

## **Finance and Property Committee**

**Monday, 25 January 2016 at 14:00**

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

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### **AGENDA**

1	Minutes of the last meeting held on 7 Dec 2015	5 - 10
2	Apologies for Absence	
3	Declarations of Interests by Members and Officers:- (see note below) (a) Disclosable Pecuniary Interests (b) Private Interests (pecuniary and non-pecuniary)	
4	Restructure of the Procurement Service	11 - 20
5	Financial Monitoring Report Period 8 2015-16	21 - 36
6	Property Transactions	
6a	Sale of 49.52 Hectares (122.3 Acres) Agricultural Land at Sutton cum Lound DN22 8PY	37 - 42
6b	Proposed Grant of Lease of Misterton Library, High St, Misterton	43 - 50
6c	Latest Estimated Cost - Schools Places Programme 2016	51 - 56
6d	Operational Decisions Annual Review & Quarterly Update Sept - Dec 2015	57 - 62
7	Work Programme	63 - 66

## 8 EXCLUSION OF THE PUBLIC

The Committee will be invited to resolve:-

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

### **Note**

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

## 9 EXEMPT INFORMATION ITEMS

Exempt appendices to reports:

### 9a Sale of 49.52 Hectares (122.3 Acres) Agricultural Land at Sutton cum Lound DN22 8PY EXEMPT

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

### 9b Proposed Grant of Lease of Misterton Library, High St, Misterton EXEMPT

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

### 9c Operational Decisions Annual Review & Quarterly Update Sept - Dec 2015 EXEMPT

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

### **Notes**

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

Customer Services Centre 0300 500 80 80

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

Councillors or Officers requiring clarification on whether to make a declaration of interest are invited to contact Peter Barker (Tel. 0115 977 4416) or a colleague in Democratic Services prior to the meeting.

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



Meeting      FINANCE AND PROPERTY COMMITTEE

Date          7 December 2015 (commencing at 10.30am)

**Membership**

Persons absent are marked with an 'A'

**COUNCILLORS**

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

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

A      Ex-Officio: Alan Rhodes

**OTHER COUNTY COUNCILLORS IN ATTENDANCE**

John Ogle

**OFFICERS IN ATTENDANCE**

Pete Barker, Democratic Services  
Joanna Cooper, Better Care Fund Programme Manager  
Jayne Francis-Ward, Corporate Director, Resources  
Jas Hundal, Service Director, Transport, Property & Environment  
Ivor Nicholson, Service Director, ICT  
Neil Robinson, Group Manager, Finance  
John Slater, Service Director, Education, Standards & Inclusion  
Andrew Stevens, Group Manager, Property

**MINUTES OF THE LAST MEETING**

The minutes of the last meeting held on 9 November 2015, having been circulated to all Members, were taken as read and were confirmed and were signed by the Chair.

**APOLOGIES FOR ABSENCE**

Councillor Calvert replaced Councillor Meale for this meeting only.

## **DECLARATIONS OF INTEREST**

Councillor Garner declared a non-pecuniary interest in the item 'Property Services Mid-Year Performance Report' as he had been involved in opposing the Lyndhurst scheme, which did not preclude him from speaking or voting on that item.

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

### **RESOLVED: 2015/138**

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

## **PETITION RE: EAST MARKHAM SCHOOL HALL**

Councillor Ogle spoke against the recommendations.

Following a debate, an amendment to the motion was moved by Councillor Pulk and seconded by Councillor Kirkham to insert the word 'currently' into the first recommendation. After discussion the amendment was put to the vote and was carried.

### **RESOLVED: 2015/139**

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

Councillor Adair, Councillor Butler, Councillor Cutts, Councillor Garner and Councillor Rigby requested that their abstention from the above vote be recorded.

## **FINANCIAL MONITORING REPORT: PERIOD 7 2015 -16**

### **RESOLVED: 2015/140**

- 1) That the revenue budget expenditure to date and year end forecasts be noted.

- 2) That the Capital Programme expenditure to date and year end forecasts be noted and the variances to the Capital Programme be approved.
- 3) That the Council's Balance Sheet transactions be noted.
- 4) That the performance of the Procurement Team be noted.
- 5) That the performance of the Accounts Payable and Accounts Receivable teams be noted.

## **PROPERTY TRANSACTIONS**

### **DISPOSAL OF FORMER RETFORD HIGHWAYS DEPOT, BOLHAM LANE, RETFORD, NOTTS, DN22 6SU**

#### **RESOLVED: 2015/141**

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

### **ROKERFIELD DAY CENTRE, SUTTON IN ASHFIELD - DISPOSAL**

#### **RESOLVED: 2015/142**

That approval be given to the disposal of the former Rokerfield Day Centre, Sutton in Ashfield, on the basis outlined in the report and the exempt appendix.

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

#### **RESOLVED: 2015/143**

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

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

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

## **PROPERTY SERVICES MID-YEAR PERFORMANCE REPORT 2015/16**

### **RESOLVED: 2015/144**

That the information set out in the report on the Property Group's performance be noted.

### **WORK PROGRAMME**

A presentation regarding the Better Care Fund will be given at the meeting when the next quarterly report is due.

The meeting of the Committee due to take place on 8<sup>th</sup> February 2016 has been cancelled.

### **RESOLVED: 2015/145**

That the Committee's work programme be noted.

### **EXCLUSION OF THE PUBLIC**

### **RESOLVED: 2015/146**

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

### **EXEMPT INFORMATION ITEMS**

#### **DISPOSAL OF FORMER RETFORD HIGHWAYS DEPOT, BOLHAM LANE, RETFORD, NOTTS, DN22 6SU**

### **RESOLVED: 2015/147**

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

#### **ROKERFIELD DAY CENTRE, SUTTON IN ASHFIELD - DISPOSAL**

### **RESOLVED: 2015/148**

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



## **PROPERTY SERVICES MID-YEAR PERFORMANCE REPORT 2015/16**

### **RESOLVED: 2015/149**

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

The meeting closed at 11.25am.

CHAIR



**25 January 2016****Agenda Item: 4****REPORT OF THE SERVICE DIRECTOR – FINANCE , PROCUREMENT &  
IMPROVEMENT****RESTRUCTURE OF THE PROCUREMENT SERVICE****Purpose of the Report**

1. The purpose of this report is to seek approval to changes in the structure of the Council's Procurement Team arising from budget reductions for 2016/17 and the need to improve operational delivery of the function.

**Information and Advice**

2. The budget report for 2016/17 which was approved by County Council in February 2015 included a number of savings proposals across all Committees. The budget included additional savings for the Finance function of £90,000 in addition to savings of £250,000 approved as part of the previous year's approved budget.
3. The Council has changed a great deal in recent years and is currently undertaking further change and challenge. Given the amount of change it was recognised that we needed to examine our procurement structure to ensure that we have a clear and unified vision about how we will continue to support the authority. That we have consistency in delivery and that we build strong category teams to support the commissioners and stakeholders as we go forward. We need to ensure that we have robust communication chains and that we develop a wealth of expertise to deliver both now and in the future.
4. The Council's review of alternative service delivery models through the Redefining Your Council transformation framework will also impact on the transfer of budget for the buy-back of support services such as Procurement. Currently these include a charitable community benefit society for a range of cultural services, the establishment of a joint venture company with CORMAC for the delivery of integrated highways services and a joint venture with SCAPE in the delivery of property services.
5. The consequence of the required savings proposals for 2016/17 fall on staffing budgets. Therefore consideration of the current staffing structure has been undertaken. In November 2015 a Consultation Document on a proposed restructuring of the department was issued. Comments on the proposals were invited by the closing date of 22 December 2015 and

having received those responses further consideration was given to the proposals and a formal response was issued 4<sup>th</sup> January 2016. This report therefore seeks to implement the proposals for the team.

6. The key change to the structure is the realigning of the Senior Procurement Officers (SPO'S) to the Category Managers to help influence and plan workloads going forward, and to also contribute their knowledge and experience to the Category Managers in helping to drive out the best for the service.
7. The new structure also sees the removal of 2 FTE vacancies, 1 x Team Manager (band E) and 1 x Purchasing lead (band D), both posts will contribute to the cost reduction strategies and are not considered to have any effect on service delivery
8. The new structure proposals also aim to drive the team to:
  - become more lean, agile, and customer responsive recognising as this organisation changes we need to do so too.
  - Rationalise current structures contributing to the cost improvement programme and ensuring that the roles we retain in the structure are fit for purpose
  - Offer consistent support and build knowledge – It is important that we not only offer consistency to our customers at a Category Management level but that we also do this at SPO level, with the right people with the right knowledge supporting the programs of work, this will help to build relationships and offer a more rounded approach to service delivery.
  - Be more strategic focus driving the procurement strategy forward and driving out costs for the authority
  - grow our partnerships with other organisations looking to work more collaboratively
9. In response to the consultation the final structure is proposed. The use of generic job descriptions allows the team to maintain maximum flexibility in its structure, allowing it to respond quickly to changes both in demands and department structures.

## The Proposals

10. The posts to be deleted and established for the tiers of the new structure are set out in the table below and the proposed initial structure is set out in Appendix 2. The current structure is set out in Appendix 1.

Current Structure - Posts	FTE	Proposed Structure - posts	FTE	Vacancies
Group Manager Procurement	1	Group Manager Procurement	1	0
Team Manager Procurement	2	Team Manager Procurement	1	1
Purchasing Lead	1	Purchasing Lead	0	1
Category Managers	5	Category Managers	5	1
Senior Procurement Officers	7	Senior Procurement Officers	7	1
Procurement Officers	2	Procurement Officers	2	0
Policy & Strategy Officer	1	Policy & Strategy Officer	1	0
<b>Totals</b>	<b>19</b>		<b>17</b>	

## **Other Options Considered**

11. There are no other short term options to addressing the challenges within the Procurement Team.

## **Reason/s for Recommendation/s**

12. The recommendations are needed to progress to the enabling process.

## **Statutory and Policy Implications**

13. 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.

## **Implications for service users**

14. One of the main reasons for restructuring the procurement Service is based on the approach that support services should make an appropriate contribution towards the Council's overall savings target to safeguard front-line service delivery. These reductions are planned to minimise the impact on the quality of the service provided to customers and key stakeholders.

## **Financial Implications**

15. Provisional estimates for the cost of the new structure suggest that budget savings of up to £104,565 will be generated in a full year from the Procurement team and these will contribute to the overall savings required by the Finance, Procurement & Improvement Leadership Division.

## **Equalities Implications**

16. The restructuring of the Finance Division will be carried out in accordance with the County Council's employment and equalities policies.

## **Human Resources Implications**

17. Staff and trade unions have been fully informed of the rationale for change and have been regularly and appropriately consulted on the proposed new structure.
18. The HR implications have been considered through the consultation process in drawing up the new structure and job descriptions. Appointments to the posts in the new structure will progress in line with the corporate enabling process. Confirmation of grades within the structure will be confirmed through the job evaluation process.

## **RECOMMENDATION/S**

19. It is recommended that Elected Members approve the changes to the Procurement Service structure effective from 1 April 2016 as set out in this report.

**Nigel Stevenson**

**Service Director – Finance, Procurement & Improvement**

**For any enquiries about this report please contact:**

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### **Constitutional Comments (KK 13/01/16)**

The proposal in this report is within the remit of the Finance and Property Committee.

### **Financial Comments (SES 13/01/16)**

The financial implications are set out in the report.

### **Background Papers**

None

### **Electoral Division(s) and Member(s) Affected**

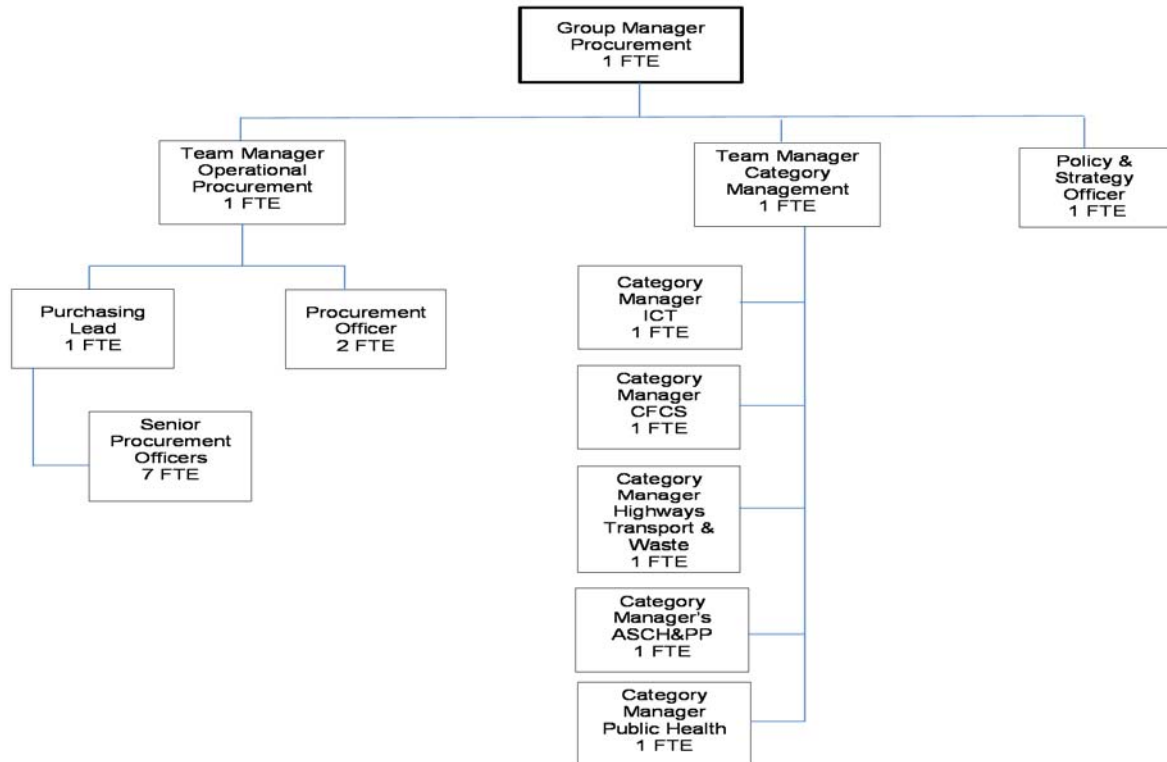
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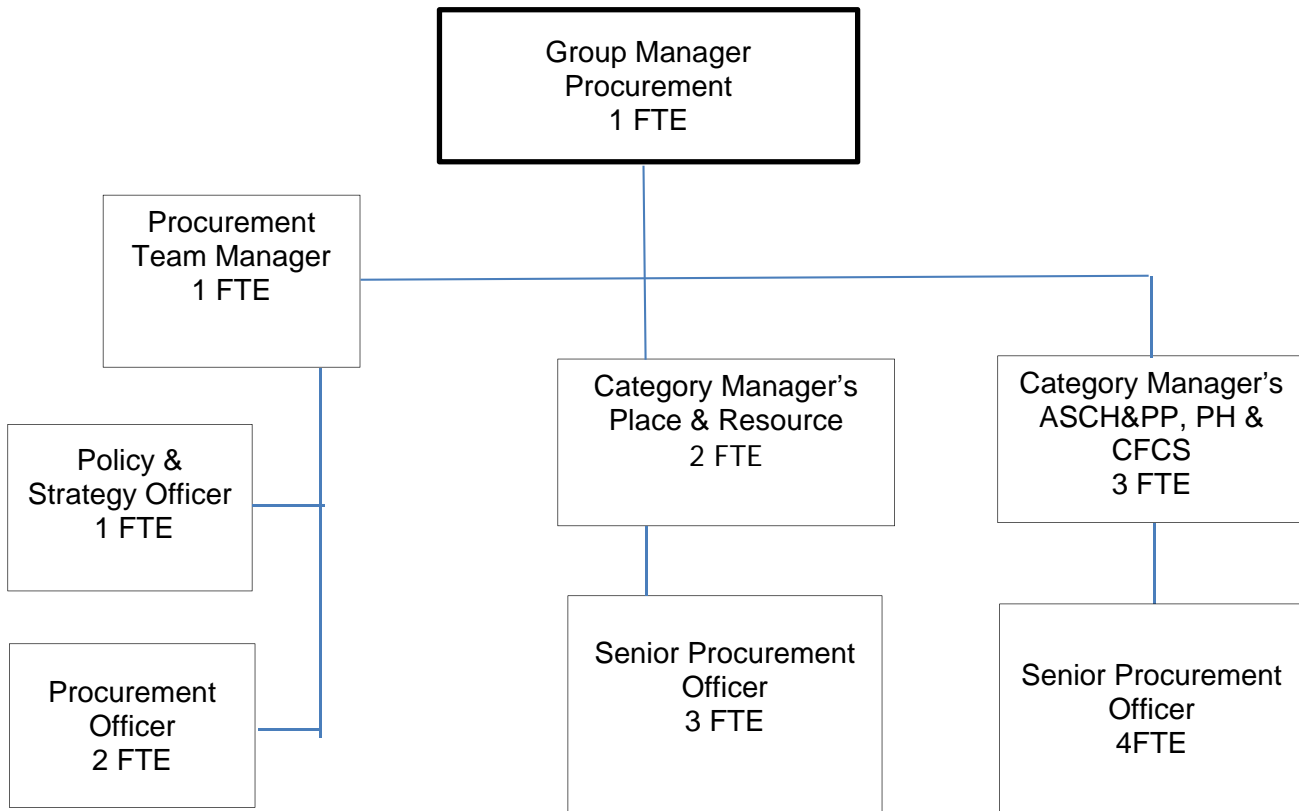
## Current Structure

### Procurement Centre





**Proposed Structure**



Establishment 17 Posts

Removal of vacant posts:

Team Manager Band E  
Purchasing Lead Band D



**25 January 2016****Agenda Item: 5****REPORT OF THE SERVICE DIRECTOR – FINANCE, PROCUREMENT AND  
IMPROVEMENT****FINANCIAL MONITORING REPORT: PERIOD 8 2015/2016****Purpose of the Report**

1. To provide a summary of the revenue position of the County Council for the year to date with year-end forecasts.
2. To provide a summary of Capital Programme expenditure to date and year-end forecasts.
3. To inform Members of the Council's Balance Sheet transactions.

**Information and Advice****Background**

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

**Summary Revenue Position**

5. Table 1 below summarises the revenue budgets and forecast outturn for each Committee. A £4.2m underspend position is currently predicted. In light of the Council's continuing financial challenges, the key message to effectively manage budgets and wherever possible deliver in-year savings is being reinforced.

**Table 1 – Revenue Expenditure and Forecasts as at Period 8**

Forecast Variance as at Period 7 £'000	Committee	Annual Budget £'000	Actual to Period 8 £'000	Year-End Forecast £'000	Latest Forecast Variance £'000
2,447	Children & Young People	137,575	95,561	139,297	1,722
(4,825)	Adult Social Care & Health	207,991	121,339	202,291	(5,700)
(3)	Transport & Highways	59,681	43,779	59,643	(38)
(327)	Environment & Sustainability	31,262	18,767	30,968	(294)
210	Community Safety	3,007	892	3,235	228
(163)	Culture	13,370	9,356	13,175	(195)
(968)	Policy	25,368	16,087	24,181	(1,187)
(749)	Finance & Property	34,675	25,962	33,890	(785)
(522)	Personnel	3,218	1,948	2,682	(536)
2	Economic Development	1,524	329	1,535	11
(1,595)	Public Health *	5,217	(2,334)	3,319	(1,898)
(6,493)	<b>Net Committee (under)/overspend</b>	<b>522,888</b>	<b>331,686</b>	<b>514,216</b>	<b>(8,672)</b>
807	Central items	(8,008)	(34,824)	(7,632)	376
-	- Schools Expenditure	143	143	143	-
514	Contribution to/(from) Traders	(281)	2,743	(194)	87
(5,172)	<b>Forecast prior to use of reserves</b>	<b>514,742</b>	<b>299,748</b>	<b>506,533</b>	<b>(8,209)</b>
395	Transfer to / (from) Corporate Reserves	(6,363)	-	(5,679)	684
2,841	Transfer to / (from) Departmental Reserves	(15,115)	(1,060)	(11,802)	3,313
-	- Transfer to / (from) General Fund	(6,038)	-	(6,038)	-
(1,936)	<b>Net County Council Budget Requirement</b>	<b>487,226</b>	<b>298,688</b>	<b>483,014</b>	<b>(4,212)</b>

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

## Committee and Central Items

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

### Children & Young People (forecast £1.7m overspend)

7. The underlying overspend is £1.4m (after planned use of grant reserves and excluding redundancy costs). This is a decrease of £0.5m compared with period 7 mainly due to additional grant income for inter-agency adoption fees and vacancies. A range of mitigating actions have been developed and pursued which has included a letter from the Corporate Director to restrict all non-essential spend and to adhere to vacancy control procedures as part of budget control measures. The recruitment of all agency staff requires the explicit approval of the Service Director Children's Social Care.

8. The Children's Social Care Division is reporting a forecast net overspend of £2.3m (£2.1m after the planned use of grant reserves), the major contributing variances being:
  - £1.5m overspend on staffing due to the continued use of agency staff to cover vacancies in social work and safeguarding teams
  - £0.2m underspend on Provider Services (Looked after Children placements) due to an increase in grant income for interagency adoption fees and adjustments to continuing health care income
  - £0.1m overspend on transport, as demand continues to exceed the budget
  - £0.3m overspend on the rest of Children's Disability Services (CDS) mainly due to flexible and targeted short breaks and associated childcare
  - £0.2m overspend on the social work practice pilot which includes a forecast extension to the original timescale of 6 months to 31 March 2016. This includes the successful bid of £0.2m from the Strategic Development Fund
  - £0.2m net overspend on all other budgets mainly due to Child Arrangement and Special Guardianship Orders.
9. The Education Standards and Inclusion Division is reporting a forecast overspend of £0.8m, mainly due to an overspend on Special Educational Needs and Disability Policy and Provision. There is a continued demand for home to school transport in excess of the budget.
10. The Youth, Families and Culture Division is forecasting an underspend of £1.2m mainly due to an underspend on Early Years and Early Intervention relating to contract savings and pension refunds.
11. The Capital and Central Charges area is forecasting a £0.3m overspend due to insurance charges in excess of the budget allocated for this purpose which is the additional cost of premiums for historic abuse cases.
12. There is also an underspend of £0.6m in Business Support which relates to savings associated to the part year effect of fixed term contracts and holding vacancies in anticipation of future year's savings.

### **Adult Social Care & Health (forecast £5.7m underspend)**

13. The underlying forecast position is an underspend of £4.0m (after the planned use of reserves and excluding redundancy costs).
14. The Strategic, Commissioning, Access and Safeguarding Division is currently reporting a net underspend of £1.0m (£0.8m underspend after the use of reserves). The main variances are:
  - Client Contribution income is forecasting a shortfall of £1.1m. This is a reduction in the shortfall of £0.3m since period 7. This improved position is partly due to a general increase in Residential income
  - Supporting People are forecasting a £1.6m underspend due to a reduction on the LD Contract spend
  - There remains an underspend of £0.2m on software costs within the Framework Team and the Market Development Team

- Business Support are showing an underspend of £0.4m against various non-staffing budgets.
15. The North Nottinghamshire Division is currently forecasting a net underspend of £1.5m (£1.2m underspend after the use of reserves) against the budget. This is comprised of the following:
- Residential Services are now forecasting an underspend of £0.3m. This is primarily due to an underspend on staffing in the Care and Support Centres. It is still envisaged the refurbishment of James Hince Court could be met from within the service budget rather than from the use of reserves
  - Day Services and Employment are forecasting an underspend of £1.3m. This is comprised of a £1.7m underspend on staffing within Day Services and Supported Employment partly offset by £0.4m overspend on Transport Services
  - Bassetlaw Community Care are forecasting an overspend of £0.4m due to overspends in Younger Adults.
  - There are other minor underspends totalling £0.3m in this division.
16. The Mid and South Divisions are currently forecasting a £1.0m underspend (a net breakeven position after use of reserves). This is a reduction in commitment of £0.6m since Period 7 and is primarily due to additional confirmed Continuing Healthcare income. There is still a significant waiting list of assessments which may further increase commitments when these are completed.
17. Across Mid, South and North Nottinghamshire the major variances on care package costs are:
- Older Adults across the County are currently reporting an underspend of £3.4m; this is a net decrease in commitment of £1.5m since last month
  - Younger Adults across the County are reporting an overspend of £2.5m which is a decrease of £0.1m since last month, primarily due to an increase in income. £1.2m of the overspend relates to the additional costs of Transforming Care and £0.3m relates to the shortfall on ILF in year
  - Expenditure under the remit of Service Directors and the Principal Social Worker are reporting an overspend of £0.2m.
18. Throughout the County, the service continues to experience difficulties recruiting to vacancies. This is having an impact on the number of assessments and reviews waiting to be done.
19. The Transformation Division is currently forecasting an underspend of £2.1m against the budget. This is due to the announcement that the County Council will not be required to repay the funding provided by the Government for Part 2 of the Care Act.

### **Policy (forecast £1.2m underspend)**

20. This forecast underspend is due to:

- £0.3m underspend in Legal Services due mainly to continuing improvements in electronic and digital working and an ongoing efficiency programme reducing operating costs where possible
- £0.1m underspend relating to running costs in Democratic Services



- £0.2m reduction in running costs at the Customer Services Centre, together with an increase in income resulting from a small increase in blue badge applications
- £0.4m resulting from a detailed review of expenditure relating to the Programme and Project Team, this is matched by a reduction in the use of corporate reserves.
- £0.2m underspend against the Ways of Working Programme budget

### **Finance & Property (forecast £0.9m underspend)**

21. This forecast underspend is due to:

- £0.5m underspend in Property due to a staffing rationalisation and savings on county office building maintenance in advance of saving requirements in 2016/17, together with additional Estates income
- £0.2m underspend on county offices and facilities management due to reduced business rates payable on county offices;
- £0.2m underspend within Finance and Procurement relating to staff vacancies in advance of saving requirements in 2016/17.

### **Personnel (forecast £0.5m underspend)**

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

### **Public Health (forecast £1.9m underspend)**

23. This forecast underspend is due mainly to contract savings against the Sexual Health and Domestic Violence and Abuse Programmes, together with lower than anticipated employee costs against the Public Health Directorate budget and an underspending against the Smoking and Tobacco Programme.

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

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

### **Central Items (forecast £0.4m overspend)**

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

27. Interest payments fluctuate depending on expectations of future rates and anticipated slippage on the capital programme. Current Treasury Management forecasts suggest a net overspend on interest of £0.6m.

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

available at the time. Throughout the year confirmations are received, and current forecasts suggest a net additional grant of £0.4m will be received in 2015/16.

29. The Council's original budget included a contingency of £5.1m to cover redundancy costs, slippage of savings and unforeseen events. Following base budget adjustments (£2.5m) being removed from Departmental budgets and contingency requests (£4.5m) approved at previous Finance and Property Committees, the remaining contingency balance stands at £3.1m. Table 1 assumes that the full contingency allocation will be used before year end as new requests are likely to emerge.
30. Following the announcement of the section 188 notice on 1<sup>st</sup> December 2015 there is some work to be done to assess the impact of the provision created at the end of the last financial year, in year redundancies and the provision required for 2015/16.

### **Transfer to / (from) reserves**

31. A review of reserves has been undertaken to identify surplus departmental reserves that may be released to support the budget. The outcome of this review resulted in £3.6m of departmental reserves being transferred to corporate reserves as part of the overall budget strategy.
32. As reported under Policy Committee, there is slippage in the Programme and Projects Team and Ways of Working which are funded by Corporate Reserves. To match the slippage there is a corresponding reduction in the use of reserves.

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

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

## Capital Programme

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

**Table 2 – Revised Capital Programme for 2015/16**

	2015/16 £'000	£'000
Approved per Council (Budget Report 2015/16)		112,039
Variations funded from County Council Allocations : Net slippage from 2014/15 and financing adjustments	246	
		246
Variations funded from other sources : Net slippage from 2014/15 and financing adjustments	6,836	
		6,836
<b>Revised Gross Capital Programme</b>		<b>119,121</b>

37. 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	50,505	15,296	40,248	(10,257)
Adult Social Care & Health	4,933	1,795	5,040	107
Transport & Highways	35,961	22,790	36,650	689
Environment & Sustainability	2,416	559	2,418	2
Community Safety	-	-	-	-
Culture	1,532	734	1,070	(462)
Policy	2,033	1,408	1,979	(54)
Finance & Property	13,359	4,825	10,027	(3,332)
Personnel	298	24	298	-
Economic Development	7,554	4,462	6,691	(863)
Contingency	530	-	530	-
<b>Total</b>	<b>119,121</b>	<b>51,893</b>	<b>104,951</b>	<b>(14,170)</b>

38. In the Children and Young People's Committee, there is a total forecast underspend of £10.3m. This is mainly as a result of slippage against the School Places programme (£8.2m) and savings identified against the School Capital Refurbishment programme (£1.3m).
39. The forecast underspend against the School Places Programme has increased by £3.6m since Period 7. This is mainly as a result of capital contributions to Priority School Building Programme schemes slipping into the 2016/17 financial year.
40. In the Transport and Highways Committee, a forecast overspend of £0.7m has been identified. This is mainly as a result of over-programming against the Road Maintenance and Renewal and Integrated Transport Measures programmes. Work is on-going to drive this forecast overspend down and to manage within the approved budget.
41. In the Finance and Property Committee capital programme there is a forecast underspend of £3.3m. This is mainly as a result of underspends against the ICT Strategy (£1.5m), the Lindhurst project (£0.7m) and the Gamston Development (£0.5m).
42. A forecast underspend totalling £1.5m against the ICT Strategy has been identified. This is mainly as a result of slippage against the business reporting project and developments associated with the implementation of the Care Act and integration with Health.

**It is proposed that the Finance and Property Committee capital programme is varied to reflect the slippage identified against the ICT Strategy.**

43. A forecast underspend totalling £0.7m has been identified against the Lindhurst project. This is as a result of delays to the scheme arising from legal issues, highways discussions and Homes and Communities Agency funding delays.

**It is proposed that the Finance and Property Committee capital programme is varied to reflect the slippage identified against the Lindhurst project.**

44. A forecast underspend totalling £0.5m has been identified against the Gamston Development. This is as a result of on-going discussions with key stakeholders that has delayed the requirement for the capital contribution.

**It is proposed that the Finance and Property Committee capital programme is varied to reflect the slippage identified against the Gamston Development.**

45. In the Economic Development Committee, a forecast underspend of £0.8m has been identified. This is mainly as a result of slippage identified against the Economic Development Capital Fund (£0.4m) and Superfast Broadband Scheme (£0.5m)

## Financing the Approved Capital Programme

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

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

Committee	Capital Allocations £'000	Grants & Contributions £'000	Revenue £'000	Reserves £'000	Gross Programme £'000
Children & Young People	17,536	26,486	817	5,666	50,505
Adult Social Care & Health	4,124	729	45	35	4,933
Transport & Highways	12,703	22,069	47	1,142	35,961
Environment & Sustainability	1,187	729	500	-	2,416
Community Safety	-	-	-	-	-
Culture	1,232	70	-	230	1,532
Policy	2,029	-	-	4	2,033
Finance & Property	12,248	50	-	1,061	13,359
Personnel	-	118	-	180	298
Economic Development	4,109	3,445	-	-	7,554
Contingency	530	-	-	-	530
<b>Total</b>	<b>55,698</b>	<b>53,696</b>	<b>1,409</b>	<b>8,318</b>	<b>119,121</b>

47. It is anticipated that borrowing in 2015/16 will decrease by £13.4m from the forecast in the Budget Report 2015/16 (Council 26/02/2015). This decrease is primarily a consequence of:

- £8.9m of net slippage from 2014/15 to 2015/16 and financing adjustments funded by capital allocations.
- Variations to the 2015/16 capital programme funded from capital allocations totalling £8.7m as approved to the December 2015 Finance and Property Committee.
- Net slippage in 2015/16 of £13.6m of capital expenditure funded by capital allocation identified as part of the departmental capital monitoring exercise.

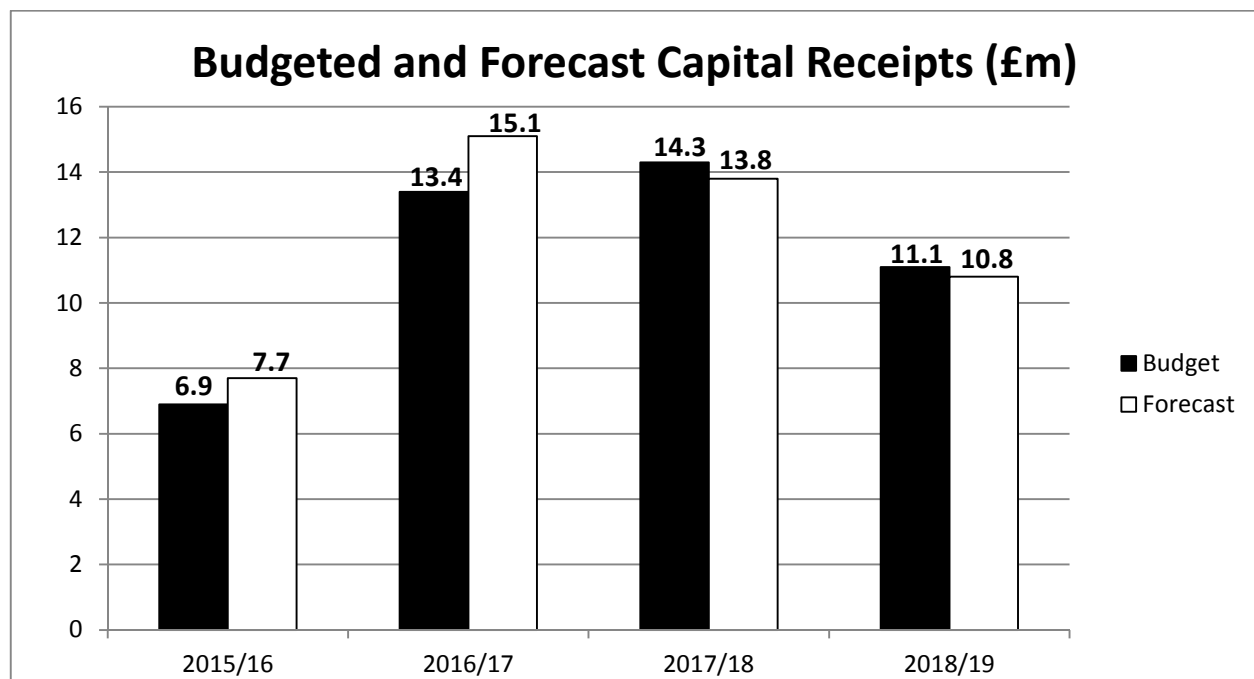
## Prudential Indicator Monitoring

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

## Capital Receipts Monitoring

49. 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.

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



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

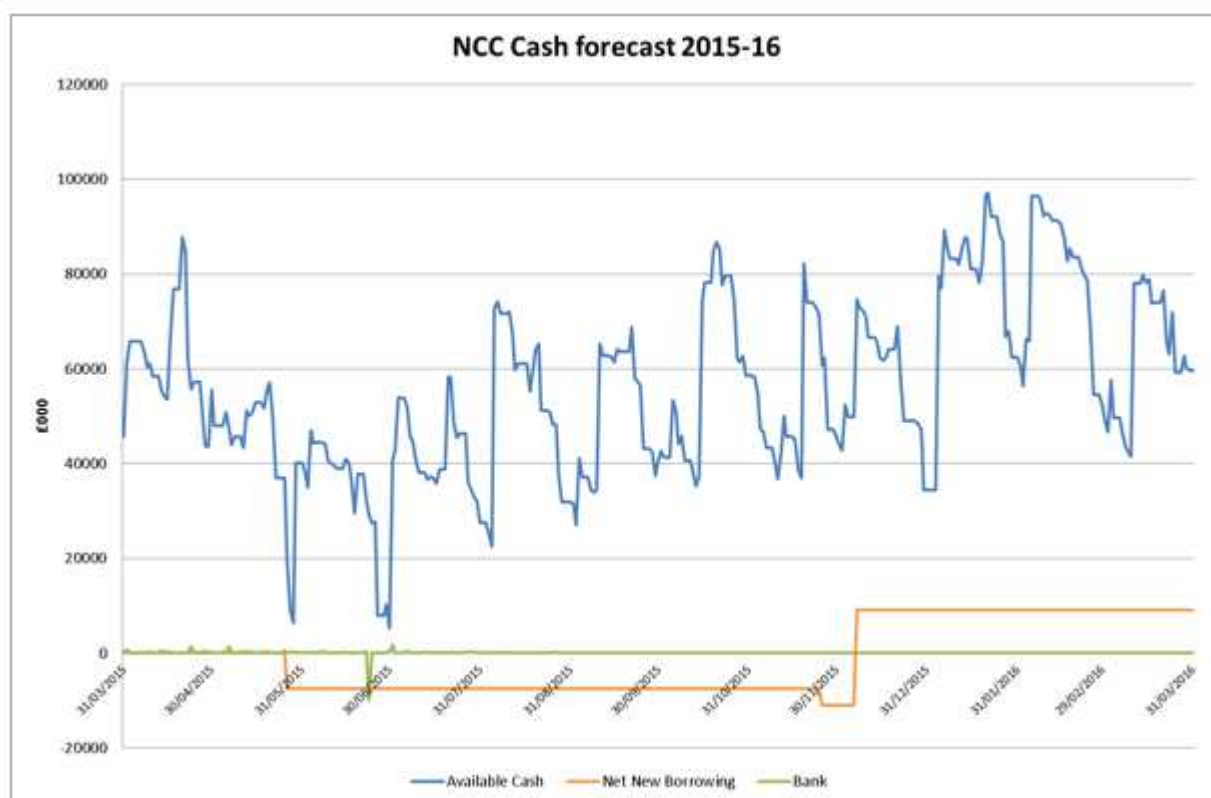
52. The capital receipt forecast for 2015/16 is £7.7m. To date in 2015/16, capital receipts totalling £5.5m have been received.

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

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

## Treasury Management

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



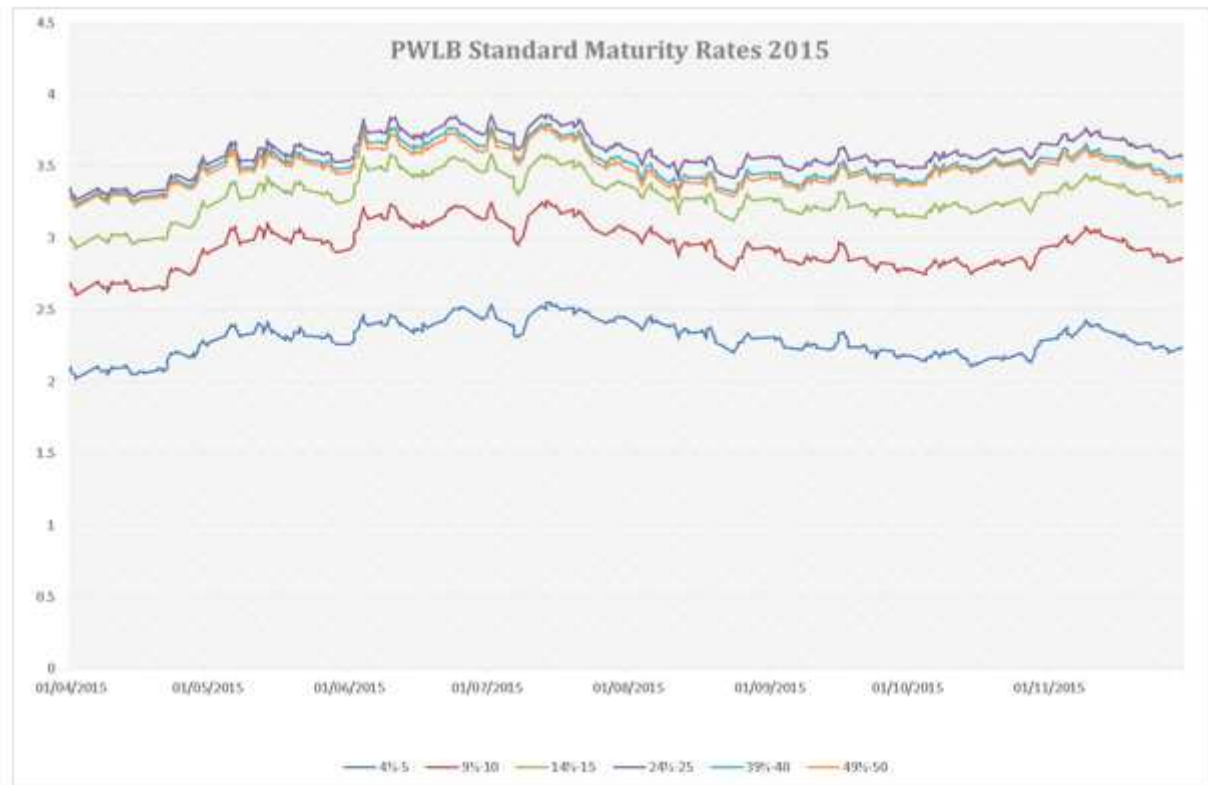
56. The chart above gives the following information:

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

57. The Treasury Management Strategy for 2015/16 originally identified a need for additional borrowing of £78m to fund the capital programme, replenish internal balances and to replace maturing debt. This was later adjusted to nil, in line with the most recent capital monitoring and reserves forecast and the TM Mid-Year report. However, in-year cashflow analysis indicated a possible shortage of cash over the Christmas period, and so £20m long-term debt was borrowed from PWLB on 7 December. The forecast year-end under-borrowed position for 2015/16 is now £200m. In other words, the Council's reserves and working capital will allow some £200m of potential debt to be postponed to 2016/17 and beyond.

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



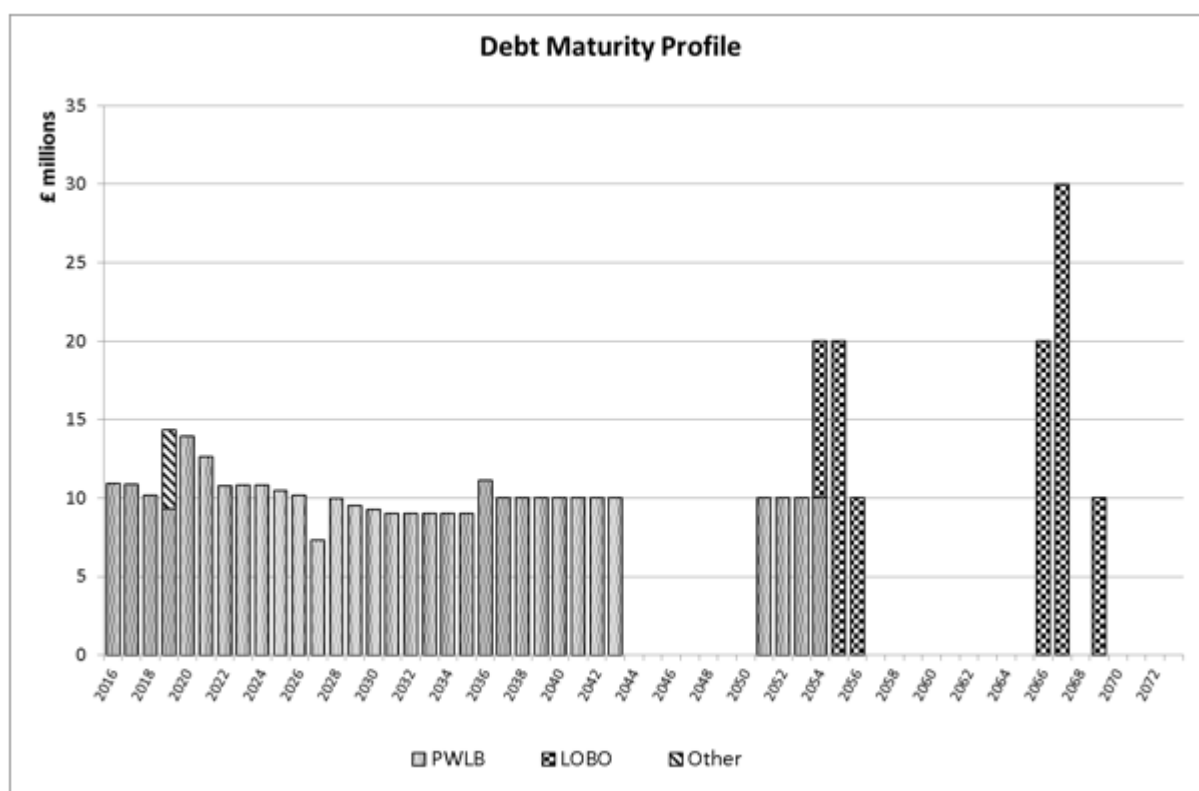


59. Borrowing decisions will take account of a number of factors including:

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

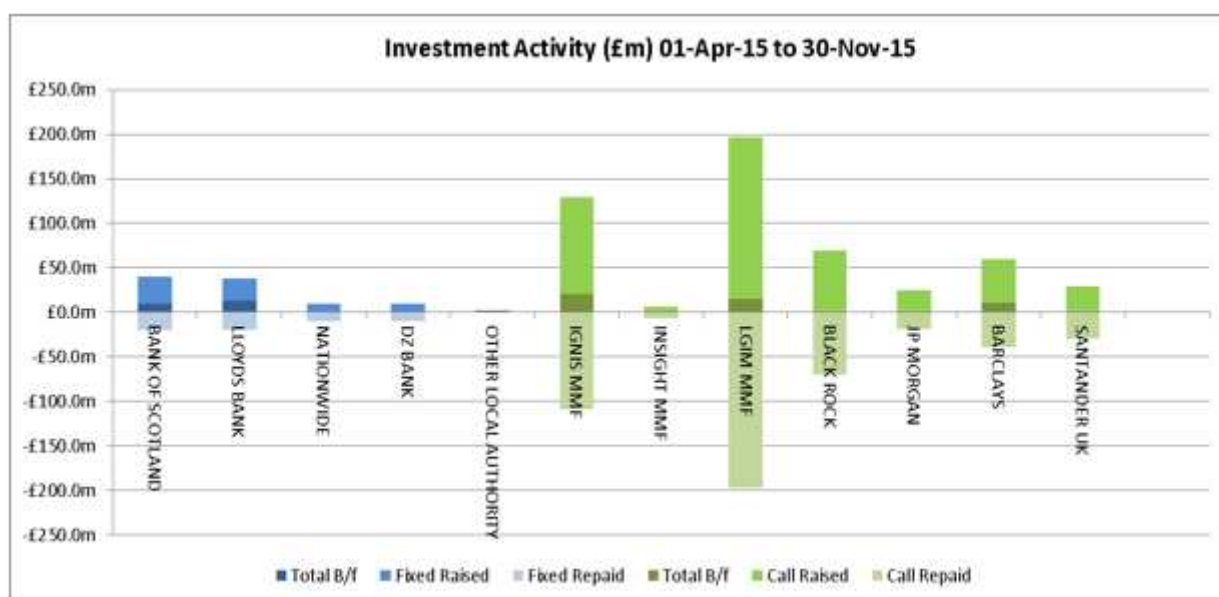
60. The maturity profile of the Council's debt portfolio is shown in the chart below. The PWLB loans are reasonably well distributed and have a maximum duration of 38 years. Longer-term borrowing (maturities up to 55 years) was obtained from the market some years ago in the form of 'Lender's Options,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





61. The investment activity for 2015/16 to the end of November 2015 is summarised in the chart and table below. Outstanding investment balances totalled £70.2m at the start of the year and £85.2m at the end of the period. This is in line with the forecast cash flow profile for the year.

	Total B/f £ 000's	Total Raised £ 000's	Total Repaid £ 000's	Outstanding £ 000's
Bank of Scotland	10,000	30,000	(20,000)	20,000
Lloyds Bank	13,000	25,000	(20,000)	18,000
Nationwide	-	10,000	(10,000)	-
DZ Bank	-	10,000	(10,000)	-
Other Local Authority	1,500	-	-	1,500
IGNIS MMF	20,000	109,050	(109,050)	20,000
Insight MMF	-	6,700	(6,700)	-
LGIM MMF	14,550	182,800	(197,200)	150
Black Rock	500	69,500	(70,000)	-
JP Morgan	-	24,500	(18,950)	5,550
Barclays	10,650	49,100	(39,750)	20,000
Santander UK	-	29,500	(29,500)	-
<b>Total</b>	<b>70,200</b>	<b>546,150</b>	<b>(531,150)</b>	<b>85,200</b>



62. The majority of fixed term deals have been placed with Lloyds Bank or Bank of Scotland, both part of Lloyds Banking Group (LBG). LBG does not currently meet the minimum credit rating criteria required by the Council's Treasury Management Policy but is included on the approved lending list because of a significant shareholding by the UK government. This shareholding is planned to be sold off in the early part of 2016, subject to the prevailing share price. The position of LBG will be factored into the formulation of the TM policy for 2016/17, to be taken to Council in February.

### Procurement Performance

63. The Procurement Group continues to review the Council's performance on a regular basis. An update on Strategic Performance Information and ongoing developments will be provided for this report to Committee on a quarterly basis with the next update to be included in the Period 10 report.

### Debt Recovery and Accounts Payable Performance

64. The debt recovery and accounts payable performance information will continue to be reviewed at an operational level on a fortnightly basis. The strategic performance information will be compiled for this report to Committee on a quarterly basis with the next update to be included in the Period 10 report.

### Statutory and Policy Implications

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

## **RECOMMENDATIONS**

- 1) To note the revenue budget expenditure to date and year end forecasts
- 2) To note the Capital Programme expenditure to date and year end forecasts and approve variances to the Capital Programme
- 3) To note the Council's Balance Sheet transactions

**Nigel Stevenson Service Director – Finance, Procurement and Improvement Division**

**For any enquiries about this report please contact:**

Glen Bicknell - Senior Finance Business Partner, Senior Accountant

Simon Cunningham - Senior Accountant, Pensions and Treasury Management

### **Constitutional Comments (HD 23/11/15)**

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

### **Financial Comments (GB 29/12/2015)**

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

### **Background Papers and Published Documents**

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

- None

### **Electoral Division(s) and Member(s) Affected**

All



25 January 2016

Agenda Item: 6a

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

### **SALE OF 49.52 HECTARES (122.3 ACRES) AGRICULTURAL LAND AT SUTTON CUM LOUND DN22 8PY**

#### **Purpose of the Report**

1. To seek approval of the Finance & Property Committee to the sale, subject only to contract, of 49.52 hectares (122.3 acres) agricultural land at Sutton cum Lound, DN22 8PY as set out in the exempt appendix.

#### **Information and Advice**

2. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position. The exempt information is set out in the exempt appendix.
3. The Finance & Property Committee resolved to dispose of five farm / smallholdings in October 2015.
4. The subject property has been marketed since November 2015 by Savills as for sale by informal tender, subject to contract.
5. Offers have been received by Savills, and these are as detailed in the exempt appendix.
6. The Ward Councillor has been informed of this report.

#### **Other Options Considered**

7. Retention of the land for other purposes is not appropriate as the land is surplus to requirements and non-operational.

#### **Reason/s for Recommendation/s**

8. To secure a capital receipt.

## **Statutory and Policy Implications**

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

## **RECOMMENDATION/S**

- 1) That approval is given to the highest bid for the sale, subject only to contract, of 49.52 hectares (122.3 acres) agricultural land at Sutton cum Lound DN22 8PY as set out in the exempt appendix.

**Jas Hundal**

**Service Director – Transport, Property & Environment**

**For any enquiries about this report please contact: Tim Slater 0115 977 2076**

### **Constitutional Comments (EP 04.01.2016)**

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

### **Financial Comments (GB 13.01.16)**

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

## **Background Papers and Published Documents**

12. Finance & Property Committee Report October 2015

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**

13. Ward(s): Misterton  
Member(s): Councillor Liz Yates

File ref.: /TS/SB/00045

SP: 2973

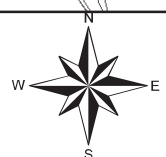
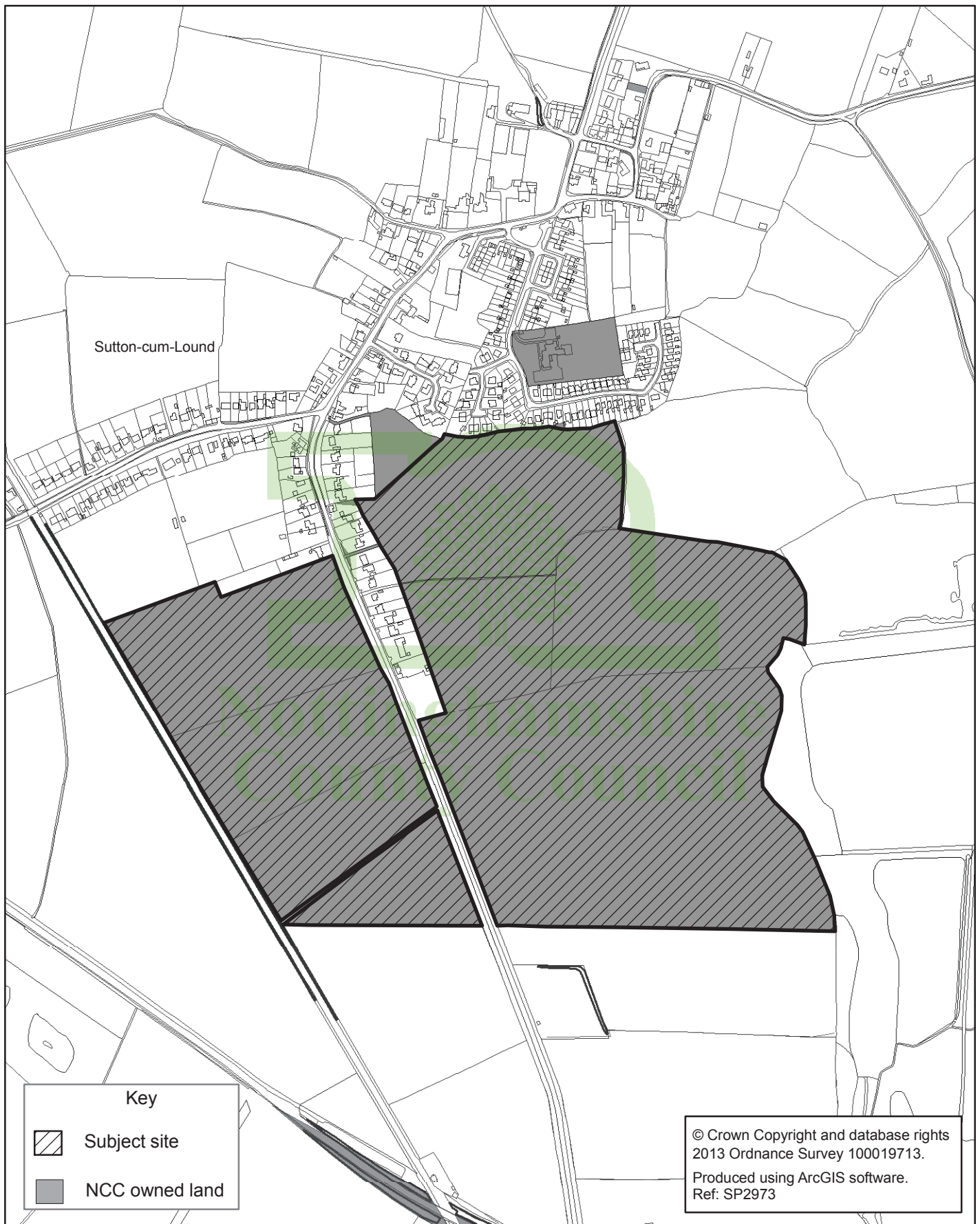
Properties affected: 00045 - Sutton-cum-Lound Farm (Land only)













25 January 2016

Agenda Item: 6b

**REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY &  
ENVIRONMENT****PROPOSED GRANT OF LEASE OF MISTERTON LIBRARY, HIGH  
STREET, MISTERTON****Purpose of the Report**

1. To seek approval to the granting of a lease of Misterton Library, Misterton, on terms outlined within the exempt appendix.

**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 Misterton Library is currently operated by the County Council from a building owned by the authority, the library operates from the front portion of the building and the rear section of the building is used by Youth & Community Services.
4. Library Services have been reviewing their financial obligations and service delivery, following the business case for Community Partnership Libraries which was agreed at Full Council in February 2014 (Outline Business case B13) (Resolution Number 2014/012). This is part of the Libraries, Archives, Information and Learning's response to the budget reductions and it falls within the *Strategy for Nottinghamshire Libraries*, specifically the pledge to "increase community involvement in the shaping and delivery of libraries provision".
5. As part of this review it was identified that Misterton would be suitable for a Community Partnership Library (CPL). This, together with a number of other potential CPLs was outlined in the report approved at Finance and Property Committee on 9 November 2015.
6. Misterton Parish Council are currently occupying premises where the lease expires in June 2016. They have therefore taken this as an opportunity to look for alternative accommodation
7. Following discussions with the Parish Council it is proposed that they locate their Parish office within the library and also, through increased volunteering and

community activity, a full Community Partnership Library will be created. In order to facilitate this a separate Service Level Agreement is to be prepared.

8. Approval to the Parish operating the library service was granted at Culture Committee on 3 November 2015, Resolution Number 2015/052.
9. The lease is to be granted at a peppercorn rent. It is considered that this letting promotes or improves environmental, economic and social well-being aims which allows the County Council to consider a grant of a lease at a rent below market value.
10. The proposed terms for the lease have been reviewed by the Council's Group Manager (Legal Services) and the "Section 151 Officer" (Service Director, Finance and Procurement).
11. Further to the Finance and Property Committee Report of 9 November 2015, all leases being granted from the County Council to Culture Learning and Libraries (Midlands) are to be with effect from 1 April 2016 for a term of 5 years. However, as the proposed lease to the Parish Council is to commence in June 2016 it will be necessary for a short term lease to be granted between the County Council and CLL which will be from 1 April 2016 and until such time as the lease to the Parish Council commences. This arrangement would be necessary in order to ensure the continued delivery of the library service.

### **Other Options Considered**

12. Not granting the lease - this would prevent the achieving of a reduction in ongoing running costs and developing a sustainable Library within the community.
13. Charging a market rent for the property - This was considered however it is not an option as the tenant would not be able to meet this financial commitment particularly as they will be running the Library Service on behalf of the County Council. This will bring significant savings and ensure the library service can continue to be delivered to the community.

### **Reason/s for Recommendation/s**

14. The proposal will facilitate a more sustainable library service at a lower cost.
15. The proposal allows for further development of volunteering and greater partnership working.
16. Approval to move the Library Service to the hub was approved at Culture Committee on 3 November 2015. The granting of a lease would therefore ensure this service can continue to be delivered

### **Statutory and Policy Implications**

17. 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 granting of a lease on terms detailed in the exempt appendix.

**Jas Hundal**

**Service Director – Transport, Property & Environment**

**For any enquiries about this report please contact:**

### **Constitutional Comments (EP 16.12.15)**

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

### **Financial Comments (GB 13.01.16)**

19. The financial implications are set out within the report.

### **Background Papers and Published Documents**

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

### **Electoral Division(s) and Member(s) Affected**

21. Ward(s): Misterton  
Member(s): Councillor Liz Yates

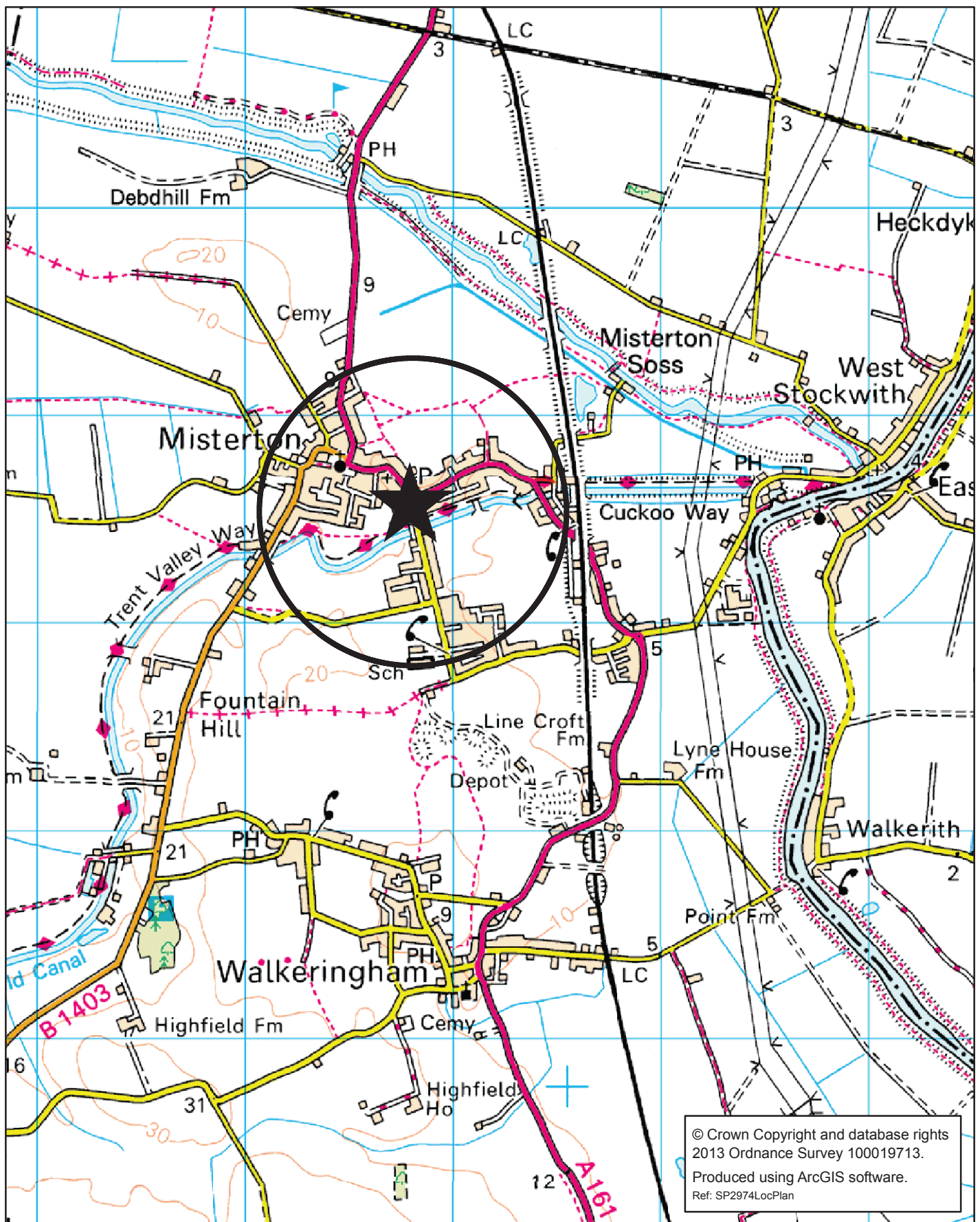
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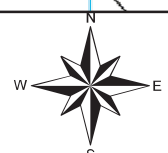
Properties affected: 03119 - Misterton Youth Centre & Library





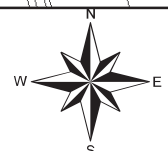
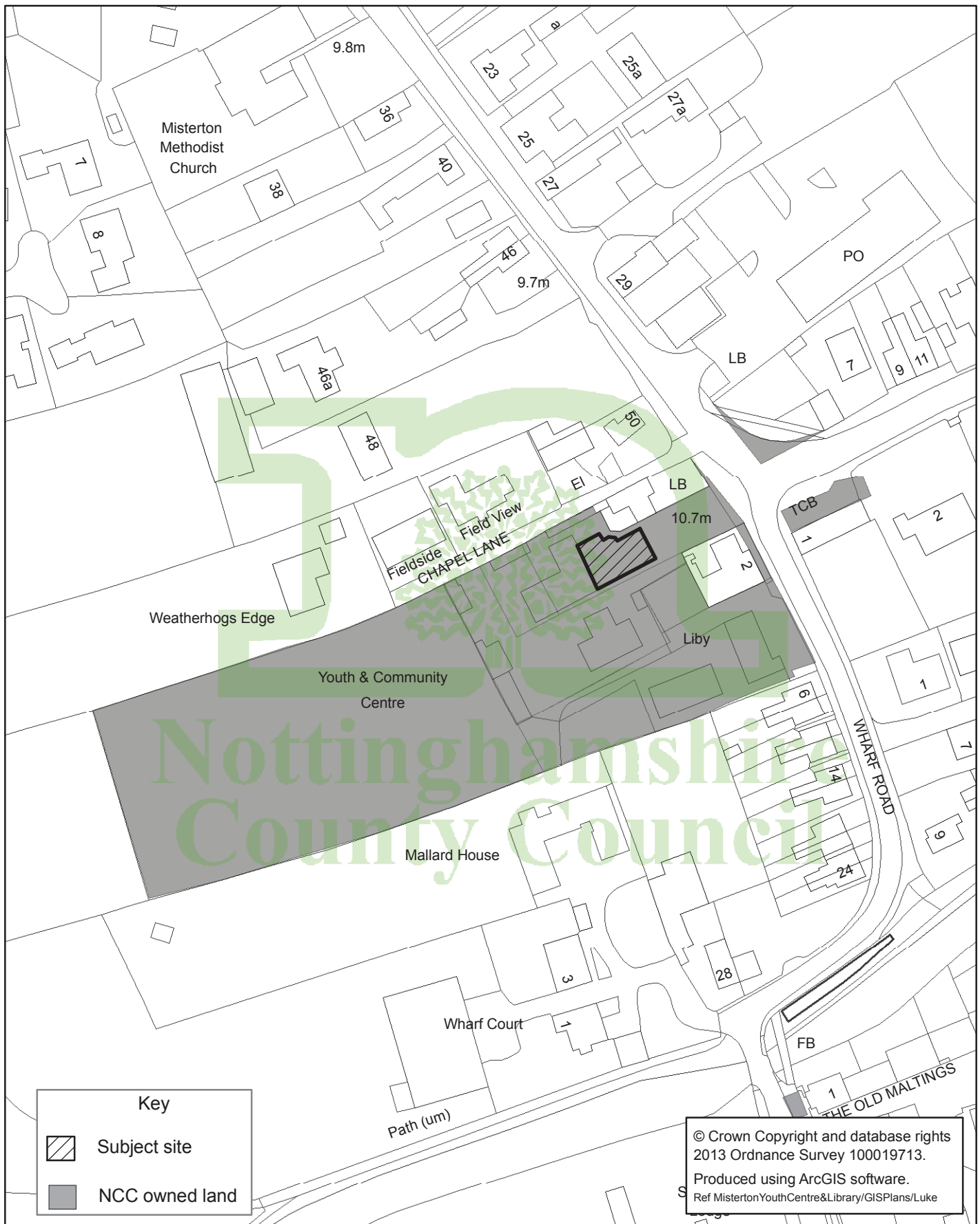


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25 January 2016

Agenda Item: 6c

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

### **LATEST ESTIMATED COST: SCHOOLS PLACES PROGRAMME 2016**

#### **Purpose of the Report**

1. The purpose of this report is to seek approval of the latest estimated cost for the above programme.
2. Members should note that this is the first of two reports that will be presented for the Schools Places programme 2016 as for certain Schools requiring expansion the cost data is still under preparation.

#### **Information and Advice**

##### **Project details**

3. There is a statutory provision placed on the County Council to annually identify and provide for any increases in required school places (previously known as Basic Need), throughout the County.
4. The strategy teams within Children, Families and Cultural Services (CFCS) complete an annual review through an area by area analysis and projection to evaluate which schools would best fulfil the requirements for the increase in intake numbers to accommodate any forecasted increase in pupil numbers.
5. As a result of this annual review a number of schools have been identified that meet the requirements set by the Department for Education (DfE) and would therefore be best suited to fulfil the schools' places increase through a mixture of space remodelling, classroom extensions and/or new classroom provision.
6. Feasibility studies have been carried out at the identified schools by Property, to identify the most cost effective provision, whilst ensuring that the proposals are compliant with current legislation, the latest Central Government guidance and good practice. The output is a specific construction proposal for each school.
7. These proposals if converted into actual projects would in the main be required for the commencement of the new school year in September 2016.
8. The identified schools for this first submission, by area are:

**Ashfield**

Broomhill Junior School, Hucknall, NG15 6AJ

Kingsway Primary School, Kirkby-in-Ashfield, NG17 7FH

**Broxtowe**

Kimberley Primary School, Kimberley, NG16 2PG

**Gedling**

Central Junior School, Carlton, NG4 1QT

9. It should be noted that the expansion of the Jeffries Primary and Nursery School within Ashfield, though a part of this programme of work, was included within the LEC report presented to and approved by Finance and Property committee for the 2015 programme, in March 2015 and as such is not included within the financial data for this report. For information Councillors should note that this project has a value of £357,330.
10. As previously noted there are a number of other projects that will be submitted to this committee in the following months, as at the moment the proposals are not yet sufficiently advanced with the Headteacher's and/or Governors of the respective schools for the feasibility projects to be complete.
11. The programme of works comprising the individual construction projects will be managed using best practice project management methodology (Prince 2) including project reviews with key stakeholders and sign-off at key milestones in accordance with the Gateway Review standards. The overall delivery will be monitored and managed by the Schools' Capital Programme Executive Group that will ratify all decisions on Scope, Cost and Timescale.
12. The construction elements for the proposed schemes will be built using a number of delivery platforms and will be, wherever possible, based on a modular solution whereby the classroom block is prepared within a factory and then erected on site. This is to reduce both cost and the on-site element of the works in an effort to minimise disruption to the individual school and follows on from the successful use of this method of procurement and construction for the previous three programmes.
13. A number of the projects are also subject to planning application approval and approval via Children and Young People's committee for "Schools requiring expansion by 25% or more pupil places."
14. It is anticipated that three delivery solutions will be utilised, and that building works will start on site from July 2016 and be completed by September 2016:
  - for those schools requiring internal modification only, then the NCC Property Operations team will carry out the necessary works.
  - for the more complex projects whereby the works required involve a modular solution along with additions to and/or alterations to existing buildings or are within a complex site environment then a mixture of NCC property operations and the EMPA (East Midlands Property Alliance) framework contractors will be used (Robert Woodhead's, G.F. Tomlinson and Ashe Partnerships).

15. The latest estimated cost of the building works are set out below and the fees shown are for all professions involved in the project.
16. The professions involved in this project are:-
- Architect
  - Mechanical Engineer
  - Electrical Engineer
  - Quantity Surveyor
  - Structural Engineer
  - CDM Advisor
  - Project Manager

### Capital budget implications

17. This project is being funded as follows:
- |                           |                  |
|---------------------------|------------------|
|                           | £                |
| Capital Allocation        | 2,005,000        |
| Section 106 Contributions | 0                |
| <b>Total</b>              | <b>2,005,000</b> |
18. The business case has been submitted to the Corporate Asset Management Group and has been approved for submission. These projects were included within the budget proposals presented to full Council in February 2015.
19. The latest estimated costs are as follows:  
Please note that Professional fees include all feasibility costs including site surveys and associated statutory fees, as well as Property Departmental fees.

	<u>Latest Estimated Cost</u> <u>(Outturn Prices)</u> £
Building Works	1,697,380
Professional fees	244,620
Furniture and Equipment	63,000
<b>Total</b>	<b>2,005,000</b>
Individual project detail:	£
<b>Ashfield</b>	
Broomhill Junior School	458,000
Kingsway Primary School	686,000
<b>Broxtowe</b>	
Kimberley Primary School	531,000
<b>Gedling</b>	
Central Junior School	330,000

### Anticipated cash flow

	2015/16 £	2016/17 £	2017/18 £	Total £
Building Works	300,000	1,397,380	0	1,697,380
Professional Fees	90,000	145,000	9,620	244,620
Furniture & Equipment	0	63,000	0	63,000
Totals	390,000	1,605,380	9,620	2,005,000

### Revenue budget implications

20. Any additional premises and human resources costs arising from these proposals will be met from the individual school's budget.

### Other Options Considered

21. Whilst surrounding schools were considered, the projects listed represent the optimum solutions to the need for school places in each particular area.
22. Committee should note that a review of the School's Places requirement for 2017 and onwards is currently underway under the auspices of the Children & Young People's Committee. Once this has been approved it will be brought to this Committee to secure funding approval. This is expected in the early part of 2017.

### Reason/s for Recommendation/s

23. Local authorities have a statutory duty to ensure sufficient school places are available for every child in the local area that needs one.

### Statutory and Policy Implications

24. 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.

### Implications for Service Users

25. The upgraded buildings and facilities will provide the extra requirements for the pupil numbers to be increased.

## **Financial Implications**

26. These are set out in the report.

## **Equalities Implications**

27. In accordance with County Council policy the design of the buildings will incorporate access and facilities for people with disabilities.

## **Crime and Disorder Implications**

28. The proposed sites are within existing school security boundaries and as such are relatively straightforward to secure. As a result, risk of crime from theft or vandalism will be minimised. Additional measures which will be considered to further minimise risk of crime will include the provision of overnight security systems during the construction period.
29. Consultation with local residents and other interested parties will be undertaken as part of the planning process and this should effectively negate risk of disruption through protest or the like.

## **Implications for Sustainability and the Environment**

30. Environmental and Sustainability requirements will be incorporated into the detailed design process for each of the individual buildings.

## **RECOMMENDATION/S**

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

**Jas Hundal**

**Service Director – Transport, Property & Environment**

**For any enquiries about this report please contact: Chris Higginson on tel: 0115 9772490**

## **Constitutional Comments (CEH 13.01.16)**

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

## **Financial Comments (GB 13.01.16)**

32. The financial implications are set out within the report.

## **Background Papers and Published Documents**

33. None.

## **Electoral Division(s) and Member(s) Affected**

### **Electoral Division(s) and Member(s) Affected**

34. Ward(s): Soar Valley,  
Radcliffe on Trent,  
Carlton West,  
Kimberley and Trowell,  
Kirkby in Ashfield South,  
Nuthall,  
Mansfield South
35. Member(s): Councillor Darrell Pulk,  
Councillor Ken Rigby,  
Councillor Andrew Brown,  
Councillor Mrs Kay Cutts,  
Councillor Philip Owen,  
Councillor Jim Creamer,  
Councillor Andy Sissons,  
Councillor Rachel Madden,  
Councillor Stephen Garner

Properties affected: 01513 - Lantern Lane Primary and Nursery School, 01528 - Radcliffe-on-Trent Junior School, 01451 - Central Junior School, 01179 - Kimberley Primary, 01252 - Kingsway Primary School, 01329 - Horsendale Primary School, 01136 - King Edward Primary School, 01527 - Radcliffe-on-Trent Infant/Nursery School

File ref.: /SB/SB/  
SP: 2942

13/1/16 ch



25 January 2016

Agenda Item: 6d

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

### **OPERATIONAL DECISIONS ANNUAL REVIEW & QUARTERLY UPDATE SEPT - DEC 2015**

#### **Purpose of the Report**

1. As Members will recall at the meeting of this Committee in January 2014 approval was given to amend the list of day to day operational decisions which can be taken by the Director, subject to the chair of Finance & Property Committee determining whether operational decisions should still be reported to Committee. It was also agreed that 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.
2. In accordance with the above decision this is the second annual review report, together with the final quarterly report for 2015 informing the Committee of Operational Decisions taken between September and November 2015.
3. This report contains an exempt appendix, which is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) (Information relating to any individual and the business affairs of a particular person (including the authority holding that information)). The exempt appendix provides details of the terms agreed. Disclosure of this information would prejudice the parties' commercial interests.
4. Committee approved amendments to the list of day to day operational decisions which can be taken by the Director in January 2014. Since the last annual update in January 2015, there have been some 109 such decisions. Given that the process of preparing and submitting Committee reports takes on average 6 - 7 weeks (As a result of the time required to prepare the report, undertake consultation and meeting various deadlines for the despatch of reports and agenda) the reduction in the number of reports to be prepared has significantly reduced the time taken to approve operational decisions and has reduced the amount of staff time/cost being spent on routine relatively low value transactions.
5. In accordance with the recommendations in the report relevant Ward Members have been invited to comment on appropriate Estate Management decisions that are progressed via all operational decisions (except where Committee have been specifically advised otherwise). The new arrangements have enabled the more routine low value transactions to be progressed with greater efficiency, reducing the previously, relatively significant, time and cost involved in dealing with these

matters. The changes have also ensured continuing appropriate governance relating to Estate Management decisions whilst providing greater clarity regarding which decisions should be reported to Committee for approval and which can be dealt with by means of operational decisions. It is therefore recommended that the amendments for authorising operational decisions as approved in January 2014 by Committee are confirmed.

6. Details of the decisions taken are shown below: -

Please note relevant Ward Members have been invited to comment on these proposals.

SP	TITLE	DESCRIPTION (extract from Operational decision)
<b>September</b>		
2935	Kentrigg Farm, Adbolton Lane, West Bridgford – New Lease	The granting of a five year lease to Moo Haven, a registered charity who rescue, rehabilitate and find new homes for ponies.
2918	South Wolds Academy and Sixth Form – Transfer to Est Midlands Education Trust	Assign the Transferee's Right of Pre-Emption from South Wolds Academy and Sixth Form to East Midlands Education Trust
2923	Former Library, Scout Hut & 0.458 Hectares (1.13 Acres) of Land to the rear, Wharf Road, Misterton – Dispose to Misterton Parish Council	On 16 June 2014 Finance and Property Committee approved the disposal of the former Library and scout hut buildings, along with 0.458 hectares of land to the rear, to Misterton Parish Council. Whilst the sale was proceeding discussions commenced for the Parish council to run the Library Service which is also on the same site. At our request, the sale was put on hold whilst these negotiations took place. However, the sale is now continuing, but due to the pause in proceedings and in order to comply with financial regulations, i.e. the sale has not completed within 6 months of F & P approval, an Operational Decision is sought to continue with the sale to the Parish Council.
2931	Worksop Bus Station – Lease to Café Unit	Following a marketing campaign, offers have been received and the County Council are to let the café unit at Worksop Bus Station. This will be on a 10 year lease to a commercial operator.
2921	East Markham County Primary – Licence to the Voluntary Management Committee of Pippin Pre-School	Pippins Pre-school have been on site for 4 years without the benefit of a formal agreement. The Heads of Terms have been agreed with the School and the Pre-School and the licence will formalise their occupation; good Estate Management Practice.
2925	Edwalton Primary School – Conversion to Academy Status	Proposed conversion to Academy Status
<b>October</b>		
2938	Heathlands Primary School – Lease to Townrow Tiny Tots Day Nursery Ltd	Following a successful tender process Townrow Tiny Tots Day Nursery Ltd will take up occupation on 2 <sup>nd</sup> November 2015. The lease formalises their occupation.
2936	Cotgrave Library ATM	The County Council are to renew the lease for an ATM point at

	Outlet – Lloyds Banking Group	Cotgrave Library to Lloyds Banking Group.
2934	Abbey Gates Primary School – Lease to Ravenshead Parish Council	The lease agreed in 2005 has expired. A new lease has been negotiated.
2941	Disposal of two parcels of land at Linby	Disposal of two parcels of former highway land at Main Street, Linby.
2937	Storey Gardens, Hucknall: Deed of Confirmation of Determination of Rights	Network Rail has asked that NCC release any rights they have over this crossing. Although NCC does not have documented rights NCC have been asked to surrender any informal rights that may have been acquired over time. This crossing does not serve any NCC land and therefore NCC interests are not affected by agreeing to this request.
2951	Welshcroft Close, Kirkby in Ashfield – Collateral agreement	Veolia Environmental Services are the current waste PFI provider who are proposing to take a lease of a site off Welshcroft Close for the purposes of a Waste Transfer Site. Under the terms of that lease there will be an option for the County Council to take the remainder of that lease if it chooses to do so.
2945	Sutton on Trent Library, Main Street, Sutton on Trent	It is proposed to renew the County Council's lease of the property for a term expiring on 31 March 2017 at a revised rent.
2958	49.52 Hectares (122.3 acres) at Sutton sum Lound DN22 8PY – Approval to dispose and appointment of agent	Finance & Property Committee resolved to dispose of this land in October 2015. Following consultation with the Council's agricultural specialists, the land is to be placed for sale via private treaty with Savills plc.
2949	Top Wighay Farm, Linby: Renewal of Farm Business Tenancies	The Authority are to renew the two Farm Business Tenancies (FBT) for the agricultural land at Top Wighay Farm. These will be short term lettings owing to the ongoing development proposals for the site; however this will ensure that the land remains cultivated with a good level of husbandry in the meantime.
2959	Farm Business Tenancy – Rushley Farm West – South of MARR Nottingham Road, Mansfield NG18 5BG	The Authority is to renew the Farm Business Tenancy (FBT) for the agricultural land at Rushley Farm West. This will be a short term letting owing to the ongoing development proposals for the land. This will however ensure that the land remains cultivated with a good level of husbandry in the meantime.
2953	Greythorn Primary School - Conversion to Academy Status	Proposed conversion to Academy Status with 125 year lease.
2954	Haddon Primary & Nursery School – Conversion to Academy Status	Proposed conversion to Academy Status
2952	Arnold Hill Academy – Assignment of pre-emption agreement to Trent Academies	Assign pre-emption agreement from Arnold Hill Academy to Trent Academies Group

	Group	
2950	Vehicle Access Easement for a single dwelling along Middlefield Lane, Ollerton	The owners of a building plot on Middlefield Lane have requested a vehicle access easement over the public track from Wellow Road to the plot. For clarity – some vehicle access rights already exist along this track. Approval is sought to approve the vehicle access easement.
2963	Unit 6, Meden Court, Netherfield Lane, Meden Vale, Warsop – Accept lease surrender from existing tenant and grant a lease to a new occupier	Accepting a lease surrender from the existing tenant and granting a new six year lease.
2961	Misson Primary School – Lease for Telecommunication Mast	Misson Primary School has arranged a contract with a new broadband supplier. Misson is a remote village in Bassetlaw and a new telecommunication mast is required. Following the installation of the mast, the provider hopes to serve the village of Misson in providing a new faster broadband.
2962	St John's C of E Primary School – Conversion to Academy Status	Proposed conversion to Academy Status
2947	Proposed 19 year lease from Trustees of Thoresby Settlement: Sherwood Forest Country Park, Edwinstowe, Mansfield NG21 9HN	NCC currently holds a 60 year lease of the Sherwood Forest Country Park which is due to expire on 31/03/2035. Within the Country Park is the Sherwood Forest Visitor Centre currently run by NCC.
2960	Former Highways Depot, Newark	Contracts were exchanged on 7 July 2014. Approval is sought to extend the site suitability period and longstop date.

## Other Options Considered

7. Reduce the number of transactions that can be progressed by means of operational decisions, this would lead to a loss of the current advantages 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.
8. 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

9. The changes, it is suggested have, provided 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 are more efficiently progressed.

## **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) Members confirm their continued support for the amendments to the authorising of operational decisions as approved by the Committee on 20 January 2014.
- 2) That the information set out in paragraph 3 of this report is noted.

**Jas Hundal**

**Service Director, Transport, Property and Environment**

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

## **Constitutional Comments (EP 16.12.2015)**

11. The report is for noting purposes only.

## **Financial Comments (SES 13.01.16)**

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

## **Background Papers and Published Documents**

13. None.

## **Electoral Division(s) and Member(s) Affected**

14. Ward(s): All  
Member(s): All

File ref.: /SB/SB/

SP: 2970

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



**25 January 2016****Agenda Item: 7****REPORT OF CORPORATE DIRECTOR, RESOURCES****WORK PROGRAMME****Purpose of the Report**

1. To consider the Committee's work programme for 2016.

**Information and Advice**

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

**Other Options Considered**

5. None.

**Reason/s for Recommendation/s**

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

## **Statutory and Policy Implications**

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

## **RECOMMENDATION/S**

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

**Jayne Francis-Ward**  
**Corporate Director, Resources**

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

## **Constitutional Comments (HD)**

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

## **Financial Comments (NS)**

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

## **Background Papers**

None.

## **Electoral Division(s) and Member(s) Affected**

All



## **FINANCE & PROPERTY COMMITTEE - WORK PROGRAMME**

<b><u>Report Title</u></b>	<b><u>Brief summary of agenda item</u></b>	<b><u>For Decision or Information ?</u></b>	<b><u>Lead Officer</u></b>	<b><u>Report Author</u></b>
<b>8 February 2016</b>	<b>THIS MEETING HAS BEEN CANCELLED</b>			
Draft County Council Budget	Recommendation of draft County Council budget 2016/17 to County Council	Decision	Nigel Stevenson	Glen Bicknell
<b>22 February 2016</b>				
Monthly Budget & Capital Monitoring Report 2015/16	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Training Needs Analysis	To be completed by Members of Committee	Decision	Nigel Stevenson	Simon Cunnington
ICT Programmes and Performance Quarter 3	Progress Report	Info	Ivor Nicholson	Ivor Nicholson
Councillors Divisional Fund	Quarterly report on Councillors Divisional Fund	Info	Jayne Francis-Ward	Paul Davies
Latest Estimated Costs	Schools Places Programme 2016	Info	Jas Hundal	Chris Higginson
Property Transactions	Various	Decision	Jas Hundal	Various
<b>21 March 2016</b>				
Better Care Fund	Quarter 3 Reconciliation	Info	Joanna Cooper	Joanna Cooper
Monthly Budget & Capital Monitoring Report 2015/16	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Energy Costs and Procurement	Annual report	Info	Jas Hundal	Phil Keynes
Property Transactions	Various	Decision	Jas Hundal	Various
<b>25 April 2016</b>				
Monthly Budget & Capital Monitoring Report 2015/16	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Councillors Divisional Fund	Quarterly report on Councillors Divisional Fund	Info	Jayne Francis-Ward	Paul Davies
Operational Decisions	Quarterly report on operational property decisions	Info	Jas Hundal	Andrew Stevens
Property Transactions	Various	Decision	Jas Hundal	Various

<b><u>Report Title</u></b>	<b><u>Brief summary of agenda item</u></b>	<b><u>For Decision or Information ?</u></b>	<b><u>Lead Officer</u></b>	<b><u>Report Author</u></b>
<b>23 May 2016</b>				
Monthly Budget & Capital Monitoring Report 2015/16	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
ICT Programmes and Performance Quarter 4	Progress Report	Info	Ivor Nicholson	Ivor Nicholson
Property Transactions	Various	Decision	Jas Hundal	Various
<b>20 June 2016</b>				
Monthly Budget & Capital Monitoring Report 2015/16	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Property Transactions	Various	Decision	Jas Hundal	Various
<b>18 July 2016</b>				
Better Care Fund	Quarter 4 Reconciliation	Info	Joanna Cooper	Joanna Cooper
Monthly Budget & Capital Monitoring Report 2015/16	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Councillors Divisional Fund	Quarterly report on Councillors Divisional Fund	Info	Jayne Francis-Ward	Paul Davies
Property Transactions	Various	Decision	Jas Hundal	Various