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**Chairman: Councillor D.J. Lloyd**  
**Vice-Chairman: Councillor K. Girling**

**Members of the Committee:**

**Councillor M.G. Cope**  
**Councillor Mrs R. Crowe**  
**Councillor Mrs G.E. Dawn**  
**Councillor P.C. Duncan**  
**Councillor N. Mitchell**

**Councillor P. Peacock\***  
**Councillor A.C. Roberts**  
**Councillor F. Taylor**  
**Councillor T. Wendels**  
**Councillor Mrs Y. Woodhead**

**Substitutes**

**Councillor J. Lee**  
**Councillor Mrs M. Dobson**  
**Councillor D. Staples**  
**Councillor D. Thompson**  
**Councillor K. Walker**

## **AGENDA**

**MEETING: Economic Development Committee**

**DATE: Wednesday, 22 November 2017 at 6.00pm**

**VENUE: Civic Suite, Castle House**

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

If you have any queries please contact Helen Brandham on 01636 655248.

## **AGENDA**

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### **CONFIDENTIAL AND EXEMPT ITEMS**

None

NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the **ECONOMIC DEVELOPMENT COMMITTEE** held on Wednesday, 13 September 2017 in the Civic Suite, Castle House at 6.00pm

PRESENT: Councillor D.J. Lloyd (Chairman)  
Councillor K. Girling (Vice-Chairman)

Councillors: R.V. Blaney (ex-officio), M.G. Cope, Mrs R. Crowe, Mrs G.E. Dawn, P.C. Duncan N. Mitchell, P. Peacock (Opposition Spokesperson), A.C. Roberts, T. Wendels and Mrs Y. Woodhead.

ALSO IN ATTENDANCE: Councillors: Mrs I. Brown, R. Crowe and D.R. Payne

10. APOLOGIES FOR ABSENCE

None

11. DECLARATION OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

12. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

NOTED: that an audio recording was to be made of the meeting by the Council.

13. MINUTES OF THE MEETING HELD ON 21 JUNE 2017

AGREED (unanimously) that the Minutes of the meeting held on 21 June 2017 be approved as a correct record and signed by the Chairman.

In accordance with Section 100(B)(4)(b) of the Local Government Act 1971, the Chairman agreed to take the following item as a late item of business in order to allow Members to approve the review and associated timescale into the provision of electric charging points in Council Car Parks.

14. ELECTRIC VEHICLE CHARGING PROVISION IN COUNCIL CAR PARKS

The Committee considered the report presented by the Business Manager – Environmental Health & Licensing in relation to the future development of an electric vehicle charging network within the Council’s car parks.

The report set out that two electric vehicle charging points had been provided at the Council’s new offices and that during the last year the RingGo parking app had been introduced to allow car park users to use their mobile phones to pay for parking. It was also reported that additional machines that allowed card payments including contactless options were to be provided. Paragraph 4 of the report set out what would be considered as part of the review and that a further report would be presented to committee with its finding in January 2018.

A Member of the Committee queried whether recently devolved car parks would be invited to participate and also whether, that as sales of traditional fuel declined, would the Council be in competition with petrol stations that amended their customer offer. The Business Manager confirmed that administrators of devolved car parks would be contacted to ascertain whether they wished to participate in the scheme. In relation to petrol stations, it was noted that they would offer little in the way of 'entertainment' for the customer as at present it only took approximately 5 minutes to put fuel in a vehicle but it would take up to an hour to use an electrical charging facility. It was further noted that supermarkets may be a more attractive offer but it could be that the Council would benefit from customers taking advantage of the surrounding facilities arising from town centre parking.

A Member suggested that as part of the review, consideration be given to the users of mobility scooters being able to use the charging facilities. In response the Business Manager noted that there was concern about conflict between cars and mobility scooters and that, at present, there was no standardised charging point.

The Director – Communities advised that the use of electric charging points was still in the early stages and that there were approximately 6 different types of point available but that it was his belief that these would eventually become standardised.

AGREED (unanimously) that the review and associated timescale into the provision of electric charging points in the Council Car Parks be approved.

#### 15. ECONOMIC DEVELOPMENT STRATEGY REVIEW

The Committee considered the report of the Business Manager – Economic Growth which sought to provide Members with the opportunity to review the Vision, Objectives and Work Plan relating to Economic Growth and Tourism. Contained within the report was an Options Appraisal Table for consideration as to what activities within the forthcoming financial year should be prioritised by the Economic Growth Team. Prior to the meeting a number of the Committee had attended a workshop to look at the appraisal table in more detail.

A Member suggested that schools and business leaders alike be informed as to the Council's aspirations for growth within the district.

Another Member raised the issue of traffic in Newark Town, stating that the regular problems with traffic congestion deterred tourists and businesses from visiting or investing in the town. It was further noted that the increase in frequency of trains to Castle Station and the associated problems of barriers failing to rise/lower, further exacerbated the situation. In response to the previous comments about general traffic congestion in Newark a Member noted that the car parks were often full which suggested that the town was busy and that related revenue had increased. It was suggested that all major centres were busy and that traffic was heavy there too. Again in response to the last comment, several other Members of the Committee agreed that the traffic congestion in Newark was very poor and that the situation needed to be reviewed and rectified as soon as possible, with Members querying as to how the County Council were responding to the issue.

The Leader of the Council, who was in attendance in his ex-officio capacity, agreed that the traffic situation in Newark was poor and that the alleviation works were not now due to be completed until 2027 which was much later than ever previously stated by Highways England. However, action arising from the report could not wait until the works were carried out as the strategy was for the whole of the district and not just Newark. In relation to the issues with the barriers, the Leader advised that a meeting was to be held between the CEO of Network Rail and the relevant Government Minister. The CEO was also to meet with the local MP to discuss the matter. However, at present, Network Rail did not know why the problems were occurring but had instructed an employee to be on-call and stationed at the Northgate Station to respond and rectify any barrier failings immediately.

A Member stated that the report did not appear to reflect what students in schools wanted and whether this had been considered. In relation to interaction with schools, a Member of the Committee advised that schools and their teachers would need to be persuaded to allow the Council to meet with students and that their proposals for engaging with students were worthwhile.

AGREED (unanimously) that:

- (a) the outcomes of the workshop to review the Economic Development Strategy be developed and brought back to the Committee in November 2017; and
- (b) the collaboration model for Business Facing Departments be progressed.

16. BUSINESS CASE PROPOSAL – SHERWOOD FOREST EDUCATION PARTNERSHIP

The Committee considered the report presented by the Business Manager – Economic Growth which sought Members' approval for financial support to conduct two pilot projects within the Sherwood Forest Education Partnership. The report provided information as to the newly formed Community Interest Company: Sherwood Forest Education Partnership and the remit thereof. The report also provided information as to the findings of the House of Commons Education Committee – Underachievement in Education by White Working Class Children (First Report of Session 2014/15). Paragraph 3 of the report set out the broad proposals and offered detail as to future careers and employment awareness tackling the poverty of aspiration; anticipated outcomes from the pilot; and the costs for the pilot.

Members all agreed that the proposals were extremely worthwhile and that the targeting of pupils at the proposed age group was vital to provide encouragement and opportunities for the future. A Member noted that primary school age children were often more receptive and that it was also beneficial to provide something for them to aim for. Members also asked to be kept informed of when the sessions were to take place so that they could be personally involved with the scheme.

AGREED (unanimously) that the proposal to provide funding of £6,600 to develop innovative approaches to the long-standing issues of poverty of aspiration and future employment for children, young people and their parents in the Dukeries area be supported.

The meeting closed at 6.40pm

Chairman

**COUNCIL'S DRAFT REVENUE BUDGET 2018/19**

**1.0 Purpose of Report**

1.1 To inform the Committee of the progress to date on the budget for 2018/19.

**2.0 Background Information**

2.1 At the meeting of Policy & Finance Committee on 21 September 2017, Members considered the preliminary report on the 2018/19 Budget and agreed the overall strategy including the appropriate basis on which the budget should be developed, including salaries, wages, general inflation, debt charges etc.

2.2 Also at this meeting, Policy & Finance Committee agreed the timetable for consideration of the 2018/19 budget provisions. The budget timetable is dictated by the corporate timetable for Policy & Finance and operational Committees. The essential deadline is that the Council is able to set the level of Council Tax for 2018/2019 at its meeting on 8 March 2018. Working back from this date a timetable has been drawn up and is attached at **Appendix C**. This timetable enables sufficient time for the budget proposals to be considered by operational Committees and Policy & Finance Committee and also sufficient time for the work to be completed within the Financial Services section and Business Units.

2.3 The Council has agreed policies on Budgeting and Council Tax, Reserves and Provisions, Budget Principles, a Charging Policy and Value for Money Strategy which set out the approach to be taken to the budget process. These policies and principles were reviewed and updated by Policy & Finance Committee in September 2017. The Charging Policy is included at **Appendix D**. **It should be noted that Policy & Finance Committee agreed that all charges should be rounded to the nearest 5p with effect from 1 April 2017.**

**3.0 Introduction**

3.1 The Council's Medium Term Financial Plan sets out the estimated service expenditure, net budget requirement and the total settlement funding to arrive at the possible funding gap for 2018/19, (and subsequent years), at three levels of increases in Council Tax, as follows:

	<b>2018/19 £000</b>
Net Service Expenditure	12,796
Net Budget Requirement	12,053
Total Settlement Funding	4,557
<b>Best : Increase Av. Band D Council Tax by £5</b>	<b>706</b>
<b>Forecast: Increase Av Band D Council Tax by 1.94%</b>	<b>774</b>
<b>Worst : Freeze Council Tax at Average Band D</b>	<b>898</b>

3.2 The table above identifies a range of scenarios regarding the funding gap from £706K, if Council Tax at average Band D is increased £5, to a gap of £898K if Council Tax at average Band D is frozen at the 2017/18 average Band D level.

- 3.3 The Council will continue to make efficiency savings in order to reduce the funding gap, however (as emphasised in the MTFP), further significant savings will start to impact on future service delivery. The Council will, therefore, introduce a Commercial Plan which will be supported by an Investment Strategy. The measures set out in the Commercialisation Plan will, when implemented, bridge the funding gap.
- 3.4 Further detail can be read in the Commercialisation Strategy and the Investment Plan which were considered by the Policy and Finance Committee at its meeting on the 21<sup>st</sup> September 2017.

#### **4.0 Budget Proposals**

##### **4.1 Budget Presentation**

The budget process will result in setting the budget and the Council Tax for 2018/19, and will be approved by Council at its meeting on 8 March 2018

##### **4.2 Financial Environment and Current Position**

Government support for the economy means that there continues to be severe reductions in funding across the public sector and this looks set to continue for a number of years in order to reduce the level of government debt.

At the time of writing this strategy, the UK economy is in a state of uncertainty following the “leave” decision of the referendum on membership of the European Union and the Prime Minister formally given notice to leave under Article 50. The Prime Minister, following the triggering of Article 50, also announced that there would be a snap general election on the 8 of June 2017. The result of the election and the current negotiations on the terms of the exit from the European Union has added greater uncertainty to the economic and financial market place. The situation will be kept under review with any impact(s) on the budget for 2018/19 will be included before final approval by Council.

##### **4.3 Business Rates**

4.3.1 For 2017/18, Newark & Sherwood District Council’s retained business rates have been assessed as £3.435m. This does not include any additional growth or amount generated through the Nottinghamshire Business Rates Pool.

4.3.2 Over the three years of the settlement, this is estimated to rise to £3.67m, an increase of £0.24m. In reality, however, it is expected that the actual income the Council achieves from Business Rates will be higher than the baseline over this period. The estimated amount of Business Rates income for 2017/18 shows that of the £42,028m collectable in the Newark and Sherwood area, the Council’s share (after allowing for recovery of deficits) is expected to be £4.588m which includes a forecast growth of £1.153m.

Given the uncertainty of the timing of new development or/and new businesses moving into the District, the financial forecast assumes that growth in business rate income will reflect the Government forecast growth. This suggests that broadly income will rise by 2% per annum. The forecasts for retained business rates are as follows (the figures for 2016/17 have been included for comparison purposes):



	<b>2016/17 (actual) £000s</b>	<b>2017/18 (budget) £000s</b>	<b>2018/19 £000s</b>	<b>2019/20 £000s</b>	<b>2020/21 £000s</b>
Base line	3,366	3,435	3,545	3,671	3,715
Forecast Growth	(110)	1,100	420	420	420
Retained	3,256	4,535	3,965	4,091	4,135

In accordance with the table above, £420,000 will be included in the 2018/19 budget for business rates growth.

#### 4.3.3 Move Towards 100% Retention of Business Rates

The government has consulted on proposals to allow local government to retain 100% of business rate income locally. In total this Council collects in the order of £42.028m of business rate income net of reliefs and exemptions. Irrespective of the changes that are finally agreed it is envisaged that the existing system of tariffs and safety nets will still be in place in some form and that the level of income retained from business rates will be broadly similar to the current level. Interestingly, the move to 100% business rates retention was not included in the Queen's speech following the result of the general election in May 2017 and it is now widely felt that this change will not happen by 2020/21 as previously suggested.

4.3.4 The table below shows the settlement figures for the years 2016/17 through to 2019/20. The key figure is the "Settlement Funding Assessment" which is part Revenue Support Grant and part retained Business Rates and forms the overall amount of funding receivable by the Council.

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21 (est)</b>	<b>Change since 2016/17</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Revenue Support Grant	1,777	1,049	592	83	0	(1,777)
Retained Business Rates	3,366	3,435	3,545	3,671	3,715	349
Total Settlement Funding Assessment	5,143	4,484	4,137	3,754	3,715	(1,428)

Under the current business rates retention scheme introduced in April 2013, Councils are able to keep a proportion of the business rates revenue as well as a proportion of the growth that is generated in their area. The estimated amounts for retained business rates, excluding growth in the area, are shown in the table above:

The total settlement assessment amount of £4,137,391 will be included in the funding of the 2018/19 budget together with an amount of £420,000 business rates growth.

- 4.3.5 The position with regard to general inflation remains complex. The latest (September 2017) CPI figure for inflation shows an annual increase of 3.0%. The Bank of England forecast is for CPI inflation to remain around 2% by the end of 2017/18.
- 4.3.6 One of the major areas of the budget affected by inflation is the cost of salaries and wages. The 2016 -2018 pay deal comprised a 1% increase per annum with substantial bottom loading of between 10.28% and 2.3% to start towards the introduction of a new National Living Wage (NLW) by 2020. There was agreement to revise the pay spine to meet the requirements of the NLW. This will impact on the Council’s budget and it will be necessary to assess the position on this as further details are announced.
- 4.3.7 The 2018 pay claim asks for a 5% increase on all pay points with the deletion of points 6-9 to ensure that no NJC pay points fall below the Foundation Living Wage of £8.45 per hour. With this in mind it has been decided to include a 2.5% increase in salary costs in 2018/19, with future years’ increases remaining at 1%.

## 5.0 Income from Fees and Charges

The generation of income from fees and charges is an essential element of the Council’s revenue budget. The overall level of fees and charges is substantially affected by legislation with many chargeable services prevented from recovering more than their costs. The objective therefore is where services are chargeable (and the level of charges is determined by the Council) then they should achieve break-even. Opportunities will also be explored for premium pricing for discretionary services where the Council is able to deliver variable levels of service. The total income from fees and charges included in the MTFP projections was as follows:

	<b>2017/18 (budget) £000s</b>	<b>2018/19 (estimate) £000s</b>	<b>2019/20 (estimate) £000s</b>
Statutory Charges	1,201	<b>1,204</b>	1,208
Discretionary Charges	4,530	<b>4,657</b>	4,670

***Castle House income from partners £121,130, full year 2018/19 £242,260***

The estimates for fees and charges for 2018/19 will be updated and included in the budget preparation.

## 6.0 Budget Strategy

- 6.1 Whilst there is always a need to improve efficiency and review existing budgets, the Council’s budget gap in future years means that, as well as further efficiencies, the Council needs to generate “new” revenue streams. Savings from leisure commissioning (Active4Today), devolution and collaboration and savings following the move to the new offices and associated working practices, have been built into the Medium Term Financial Plan and will accordingly be included in the base budget for 2018/19.

6.2 The following underlying assumptions (derived from the Council's approved MTFP) will be applied in compiling the draft budget for 2018/19:

6.2.1 Base Budget

The base budget for 2018/19 will be derived from the **actual** income and expenditure for 2016/17. This is a change from previous years when the base budget was derived from the original budget for the previous year (in this case this would be the original budget for 2017/18). This change in strategy will produce a "tighter" budget and reduce the levels of year- end underspends reported in previous years.

This base position will be adjusted for known one off items of income and expenditure incurred in 2016/17 and for new on-going growth items included in the 2017/18 original budget, plus any on-going estimates approved, by delegation, after approval by Council of the original 2017/18 budget.

6.2.2 Staff Costs

Figures for salaries and wages will be built up from the detailed base position as set out in 6.2.1 taking into account the numbers and salary of each employee per service unit. It has been assumed that within the Service Unit budgets, the Council will employ 100% of the establishment throughout the year with the exception of known unfilled vacancies where salaries are budgeted to commence on the anticipated starting date.

A prudent increase in wages and salaries of 2.5% will be assumed for 2018/19. This increase in estimate from 1% increase to 2.5% increase is in acknowledgement of the national debate, political pressure, and negotiations by Trade Unions to remove the 1% cap for public service workers and to increase the National Living Wage. This estimate will be kept under constant review during the budget setting process and the final figures included in the budget will be based on financial modelling of the proposed, or agreed, changes.

Increases in the National Living Wage will have a knock on impact on all salary pay grades of the Council. The financial implications of these increases will also be kept under constant review and the budget, if required, will be revised before presentation to Policy & Finance Committee on 22 February 2018.

A vacancy provision of 3.5% of the total salary budget for 2018/19 will be made to allow for natural savings being made from posts remaining vacant before being filled. As it is not possible to predict precisely which business units will experience vacancies in the year, an overall saving will be set aside. The estimated amount of this provision based on the 2016/17 outturn is £320,000.

6.2.3 Employer's Superannuation

The actuarial review carried out as at 31 March 2016 increased the employer's superannuation contributions from 12.5% to 14.5% from 2017/18. An average amount of £1,070,010 per year for 3 years has been provided in 2017/18, 2018/19 and 2019/20 for historical debt. A further provision will be made at 14.5% for 2018/19.

#### 6.2.4 Provision for Inflation

The budget will be prepared by applying forecast RPI increases to non-staff costs in accordance with the estimate used in the MTFP. In May 2017 RPI was 3.6% and is forecast to remain at this level for the remainder of 2017/18, followed by a drop to around 3% by the end of 2017/18. An inflation rate, therefore, of 3% will be applied to non-salary costs, unless a different specific rate is specified in a contract for the supply of goods and services.

#### 6.2.5 Fees and Charges

The increase in fees and charges will be subject to specific, detailed review by Business Managers who will compare the Council's fees for discretionary services to other neighbouring and family group authorities that provide the same services. The Business Managers will also bench mark the fees with other commercial organisations where similar services are provided. Business Managers will also assess and evaluate whether new fees and charges can be introduced for discretionary services that are not currently being charged for.

Where comparative benchmarking information is not available, an increase equivalent to inflation, 3%, will be applied.

### 7.0 Draft Revenue Budget Proposals

7.1 Business Managers and Service Budget Officers have been working with Officers from Financial Services to determine a first draft General Fund budget and Medium Term Financial Plan. The budgets have been prepared in line with the strategy agreed by Policy & Finance Committee on 21 September 2017.

7.2 A summary of the figures to date for the Economic Development Committee is shown at **Appendix A** to this report. It should, however, be clearly understood that the figures shown are first draft only and that a substantial amount of work has yet to be completed before any conclusions can be drawn. The figures exclude capital charges and recharges for central services. The subjective summary is shown in **Appendix B**.

7.3 It should be noted that this shows only the budget for services falling within the remit of the Economic Development Committee. When the overall budget is considered by the Policy & Finance Committee on 30 November it may refer budgets back where it feels that additional savings need to be made. The Policy & Finance Committee have also instructed the functional Committees be requested to look at opportunities for savings in 2018/19, and also any investment potentials which would increase and support revenue income levels, in order to reduce the projected burdens in future years.

7.4 The current draft budget shows an increase in 2018/19. The increase is due primarily to changes to National Insurance rebates and banding and the 2.5% pay award to employees. It is important that the Committee continues to scrutinise and review its budget in order to achieve additional savings in future years.

7.5 Direct service expenditure net of capital charges and internal central services recharges currently shows an overall increase of £262,970 against 2017/18 budget. As noted above, this relates to the 2.5% increase in salary and wages costs overall in 2018/19.

- 7.6 Staffing costs account for approximately 45% of the overall gross service costs excluding housing benefits payments and significant budget savings cannot be achieved without affecting staffing levels.
- 7.7 Major variances between 2017/18 and 2018/19 are shown below:
- 7.7.1 The increase in the budget for Heritage Culture & Visitors comprises a number of variances including an increase in the costs of exhibitions & displays and a reduction in the anticipated income from admissions & sales.
- 7.7.2 The Promotion of Tourism budget includes a sum of £30,000 for the Pikes and Plunder event which was met from reserves in 2017/18.
- 7.7.3 The approved Medium Term Financial Strategy included a sum of £94,380 for the setting up of the Corporate Projects Development Team (plus staffing costs which will be recharged to this cost centre) and a further £20,000 expenditure to support the team was approved at Council on 10 October 2017. These are funded from reserves and shown 'below the line'.
- 7.7.4 There have been significant increases in the rateable value which increases the annual amount of Non domestic rates payable on Newark town centre car parks by £60,000. Current projections of income from car park charges show a reduction of £35,000 against the 2017/18 budget.
- 7.7.5 The transactions on the Growth Investment fund are reversed 'below the line'.

## **8.0 Revenue Budget Bids 2018/19**

- 8.1 As stated above, Members will be aware that the Council is likely to face severe budgetary challenges over the next four years. It is anticipated that significant savings will need to be identified in the later years of the Medium Term Financial Plan. As other pressures impact on Local Government spending it is anticipated that further cuts may be forced on to Local Government. Consequently, it is not possible for revenue growth bids to be incorporated into the budget for 2018/19 or following years.
- 8.2 At the meeting on 21 September 2017 Policy & Finance Committee agreed that spending Committees should scrutinise their budgets to look for opportunities for further savings and for spend to save schemes where additional expenditure in the short term will bring increased revenue income in the future.

## **8.0 Increases in Fees and Charges**

- 8.1 Members will be aware that a review of charges is considered as part of the budget process each year. With this in mind it is proposed that a **guideline** figure for increases to fees and charges should be set at a minimum of 3% for each year of the medium term financial plan (see paragraph 6.2.5). In preparing income budgets officers should have regard to this guidance and the level of RPI at the time the charges are set. Each type of income should be considered on its own merits and there should be comparative assessment with other local authorities and service providers in the area before final approval of fees and charges by Council. It is important for income levels to be considered **net** of VAT where appropriate, i.e. to consider the level of income ultimately retained by the Council. Business Managers have been instructed to work with relevant Committee Members prior to making proposals on future levels of fees and charges.

8.2 It is important that fees and charges are considered within the framework set out in the Corporate Charging Policy that is included at **Appendix D**. **It should be noted that Policy & Finance Committee agreed that all charges should be rounded to the nearest 5p with effect from 1 April 2017.**

8.3 Proposals for increases in fees and charges will be brought to the next meeting of the Economic Development Committee on 17 January 2018 for consideration and recommendation to Policy & Finance Committee on 22 February 2018 and Council on 8 March 2018.

## **9.0 Conclusions**

9.1 The figures at this stage in the budget process require a considerable amount of work before they are recommended to Policy & Finance Committee on 22 February 2018.

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

## **10.0 RECOMMENDATIONS that:**

- (a) the Committee undertakes a review of fees and charges accordance with the Corporate Charging Policy and;**
- (b) the current draft Committee budget be incorporated into the overall service budget to be reported to Policy & Finance Committee at its meeting on 30 November 2017; and**
- (c) the Business Manager and Chief Financial Officer – Financial Services, continues to formulate budget proposals for formal consideration at the Economic Development Committee meeting on 17 January 2018 for recommendation to Policy & Finance Committee on 22 February 2018.**

## **Reason for Recommendations**

**To ensure that the preliminary figures for the budget are considered by Policy & Finance Committee and that final budget proposals for 2018/19 are submitted to the Economic Development Committee on 17 January 2018 for recommendation to Policy & Finance Committee on 22 February 2018.**

## **Background Papers**

Draft H&C Budget (included with papers for information purposes)

For further information please contact Nick Wilson on Extension 5317, Amanda Wasilewski on extension 5738 or Dean Rothwell on Extension 5478.

Nick Wilson  
Business Manager – Financial Services

**BUDGET SUMMARY****APPENDIX A****ECONOMIC DEVELOPMENT**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>2017/18 BASE BUDGET</b>	<b>2018/19 BASE BUDGET</b>	<b>MORE/(LESS)</b>
A10104	GILSTRAP INTERPRETATION CENTR	0	0	0
A10105	NEWARK CASTLE/CASTLE GROUNDS	43,790	54,800	11,010
A10108	RESOURCE CENTRE. MUSEUMS	22,740	24,430	1,690
A10109	HERITAGE, CULTURE & VISITORS	523,670	617,870	94,200
A10813	LAND CHARGES	(63,490)	(62,900)	590
A11314	LINCOLN ROAD SPORTS HALL	14,770	16,450	1,680
A11331	PARKS AND PLAYING FIELDS	27,510	28,660	1,150
A11334	PRIVATE ESTATES	17,150	23,260	6,110
A11335	CLOSED CHURCHYARDS	4,900	4,950	50
A11336	VICAR WATER PARK	62,640	67,050	4,410
A11337	COMMUNITY FACILITIES MGMT	45,210	46,650	1,440
A11338	SCONCE & DEVON PARK	70,500	72,870	2,370
A11573	PROMOTION OF TOURISM	98,980	138,980	40,000
A11574	SHERWOOD YOUTH HOSTEL	(19,000)	(19,050)	(50)
A11601	GROWTH TECHNICAL SUPPORT	147,880	158,610	10,730
A11604	DEVELOPMENT MANAGEMENT	(110,890)	(72,410)	38,480
A11605	PLANNING POLICY	254,390	251,580	(2,810)
A11606	BUILDING CONTROL	120,840	88,190	(32,650)
A11609	PLANNING DELIVERY GRANT	0	0	0
A11610	LOCAL DEVELOPMENT FRAMEWORK	53,060	54,120	1,060
A11611	COMMUNITY INFRASTRUCTURE LEVY	23,310	0	(23,310)
A11702	ENVIRONMENTAL SCHEMES	18,930	21,320	2,390
A11810	NEWARK BUSINESS INNOVATION CENTRE	20,410	18,440	(1,970)
A11811	NEWARK NORTHERN RD IND ESTAT	0	0	0
A11813	SUTTON ON TRENT WORKSHOPS	(32,970)	(32,480)	490
A11814	BLIDWORTH WORKSHOPS	(42,650)	(41,910)	740
A11815	BOUGHTON WORKSHOPS	(38,420)	(37,790)	630
A11816	CHURCH FARM WORKSHOPS	(20,000)	(21,640)	(1,640)
A11817	BILSTHORPE WORKSHOPS	(37,320)	(36,510)	810
A11818	BURMA ROAD WORKSHOPS	(14,480)	(14,820)	(340)
A11820	BLIDWORTH INDUSTRIAL PARK	920	1,170	250
A11821	CLIPSTONE WORKSHOPS	(32,060)	(31,750)	310
A11822	BOUGHTON ADVANCE FACTORY	(36,040)	(35,530)	510
A11823	CLIPSTONE ADVANCED FACTORIES	(35,940)	(35,030)	910
A11824	SHERWOOD FOREST CRAFT CENTRE	(19,890)	(16,900)	2,990
A11826	CLIPSTONE HOLDING CENTRE	(14,690)	(10,460)	4,230
A11828	BLIDWORTH ADVANCE FACTORIES	(35,300)	(35,230)	70
A11829	KEEPERS COTTAGE	(1,780)	0	1,780
A11842	DEVELOPMENT COSTS	0	50,000	50,000
A11843	DEVELOPMENT COMPANY	0	114,380	114,380

<b>CODE</b>	<b>DESCRIPTION</b>	<b>2017/18 BASE BUDGET</b>	<b>2018/19 BASE BUDGET</b>	<b>MORE/(LESS)</b>
A11851	ECONOMIC GROWTH	250,710	256,620	5,910
A12001	PARKING SERVICES ADMIN	100,370	131,650	31,280
A12011	SURFACE CAR PARKS NEWARK	(645,170)	(535,930)	109,240
A12014	NEWARK LORRY PARK	(257,180)	(257,940)	(760)
A12019	SURFACE CAR PARK OLLERTON	7,380	7,400	20
A12211	RIVERSIDE ARENA MARKET	(10,000)	(6,500)	3,500
A12401	OTHER PROPERTIES & WSHOP VOIDS	31,450	10,630	(20,820)
A12506	GROWTH INVESTMENT FUND	67,000	(118,200)	(185,200)
A15002	CREW LANE DEPOT	(17,390)	(17,580)	(190)
A15023	GROUNDS MAINTENANCE	213,230	200,530	(12,700)
	<b>TOTAL</b>	<b>757,080</b>	<b>1,020,050</b>	<b>262,970</b>





		<b>BASE BUDGET</b>	<b>BASE BUDGET</b>	
922	Contributions From Other Las	(115,490)	(34,830)	80,660
928	Recharge Non Gf Accounts	(204,770)	(279,060)	(74,290)
931	Sales	(325,110)	(303,110)	22,000
932	Fees And Charges	(2,623,270)	(2,585,640)	37,630
933	Rents	(659,940)	(947,190)	(287,250)
934	Loan Repayments	0	(180,000)	(180,000)
938	Fees And Charges	(176,520)	(255,140)	(78,620)
939	Other Receipts	(150,970)	(155,970)	(5,000)
961	Revenue Appropriation Adjust	(12,150)	0	12,150
	<b>INCOME SUB TOTAL</b>	<b>(4,268,220)</b>	<b>(4,740,940)</b>	<b>(472,720)</b>
	<b>COMMITTEE TOTAL</b>	<b>757,080</b>	<b>1,020,050</b>	<b>262,970</b>

2018/19 REVENUE BUDGET TIMETABLE				
Action	Base Budget & General Principles of Budget	Draft Budget	Draft Final Budget	Final Budget Approval & Council Tax Setting
Medium Term Financial Strategy	Policy & Finance 29 June 2017			
Base budget & general principles of budget	Policy & Finance 21 September 2017			
Support services – agree basis for charging		8 September 2017		
Working papers issued to budget officers		31 July 2017		
First draft of treasury estimates based on capital programme reported to September Policy & Finance Committee		6 October 2017		
Draft budgets complete – no support services allocated		22 September 2017		
Budgets uploaded onto eFinancials		25 – 29 September 2017		
Coordination & review of first draft budget and reports prepared		2 – 4 October 2017		
First draft budget presented		Homes & Communities 6 November 2017 (papers 04/10/17)		

<p>First draft budget presented</p>		<p>Leisure &amp; Environment 14 November 2017 (25/10/17)</p> <p>Economic Development 22 November 2017 (papers 25/10/17)</p> <p>Policy &amp; Finance 30 November 2017 (papers 08/11/17)</p>	<p>Policy &amp; Finance 30 November 2017 (papers 08/11/17)</p>	
<p>Final treasury estimates completed based on capital performance reported to December Policy &amp; Finance</p>			<p>29 December 2017</p>	
<p>Support services allocated and uploaded to efinancials</p>			<p>1 December 2017</p>	
<p>Final committee budgets approved for consideration by Policy &amp; Finance Committee on 23 February 2018</p>			<p>Homes &amp; Communities 15 January 2018 (papers 13/12/17)</p> <p>Economic Development 17 January 2018 (papers 13/12/17)</p> <p>Leisure &amp; Environment 23 January 2018 (papers 31/12/17)</p>	

			Policy & Finance 25 January 2018 (papers 03/01/18)	
Housing Revenue Account budget and rent setting report				Policy & Finance 25 January 2018 to refer to Council for approval on 13 February 2018 (papers 03/01/18)
Council Tax Discounts Scheme determined				Council 12 December 2017
Council Tax Base 2017/18				Officer decision – determined between 1 December 2017 and 31 January 2018
Revenue budget setting				Policy & Finance 22 February 2018 (papers 11/01/18)
Parish Council Precept information received			(up to) 28 February 2018	
Council Tax setting				Council 8 March 2018 (papers 28/02/18)

**NEWARK AND SHERWOOD DISTRICT COUNCIL**

**CORPORATE CHARGING POLICY**

**Revised: September 2017**

**Date of next revision: September 2018**

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## **1. Introduction**

This Policy applies to external fees and charges other than those prescribed by the government. It provides a guide to internal charging arrangements but is subject to CIPFA's 'Best Value Accounting Code of Practice' and has regard to the Audit Commission's publication "*Positively Charged*".

It is not intended to apply to the disposal of Council assets, rents, internal charges or rechargeable works, nor will it apply where charges are governed by statutory regulation or guidance.

The Policy does apply if we have discretion, but not if there is a prescribed fixed charge.

Over the period of the Medium Term Financial Plan services will align their charges and processes with this policy.

This policy must be read in conjunction with the other related Council policies and strategies, including Financial Regulations, Equalities Policy, VFM Strategy, Corporate Plan.

If after reading this Code you require further guidance or clarification, or you are not sure how best to comply with the Policy then please contact your Business Manager or the Director of Resources.

## **2. Purpose of the Policy**

To establish a policy within which fee and charge levels will support the Medium Term Financial Strategy and Corporate Plan; and,

To encourage a consistent approach to the setting and reviewing of charges for services provided by Newark and Sherwood District Council by:

- specifying the processes and frequencies for reviewing existing charging levels or introducing new charges for areas of the council's work for which charges could in principle be set;
- providing guidance on the factors that need to be taken into consideration when charges are reviewed on an annual basis;
- establishing parameters for calculating different levels of charges;
- recommending the criteria for applying concessions or discounted charges on a consistent council wide basis;
- requiring more active use of market intelligence relating to different services.

## **3. Processes and Frequencies for Reviewing Charges**

The following arrangements for reviewing charges will be applied throughout all areas of the Council where charges for services already exist or could in principle be set:

- all discretionary charges will be considered and approved by Council as part of the Budget and Council Tax setting process in March of each year.

- a major review of each business unit's charging strategy will take place at least once every three years to ensure consistency with the council's priorities, policy framework, service aims, market sensitivity, customer preferences, and income generation needs, and the justification for any subsidy that the council as a whole makes to the service.
- annual reviews will be carried out for all of these services as part of the budget process, and shall have regard for the budget strategy approved in September each year.
- where fees are not to be increased or are proposed to be increased below inflation, this must be reported to CMT by the budget officer clearly stating the financial implications and budget shortfall before the deadline for completion of the revenue budget.
- these formal reviews will be overseen by the appropriate Director.
- where decisions on fees and charges, including any concessions or discounts, are taken outside the budget process approved by CMT and Policy and Finance Committee, any proposals must have due regard to the Medium Term Financial Plan.

#### **4. Factors Relevant to the Annual Review of Charges**

Annual reviews of charges will consider the following factors:

- a. inflationary pressures generally and input costs specific to the service;
- b. any statutory framework relating to the service
- c. the actual or potential impact of any competition in terms of price or quality;
- d. trends in user demand and the forecast effect of price changes;
- e. equality and access to services;
- f. customer survey results;
- g. benchmarking results;
- h. council wide and service budget targets;
- i. cost structure implications arising from developments such as investments made in the service;
- j. consistency with other charges;
- k. alternative charging structures that could be more effective;
- l. validity of continuing any concessions;
- m. proposals for targeted promotions during the year, and evaluation of any that took place in the previous year;
- n. where less than the full cost is being recovered (including nil charges), the justification for the decision is reviewed and documented to ensure that this decision remains valid and that significant income is not being lost.

#### **5. Processes for Setting Charges for New Sources of Income**

All Business Managers should explore new business opportunities with a view to generating additional income.

All guidance in this Policy must be considered when setting new fees and charges.

A business plan must be prepared.

Any potential new income streams will need to be approved by CMT and Policy and Finance Committee.



The setting of the fees and charges must be made in accordance with the current VAT regulations.

The proposed billing and recovery administrative process must be agreed with the S151 officer prior to the charges being implemented.

A central record will be maintained by the relevant Business Manager of any decisions made not to charge for a service where a charge could be made.

## **6. Calculation of Charges**

Charges will apply to all users, and will be set at a level to maximise take-up and income targets and wherever possible covering or exceeding the full cost of providing the service in question.

It is the responsibility of the Business Manager to ensure that the proposals comply with the appropriate legal framework and any legal restrictions. Advice should be taken from the Council's Legal section before any proposal is finalised.

This calculation of full cost should be based on the direct cost of service provision including staff, supplies and services, equipment, premise costs. Overheads and capital asset depreciation charges should be included but consideration may be given to a less than full cost recovery of these elements where inclusion would distort competition.

Where less than the full cost is being recovered, the justification for the decision must be documented and retained by the appropriate Business Manager and clearly state the financial implications and budget shortfall.

All fees and charges must be calculated in accordance with the current V.A.T. regulations.

## **7. Concessionary Charges**

In some circumstances the Council will offer subsidies to all users or concessions to specific user groups where this is consistent with achieving its priorities.

Entitlement to concessionary charges must have regard to equalities legislation and is designed to reduce barriers to participation arising from:

- Age;
- Level of income;
- Family circumstances;
- Health
- Educational circumstances.

Concessions will not apply to retail sales from shops or cafes.

Concessionary charges may also be made available to organisations whose purpose is to assist the Council in meeting specific objectives in its priorities and policy framework, or which contribute to the aims of key local partnerships in which the Council has a leading role.

Concessionary charges should not normally apply to peak times or in situations that would result in the loss of income from customers paying standard charges. Neither would they normally be available to organisations that are based outside of the Council's area other than on a reciprocal basis.

Only one concession can be applied to the standard charge at any given time.

Services wishing to adopt a concessionary charging scheme must demonstrate the scheme is practicable in terms of assessment, collection and evidencing for audit purposes.

## **8. Discounts**

For certain services it will be normal practice to set promotional discounts, Frequent User discounts or group Discounts.

Promotional discounts are defined as short-term charges that are targeted to increase take-up or awareness of the services that are available.

Frequent User discounts are to be used only for commercial reasons such as generating customer loyalty where alternative provision from competitors exists, and where market analysis shows a real risk of reduced income if they are not offered.

Group discounts are to be used to encourage take up by organisations able to block book and Family discounts to encourage parents and children's take up.

Discounts can be applied to both the standard charge and the concessionary charge.

Discounts can only be applied where the Service has received prior approval of the principle to apply a discount to the charge for this service.

## **9. The Use of Market Intelligence**

All managers of discretionary services for which a charge is made should take steps to identify competitors offering similar or related services, and make use of comprehensive and dynamic market intelligence in evaluating:

- their charging strategy;
- the range of services provided;
- the quality of services provided;
- their cost structure.

All managers of services for which a charge is made should consult with customers, relevant partners and stakeholders on the range, quality and cost of services provided prior to the triennial review.

Consultation should also take place with potential customers and target groups to determine improvements needed to encourage participation at least every five years.

Comprehensive and accurate usage statistics will be maintained for all services and at all facilities where charges are made, to enable analysis of usage, justification of any subsidy given by the Council, and accurate forecasting of the effect of price changes on usage.

Benchmarking should be undertaken at least annually regularly with other Councils in the local area and with relevant national groupings of authorities, to ensure that charges are at comparable levels and that significant differences are understood and justified.

#### **10. Further Guidance**

Charges should be payable in advance wherever possible or collected by direct debit or through the corporate income system.

All fees/charges must be reported annually to the Financial Services Business Unit as part of the budget process for publishing in the annual budget book.

All fees/charges must be published on the Councils website.

**ECONOMIC DEVELOPMENT STRATEGY**

**1.0 Purpose of Report**

1.1 Following on from the workshop held with Members of the Economic Development Committee on 13 September 2017, this paper provides revised objectives and high level work plan for the Economic Development Strategy.

**2.0 Background Information**

**2.1 The Vision and Objectives of the strategy adopted in 2014 were:**

The vision: Building a Shared Prosperity

- ❖ Objective 1: To develop and maintain an in-depth understanding of the Newark and Sherwood economies, business stock and sector strength. This will ensure that all activities and resources available to support our vision are appropriately focused.
- ❖ Objective 2: To develop appropriate place marketing to visitors and investors. To achieve this we will work with partners such as Experience Nottinghamshire for Tourism and Invest in Nottingham and UKTI for Inward Investment opportunities
- ❖ Objective 3: To plan and support Growth for our district. This incorporates a number of areas which the council can directly affect or can exercise influence.

2.2 The Committee were aware of the delivery of the work plan and have received regular reports on progress. The proposals detail revised objectives and work plan following consultation with members on 13 September 2017.

**3.0 Proposals**

3.1 The vision remains the same; ***Building a Shared Prosperity***, however more focus should be placed on using this vision in conversations and to ensure it is placed on key documents and used as a focus for activities.

Objectives:

Whilst the three agreed objectives have served the purpose well, it is timely to provide some more focussed objectives and these are detailed below:

Objective 1: Schools and Businesses

To encourage the Newark and Sherwood Secondary Schools to partner with Newark & Sherwood District Council in order to improve the links with business and develop a clearer understanding of how the Council can assist the schools in raising both educational attainment levels, interpersonal skills and careers aspirations. To also develop further links with Primary Schools in the district, particularly focussing on Years 5 & 6 in terms of business related projects. An opportunity to meet with senior members and officers may be an appropriate starting point for developing this approach.

### Objective 2: Up Skilling for 18 – 24 Year Age Group Residents

To develop partnerships with relevant agencies in order to facilitate upskilling for 18 -24 Years residents as skill levels are lower and unemployment is higher within for people in this age range. To also partner to deliver any programmes that offer opportunities to help people gain additional skills and qualifications in this age range. This will assist in attracting new businesses to the district and to enhancing the resilience of the district in times of economic uncertainty.

The information below (taken from the NOMIS report for October 2017) highlights the rationale for the focus on the age range 18 – 24. However, support for people of all ages seeking new skills is available and any gaps in provision will be identified and raised as potential issues if appropriate.

#### Claimant count by age - not seasonally adjusted (September 2017)

	Newark and Sherwood (level)	Newark and Sherwood (%)	East Midlands (%)	Great Britain (%)
Aged 16+	990	1.4	1.6	1.9
Aged 16 to 17	0	0.0	0.0	0.1
Aged 18 to 24	255	2.8	2.4	2.8
Aged 18 to 21	150	3.1	2.6	3.0
Aged 25 to 49	485	1.4	1.6	1.9
Aged 50+	250	1.0	1.3	1.6

### Objective 3: Support for Businesses

To commission research to investigate aspects such as productivity rates in the district and the current situation regarding small and medium size (SME) business survival rates. Where appropriate to work with partners or commission coaching and mentoring to support businesses in the district if there are significant gaps in the provision available.

### Objective 4: Key Account Management & Access to Support

To continue to deliver a key account management role for larger businesses in the district and where possible provide support and signposting for SME's in the district.

### Objective 5: Developing Business Productivity

Through the Productivity workshop which was held on 2/11/17 to understand how best practice from the larger, successful businesses in the district can be disseminated to small and growing businesses.

### Objective 6: Supporting Industry Clusters

To assess the opportunity to provide workshops for industry specific clusters, facilitated by an expert in order to assist in strengthening businesses in the district. To also encourage mentoring between businesses in order to assist in development and share good practice.

#### Objective 7: Supply Chain Opportunities

Through key account management activities, to develop an in depth understanding of the supply chain requirements for the larger businesses in the district and in turn assist smaller businesses in providing these requirements.

#### Objective 8: Workshop Space for SME businesses

Undertake further research to establish the demand for flexible workshop space in Newark and if appropriate partner with other organisations in order to provide workshop space for businesses (probably 3,000 -5,000 sq ft). From current knowledge this space is required and, as there is little speculative build in the current climate, the Council can support business by stimulating demand and providing expansion space for fledgling businesses.

#### Objective 9: Retail Sector and Town Centres

To partner with relevant organisations to support work to ensure our Town Centres remain vibrant. In particular to consider actions relating to Empty Shops and absentee landlords.

#### Objective 10: Encouraging Inward Investment

To ensure the district is represented at property related events at an appropriate level of investment and time. When the outcome of the recent consultation and inquiry relating to Community Infrastructure Levy (CIL) is known, initiate activities with commercial agents within the region and beyond as well as intermediaries in order to promote the land and commercial property opportunities available in the district. This will involve working closely with Business Ambassadors (Business Leaders' Group) and commercial agents to maximise opportunities.

#### Objective 11: Promoting the District

A short video of the district was produced 3 years ago and provides a useful opportunity to promote the district and the business community. This video is now in need of updating and is about creating a buzz about our district. Existing video of the district will be reviewed and utilised or a new short video commissioned

#### Objective 12: Improving Outcomes for Business Customers of Newark & Sherwood DC

To implement the model outlined in **Appendix Two** in order to deliver an improved service across the Council for business customers. This involves increasing collaboration between teams that work directly with business customers. First steps in this process have included an e-newsletter to businesses providing contacts for each of the departments that a business may have contact with

- 3.2 The above is in addition to the continuation of activities such as the Careers Expo which will take place in November 2018, other business support activities with partners, the delivery of the Loan Fund and working with inward investment enquiries.
- 3.3 Regular updates will be provided to the Economic Development Committee regarding the objectives outlined. A high level action plan relating to these Objectives is available at **Appendix One.**

#### **4.0 Equalities Implications**

- 4.1 There are no negative equalities implications within this report

## **5.0 Impact on Budget/Policy Framework**

- 5.1 There is a request for the provision of some additional budget:  
Any impact will result in a more detailed paper relating to any proposals for additional budget for the financial year 18/19

## **6.0 Comments of Director(s)**

- 6.1 The recent Member consultation event regarding the Economic Development Strategy was well attended and very productive. The proposals contained in the report clearly reflect the outcome of the this consultation with Members and the recommendation, if approved, will provide the Economic Development Team with a clear high level work plan for the next two years.

## **7.0 RECOMMENDATION that the Committee approves the following:**

- a) **the vision, objectives and high level work plan for the Economic Growth team from November 2017 to April 2019 be supported by the Committee; and**
- b) **any requests for additional budget are brought to the Committee as appropriate.**

### **Reason for Recommendations**

**In order to provide the opportunity for members to review the vision, objectives and high level work plan as discussed with members in a workshop held on 13 September 2017 for the Economic Growth team**

### **Background Papers**

High Level Work Plan (*Appendix One*)  
NOMIS (Official Labour Market Statistics)

For further information please contact Julie Reader-Sullivan on Ext 5258

Andrew Statham  
Director - Communities

**Economic Growth – High Level Work Plan**

<b>Objective</b>	<b>Deliverables</b>	<b>Dates</b>	<b>Financial Implications outside of standard budget</b>
<p><b>Objective 1: Schools and Businesses</b>            To encourage the Newark and Sherwood Secondary Schools to partner with Newark &amp; Sherwood District Council in order to improve the links with business and develop a clearer understanding of how the Council can assist the schools in raising both educational attainment levels, interpersonal skills and careers aspirations. To also develop further links with Primary Schools in the district, particularly focussing on Years 5 &amp; 6 in terms of business related projects. An opportunity to meet with senior members and officers may be an appropriate starting point for developing this approach.</p>	<p>Secondary Schools in the District – to engage with each secondary school and deliver/organise at least one event in each school</p> <p>Primary Schools in the District – to monitor the progress of the Sherwood Forest Education Partnership work that is being supported and report on the outcomes. (covering schools in the Ollerton area)</p> <p>To partner with other agencies working with Primary Schools such as Together for Newark to understand progress throughout the district and support where required</p> <p>To organise a meeting with secondary school heads, senior members and officers in order to identify further opportunities to support both business and education</p>	<p>By June 2018</p> <p>Update by March 2018</p> <p>Update by March 2018</p> <p>Breakfast event to be organised and take place in March 2018</p>	



<p><b>Objective 2: Up skilling for 16 – 24 year age group residents</b></p> <p>To develop partnerships with relevant agencies in order to facilitate upskilling for 16 -24 Years Residents as skill levels are lower and unemployment is higher within for people in this age range. To also partner to deliver any programmes that offer opportunities to help people gain additional skills and qualifications in this age range. This will assist in attracting new businesses to the district and to enhancing the resilience of the district in times of economic uncertainty.</p>	<p>To identify relevant partner organisations, including 3<sup>rd</sup> sector and organise a workshop to collate current activity, undertake a gap analysis and produce a plan to provide appropriate activity to fill any gaps in provision</p>	<p>Partners identified in November 2018</p> <p>Workshop to take place by February 2018</p>	
<p><b>Objective 3: Support for businesses</b></p> <p>To commission research to investigate aspects such as productivity rates in the district, the current situation regarding small and medium size (SME) business survival rates. Where appropriate to work with partners or commission coaching and mentoring to support businesses in the district.</p>	<p>Research to be commissioned &amp; report produced</p>	<p>Report produced &amp; circulated by April 2018</p>	
<p><b>Objective 4: Key Account Management &amp; access to support</b></p> <p>To continue to deliver a key account management role for larger businesses in the district and where possible provide support and signposting for SME's in the district.</p>	<p>Due to the size of the team and volume of work, this is limited to one to one meetings with larger businesses and where possible one to one meetings, telephone calls and emails with smaller businesses</p>	<p>A summary of issues raised during these visits is provided to the Committee as part of update reports and managed by the team</p>	

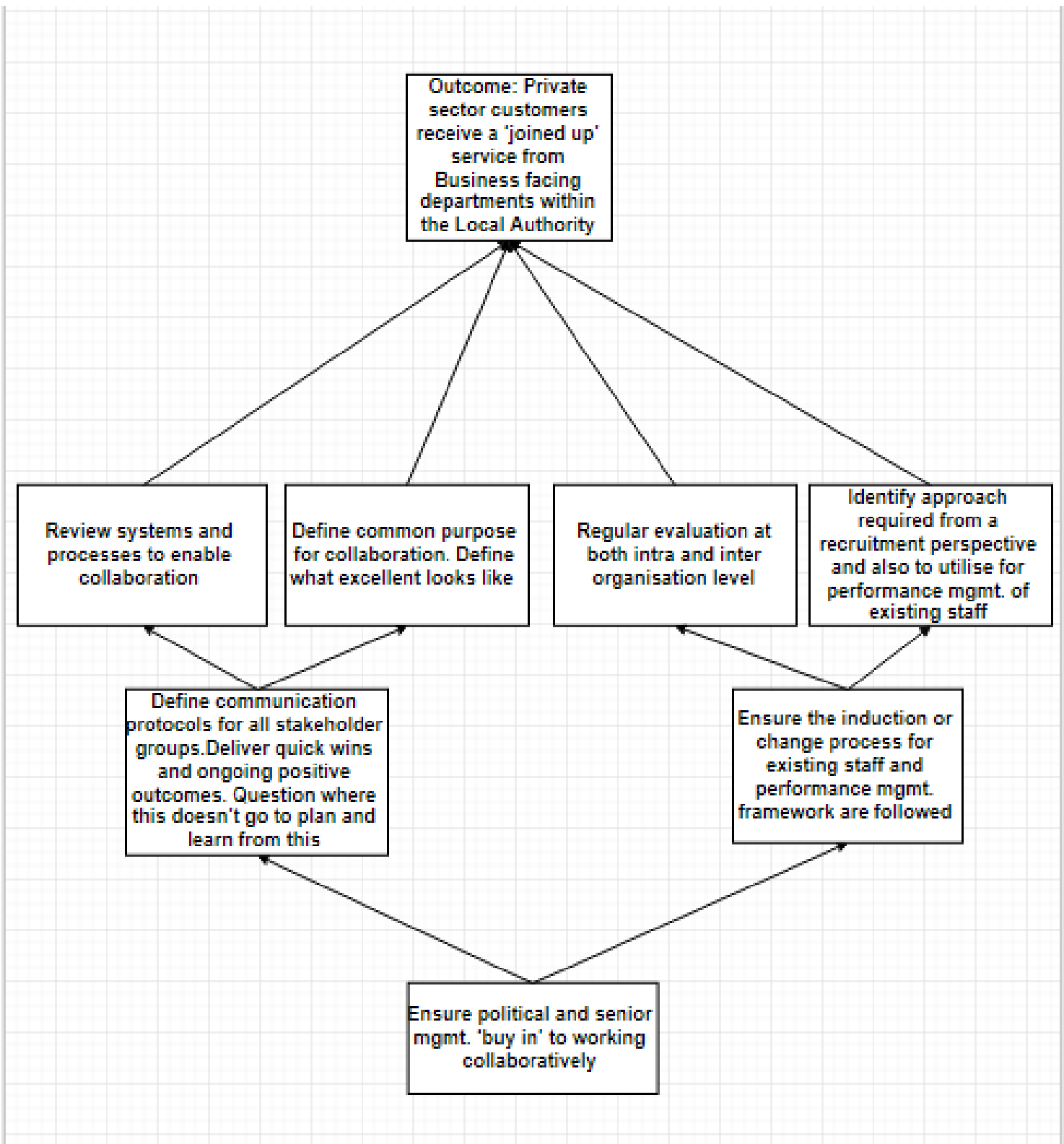
<p><b>Objective 5: Developing Business Productivity</b></p> <p>Through the Productivity workshop which was held on 2/11/17 to understand how best practice from the larger, successful businesses in the district can be disseminated to small and growing businesses.</p>	<p>Outcomes to be defined following the workshop. Prof. Baback Yazdani from Nottingham Trent University will be attending the workshop</p>	<p>Consider how best to take this work forwards following the workshop</p>	
<p><b>Objective 6: Supporting Industry Clusters</b></p> <p>To assess the opportunity to provide workshops for industry specific clusters, facilitated by an expert in order to assist in strengthening businesses in the district. To also encourage mentoring between businesses in order to assist in development and share good practice.</p>	<p>Research to be completed as objective 3 and then workshops to be organised</p>	<p>Research completed by April 2018</p> <p>Workshops delivered between September 2018 &amp; March 2019</p>	
<p><b>Objective 7: Supply Chain opportunities</b></p> <p>Through key account management activities, to develop an in depth understanding of the supply chain requirements for the larger businesses in the district and in turn assist smaller businesses in providing these requirements</p>	<p>Additional activity to be incorporated into key account management visit activities</p>	<p>Outcomes will be provided to Committee via update reports</p>	
<p><b>Objective 8: Workshop space for SME businesses</b></p> <p>Undertake further research to establish the demand for flexible workshop space in Newark and if appropriate partner with other organisations in order to provide</p>	<p>Research to support development</p> <p>Discuss with new Development Company</p>	<p>Research by March 2018</p> <p>20</p>	

<p>workshop space for businesses (probably 3,000 -5,000 sq ft). From current knowledge this space is required and, as there is little speculative build in the current climate, the Council can support business by stimulating demand and providing expansion space for fledgling businesses.</p>	<p>Purchase of land</p> <p>Partnership agreement with developer</p> <p>Units developed</p>		<p>Capital Expenditure for land &amp; development</p>
<p><b>Objective 9: Retail sector and Town Centres</b></p> <p>To partner with relevant organisations to support work to ensure our Town Centres remain vibrant. In particular to consider actions relating to Empty Shops and absentee landlords. Footfall counters to be trialled in Newark; outcomes of Retail Study to be reviewed; outcomes of Feasibility Studies relating to Newark and the outcomes of the Ollerton &amp; Boughton Neighbourhood Study, amongst other aspects to be considered in this objective</p>	<p>Report to Committee combining evidence and information relating to Town Centres in the district</p> <p>Report to include a plan for actions moving forwards and will make the connections with the Tourism Strategy</p>	<p>Committee report March 2018</p>	
<p><b>Objective 10: Encouraging Inward Investment</b></p> <p>To ensure the district is represented at property related events at an appropriate level of investment and time. When the outcome of the recent consultation and inquiry relating to Community Infrastructure Levy (CIL) is known, initiate activities with commercial agents within</p>	<p>Four small scale events to be organised with commercial agents and intermediaries in order to promote the offer for the District. Actions will include working with local Commercial Agents and Business leaders</p>	<p>Events to take place in</p> <p>April, June, Sept &amp; Nov</p>	

<p>the region and beyond as well as intermediaries in order to promote the land and commercial property opportunities available in the district. This will involve working closely with Business Ambassadors (Business Leaders' Group) and commercial agents to maximise opportunities.</p>			
<p><b>Objective 11: Promoting the District</b>  A short video of the district was produced 3 years ago and provides a useful opportunity to promote the district and the business community. This video is now in need of updating and is about creating a buzz about our district. Existing video of the district will be reviewed and utilised or a new short video commissioned</p>	<p>Short promotional video produced to promote doing business in Newark &amp; Sherwood</p>	<p>New video produced and available on websites etc by June 2018</p>	<p>Additional £5k of expenditure</p>
<p><b>Objective 12: Improving outcomes for business customers of Newark &amp; Sherwood District Council</b>  To implement the model outlined in Appendix One in order to deliver an improved service across the Council for business customers. This involves increasing collaboration between teams that work directly with business customers. First steps in this process have included an e-newsletter to businesses providing contacts for each of the</p>	<p>Officer meetings held and plan agreed to develop the Business Customer interface.   Systems and processes reviewed and updated to incorporate collaborative working. Analysis undertaken as to whether a Central CRM system is feasible for all business facing teams to utilise</p>	<p>March 2018   Sept 2018</p>	<p>Additional expenditure for systems and processes to support collaboration, including possibly a CRM system. Maximum of £20k</p>

<p>departments that a business may have contact with</p>	<p>Regular meetings held to progress collaborative working</p> <p>Next enewsletter produced and sent to businesses</p>	<p>Next meeting in Nov 2017</p> <p>Next newsletter in Dev 2017</p>	
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**Fig 9 – Proposed collaboration Model for Business Facing Departments of a Local Authority**  
 (Adapted based on existing theoretical models and findings of empirical research undertaken as part of this study)



**Fig 10 –Proposed Collaboration Framework for business facing departments in a Local Authority  
(To support the implementation of the model identified n Fig 9)**

<b>Collaboration Stage</b>	<b>Activities to support the collaboration stage</b>	<b>Purpose</b>	<b>Stakeholders</b>
Gain political and senior mgmt. buy in to collaborative working	<p>Discussions and engagement with political leaders and business leaders.</p> <p>Produce business case and discuss benefits, suggest a pilot to see if any benefits are realised. Accept the issues relating to Enforcement</p> <p>If possible create a business facing Directorate with one Director so that there are more opportunities to share information and have an overview of opportunities</p>	<p>Business case Agreement to pilot and to support.</p> <p>This will be challenging to achieve</p> <p>Business customer directorate created</p>	Senior management and senior politicians in Local Authority
Define what excellent collaboration looks like – create common purpose	<p>One to one and team and collaboration group meetings in order to start to gain ‘buy in’ to the concept. All to be involved in defining what excellent collaboration looks like</p> <p>Feedback to be incorporated from businesses – ensure multi way process</p>	To agree a base for collaboration	<p>Business facing departments in Local Authority</p> <p>A small number of business representatives (10)</p>
Review systems and processes to enable collaboration	With the collaboration group, review current systems and processes and agree what is possible in order to improve opportunities to collaborate	<p>Set up: Customer Relationship Management(CRM) system for all business facing depts. to utilise</p> <p>Virtual email group for business enquiries to be investigated</p> <p>Single team of initial contact for a business and then appropriate triage</p>	Business facing departments in Local Authority
Identify approach required from a recruitment perspective and also to utilise for performance management of existing staff	With the collaboration group, define the performance requirements and approach needed. Ensure this is shared with HR and other departments so that it is used during both recruitment and performance management	Develop a framework for skills and approach in collaborative working	HR team, senior management and business facing departments in Local Authority

<p>Define communication protocols for all stakeholder groups Ensure the induction or change process for existing staff and performance management framework are followed up</p>	<p>Involve all those involved in collaborating in developing agreed communication protocols. Clearly this links to the systems and processes chosen but must include some face to face meetings, ideally quarterly as a whole group</p>	<p>Conduct regular face to face meetings – quarterly with business facing teams Protocols include values – how we treat each other, as well as how we communicate what information and Chinese Wall issues. Ensure awareness of the cultural web issues and encourage open dialogue  E-zine/newsletter for businesses explaining services, updates, news, legislation – 6 monthly</p>	<p>Business facing departments, senior managers, senior politicians; HR team and Businesses in Local Authority</p>
<p>Evaluate on a regular basis and review purpose, systems, communication framework and outcomes – performance management</p>	<p>Every six months conduct a mini review of what the impact has been of the collaborating in terms of -Businesses assisted -Case studies -Feedback from businesses</p>	<p>Volume of businesses assisted Quality of feedback Case study examples produced regularly</p>	<p>Business facing departments and senior management in Local Authority  Businesses assisted in Local Authority area</p>



**GROWTH INVESTMENT FUND REVIEW**

**1.0 Purpose of Report**

- 1.1 This report provides recommendations following a workshop held on 12 October 2017 comprising members of the Policy Monitoring Group and the Growth Investment Fund Loan Panel to review the loan fund and identify future direction.

**2.0 Background Information**

- 2.1 Following the last meeting of the Policy Monitoring Group held on 3 July 2017, it was agreed that a workshop should be held and to include the Growth Investment Fund Panel Members in order to review the loan fund and its future role in stimulating economic growth within the District.
- 2.2 At the workshop, there was a short presentation summarising the current situation followed by a discussion relating to the way forward for the loan fund. The changes in the economic climate in recent years were also discussed and new funds that are now available and are emerging were outlined.
- 2.3 The following pages provide background information provided prior to the workshop:

**Appendix One** details Growth Investment Fund: Guide & Fact Sheet (as at 14/9/17)

**Appendix Two** details Examples of Funding provided by other Districts & D2N2

**Appendix Three** details Added Value of the Growth Investment Fund

**Appendix Four** details a review of the Growth Investment Fund undertaken in February 2016

**3.0 Proposals**

- 3.1 The participants of the workshop discussed the reasons for the initial set up of the loan fund and the progress made in terms of supporting business growth in the district. The calculation of the jobs created figure has been based on current full time roles within each business and this has been regularly monitored and adjusted over the loan period. However, the Loan Fund Panel Chair identified that on an annualised basis 362 fte posts had been created in total throughout the 4 years that the loan fund has been in operation. This includes temporary roles and seasonal work.
- 3.2 The legal work for the loan fund was undertaken in house until early 2017 and is now outsourced on a case by case basis as the expertise required in this area is not available within the Council. There is therefore an increase in the legal fees and during the workshop, it was identified that there should be a balance between what is charged to the loan recipient in terms of charges and fees and ensuring that the loan fund is fair and allows businesses to grow.

- 3.3 Participants at the workshop believed that there was an ongoing benefit in retaining the loan fund as businesses did need support, particularly in the early stages of trading and in growth stages. Clearly where businesses expand there is a positive impact for the district in terms of Business Rates Uplift, Council Tax base and of course employment opportunities.
- 3.4 There is still interest in the loan fund, although no marketing of the fund has been undertaken pending the review of the loan fund.
- 3.5 There is a need to ensure the systems and processes in use for the loan fund are fit for purpose. The fund should still be reviewed annually but to continue to operate the fund and promote where appropriate.
- 3.6 Consideration to be given to whether security is taken on higher risk, early stage start up loans. Appropriate interest rates and Legal fees could be charged on higher risk early stage businesses. Although the focus is to remain job creation, it is also important to identify smaller businesses with growth ambition.
- 3.7 The fund should be about job creation, job protection and helping/advising businesses. During the workshop it was also noted that there was substantial additional funding provided by banks to businesses that had received NSDC Loan Funding. It is therefore important to record the added value of involvement of the Economic Growth Team and the Loan Fund Panel when other lenders provide funding.
- 3.8 Given the uncertain economic climate, the demands on the loan fund may grow. Members wished to encourage the flexibility built into the Think BIG and Pathfinder Loan Funds being used to help businesses.
- 3.9 In summary, the loan fund still has a place in terms of supporting businesses in the district. Consideration to be given to a review of the process and the way some costs are treated. The Fund is to remain a Council owned venture and promotion of the fund to be continued.

#### **4.0 Equalities Implications**

- 4.1 There are no negative equality implications

#### **5.0 Impact on Budget/Policy Framework**

- 5.1 The loan fund to continue and important to note that smaller loans to early stage businesses will carry a higher risk and this should be reflected in the fees charged and interest rates proposed.

#### **6.0 RECOMMENDATIONS that Committee approve the following:**

- a) that the loan fund continues to operate over the coming years, with an annual review to ensure this remains appropriate. The fund should be about job creation, job protection and helping/advising businesses;

- b) that the Economic Growth Team, with input from the Loan Fund Panel review interest rates and fees to be charged for early stage start-up businesses;
- c) that the Economic Growth Team, with input from the Loan Fund Panel review the processes for the loan fund in order to ensure the effectiveness of the operation of the fund;
- d) that the Committee are advised of the number of applications that result in advice being provided to support the business, but where a loan application is not pursued; and
- e) that a process is defined for decommissioning the loan fund in the event that this is required

**Reason for Recommendations**

**To continue to offer the Think BIG Loan Fund to businesses within Newark and Sherwood.**

**Background Papers**

Nil

For further information please contact Julie Reader-Sullivan on Ext 5258

Andrew Statham  
Director – Communities

Newark & Sherwood District Council  
Growth Investment Fund: Guide & Fact Sheet (as at 14/09/17)

Think BIG Loan

Loan Qualification

- Based in Newark & Sherwood
- With at least 2 years trading figures and turnover over £150k
- Employing at least 5 people
- Have a viable business plan with 2-3 years financial projections
- With an ambition to grow and employ more people

Loan Criteria

- Need to fill a gap in funding where unable to meet bank lending criteria
- Range £25k - £250k (usually £50k - £150k)
- Repayable over period up to 5 years (typically over 3 years)
- Commercial interest rates; arrangement & monitoring fees; security all based on risk profile

Pathfinder Loan

Loan Qualification

- Based in Newark & Sherwood
- Starting up or early trading
- Will employ at least 2 people
- Have a viable business plan with 2-3 years financial projections
- With an ambition to grow and employ more people
- Need to fill a gap in funding where unable to meet bank lending criteria

Loan Criteria

- Loans will be for the purpose of achieving agreed milestones on the pathway to becoming a viable growth business
- Range £5k - £25k (typically £5k - £10k)
- Repayable over period up to 3 years
- Commercial interest rates up to 8% above base rate, based on security and risk profile
- Arrangement & first year monitoring fees may be added to the loan at the outset

Growth Investment Fund Record:

No of Loans	20	
Number of Businesses	16	
No of Loans Repaid	6	
Amount Lent		£1.496m
Amount Repaid		£785k
Amount Outstanding		£711k
Interest Paid		£142k
Fees Paid		£45k
Gross New FTE Jobs Created	119	
Cost/Job		£5,908
Risk of Loss Net of Interest/Fees/Security/Set Off		£63k
Bank/Other Lending/improved Terms since Loan Approved: Amount		£2.008m
Businesses	10	

**Examples of Funding provided by other Districts & D2N2**

**Ashfield & Mansfield**

Grant	up to £1500	to take on apprentices aged 16-24
Grant	up to £5000	for established businesses to produce a viable Growth Plan that will create at least 2 FTE
Grant	up to £1000	for individuals to start a business
Grant	up to £5000	for independent retailers to alter or repair their shop front
Grant	up to £4000	for independent retailers to open a shop in premise vacant for at least 3 months

**Bassetlaw**

Grant	up to £2500	for set up or first 18 months trading
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**D2N2**

Grant	£2k-£16k	for technology: new systems or software to improve performance or productivity: 60% matched
Loan	£250k-£2m	Growing Places Fund: to finance capital building and infrastructure that creates jobs
Loan & Grant	£15k-£1m	Invest to Grow: 30% funding for investment that will create sustainable jobs in growth sectors
Grant	£20k-£250k	N2 Business Growth Programme or key growth sectors (life sciences, clean technology, digital, manufacturing)

**North Notts Leader Funding**

Grant	£5k-£170k	eligible funding for rural areas
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**NBV Grant for Enterprise**

£1k-£2.5k	25% of eligible costs for the growth of businesses
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**Business Growth in Newark & Sherwood District  
Added Value of the Growth Investment Fund**

*improving the quality of businesses in the eyes of the bank  
enables the business to access additional funding*

**NSDC Gap Funding has enabled businesses:**

- **employ more people**
- **to access to additional Bank and Grant funding**
- **to improve the terms and reduce cost of existing borrowing facilities**
- **bring forward investment**

One of the key objectives of the Think BIG Fund is to help businesses become more attractive to banks and other funders so that our help is no longer required. Some examples are:

Case 1: HSBC was a reluctant lender of an overdraft of £20k and a small loan. They have now increased the overdraft to £100k and agreed a loan of £150k for site acquisition. The business has grown substantially over the last 3 years from turnover £1m in 2012 to £2.8m in 2015. **Funding Increased by: £230k**

Case 2: the business has tripled in size from turnover £1m (2012) to £3.5m (2015). Balance sheet growth has enabled Barclays to agree a second Enterprise Finance Guarantee loan of £250k and increased overdraft from £25k to £50k to facilitate investment in new technology and move to larger premises on the Northern Rd Industrial estate, anchoring the business to the District. **Funding Increased by: £275k**

Case 3: a relatively small loan has enabled the business to trade through a difficult period, including write off of bad debts. Concurrent with our support, Yorkshire Bank have increased the overdraft from £12k to £60k which has been significant in allowing the business to refocus on better margin work. **Funding Increased by: £48k**

Case 4: The Think BIG loan for additional working capital brought forward capital investment plans which would have otherwise been deferred. Barclays increased a loan from £30k to £100k and the overdraft from £20k to £30k. **Funding Increased by: £80k**

Case 5: Lloyds Bank have provided a new overdraft facility: **£20k**

Case 6: D2N2 have provided a Research & Development Grant of: **£50k**

Case 7: NSDC funding enabled the business to access a Regional Growth Fund Grant of £90k. Since our loan fund support, the business has been able to switch its Invoice Discounting line of £600k from Bibby to RBS on better terms saving £25k pa. Banking has switched from HSBC to NatWest on better terms and a loan of £500k has also been agreed. **Funding Increased by: £590k/Refinancing on better terms: £600k**

Case 8: NSDC funding enabled the business to expand. A new store manager has been employed and the improvement achieved in the financial performance of the business has enabled the owner to re-finance their borrowing on better terms and repay the NSDC loan early in full. **Refinanced: £60k**

Case 9 Alongside NSDC funding the business has been able to access a D2N2 Grant of: £50k

Case 10: NSDC funding enabled the business to access a Grant from Nottingham University of £5k

**In total, following approval of a Think BIG loan, businesses have received bank funding, grants or refinanced in excess of: £2.008m**

**Business Growth in Newark & Sherwood District  
Review of Funding Focus of the  
Growth Investment Fund**

**Purpose:**

The purpose of this paper is to identify the current gaps in funding for businesses in the District and to review the focus of the Growth Investment Fund. Promoted as the Think BIG Fund, the aim of the Fund is to improve the prosperity of businesses in the District by enabling businesses to create new jobs and to encourage growth.

Research will incorporate data from recent reports on business activity in the area; assessing the types of funding currently available from local, regional and national sources; and interviews with local banks, other providers of funding and accountants.

Analysis will include all stages of business development ranging from start up to well established, across all sectors and will concentrate on seeking to identify types of funding that are more difficult to obtain.

Experience of the Think BIG Loan Fund will be used to help manage elements of risk, return and sustainability to help determine how best to direct available funds and resources.

The objectives of this report are to:

- i) generate alternative ways of using the funds available in the Growth Investment Fund
- ii) assess the likely impact and risk of adopting each option
- iii) recommend the most effective way of refocusing funds to support businesses in the district.

Lessons will be drawn during this report from experience and from research.

**Background**

Many changes have taken place since the Think BIG Loan Fund was designed in 2012 to fill the gap in providing working capital for businesses that could not obtain bank funding. Banks now appear to be more willing to provide finance for businesses that fit their modified and more regulated lending criteria. Various other types of funding are now also available from regional and national sources.

Whilst the Think BIG Fund has provided fewer loans than expected, there has been a material impact with over 100 new jobs created and further new jobs are planned from loans approved. In order to help position alternative options, a brief summary of the Think BIG Fund is given below:

- 15 loans approved, 12 loans drawn (1 loan offer not accepted by the company as it was for part of the amount requested pending the company demonstrating improvement; the other two loans will be drawn in 2016). A further loan agreed in principle has lapsed and continues under discussion to return for approval.



➤ Total Loans Granted:	£1,129,441
Capital Repaid:	£373,192
Capital Outstanding:	£756,249
Interest Paid:	£83,062
Fees Paid:	£27,290

The first potential loss has arisen in January 2016 with an outstanding loan of £34764 (net £23884 after interest and fees received). The value of our security through a Mortgage Debenture and personal guarantees has yet to be determined.

### **Strategic Fit of Growth Investment Fund**

The Funding Escalator in appendix 1 shows where the Think BIG Fund is positioned to assist existing businesses with repayment loans to provide money to fund growth where the business is unable to get bank funding.

In reaction to changes in the funding market the criteria and terms of loans were extended in 2014. However, gaps still exist where local businesses are unable to obtain funding.

### **Performance of the Think BIG Fund:**

The Think BIG Loan fund has performed exceptionally well to date in comparison to National Grant and Loan schemes. The current cost of the Fund per job created is £10,164. This calculation is on actual jobs created to date and not anticipated or expected jobs and does not take into account capital and interest repaid to date. It does not include an estimate of potential positive impact on other businesses in the district as a result of supply chain or increased wealth.

Based on the net cost of the Think BIG Fund after repayments, interest, fees and expenses the cost per job is around £8000 and reducing as loans are repaid.

The Regional Growth Fund (grant funding) National Audit Report for 2012 states that the expected cost per job varies considerably between projects, from under £4,000 per job to over £200,000 per job. If the Regional Growth Fund delivers the expected 41,000 extra jobs, then the average cost per job would be £33,000 which would be broadly similar to the average cost of jobs under past programmes with comparable objectives.

It is notable that 2 businesses in the portfolio that had turnover in excess of £1m at the start of the loan have each created in excess of 30 jobs so far; those with turnover under £1m have created less than 10 jobs each so far.

### ***Lesson 1: funding higher turnover growth business has the potential to create more jobs***

#### **Added Value of the Fund**

One of the key objectives of the Think BIG Fund is to help businesses become more attractive to banks and other funders so that our help is no longer required. Some examples are:

- Case 1: HSBC was a reluctant lender of an overdraft of £20k and a small loan. They have now increased the overdraft to £100k and agreed a loan of £150k for site acquisition. The business has grown substantially over the last 3 years from turnover £1m in 2012 to £2.8m in 2015

- Case 2: the business has tripled in size from turnover £1m (2012) to £3.5m (2015)

Balance sheet growth has enabled Barclays to agree a second Enterprise Finance Guarantee loan of £250k and an overdraft increased from £25k to £50k which will facilitate investment in new technology and the move to larger premises on the Northern Rd Industrial estate, anchoring the business to the District.

- Case 3: a relatively small loan has enabled the business to trade through a difficult period, including write off of bad debts. Concurrent with our support, Yorkshire Bank have increased the overdraft from £12k to £60k which has been significant in allowing the business to refocus on better margin work.
- Case 4: The Think BIG loan for additional working capital brought forward capital investment plans which would have otherwise been deferred.
- Case 5: Since our loan fund support, the business has been able to switch its Invoice Discounting line from Bibby to RBS who now provide 90% of debtors, and banking has switched from HSBC to NatWest on better terms.
- Case 6: the Think BIG loan was part of a package of funding, including equity, to finance strategic acquisitions. Although the business now operates out of multiple locations, including London & the South East, the business has endorsed the Newark hub/HQ in taking more space and extending their lease terms. Since the funding package has been in place, the business has been 'upgraded' in the tier of bank relationship management and previously difficult conventional banking relations have improved.

In total, following approval of a Think BIG loan, businesses have received bank funding or investment in excess of £1.4m.

***Lesson 2: improving the quality of businesses in the eyes of the bank enables the business to access additional funding.***

The Panel will only consider loan applications for businesses in cases where a bank has been unable to lend and always on demonstrated capability to repay. In such circumstances there have been two instances where the Business Analyst has helped the business to put together a business case to borrow the money from the Think BIG Fund and the bank has then agreed to lend.

#### **Features of Think BIG Loans:**

**Introductions:** the flow of applications has been patchy; the better prospects have come from introductions by local banks and accountants and from council connections.

***Lesson 3: maintain regular contact with local finance professionals***

- **Fill lending Gaps:** in some cases the Fund is able to provide the balance required to enable the business to access other grant or loan funding.
- **Ongoing Risk Managed:** Early stage and growing businesses often have gaps in management skills and require closer control and discipline. All businesses in the portfolio are monitored by way of telephone calls or visits by the Business Analyst and a monitoring report is presented to the panel. A traffic light system is used such that those businesses experiencing more difficulty or those that are more complex are visited more often.

- **Flexibility:** during our quarterly discussions a small number of businesses have identified short term cash flow issues and we have been able to assist by being flexible on payment dates and amounts in order to allow the business to continue to operate.

***Lesson 4: businesses sometimes need flexibility in the timing of repayments to avoid running out of cash.***

### **Business Composition in the District**

Looking at the number and range of businesses by sector and size, data from the Office for National Statistics (2009 – 2014) shows:

- i) The number of businesses in the District is around 5000:
  - 67% employ 1-4 people
  - 15 % employ 5-9 people
  - 18% employ 10+ people
- ii) There is a good sector spread, the largest sectors are: Professional/Scientific/Technical; Manufacturing; Construction; Retail; Agriculture/Forestry/Fishing; Health; Food, Accommodation & Leisure
- iii) Around 500 new businesses are established in the District each year and the number is rising. A similar number of businesses cease trading each year; around 300 are businesses that started up in the previous last 5 years.
- iv) Survival rates in years 1 – 5 are: 93%; 75%; 61%; 50% and 42%

***Lesson 5: there is an opportunity to help more businesses survive and grow***

### **Demand for Funding**

The nature of funding required by businesses changes as the business develops; typical stages are shown in the funding escalator in Appendix 1:

Seed for pre start / pre trading  
 Equity capital and working capital for launch and early stage  
 Asset structured lending for development of established / profitable businesses  
 Venture Capital for larger high growth businesses

A report undertaken for East Midlands LEPs in 2013 included a survey of 532 businesses across the region with findings that included:

- i) 25% of businesses said that Access to Finance and Cash Flow issues were a barrier to growth; this figure increased to 64% of businesses that had applied for funding and been declined
- ii) amongst businesses that applied for funding:
  - 60% sought an increase of less than £50k
  - 15% sought £50k - £100k
  - 25% sought over £100k

- 35% were successful
- 20% were partially successful
- 45% were refused

Whilst it has been easier for better quality businesses to access finance over the last 2 years, it continues to be difficult for those businesses that are unable to meet lending criteria.

A report prepared by Nottingham Business School (NTU) in 2013 identified a connection between “low pay -- low skill -- low innovation” as a vicious circle, hence the need to generate and support innovation and skill development to generate high growth potential.

Some 7% of businesses showed signs of high growth and these businesses accounted for 50% of new jobs created between 2002 and 2008.

The report found that such businesses are hard to identify before they attain high growth. They can be found in all sectors, from early stage to established businesses and in urban and rural areas. They all demonstrate the need for:

- access to finance
- skilled people
- infrastructure, including connectivity
- demand for innovative products through supply chain and public sector procurement

### ***Lesson 6: identify businesses with high growth potential as early as possible***

#### **Supply of Funding**

The funding escalator in appendix 1 also gives examples of the types and amounts of funding available at each stage. Several grant and loan funds have come and gone over the last 5 years. Some examples of loan funds currently available:

#### Enterprise Loan East Midlands:

- Loans: £3k - £100k for up to 70% of project; Fees 2% + security costs Term 1-5 years. Unsecured loans of £3k - £20k at 12.5%. Secured loans of £20k - £100k at 6%
- Start up (personal) Loan £500 - £25k (average £5500); Term 1-5 years at 6%; no Fee
- Young Persons Loan Fund - small start-up loans for 18-24 yr olds

Prince's Trust: start up loans up to £7500 at an interest rate of around 6%

Virgin Start-up Personal Loans: average £5000 at 6.19% over 3-5 years.

#### Midlands Community Finance

Loans for start ups & businesses in first 2 years trading: over 1-5 years from £2k - £25k at 6%

Fredericks Foundation: for Start up, CapEx or expansion:

Start ups: Max loan £10k (average £5k) ; Established businesses Max £20k over 3 years.

## ***Lesson 7: there are a several schemes available to fund start ups***

### **Peer to Peer Crowdfunding**

The number of active funds has expanded over the last 3 years, particularly on-line, to such an extent that there are now over 40 alternative crowdfunding platforms offering a wide range of finance including loans, invoice discounting and equity; over 9000 SMEs in the UK were estimated to have received funding of £850m in 2014; average funding £94k (source: Knowledge Peers).

Some examples:

Funding Circle: loans 6months - 5 years; on-line auction; interest rate around 8%, often unsecured. Lend up to £150k with a personal guarantee.

Thin Cats: provide debt funding to good quality businesses, minimum £100k secured by debenture

Funding Knight: lend up to £1m; require min £100k turnover and 2 years trading accounts with minimum net worth £50k

Crowdcube: an on-line auction to raise equity investment in a business

Kickstarter: provides funding for creative projects: artists, musicians, designers

The on-line market is mostly predicated on evidenced track record and a basic credit assessment. It precludes most start-ups, early stage businesses and established businesses that have a poor credit history or record of low profit/loss trading. This is an attractive and accessible market for businesses that fit the model.

From our research, only two examples are known of businesses in the District that have been funded through an on-line auction.

## ***Lesson 8: web based platforms are not natural or comfortable choices for many businesses.***

### **Public Sector Funding Schemes:**

Grant funding is available in Nottinghamshire via the Local Enterprise Partnership (D2N2) and Nottinghamshire County Council, usually contributing 20%-30% of a capital project. The Invest to Grow grant and loan fund for the East Midlands run by the University of Derby will consider applications to fund 30% of project costs for SMEs.

The Leader Grant Fund of £1.5m for rural community projects is now available across North Nottinghamshire.

The D2N2 Going Places Fund will consider loans of between £200k and £2m for building or infrastructure projects.

The D2N2 Growth Hub signposts advice on funding and support for businesses but at present does not provide ongoing one-to-one business support.

There are also many other national funding programmes for specific purposes including: Start-ups; Energy efficiency; Innovation; Research & Development; Export.

Across the country Business Angels have become more active funding early stage business that show potential for high growth, although more so in the south, west midlands and north west. Only a handful of businesses locally are known to have successfully attracted Business Angel or Venture Capital investors in recent years.

There are also a small number of brokers that provide loans and arrange equity where established companies provide a good business plan but are unable to obtain bank funding.

### **Example of another LEP Initiative:**

Sheffield City Region (SCR) LEP have recently reported that Access to Finance was recognised in an Independent Economic Review as a critical driver of business growth and productivity; market failure has resulted in businesses not always being able to access the funds that they require from traditional sources.

In response the SCR LEP has created their Access to Finance Centre of Expertise. The team includes a number of finance industry professionals working with businesses to help them find an appropriate mix of funding for a growth plan. They build close working relationships with funders in the region to be the delivery agent and also provide the last option to help fund capital investment, through an independent panel, once traditional sources have been exhausted.

## **Research: the Current Funding Climate in the District**

### **Reports from meetings with local banks, Accountants and other lenders:**

**Banks:** each bank organises the management of business customers differently, however there are similar messages about smaller businesses:

#### HSBC:

- Start ups & small businesses are covered by the Direct Banking channel out of Birmingham
- Businesses in the band of £500k/£2m turnover are covered by the business manager in Newark
- Describe their lending appetite as 'conservative'
- The Banks policy stand for example in both Retail & Leisure sectors is 'negative' although they have good businesses in each sector where they are supportive.

#### Gaps in the market:

- Small businesses with a slim balance sheet/net worth, and particularly those without tangible security, 'will find it tough'
- Package finance; they would be very interested if the NSDC loan fund were to consider gap funding of up to say 30% of an asset purchase
- Will always try to signpost declines elsewhere.

#### Santander:

- The small business market (defined as 'non-complex', up to £250k turnover and less than £25k of debt) is covered locally on a credit scored basis with packaged products.
- This is a 'non-advice' service for approx 280 small businesses in Newark
- Businesses in Newark between £250k - £2.5m turnover are covered from Lincoln,

- Positive appetite for a good business case where there is some history of success, good planning, and an element of asset cover

#### Gaps in the market:

- Acknowledge a gap for business in the district with a lending need between £25k - £100k, partly due to the structure of support and involvement between Newark and Lincoln.
- Whilst 'supportive' of start ups, they will find it a difficult environment in which to get underway.
- Businesses that fail the credit score or outside of policy cannot be accommodated.

#### Barclays:

- Start ups to £400k turnover are covered by in-branch banking. Largely credit scored.
- £400k - £1m turnover are channelled to Business Direct
- A Business Manager based in Southwell covers the £1m - £5m market across Newark and Lincoln, a job share based in Ollerton covers the rest of North Notts
- Generally more positive, seeing more visibility with other Banks at events and networking.
- Lack of asset cover is still a challenge and generally the policy is not to do unsecured lending beyond £25K
- Active lender in the government backed Enterprise Finance Guarantee Scheme

#### Gaps in the market:

- Lack of tangible security will be an issue.
- Similarly, minimal client stake in a venture will be a hindrance.
- Clients with adverse credit history.
- Forecast led Business Plans with no relative substance to historic performance.

#### NatWest:

- Start ups channelled to Direct Banking.
- Business Banking Manager in Newark covers businesses in the turnover range £500K-£2M - 250 relationships in portfolio.
- Commercial Banking Manager based in Lincoln covers businesses in the turnover range £2M - £25M - 150 relationships in portfolio.
- Business banking said to be 'snowed under' and lent £2.5M into Newark last year and expect to lend £3M this year.
- Seeing more confidence and getting approaches for machinery purchase and premises/development.
- Policy is, however, to ask for security for any lending over £25K and will always ask for a Personal Guarantee for limited company connections.
- Whilst lending parameters are not as loose as they used to be they will look at projection based lending.
- Customers are now more 'clued up' and have an awareness of the Peer2Peer and Broker market.

#### Gaps in the market:

- There is a gap for unsecured lending and particularly where there is no or minimal contribution.
- Whilst they are happy to look at package funding, debt servicing criteria will apply. Other short term repayment commitments may put pressure on servicing costs. Term lending of 5 years would be helpful
- Gap funding may be asset related rather than working capital

- Commercial banking see an opportunity with technology/media/comms businesses where asset cover is usually thin - they are aware of the Silicon Forest initiative.

Feedback from Accountants:

#### Duncan & Toplis

- Whilst the Banks are said to be 'not quite as cold', words and actions do not match and there is little coming through.
- Banks are 'much of a muchness' and there has been next to no movement over recent years.
- Much of the market for D&T is agricultural related, largely family businesses. The agriculture sector has its issues and a number of these businesses are looking to build, largely on a self-help basis, either with family money or scheduling projects over an extended period.

#### Stephenson Nuttall

- Had recent poor experience with the Banks; eg. recently seen a new start-up requiring funding of £20/30K; the four principals are highly qualified but the Banks are ultra cautious and gave 'very poor quality service'. In outcome the proprietors had to put in more of their own money and are now talking with another bank with the possibility of re-banking once the business is established.

Gaps in the market:

- Gap Funding where businesses fall short of bank criteria.
- Smaller SME's, lacking track record.

Feedback from Finance Brokers:

A local broker, Sterling Capital Reserve Ltd, the regional sponsor of Thin Cats, reports:

- The market is predicated on a track record, therefore precludes start ups or very early stage businesses and those established businesses with a poor credit history.
- The best introductions come from local professionals, the internet and from banks when they are unable to lend.
- Banks are keen to compete in healthy sectors with good profit records and to lend to businesses that can offer security with good margins
- Generally banks are risk-averse
- There are many inexperienced business bank managers who are given no slack by their credit controllers.

Gaps in the market:

- The Banks are struggling to make money in the start up / small early stage businesses.
- Those businesses without a Relationship Manager are disadvantaged. There is no slick customer facing service.
- It follows that a business community is disadvantaged if there is no dedicated Relationship Manager with responsibility to become immersed in the district.
- Highly geared businesses or with a poor balance sheet

Assetz SME Capital is a national peer to peer lending platform that provides SME loans of £100k - £2m at up to 75% loan to value of assets as security at an interest rate of 9% - 12% with a fee of 2.5%. In their view it is not commercially viable to lend below £100k. They see banks as being very selective and chasing quality; often local managers do not have the ability to structure deals, resulting in declines. Small business managers are often stretched and do not have time to provide plans and forecasts without help.



Another broker in the region, 2XL, sees the banks as very selective within rigid policy, adopting a “tick box” approach to smaller businesses. They do not get involved with start-ups; they do not consider requests below £100k but are keen to work with others as part of a funding package for a business. They see gaps in the market being:

- The lower end of the market is very difficult. Start-ups in particular have trouble getting underway. Banks have very little appetite for anything which has been trading less than 3 years.
- Those businesses which cannot fund a deposit for asset purchases have an issue funding investment, many businesses struggle to find the 20%/30% required deposit.

The Bank of England Q3 2015 report:

- i) That demand for lending across all businesses had increased during the quarter.
- ii) Peer-to-peer lending and crowdfunding were providing some SMEs with funding where banks are less keen to lend, and in some cases, where speed of decision-making on financing is particularly important.

The latest data from The Federation of Small Businesses Voice of Small Business Index pointed to a continued increase in the availability of credit for small businesses together with some improvement in credit affordability among small businesses.

Observation from the Business Analyst:

Relationship Management as a business model is being repositioned. It is an expensive model for the Banks to maintain, particularly when there has been some damage to trust. Clients are not taking as many services and will consider other avenues. New banking models will require any account carrying less than £5k income to be channelled down the Direct Banking route.

Example of feedback from the Finance Director of a local business:

He would not willingly go to the banks for property related finance because of a breakdown in trust e.g. when banks withdrew ‘on demand’ funding lines, or required more security & negotiation of higher rates.

#### **Key points of feedback from Banks:**

Banks continue to be reluctant to lend to businesses that do not have a good track record, decisions are based in risk and regulated terms:

- i) asset backing with a good margin
- ii) profitability in the last 2/3 years trading
- iii) capability to repay
- iv) reduce exposure to the property sector

Government owned banks have been instructed to signpost businesses that they have declined to support to alternative funders. So far there is little evidence of how it is working.

**Lesson 9: banks are still risk averse; require recent profitability and good security cover**

**Lesson 10: banks are actively looking for good quality businesses but the tightening of banks lending criteria means that many gaps are widely acknowledged**

**Lesson 11: it is difficult for businesses to raise up to £100k**

**Lesson 12: the Growth Investment Fund is effective as part of a package of funding, enabling others to lend**

**Summary of Business Need and Sources of Funding:**

Stage of Business	Funding Needed for:	Funding	Risk
Pre Trading	Research, Development Business Planning	<ul style="list-style-type: none"> <li>• Own/family funds</li> <li>• Grant : Seed funding</li> </ul>	High
Start up / Launch	Capital Expenditure Working capital	<ul style="list-style-type: none"> <li>• Cap Ex 30% Grant Start up Loan Enterprise Loan Princes Trust.</li> </ul>	High
Early trading	More Working capital	<ul style="list-style-type: none"> <li>• Enterprise Loans Midlands Community Finance</li> </ul>	High
Becoming established break-even / growth	Employ more people More working capital	<ul style="list-style-type: none"> <li>• Business Angels</li> <li>• Crowdfunding</li> </ul>	Med/High
Growing /Developing	Longer Term Investment. Employ more people More working capital	<ul style="list-style-type: none"> <li>• Business Angels</li> <li>• Crowdfunding</li> <li>• Banks if profitable and asset backed</li> </ul>	Med
Established, profitable with growth potential	Growth planning	<ul style="list-style-type: none"> <li>• Business Angels</li> <li>• Crowdfunding</li> <li>• Banks if profitable and asset backed</li> </ul>	Lower

Note regarding support for businesses:

- i) Business Growth Service / Growth Accelerator has now ended.
- ii) Locally business support is provided by D2N2 Growth Hub web site signposting

**Summary of Lessons to help focus options:**

- 1 funding higher turnover growth business has the potential to create more jobs**
- 2 improving the quality of businesses in the eyes of the bank enable a business to access additional funding**
- 3 maintain regular contact with local finance professionals**
- 4 businesses sometimes need flexibility in the timing of repayments to avoid running out of cash**
- 5 there is an opportunity to help more businesses survive and grow**
- 6 identify businesses with high growth potential as early as possible**
- 7 there are a several schemes available to fund start ups**
- 8 web based platforms are not natural or comfortable choices for many businesses**
- 9 banks are still risk averse; require recent profitability and good security cover**
- 10 banks are actively looking for good quality businesses but the tightening of banks lending criteria means that many gaps are widely acknowledged**
- 11 it is difficult for businesses to raise up to £100k**

**12 the Growth Investment Fund is effective as part of a package of funding, enabling others to lend**

**Refocus NSDC aim:**

- to help neglected businesses that can demonstrate sustainable growth potential.

**Generating Options:**

<b>Objectives:</b> (rating out of 10 x the weighting for the objective)	<b>To improve sustainable prosperity of businesses in the District</b>	<b>To support job creation in the district</b>	<b>To encourage existing businesses to grow</b>	<b>Total</b>	<b>Risk of Loss</b>
<i>weightings</i>	X5	X3	X2		
Close the Think BIG Fund to new applications and monitor existing loans	0	0	0	<b>0</b>	
Reduce loan fund qualifying criteria to 1 year trading accounts and turnover £50,000 (from 2 yrs & £150k)	7	4	4	<b>55</b>	<b>Higher</b>
Provide loans in stages against milestones progressing from start up for good growth prospects	7	3	0	<b>44</b>	<b>High</b>
Provide innovation grants of up to £5000 to start ups	3	2	0	<b>21</b>	<b>Full loss</b>
Target funding for existing local supply chain businesses	4	5	6	<b>47</b>	<b>Med</b>
Continue present Think BIG lending	5	6	5	<b>53</b>	<b>Med</b>
Gap funding: Provide balance of contribution to secure other funding	5	5	6	<b>52</b>	<b>Med/High</b>
Focus on loans below £100k with shortfall in security/lack of profitability	5	4	6	<b>49</b>	<b>High</b>

**Features of Businesses that might benefit from NSDC funding:**

**Pre Start/Start up:**

- Usually 1/2 people, with low employment potential initially
- Best potential are businesses with a competitive product or process
- Need help with a business plan, route to market, financial planning, forecasting & control
- Need early sales with good margin to prove the market and justify potential
- New businesses should break even within 18 months
- Need working capital as the business grows
- Unable to provide loan repayments until cash flow positive
- Unable to provide asset backing security, higher risk of failure and loss of money lent

### **Early Stage Businesses**

- Business has gained some momentum
- Customer base developing
- Need to keep developing the business case to access increased funding required
- Employ more people
- Difficulties and hurdles to be overcome as the business develops
- Gaps in funding due to cash flow timing and lack of security

### **Established Businesses**

- Growth needs to be managed
- Banks and other funders will lend to profitable businesses up to the value of security, sometimes gaps hold back investment

### **Matching Business with Funders:**

#### **Needs of Businesses**

- Cash flow headroom
- Help with preparation of business plans and presentation of information to funders
- Funding easily accessible
- Flexibility to draw funding when required
- Help to improve financial management and take opportunities to improve profit margins
- Flexible repayments to help manage cash flow

#### **Basic requirements of all funders:**

- Well prepared Business Plan with good profit margins
- Good market growth potential
- Good management team
- Track record of good profits over last 2/3 years
- Demonstrate capability to repay
- Security with good margin in value
- Gain confidence from support by other funders

### **Refocusing the Growth Investment Funding Model**

There are many funds available to provide start up and early stage support, including central government or specialist sector schemes and those linked to charities. However many businesses fall short of satisfying the criteria and requirements for these loans and face a gap in funding.

The gaps in provision of funding range widely and can differ from business to business depending upon their individual circumstances. The model proposed builds on the fund experience so far and uses existing processes. It incorporates a combination of options with flexibility and control of risk.

It would remain a requirement that in order to be considered for a Growth Investment Fund loan, a business either does not meet the criteria of other funders or has been declined. The fund should not duplicate or compete with other available sources of funding.

There is an opportunity to structure the Growth Investment Fund in two levels:

- 1) Pathfinder Investment: £5000 to £25000 for early stage businesses
- 2) Think BIG Loan: £25000 - £250000 for trading businesses

There may be some overlap as businesses build their trading activity.

Outline Assessment Criteria are shown in appendices 3 & 4.

### **Pathfinder: an early stage extension to the Growth Investment Fund**

An element of the Growth Investment Fund could follow Pathfinder funding models that have been used to generate and validate university spin outs in the region for many years. Small amounts of funding are made available, from £5000 at the first stage progressing to £25,000 for a business nearing revenue generation. These incremental (soft) loans are designed to support specific steps or projects, one stage at a time, to help a business start-up and in early trading. Common purposes include: product and market research, operational development of competitive capability of the business.

Experience of this type of funding suggests that 50% of projects fail to progress to the next stage; so control is important; individual amounts advanced need to be small and only increased if progress is achieved by the business at each stage. Losses are viewed as the cost of encouraging sufficient activity for a number to become successful. **At all stages the ongoing risk of failure of each business is very high.**

The principle being that successful completion of each stage of development may justify further funding and support. Those that develop a trading business begin loan repayments once their cash flow permits.

This model would involve considerably higher risk than the Think BIG fund. Typically these businesses do not have assets to offer as security and do not generate sufficient revenue during this period of their development to meet repayments, or indeed pay interest. Security would be taken where available but matrimonial homes would not be charged.

**Qualifying Businesses:** consider any stage of business creation and development where the business can demonstrate growth potential.

### **Interest and Fees on Pathfinder Loans**

In order to satisfy State Aid issues it may be necessary to charge a commercial interest rate at the upper end of the Think BIG range (4.5% - 8% over base rate) to reflect the risk and also to charge a fee.

The fee could be included in the loan and interest rolled up with capital repayments deferred until sufficient revenue is achieved to enable repayments to be made. In outcome, interest and fees are only likely to be paid by the businesses that achieve profitable trading.

Whilst the Think BIG fund lends only to recognised businesses, usually limited companies, it is likely that loans would be sought by individuals. **The legal implications for the council of lending to individuals pre-trading need to be considered.**

**Purpose of Loans:** any purpose (within the usual legal, moral and ethical grounds) would be considered that helps the development of the business.

**Term of Loans:** linked to repayment capability, maximum 5 years

**Management:**

Pathfinder Investments to be managed by the Economic Growth team through the Investment Panel.

**Process**

- 1) Using existing channels of enquiry into the Economic Growth team who would receive an Expression of Interest and check the qualifying criteria.
- 2) Business Analyst prepares the Loan application
- 3) Investment Panel considers and recommends the loan terms to the Chief Executive
- 4) Economic Growth team complete the loan formalities
- 5) Business Analyst monitors as appropriate and reports to the Investment Panel

**Daily enquiries to be filtered to identify those with best prospects:**

- entrepreneur has track record in sector, has contacts, knows route to market
- experienced management
- early sales have proven customer interest
- larger company supporting supply chain business
- significant owner funding or other investment available
- intellectual property protected

**Assumptions for costing purposes:**

- i) Loans of £5000 - £25,000 based on the stage of development of the business and purpose of the loan; above £25,000 a Think BIG loan or other sources of funding should be sought.
- ii) Recognising the need for several stages of support for businesses that demonstrate successful progress, average loan to the businesses: say £10,000. Working assumption:

If 1 loan is approved each month, over 12 months = £120k with losses of £60k pa

- iii) The Business Analyst would require time to prepare loan applications, which can be added to the agenda at the regular meetings of the Investment Panel.
- iv) The Economic Growth team to deal with promotion, enquiries and loan procedures. There would also be a need for documentation to be prepared by the Legal department for Loan Agreements and security.

**Milestone Approach to Mitigate Risk**

Loans may be made available in tranches linked to milestones in the business plan; this helps exercise more control over spending by the business and achievement of the plan.

However, there is a danger that by not funding the full amount required to deliver a business plan at the outset, the milestone approach (whilst giving protection for the funder) could strap the business too tightly and in itself cause the business to be under-funded. Each business needs to be considered on a case by case basis; there may be some businesses that merit an exception.

Close monitoring and understanding of the business is essential to avoid unnecessarily early withdrawal of funding when problems arise.

### **Balance of the Portfolio**

In order to manage exposure, initially Pathfinder Investments should be limited to 25% of the funds available in the Growth Investment Fund.

### **Performance Indicators:**

- i) Jobs created
- ii) Number of businesses receiving support
- iii) Funding obtained by businesses, including funding accessed from other sources as a result of Growth Investment Fund involvement

**Role of the Investment Panel:** See appendix 2 for the Terms of Reference of the panel.

### **Marketing the Fund :**

- i) Promoting the unique combination of features of the Fund:
  - can help fill gaps, working with other lenders as part of a package
  - flexibility around repayment terms
  - help improve quality of proposition to encourage others to lend
  - local understanding
  - supportive monitoring
- ii) Identifying the best businesses is an important first stage
- iii) Regular contact with local banks and other lenders
- iv) Detailed presentations of the fund based on case study examples
- v) Work with contacts at local companies to support their local suppliers
- vi) Include the Fund in Inward Investment and Silicon Forest local activity

### **Recommendations**

- 1) There is still a need for the Think BIG Fund to provide working capital for businesses that demonstrate growth potential and job creation and are unable to obtain bank or other funding.
- 2) Continue to fund businesses that have a turnover in excess of £1m where there is an opportunity to create higher number of jobs.
- 3) The Growth Investment Fund could have a greater impact on the District by providing a wider range of funding options with flexible terms.
- 4) The focus should be on providing gap funding, especially up to £100k, where other funders will not lend. The Fund can thereby make a difference in enabling investment and growth to happen.
- 5) The Fund should be extended to earlier stage businesses that have been declined by other lenders and demonstrate good growth prospects, by providing a progressive model of increasing loans against achievement of milestones to evidence progress. Such loans will increase the risk of loss to the council; this would be the cost of encouraging a positive impact on the wider local economy.

- 6) Continue all funding by way of loan with repayments structured to capability to repay. This will entail interest roll up and capital repayment deferred for early stage, higher risk businesses.
- 7) Continue to take security as appropriate; matrimonial homes not to be taken as security cover directly or behind personal guarantees.
- 8) Continue to help improve the quality of business planning and presentation and work with other lenders to help return businesses to conventional funding sources.
- 9) The Investment Panel should maintain a balance of risk and exposure across the portfolio.
- 10) Operation of the Fund needs to be sustainable, fitting with and enabling businesses to take advantage of other local and regional initiatives.
- 11) The Business Analyst should maintain regular contact with banks, other lenders and accountants to grow the credibility of the Fund as an effective way of supporting businesses that have difficulty accessing funding.
- 12) Care should be taken in respect of applications for funding from “Lifestyle” businesses that involve one or two people and have no ambition to grow and are unlikely to employ others or generate other local activity. These businesses should be signposted to the various start-up support programmes.
- 13) The practical process of handling an increase in enquiries will need to be balanced with resources available in order to maintain response and delivery expectations.
- 14) Continue to make available a small grant element of the Fund (currently £30k pa, rarely used so far) to help businesses fund one to one funding readiness support.

**Summary of Key Factors for the Council:**

- Builds on experience and current market research
- Extends existing criteria
- Gap funding focus
- Available to businesses at any stage
- An evolutionary step
- By adopting a higher risk approach to funding, shorter term losses may be seen before successful businesses realise their longer term potential

**Recommended Next Steps for Implementation:**

The recommended extension of the Growth Investment Fund builds on existing processes and systems. Promotion can begin as soon as resources are available and the Investment Panel can adopt the new lending criteria when approved.

Steve Blount

9 February 2016



### **Newark & Sherwood District Council: Growth Investment Fund Investment Panel: Revised Terms of Reference**

#### **Summary**

The Investment Panel to consist of an independent chairman and two professionals. The Panel will have responsibility for the management and performance of the Growth Investment Fund and will be accountable to members of Newark & Sherwood District Council. The Panel will receive reports and recommendations from the Business Analyst, with operational support provided by the Council's Economic Growth Team.

#### **Terms of Reference**

- To oversee the implementation of systems, procedures, criteria, loan agreements and security terms to operate the Think BIG Fund and Pathfinder Investments in accordance with policy and direction given by the Economic Development Policy Group of the Newark and Sherwood District Council with support from the Finance and Legal departments of the Council.
- To review applications received from businesses and assessed by the Business Analyst, seeking further information including due diligence reports where required, making lending recommendations on individual business merit to the Chief Executive Officer.
- The Panel to meet in a timely manner together where possible but also by conference call to avoid undue delay in responding to businesses.
- To review opportunities for leverage and alternative sources of funding available to growth businesses to avoid duplication or competition with other funders.
- To be aware of the local and national growth business support programmes available.
- To review applications received where equity funding is more appropriate, particularly from innovative and early stage businesses, where Investment Readiness coaching support is required and make grant recommendations to the Chief Executive Officer.
- To provide ongoing review of the management, criteria and performance of the Fund.
- To receive loan monitoring reports from the Business Analyst and consider recommendations for action to be taken; including amendments to the terms of individual loans or the need to instigate recovery action.
- Review the performance of the portfolio and submit reports with any recommended changes in criteria and eligibility or management of the Fund to the Policy Group.
- To be ambassadors of the Growth Investment Fund and to assist the Council in dialogue with the local business community and other Councils.

February 2016

**Newark & Sherwood District Council  
Growth Investment Fund  
Think BIG: Business Investment for Growth**

**Investment Panel: Revised Assessment Criteria**

**Purpose:**

- The fund will encourage business growth in Newark & Sherwood District
- It is aimed at small and medium-sized enterprises with clear ambition and potential to grow
- As a guideline, loans are expected to range from £25,000 and £250,000
- Loans may be for capital expenditure or for working capital

**Who can apply:**

- Business located in Newark and Sherwood District
- As a guideline, existing businesses with turnover between £50,000 and £25m
- Available to all businesses within the usual legal, moral and ethical grounds.

**Businesses will need to provide:**

- Business Case for funding
- The most recent years financials: Balance Sheet, Profit & Loss Accounts
- Up-to-date Management Accounts
- 2-3 years financial projections:
  - Cash Flow Forecast
  - Profit & Loss Account
  - Balance Sheet
- Independent due diligence may be required for loans over £100k

**Terms of Loan:**

- Term: 6 months to 5 years from drawdown with monthly repayments
- Interest rate: between 4.5% and 8% above bank base rate depending on security & risk profile
- Security: business assets and personal guarantee may be required
- An Initial arrangement fee of up to 2% of the loan (may be added to the loan) and a monitoring fee of £250 per quarter will be charged. Any associated legal or other costs are to be borne by the applicant (may also be added to the loan)

February 2016

**Newark & Sherwood District Council  
Growth Investment Fund  
Pathfinder Investment**

**Investment Panel: Assessment Criteria**

**Purpose:**

- The fund will encourage business growth in Newark & Sherwood District
- It is aimed at early stage businesses, including pre-trading
- As a guideline, loans are expected to range from £5,000 and £25,000
- Loans may be for development, capital expenditure or for working capital

**Who can apply:**

- Any business located in Newark and Sherwood District that demonstrates good prospects for growth
- Available to all businesses within the usual legal, moral and ethical grounds.

**Businesses will need to provide:**

- Business Case for funding
- Where trading:
  - the most recent years financials: Balance Sheet, Profit & Loss Accounts
  - up-to-date Management Accounts
- 2-3 years financial projections:
  - Cash Flow Forecast
  - Profit & Loss Account
  - Balance Sheet

**Terms of Loan:**

- Term: 6 months to 5 years
- Interest and fees may be rolled up and capital repayments deferred initially
- Interest rate: between 6% and 8% above bank base rate depending on security and risk profile
- Security: business assets and personal guarantee may be required
- An Initial arrangement fee of up to 2% of the loan (may be added to the loan) and a monitoring fee of £250 per quarter will be charged. Any associated legal or other costs are to be borne by the applicant (may also be added to the loan)

February 2016

**REVISED REPORT**

**TOUR OF BRITAIN – ADDITIONAL BUDGET REQUEST**

**1.0 Purpose of Report**

- 1.1 To secure Member approval for additional budget provision to cover the costs incurred by the Council hosting the Stage 4 Finish of the 2017 event and to secure in principle agreement that the Council will be supportive of the Tour of Britain 2018 which will once again take place in Nottinghamshire.

**2.0 Background Information**

- 2.1 Members will be aware that the Council, as part of the Nottinghamshire Tour of Britain project team, hosted the Stage 4 Finish of the event on Wednesday, 6 September following approval by the Committee at its meeting of 21 June 2017.
- 2.2 The approval was granted under Paragraph 7.2.1 of the Council's Constitution and an initial budget provision of £40,000 was made available to cover the costs associated with the event predicated on the information available at the time of the request.
- 2.3 During the planning of the event it became apparent that the costs associated with hosting the stage finish would be greater than originally anticipated to the sum of £9,970 due to unforeseen works associated with ensuring the event met all necessary health, safety and security requirements for all involved.
- 2.4 The increased costs were primarily associated with necessary highways works and the extensive Temporary Traffic Regulation Orders required hosting such a prestigious professional cycle race on open roads.
- 2.5 At the 2017 event debrief it was announced that there will be a Tour Stage in Nottinghamshire in 2018 and the District Council will once again be asked to support the event and be part of the Countywide Project team although details of the role that the District will play are as at undetermined.

**3.0 Proposals**

- 3.1 That Economic Development Committee recommend that Policy & Finance Committee approve the additional budget required of £9,970 to cover the costs associated with hosting the Stage 4 Finish of the Tour of Britain 2017.
- 3.2 That Economic Development Committee recommend to Policy and Finance Committee that the Council gives 'in principle' support to the County Project team to deliver the 2018 stage of the Tour in Nottinghamshire.
- 3.3 That further reports are presented to Members when details of the 2018 Tour of Britain are known including start, finish, route details and financial implications are known.

#### **4.0 Equalities Implications**

4.1 There are no equalities issues associated with this report.

#### **5.0 Impact on Budget/Policy Framework**

5.1 The actual expenditure, as stated in the report, has exceeded the budget by £9,970. Members of the Policy & Finance Committee need to approve the additional spend in accordance with the Council's Financial Procedure Rules.

#### **6.0 Comments of Chief Executive**

6.1 The Nottinghamshire stage of the Tour of Britain was a hugely successful event for the District to be involved with and brought significant numbers of visitors to the District. The live media coverage and highlights showcased the District and its residents in its best possible light to an international audience and generated uplift in local spend.

#### **7.0 RECOMMENDATION**

**That Committee note and recommend to the Policy & Finance Committee that the additional budget required of £9,970 to cover the costs associated with hosting the Stage 4 Finish of the Tour of Britain 2017 be approved.**

#### **Reason for Recommendation**

**To ensure suitable budget provision to cover all costs associated with staging the event.**

#### **Background Papers**

Combined Tour of Britain 2017 Review Meeting

For further information please contact Andy Hardy on Ext 5708

Andy Statham  
Director - Communities

**NEWARK CASTLE RAILINGS – ADVERTISING**

**1.0 Purpose of Report**

- 1.1 To seek Committee approval for a new policy regulating the siting of advertisements on the railings surrounding Newark Castle & Gardens

**2.0 Background Information**

- 2.1 Since the major refurbishment of the Newark Castle Gardens was completed in 2000 the railings installed as part of the project have been used to advertise local events through the attachment of banners and signs to the railings.

- 2.2 Whilst there has never been a policy covering the use of the Castle railings for advertising purposes the Parks & Amenities Business Unit has implemented a process whereby the following has applied:

- Only banners/signs advertising charitable or community events in Newark & Sherwood district are allowed;
- Permission to erect banners should be sought from Parks & Amenities;
- Banners should not be in place for longer than 6 weeks and should be removed promptly following the completion of the event;
- Banners should only be affixed to the section of railings running along Castle Gate – no banners are allowed on the Beastmarket Hill railings;
- No more than 4 banners are allowed at any one time; and
- Unauthorised banners will be removed.

- 2.3 In recent months there has been an increase in the number of banners being attached to the railings without prior authorisation. In addition the railings have recently been painted at some considerable expense and unauthorised banners may be attached in a way which damages the paintwork of the railings. This has prompted a rethink on the policy around advertising on the Castle railings.

**3.0 Proposals**

- 3.1 It is proposed that the following new policy be agreed covering the attachment of banners and other forms of advertising to the Castle railings:

1. Only banners promoting events held in Newark Castle and Gardens will be allowed to be attached to the railings.
2. Applications to place banners on the railings must be received by the Parks & Amenities Business Unit no less than 2 months prior to the event taking place. Applications will be assessed and agreed by the Unit and the Chairman of the Economic Development Committee will be promptly notified.
3. A maximum of 3 banners will be allowed at any one time.
4. The maximum size for banners will be 3.3m long by 1.2m deep.

5. Banners will only be allowed on the section of railings fronting onto Castle Gate.
6. Banners will be attached to the railings in a way that does not damage the paintwork of the railings. No metal fixings will be used.
7. Only lightweight banners which are easily attached and removed will be allowed.
8. Priority will be given to banners promoting publically funded events.
9. Banners will be in place for no more than 4 weeks preceding the event in question and will be removed within 4 days of the event taking place.
10. Any unauthorised banners attached to the railings will be immediately removed and disposed of.

3.2 The new policy has been formulated in order to:

- Ensure that any advertising on the railings is applicable to Newark Castle and Gardens alone, thus avoiding any confusion concerning the nature of events taking place elsewhere.
- Ensure that the railings are not damaged by inappropriate fixings.
- Regulate the number of banners that are present at any one time.
- Ensure that the visual appearance of the railings is not detrimentally affected.
- Ensure that Historic England (who have an interest in the site due to its designation as a Scheduled Ancient Monument) are satisfied that the District Council is taking appropriate measures to limit the number and size of advertising banners that are being attached to the railings.
- Ensure that, insofar as is possible, planning regulations are being complied with.
- Compliment the Newark Signage Strategy.

#### **4.0 Equalities Implications**

4.1 None

#### **5.0 Impact on Budget/Policy Framework**

5.1 None

#### **6.0 Comments of Director**

6.1 The practice of affixing advertising posters and banners to the Castle railings has been an ongoing issue for some time. The Council has applied an informal permitting policy to varying degrees of success to date but there is a need for a clear and unambiguous policy for the future use of the Castle Railings that Officers can apply consistently. Any planning implications would need to be considered as part of the adoption of a formal policy.

#### **7.0 RECOMMENDATION**

**That Committee approve the new policy in relation to the use of the railings surrounding Newark Castle for advertising purpose.**

#### **Reason for Recommendation**

**To ensure that the use of the railings for advertising purposes is properly regulated.**

Background Papers

Nil

For further information please contact Phil Beard on Ext5714

Andy Statham  
Director - Communities



**OLLERTON & BOUGHTON NEIGHBOURHOOD STUDY**

**1.0 Purpose of Report**

- 1.1 To provide the Committee with an update on the work being undertaken to complete the Ollerton & Boughton Neighbourhood Study.

**2.0 Background Information**

**About Neighbourhood Studies**

- 2.1 The role of a Neighbourhood Study is to provide a comprehensive assessment of an area focusing on the localities socio-economic characteristics (*people*), the built environment (*place*) and the opportunities and challenges these bring, with community involvement at the heart of this work.
- 2.2 The intention is to create a locally driven document that provides all local stakeholders (including the District Council) with a strategic and long-term plan to guide future decision making and investment requirements for a defined area. By engaging with local residents, a Neighbourhood Study presents opportunities, not only to gain a qualitative insight into local issues, but to also capture the voices of residents by including them at the start of the planning and development process.
- 2.3 When looking at the findings and options of a Neighbourhood Study in relation to local priorities, consideration of these will be set against the wider strategic priorities and objectives of the Council and have regard to the total resources available.

**Delivery Model**

- 2.4 A Neighbourhood Study is delivered through the following 3 key steps:

**Step 1: Baseline Report**

*This activity is undertaken by the Council and sets out an initial appraisal of the existing data for the neighbourhood, including the historical context. It also reflects the first stage of community consultation and local stakeholder engagement in order to identify emerging 'People' (socio-economic) and 'Place' (built environment) opportunities and challenges for locality. The information collected then informs the consultant's brief, covering the engagement programme and master planning exercise.*

**Step 2: Interim Report**

*This is consultant led, providing a comprehensive account of data from the resident and stakeholder engagement programme and identifies the emerging priorities. It provides a framework of initial 'People' and 'Place' options for consideration and invites all stakeholders to feedback on these.*

### **Step 3: Final Report**

*This consists of collaborative work between the Council and Consultant, summarising all the activities undertaken through the themes of 'People' and 'Place', identifying the priorities and vision for the locality and provides a delivery plan setting out a detailed appraisal of the prioritised options, including who will action these, the resources required and a time frame to work within.*

#### **Governance**

- 2.5 Governance is a crucial element of a Neighbourhood Study, in addition to Member scrutiny through the Committee process. In this respect each Study area forms a 'Neighbourhood Partnership' involving local stakeholders (statutory and voluntary) and residents who act as an advisory group and sounding board throughout the duration of the project, agreeing at its inception a terms of reference.
- 2.6 An internal Business Units Project Group is also established to ensure there is the appropriate understanding and information sharing across the Council during the Study.
- 2.7 The overarching project plan is managed and led by the Strategic Housing Business Unit, reporting to the Director – Safety.

#### **Responsibility**

- 2.8 At the commencement of the Study it is clarified to all stakeholders that although the District Council is leading the process it is very much seen as a 'community' document and there is a responsibility for all stakeholders (including the residents themselves) to recognise their role in considering how they might assist in meeting the required options, so to deliver better outcomes for local residents and the area. The Study is also there to be used to shape each stakeholder's strategic decision making, priorities and investment for the locality.
- 2.9 A Neighbourhood Study enables the District Council to meet a number of its proposed strategic priorities and objectives.

### **3.0 Ollerton & Boughton Neighbourhood Study**

#### **Scope of the Study**

- 3.1 The Ollerton & Boughton Neighbourhood Study is examining two geographies:
  - a) **Outer Study Area - Ollerton & Boughton:**  
*This is the whole town and will consider wider strategic and physical issues through a desktop study, consolidating the existing Council and stakeholder knowledge base. According to the 2011 National Census the population of this area is 9840.*
  - b) **Inner Study Area - Ollerton & Boughton – identified at Appendix A:**  
*This is the area around the Stepnall Heights and Hallam Road estates, including the allocated site OB/MU/2 (HRA land). The study will focus on 'People' (socio-economic) and 'Place' (built environment/master-planning) opportunities and challenges, with a significant element of community engagement. The estimated size of this population is 1,427 and is predominantly Council housing (Housing Revenue Account - HRA).*

## ***Consultant Appointment***

- 3.2 Set against the scope of the Study and information previously presented to the Committee at its meeting on 15 June 2016, a procurement exercise was undertaken earlier in the year to appoint suitably qualified consultants to undertake the following work packages:
- **Work Package 1 (WP1)** covers the ***People (socio-economic)*** element of the Ollerton and Boughton Neighbourhood Study, which is primarily an engagement exercise with residents and stakeholders, with a focus on the Hallam Road and Stepnall Heights estates to identify needs, challenges and priorities. The outcome of the People report will play a key role in determining the approach for Place, informing the final Neighbourhood Study report.
  - **Work Package 2 (WP2)** covers the ***Place (built environment)*** element of the Study, which will set out a master-plan for the allocated site OB/MU/2 (<http://www.newark-sherwooddc.gov.uk/adm/>) responding to the needs of local residents. The master-plan should present a clear vision for the future physical development of the site, be deliverable and fully integrated into the planning system. The master-plan should also identify small scale actions that could be quickly undertaken to improve the whole neighbourhood.
- 3.3 Importantly the two work packages are very much interlinked, though require a distinct skill set and capacity. An essential element across the two work packages is to ensure the appointed consultants form a constructive working relationship, providing the necessary interactions between the People and Place elements so to robustly inform the drawing up and key outcomes of the final Neighbourhood Study report.
- 3.4 For WP1 the consultant Planning for Real (<http://www.planningforreal.org.uk/>) was appointed to undertake the engagement work stream and carried out this during July and August 2017. The key findings and analysis of Planning for Real's work is summarised at **Appendix B** for the Committee's consideration and comment.
- 3.5 For WP2 the consultant URBED (<http://urbed.coop/>) has been appointed, through considering the findings of both WP1, working with Planning for Real and holding a series of interactive stakeholder/resident workshops they have now drawn up proposed options for the development of the allocated site. These can be found in the following Appendices for the Committee's consideration and comment:
- **Appendix C** - Brief for the development proposals under the heading of 'hopes' and 'fears' formulated through the 1<sup>st</sup> & 2<sup>nd</sup> workshop event. This enabled URBED to propose 3 emerging options.  
***Emerging Options;***
  - **Appendix D** – Option 1
  - **Appendix E** – Option 2
  - **Appendix F** – Option 3
  - **Appendix G** – Review of the 3 options at the 3<sup>rd</sup> workshop event, reviewing residents/stakeholders 'hopes' and 'fears' for each option.
  - **Appendix H** – Emerging preferred option

### **Next Steps**

- 3.6 In terms of next steps for the Study URBED are now commencing viability appraisals on the options being presented to measure their deliverability set against a local market appraisal, land value, construction and infrastructure costs, planning contributions and wider financial modelling, e.g. delivery options and value creation.
- 3.7 Once this activity has been completed, a final stakeholder event will be undertaken and URBED are then responsible for completing the final Neighbourhood Study report, which will amalgamate elements of the Baseline Report (produced by the Council), People report (WP1) and Place report (WP2).
- 3.8 The final draft Ollerton & Boughton Neighbourhood Study report will be presented to the Committee for endorsement and in accordance with the Project Plan this is scheduled to be completed by March 2018.
- 3.9 The Committee should note that the current work being undertaken to appraise the proposal for a joint public service hub between health, the District and Town Council and other potential partners in Ollerton and consideration of the local leisure offer, further to closure of the swimming pool at the Dukeries leisure centre, are being fully considered in the work and potential outcomes of the Neighbourhood Study.
- 3.10 Although the Study is a Council led document it will need to be both informed by the priorities of local stakeholders and also enable stakeholders to influence their future decision making and priorities for the locality on conclusion of the Study, in terms of the options and outcomes being presented.

### **Governance**

- 3.11 In addition to the initial local Member (*Town/District/County*) focussed meetings to inform the scope and remit of the Study, a Neighbourhood Partnership has been established and as already referred to, 3 interactive resident/stakeholder workshops have been held to both inform the engagement process and the master-planning element of the Study. Attendees have included:
- **Members & Officers**
    - District Council
    - County Council
    - Town Council
  - **External**
    - Newark & Sherwood Homes
    - Active 4 Today
    - Residents
    - Local shop owner
    - Nottingham Community Housing Association
    - Dukeries Academy
    - Children's Centre
    - Local Churches
    - Police

#### **4.0 Proposals**

- 4.1 The Committee considers and makes comments on the findings of **Work Package 1** and the emerging master-plan options of **Work Package 2** in order to inform the drafting of the final Ollerton & Boughton Neighbourhood Study.

#### **5.0 Equalities Implications**

- 5.1 According to the 2011 National Census Ollerton and Boughton is a relatively homogenous community. Of a population of 9840, 9640 people classified themselves as White, British. The next largest ethnic group was White other (99 people). 7 people identified as White Gypsy or Irish Traveller. The Census recorded 46 people who have been resident in the UK for less than five years.
- 5.2 The engagement techniques undertaken, set out at **Appendix B**, have been delivered to ensure as far as is feasible that there is a gender, ethnicity and age balance, along with being accessible for people with physical and learning disabilities. Any options emanating from the study should also be subject to further equalities reviews, including equality impact assessments, preferably undertaken with the local community.

#### **6.0 Impact on Budget/Policy Framework**

- 6.1 The Ollerton & Boughton Neighbourhood Study will be formulated set against the Council's and other statutory stakeholder's policy frameworks, along with considering relevant national policies and guidance.
- 6.2 Any Council capital projects that emerge as an option from the Study will need to be appraised in full to assess their priority, viability and deliverability set against all other capital schemes.
- 6.3 It is also important to ensure that all HRA related options are fully appraised and the impact on the Housing Revenue Account Business Plan is modelled. It is important to maintain the viability of the Business Plan at all times

#### **7.0 Comments: Business Manager and Chief Financial Officer – Financial Services**

- 7.1 The Committee approved a budget of up to the value of £48,000 to undertake the Ollerton & Boughton Neighbourhood Study and the consultants appointed to undertake WP1 and WP2 have been awarded contracts within the budget set.

#### **8.0 RECOMMENDATION**

**That the Committee considers and comments on the findings from Work Package 1 (*People*) and the options being presented from Work Package 2 (*Place*) so to inform the drafting of the final Ollerton & Boughton Neighbourhood Study report.**

### **Reason for Recommendation**

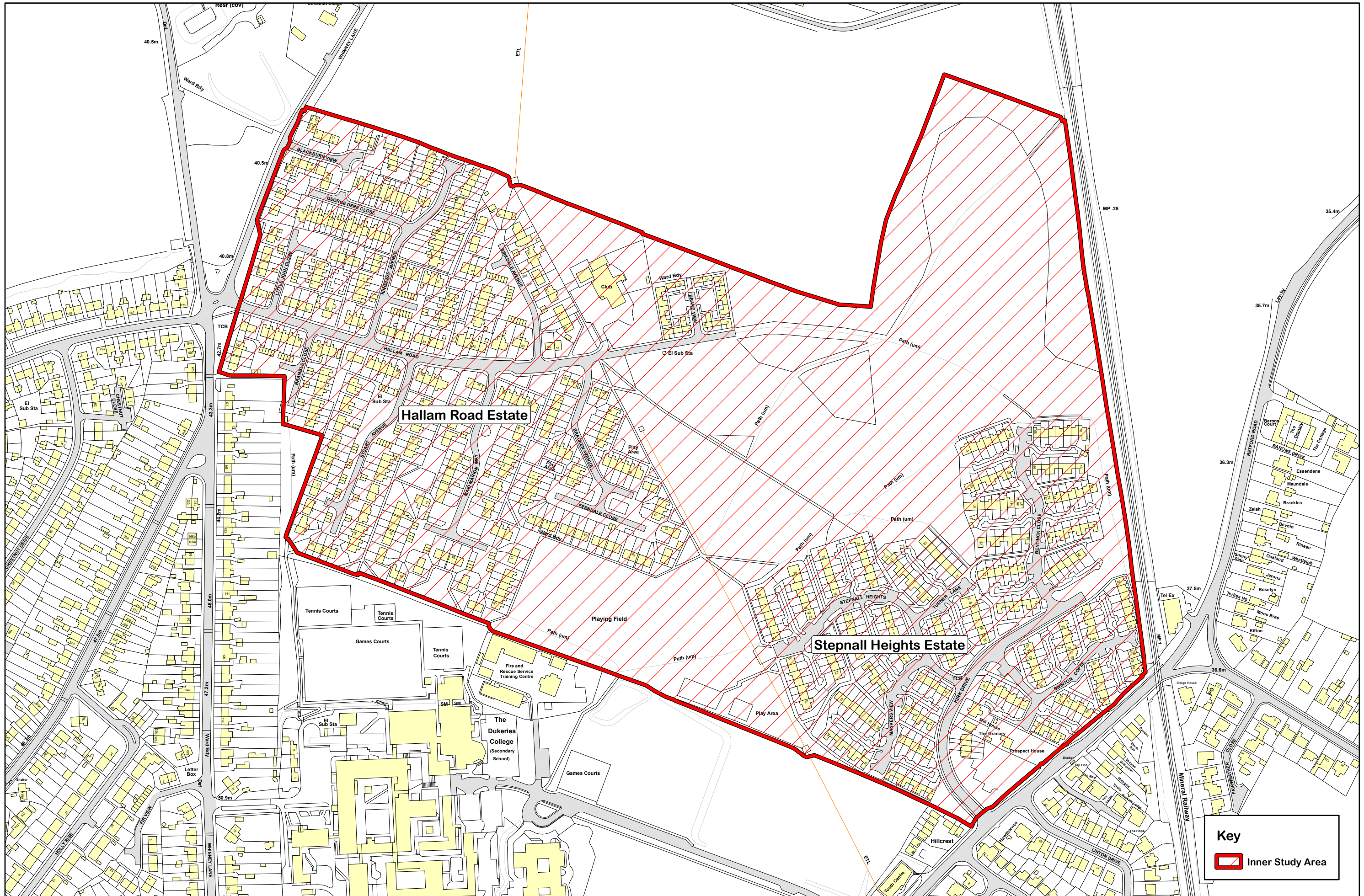
**To develop a Neighbourhood Study approach so to inform current and future policy development for a study area, to the benefit and prosperity of its residential and business community.**

### **Background Papers**

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

Karen White  
Director – Safety

Map 2: Inner Study Area



## Ollerton and Boughton Neighbourhood Study

### Analysis and Summary of the Resident Consultation Specific to the Hallam Road Estate and the Retford Road (or Boughton) Estate, up to 28 August 2017

#### Process, Events and Participation:

The Planning for Real process was used to engage with residents of the Hallam Road & Retford Road/Boughton estates. This is a visual participative technique which, for the Ollerton & Boughton project, used a 3D model showing the 2 estates and the development site between them, as well as colour coded pre-written and blank “Your Idea” flags to enable residents to put their suggestions and concerns forward. We also used a Gender and Age board and a “Show Us Where You Live” map to capture background information about those who participated.

We took the model out and about on the streets of both estates delivering a programme of 11 events:

Look out for us at .....		
Date	Where	Time
Tuesday, 8 August	Seaside Fun Day, Yew Tree Play Park	11am to 2pm
Wednesday, 23 August	Lifespring Centre, Sherwood Drive	10.30am to 12.30pm
Monday, 28 August	On the footpath between the two estates	11.30 to 2.30pm
Hallam Road Estate		
Date	Where	Time
Tuesday, 8 August	Between Stuart Avenue & Maid Marion Way	3pm to 5.30pm
Wednesday, 9 August	On edge of open space east of Bracken Avenue	3pm to 5.30pm
Friday, 11 August	Between Little John Close & Kingsway Avenue	11am to 2pm
Tuesday, 22 August	In front of 50 – 60 Hallam Road	11am to 2pm
Retford Road Estate		
Date	Where	Time
Wednesday, 9 August	Outside the shop on Turner Lane	11am to 2pm
Friday, 11 August	Outside the shop on Turner Lane	3pm to 5.30pm
Tuesday, 22 August	At the junction of Kirk Drive and Bentinck Close	3pm to 5.30pm
Wednesday, 23 August	Bentinck Close – north end	1.30pm to 4.30pm

A leaflet explaining the project and the consultation dates was delivered by hand to every household on both estates in order to encourage participation.

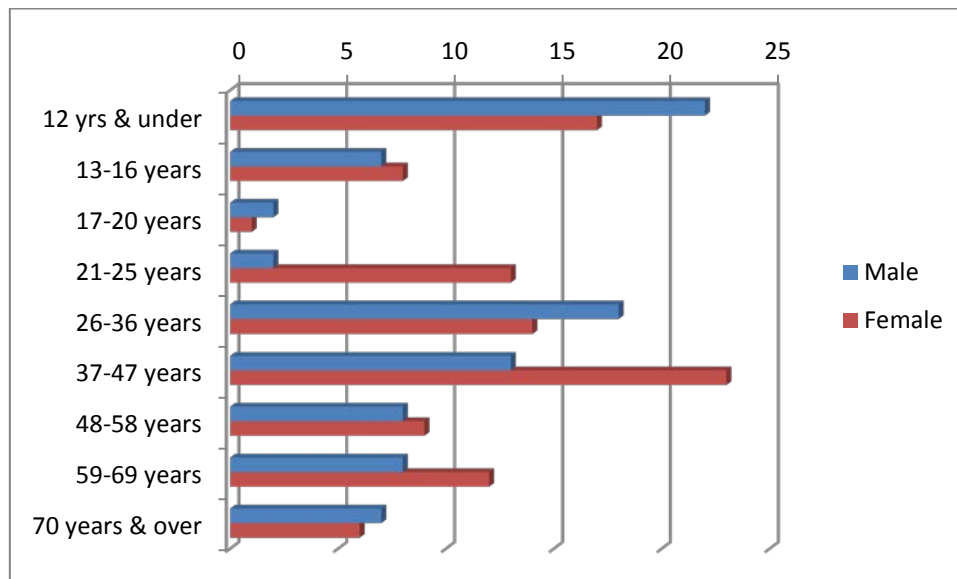
A total of 190 residents took part, of which 87 were male and 103 female (see graph below). As can be seen from the graph we had good representation from all age groups except those in the 17-20 year category and males aged 21-25 years.

In terms of spread of participation we had good participation from both estates with residents indicating they lived on the following streets / roads:

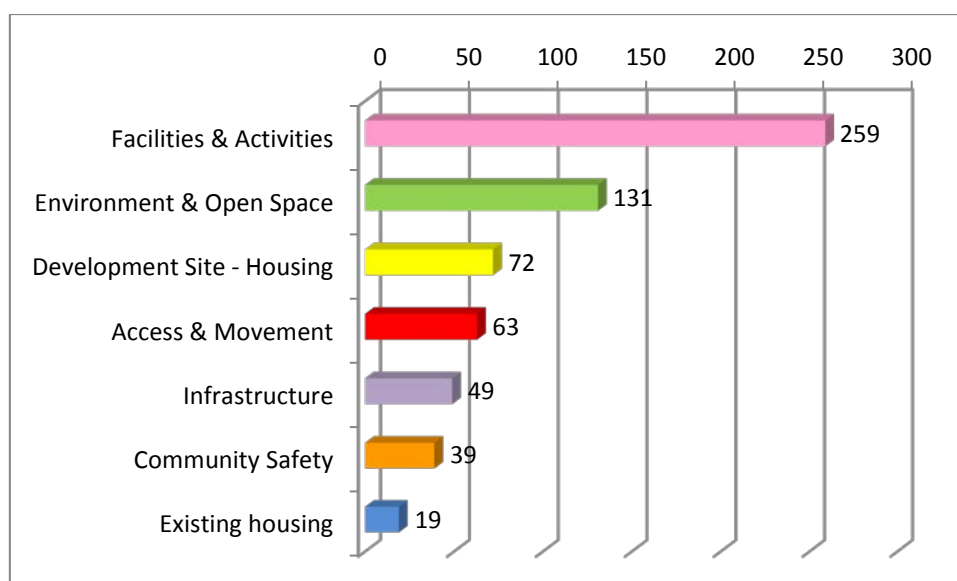
Hallam Road Estate	Retford Road / Boughton Estate
Brake View	Manvers View
Bracken Avenue	Stepnall Heights
Ferndale Close	Turner Lane
Maid Marion Way	Bentinck Close



Hallam Road Estate	Retford Road / Boughton Estate
Stuart Avenue	Swinton Copse
Bramble Close	Plus 4 residents from unspecified locations on the Retford Road / Boughton Estate
Little John Close	
Kingsway Avenue	
Hallam Road	
Birkdale Avenue	
Plus 2 residents from unspecified locations on the Hallam Road estate	



A total of 632 individual suggestions were placed on the model with the largest proportion relating to Facilities & Activities and the least relating to the existing housing and housing layout (see graph below).



## **Analysis of Residents' Views Gathered:**

The subject of the consultation can be broadly divided into two connected parts; the nature of the two existing estates, and the proposed development on the open land between them.

### **The Two Existing Estates:**

Generally, we identified a feeling that the two estates suffer from being peripheral to Ollerton, are overlooked and neglected, are poorly connected to other places, and are lacking in resources and facilities. This feeling is stronger in the Retford Road estate than in the Hallam Road estate, and it has the poorer reputation of the two.

#### *Planning*

Both estates are planned on a Radburn layout, popular at the time of their design, which separates vehicles from pedestrians to an extent. As a result, both estates are confusing places to visitors and delivery drivers – Retford Road more than Hallam Road - although residents know their way about. Without serious urban surgery, improved signage is probably the best that can be done.

#### *Anti-Social Behaviour*

There were frequent complaints of drug-selling and drug-taking, of dumping of rubbish in the woodland and elsewhere, of litter and broken glass, of fires being set in the woods and in open space, and of illegal riding of motorbikes and quad bikes. The perception was that the police do little about these activities. There were several requests for more CCTV cameras, but these are of little use unless someone is watching them and acting upon the information.

We received proposals that the cleaning up and improvement of the two estates should have priority over the building of new houses, and should happen first.

The need for more litter bins was frequently mentioned, but it seems unlikely that the provision of more bins would by itself remove the litter problem.

#### *Play Facilities for Children*

This was a major inadequacy identified by residents young and old. There are some play areas provided for small children, but they appear to be abused by older children, and frequently damaged. The recurring need identified was for facilities for older children, often expressed as “to keep them out of trouble”.

Boys frequently expressed a desire for a skateboard park, closer to the estates than the one in the town centre. Other kinds of place described were a bike trail, a MUGA or similar, and an adventure playground.

The electricity pylon near Bracken Avenue is reportedly climbed by children, and there were requests that it be securely fenced off.

#### *Employment*

Anecdotally, there appears to be a lot of joblessness. We heard complaints that although there is a job centre in the town centre, unemployed people have to travel to Mansfield, at a cost of a £6 return bus fare, to sign on. It was remarked that although new housing is generally welcomed, there is no development proposed that would generate jobs.

### *Facilities*

The absence of facilities for the two estates was a frequent topic. The Dukeries Leisure Centre, although nearby, seemed to be little used by residents. Its swimming pool has closed. Its tennis courts, which used to be free to use, now have to be paid for. Similarly, the youth club on Retford Road is little used. It restricts its availability, and is closed during the summer vacation.

The difficulty of obtaining services from a doctor and a dentist was frequently mentioned, and it was suggested that new services should be included in the new development.

The one shop, on Turner Lane, is much used, although we received some complaint about its prices. The owner told us it is the smallest but the busiest of the several that he owns. He wishes to replace it with one three times the size in the new development, incorporating a post office counter and a café, and would be prepared to build it in advance of the new housing if possible. There were wishes expressed by residents for other kinds of shops in addition.

### *Car Parking*

We received complaints that there is insufficient car parking space on both estates, leading to congestion and unsafe situations.

### *Bus Routes*

There were several requests for a shuttle bus service which could connect the estates to other parts of the locality. With the disconnected nature of the estates, this would be difficult to achieve, but the new development could make it possible.

### *Mobility Scooters*

There seems to be a significant number of people using mobility scooters, and we consulted several. They complained of poor surfacing to footpaths, and the presence of broken glass.

### *Lighting*

The need for improvements to street lighting on both estates was identified, but especially the need for lighting to footpaths. One resident would not walk from one estate to the other after dark because she felt unsafe. LED replacements to lamp standards have been made, but not to ones that are less accessible because off-road.

### *Grass Cutting*

It was noted that grass on the big field is very infrequently cut. This may be because of a concern for wildlife, but if so, this is a factor to be considered in the new development.

## **The Proposed Development:**

The great majority of respondents welcomed the proposal in the local plan to build new houses. One considered the number proposed could be increased. There was some concern expressed over the loss of open space, but most were content that only a part of the open space will be built on.

There was however significant opposition to the proposal for new housing. Much of it expressed the feeling that additional population, particularly additional children, would only exacerbate the existing social problems and lack of facilities. It was proposed that new facilities should come first, to serve the existing population, before new housing was built.

In addition to possible new non-residential facilities that might be needed, there was some concern that existing school provision would not be adequate to serve the new child population.

#### *Location of New Housing*

Residents mostly found it difficult to conceptualise where new housing might best be built within the area designated. Most who expressed an opinion favoured development which joined together the two estates, and which was therefore fairly centrally positioned. Conversely, some respondents expressly proposed that the central area remain unbuilt.

There was also significant opposition to joining together the two estates. There was fear that it would enable the perceived problem elements in the Retford Road or Boughton estate to spread more readily to the Hallam Road estate.

There was some concern about the risk of flooding, which affects some parts of the existing development, also affecting the new development.

#### *Access to New Housing*

Most respondents were in favour of a road which connected the two estates while serving the new development, but had difficulty in deciding where that would be located. At one end, Hallam Road was the obvious answer, although some feared the increase in traffic which that would bring to the existing street.

At the Retford Road estate, it was more difficult to propose a connection, although some proposed Bentinck Close, despite the problems which that would bring. Equally, some specifically ruled out Bentinck Close as a through road.

One respondent proposed making a new access from the farmland to the north, using the existing bridge across the colliery railway.

We observed that a large number of children play on the streets in the Retford Road estate. They are already at risk from irresponsible drivers and from illegal motorbikers, and there is concern about the consequences of bringing traffic from the new development through the estate. Traffic calming was proposed, in order to slow down traffic speeds.

A shuttle bus serving both new and existing housing was suggested.

#### *Types and Tenure of Dwellings*

There was a dominant opinion in favour of rented housing, including by some who were homeowners. It was proposed that both Newark and Sherwood HA and Nottinghamshire Community HA should build, although there were complaints about N&SHA's repairs record. There was scepticism by some as to whether a developer would build housing for sale, given the poor reputation of the locality. There was a mixture of opinion over what size of dwelling represented the priority; some favoured one and two-bedroomed flats and houses, others houses for larger families. Housing for the elderly was also proposed.

It was proposed that the new development should be designed so as to have a big installation of solar panels.

### *Non-Residential Development*

Several respondents proposed the need for a community building as part of the new development. Several remembered the community centre near to Stepnall Heights, which then became a women's centre, and which was later demolished. A community building was variously envisaged as a location for organising children's activities, for a women's group, for a debt advice service, and for activities for single and/or elderly people.

Together with a community building, the need for outreach workers, particularly to work with children, was identified, in order to generate a more resilient community.

The proposal for a general store as part of the new development, including a post office, was widely supported, and there were also suggestions for different kinds of shop as well.

The need for doctor's and dentist's surgeries as part of the new development was widely supported.

There was a suggestion for workspace where residents could set up their own businesses at low cost.

### *The Construction Phase.*

There was concern expressed about the likely disruption and nuisance to be caused by construction; by the movement of vehicles, by noise, by the danger to children, and by smelly mobile toilets.

### *Improved Open Space*

Space dedicated to facilities for children's play of all kinds was the dominant concern. A skateboard park, a playing field, bike trail, adventure playground, wild area, basketball, MUGA, a "green gym", a fishing pool, and small children's play areas were all mentioned. It was suggested that there needed to be a sports / play worker who could coach activities, and organise.

There was support for new allotments, as long as they served new and existing residents, and did not go to outsiders already on the waiting list. It was also suggested that there could be a community fruit and vegetable growing project, which could engage residents, particularly children, and produce fresh food at low cost for local residents.

The need to protect existing wildlife was mentioned. It is believed that newts are present in the field, and a red kite was observed flying from the woodland. The need for a proper environmental impact study, before the plan was made, was identified.

Space specifically intended for dog walking was proposed.

A local resident who provides equine therapy nearby was consulted. She identified the proposed improved open space as an ideal location where she could expand her business.

There was support for the retention and improvement of the existing footpaths.

The extension of the wooded area by new tree planting was proposed, both for recreational use and for wildlife.

Space specifically dedicated for motorbikes was suggested, as a way of controlling the present illegal and dangerous use of motorbikes.

The ex-colliery railway is outside the site boundary, but several residents mentioned it, as a possible footpath and cycle route.

We encountered wide scepticism about whether new and improved outdoor facilities would be properly managed, and prevented from being abused and damaged, and being subject to dumping.

### **Wider Ollerton:**

The Seaside Fun Day, which was originally meant to be an outdoor event on the Yew Tree Park but because of the rain was held indoors at the Ambleside Centre, and the Make Lunch event at the Lifespring Centre, offered us the opportunity to also lay out the map of the wider Ollerton and Boughton area and gather views about the wider Neighbourhood Study area.

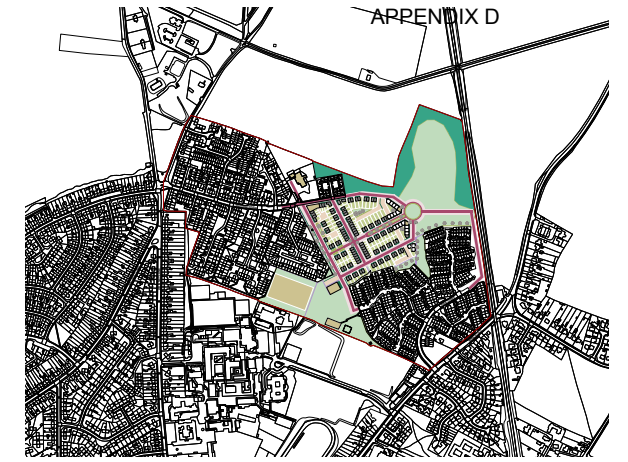
We heard from participants that in terms of facilities and activities they wanted to see more play provision and activities (both indoor and outdoor) for children and older teenagers as well as a wider choice of shops in the town. As with the Hallam Road and Retford Road estates, there was concern about the capacity of the existing doctors, dentists, schools, and roads to cope with the growth in house building. Public transport improvements were requested for services between Ollerton and Newark with difficulty attending appointments at Newark Hospital being cited as one reason, and it was felt that it would be good if the railway line were opened up again.

Produced by Planning for Real  
4 September 2017

# 4. Work Package 2 – Place Setting the brief for the new development

	COUNCIL	COMMUNITY
HOPES	<ul style="list-style-type: none"><li>&gt; Minimum of 120 homes</li><li>&gt; Mix of residential and enhanced open space (policy)</li><li>&gt; 52% 2 bed, 38% 3 bed, 10% 4 bed (policy)</li><li>&gt; 30% social, 70% market sale (policy)</li><li>&gt; Minimum housing density of 30dph (policy)</li><li>&gt; Safeguard the Dukeries Rail Line located along eastern edge of site (policy)</li><li>&gt; Improved road connections and pedestrian links</li><li>&gt; Catalyst for facilities upgrade (Dukeries Leisure Centre and Swimming Pool)</li><li>&gt; Good rate of return on investment</li></ul>	<ul style="list-style-type: none"><li>&gt; Desire for integration between estates (the existing two estates and the new housing development, creating a cohesive community.</li><li>&gt; Safer play provisions for children/ youths</li><li>&gt; Extended retail facilities</li><li>&gt; Better access to community facilities</li><li>&gt; A sense of shared ownership for existing and new residents</li></ul>
FEARS	<ul style="list-style-type: none"><li>&gt; Viability of the scheme will not add up</li><li>&gt; Services and facilities are over promised to local community</li><li>&gt; Residents oppose the scheme</li></ul>	<ul style="list-style-type: none"><li>&gt; Increased traffic and risk of “rat-run” with people using the estates as a cut through</li><li>&gt; Safety of children compromised as more cars along roads</li><li>&gt; New scheme may not benefit existing residents: profit driven</li><li>&gt; Fear over saleability of private houses in estate which has bad reputation. Vandalism?</li><li>&gt; Fear that local amenities won't have resources to provide for new residents</li></ul>

# 5. Emerging Options Option 1

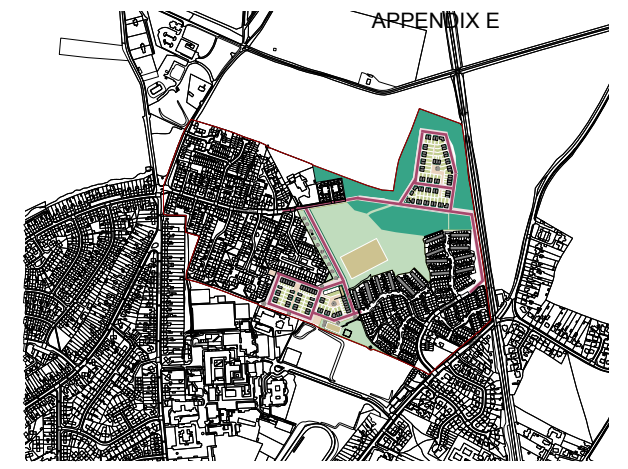


## option 1

- 166 homes
- Parking provision 217%
- New road links Hallam Road to Kirk Drive
- New road links Hallam Road to Stepnall Heights Road
- Retains playing field adjacent to the Dukeries
- Formalises open space to the north of the site, surrounded by woodland



# 5. Emerging Options Option 2



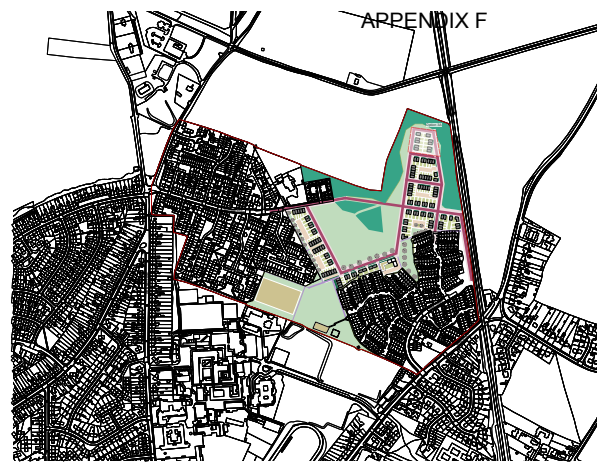
## option 2

- 123 homes
- Parking provision 240%
- New road links Hallam Road to Kirk Drive
- New road links Hallam Road to Stepnall Heights Road
- Formalises open space in the centre of the site
- Provides new housing in the north east corner but retains woodland

# 5. Emerging Options Option 3



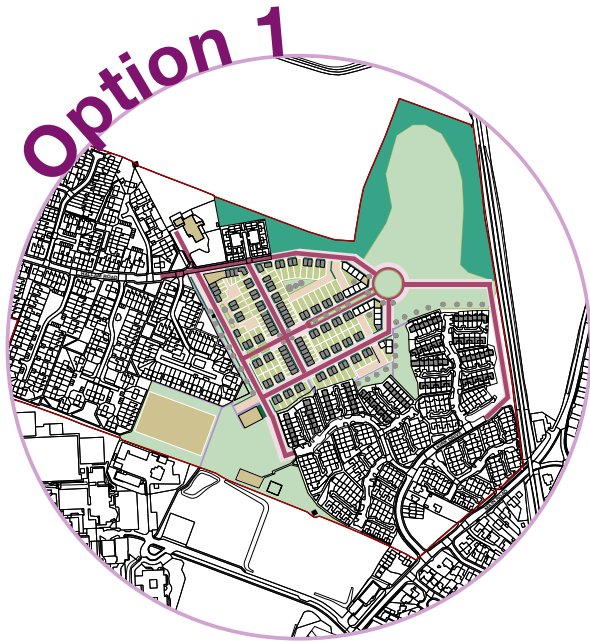
OPTION 3



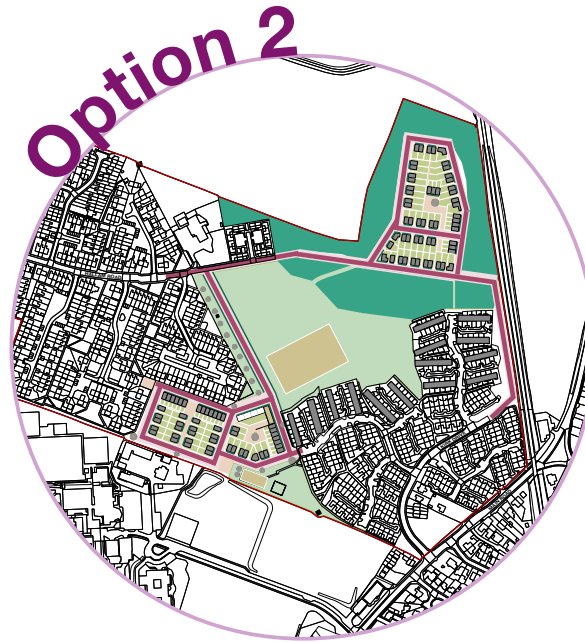
## option 3

- 124 homes
- Parking provision 233%
- New road links Hallam Road to Kirk Drive and Bentinck Close
- Retains playing field adjacent to the Dukeries
- Formalises open space in the centre of the site
- Provides new housing in the north east corner but retains woodland

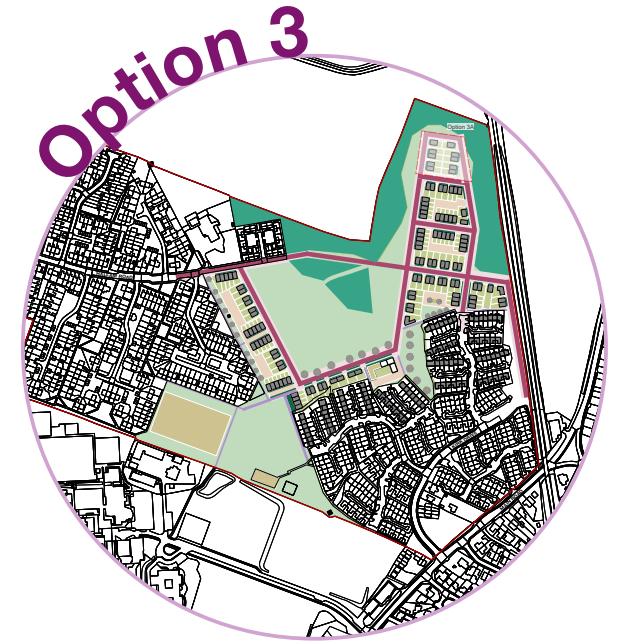
## 5. Emerging Options Hopes & Fears Feedback



- Preferred by two groups, who felt like it's centralised location united the two separate estates.
- Too dense in the centre – could be broken up with greenery
- The road layout was preferred in this option (greatest number of connections), although traffic calming measures could be explored.
- Preference to retain the existing trees in the centralised zone



- Two groups felt a sense of separation and detachment from existing communities
- All agreed that the development within the woodland enclave to the north-east of the site would be more desirable for private buyers
- A centralised green space was appreciated, and the number of trees retained in this scheme is good



- One group mentioned that it formed a barrier to the edges of the two existing estates
- One group acknowledged the benefits of delivering two large green spaces, retaining trees, and creating a route through the site which would not be so tempting as a rat-run
- The shopkeeper preferred this location for his unit (or that shown in Option 2)

# 5. Emerging Options Option 4



## option 4

- 171 homes
- Parking provision 190%
- New road links Hallam Road to Kirk Drive but less directly
- Provides open space in pockets – at the centre of the site and north of Bentinck Close
- Provides new housing in the north east corner but retains woodland

**NEWARK CASTLE GATEHOUSE TRANSFORMATION PROJECT**

**1.0 Purpose of Report**

1.1 To provide Members with an update on the progress of the Gatehouse project.

**2.0 Background Information**

2.1 In March 2017 the Council received confirmation that our bid to the Heritage Lottery Fund (HLF) for a Stage 1 development grant towards the Newark Castle Gatehouse Transformation Project had been successful. HLF will provide a grant of £84,000 towards the total Phase 1 development costs of £121,730, with the remainder of the funding coming from the District Council, Nottinghamshire County Council, Newark Town Council, the Gilstrap Charity, the Friends of Newark Castle & Gardens and Newark Archaeological & Local History Society.

2.2 Members will recall that the project involves the addition of a roof, floors and windows to the gatehouse in order to protect it for the future. The rooms created will be available for displays, exhibitions and events and the creation of a new entrance into the Gatehouse will enable it to become a separate paying attraction within the Castle grounds. Associated with the physical side of the project will be a number of people-centred projects which will enhance the Castle's existing education offer, offer additional volunteer and training opportunities and engage with groups who do not currently use the Castle.

**3.0 Proposals**

3.1 Since the award of the grant a project steering group has been created, with Councillor Lloyd as its Chairman and significant steps have been taken towards the implementation of the development phase of the project.

3.2 A number of tendering exercises have been initiated in order to procure specialist consultants to draw up a Conservation Management Plan, an Activities Plan and an Interpretation and Exhibition Plan. These are all key documents in planning towards the implementation phase of the project. A final tender process will involve the appointment of a design team which will work up the required details to allow the works to the Gatehouse to be more accurately costed and enable the required planning consents to be received.

3.3 In tandem with this, in-house work has started on drawing up other documents required as part of the Phase 1 process. A draft communications strategy has been written and a start has been made on the project business plan. This has initially involved the use of questionnaires and social media to seek to ascertain people's views about the project. An important part of this is to more accurately quantify the number of people who visit Newark Castle and staff and volunteers have thus been carrying out regular visitor counts at all 3 entrances to the Castle. We are also seeking to gain as much information as possible about what people would like to see in the newly created Gatehouse rooms and how much they would be prepared to pay to go into the Gatehouse. All of this information will feed into the business plan in order to ensure that it is as robust as possible.

3.4 Project staff will shortly be starting work on a Volunteer and Training Plan and Management and Maintenance Plan and again these will be key documents in ensuring that our Stage 2 funding application to HLF is successful.

3.5 The current timetable shows the Stage 2 application being submitted in November 2018 with an HLF decision being made by March 2019 and a start on site in early 2020. It is anticipated that the project will finally be completed in May 2021.

#### **4.0 Equalities Implications**

4.1 Equalities implications will be considered at all stages of the project.

#### **5.0 Impact on Budget/Policy Framework**

5.1 The funding for the development stage of the project has all been secured and is included in Capital Programme scheme TB3154. Should the project successfully progress to Stage 2 then significant additional funding will be forthcoming from HLF. As outlined in previous committee reports and the capital appraisal of the project there will be a further financial commitment to the District Council and a report will be presented to Economic Development Committee in 2018 seeking approval to apply to Policy & Finance Committee for the funding required. In addition the project team will be seeking partnership funding from many other groups and organisations.

#### **6.0 Comments of Director**

6.1 This is a major capital project that, if completed, has the potential to significantly enhance the 'visitor offer' regarding Newark. The Castle has always been a major visitor attraction to Newark. This project is aimed at further enhancing the Castle as a visitor destination by developing access to the historic Castle Keep and the North West Tower. It is important that Members are kept informed on the progress of this important project.

#### **7.0 RECOMMENDATION**

**That Committee note the progress that has been made towards the implementation the development phase of the Newark Castle Gatehouse Transformation Project.**

#### **Reason for Recommendation**

**To ensure that Members are regularly updated on this high profile project.**

#### **Background Papers**

Nil

For further information please contact Phil Beard on Ext. 5714

Andy Statham  
Director – Communities

**LOCAL DEVELOPMENT FRAMEWORK - PROGRESS REPORT**

**1.0 Purpose of Report**

- 1.1 To update Members on the progress of the various elements of the Local Development Framework (LDF), including the Community Infrastructure Levy (CIL), contained within the Local Development Scheme (LDS) timetable.

**2.0 Background Information**

- 2.1 Committee approved an update to the LDS on 19 January 2017. Subsequent to this, to enable the Council to publish its Amended Core Strategy for pre submission consultation, an amended LDS time was approved by Full Council on the 11 July 2017. The approved LDS timetable is attached at **Appendix A**.

**3.0 Progress**

*Plan Review – Amended Core Strategy*

- 3.1 Full Council approved the submission of the Amended Core Strategy and accompanying documentation at the Extraordinary Full Council meeting on 26 September 2017. The submission occurred on 29 September 2017 and the Planning Inspectorate appointed Inspector Mr Paul Griffiths BSc (Hons) BArch IHBC to carry out the Examination process. It is anticipated that the Hearing Sessions will last between 5 – 7 days and we are currently awaiting confirmation from the Inspector when these will commence. It is intended that the Civic Suite at Castle House will be used for the Hearing Sessions and for accommodation for the Inspector and the Programme Officer.

*CIL Review*

- 3.2 Full Council approved the submission of the Draft Charging Schedule and accompanying documentation at the Annual Council meeting on 16 May 2017. The submission occurred on 19 May 2017 and the Planning Inspectorate appointed Mr. Jameson Bridgwater PGDIPL MRTPI as the independent Examiner to carry out the Examination process. The Hearing Sessions were held on Thursday 3 August 2017 at Kelham Hall. The independent Examiner submitted his report to the Council on 17 October 2017 and it has been published on the Council's website on the following page:

<http://www.newark-sherwooddc.gov.uk/cil/communityinfrastructurelevyexamination2017/>

- 3.3 The non-technical summary of the report states "This report concludes that the Newark and Sherwood District Council Community Infrastructure Levy Charging Schedule provides an appropriate basis for the collection of the levy in the area. The Council has sufficient evidence to support the schedule and can show that the levy is set at a level that will not put the overall development of the area at risk. I have recommended that the schedule should be approved in its published form, without changes."

3.4 The LDS had initially anticipated that if found sound the updated Charging Schedule would be considered at Full Council on 10 October for Adoption. However given the receipt of it will now be presented to Full Council on 12 December for adoption with an implementation date of 1 January 2018.

#### **4.0 Equalities Implications**

4.1 An Integrated Impact Assessment is being prepared alongside the Plan Review process to ensure that the impact on groups with protected characteristics of the proposals are considered as part of the policy making process.

#### **5.0 Impact on Budget/Policy Framework**

5.1 None identified

#### **6.0 RECOMMENDATION**

**That the contents of the report be noted.**

#### **Reason for Recommendation**

**To allow the Committee to note the contents of the report.**

#### **Background Papers**

Local Development Scheme July 2017

Report on the Examination of the Draft Newark & Sherwood District Council Community Infrastructure Levy Charging Schedule

For further information please contact Matthew Norton on Ext 5852

Kirsty Cole

Deputy Chief Executive



Local Development Scheme Timetable

Year	2016												2017												2018											
Quarter	1 <sup>st</sup>			2 <sup>nd</sup>			3 <sup>rd</sup>			4 <sup>th</sup>			1 <sup>st</sup>			2 <sup>nd</sup>			3 <sup>rd</sup>			4 <sup>th</sup>														
Month	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<b>DPDs</b>																																				
Adopted DPDs – Plan Review – Core Strategy																																				
Adopted DPDs – Plan Review – Allocations & Development Management DPD																																				
<b>SPDs</b>																																				
Review of SPD implementation																																				
<b>Other Documents</b>																																				
Community Infrastructure Levy Review																																				

Key

<b>DPDs and NPs</b> Bold text denotes a Key Milestone	Consultation period/following the Publication of the Submission Draft/Draft Charging Schedule, this would refer to the period for representations to be submitted		Pre-Hearing meeting period
	<b>Publish Draft DPD/CIL charging schedule/NP</b>		Hearing and Reporting Period
	<b>Submit DPD/CIL/NP for Examination</b>		Receipt of Final Inspector’s Report
			<b>Adoption</b>
<b>SPDs/SCI</b>	Consultation Period		Review of DPD/SPD Implementation
			<b>Adoption</b>

**URGENCY ITEMS - MINUTE OF DECISION**

**Delegation arrangements for dealing with matters of urgency**

Paragraph 7.2.1 of the Council's Constitution provides that Chief Officers may take urgent decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures. They shall, where practicable, first consult with the Leader and Chairman (or in their absence the Vice-Chairman) and the Opposition Spokesperson of the appropriate committee.

**Subject:            ADDITIONAL CHRISTMAS CAR PARK CONCESSIONS IN NEWARK**

**Appropriate Committee:        Economic Development Committee**

**Details of Item**

**1.0    Background**

- 1.1    To assist and support the local retail economy during this important trading period, the Council has in previous years offered a concession in car parking charges in the run up to Christmas at Newark car parks north of the river at Riverside and Riverside Arena.
- 1.2    A report was considered in October 2015 by Econ Dev committee and they agreed the minute as set out below.

Minutes of the Economic Development Committee held on Wednesday, 21 October 2015 in Room G21, Kelham Hall at 6.00pm

AGREED            (by 6 votes for with 3 abstentions) that:

- (a)    Council be recommended to adopt, with effect from 1 April 2016, the car parking tariffs as noted in Appendix A for 2016/2017; and
- (b)    Christmas car parking concessions in Newark be approved. Such concessions to be on the four Sundays prior to Christmas, commencing from the Christmas Lights Switch On scheduled for 29 November 2015.

At the following meeting of the Committee (November 2017) the minutes were amended to read:

Minute No. 27 – Car Parking - Resolution (b) - Amended to read:

“Christmas car parking concessions in Newark be approved. Such concessions to be on the four Sundays each year prior to Christmas. The remainder of Resolution (b) to be deleted.”

- 1.3    From the agreed minute above that currently the offer to the Town Council is four Sundays each year prior to Christmas. As Christmas falls on a Monday this year there are four Sundays in

December which means that the date for the Christmas lights event on the 26<sup>TH</sup> November 2017 would not be subject to free parking.

- 1.4 The Christmas light switch on is seen as an important day for the local economy and free parking on this day would be beneficial to the town.

### **3.0 Financial Implications**

- 3.1 The loss of income from providing free parking has previously been considered when the policy on providing four free Sunday in December was agreed. The addition of an additional one Sunday will have a small impact on the overall budget position

### **Record of Decision:**

1. That free parking be provided in Newark for an additional Sunday on the 26<sup>th</sup> November 2017

### **Members Consulted:**

**Councillor Roger Blaney – Leader of the Council**  
**Councillor David Lloyd - Chair of Economic Development Committee**  
**Councillor Keith Girling – Vice Chair of Economic Development Committee**  
**Council Paul Peacock – Opposition Spokesperson Economic Development Committee**

Signed .....



Date 31/10/2017.....