

Finance and Property Committee

Monday, 20 February 2017 at 14:00

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

AGENDA

- | | | |
|----|--|---------|
| 1 | Minutes of the last meeting held on 8 February 2017 | 5 - 6 |
| 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 9 2016-17 | 7 - 22 |
| 5 | ICT Programmes and Performance Quarter 3 2016-17 | 23 - 34 |
| 6 | ICT Strategy 2014/17 - Strategy and Feedback (Presentation) | |
| 7 | Councillors' Divisional Fund Monitoring Report | 35 - 36 |
| 8 | Property Transactions | |
| 8a | Kentrigg Farm, Adbolton Lane, West Bridgford - disposal of surplus parcel of land | 37 - 42 |
| 8b | 74 Middle Street, Beeston - Lease out of Part | 43 - 52 |
| 9 | Work Programme | 53 - 56 |

10 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.

EXEMPT INFORMATION ITEMS

11 Exempt appendices to reports:

11a Kentrigg Farm, Adbolton Lane, West Bridgford - disposal of surplus parcel of land EXEMPT

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

11b 74 Middle Street, Beeston - Lease out of Part 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 8 February 2017 (commencing at 2pm)

Membership

Persons absent are marked with an 'A'

COUNCILLORS

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

Richard Butler	Diana Meale
Jim Creamer	Mike Pringle
Kay Cutts	John Wilkinson
Stephen Garner -A	Jacky Williams
Richard Jackson	

OFFICERS IN ATTENDANCE

Pete Barker	Democratic Services
Jayne Francis-Ward	Corporate Director, Resources
Nigel Stevenson	Service Director, Finance & Procurement

MINUTES OF THE LAST MEETING

The minutes of the last meeting held on 16 January 2017, having been circulated to all Members, were taken as read and were confirmed, and were signed by the Chair.

APOLOGIES FOR ABSENCE

No apologies for absence were received.

MEMBERSHIP

It was reported that Councillor Creamer had been appointed in place of Councillor Pulk, Councillor Wilkinson had been appointed in place of Councillor Plant and Councillor Williams had been appointed in place of Councillor Rigby, all for this meeting only.

DECLARATIONS OF INTERESTS

No declarations of interest were made.

REVENUE BUDGET PROPOSALS 2017/18
CAPITAL PROGRAMME PROPOSALS 2017/18 to 2020/21
MEDIUM TERM FINANCIAL STRATEGY 2017/18 to 2020/21
COUNCIL TAX PROPOSALS 2017/18

RESOLVED: 2017/008

That a report be prepared for County Council on 23 February 2017 based on the budget proposals as set out in the report, including the proposed Council Tax and Adult Social Care Precept increases as expected by Central Government.

Councillor Adair, Councillor Butler, Councillor Cutts and Councillor Williams requested that their abstentions from the above vote be recorded.

WORK PROGRAMME

RESOLVED: 2017/009

That the Committee's work programme be noted.

The meeting closed at 2.14pm.

CHAIR

20 February 2017**Agenda Item: 4****REPORT OF THE SERVICE DIRECTOR – FINANCE, PROCUREMENT AND
IMPROVEMENT****FINANCIAL MONITORING REPORT: PERIOD 9 2016/2017****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. Request approval for an additional contingency request.
3. To provide a summary of Capital Programme expenditure to date and year-end forecasts and approve variations to the capital programme.
4. To inform Members of the Council's Balance Sheet transactions.
5. To note the proposal to charge for work associated with academy conversions.

Information and Advice**Background**

6. The Council approved the 2016/17 budget at its meeting on 25 February 2016. As with previous financial years, progress updates will be closely monitored and reported to both management and Committee on a monthly basis.

Summary Revenue Position

7. Table 1 below summarises the revenue budgets and forecast outturn for each Committee. A £5.4m net underspend 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 9

Forecast Variance as at Period 8 £'000	Committee	Annual Budget £'000	Actual to Period 9 £'000	Year-End Forecast £'000	Latest Forecast Variance £'000
4,084	Children & Young People	130,381	98,327	134,433	4,052
(2,598)	Adult Social Care & Health	216,304	150,495	213,736	(2,568)
(277)	Transport & Highways	60,416	57,810	60,001	(415)
60	Environment & Sustainability	32,044	22,417	32,082	38
283	Community Safety	3,136	1,281	3,296	160
(96)	Culture	13,301	9,564	13,187	(114)
(1,032)	Policy	24,087	17,581	22,860	(1,227)
(436)	Finance & Property	30,749	24,412	30,176	(573)
(302)	Personnel	11,105	9,115	10,721	(384)
29	Economic Development	1,467	943	1,467	-
(1,147)	Public Health *	5,360	1,481	3,880	(1,480)
(1,432)	Net Committee (under)/overspend	528,350	393,426	525,839	(2,511)
(4,645)	Central items	(16,784)	(35,093)	(21,472)	(4,688)
-	Schools Expenditure	232	232	232	-
285	Contribution to/(from) Traders	255	2,212	488	233
(5,792)	Forecast prior to use of reserves	512,053	360,777	505,087	(6,966)
281	Transfer to / (from) Corporate Reserves	(18,344)	-	(17,971)	373
938	Transfer to / (from) Departmental Reserves	(11,072)	(92)	(9,859)	1,213
-	Transfer to / (from) General Fund	(3,741)	-	(3,741)	-
(4,573)	Net County Council Budget Requirement	478,896	360,685	473,516	(5,380)

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

Committee and Central Items

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

Children & Young People (forecast £4.1m overspend, 3.1% of annual budget)

9. The Children's Social Care Division is reporting a forecast net overspend of £3.0m. The major contributing variances are:

- £2.9m overspend on Provider Services (Looked After Children placements). The significant variances include a £1.5m overspend on external residential and supported accommodation placements. In addition there is a £1.2m overspend which relates to achievability issues with the 2016/17 savings target, £0.3m overspend on fostering mainly due to the Fostering Futures Scheme and £0.2m overspend on Social, Emotional and Behavioural Difficulties (SEBD) homes and 16/17 year olds living independently, £0.2m on all other budgets (Child and Adolescent Mental Health Services (CAMHS), Edge of Care, etc.). This is offset by an underspend on Adoption Interagency Placements due to the receipt of the Interagency and Adoption Reform Grant £0.4m and the Contact Service of £0.1m.
- £0.3m overspend on staffing in social work and safeguarding teams. This overspend has arisen due to a combination of staffing changes, including extensions to agency cover for newly qualified social workers, vacancies and recruitment to vacant posts.

- £0.1m overspend on transport as demand continues to exceed the budget.
 - £0.3m underspend on non LAC placements i.e. Child Arrangement, Special Guardianship orders and Adoption Financial Support payments. A budget pressure of £0.6m was agreed for these payments but the current forecast is showing lower growth than was previously projected.
10. The Education Standards and Inclusion Division is reporting a forecast net overspend of £1.8m. The major contributing variances are:
- £2.2m overspend on Special Education Needs and Disability (SEND) home to school transport (£1.7m schools and £0.5m further education). This forecast reflects the annual review of contracts for the 2016/17 academic year and the achievability issues with the 2016/17 savings target of £0.6m. Further retendering of contracts is due to be undertaken in January which may result in additional savings.
 - £0.1m overspend on historical ongoing pension enhancements for schools based staff.
 - £0.2m underspend on Mainstream Home to School Transport. This has been identified on creation of 2016/17 academic year contracts.
 - The above variances are partially offset by maximising the use of £0.3m uncommitted Pupil Premium Grant and Higher Level Teaching Assistants Grant.
11. The Youth, Families and Culture Division is reporting a forecast net underspend of £0.1m.
12. One-off miscellaneous income of £0.3m has been identified and added to the forecast outturn for the year.
13. An underspend of £0.4m in Business Support is forecast which relates to savings associated with holding vacancies in anticipation of future years' budget savings. A report is being taken to a future meeting of the Personnel Committee in respect of the business support review
14. A full review of budget pressures and other funding issues has been undertaken and solutions have been found. These solutions will be addressed as part of the 2017/18 budget setting process.

Adult Social Care & Health (forecast £2.6m underspend, 1.2% of annual budget)

15. The Strategic, Commissioning, Access and Safeguarding Division is currently reporting a net underspend of £0.2m.
16. The North Nottinghamshire Division is currently forecasting a net underspend of £1.2m against the budget which comprises the following:
- Residential Services are forecasting a £0.4m underspend primarily due to increased 1 to 1 funding in the Short Breaks units.
 - Day Services and Employment are forecasting an underspend of £0.6m. This overall underspend is mainly due to an underspend on staffing of £1.0m, partially offset by overspends on transport of £0.4m.
 - Bassetlaw Community Care are forecasting an underspend of £0.2m, primarily due to reductions in Younger Adult commitments
17. The Mid and South Divisions are forecasting a net underspend of £1.2m, The major contributing variances are as follows:

- Older Adults across the County are now forecasting an underspend of £0.6m. This is primarily due to underspends on staffing and direct payments.
- Younger Adults across the County are forecasting an underspend of £0.6m. Overall the overspend on Supported Living and Long term residential and Nursing placements primarily due to Transforming Care Cases are being offset by additional Continuing Health Care (CHC) income and an underspend on Direct Payments.

Policy (forecast £1.2m underspend, 5.1% of annual budget)

18. This forecast underspend is due mainly to reduced insurance costs and increased income in Democratic Services, together with reduced external legal fees, vacancy savings in the Business Support Centre and a reduced use of agency staff in the Programmes and Projects Team.

Finance & Property (forecast £0.6m underspend, 1.9% of annual budget)

19. The forecast underspend is mainly due to the early achievement of 2017/18 savings targets and temporary underspends on staffing in the Property Division, together with vacancy savings within the Finance, Procurement and Improvement Division.

Public Health (£1.5m underspend, 27.6% of annual budget)

20. This forecast underspend is due mainly to slippage in activity against the Health Check Programme, together with an underspend against the Smoking and Tobacco Programme and the Public Health Directorate.

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

Central Items (forecast £4.7m underspend)

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

23. At the time of setting the 2016/17 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 £1.5m will be received in 2016/17.

24. 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 £0.8m.

25. There are also £0.3m of underspends against Traders pension contributions, ongoing pension enhancements and one-off income from the dissolution of CLASP.

26. As in previous years, and in accordance with accounting practice, a provision was set aside in 2015/16 to meet the costs of expected redundancies that will fall in 2016/17. This was based on outstanding Section 188 notices at the time and totalled £0.7m. Redundancy payments and Pension Strain made in the current financial year have exceeded the provision by £0.3m. Two Section 188 notices have been published so far in 2016/17. A corresponding provision will be made in the 2016/17 accounts to meet the costs of redundancy that will be incurred in 2017/18. There is still 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 2016/17.

Requests for Contingency

27. The Council budget includes a contingency budget of £7.6m to cover redundancy costs, slippage of savings and unforeseen events. Contingency requests approved previously total £2.4m. Table 1 assumes that £2.0m of the remaining contingency budget will be used for future requests and costs associated with redundancies.
28. As part of a report to the February 2017 Personnel Committee meeting, a request for contingency has been submitted to invest £86,000 to establish a resource to develop and deliver the Council's response to the Apprenticeship Levy and Public Sector Duty.

Transfer to / (from) reserves

29. A review of reserves has been undertaken to identify surplus earmarked reserves that can be released to support the budget and form part of the overall budget strategy. In total £4m of earmarked reserves have been transferred to general balances. This transfer was anticipated when the Council approved the Medium Term Financial Strategy in February.

Progress with savings

30. Council on 25 February 2016 approved savings proposals of £17.6m for delivery over the four year period 2016-20. These proposals are in addition to those approved previously by County Council. Officers will continue to monitor the deliverability of individual schemes and targets as part of the budget monitoring process and reflect achievability in the forecast outturn.
31. Issues associated with the achievement of savings relating to Children and Young People's Services were recognised, and additional funding found, as part of the Budget Report submitted to Finance and Property Committee on 8 February 2017.
32. **Support works associated with Academy Conversions**
33. Academies receive a £25,000 grant from the Department for Education to cover costs associated with the process of converting to an academy. A significant amount of work and cost is incurred by the Council as schools convert to Academy status. It is proposed that, in 2017/18, an element of these costs are recouped by charging academies for a financial contribution.

Capital Programme

34. Table 2 summarises changes in the gross Capital Programme for 2016/17 since approval of the original programme in the Budget Report (Council 25/02/16):

Table 2 – Revised Capital Programme for 2016/17

	2016/17	
	£'000	£'000
Approved per Council (Budget Report 2016/17)		112,345
Variations funded from County Council Allocations : Net slippage from 2015/16 and financing adjustments	(5)	
		(5)
Variations funded from other sources : Net slippage from 2015/16 and financing adjustments	2,433	
		2,433
Revised Gross Capital Programme		114,773

35. Table 3 shows actual capital expenditure to date against the forecast outturn at Period 9.

Table 3 – Capital Expenditure and Forecasts as at Period 9

Committee	Revised Capital Programme £'000	Actual Expenditure to Period 9 £'000	Forecast Outturn £'000	Expected Variance £'000
Children & Young People	40,508	15,647	39,972	(536)
Adult Social Care & Health	6,763	2,514	6,099	(664)
Transport & Highways	41,177	18,584	41,198	21
Environment & Sustainability	3,128	1,611	2,802	(326)
Community Safety	100	-	100	-
Culture	2,577	238	985	(1,592)
Policy	255	146	255	-
Finance & Property	12,977	6,589	11,596	(1,381)
Personnel	372	225	251	(121)
Economic Development	5,981	2,025	5,648	(333)
Contingency	935	-	935	-
Total	114,773	47,579	109,841	(4,932)

Children & Young People

36. In the Children and Young People Committee, a forecast underspend of £0.5m has been identified. The main reason for this relates to the Schools Access Initiative programme where a small number of larger schemes, totalling £0.5m, will now take place in the 2017/18 financial year.

It is proposed that the Children and Young People's capital programme is varied to reflect the £0.5m re-profiling of Schools Access Initiative projects into 2017/18.

Adult Social Care and Health

37. In the Adult Social Care and Health Committee a forecast underspend of £0.7m has been identified. This is because the Council's contribution to the Bowbridge Road Living at Home scheme (£0.7m) will now be made in 2017/18 as a result of delays caused by legal issues.

It is proposed that the Adult Social Care and Health capital programme is varied to reflect the delayed £0.7m contribution to the Bowbridge Road Living at Home Scheme.

38. Also in the Adult Social Care and Health Committee, funding is already incorporated into the capital programme to fund capital costs associated with Supported Living. This programme enables people with challenging needs to be housed in appropriate accommodation. In addition to this, the Council has been successful in securing a £0.5m Department of Health capital grant to further the programme.

It is proposed that the Adult Social Care and Health capital programme is varied to reflect the £0.5m Department of Health capital grant to further the Supported Living programme.

Transport and Highways

39. In the Transport and Highways Committee, the Council has been successful in securing a Bus Service Operators Grant (BSOG) from the Department for Transport for £0.4m in 2016/17 and a further £0.5m in 2017/18 to purchase vehicles to improve the rural bus links with the mainline bus network.

It is proposed that the Transport and Highways capital programme is varied to reflect the additional BSOG capital grant as identified above.

Culture

40. In the Culture Committee, a forecast underspend of £1.6m has been identified. The main reason for this is that, although a number of projects within the Libraries Modernisation Programme are now progressing, planning and design issues have resulted in £0.9m slippage against the programme.

It is proposed that the Culture Committee capital programme is varied to reflect the £0.9m slippage identified against the Libraries Improvement Programme.

41. Also in the Culture Committee, the planning application to provide a new, modern Visitor Centre at Sherwood Forest was approved by Newark and Sherwood District Council in January 2017. Work will now commence on constructing the new facility but it is now forecast that £0.7m capital expenditure will be re-profiled into the next financial year.

It is proposed that the Culture Committee capital programme is varied to reflect the revised capital expenditure profile associated with the construction of the new Sherwood Forest Visitor Centre.

Finance & Property

42. In the Finance and Property Committee, a forecast underspend of £1.4m has been identified. This is mainly as a result of £0.5m slippage against the Lindhurst Development project.

It is proposed that the Finance and Property capital programme is varied to reflect the £0.5m slippage against the Lindhurst Development project.

43. Also within the 2016/17 Finance and Property Committee capital programme, there is a £150k capital budget available to fund risk management capital projects which help minimise the level of insurance costs required. It is proposed that this capital programme continues into future years, at the same level, funded from insurance reserves.

It is proposed that the Finance and Property capital programme is carried by £0.15m per annum to extend the risk management programme, funded from reserves.

Economic Development

44. **Worksop Turbine Centre** – A project to re-configure existing space at the Worksop Turbine Centre and to extend provision is already within the approved capital programme. It is proposed that further funding is approved to create additional accessible and flexible space and to grow the conferencing offer. In addition to a revenue contribution from the Economic Development budget (£90k) and reserves (£20k) there will also be a £75k contribution from the Business Rates Pool - as approved at the Nottinghamshire Economic Prosperity Committee on 23 September 2016.

It is proposed that the Economic Development capital programme is varied to reflect the additional works required at the Worksop Turbine Centre.

Financing the Approved Capital Programme

45. Table 4 summarises the financing of the overall approved Capital Programme for 2016/17.

Table 4 – Financing of the Approved Capital Programme for 2016/17

Committee	Capital Allocations £'000	Grants & Contributions £'000	Revenue £'000	Reserves £'000	Gross Programme £'000
Children & Young People	16,909	23,299	-	300	40,508
Adult Social Care & Health	5,428	1,083	252	-	6,763
Transport & Highways	10,644	30,183	-	350	41,177
Environment & Sustainability	1,853	62	600	613	3,128
Community Safety	100	-	-	-	100
Culture	2,577	-	-	-	2,577
Policy	255	-	-	-	255
Finance & Property	12,677	50	-	250	12,977
Personnel	-	82	-	290	372
Economic Development	3,340	2,574	67	-	5,981
Contingency	935	-	-	-	935
Total	54,718	57,333	919	1,803	114,773

46. It is anticipated that borrowing in 2016/17 will decrease by £4.4m from the forecast in the Budget Report 2016/17 (Council 25/02/2016). This decrease is primarily a consequence of:

- £23.5m of net slippage from 2015/16 to 2016/17 and financing adjustments funded by capital allocations.
- Variations to the 2016/17 capital programme funded from capital allocations totalling £23.5m as approved to the December 2016 Finance and Property Committee meeting.
- Net slippage in 2016/17 of £4.4m of capital expenditure funded by capital allocation identified as part of the departmental capital monitoring exercise.

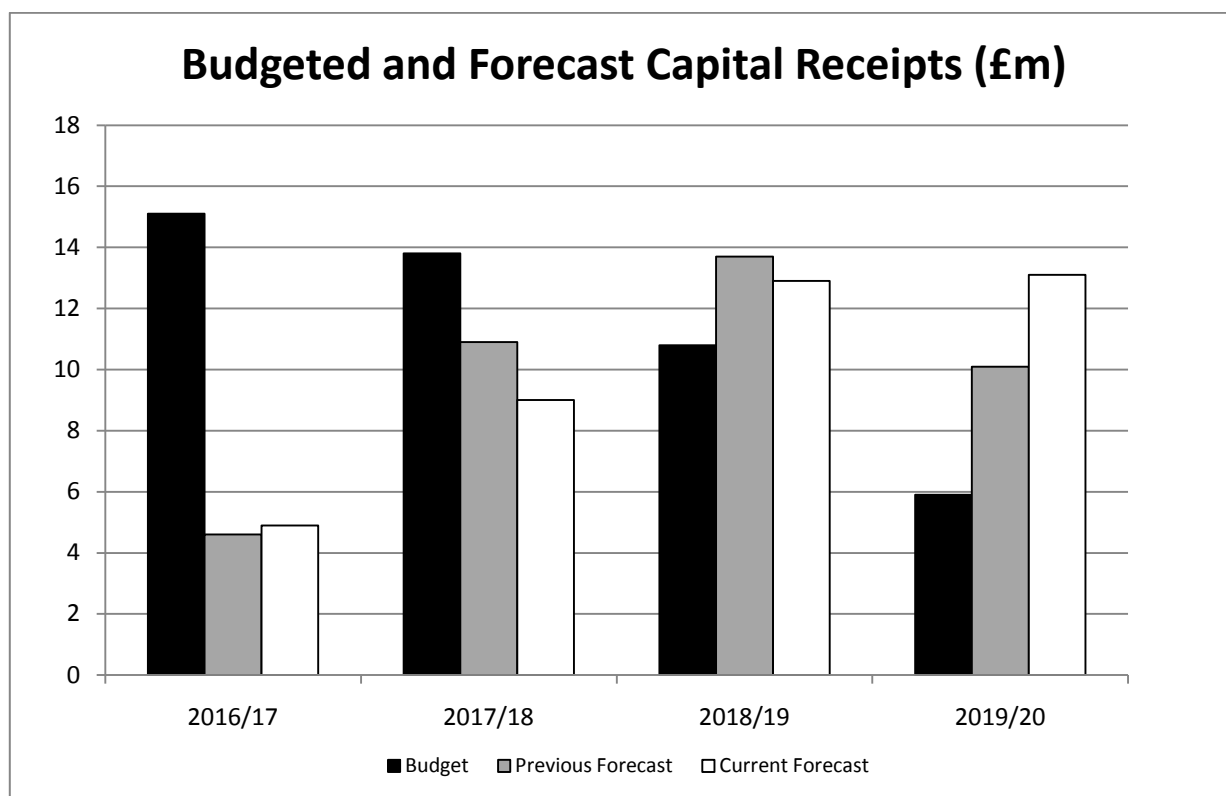
Prudential Indicator Monitoring

47. 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

48. 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.

49. The chart below shows the budgeted and forecast capital receipts for the four years to 2019/20.



50. The black bars in the chart show the budgeted capital receipts included in the Budget Report 2016/17 (Council 25/02/2016). These capital receipts budgets prudently incorporated slippage, giving a degree of “protection” from the risk of non-delivery.

51. The grey bars show the previous quarterly capital receipt forecasts. The white bars show the current capital receipt forecasts. The current capital receipts forecast for 2016/17 is £4.9m.

52. This is below the budgeted figure due to slippage on four major sites. Despite this, the overall capital receipts forecast remains relatively unchanged although an element has been re-profiled into 2020/21. To date in 2016/17, capital receipts totalling £4.2m 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 2016/17) 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.

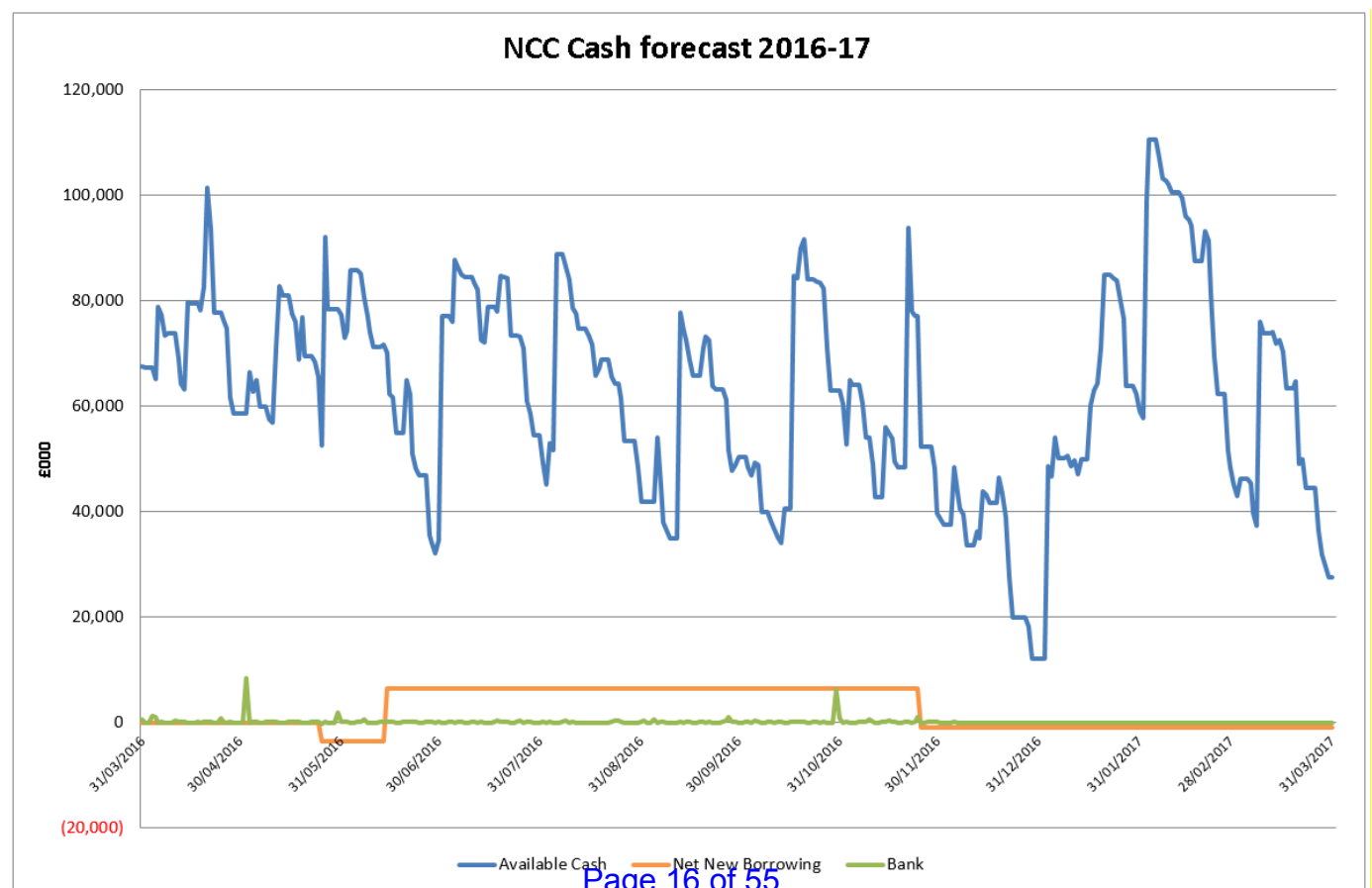
Treasury Management

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 2016/17. Cash inflows are typically higher at the start of the year due to the

front loading receipt of Central Government grants, and the payment profile of precepts. However, cash outflows, in particular capital expenditure, tend to increase later in the year.

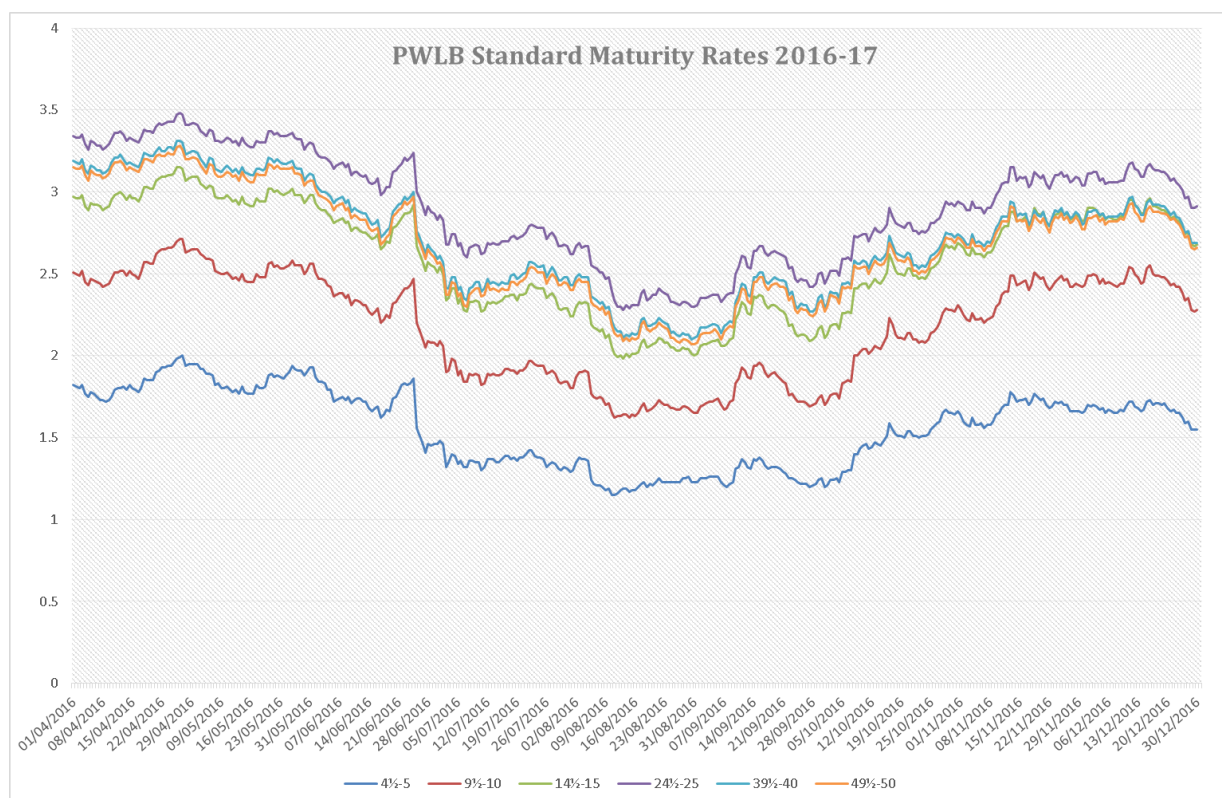
The chart below gives the following information:

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



56. The Treasury Management Strategy for 2016/17 identified a need for additional borrowing of £52m to fund the capital programme, replenish internal balances and to replace maturing debt. However, updates to the capital programme and the reserves forecast, together with £10m additional PWLB borrowing when rates were low prior to the EU Referendum, have negated the need for any further borrowing during 2016/17.

57. PWLB rates remain fairly low but in the last month have returned to their pre-Referendum levels. They continue to be monitored closely to allow dips in rates to feed into decisions on new borrowing. 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 2016/17.

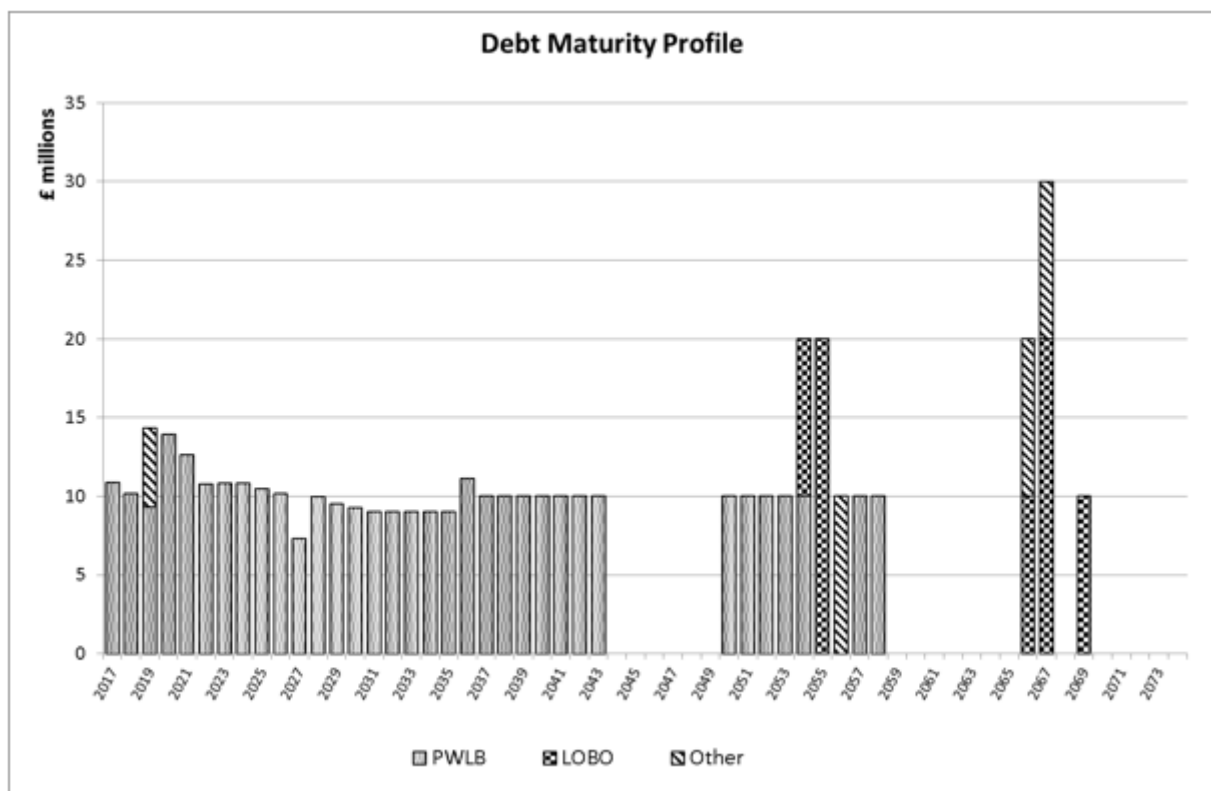


58. Borrowing decisions will take account of a number of factors including:

- expected movements in interest [Page 17 of 55](#)

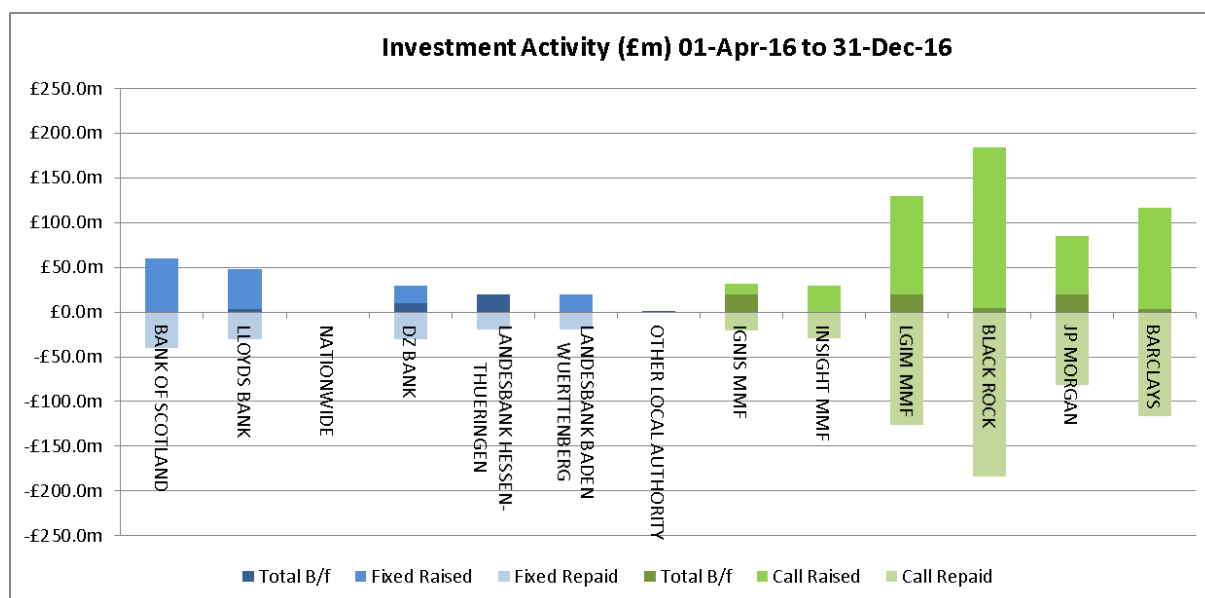
- current maturity profile
- the impact on revenue budgets and the medium term financial strategy
- the treasury management prudential indicators

59. The maturity profile of the Council's debt portfolio is shown in the chart below. The PWLB loans are reasonably well distributed and have a maximum duration of 41 years. When deciding on the lengths of future loans the Council will factor in any gaps in its maturity profile, with a view to minimising interest rate risk, but will consider this alongside other financial factors. Longer-term borrowing (maturities up to 52 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. During June 2016 the three LOBOs from Barclays Bank were converted (by Barclays) to fixed rate loans and will now mature at their endpoints in 2055, 2065 and 2066. The remaining LOBOs are shown in the chart below also at their furthest maturity points, but could actually mature at various points before then, constituting a risk that the Council will have to then borrow at the prevailing interest rate. The 'other' loan denotes borrowing from the money markets where the main objective was to minimise interest costs, and now also includes the Barclays Bank 'LOBO's.



60. The investment activity for 2016/17 to the end of December 2016 is summarised in the chart and table below. Outstanding investment balances totalled £102m at the start of the year and £57m at the end of the period. This is around £15m lower than balances at the same time last year, reflecting the decision to delay borrowing and keep cash balances minimal for as long as possible.

	Total B/f £ 000's	Total Raised £ 000's	Total Repaid £ 000's	Outstanding £ 000's
Bank of Scotland	-	60,000	(40,000)	20,000
Lloyds Bank	3,000	45,000	(30,000)	18,000
DZ Bank	10,000	20,000	(30,000)	-
Landesbank Hessen- Thueringen	20,000	-	(20,000)	-
Landesbank Baden Wuerttemberg	-	20,000	(20,000)	-
Other Local Authority	1,500	-	-	1,500
IGNIS MMF	20,000	11,200	(20,750)	10,450
Insight MMF	-	29,050	(29,050)	-
LGIM MMF	20,000	109,100	(126,150)	2,950
Black Rock	4,700	179,500	(184,200)	-
JP Morgan	20,000	64,900	(81,250)	3,650
Barclays	2,950	113,350	(116,300)	-
Total	102,150	652,100	(697,700)	56,550



61. As part of the Council's risk management processes all counterparty ratings are regularly monitored and lending restrictions changed accordingly.

Treasury Management Policy

62. During the course of January the Pensions & Investment team undertook a number of equity sales to fund a new bond mandate which had been set up with Kames.

63. The anticipated start date of the new fund was 3 January 2017, as agreed with State Street, hence a number of equity sales were put in place around the start of the New Year.

64. Unfortunately there was a 2 week delay with State Street making the new account available which meant that proceeds from sales were received in advance of bond purchases.

65. In accordance with the 2016/17 Treasury Management Strategy a temporary increase in amounts invested in individual money market funds from £20m to £25m was agreed to hold this cash. The relevant extract from the Strategy is set out below:-

- The maximum amount to be lent to any organisation on the approved list is subject to individual institution limits of £20m. These limits apply separately to the County Council and the Pension Fund cash investments. Only two institutions within the same group may be used at any one time. The Treasury Management Group may increase the limit for specific institutions by £10 million for investments in call accounts and MMFs with same day liquidity.

66. The actual amounts which exceeded £20m per institution were as follows:

Tuesday 17th January

- Ignis £22,550,000

Wednesday 18th January

- Ignis £22,800,000
- LGIM £25,000,000
- Black Rock £25,000,000

67. Following this the approved limit was reset to £20m

Procurement Performance

68. 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

69. 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

70. 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 approve the contingency request
- 3) To note the Capital Programme expenditure to date and year end forecasts and approve variations to the Capital Programme.
- 4) To note the Council's Balance Sheet transactions.
- 5) To note the proposal to charge for works associated with academy conversions.

Nigel Stevenson Service Director – Finance, Procurement and Improvement Division

For any enquiries about this report please contact:

Keith Palframan, Group Manager, Financial Strategy and Compliance

Constitutional Comments (SLB 06/02/2017)

71. Finance and Property Committee is the appropriate body to consider the content of this report.

Financial Comments (GB 23/01/2017)

72. 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

20th February 2017**Agenda Item: 5****REPORT OF THE SERVICE DIRECTOR, ICT****ICT PROGRAMMES AND PERFORMANCE QUARTER 3 2016-17****Purpose of the Report**

1. To provide the Finance and Property Committee with the 3rd quarter progress update on key projects and performance measures for ICT Services and to outline the major planned activities over the next 6 month period.

Information and Advice**Programmes Update**

2. The ICT Strategy 2014-17 identifies the five ICT strategic themes that will support business transformation across the County Council and these shape much of the activity and priorities within ICT Services, covered in the progress and planning sections of the report (paragraphs 3 and 4). The five key themes are:
 - **Workforce mobilisation:** using technology to transform the productivity, efficiency and mobility of the workforce
 - **Customer channel shift:** using technology to support the delivery of effective web based self-serve functions for public service users
 - **Business performance reporting:** using technology to improve how business data is extracted from multiple systems, interrogated and reported through to users
 - **Partnership working:** using technology to support the greater integration of public facing services, including the effective sharing of data, systems and ICT solutions
 - **Reliability and compliance:** maintaining a current and fit for purpose ICT estate that supports improved business continuity and is compliant with Public Services Network (PSN) standards

3. Progress has been made in all of the priority ICT projects over the last quarter. A summary of progress is as follows:

- i. Following approval by Finance and Property Committee in October 2016, a new staffing structure to reflect changes to the operating environment and to deliver the approved budget savings for 2017-18 and 2018-19 is being implemented in ICT Services. The enabling process is complete and the transition to the new structure is underway, to be fully implemented by April 2017.
- ii. A programme of work has been initiated to plan, scope and deliver the transition of ICT services away from the County Hall data centre to *cloud* based solutions. The Cloud Programme is a significant range of projects that will consume a lot of our resources, but will provide a more modern, flexible and scalable model of delivery where the County Council pays for what it consumes. The plan is to exit the County Hall data centre by the end of 2019. A business case for the move to *cloud* solutions was approved by Policy Committee in December 2016 and work is now underway on the tender and contractual arrangements.
- iii. A project has been scoped to deliver the Remote Access Strategy, which will rationalise the technologies used to connect to the County Council IT network when away from the base (e.g. mobile VPN service, home VPN service, supplier remote access, Get Connected, OLVI). The project has been included within the scope of the Smarter Working Programme. This will ensure a joined up approach to the provision of secure and cost effective tools and technologies to support more mobile working.
- iv. A pilot project commenced in October 2016 for the use of scheduling and rostering technology to improve the processes of managing appointments and monitoring home care visits for the START Re-ablement Team (within the ASCH Department). Initial feedback has been very positive and once the pilot has completed, an options appraisal will be undertaken to consider the delivery as an operational service.
- v. The Smarter Working Programme was approved by Policy Committee in November 2016. This includes the provision of mobile technology over the next 3 years to replace much of the desktop computer estate. This will assist many more staff to be able to work more flexibly and allow for better use of the property assets. Programme delivery plans are now being scoped.
- vi. ICT Services has been working alongside the Performance Team and ACUMA (NCC appointed partner) to define and deliver the ICT requirements in support of the Corporate Performance Reporting project. This project aims to improve how data is extracted, displayed, reported and used from the wide range of ICT systems that are in use. This will result in a more uniform and consistent approach to reporting in order to enhance decision making. The project seeks to replace the current plethora of reporting solutions and approaches with a more holistic way forward. The project is initially focussing on reporting for ASCH and CFCS departments. The ICT requirements have been delivered but the project has been delayed until the new financial year in order to allow the project team more time to develop all of the required reports.

- vii. A proof of concept is in progress at King's Mill Hospital with social care and health service teams to use technology to automate and integrate some of their work activities. Integration has been developed between health and social care ICT systems to enable automated checks to be made at the time of a hospital admission to determine whether the individual is a service user of ASCH (and so may have a care package in place). This may influence the decision on whether to admit and so has the potential to improve the service offered to citizens and also deliver efficiencies to both the County Council and Health partners.

4. Over the next 6 months the major focus of activity will include the following:

- i. The development of a proposed ICT strategy for the period 2017-20.
- ii. The transition to the new staffing structure will be completed, as approved by Finance and Property Committee in October 2016.
- iii. The project to deliver the Remote Access Strategy, as part of the Smarter Working Programme, will be planned and roll-out will have begun. The Remote Access Strategy rationalises the technology access methods used when away from the work base, to establish a smaller range of supported solutions which must be accessed from County Council devices.
- iv. The Cloud Programme will, subject to governance approval, proceed to the tender stage.
- v. The pilot of scheduling and rostering technology for the START Re-ablement Team within the ASCH Department will be evaluated and options and a business case for delivery and roll-out of this service will be developed.
- vi. The ICT elements of the Smarter Working Programme (SWP) will be scoped and planned on the back of the pilot project at Lawn View House, and from the changes in technology use in Legal and ICT Services.
- vii. Some planning activity will be undertaken in readiness for introducing the Microsoft Windows 10 operating system on smartphones and computers.
- viii. As part of the Digital First Programme the new County Council intranet site will be made live.
- ix. The first phase of the Corporate Performance Reporting Project will go-live (see 3 vi above).
- x. The proof of concept to automate and integrate some of the work activities of health and social care staff at King's Mill Hospital will be evaluated and options for further development and roll-out will be assessed.
- xi. Working with Poppy Fields, a proof of concept will be scoped and started with ASCH Department to provide a portal solution that brings together a service user's care information into one web presence

- xii. Support is being provided to the CFCS and ASCH departments to upgrade the social care records ICT system. This is a substantial upgrade to a system that has some 3,000 users. The upgrade is currently being re-planned.
- xiii. Support is being provided to help facilitate new commercial operations at Rufford Country Park.

Performance Update

- 5. To provide a balanced assessment of performance, ICT Services measures four groups of indicators that cover business activities, customers, staff and finance. Performance for the 3rd quarter of 2016-17 is attached as an Appendix.

Business Activity Indicator

- 6. The business activity indicators measure some of the key day to day operational performance areas, with the two most significant being systems availability and incident resolution. The focus is to ensure that business critical systems are operational during business hours and that any incidents are resolved speedily and within service level agreement (SLA). Systems availability continues to remain at high levels with aggregate availability of 99.8% in the quarter.
- 7. The speed with which ICT Services and suppliers respond to incidents has continued to improve over the last couple of years, but dipped in the second quarter mainly as a result of high volumes of calls associated with major incidents. Performance has significantly improved in quarter 3 with a resolution rate of 93%, which is above target.
- 8. The County Council is increasingly reliant on its ICT provision and so disruptions to services need to be avoided wherever possible. Within the period the most significant major incident concerned the total loss of internet access for a day due to a number of critical errors by Virgin Media Business, who provide the managed service. ICT Service staff worked through the night with partners to install cabling and restore services back to normal as quickly as possible. Other major incidents in the quarter related to slow internet access for some schools and a temporary loss of access to H: drives following a hardware failure.
- 9. The business activity indicators also show two project performance indicators that are used by CIPFA (Chartered Institute of Public Finance and Accountancy). The project delivery index is used to measure conformance to good project management standards e.g. adoption of PRINCE 2 methodology, business case produced, delivery to timelines, business benefits achieved etc. Performance against this indicator remains consistently good since we reorganised the service and incorporated dedicated programme and project management resources. The second indicator is related to delivery of milestones, and measures the overall percentage of milestones delivered by the planned timelines. Progress has remained largely on track during the period, see paragraph 3, with 71% achieved in the quarter. Although this is lower than target it continues to reflect largely good progress against a very ambitious business and technology change programme. Areas of slippage are identified in the appendix.

Customer Indicator

10. The access channel into ICT Services is the Service Desk which receives and handles the incidents, service requests and enquiries. The efficiency and effectiveness of this function is crucial for the user perception of the whole range of services provided. Daily customer satisfaction feedback is collected from corporate and school users of the Service Desk and is being measured against a target score of 4.5 (score 1-poor, 5-excellent). The feedback from users' remains very positive and above target. A new incident reporting system is being used in ICT Services and will enable easier reporting and tracking as these features are introduced.

Staff Indicator

11. The average number of sick days per staff member within ICT Services is higher this quarter, with greater levels of absence during the staffing restructure period. Training activity for ICT Services staff is crucial to ensuring that the relevant and required skills are available, with training delivery continuing to be above the target level.

Financial Indicator

12. Revenue spending is in line with overall budget plans and savings of £560k have been achieved in 2016-17. The profile of capital spend has been updated as we plan the move away from owning and managing our own data centre and making use of off-premise (cloud) arrangements instead. The amount and pattern of capital spending will be largely determined through the Cloud Programme procurement exercise.
13. ICT Services also continues to provide very favourable cost comparisons with other public sector bodies with the cost of ICT support within the best and lowest cost quartile of the current annual CIPFA benchmarking.

Reason for Recommendation

14. To raise awareness of progress on the key ICT programmes and performance indicators for 2016-17.

Statutory and Policy Implications

15. 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

To note the progress against the key programme and performance measures for ICT Services and the priorities for the next 6 month period.

Ivor Nicholson
Service Director - ICT

For any enquiries about this report please contact: Ivor Nicholson on 0115 9932557

Constitutional Comments:

This report is for noting only so no constitutional comments are required.

Financial Comments: (SES 25/01/17)

Financial performance is outlined in paragraphs 12 and 13. ICT Services continues to monitor against key performance indicators to improve value for money.

Background Papers








None





Electoral Division(s) and Member(s) Affected







All









Appendix ICT Services Overall Performance: Quarter 3 2016-17





Key symbols table:







Status	Indicators	Trend	Base this on change from same period last year
	Below target by more than 10%		Improving trend
	Below target by up to 10%		Deteriorating trend
	On or above target		No change
	No reported data or no target		









Business Activity Indicator	Performance 2016-17						Comments
	Q1 Actual	Q2 Actual	Q3 Actual	Q3 Target	Status	Trend	
Average availability to users of NCC's business critical services during business hours	99.89%	99.92%	99.8%	99.8%			<p>There are 96 services identified as Business Critical to the County Council e.g. e-mail, internet, Framework, BMS, Capita ONE etc.</p> <p>Contributory factors to this high level of availability are the investment in the ICT infrastructure (such as the network, servers, cabling and data centres), a proactive approach to infrastructure alerts and monitoring (taking pre-emptive action where necessary), plus the rapid response of technical teams should issues occur.</p> <p>The target has increased annually since 2012.</p>
% Incidents resolved within agreed service levels	92%	87%	93%	92%			<p>This indicator assesses the performance of the ICT function in restoring service and responding to incidents within our Service Level Agreement (SLA). Although ICT Support Teams are still gaining knowledge and familiarisation with the new incident management system the performance this quarter has been above target. In this quarter there were 8,057 incidents reported (8,406 last quarter).</p>

Business Activity Indicator	Performance 2016-17						Comments
	Q1 Actual	Q2 Actual	Q3 Actual	Q3 Target	Status	Trend	
% of ICT changes successfully completed	100%	99%	100%	98%			The ICT change management process aims to ensure that upgrades and new services are implemented without any negative impact on service provision and ensure that all changes to business critical services have been comprehensively planned, tested and authorised before being carried out. In this quarter there were 307 changes (159 last quarter).
Compliance to CIPFA project delivery index	8.33	8.57	8.25	8.0			This indicator measures the effectiveness of ICT project management and delivery by assessing approved projects completed in the quarter against a set of 9 defined criteria established by CIPFA and based around PRINCE 2. Four projects were closed in this quarter.
% of project milestones delivered	70%	72%	71%	85%			Each project and priority activity incorporates a series of milestones (both for ICT Services and the business) that are the basis for assessing progress. These can be updated by Project Boards to reflect revisions to scope, priorities etc. Progress has been made against all priorities as outlined in paragraph 3 of the report. In this period there has been some slippage by suppliers (Daisy with the completion of the Lync project), delays associated with new technology solutions and IT resourcing (Windows 10 smartphones, SharePoint strategy, preparation of server environments for Cloud transition, new scheduling software version) and slippage due to customer input (ASDM solutions, intranet go-live, Cloud programme business case, Mosaic and BRMI go-live).

Customer Indicator	Performance 2016-17						Comments
	Q1 Actual	Q2 Actual	Q3 Actual	Q3 Target	Status	Trend	
Customer satisfaction score: Corporate / School users	4.7/4.5	4.7/4.9	4.6/4.9	4.5			The access channel into ICT Services is the Service Desk which receives and handles the incidents, service requests and enquiries. The efficiency and effectiveness of this function is crucial for the user perception of the whole range of services provided. ICT Services collects information regarding customer's satisfaction (score 1-poor, 5-excellent) of the ICT incident management process for both corporate and school users (weekly sample sizes are approximately 30 corporate users and 20 school users).
Service Desk 1 st call resolution	60%	N/a	57%	60%			First call resolution measures the effectiveness of the Service Desk at first point of call. The 60% target is a balance of being able to manage the call volumes through the desk and maintaining a high % success rate within the allocated call period (5 minutes). ICT implemented a new incident management system which made the collation of results difficult during the transition period until December 2016. The Service Desk analysts are still gaining knowledge and familiarisation with the new system and this has partly contributed to performance being slightly lower than target.
Average Service Desk call duration	4.38mins	N/a	5.15 mins	5 mins			In order to manage call volumes and achieve a lower call abandonment rate, a target of 5 minutes (ICT industry practice) is allocated to each call to the first line Service Desk. A change in performance is partially accounted for by the need for staff to become familiar with the new incident management system.
% dropped calls on Service Desk	7.6%	N/a	11%	12%			This measures the proportion of calls unanswered by the Service Desk (including calls that are terminated by the user having heard recorded incident updates).

Staff Indicator	Performance 2016-17						Comments
	Q1 Actual	Q2 Actual	Q3 Actual	Q3 Target	Status	Trend	
Average Number of sick days per staff member	1.67	3	5.65	5.25			This level of staff sickness is currently above the profile of the annual County Council target of 7 days per member of staff. Sickness levels have been higher during the staff restructure period.
Average number of professional training days per member of staff	0.89	1.8	2.9	2.25			The annual target is 3 days per member of staff and based on completed timesheets. Training levels are above profile. During the period some staff completed project management training and related exams.

Financial Indicator	Performance 2016-17				Comments
	Actual	Target	Status	Trend	
Expenditure against revenue	81%	75%			Planned budget reductions of £560k have been delivered for 2016-17. The timing of maintenance renewal contracts shows spend ahead of budget at this time but forecast spending for 2016-17 remains in line with budget plans.
Expenditure against capital	76%	75%			Capital spending plans are in line with the budget but the timing of payments will largely depend on the Cloud Programme, through which we were are tendering for new data centre services as we plan the migration away from the current County Hall data centre provision.
Cost of ICT support per user	£217	£213			Our current cost of £217 per user puts the County Council at the lowest cost quartile of CIPFA 2015 benchmarking. The target of £213 is based on remaining within the lowest cost quartile.

Financial Indicator	Performance 2016-17				Comments
	Actual	Target	Status	Trend	
Cost of ICT support per workstation	£172	£239			Our current cost of £172 per workstation puts the County Council in the lowest cost quartile of CIPFA 2015 benchmarking. The target of £239 is based on remaining within the lowest cost quartile.
Acquisition cost of desktop PC		£454			This includes the cost of procurement and installation as well as the cost of the device and software. The target is based on achieving the lowest cost quartile of CIPFA 2015 benchmarking. As there was negligible desktop pc procurement by the County Council we do not have comparator figures for this round of benchmarking. Our previous cost was £383 per desktop pc
Acquisition cost of laptop		£642			This includes the cost of procurement and installation as well as the cost of the device and software. The target is based on achieving the lowest cost quartile of CIPFA 2015 benchmarking. As there was negligible laptop procurement by the County Council we do not have comparator figures for this round of benchmarking. Our previous cost was £597 per laptop.

20 February 2017**Agenda Item: 7**

REPORT OF THE CORPORATE DIRECTOR, RESOURCES

COUNCILLORS' DIVISIONAL FUND MONITORING REPORT

Purpose of the Report

1. To inform committee of the two grants audited for compliance with the Councillors' Divisional Fund (CDF) Policy and Guidance, and identify two further grants for audit.

Information and Advice

2. Policy Committee on 7 May 2014 approved a revised Policy and Guidance for the CDF, following the decision in the County Council budget to reduce the amount available from £10,000 to £5,000 per member.
3. Between five and ten applications annually will be subject of an audit which will include ensuring that the monies provided have been spent in accordance with the application made.
4. The last two applications selected for audit were

Bramcote and Stapleford: Cllr Stan Heptinstall
New Writers UK
£100 towards cost of creative writing competition

Carlton West: Cllr Jim Creamer
Young People in Action
£200 for anti-terrorism workshops

In both these cases, the grant was spent in accordance with the application.

5. The next grants to be audited are:

Newark West: Cllr Tony Roberts
Newark Baptist Church Luncheon Club
£100 for day out

North Mansfield: Cllrs Joyce Bosnjak and Parry Tsimbiridis
Triangle
£100 from each councillor for events, activities and outings

The findings of these audits will be reported to Committee in June 2017.

Reason for Recommendation

6. This report complies with the revised Policy and Guidance approved by Policy Committee on 7 May 2014.

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

- 1) That the monitoring report on the Councillors' Divisional Fund be noted, and the outcome of the audits be reported in the next quarterly report.

Jayne Francis-Ward
Corporate Director, Resources

For any enquiries about this report please contact:
Paul Davies, Democratic Services tel 0115 977 3299

Constitutional Comments

8. This report is for noting purposes only.

Financial Comments (SES 08/02/17)

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

Background Papers and Published Documents

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

- Report to Policy Committee, 7 May 2014
- Departmental spreadsheet detailing all grants made to date

Electoral Division(s) and Member(s) Affected

- All

20 February 2017**Agenda Item: 8a****REPORT OF SERVICE DIRECTOR ENVIRONMENT, TRANSPORT & PROPERTY****KENTRIGG FARM, ADBOLTON LANE, WEST BRIDGFORD - DISPOSAL OF SURPLUS PARCEL OF LAND****Purpose of the Report**

1. To seek approval to the disposal of a surplus parcel of land at Kentrigg Farm, Adbolton Lane, West Bridgford, as shown on the attached plan.

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. Kentrigg Farm measures 21 acres and is let under a five year lease with effect from 21 April 2016. An approach has been made by the adjacent care home facility regarding the possibility of purchasing a strip of Kentrigg Farm land which measures approximately 0.33 ha (0.83 acres). This strip of land forms the edge of the current access route into Kentrigg Farm and is considered not to be of any operational use to the site because it contains a 'one in a hundred years' grass bank flood defence maintained by the Environment Agency. Consequently, the existing Tenant of Kentrigg Farm has agreed to the removal of this strip of land from their lease demise.
4. The adjacent care home wish to purchase the strip of land to create a new access and car park to enable a redundant hydro-pool to be put back into operational use. The general arrangement drawing of the proposed new car park and access is as shown on attached plan B. The intention is that the hydro pool will be available to the local community; cited as background papers are 2 letters of support from SCOPE and East Midlands Training Academy, both of which stress the need for new hydrotherapy facilities within the locality.
5. The proposed terms of the sale are as set out in the exempt appendix.

Other Options Considered

6. The County Council could refuse the request to dispose of the parcel of land and instead retain it as part of the Kentrigg Farm site. However, this would deprive the County Council of a capital receipt and the opportunity to facilitate the development of a much needed facility within the local community.

Reason/s for Recommendation/s

7. The disposal of the surplus parcel of land at Kentrigg Farm provides the County Council with a capital receipt at best value and additionally facilitates the development of a new hydrotherapy facility within the locality.

Statutory and Policy Implications

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

RECOMMENDATION/S

- 1) That approval is given to the disposal of the surplus parcel of land at Kentrigg Farm to the adjacent care home, on the terms set out in the exempt appendix.

Jas Hundal

Service Director – Environment, Transport & Property

For any enquiries about this report please contact: Brian Hoyle 0115 9772479

Constitutional Comments (EP 30/01/2017)

9. The recommendation is within the remit of Finance and Property Committee by virtue of its terms of reference. The completion of the disposal of this land is dependant on the prior formal surrender of the land from the current tenant's lease as referred to in the report.

Financial Comments (GB 08/02/2017)

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

Background Papers and Published Documents

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

Letter of support from SCOPE; and East Midlands Training Academy.

Electoral Division(s) and Member(s) Affected

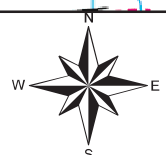
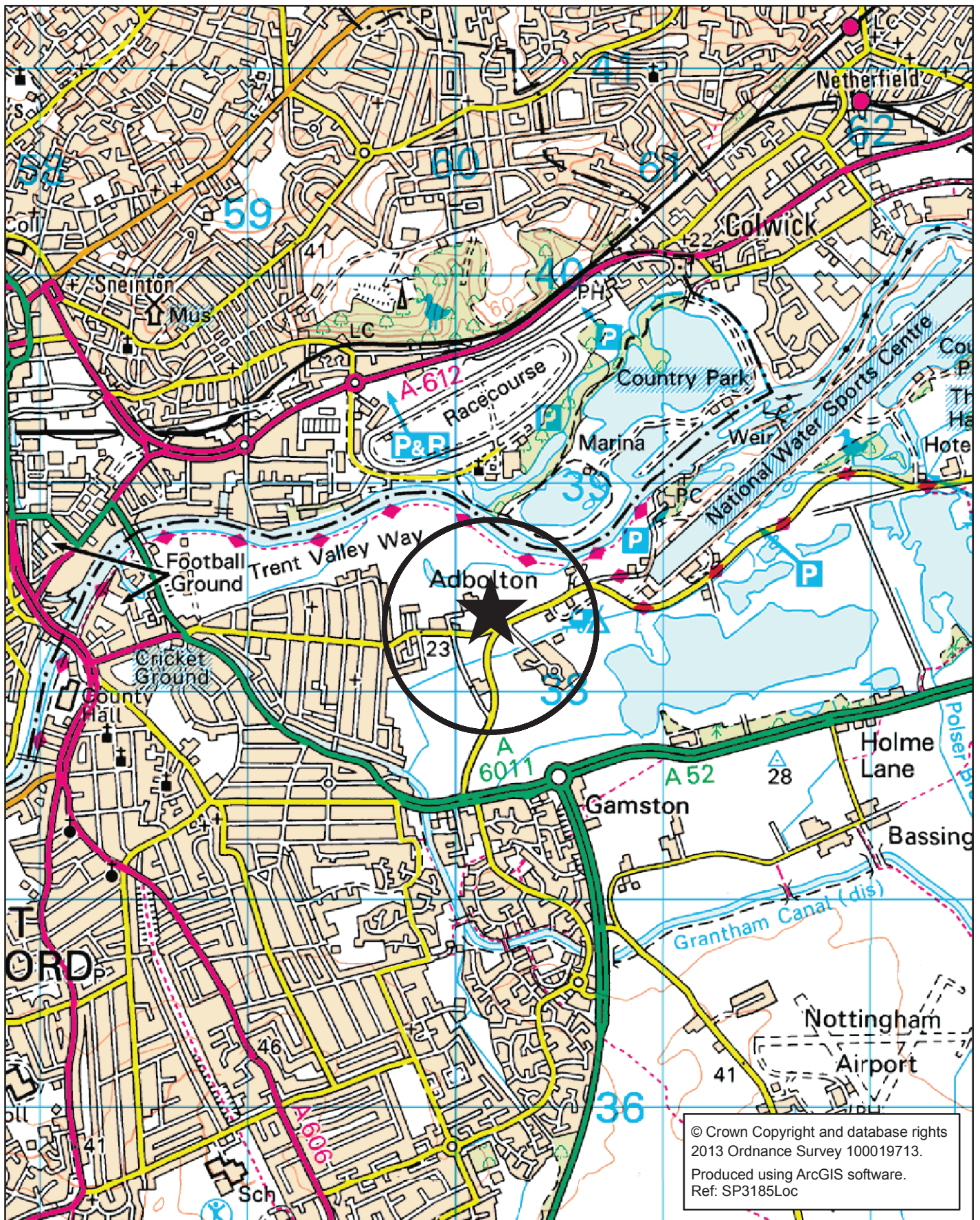
Ward(s): Radcliffe on Trent

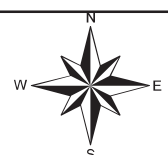
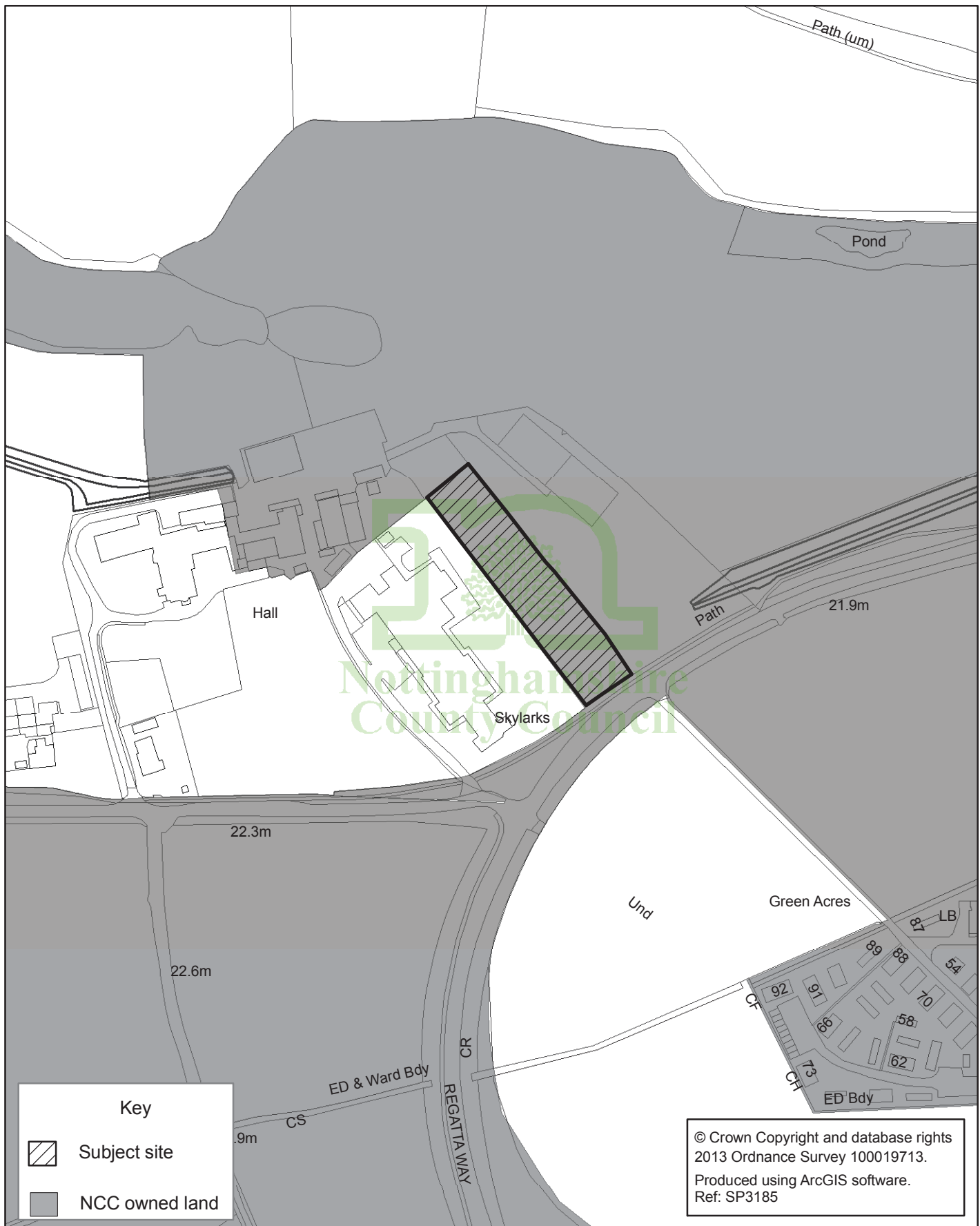
Member(s): Councillor Mrs Kay Cutts

File ref.: /BH/SB/1

SP: 3185

Properties affected: 00254 - Kentrigg Farm





20 February 2017**Agenda Item: 8b****REPORT OF SERVICE DIRECTOR ENVIRONMENT, TRANSPORT &
PROPERTY****74 MIDDLE STREET, BEESTON - LEASE OUT OF PART****Purpose of the Report**

1. To seek approval to the granting of a lease of part of 74 Middle Street, Beeston to the Beeston Community Resource Charitable Incorporated Organisation (BCRCIO).

Information and Advice

2. The site on Middle Street in Beeston, as outlined in black on the attached plan, was purchased by the County Council in 1970 from Beeston & Stapleford Urban District Council for the purpose of building and operating a 'Psychiatric Day Centre'. Construction of the new building was completed in 1972 and a day centre with a mental health focus has operated on the site since that time.
3. The day service for people with mental illness integrated into the former Barncroft Centre (Sunnyside Road, Chilwell) to form the Broxtowe Day Service in 2013. After refurbishment of the Middle Street building, it was used as a base both for day service activities and for the operation of Mental Health Co-production.
4. From March 2014, the day service ceased to operate from the Middle Street base as it became more efficient to concentrate staffing and activities at the main day service site in Chilwell. As part of the day service savings programme agreed by Full Council in February 2014, it was agreed that the day service would release the Middle Street building-related budgets as a recurrent saving, since the service had no further use for the building.
5. The office accommodation within Middle Street is still required and is used under a four year Licence dated 4 May 2015, by the Community Mental Health Team (CMHT), which has relocated staff from the NHS property in Beeston known as the Hope Centre. However, the remainder of Middle Street is surplus and therefore, in line with the 'Redefining Your Council', the County Council has sought to collaborate and partner with charitable trusts and voluntary organisations to provide care and support to those who need it.
6. On this basis, in line with a Service Level Agreement, the County Council granted a licence to occupy to BCRCIO in March 2015, to enable them to occupy the non-office accommodation and to make the Centre available for use by the existing mental health service users. No other groups were approached to be given this opportunity as the BCRCIO were acknowledged as representing the existing users of this facility.

7. The basis for this licence was to provide short term occupation to BCRCIO free of any charges to enable them to manage the income from their part of the centre to prove that it would in future years be viable for them to contribute to the running costs. During this period, BCRCIO were expected to:
- generate sufficient new income to show that they would be able to cover the on-going costs of their proportion (72%) of the building in future, by hiring out rooms to external organisations and submitting successful funding bids for grants;
 - meet the outcomes specified in the Service Level Agreement;
 - adhere to the terms and conditions detailed in the Licence to occupy.
8. The total budget for building-related expenses at Middle Street for 2016/17 is forecast to be approximately £43,500. BCRCIO have demonstrated that they have the finances to contribute their proportion of these costs. They are also meeting the outcomes specified in the Service Level Agreement and adhering to the terms of the licence to occupy. Consequently, negotiations have taken place to grant a longer term lease to BCRCIO on terms as set out in the exempt appendix.
9. The proposed lease represents a transfer at less than best value, as defined by s123 Local Government Act 1972. The estimated market rent for the lease is in the region of £40,000 pa. Paragraph 20.3.6.1 of the Council's Financial Regulations provide that, where only one party is interested or is to be invited to submit a signed contract, the Service Director, Transport, Property and Environment, in consultation with the Chairman of Finance and Property Committee shall take a decision after discussing the circumstances with the Group Manager for Legal Services and the Section 151 Officer.
10. The circumstances which permit the Authority to depart from the requirement to achieve best value are contained in the General Consent Order [The Local Government Act 1972: General Disposal Consent (England 2003)]. The Order lays down no specific process, but simply requires that the following matters are considered:-
- i. The local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area;
 - The promotion or improvement of economic well-being;
 - The promotion or improvement of social well-being;
 - The promotion or improvement of environmental well-being;
 - and;
 - ii. The difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).

11. **This proposal satisfies Paragraph 14**, economic and social well-being and is less than £2,000,000. BCRCIO's aims are consistent with Nottinghamshire County Council's Strategic Plan Priority 4 'Providing Care and Promoting Health', and with the proposed strategic priorities in the 'No Health without Mental Health, Nottinghamshire's Mental Health Framework for Action (2014 – 2017)'. The Adult Social Care Strategy also supports this development as it emphasises that "we must focus resources on support that prevents delays and reduces the need for care and support.... we will expect to share responsibility with individuals, families and communities to maintain their health and independence".

Other Options Considered

12. Other options considered include:

- a) selling the whole site - this option will provide a capital receipt but all current beneficial community activity will cease and the office accommodation for the CMHT staff will need to be provided elsewhere, at a cost to the Council; or
- b) use the whole building for office accommodation - this option will still require building running costs to be met by the Council but beneficial community activity will cease. To convert the remainder of the building into office space will require considerable additional capital expenditure.

Reason/s for Recommendation/s

13. The granting of a lease of part to BCRCIO, in which they cover all costs relating to their occupancy, reduces the County Council's financial liability whilst at the same time supporting the County Council's new approach to delivering services to local people through innovative service models.

Statutory and Policy Implications

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

Financial Implications

15. The financial implications are that the current budget for building-related expenses at Middle Street shall be retained by Adults South hierarchy, who will receive BCRCIO's contribution towards the running costs of the building.

Human Resources Implications

16. Monitoring work will need to be undertaken by an Officer from the ASCH & PP Department. Corporate Property and a member of the CMHT will be involved in joint meetings with BCRCIO to ensure effective operation of the Middle Street building. Current staff management of the caretaker and cleaner will continue.

Public Sector Equality Duty Implications

17. The implications of this recommendation are that activities to deliver social benefit and emotional well-being will continue to be provided and expanded at Middle Street, for people with mental illness or distress, and anyone who is experiencing social exclusion for any reason or requires assistance in developing the capacity and skills to overcome social disadvantage. There is no Equality Impact Assessment as this proposal does not produce any identified negative impacts on people with disabilities.

Implications for Service Users

18. The recommended proposal will ensure that anyone in the local community who is suffering from mental illness or distress, is experiencing social exclusion for any reason or requires assistance in developing the capacity and skills to overcome social disadvantage will continue to be welcome at Middle Street. BCRCIO have made Middle Street available to serve a wide range of community activities and interests. This maximises its usefulness for the local community in general, but also provides additional opportunities for activities across a wide spectrum of participants, encouraging social interaction and helping to dispel the stigma which often attaches to disability and social isolation.

Implications for Sustainability and the Environment

19. This proposal sets in place an arrangement which aims to improve the financial sustainability of the Middle Street building.

Ways of Working Implications

20. The CMHT will be able to continue to occupy the office accommodation at Middle Street, which is more appropriate than their previous accommodation at the Hope Centre.

RECOMMENDATION/S

- 1) That approval is given to the granting of a lease to BCRCIO to occupy part of the former Middle Street Day Centre on the basis outlined in the report and exempt appendix.

Jas Hundal

Service Director – Environment Transport & Property

For any enquiries about this report please contact: Brian Hoyle 0115 9772479

Constitutional Comments (EP 30/01/2017)

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

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Financial Comments (GB 08/02/2017)

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

Background Papers and Published Documents

23. 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.

- 74 Middle Street, Beeston – Licence to Community Mental Health Team, Operational Decision (OP/2015/00020), dated 28 April 2015.
- Report on Middle Street to Finance and Property Committee, approved 23rd March 2015.
- Annual Budget Report 2014/15 Appendix C, approved by Full Council on 27th February 2014.
- Nottinghamshire County Council's Strategic Plan, 2014 – 2018.
- 'No Health without Mental Health – Nottinghamshire's Mental Health Framework for Action, approved by the Health and Wellbeing Board meeting held on 3 September 2014.
- Adult Social Care Strategy, approved at the Full Council meeting held on 27 March 2014.
- Redefining Your Council strategy - approved at the Policy Committee meeting held on 7th May 2014.

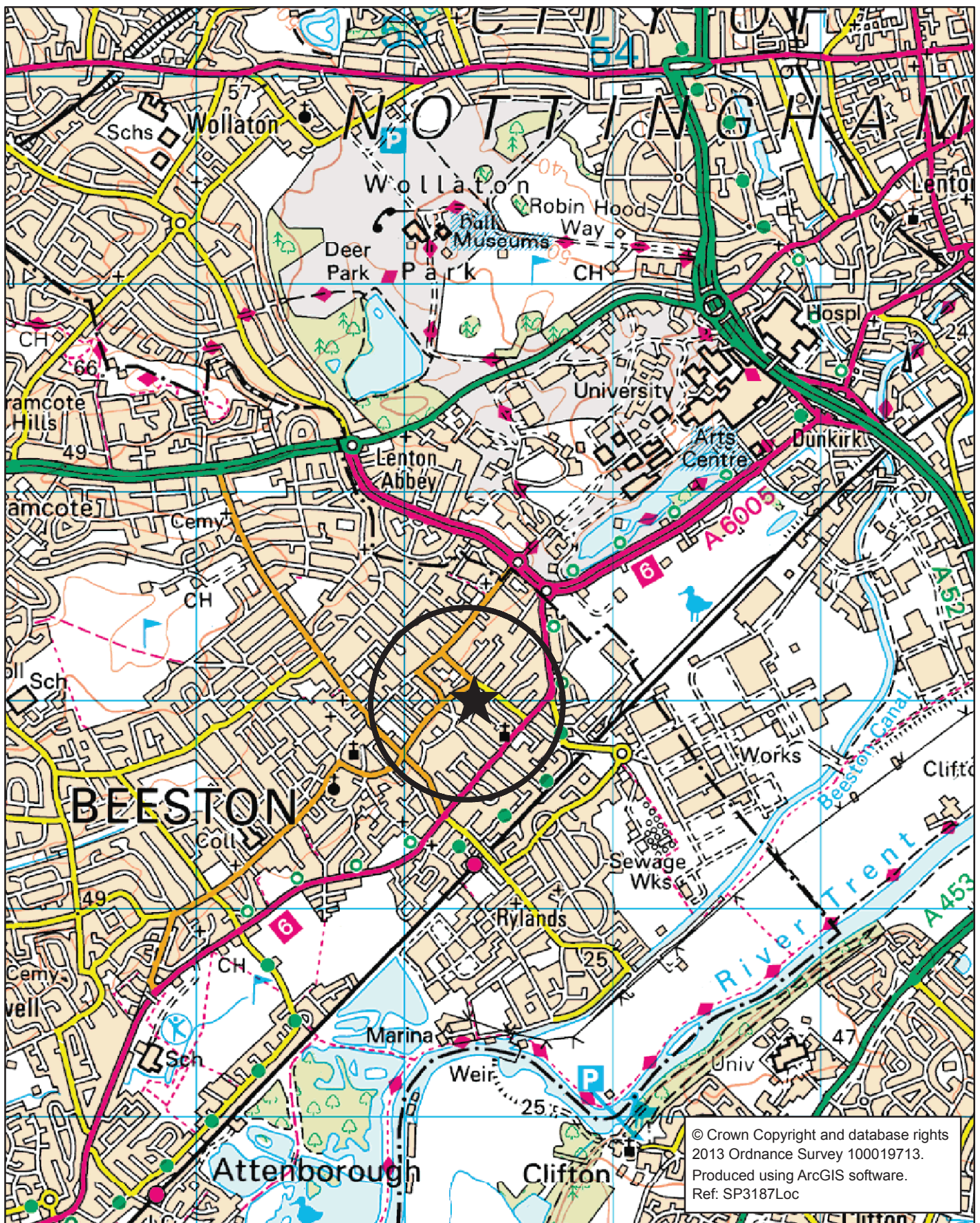
Electoral Division(s) and Member(s) Affected

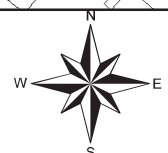
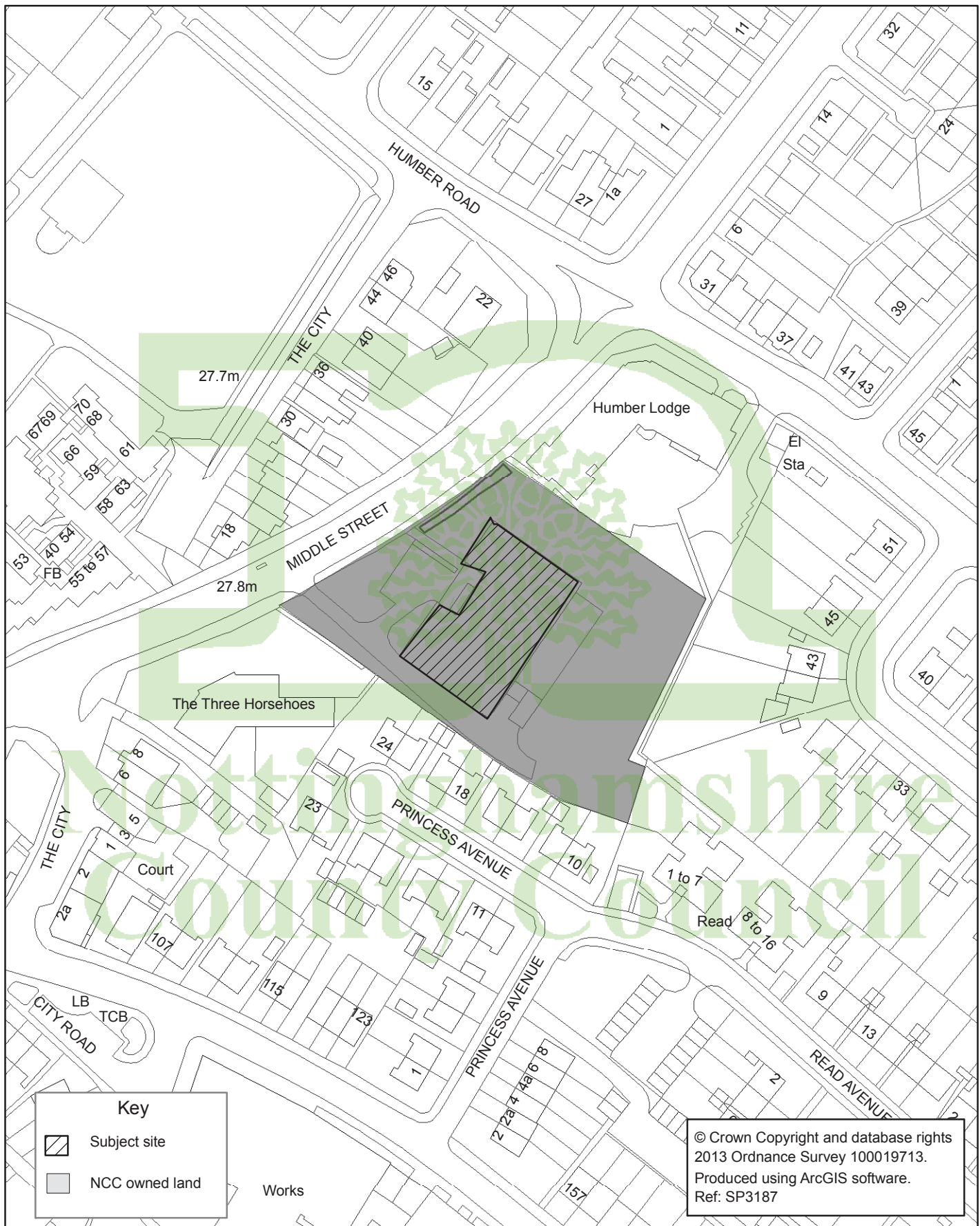
24. Ward(s): Beeston South and Attenborough
Member(s): Councillor Kate Foale

File ref.: /BH/SB/1

SP: 3187

Properties affected: 06164 - Beeston Day Services





20 February 2017**Agenda Item: 9****REPORT OF CORPORATE DIRECTOR, RESOURCES****WORK PROGRAMME****Purpose of the Report**

1. To consider the Committee's work programme for 2017.

Information and Advice

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

Other Options Considered

5. None.

Reason/s for Recommendation/s

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

Statutory and Policy Implications

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

RECOMMENDATION/S

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

Jayne Francis-Ward
Corporate Director, Resources

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

Constitutional Comments (HD)

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

Financial Comments (NS)

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

Background Papers

None.

Electoral Division(s) and Member(s) Affected

All

FINANCE & PROPERTY COMMITTEE - WORK PROGRAMME

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>For Decision or Information ?</u>	<u>Lead Officer</u>	<u>Report Author</u>
20 March 2017				
Monthly Budget & Capital Monitoring Report 2016/17	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Better Care Fund Pooled Fund Agreement	Update Report	Info	Joanna Cooper	Joanna Cooper
Property Transactions	Various	Decision	Jas Hundal	Various
24 April 2017				
Monthly Budget & Capital Monitoring Report 2017/18	Budget Capital Monitoring, Capital Receipts, Capital Variations	Decision	Nigel Stevenson	Glen Bicknell
Property Transactions	Various	Decision	Jas Hundal	Various
19 June 2017				
Monthly Budget & Capital Monitoring Report 2017/18	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
Councillors' Divisional Fund	Quarterly report on Councillors Divisional Fund	Info	Jayne Francis-Ward	Paul Davies
Property Transactions	Various	Decision	Jas Hundal	Various

<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>
17 July 2017				
Monthly Budget & Capital Monitoring Report 2017/18	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