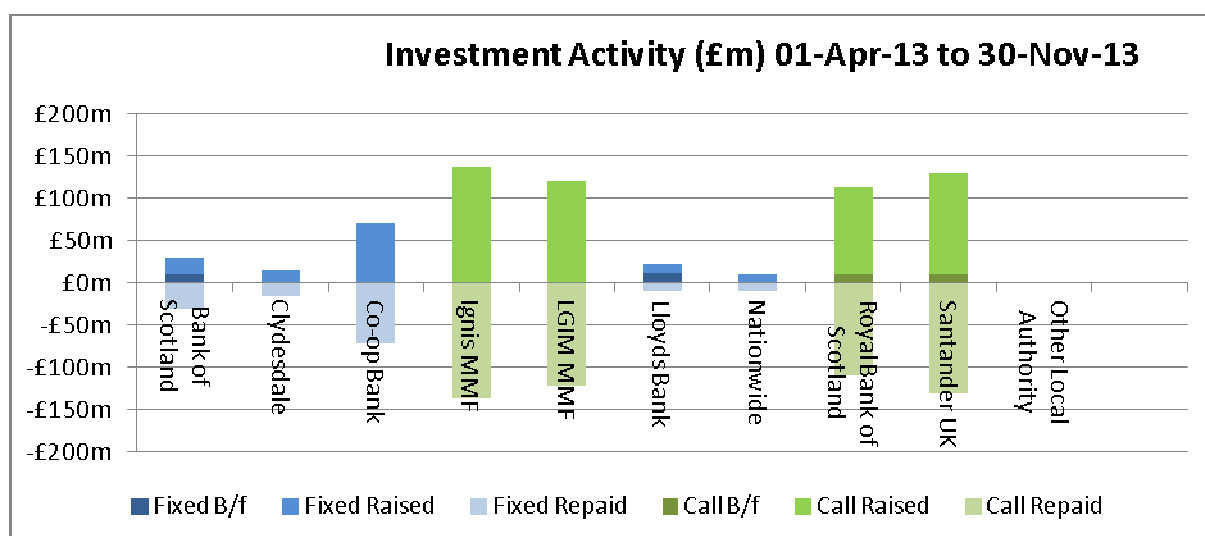


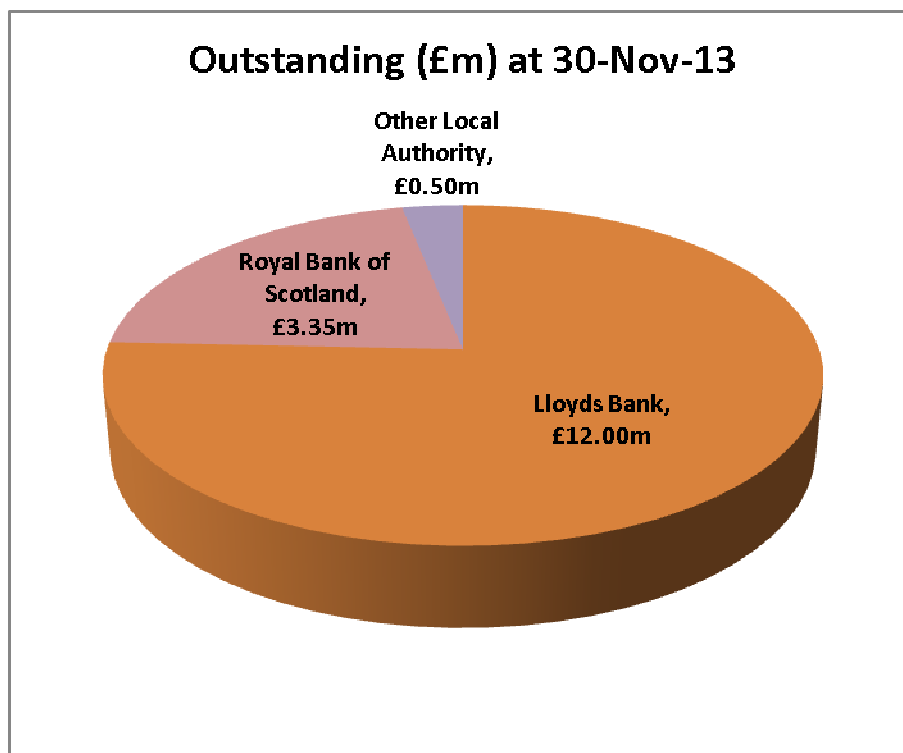
- 6.6 The maturity profile of the Council's debt portfolio is shown in the table below. The PWLB loans are reasonably well distributed and have a maximum duration of 23 years. Longer-term borrowing (maturities up to 56 years) was obtained from the market some years ago in the form of 'Lender's Options, Borrower's Options' loans (LOBOs). The 'other' loans denote the recent borrowing from the money markets where the main objective was to minimise interest costs. Refinancing of these loans will be factored into the Treasury Management Strategy. New debt will be profiled from 20 to 50 years.



Investments

- 6.7 The Council's Treasury Management policy includes criteria for assessing counterparties for investment. Treasury Management Group approves a lending list based on these criteria and also market availability of institutions. The investment activity for 2013/14 to the end of November 2013 is shown in the charts below. Outstanding investment balances totalled £41.55 million at the start of the year and £15.85 million at the end of the period. In light of the forecast cash flow profile for 2013/14, a number of fixed term deals have been placed to take advantage of higher rates available for periods up to 364 days. The majority of these are due to mature before the end of 2013.





Debt Recovery Performance

- 6.8 The overall debt level has fallen slightly to £17.67m. The debt over 6 months has fallen slightly, as has the percentage over 6 months.

Table 5 - Invoices raised Period 8 2013/14

	Pd 8	Year to date
Number	13,659	113,327
Value	10,553,227	84,160,412

Table 6- Debt Position

	Residential & Domiciliary Care	All other	Total
Total	8,670,618	8,998,617	17,669,235
Over 6 months	4,681,779	707,420	5,389,199
% over 6 months	54.0%	7.9%	30.5%

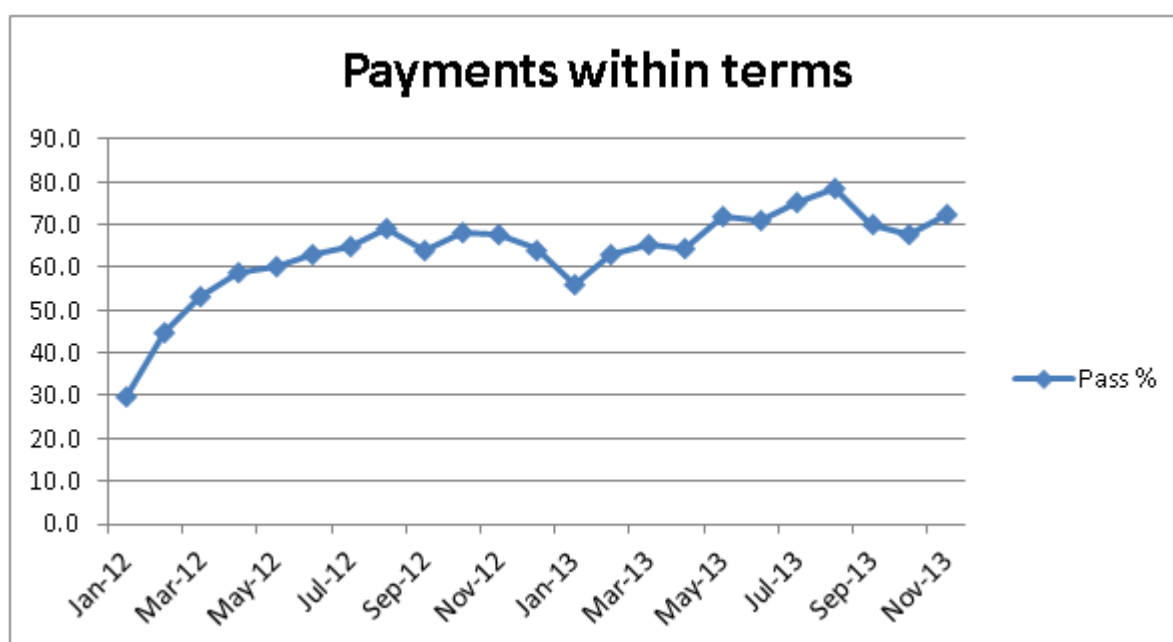
- 6.9 Work to reduce debt levels continues and some specific comments are set out below:

- We have received £529 from Third Party Debt Collection Agencies and £213 from High Court Enforcement this period. We have received £4,340 in this period as a result of Court Claims issued in house.

- The SAP Work List has been split to create separate Work Lists for residential and domiciliary care & other debt which will enable separate debt collection strategies to be utilised for the different debt types. This will also make managing the work and targeting debts in each area more transparent.
- SAP dunning levels for warning of legal action has been reduced from £175 to £50 & the dunning letters are now automated to issue letters specifying relevant legislation to each customer group. This will reduce the amount of manual letters required, should result in increased payment from reminders and speed up referral of cases for legal action.
- £60,267 has been written off this period - £53,000 of this related to residential and domiciliary care debts.
- There is a risk that a further £20,000 due from the Kirkby Trust will fall into over 6 months debt next period due to the Trust going into Administration. £16,000 owed by Severn Trent Water will fall into the over 6 months as responsibility for the pipes is disputed; this is being reviewed by Highways Department. £17,000 owed by Kenwyn Care Home will move into the over 6 months because liability is disputed over free nursing care; this is with Legal Services for advice.

Accounts Payable (AP) Performance

6.10 The payment within terms figure for November is 72.6% of 11,661 invoices paid. This shows an increase from the figures for October of 67.8% of 12,586 invoices paid.



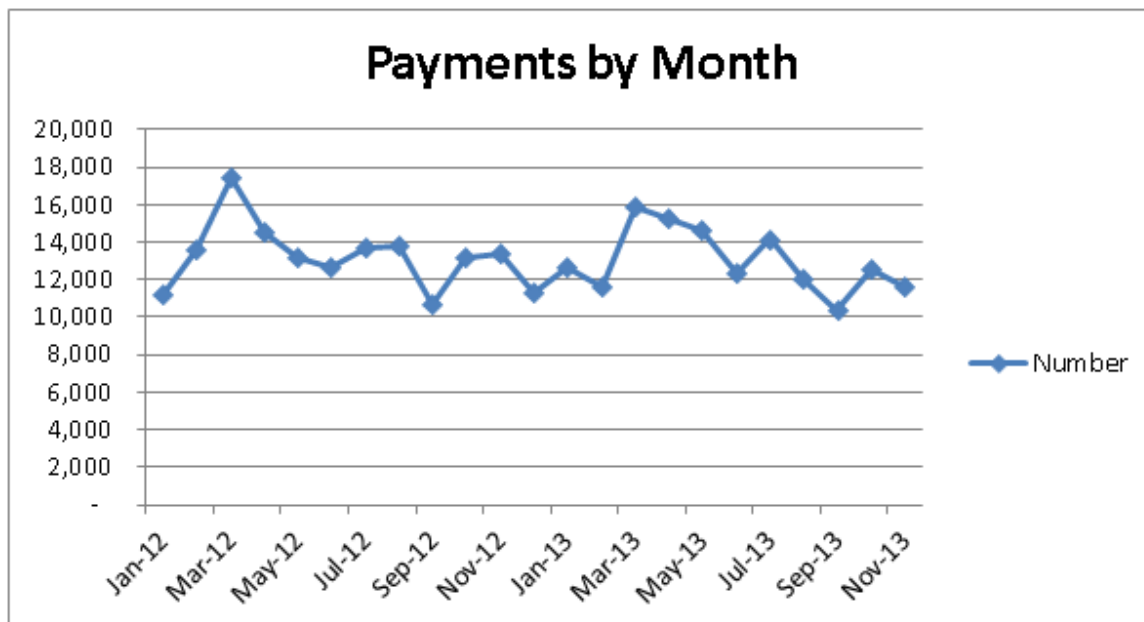
6.11 Whilst the increased performance is welcome the payment within terms figures are remaining around the 70% mark and are showing no signs of a sustained improvement. There are a number of reasons for this and the key ones are set out below:

- Invoices are still being sent direct to Business Units and are taking a large number of days to reach AP. This often means the invoice is overdue before it

is even entered into SAP. Staff in AP are contacting vendors, Business Support teams and business users to remind them that invoices must be sent direct to AP for loading into SAP prior to being reviewed and approved.

- There remain significant problems with worklist invoice items not being actioned by the business for considerable periods of time with no reference back to AP.
- Some users act as substitutes for other NCC staff. In some instances individuals cover for a number of other staff and this can result in a large number of invoices sitting in the worklist for one user. AP are working with these users to try and improve the business processes in their area to speed up coding and authorisation of invoices.
- The No PO No Pay strategy is experiencing problems due to the lack of an approved exemption list. An exemption number will be allocated to those business areas and suppliers which do not have to provide a SAP order, for example placing a child in emergency care late at night. AP staff are working to enforce the policy by returning non-compliant invoices but this is taking considerable time and is causing confusion to suppliers.
- Agency staff providers continue to be among the highest failures. Limit orders are being proposed in the absence of a Managed Service contract but there have been delays in the Procurement Centre issuing these orders. Again AP staff are dealing directly with suppliers to try and resolve problems but this takes a great deal of time and means that significant numbers of invoices are not paid within contractual terms.

6.12 The number of invoices paid was just under 12,000 in the month.



7. Future developments & strategic issues

- 7.1 Initiatives to improve financial awareness and accountability across the Authority are continuing. The finance restructure is now complete, pending a small number of vacancies which are being dealt with in line with the Council's vacancy protocol.

- 7.2 The Council continuously reviews the systems that support the budgeting and forecasting process. Plans are in place to design and implement a new budgeting and forecasting process in the Business Management System (BMS) with the aim to roll out, with appropriate training, in the new financial year. Progress on this will be reported on a regular basis.
- 7.3 The 2013/14 budget report highlighted funding shortfalls over the medium term and options to balance the Council's Medium Term Financial Strategy were reported to Policy Committee (13 November) and a full consultation process has commenced.

Statutory and Policy Implications

- 7.4 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

- 8.1 To note the current position regarding monitoring of revenue expenditure.
- 8.2 To approve the contingency requests as outlined in section 4
- 8.3 To note the current position regarding monitoring of capital expenditure.
- 8.4 To approve the capital variations as outlined in section 5.
- 8.5 To note the Balance Sheet update and future developments.

Paul Simpson Service Director – Finance & Procurement

For any enquiries about this report please contact:

Pauline Moore - Senior Accountant, Financial Strategy and Accounting
Glen Bicknell - Senior Finance Business Partner, Capital and External Funding
Simon Cunnington - Senior Accountant, Pensions and Treasury Management

Constitutional Comments (KK 08/01/2014)

The proposals in this report are within the remit of Finance and Property Committee.

Financial Comments (PM 02/01/2014)

The financial implications are stated in the report and will be taken into account during the refresh of the Council's Medium Term Financial Strategy.

Background Papers - Nil

Electoral Division(s) and Member(s) Affected - All

20 January 2014**Agenda Item: 5****REPORT OF THE SERVICE DIRECTOR, ICT****ICT STAFFING STRUCTURE****Purpose of the Report**

1. To approve the proposed staffing structure of the ICT Services Division, within the Environment and Resources Department, and the implementation of the *Enabling Process* to appoint staff to posts.

Information and Advice

2. The ICT Services staffing structure was significantly changed and rationalised in 2010 in order to support budget reductions and to deliver the key changes incorporated within the County Council's ICT Strategy 2011-14. This strategy is focussed on improving the ICT platform and introducing a range of modernised enabling technologies (e.g. Microsoft tools, Business Management System).
3. The current substantive staffing structure is set out in Appendix 1 and has 200FTE posts, which includes 45FTE that are funded through the sale of services to schools. In July 2013 the County Council engaged Atos Consulting & Technology Services to review and help shape our future ICT direction of travel because:
 - the current ICT Strategy 2011-14 is largely delivered and ready for a refresh;
 - the current ICT operating model and staffing structure is largely aligned to the delivery of the existing strategy and needs to change as priorities are changing;
 - the need for on-going savings across the organisation necessitates an ICT service that remains efficient and effective.
4. The key themes that emerged from the ICT review undertaken by Atos were for ICT Services to:
 - focus on maintaining ICT reliability;
 - focus staffing resources on business transformation (especially "channel shift" to the use of web solutions, and to support workforce mobilisation) in order to support the delivery of financial savings;
 - develop and implement effective demand management and prioritisation arrangements, as senior managers across the County Council identified an increased requirement for ICT resources to assist with business transformation;
 - set the technology direction for transformation and future investment;
 - develop a revised ICT operating model and staffing structure that better supports both service reliability and business transformation.

5. ICT Services has instigated a “Transforming ICT Programme” in order to identify staffing and partnering arrangements to best support the County Council’s reliability and transformation priorities. The Corporate Leadership Team have agreed that the mission of ICT Services is *to be a trusted technology partner and driving force, enabling transformation and delivery of cost effective and reliable services*. This new mission necessitates some key changes in approach as the focus moves to improving web based services to the public, the use of technology to drive out cash savings and productivity improvements, and a move towards front-line and tailored team solutions rather than just enterprise wide technology deployments.
6. Some of the key changes proposed in the ICT review in relation to staffing structure included:
 - a technology partnering approach that enables ICT staff to better engage at a strategic level with departments in order to influence and support business change;
 - a split of the RUN (day to day support service) and CHANGE functions that are currently merged, in order to enable one team to focus on reliability;
 - a reduced RUN function to support an increased customer-facing provision;
 - greater use of private sector partners in both RUN and CHANGE;
 - access to “flex” budget/resources based on organisational demand.

Proposals

7. ICT Services worked with Atos to review a number of future operating models and staffing structures, leaning on their experience of working with both the public and private sectors. The operating model in Appendix 2 was identified as the best fit to support the County Council’s transformational and reliability priorities. The operating model sets out how functions are best grouped and organised and how the service interfaces with stakeholders and customers. The proposed staffing structure is set out in Appendix 3 and contains 188FTE posts, of which 43FTE are funded from the sale of services to schools. This is a reduction of 12FTE posts, which have been frozen since April 2013 in order to contribute savings in the current financial year.
8. This proposed structure (Appendix 3) has 3 teams that are each headed by a Group Manager. These 3 teams are focussed on *Change and Engagement*, *Design and Build* and *Run*. The *Change and Engagement* team comprises the customer-facing activities required to re-shape and drive business change through the effective use of ICT. The *Design and Build* team comprises the activities required to take the customer requirements and turn them into technical production solutions. The *Run* team comprises the activities associated with the running of the day to day ICT services. The traded services functions to schools are embedded across the 3 teams. These proposals were developed in tandem with Atos on the back of the ICT review and have been endorsed by the Corporate Leadership Team. A more detailed outline of the functions is set out in Appendix 4.
9. The proposed staffing structure is substantially and noticeably different to the current model because:

- there is enhanced business change capability (Programme Management Office, Design Authority, IT business analysis and technology partnering functions);
- there is a newly established Run function which splits out the current design and build functions;
- the Run service is leaner as increased use is made of suppliers;
- the Run service is strengthened in the areas of vendor management (managing suppliers), problem management (identifying core ongoing issues and resolutions), service desk and transition of services from development through to being made live.

10. ICT Services will increasingly utilise partner arrangements for support of the various technologies where this is in the County Council's interests. The immediate plans are reflected in the table below and the future direction of travel will be to enhance the use of suppliers to support both Run and Change functions. It is also intended that Cloud-based (off-premise) technology solutions will be preferred as these mature and are appropriate.

Technology	Current Arrangement	New Arrangement
County Wide Network	mix	Capita
Site Networks	in-house	in-house
Servers and Storage	mix	SCC
Business Apps (departmental)	mix	Supplier
Enterprise Apps (MS, GIS, SAP)	in-house	in-house
Mobile platform	in-house	Vodafone
Desktop	in-house	Mix

11. ICT Services has responsibility for the operation and support of a complex ICT estate which is summarised in Appendix 5.

12. In order to mitigate future redundancies ICT Services has adopted an approach over the last 18 months of only covering vacant posts on a temporary basis, until a clearer view on future requirements was determined. There are therefore currently 17 post vacancies against the 188FTE structure. In order to cover these vacancies and to implement a number of County Council project priorities (accelerated equipment replacement programme, Ways of Working programme, Microsoft Active Directory remediation project, remote access solutions etc.) there are currently 40 contractor staff in ICT Services on a temporary basis. These are funded through the various Improvement Programme budgets.

Process

13. A consultation document on the proposed staffing structure and direction of travel was issued to all ICT Services staff on 7th November 2013. This was accompanied by staff briefings and discussions at team meetings. Staff feedback and actions taken have been captured and shared on an ongoing basis throughout the consultation period, which concluded on 22nd December 2013. There have also been discussions with the departmental Joint Consultative and Negotiating Panel (JCNP) and with the ICT union representatives. Some changes to the structure were made on the basis of feedback. An equality impact assessment has also been undertaken.
14. The proposed staffing structure contains many new and changed posts so that ICT Services has the right balance of skills and experience to support the business transformation priorities of the County Council. Due to the need for some different skills, experience and responsibilities all ICT posts are included within the current Section 188 notice and voluntary redundancy applications have been sought and expressions of interest received.
15. Once the staffing structure has been approved the County Council's *Enabling Process* will be used to fill the posts.
16. As part of the process all job descriptions have been reviewed to align them with the proposed structure and scope of the roles. All of the job descriptions that have had changes, or are for new posts, have been issued to the Job Evaluation Team of the Human Resources Division so that salary grades can be assessed and applied.

Financial Savings

17. The freezing of 12FTE posts from April 2013 has contributed towards savings of £650k within ICT Services in 2013-14. These posts will be deleted permanently in the proposed staffing structure and so the establishment will be reduced to 188FTE posts, with 43FTE being funded through sold services to schools. The ongoing buyback arrangements will be assessed closely to ensure that the traded services element of ICT Services remains sized and shaped accordingly.
18. The results of the job evaluation process are not yet finalised but the cost of the proposed staffing structure will be contained within existing budgets.
19. Costs associated with redundancies will arise in 2014 and will be funded from central reserves.

Other Options Considered

20. A series of workshop sessions were undertaken with Atos in order to identify the most appropriate ICT operating model and staffing arrangements for the County Council. Consideration was given to outsourced, in-house and hybrid models. Given the significant transformation agenda the proposed hybrid model, that provides a core level of in-house and supplier teams and is supported by “flexible” resourcing as demand changes, was deemed most suitable.

Reason for Recommendation

21. The current staffing structure and operating model is aligned to the delivery of a modernisation ICT agenda and for a series of significant infrastructure upgrades (e.g. data centre, network, back-up and storage solutions). The ICT review undertaken by Atos identified a significant upcoming demand for business transformation through the effective use of technology, and so the County Council needs a re-shaped ICT service that has the requisite skills and capabilities to guide and support this. The proposed structure is aimed at securing ongoing ICT reliability alongside a transformational change agenda.

Statutory and Policy Implications

22. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION

It is recommended that the proposed new structure for ICT services be approved.

Ivor Nicholson
Service Director - ICT

For any enquiries about this report please contact: Ivor Nicholson on 0115 9774006

Constitutional Comments: (SLB 19/12/2013)

Finance and Property Committee is the appropriate body to consider the content of this report. It is responsible for approval of staffing structures as required, and has responsibility for the Council's information and communication technology strategy.

HR Comments: (JP 23/12/2013)

Employees have been fully informed of the proposed restructure and have been consulted on the details of the proposals. Consultation with the trade unions has taken place through formal channels. The County Council agreed enabling process will be used to make appointments to posts within the new ICT structure. Mitigations will be explored to protect the employment of any displaced staff wherever possible.

Financial Comments: (SEM 19/12/13)

The financial implications are set out in the report.

Background Papers

None

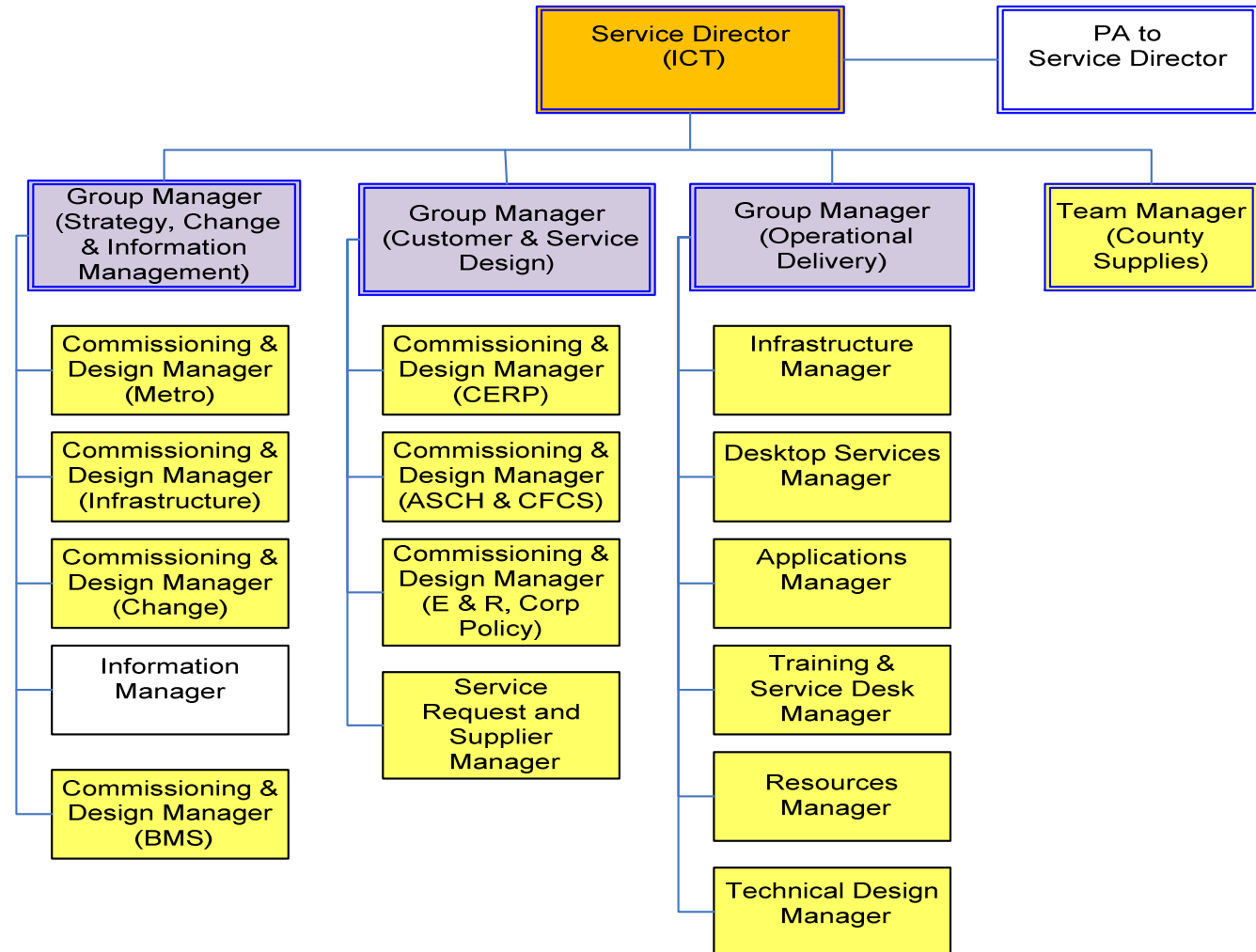
Electoral Division(s) and Member(s) Affected

All

Current Substantive Staffing Structure

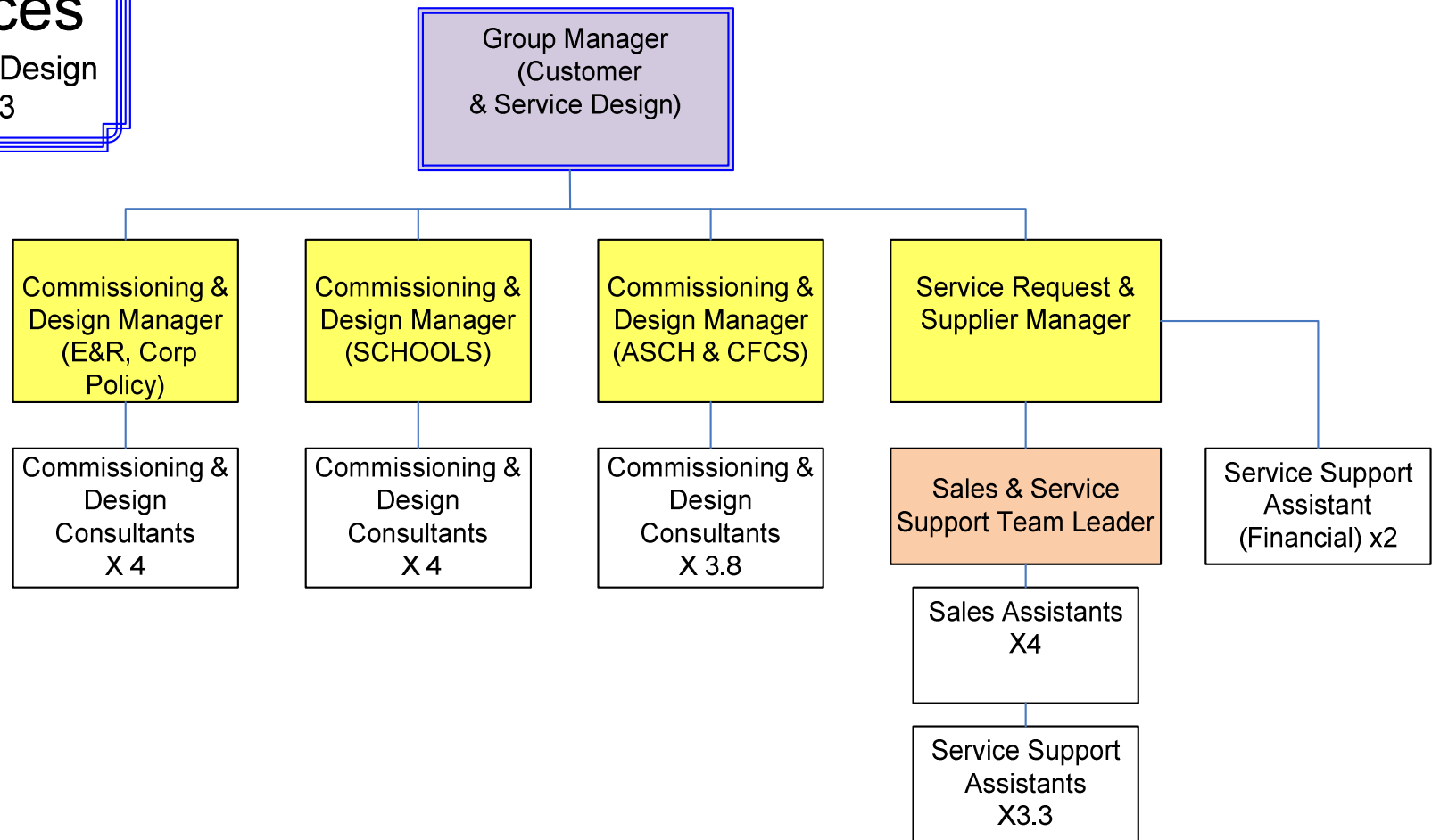
ICT Services

December 2013



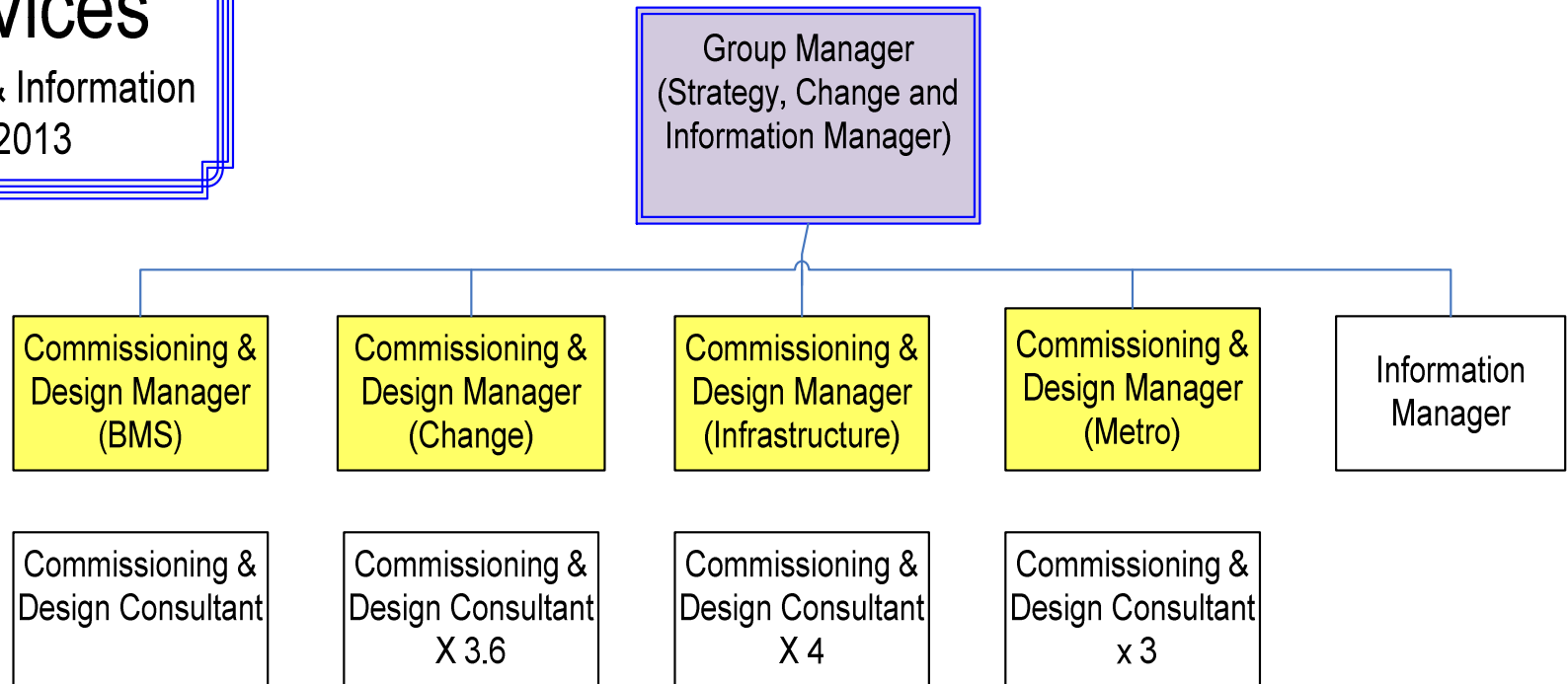
ICT Services

Customer & Service Design
December 2013

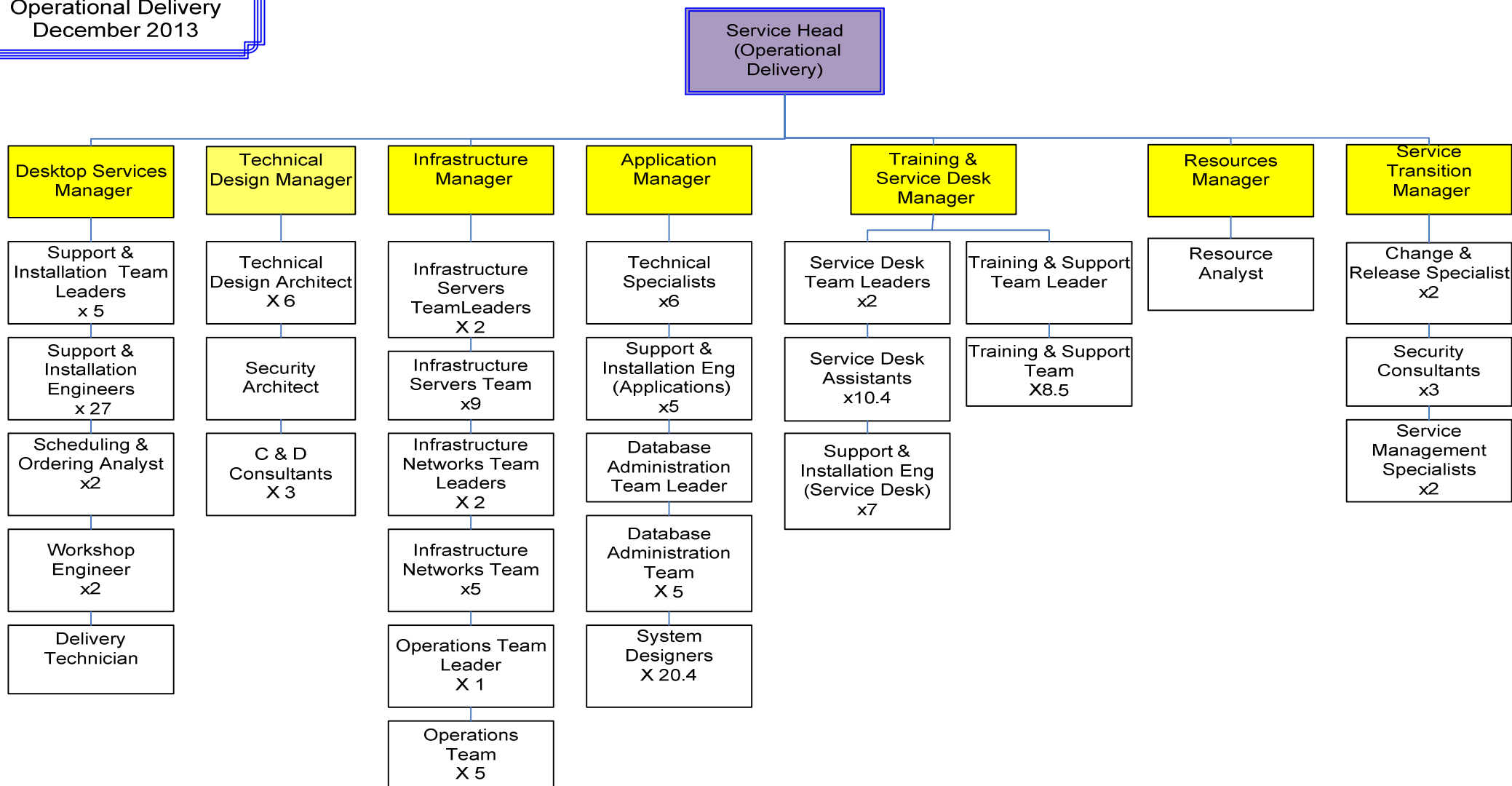


ICT Services

Strategy, Change & Information
December 2013

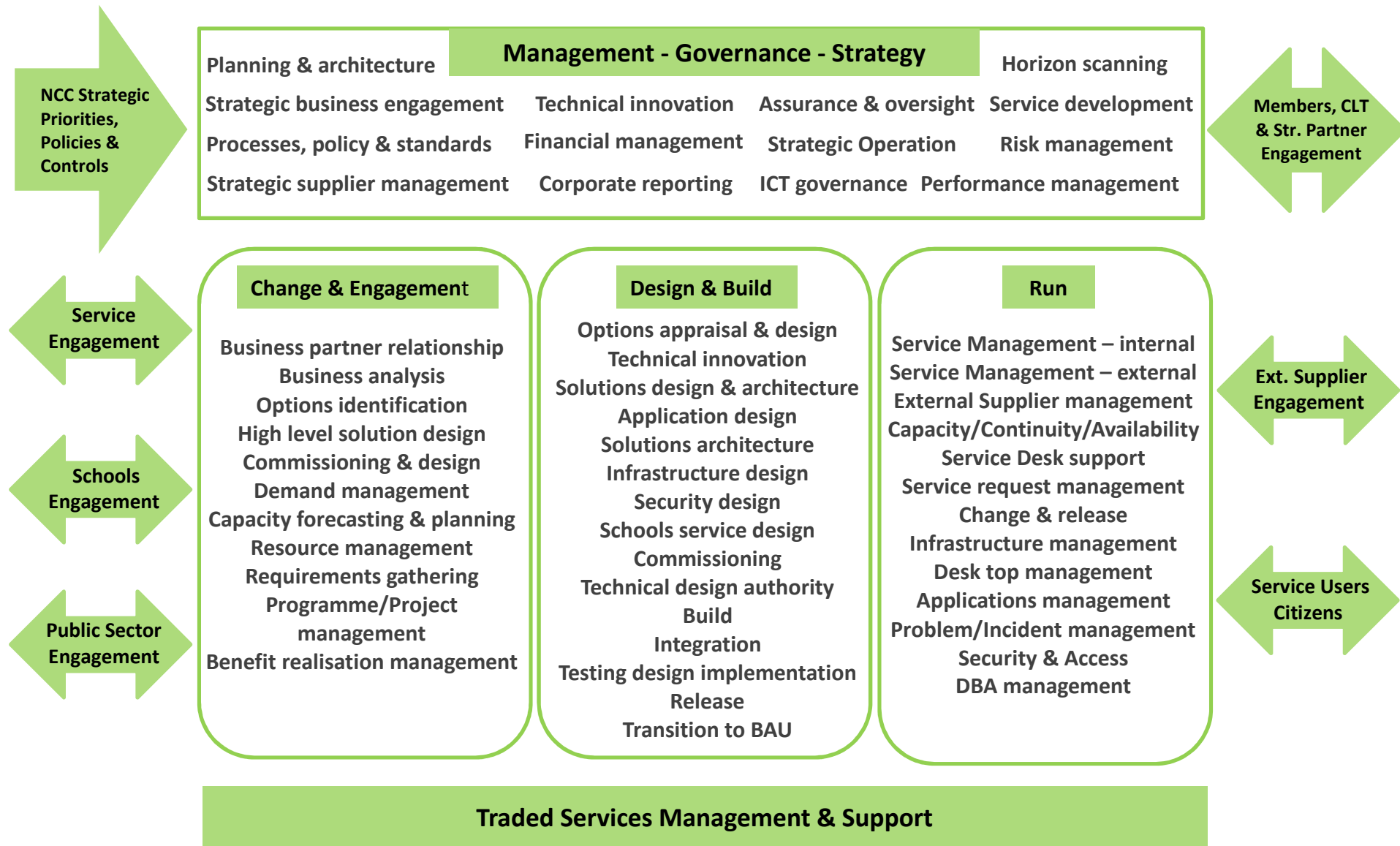


ICT Services
Operational Delivery
December 2013

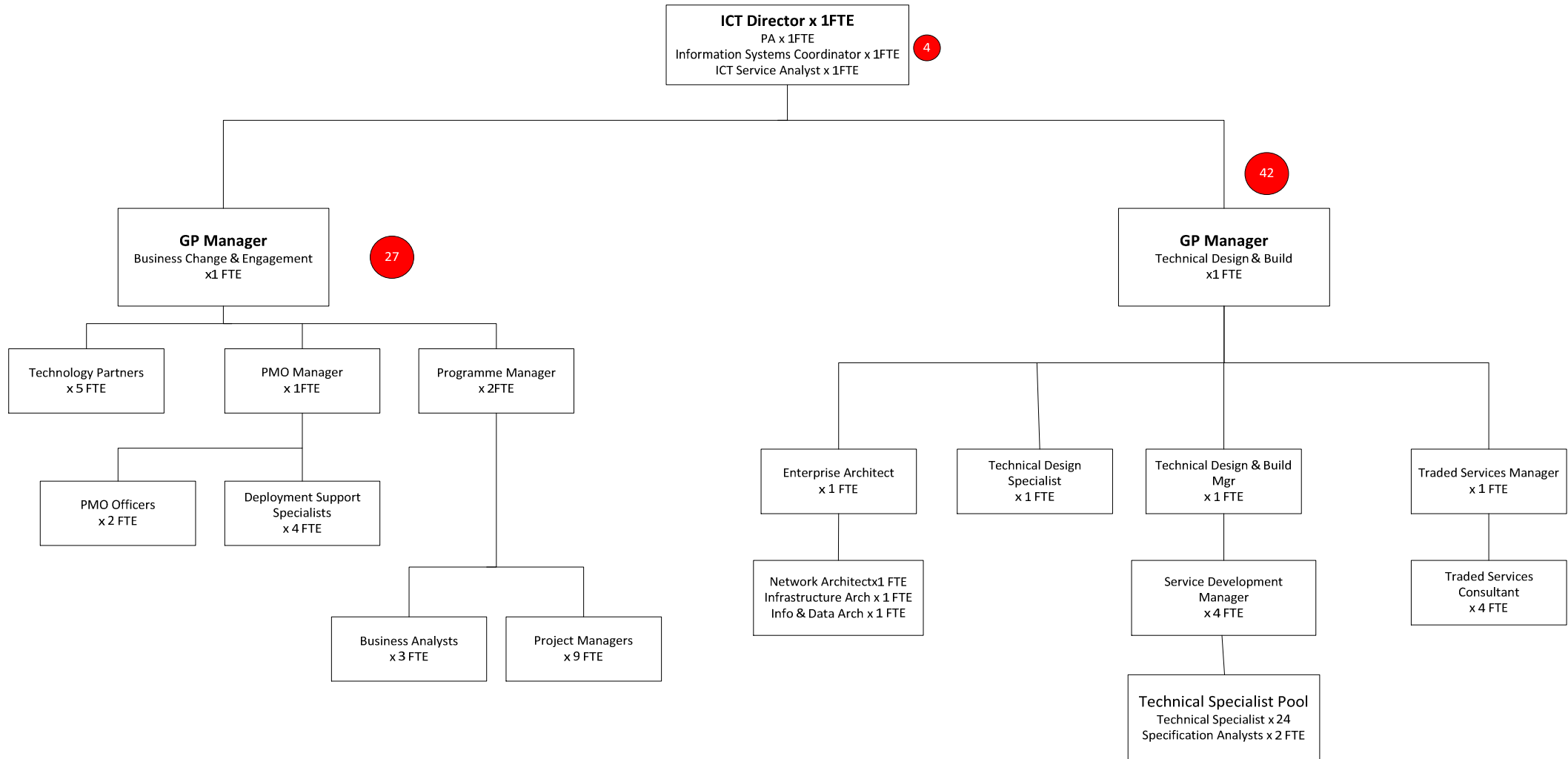


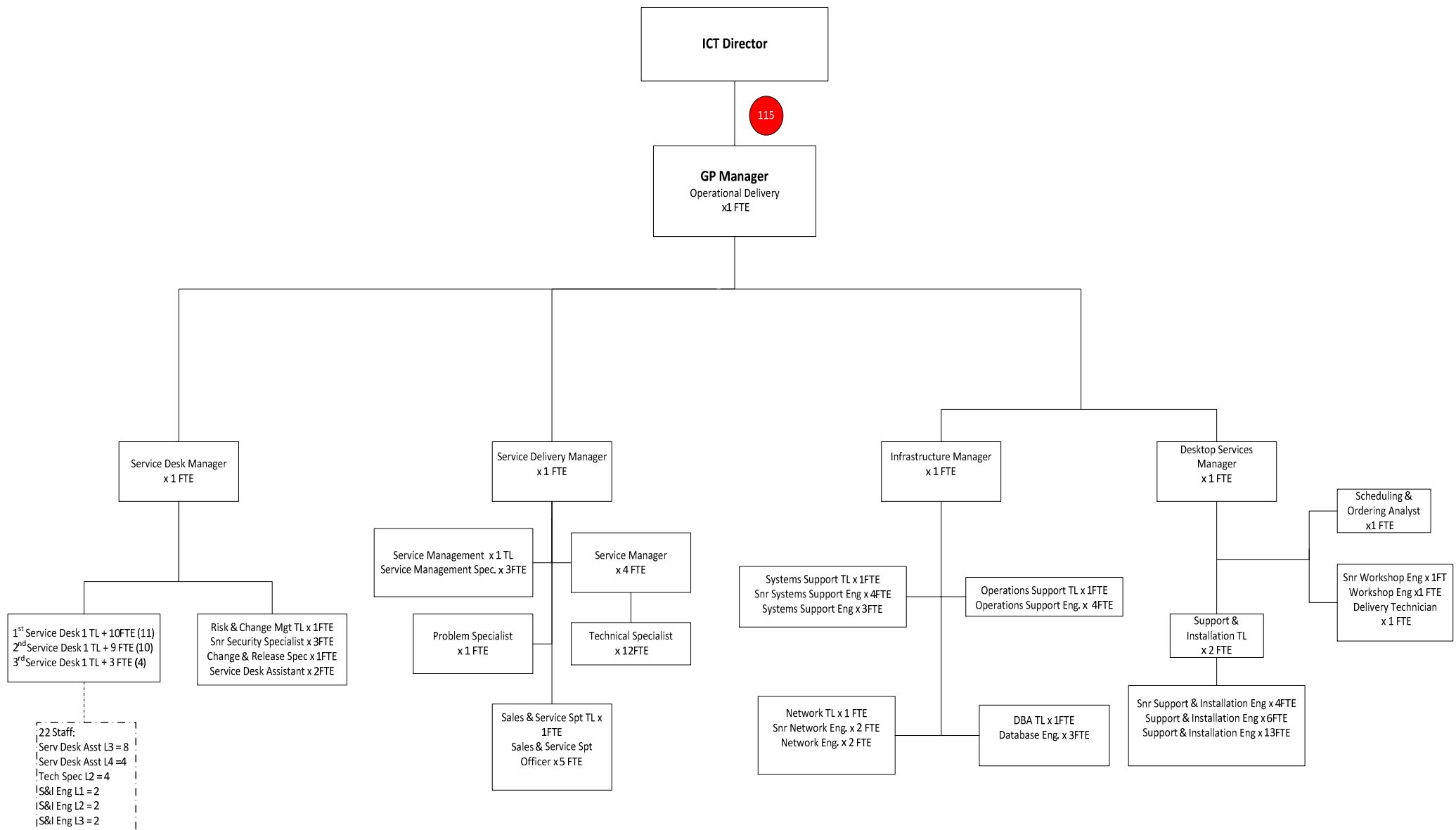
TRANSFORMING ICT SERVICE – PROPOSED OPERATING MODEL v1.0

Appendix 2



Appendix 3 Proposed staffing structure





Summary of ICT Functions

1. Director & Senior Management Team

The role of the Director and Senior Management team is to provide the overall leadership, management, governance and strategic direction for the Service in line with the business plan and in support of the organisation's key priorities as detailed in the Strategic Plan. The key responsibilities are to set the strategic ICT direction for the County Council, for commissioning the provision and support of the ICT estate and for traded ICT services to schools. The Management Team are responsible for such areas as:

- Governance and business planning.
- Performance Management & Performance Reporting.
- Budget Management.
- Communication.
- Policy, Process and Procedure.
- Service Risk Management.
- Health & Safety.

2. Business Change and Engagement

The new Business Change and Engagement function is shaped to meet the changing focus within the County Council towards transformational change. It is based on a small core team but will have the ability to flex up in size in response to demand.

The role of the Technology Partners is to engage with departments at a senior level to understand their business strategies and plans, and to identify how IT will be used to help them shape their services of the future. They will work closely with colleagues from the technical design and build function in order to make sure that we are proactively introducing new technology opportunities in line with our strategies and architecture. The Technology Partners will shape and define the resulting projects and programmes of work which will be handed over to the Programme and Project Managers to deliver.

The new Business Analysis function is part of the bedrock of business change, working with both Technology Partners and Programme and Project Managers to determine business requirements, identify solutions and develop business cases.

We are establishing a Programme Management Office (PMO) function to ensure there is a consistent set of policies, standards and methods to support the delivery of programmes and projects. The PMO will also lead on demand and resource management and reporting for our programme of change.

Within the PMO we will also have Deployment Support Specialists who will provide training needs analysis, development and delivery of training materials, pre and post implementation support and floor walking in support of change programmes.

3. Technical Design and Build

The TD&B group are responsible for the technical strategy, change roadmaps and design and build of new solutions/services for both the corporate and traded service areas. The main focus of the group will be to provide the organisation with the technical environment that will support the transformation agenda while ensuring that existing services remain fit for purpose in an environment of significant business change.

The culture of the group will be transformation through innovation and, to support this, the teams will have the following responsibilities:

- **Technical Architecture** - Led by the enterprise architect, the architecture team will provide the technical blueprints that our key services are built upon. The team will be responsible for the translation of the ICT strategy and direction of travel into designs that will enable its delivery.
- **Innovation** - Key to delivering innovation is understanding both the art of the possible and how new technology can deliver benefit to the organisation. The innovation function has responsibility for leading the research and development elements of the service.
- **Design and Build** - The design and build team take responsibility for delivering the technical expertise in specific services and technology streams that translates requirements into solutions. The team of service managers and technical specialists will provide the technical advice and guidance to enhance the business engagement, design and build the appropriate solutions that support the ICT strategy, define the technical/service roadmaps and commission the transition to the run environment.
- **Traded Services** - The traded services team will be responsible for the definition, marketing and selling of the services delivered to our external customers, primarily in the education sector. The team will own the relationship with the individual organisations that buy services from ICT and will commission solutions in order to develop this key service area.

4. Operational Delivery

This “Run” part of the Service is responsible for delivering, supporting and maintaining ICT Services for 130,000 users, in some 700 buildings, using over 30,000 computers to access more than 700 systems and applications.

Operational Delivery ensures that:

- Agreed service levels for the delivery and availability of ICT services, fault rectification, installations and system upgrades are achieved.
- ICT availability is maximised through delivering controlled maintenance programmes.
- ICT services are protected against malicious attack.
- ICT services are patched / updated in accordance with agreed guidelines.
- A professional Service Desk is delivered for all initial enquiries for ICT services and support.
- Major Incidents are managed effectively.

The Operational Delivery Service orchestrates teams (internal and external) delivering, supporting and maintaining the County Council's ICT infrastructure, including networks, servers, storage, applications and desktop devices. The service also provides the initial point of contact with the customer, through the Service Desk, as well as protecting the integrity and security of the ICT service.

Responsibilities covered by Operational Delivery include:

- Proactive management of ICT security.
- Management and support of the ICT infrastructure and systems.
- Support and management for application systems within the production estate.
- Set targets and ensure that service performance is monitored and maintained to high levels of quality, standards and operability as defined within negotiated and agreed service level agreements.
- Managing all changes to live systems and updating configuration details of all systems and infrastructure.
- Managing the analysis and resolution of all underlying problems.
- Provision of Service Desk for all initial enquiries for services and support.
- Clear escalation points for customer enquiries.
- Increased vendor and service level management to ensure that service performance is monitored and maintained to high levels of quality, standards and operability as defined within negotiated and agreed service level agreements.
- An enhanced focus on service management with the introduction of Service Managers into Operational Delivery having direct relationship with service users.

Overview of the ICT Estate

- Over 100,000 school and corporate users access County Council IT services every business day
- Some 10,000 corporate devices (desktops, laptops, tablets, smart phones) connect to the IT network and each has local operating systems and applications (W7, MS Office, BMS client, Capita ONE client; plug-ins - Adobe, browser etc.)
- There are over 25,000 school computers that connect to the network
- There are 644 corporate and school sites that connect to the IT network and each has a broadband connection, local network infrastructure (cabled, wireless, comms cabinets, switches, routers) and multi-functional print devices
- A private Wide Area Network is deployed across the county connecting all 644 sites
- Over 2,300 staff connect remotely into the IT network using Get Connected, online@home, OLVI or Good services
- A secure connection to the Public Services Network (PSN) supports secure e-mail and application services (Tell Us Once)
- Authentication services enable 100,000 users to access appropriate applications
- Security services are deployed to protect the County Council's on-line data and services (firewalls, filtering, anti-virus, anti-spam, intrusion detection) and block more than 7 million spam/virus attacks annually
- The IT estate needs to be patched regularly in order to minimise security risks and keep pace with technology upgrades
- Management of the data centre provision
- Some 600+ applications are in use across the County Council with 18 being defined by the business as critical (web site, intranet, e-mail, Frameworki, BMS (SAP), Capita ONE, HAMS, Careworks, Civil Parking; Homecare; Lagan, Libraries, Meals at Home; Pensions; Rostrvm; TTS; SharePoint; Wired)
- The applications link to a combination of Oracle, SQL and MS SQL databases
- Some applications are run from 2 data centres to support business continuity

- There are 670 physical servers within the IT estate running on Windows Server, Linux or IBM AIX
- The server estate is heavily virtualised with 400 test, development and production environments running from 25 physical servers
- An array of switches, routers, cables and configuration software links all of the IT infrastructure
- Data back-up services are run overnight from 2 independent data centres
- Over 4,000 overnight batch jobs are run each month for BMS payrolls, Frameworki archives etc.
- Over 2,000 changes to the IT estate are assessed and implemented annually

**REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY AND
ENVIRONMENT****ENERGY COSTS AND PROCUREMENT****Purpose of the Report**

1. The purpose of this report is to:
 - update Committee with regard to the procurement of energy for the Council's buildings and street lighting
 - update on projected costs of energy for this financial year and advise on the estimated fuel costs for the 2014-15 financial year
 - report on the Council's carbon emissions and costs associated with mandatory participation in the Carbon Reduction Commitment Energy Efficiency Scheme
 - provide a brief update on current energy cost and carbon saving measures, and
 - recommend that representation be made to Government regarding Phase 2 of the Carbon Reduction Commitment Energy Efficiency Scheme.

Information and Advice**Energy procurement**

2. This report updates information reported to this Committee on 25 February 2013 and relates to energy and carbon management performance reported to Environment and Sustainability Committee on 10 October 2013.
3. For electricity and gas for Council buildings and street lighting, Members should note that some of the Council's supplies, covering about 70% of its consumption, are purchased under a flexible, variable procurement model, whereby energy is purchased in advance of and during the supply period (financial year). The remaining 30% is purchased prior to the supply period. This should be borne in mind when noting the predicted energy costs in the following section.
4. Procurement of gas and electricity takes place through the Council's appointed central purchasing body, Government Procurement Service (GPS - formerly known as Buying Solutions). The supply contracts for gas and electricity are also made available to state schools in Nottinghamshire through a participation agreement, which virtually all schools take advantage of. The GPS performance review for 2012-13 shows that for the energy baskets from which the Council's supplies are procured, GPS continues to achieve better than average market

prices, with electricity up to 5%, and gas up to around 4% better. The three year average shows a saving of about 15% for both gas and electricity against average market prices.

Energy costs

- Table 1, below, shows the predicted energy costs (electricity and gas) for this and next financial year, compared to actual costs for 2012-13 and 2011-12. Overall, predictions for next financial year show an increase in costs, with an average increase of around 6% for electricity and a 14% increase in gas costs. It should be noted that for gas the percentage increase is above what might be expected owing to a one-off discount of 10% applied to 2013-14 prices.

Table 1. Summary of predicted electricity and gas costs for 2013-14 and 2014-15

	2011- 12 actual	2012-13 actual	2013-14 predicted	2014-15 predicted	Difference compared to 2013-14 (% increase in brackets)
Schools*	£9,102,531	£10,052,120	£9,482,830	£10,359,999	£877,169 (9%)
Traffic signals	£300,749	£307,621	£373,926	£393,861	£19,935 (5%)
Street lighting	£3,813,514	£4,203,333	£4,339,877	£4,570,176	£230,299 (5%)
Corporate	£3,021,779	£2,828,101	£2,922,784	£3,162,263	£239,479 (8%)
Total cost excluding schools	£7,136,042	£7,339,055	£7,636,587	£8,126,300	£489,713 (6%)

*Schools meet their own energy costs

- Members should be aware that these are very much best estimate figures based on average consumption over the past three years, predicted prices and the limited amount of energy purchased in advance, with many variable factors that can influence actual costs. Street lighting and traffic signals comprise around 60% of the Council's electricity and gas costs. Although rising, predicted combined costs for schools and the Council in 2014-15 of £18.5million still compare favourably to the £21million equivalent costs in 2010-11, which was prior to the new procurement arrangements (above) being put in place.

Carbon Reduction Commitment Energy Efficiency Scheme (CRCEES)

- Reducing emissions of carbon dioxide (the main greenhouse gas), including those from the Council's own estate and operations, is one of the Council's Strategic Plan priorities. Carbon emissions for the financial year 2012-13 arising from the use of energy in Council buildings (including schools), as declared in the annual report under the Government's Carbon Reduction Commitment Energy Efficiency Scheme (CRCEES), amounted to 73,400 tonnes of carbon dioxide, representing a total cost of £880,800 at the current price of £12 per tonne. This is an increase

of 5,947 tonnes compared to the previous year, which reflects the particularly cold and prolonged winter of 2012-13.

8. Table 2 shows reported carbon emissions under the CRCEES, and those associated with street lighting, for the previous 3 years, with figures in brackets showing weather corrected carbon emissions for energy use in buildings. This shows that when the effect of weather is taken into account (which the CRCEES does not do), a year on year decrease in emissions from County Council buildings has been achieved.

Table 2. County Council carbon emissions

County Council carbon emissions			
Year	Reported emissions from energy use in buildings (weather corrected figures in brackets)	Emissions from energy use in street lighting, signs and signals	Total (tonnes)
2010-11	78,579 (76,635)	24,619	103,198
2011-12	67,453 (72,404)	24,515	91,968
2012-13	73,400 (70,030)	24,772	98,172

9. The Government has made significant changes to Phase 2 of the CRCEES designed to simplify the scheme and reduce the administrative burden for participants, whilst maintaining its effectiveness in delivering energy and carbon savings. The main changes with financial implications for the County Council come into effect in 2014-15, and are as follows:

- The cost per tonne increases from £12 to £16, and then in line with RPI each year
- Emissions from schools and academies will be excluded
- Emissions from street lighting, signs and signals will be included.

These changes result in an estimated increased cost to the Council in 2014-15 of about £470,000, based on current emissions. Table 3 summarises predicted costs of CRCEES up until 2016-17.

Table 3. Predicted costs under CRCEES

Predicted CRCEES costs						
(Based on 2012-13 emissions, assuming these remain constant, and an RPI of 5%)						
Cost area	2012-13 emissions (tCO ₂)	Year and cost per tonne				
		2012-13 £12	2013-14 £12	2014-15 £16	2015-16 £16.8	2016-17 £17.64
Schools	55,228	£662,736	£662,736	-	-	-
Corporate buildings	15,434	£185,208	£185,208	£246,944	£259,291	£272,256

Street lighting	24,772	-	-	£395,552	£415,327	£436,096
Pensions portfolio	2,738	£32,856	£32,856	£43,808	£45,998	£48,298
Total excluding schools	42,894	£218,064 (actual cost)	£218,064	£686,304	£720,616	£756,650

10. Due to energy consumed by schools and street lighting not being included in the qualifying energy consumption for Phase 2, a somewhat arbitrary pattern of local authorities now appears to be captured by the Scheme, such that some authorities of comparable size to Nottinghamshire County Council (including other Highway Authorities) will be exempt because they do not consume above the qualifying threshold of electricity through certain types of electricity meter associated with sites with high consumption. This is considered inappropriate and inconsistent and therefore it is proposed that representation be made to Government to remove this anomaly.

Measures to reduce energy costs and carbon emissions

11. The Council has a number of key programmes in place to tackle energy consumption and reduce its carbon emissions. These include:

- (i) A revolving loan fund for investment in energy efficiency measures, which has now increased from £1.2 to £1.3million following additional funding provided by Salix Finance.

Up to the end of September 2013 this fund had invested £1.85million in the Council's schools and other buildings, saving 2,639 tonnes of carbon dioxide and £449,586 in energy costs per year. Measures funded include low energy lighting, energy management systems, improved heating controls and voltage optimisation. Salix Finance publishes the performance of its Recycling Fund clients and in the most recent league tables Nottinghamshire County Council is placed in the top 6 or above in 5 of the 7 performance measures.

- (ii) A revised street lighting energy saving project approved by Policy Committee in September 2013.

This has now been enhanced by a successful bid to Salix Finance for two interest-free energy efficiency loans, totalling £1.8million, for a county-wide dimming and an LED lighting replacement programme. Once these programmes are completed, expected to be some time around March 2016, savings are estimated to amount to about £550,000 p.a. in energy costs and a further £44,000 p.a. in CRCEES costs.

- (iii) Investment in photovoltaic (PV) panels on the roofs of various Council properties.

To date the SunVolt programme, which is about 2 years old, has invested a total of £617,061, with £117,203 so far received as income by way of Feed in

Tariffs. In addition to this, the panels have offset over £36,662 worth of electricity that the Council would otherwise have had to pay for, bringing the total financial benefit of the project to £153,865. At this rate the investment cost will have been covered in about 8 years. In addition to the financial benefits, the programme has also prevented the generation of about 250 tonnes of carbon dioxide and raised awareness of energy issues amongst staff at the affected buildings. A further £1.2million has been allocated for PV investment in the next phase of the SunVolt programme.

- (iv) A £2million programme approved in September 2012 to replace remaining ageing coal, oil and LPG boilers in Council properties with modern biomass heating systems.

This programme will utilise the Government's Renewable Heat Incentive (RHI) to repay the capital costs and generate a surplus income for the Council. The programme is now well underway with the first few boilers installed and commissioned at a number of schools and the Council set to start receiving RHI payments. This programme follows on from previous activity, which has resulted in over 60 Council sites now heated by modern biomass boilers, saving each year over 6,000 tonnes of carbon, currently worth £72,000. This activity has been supported over the years by c£1.85million of external funding.

12. Work reviewing billing has resulted in £172,500 of refunds being made to sites on the Council's contract. In addition, on-going energy savings of £12,900 p.a. have also been achieved this year through regular review of available electricity supply capacities across the Council's properties. This has enabled savings by lowering the maximum amount that suppliers agree to make available to sites at any moment in time.
13. The Council will also be limiting its carbon emissions through its programme of property rationalisation and the creation of more energy efficient working environments. This has included the integration of energy efficiency measures into the refurbishment of County Hall, energy efficient design for new Council buildings such as Worksop library, and the use of low carbon technologies, such as ground source heat pumps, which feature in the new bus station at Mansfield.
14. All Council new build projects are designed to meet current building regulations and incorporate, where possible, daylight sensitive lighting controls, natural ventilation, sustainable drainage, rainwater harvesting, and other measures that save energy and reduce running costs. Use is increasingly being made of modular construction methods, which reduce time on site, help minimise waste and meet requirements for improved air tightness. Where refurbishments, such as the Schools Capital Refurbishment Programme and Day Service Review, are being undertaken, every opportunity is taken to upgrade the buildings and services to meet the current regulations and reduce future energy use.
15. The Council is developing performance profiles for each of its property assets with high level indicators to be presented to Members for approval later this year. These profiles will bring together key information for each building, including

running costs and energy performance ratings, and will enable an assessment of each property's performance from both a building and service perspective. The profiles will provide information to support decisions regarding which assets to retain or sell, and allow target setting in respect of the performance of retained assets. Furthermore, they will assist with more effective prioritisation of spending, including that on energy efficiency measures, thus optimising the use of available funds and supporting the drive towards reducing costs. The Council is also progressing with the 'One Property' central government initiative that seeks to promote the shared use of property. One of the direct effects of this is to reduce individual organisations' carbon footprints.

Other Options Considered

16. Not applicable

Reason/s for Recommendation/s

17. The reason for recommending that representation is made to Government is set out in paragraph 10.

Statutory and Policy Implications

18. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

19. Energy costs are predicted to rise in 2014-15. This impacts on a number of service areas which have been informed of the predicted increases. Affected service areas should be planning how to finance these as part of their budget setting process. The net effect of the changes to the CRCEES is estimated to result in an increased cost to the Council of about £470,000 in 2014-15 based on current emissions. The Council has a number of programmes in place to tackle energy consumption and reduce carbon emissions. These will help militate against price increases and reduce the charges for carbon emissions under CRCEES.

RECOMMENDATIONS

Committee is recommended to:

- (i) note the contents of this report, and
- (ii) authorise the Service Director to make representation to Government to point out the inequitable consequences of the changes to CRCEES in consultation with the Committee Chair.

Jas Hundal

Service Director, Transport, Property and Environment

For any enquiries about this report please contact:

Phil Keynes, team manager, energy and carbon management
0115 9774623

Constitutional Comments (NAB 20/12/2013)

The Finance and Property Committee has authority to consider and approve the recommendations set out in this report by virtue of its terms of reference.

Financial Comments (TMR 20/12/2013)

The financial implications are set out in paragraph 19.

Background Papers

None

Electoral Division(s) and Member(s) Affected

None

20 January 2014**Agenda Item: 7****REPORT OF SERVICE DIRECTOR, TRANSPORT, PROPERTY &
ENVIRONMENT****REPORT ON THE PLANNED MAINTENANCE BUDGET 2013/14****Purpose of the Report**

1. To advise Members on how repairs and maintenance need is identified, spend allocated and the proposed development of a repair and maintenance Strategy.

Information and Advice

2. The Planned Maintenance (PM) budget is set as a standing item for each year in the corporate budget book, the breakdown of the budget is split between £5.187m Revenue and £6.528m capital funding, giving a total budget value of £11.715m. The budget value includes an amount added to the basic budget to address the Health & Safety backlog of high risk remedial works. This has enabled a five programme of works to be established which will conclude at the end of this financial year at which point the additional funding will be withdrawn.

Budget Allocation

3. To enable an even split of the funding across all properties where maintenance needs have been identified, it is necessary to understand the basic areas of need against each property.
4. A condition survey is carried out on every property on a five year cycle, this is then recorded within Nottinghamshire County Council's Business Management System (BMS) against twelve main elements ranging from redecoration through roofing, mechanical & electrical services to external works these are then prioritised on a priority need basis 1 - 4 (1 = within 1 year and 4 = in excess of 5 years) and condition A-D (A = good and D = poor), these elements of work streams are laid down by The Chartered Institute of Public Finance and Accountancy (CIPFA) and is therefore a nationally recognised process.
5. The data collected from the Condition Surveys is then used to identify the

percentage need for the properties within each department. The PM budget is then top sliced for standard items such as risk assessments, service agreements and contingencies. The remaining balance is then split which gives circa 90% for the main corporate responsibilities (roofing, external elevation major electrical and mechanical services) and 10% for non-corporate elements (re-decoration, carpeting, fixtures and fittings).

6. The final allocation of the 90% is based on the particular properties priority need normally on the following basis; Health & Safety, followed by wind & water tight, heating, lighting and power requirements. Historically there has always been a back log of need in excess of the funds available this normally addresses the priority 1 items where funds allow with a few priority 2 included in the final proposed programme of works.
7. Over the last few years the planned maintenance programme of works has been influenced by other programmes of works WOW (Ways of Working) SCRП (Schools Capital Refurbishment Programme, PSBP (Priority Schools Building Programme) and DSR (Day Service Review) all of these have addressed various areas of the property portfolio and have included some major works on the maintenance backlog for the properties involved. This has enabled Property to channel the budgets to other areas of the portfolio which would have otherwise been a low priority.
8. Whilst every effort is made to address the 'Priority 1' items, unexpected strains on the budget can have a serious detrimental effect on the overall planned programme of works, 2013/14 is no exception with a requirement to contribute £1.0m into the SCRП and circa a further £200,000 to cover works which have not been covered by the WOW (Replacement of the main foul drainage stacks at County Hall and Emergency lighting to the Fire Escape Stairwells). Due to this late strain on the budget it is necessary to put on hold equivalent value projects and delay them until the 2014/15 programme of works, this will enable the reduced Planned Maintenance programme to be delivered on budget.
9. Below is a table indicating the basic split of the budget in the current year's programme.

CFCS Schools	45.40%	£5.14m
CFCS Non Schools	28.77%	£3.25m
Adults Social Care & Health & PP	13.39%	£1.51m
Environment & Resources	12.43%	£1.41m

10. Other works which the condition survey has highlighted as urgent/priority 1 works include replacement of elevation's (windows) re-roofing, new boilers, total re-piping of heating systems, ventilation in kitchens, new lighting

including total rewire of a property and urgent structural works. All these works have been identified as essential works and usually undertaken to prevent closure of properties and to maintain the safety to both staff and user.

Future Planned Maintenance Programmes

11. This year is the final year of the additional funding to address the major backlog of Health & Safety works. The main aims of the Health & Safety programme of works were to address the key areas of Fire Safety, Legionella and Asbestos. During the last five year period, the Property Group will have completed almost 2000 projects equating to approximately £34m. With the conclusion of the programme and the reduction of funding, the overall expected budget for 2014/15 equates to £7.8m. After top slicing for contingencies and statutory compliance elements, this leaves £5.3m available. Further contributions to the SCRP and NWSC (National Water Sports Centre), reduces this figure to £4.173m. There will remain an on-going need to undertake works on the Fire, Legionella and Asbestos elements of the property portfolio as the buildings age and new circumstances arise. These priorities will be managed by prioritising spend in these areas from the PM budget which as would be expected, leaves less monies available for urgent yet important work.
12. It has therefore been considered that a major move to an alternative method identifying the planned maintenance requirement should be developed. A review of the condition surveys for the corporate property portfolio (with the exception of schools) has been undertaken. This will help form the basis of a repair and maintenance strategy which will provide options for achieving a particular standard of property condition; identify cost and alternative options such as down- sizing of the property estate; asset sharing and other means of funding back-log repairs. It will assist in targeting expenditure where it is most needed to support core objectives. It is anticipated the repairs and maintenance strategy will be the subject of a report to the Finance & Property Committee during Spring 2014.

Other Options Considered

13. Prioritising spend based on urgency of need ensures that limited funds are used as effectively as possible. Alternatives would result in some properties benefiting from increased works to the detriment of other buildings which could result in the closure of some due to health and safety issues unless additional funding was identified.

Reason/s for Recommendation/s

14. To provide members with assurance that despite budget pressures on the repairs and maintenance budget, positive action is being taken to use funding provision effectively to support corporate property need.

Statutory and Policy Implications

15. 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 demands on the repairs and maintenance budget is noted and the proposals to develop a repairs and maintenance strategy.

Jas Hundal

Service Director – Transport, Property & Environment

For any enquiries about this report please contact: Dale Renfrey

Constitutional Comments (CEH 13.12.13)

16. The report is for noting purposes only.

Financial Comments (TR 18/12/13)

17. There are no immediate financial implications as a result of this report.

Background Papers and Published Documents

18. None.

Electoral Division(s) and Member(s) Affected

19. Ward(s): all
Member(s): all

File ref.: /SB/SB/09998

SP: 2568

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

20 January 2014**Agenda Item: 8****REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY &
ENVIRONMENT****ESTATE MANAGEMENT DECISIONS****Purpose of the Report**

1. To review the reporting and operational decision process that relates to Estate Management decisions and suggest proposed amendments.

Information and Advice

2. As Members will be aware, a variety of reports are submitted to Finance & Property Committee seeking approval to Estate Management decisions ranging from the grant of licences, leases to disposals of significant property holdings.
3. These decisions are supplemented by an operational decision process which assists with the smooth and efficient operation of the Estates Management function. The decisions relate to relatively minor transactions that accord with established property strategies, related plans and programmes. Such operational decisions are discussed with the Chair of the Finance & Property Committee before being approved by the Service Director of Transport, Property and Environment and are formally recorded.
4. The Parameters for Considering Operational Decisions: A report to the Finance & Property Committee of 9 July 2012 outlined the range of transactions when operational decisions should be considered. An extract from the report is shown in **Appendix 1**.
5. During the past 12 months this has resulted in the submission of 98 reports and 64 approved operational decisions.
6. A breakdown of the reports indicates that the reports consisted of:
 - 19 disposals ranging from £2,200 - £7million
 - 7 acquisitions ranging from £75,000 - £325,000
 - 19 new leases ranging from peppercorn - £50,000
 - Remainder miscellaneous cases having a total value of £50,000

7. Areas for Review: In conducting a review of operational decisions it is suggested that the following issues should be considered:

- Clarity: The list of transactions outlined in **Appendix 1** does not define what represents low value in terms of a disposal. It is worthwhile highlighting that of the 19 disposal reports submitted, approximately half of these involved sums of less than £100,000. The list also omits consideration of the grant of general leases/licences and corresponding renewals. It is evident from the review conducted above, that these 2 categories of transactions form a significant part of the reporting subject matter
- Efficiency: Reducing financial and human resources means the Property Group needs to work more efficiently and to do more with less. The process of preparing and submitting Committee reports takes on average 6 - 7 weeks. This arises due to the process of drafting the report; seeking consultation and meeting various deadlines for the despatch of reports and agenda. This results in significant time delays in operational decisions and high levels of staff costs that are disproportionate to the value of transactions considered and therefore both inefficient and expensive.
- Audit findings: An Internal Audit review of the management of the County Council's land and buildings was undertaken during 2013. An extract from the audit report action plan is outlined below:-

***Risk:** Time is spent on Committee reports, by officers and Committee Members, which could be spent on more productive activities leading to the disposal of properties no longer required. Delays increase the possibility of a buyer losing interest in the property. Disposal proceeds are delayed, impacting on the timely receipt of income within the target financial year. Conversely, as 'small value disposals' are not defined, officers might make decisions on higher value properties which ought instead to be made by the Committee.*

The above risk is categorised 'medium' by Internal Audit.

- Governance: In order to support appropriate governance and oversight of Estate Management decisions, there remains a need to report property transactions to the Committee. A balance should be considered between those cases that represent routine activity and those cases that are of significant interest in terms of strategic, financial, reputational and local importance to County Councillors.
8. Proposed Amendments: After considering the above factors, it is recommended, subject to the Committee approval that the following are added to the current list of transactions to be progressed by means of operational decisions:
- Low value disposals (sale or exchange/premium leases) being defined as

a capital value not exceeding £100,000 – it is worth highlighting that sales which represent less than best consideration reasonably obtainable will always be reported to the Committee for approval.

- All proposed acquisitions of an interest in land will be reported to Committee for consideration.
 - Low value compensation payments as per above subject to a payment not exceeding £100,000.
 - The grant and renewal of general leases/licences where the duration is less than 25 years and the rent/fee proposed represents market value. It is unusual for a public sector body to grant an interest beyond 25 years and therefore such special circumstances should be reported to Committee for determination, any less duration being considered under an operational decision process.
 - Academy conversions: The County Council is obliged to grant a lease on specified terms once an application is made and as a result the reporting of individual cases provides no additional decision making ability.
 - Establishment of reserve and guide prices for the sale of property. These are normally advised by independent professional agents to supplement an in house opinion on value. As such an operational decision would be suitable for confirming such values.
 - The submission of planning applications for the development of County Council owned land.
 - The wording of the current operational decisions involving dilapidation surveys and the grant of short term lettings is updated to improve clarity.
9. The amendments outlined have been incorporated into **Appendix 2** for which the Committee approval is sought.
10. In all instances the Chair of the Finance & Property Committee to determine whether the operational decision submitted should still be reported to Committee on a case by case basis for approval.
11. While the extent of the operational decisions are being extended and clarified it is proposed a report should be submitted to the Finance & Property Committee on a quarterly basis outlining all operational decisions made, supplemented annually by a review report on Estate Management operational decisions.
12. Ward Member Consultation: Combined with the above proposed changes, for clarity it is recommended that relevant Ward Members are invited to comment on appropriate Estate Management decisions that are progressed via Committee reports or operational decisions, subject to the following timings:

- (i) Reports - prior to the appropriate Finance & Property Committee meeting in order that Ward Member comments (if any) may be considered.
- (ii) Operational Decisions - after the Chair of the Finance & Property Committee has been advised of the proposed operational decision. Any comments subsequently received from Ward Members that object to the decision shall be reported back to the Chair who shall direct whether the operational decision should be approved or submitted to the Committee for determination.
- (iii) Timescale - Ward Members are to be allowed a minimum of 7 days to make their observations.

Other Options Considered

- 13. A no change option would retain the current disadvantages outlined within the report which could prove problematic from a governance perspective. Lack of clarity on operational decisions may create uncertainty on whether a legal contract can be concluded without a committee decision.
- 14. An alternative option is to provide officers with delegated powers on routine estate decisions. This would require a significant change in the Council's constitutional arrangements and brings few added benefits beyond a clear and functioning operational decision process.

Reason/s for Recommendation/s

- 15. The proposed changes, it is suggested, provides an important and continuing degree of governance relating to Estate Management decisions enabling Committee members to concentrate on those cases of significance, while more routine transactions will be more efficiently progressed.

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 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) To approve the amendments for authorising operational decisions as outlined in **Appendix 2** of the report.

Jas Hundal

**Service Director
Transport, Property & Environment**

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

Constitutional Comments (CEH 20/12/13)

17.The recommendation falls within the delegation to the Finance & Property Committee.

Financial Comments (TR 18/12/13)

18.There are no direct financial implications as a result of this report.

Background Papers and Published Documents

19.Property Strategy: Finance & Property Committee 9 July 2012

Internal Audit Report: Estate Management October 2013

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.

Electoral Division(s) and Member(s) Affected

20.Ward(s): N/A
Member(s): N/A

File ref.: AS/SB/09998
SP: 2572
Properties affected: 09998 - Various NCC Properties/non-property item

Current Transactions Considered for Operational Decisions

- Grant and renewal of garden and grazing licences
- Grant and renewal of short term (less than 3 months) licenses for other uses (such as fire-work displays, summer fairs etc.)
- Renewal of leases where there is an automatic right to renewal under specific legislation- such as Telecom towers
- Renewal of leases where there would be no other strategic use for properties - such as industrial units
- Renewal of leases where there is no other strategic use for land - such as grazing and stable leases, sailing clubs etc.
- Granting of wayleaves and easements to statutory undertakers.
- Deeds of variation
- Property led dilapidation surveys
- Landlords consent - alterations/change of use/assignments/sub-lettings etc
- Rent renewal reviews
- Low Compulsory Purchase Order Claims
- Small (low value) disposals

Proposed Transactions Considered for Operational Decisions

- Grant and renewal of general leases/licences where the duration is less than 25 years and the rent/fee proposed represents market value.
- Grant and renewal of short term (less than 3 months) licenses for community type uses (such as fire-work displays, summer fairs etc.)- Consideration may or may not be payable in such circumstances.
- Renewal of leases where there is an automatic right to renewal under specific legislation- such as Telecom tower.
- Granting of wayleaves and easements to statutory undertakers.
- Deeds of variation.
- Dilapidation surveys and the agreement of compensation/claims.
- Landlords consent - alterations/change of use/assignments/sub-lettings etc.
- Rent renewal reviews.
- Compulsory Purchase Order Claims subject to a payment not exceeding £100,000.
- Disposals (sale or exchange/premium leases) being defined as a capital value not exceeding £100,000.
- Academy Conversions.
- Establishment of reserve and guide prices for the sale of property.
- The submission of planning applications for the development of County Council owned land.

Note: (i) Disposals which represent less than best consideration reasonably obtainable will always be reported to the Committee for approval.

(ii) All proposed acquisitions of an interest in land will be reported to

Committee for consideration.

20 January 2014**Agenda Item: 9(a)****REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY &
ENVIRONMENT****DISPOSAL OF FORMER SOUTHWELL HIGHWAYS DEPOT, FISKERTON
ROAD, SOUTHWELL****Purpose of the Report**

1. To seek approval to enter in to a conditional contract for the sale of the former Southwell Highways Depot, Fiskerton Road, Southwell.

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 exempt appendix.
3. The former Southwell Highways Depot closed on 2nd March 2011 and is now surplus to operational needs due to the reorganisation of Highway Services and construction of the Bilsthorpe Depot. It is listed on the Capital Receipt List for disposal. There was some delay in marketing due to the area to be sold and the area to be retained for the potential by-pass needing to be clearly defined by Highways. The former depot occupies a site of approximately 1.74 acres (0.71 Hectares). The area being marketed is 0.929 acres (0.376 Hectares) the remainder of the site is to be retained for a proposed by-pass.
4. The proposed Southwell by-pass is currently included in the capital programme but has no funding. The sale of the land needs to take into consideration the possibility that the by-pass scheme is abandoned in the future and the remainder of site along with other surrounding retained land can be sold at a later date.
5. The development of the land for sale (crossed hatched) will be expected to provide an access road to Phase 2 (hatched on attached plan) because in the event the Southwell by-pass project is abandoned an adoptable standard road will be needed for access if the land to the front is sold now. This may restrict the development on this site. The retained land fronting Fiskerton Road is unlikely to gain Highway planning consent as an additional access.

6. The site currently consists of paved areas and several derelict buildings that previously contained offices and workshops. The site is secure and all the buildings boarded up, there are no on-going security costs.
7. The property has been extensively marketed by the Council's appointed agents, Innes England. A wide range of offers has been received for the marketed part of the site, both on a conditional and on an unconditional contract basis. Each of the bids have been subject to detailed scrutiny by Officers and by the Council's agents. The offers received exceeded expectations and represent good value to The Council. A summary of all the offers received is contained in the exempt appendix.

Other Options Considered

8. 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. The site has no usable properties due to poor condition.
9. Consideration was given to sale by auction but we would have no guarantee the purchaser would develop the site and they could possibly land bank the site. Therefore not constructing the road to allow access to the retained land. This would effectively land lock the retained land if it were to become available. It was also felt sale by private treaty would produce greater interest and allow for more discussion with interested parties. Plus all importantly greater clarity as regards the access road.
10. A final option is to retain the land until such time as the future of the by-pass is determined one way or the other. This could cause a significant delay in selling the land as the next tranche of roads going forward for funding is not until 2019. At this present time 50 potential road schemes are being put forward in 2019 but only 3 of these will receive funding. This by-pass could roll forward to the next tranche or even several future funding tranches.

Reason/s for Recommendation/s

11. The Authority has no strategic requirement for the property.

Statutory and Policy Implications

12. 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 be 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: Gael Gamble 0115 977 2083

Constitutional Comments (CEH 13/12/13)

13. The decision falls within the delegation to Finance and Property Committee. When disposing of its land the Council is required to obtain the best price reasonably obtainable on the open market and Committee should satisfy itself of this when making a decision.

Financial Comments (TR 19/12/13)

14. A sale will generate a capital receipt which will be used to help fund the Capital Programme.

Background Papers and Published Documents

15. None.

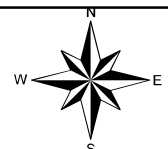
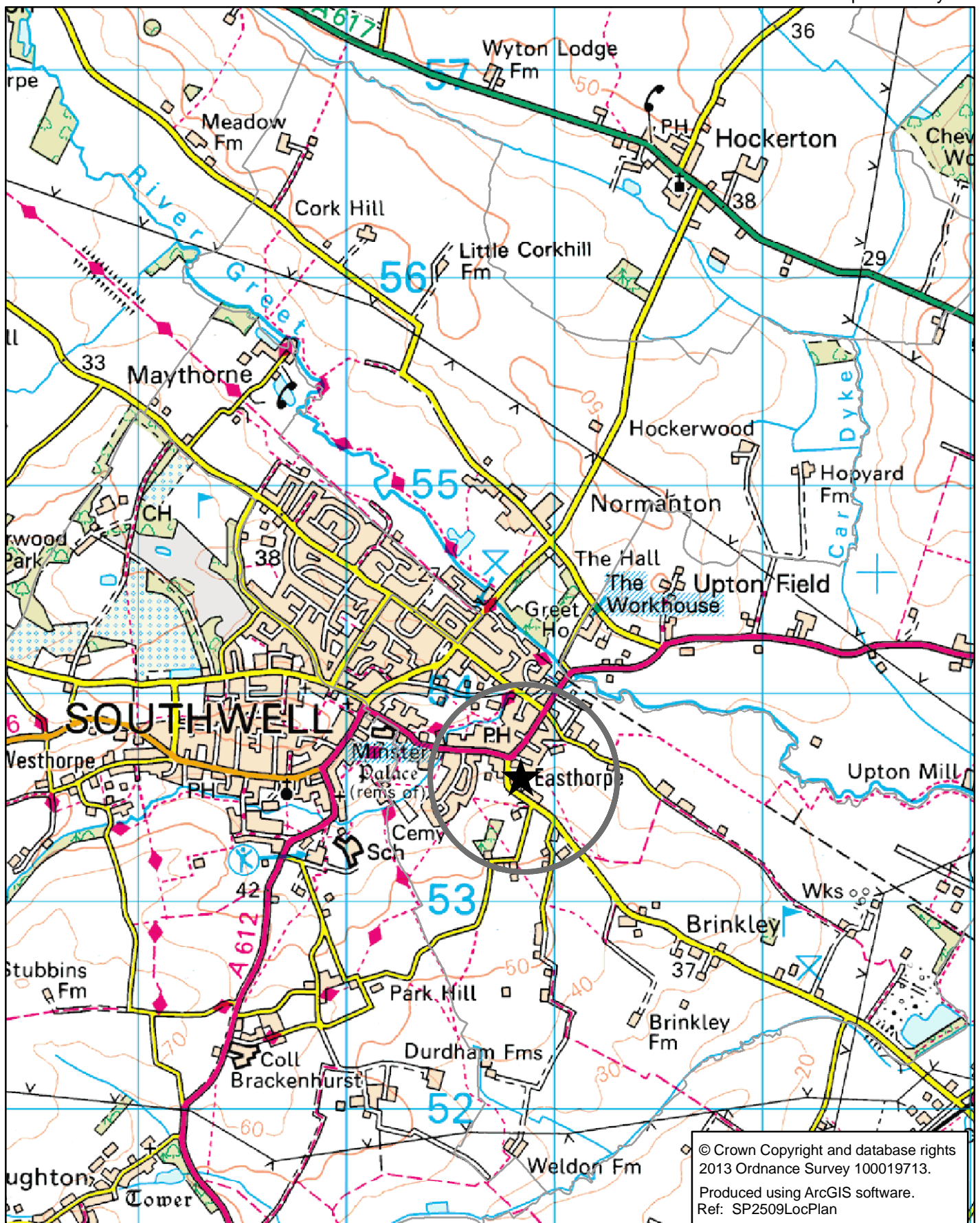
Electoral Division(s) and Member(s) Affected

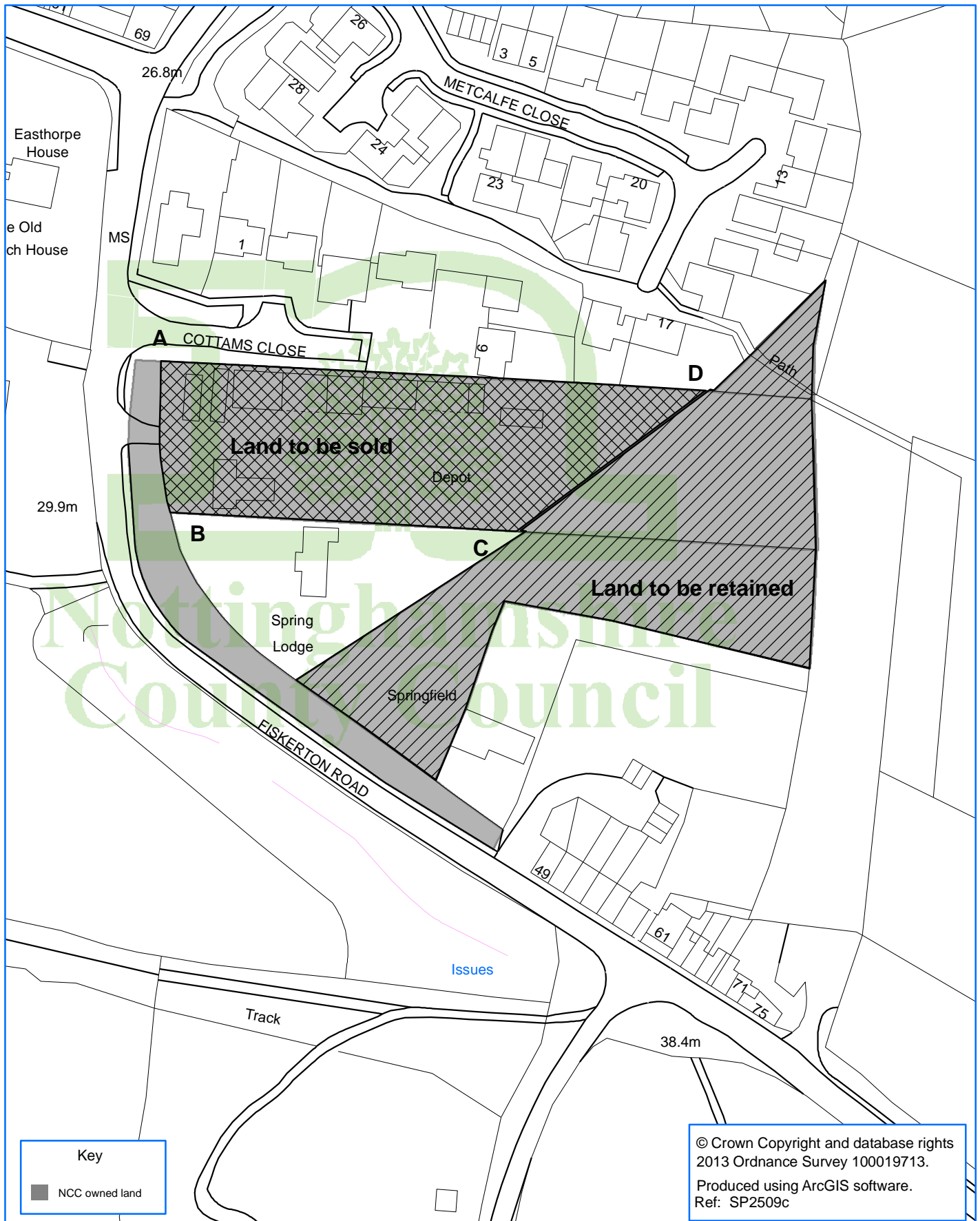
16. Ward(s): Southwell & Caunton
Member(s): Councillor Bruce Laughton

File ref.: /GG/SL/07024

SP: 2509

Properties affected: 07024 - Southwell Sub Depot





20 January 2014**Agenda Item: 9(b)****REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY AND
ENVIRONMENT****FORMER PORTLAND SCHOOL SITE, SPARKEN HILL, WORKSOP****Purpose of the Report**

1. To seek approval to the sale, subject only to contract and approval of Reserved Matters, of the former Portland School site, Sparken Hill, Worksop, Nottinghamshire, S80 1AW as set out in the attached exempt appendix.
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. Nottinghamshire County Council (the Council) own land to the east of Sparken Hill, Worksop comprising approximately 3.63 hectares (8.97 acres) and being the site of the former Portland School located to the north of Ryton Park Primary School.
4. This property has been declared surplus and is in the Capital Programme for disposal.
5. An outline planning application for residential development was submitted in 2011 to Bassetlaw District Council and it was advised on 16 June 2011 that the application had been reported to Bassetlaw District Council's Member Advisory Group, who had confirmed that they were willing to support the recommendation that planning permission be granted, subject to completion of a Section 106 Agreement.
6. In accordance with the approved report to Finance & Property Committee of 25th February 2013 agents were instructed to market the residential development site for sale subject to completion of the Section 106 Agreement, as above.
7. The Section 106 Agreement was completed on the 15 March 2013.

Other Options Considered

8. Retention of the land, but not required for any alternative use.

Reason/s for Recommendation/s

9. To secure a capital receipt.

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 Finance and Property Committee approve the sale, subject only to contract and approval of Reserved Matters, of the former Portland School site, Sparken Hill, Worksop, Nottinghamshire, S80 1AW as set out in the attached exempt appendix.

Jas Hundal

Service Director, Transport, Property and Environment

For any enquiries about this report please contact: Peter Grinnell 07753 625269

Constitutional Comments (CEH 20/12/13)

11. The recommendation falls within the delegated authority to the Finance and Property Committee. When disposing of its land the Council is required to obtain the best price reasonably obtainable on the open market and therefore Committee should satisfy themselves of this before approving any recommendation.

Financial Comments (TR 18/12/13)

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

Background Papers

13. Report to Finance and Property Committee of the 25 February 2013.

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.

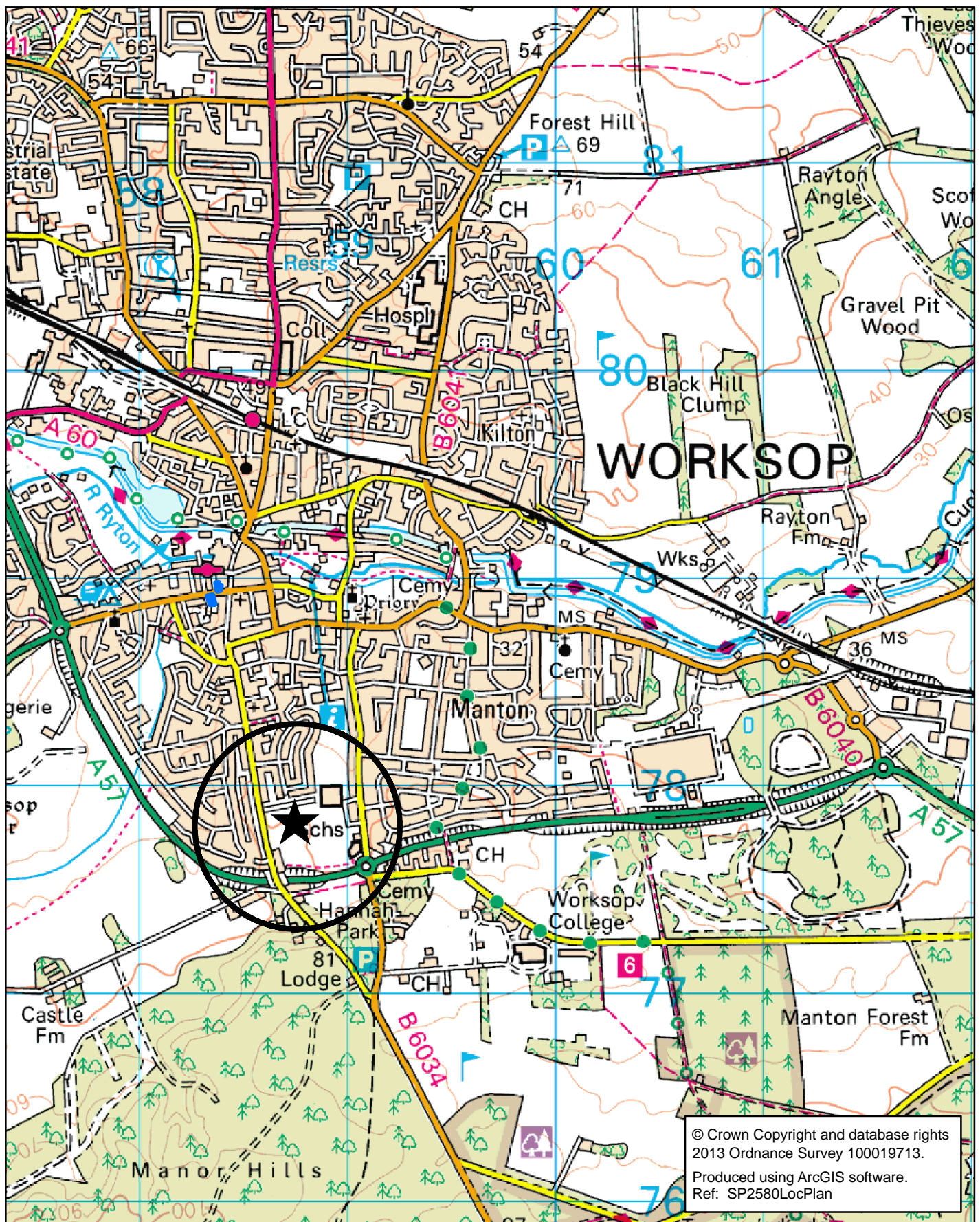
Ward(s) and Member(s)

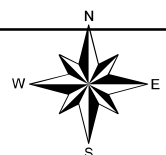
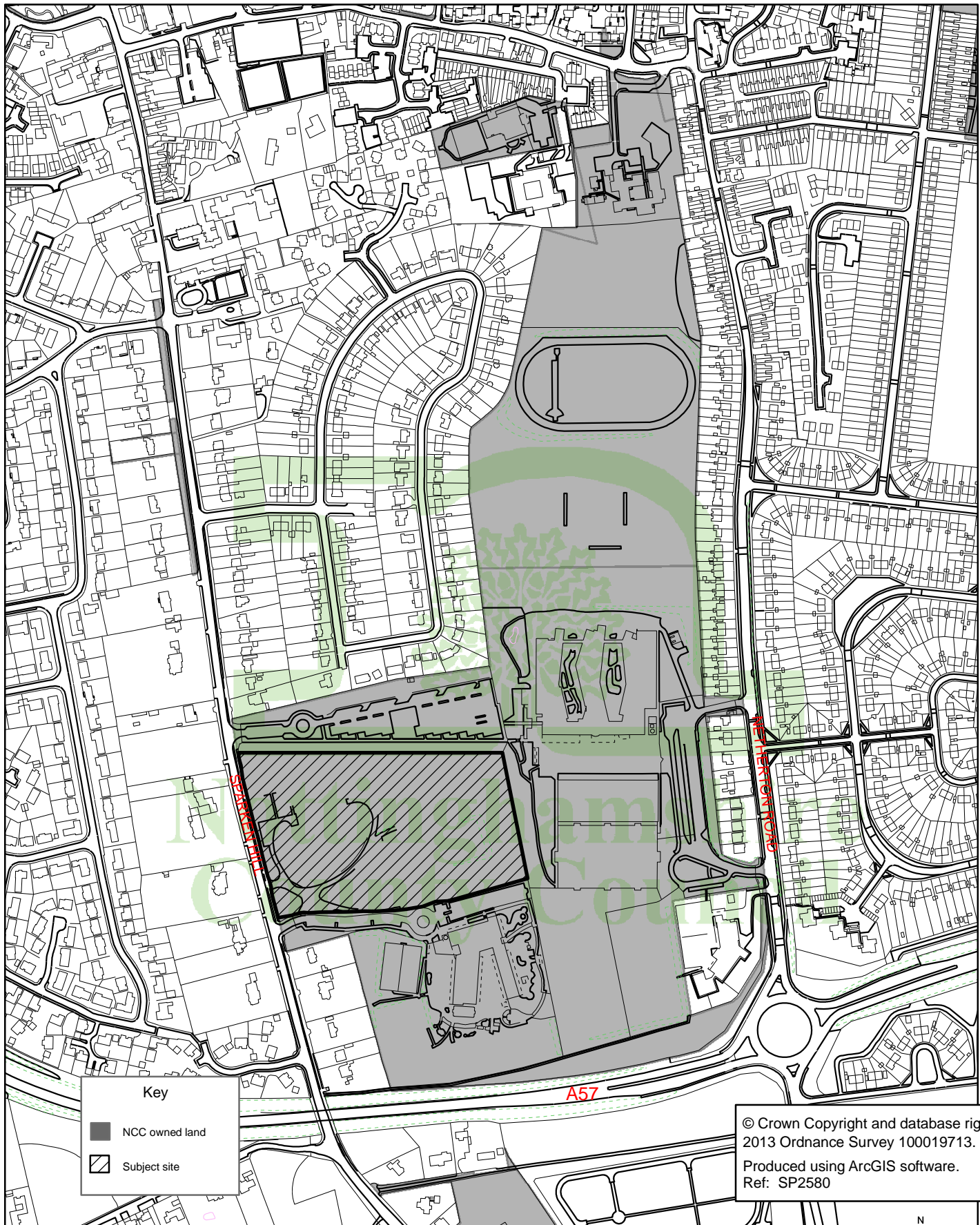
14. Ward(s): Worksop West
Member(s): Councillor Kevin Greaves

File ref.: /PG/SL/52068

SP: 2580

Properties affected: 52068 - Remaining NCC site





20 January 2014**Agenda Item: 9(c)****REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY &
ENVIRONMENT****CENTENARY HOUSE, WILFORD LANE, WEST BRIDGFORD - DISPOSAL****Purpose of the Report**

1. To note the outcome of the latest round of marketing of Centenary House.
2. To seek approval to the terms for disposal of the property as detailed in the exempt appendix.

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 the exempt appendix.
4. Centenary House was a County office property which has been declared surplus to the operational needs of the Authority and which can be sold. The property was originally vacated in early 2012 but has subsequently been reoccupied to allow for the temporary relocation of staff displaced by the Ways of Working reorganisation of the West Bridgford campus, including the refurbishment works at County Hall. These temporary occupations continued until August 2013, since when the property has been vacant.
5. At its meeting on 17 September 2012, Finance and Property Committee approved the sale of the property on a conditional contract. However, the selected party failed to perform and did not exchange contracts. That party withdrew from negotiations in June 2013.
6. Following the withdrawal of the previous party and the subsequent vacation of the building following the temporary re-occupation by various Council departments, a further re-marketing exercise has been undertaken for the property. The outcomes of that re-marketing are detailed in the Exempt Appendix.

7. Of the various offers received for the property following the most recent re-marketing, one of these offers is considered to represent best value to the Council and is recommended for approval; detailed Heads of Terms for that offer are outlined in the exempt appendix.
8. The County Council is incurring “holding costs” in relation to the empty building, principally empty property rates. These costs are summarised in the Exempt Appendix. The Council’s appointed rating consultants (GR Gerald Eve) are exploring ways to mitigate the empty rates liability. Once the Committee decision on disposal is known, attempts will be made to secure short term income opportunities from the building pending completion of any disposal.

Other Options Considered

9. Retention of the property for continued Council use. This has been looked at but no on-going use requirement exists. The property is surplus to the operational needs of the Council and represents an opportunity to secure a capital receipt for the Council.
10. Lease of the Property in whole or part: this would be an achievable alternative to sale, but demand for letting of office accommodation of this type in the West Bridgford is very modest at the present time, and there is a high risk of significant void (empty) accommodation. As such, disposal is considered to be the better option for the Council. Once the decision of Committee is known, attempts will be made to secure short term rental income on the property pending completion of any disposal, but demand is sparse and this is unlikely to represent a significant opportunity to the Council.

Reason/s for Recommendation/s

11. To secure the disposal of a surplus property and to enable a capital receipt by the County Council.

Statutory and Policy Implications

12. 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) To note the outcome of the latest round of marketing of Centenary House.
- 2) To seek approval to the terms for disposal of the property as detailed in the exempt appendix.

Jas Hundal
Service Director – Transport, Property & Environment

For any enquiries about this report please contact: Ian Brearley 07775 541641

Constitutional Comments (CEH 13.12.13)

13. The recommendations fall within the remit of the Finance and Property Committee by virtue of its terms of reference. When disposing of its land the Council is required to obtain the best price reasonably obtainable on the open market and the Committee should satisfy itself of this when making a decision.

Financial Comments (TR 18.12.13)

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

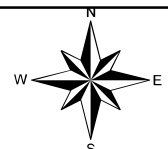
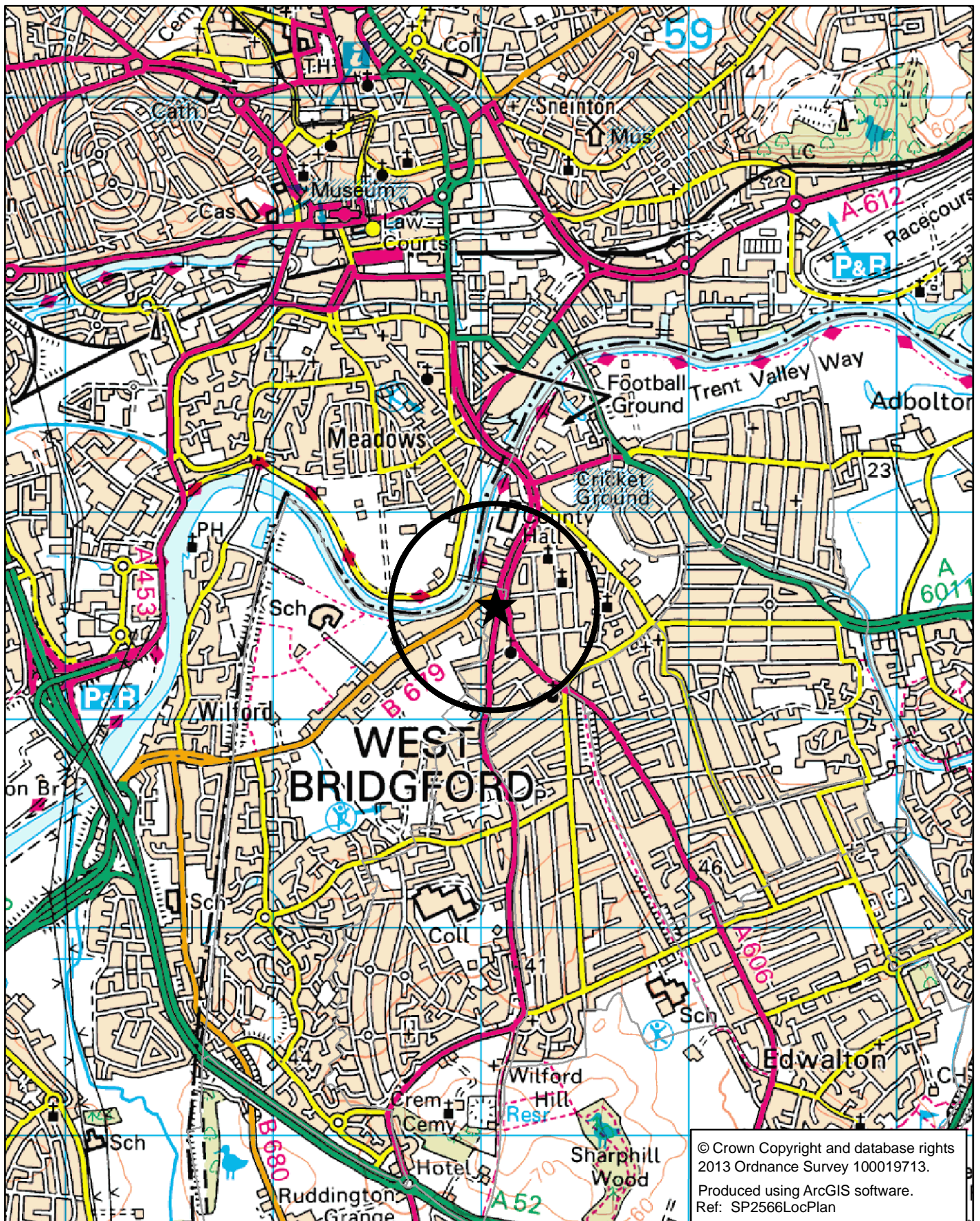
Background Papers and Published Documents

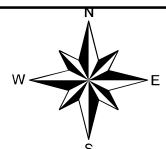
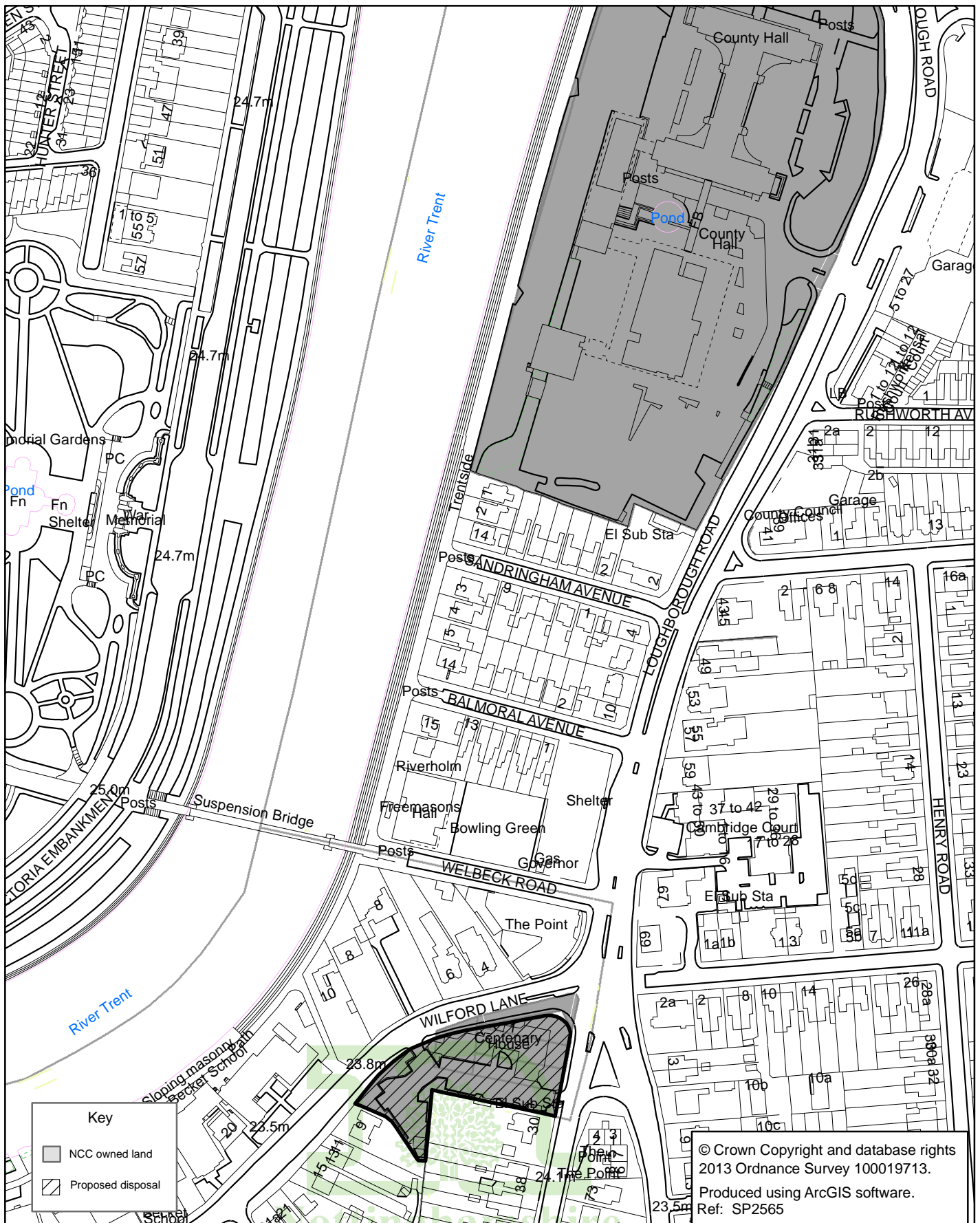
15. None.

Electoral Division(s) and Member(s) Affected

16. Ward(s): West Bridgford West
Member(s): Councillor Gordon Wheeler

File ref.: /IB/SB/
SP: 2565
Properties affected: 00234 - Centenary House







20 January 2014

Agenda Item: 9(d)

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

**THE HALL, BRIDGFORD PARK, BRIDGFORD ROAD, WEST
BRIDGFORD, NOTTINGHAM – PROPOSED NEW “LEASE IN”**

Purpose of the Report

1. To seek approval to the terms of a proposed “lease in” of part only of The Hall, Bridgford Park, Bridgford Road, West Bridgford, on terms detailed in the exempt appendix to this report.

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 annex.
3. The County Council currently leases this building from Rushcliffe Borough Council. It has previously been occupied by a number of Council departments, but all of these (bar one) have now vacated, leaving the Registrar’s Service as the only occupier. As part of an on-going review of Council office locations, the decision was taken by the Service to exit this property and Notice to Quit has been served. The County Council will vacate by January 2014. The staff of the Registrar’s Service will relocate to County Hall and at its meeting in September 2013, Finance and Property Committee approved plans for a 2 year licence of part of another building nearby to be used for the conducting of wedding services.
4. The owner of The Hall, Rushcliffe Borough Council, is looking at a number of options for the future use of this building following the forthcoming vacation by the County Council. One of the options under consideration is a possible refurbishment of the building. If that option were to be selected, the County Council have explored the possibility of taking a new lease of part of the refurbished building to allow re-occupation by the Registrar’s Service. If successful, this letting would allow the Registrar’s Service to occupy part of the building, a more economic proposition than current occupation of the whole building. It is anticipated that the entire Registrar’s staff will relocate to the new

premises from their (temporary) base in County Hall and Welbeck House. Occupation of part of the building, as compared to the whole, represents a major saving to the County Council in repairing liability; this was one of the principal determining factors in the decision to end the existing lease. If refurbishment of the building goes ahead, the rest of the accommodation is likely to be occupied by a range of uses which might include offices, hotel, restaurant / banqueting suite, which are considered to be complimentary to the use of part of the building by the Registrar's Service

5. The lease terms under which the County Council would occupy part of the building are detailed in the exempt appendix to this report.
6. Relocating back into part of The Hall will enable the Service to meet its requirements under the Budget Savings Proposals 2014/15 – Category A: Outline Business Case and to operate a service which is cost neutral. Confirmation has been received from the Service that its forecast income from wedding ceremonies and other activities within the Hall will cover the staff and operational costs. This operation will also help to offset the cost of providing statutory services across the rest of the County.
7. The relocation out of County hall and back to (part of) The Hall will ensure Registrar's Services staff are all located together and free up space in County Hall which will be filled in time by other Council staff as part of the continuing rationalisation of County Offices staff under the Ways of Working programme

Other Options Considered

8. The alternative to taking space in part of any refurbished building would be to continue with the arrangements to occupy other premises, as detailed in Paragraph 3 above. This is a perfectly valid approach, but use of (part of) The Hall is the *optimal* solution for the Registrar's Service in terms of maximising potential wedding bookings. The building is particularly "suited for purpose." If the refurbishment of The Hall (by others) does not take place, the arrangements being put in place from January 2014 will be a workable on-going proposition, albeit not as optimal as the proposed solution of leasing part of The Hall.

Reason/s for Recommendation/s

9. To secure cost effective representation in a building which, if refurbished, will be particularly suited to occupation by the Registrar's Service, with the potential for good income generation by the service user from the supply of enhanced weddings packages.

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 terms of a proposed lease in of part of The Hall, Bridgford Road, West Bridgford, as detailed in the exempt appendix, are approved.

Jas Hundal

Service Director – Transport, Property & Environment

For any enquiries about this report please contact: Ian Brearley 07775 541641

Constitutional Comments (CEH 16.12.2013)

11. The decision falls within the delegation given to the Finance and Property Committee.

Financial Comments (TR 18.12.2013)

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

Background Papers and Published Documents

13. None.

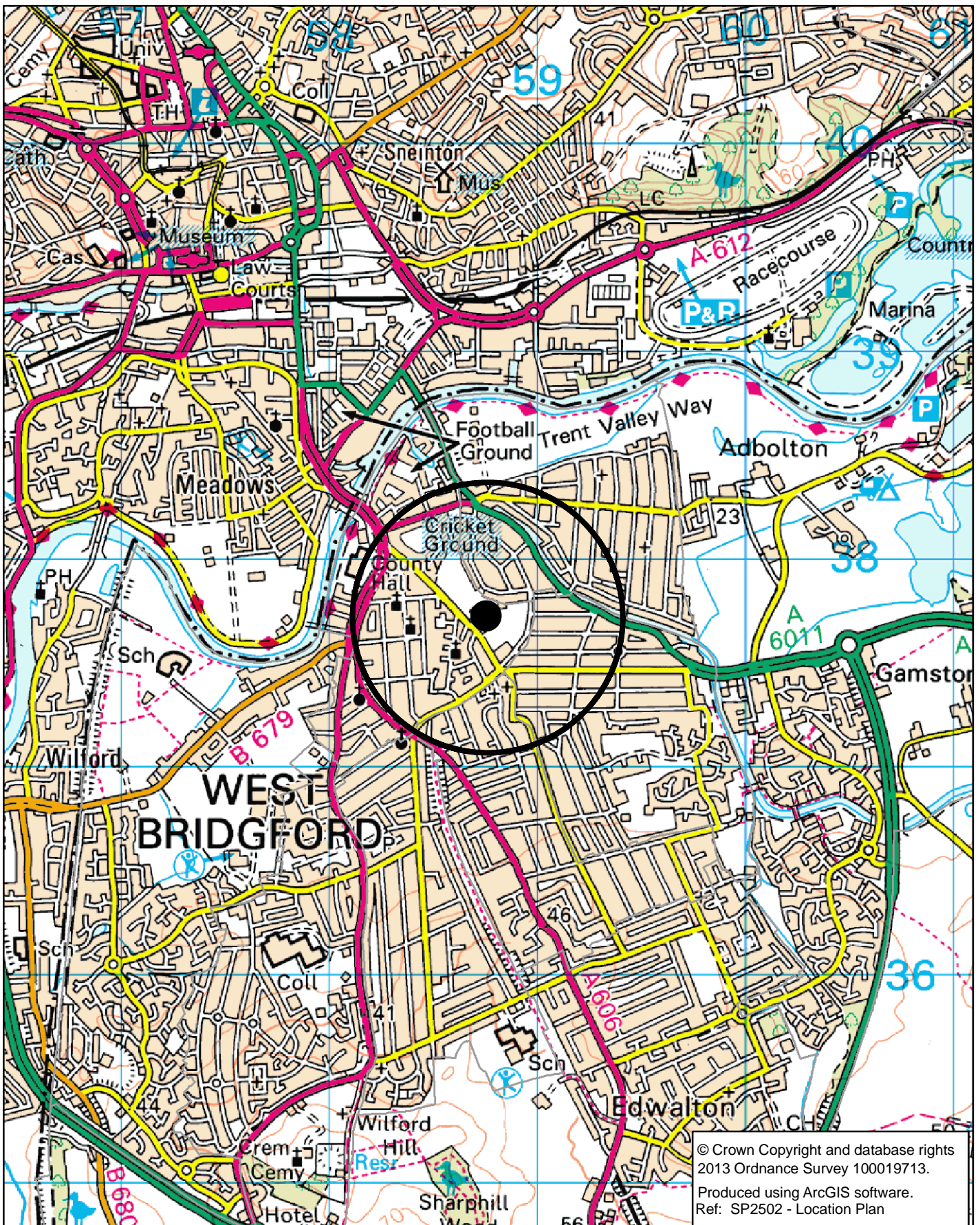
Electoral Division(s) and Member(s) Affected

14. Ward(s): West Bridgford Central and South
Member(s): Councillor Liz Plant, Councillor Steve Calvert

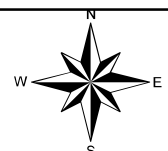
File ref.: /IB/SL/

SP: 2502

Properties affected: 06225 - The Hall

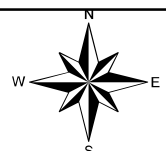
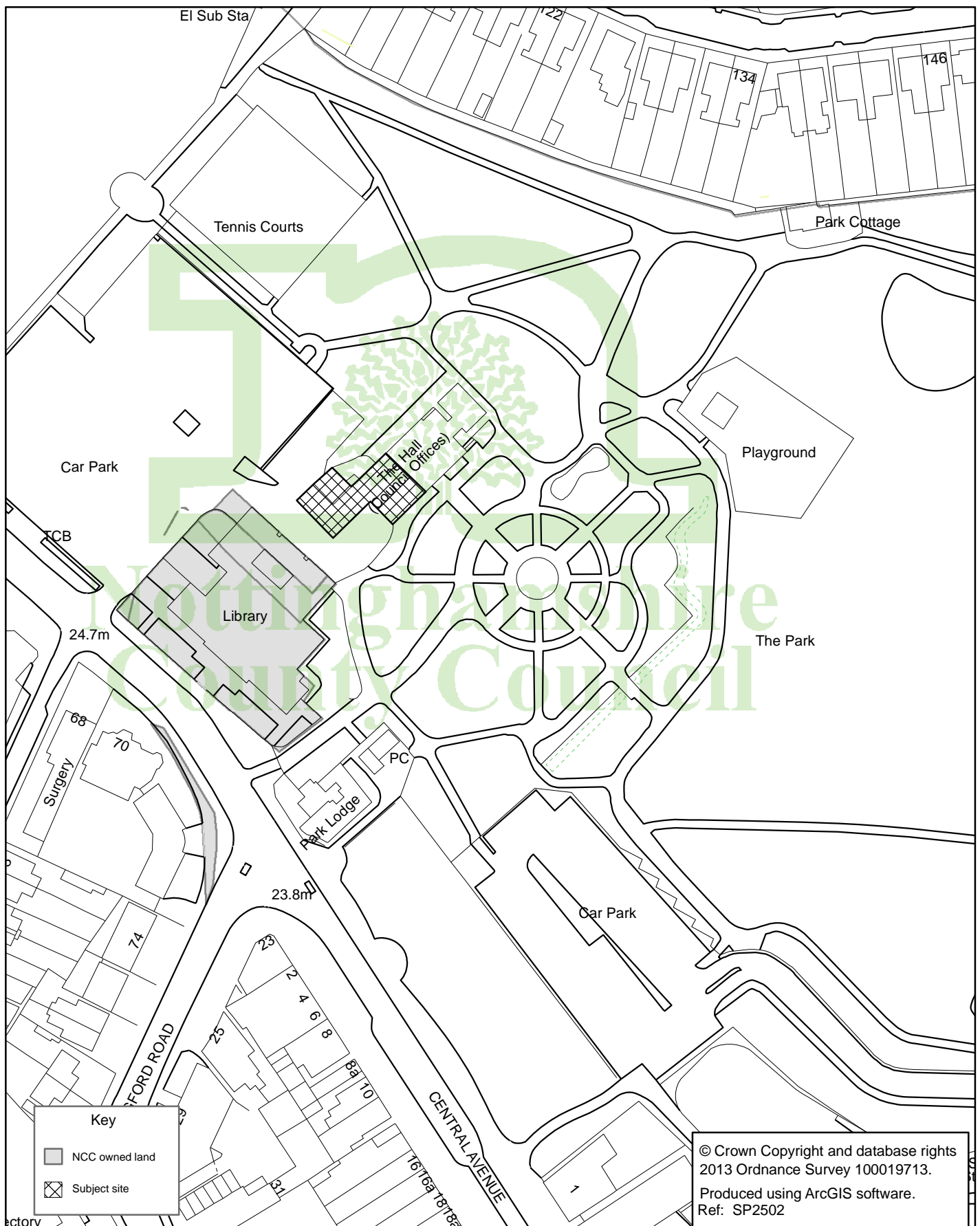


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2013 Ordnance Survey 100019713.
Produced using ArcGIS software.
Ref: SP2502 - Location Plan





Plan provided by: dlc





20 January 2014

Agenda Item: 9(e)

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

**ALL SAINTS CATHOLIC COMPREHENSIVE SCHOOL, BROOMHILL LANE,
MANSFIELD**

Purpose of the Report

1. To seek approval of the Finance and Property Committee to the grant of a 125 year lease on the standard terms set out in the attached appendix to the Academy Trust for All Saints Catholic Comprehensive School, Broomhill Lane, Mansfield, NG19 6BW this being subject to subsequent approval of any site specific details .
2. To authorise the Corporate Director, Environment & Resources, (or his nominee) to approve site details and specific conditions in consultation with the Chair (or Vice Chair in his absence) of the Finance and Property Committee.

Information and Advice

Background

3. Councillors are probably aware that the Academies Act 2010 allows maintained schools to become Academies by applying to the Secretary of State for Conversion.
4. Once the conversion order has been granted it requires all parties to enter into a Transfer Agreement.
5. As a part of the Transfer Agreement the County Council is required to transfer the relevant assets currently held by the County Council or the existing governing body to the Academy Trust.
6. On a related matter, Councillors should note that other aspects of Academy Transfer will be reported to the Children & Young People's Committee as appropriate.

7. All Saints Catholic Comprehensive Schools to shortly acquire Academy status and as part of the conversion process, governing bodies of Academy Schools are entitled to 125 year full repairing and insuring leases at a peppercorn rent of any Council owned land, forming part of the principal operational School site subject to rights to be reserved and leaseback of Council facilities where appropriate.
8. This report seeks approval to the granting of a 125 year lease to the Academy Trust on the Heads of Terms set out in the *attached* Appendix.

Other Options Considered

9. The Academies Act 2010 does not allow the Authority any options as regards the transfer and therefore no other options have been explored.

Reason/s for Recommendation/s

10. To comply with statutory requirements.

Statutory and Policy Implications

11. 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

That approval is given to: -

- 1) The grant of a 125 year lease on the standard terms set out in the attached appendix to the Academy Trust for All Saints Catholic Comprehensive School, Broomhill Lane, Mansfield, NG19 6BW this being subject to subsequent approval of any site specific details.
- 2) Authorise the Corporate Director, Environment & Resources, (or his nominee) to approve site details and specific conditions in consultation with the Chair (or Vice Chair in his absence) of the Finance and Property Committee.

Jas Hundal
Service Director, Transport, Property and Environment

For any enquiries about this report please contact: Peter Grinnell on 07753 625269

Constitutional Comments (CEH 13.12.13)

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

Financial Comments (TR 18/12/13)

13. The granting of the lease to an academy effectively creates a loss on disposal but is not a charge against council tax.

Background Papers and Published Documents

14. None.

Electoral Division(s) and Member(s) Affected

15. Ward(s): Mansfield West
Member(s): Councillor Darren Langton, Councillor Diana Meale

File ref.: /PG/SB/01653

SP: 2573

Properties affected: 01653 - All Saints Catholic Comprehensive

APPENDIX

Heads of Terms

Demise:

All that land to be shown as edged red on the Red Line Plans to be prepared for the school for subsequent approval as provided in item 2 above.

Landlord:

Nottinghamshire County Council
County Hall
West Bridgford
Nottingham
NG2 7QZ

Tenant:

The Academy Trust for All Saints Catholic Comprehensive School

Rent:

A peppercorn

Term:

125 years (The lease to be contracted outside the security of tenure provisions of the 1954 Landlord & Tenant Act.).

Outgoings:

The Tenant will be responsible for the payment of all outgoing which are now or may during the term be payable in respect of the Property.

Alienation:

The Tenant will not part with or share the possession or occupation of the whole of the property nor hold the property or any part or parts of the property or this lease on trust for another.

Repair:

The Tenant will keep the Property clean and tidy and make good any damage it causes to the Property and/or any deterioration to the condition of the Property that may arise from the term commencement date.

Signs and Advertisements

The Tenant to notify the Landlord of the affixing or display on the boundaries of the Property other than signs which are required by law to be displayed, do not require planning permission or are necessary or usual for the authorised use of the Property.

Use

The permitted use will be for the purposes of the Academy Trust (as set out in any charitable objects, memorandum and articles of association of the Tenant from time to time) for the provision of educational services and for community, fundraising and recreational purposes which are ancillary to the provision of educational services.

Insurance

The Tenant will:

- Keep the Property insured with a reputable insurance office against loss or damage by the Insured Risks in the sum the tenant is advised represents the Reinstatement Value of the Property from time to time;
- Pay the premiums for insurance promptly as they become due and maintain in force the policies of insurance on the Property;
- Following damages or destruction and subject to obtaining all necessary consents and as soon as may be reasonably practicable, unless it will be impossible or impractical, reinstate the property and lay out all monies in reinstating and rebuilding the property.

Alterations:

The Tenant will not make any external or structural alterations or additions to any structures for the time being on the Property without the Landlord's prior written consent, submitting to the Landlord adequate plans and specifications describing the proposed alteration, addition or variation, consulting generally with the Landlord on the proposed alterations and dealing with any queries that the Landlord acting reasonably may raise.

Statutory Obligations:

Statutory obligations, health and safety and CDM regulations in this clause "regulations" means the construction (design and management) regulations 1994 and "client" "health and safety plan" health and safety file" "planning supervisor" and "principal contractor" have the same meanings as in the regulations;

The Tenant will comply with all laws (including the premises acts) affecting the property, the physical condition or the user of them or the use of any fixtures and fittings in them;

Timescale:

The Tenant will complete the Lease on receipt and agreement of the Legal documentation by their Solicitors.

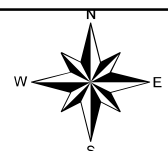
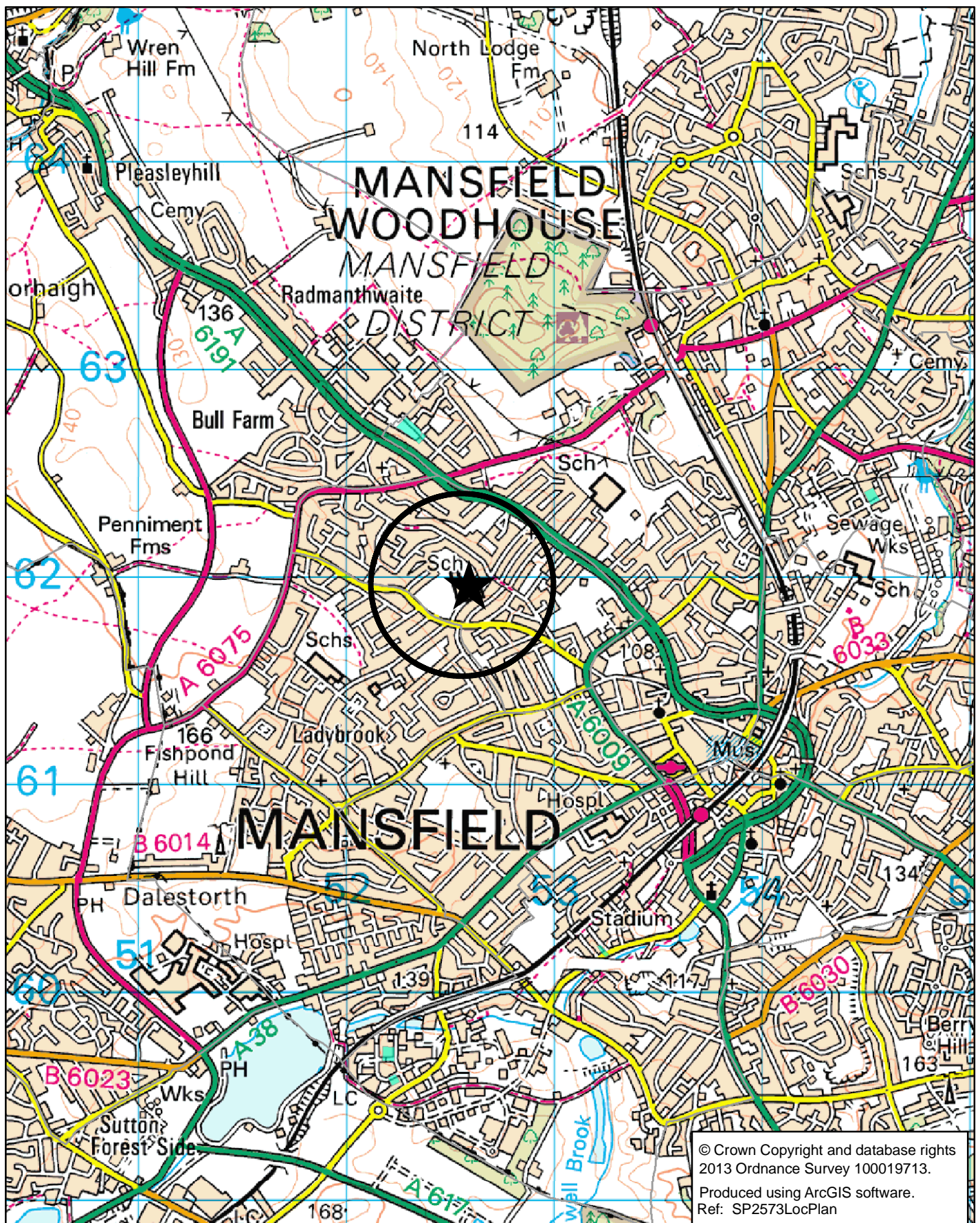
Legal Costs:

Each party will bear their own legal costs involved in the granting the leases.

Conditions

The above remains subject to: -

- (a) Contract;
- (b) Confirmation that the financial status of the Tenant is acceptable to the Landlord; and
- (c) VAT



20 January 2014

Agenda Item: 10

REPORT OF CORPORATE DIRECTOR, POLICY, PLANNING AND CORPORATE SERVICES

WORK PROGRAMME

Purpose of the Report

1. To consider the Committee's work programme for 2013/14.

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 finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service 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, Policy, Planning and Corporate Services

For any enquiries about this report please contact: Paul Davies, x 73299

Constitutional Comments (HD)

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

Financial Comments (PS)

2. 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>
20 January 2014				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
Planned Maintenance	Annual report on planned maintenance budget 2013/14	Info	Jas Hundal	Andrew Steve
Estate management decisions	Summary of operational decisions taken in Property Services	Info	Jas Hundal	Andrew Steve
ICT Staffing Structure		Decision	Ivor Nicholson	
Energy Costs and Procurement	Update on the County Council's energy costs and energy procurement	Info	Jas Hundal	Phil Keynes
10 February 2014				
Draft Budget Report	Draft Annual Budget 2014/15, Capital Programme, Medium Term Financial Strategy and Council Tax Precept	Decision	Paul Simpson	
24 February 2014				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
Asset Maintenance	Progress Report	Info	Jas Hundal	Andrew Steve

<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>
ICT Programmes and Performance	Update on projects and performance for Q3	Info	Ivor Nicholson	
24 March 2014				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
Value for Money Review	Report back on Value for Money and other reviews, including performance indicators for property.	Decision	Jas Hundal	Andrew Steve
28 April 2014				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
Property Performance	Quarterly Report	Info	Jas Hundal	Andrew Steve
19 May 2014				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore
Property Transactions	Various	Decision	Jas Hundal	Various
ICT Programmes and Performance	Update on projects and performance for Q4	Info	Ivor Nicholson	
16 June 2014				
Monthly Budget & Capital Monitoring Report 2013/14	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Paul Simpson	Pauline Moore

<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

