

The Arc
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To: Chair & Members of the Executive

Friday 29th September 2023

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Dear Councillor


EXECUTIVE

You are hereby summoned to attend a meeting of the Executive of the Bolsover District Council to be held in the Council Chamber, The Arc, Clowne on Monday 9th October 2023 at 10:00 hours.

Register of Members' Interests - Members are reminded that a Member must within 28 days of becoming aware of any changes to their Disclosable Pecuniary Interests provide written notification to the Authority's Monitoring Officer.

You will find the contents of the agenda itemised on page 3 onwards.

Yours faithfully



Solicitor to the Council & Monitoring Officer

Equalities Statement

Bolsover District Council is committed to equalities as an employer and when delivering the services it provides to all sections of the community.

The Council believes that no person should be treated unfairly and is committed to eliminating all forms of discrimination, advancing equality, and fostering good relations between all groups in society.

Access for All statement

You can request this document or information in another format such as large print or **language** or contact us by:

- **Phone:** [01246 242424](tel:01246242424)
- **Email:** enquiries@bolsover.gov.uk
- **BSL Video Call:** A three-way video call with us and a BSL interpreter. It is free to call Bolsover District Council with Sign Solutions, you just need WiFi or mobile data to make the video call, or call into one of our Contact Centres.
- Call with [Relay UK](#) - a free phone service provided by BT for anyone who has difficulty hearing or speaking. It's a way to have a real-time conversation with us by text.
- **Visiting** one of our [offices](#) at Clowne, Bolsover, Shirebrook and South Normanton

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AGENDA

*Monday 9th October 2023 at 10:00 hours taking place in the Council Chamber,
The Arc, Clowne*

Item No.		Page No.(s)
1.	Apologies For Absence	
2.	Urgent Items of Business	
	To note any urgent items of business which the Chairman has consented to being considered under the provisions of Section 100(B) 4(b) of the Local Government Act 1972.	
3.	Declarations of Interest	
	Members should declare the existence and nature of any Disclosable Pecuniary Interest and Non Statutory Interest as defined by the Members' Code of Conduct in respect of:	
	a) any business on the agenda	
	b) any urgent additional items to be considered	
	c) any matters arising out of those items	
	and if appropriate, withdraw from the meeting at the relevant time.	
4.	Minutes	4 - 17
	To consider the minutes of the last meeting held on 11 th September 2023	
	<u>NON KEY DECISIONS</u>	
5.	Ambition Plan Targets Performance Update - April to June 2023	18 - 29
	<u>KEY DECISIONS</u>	
6.	Lease of Roseland Park and Crematorium	30 - 35

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Minutes of a meeting of the Executive of the Bolsover District Council held in the Council Chamber, The Arc, Clowne, on Monday 11th September 2023 at 1000 hours.

PRESENT:-

Members:-

Councillor Steve Fritchley in the Chair

Councillors Duncan McGregor, Clive Moesby, Sandra Peake, and John Ritchie.

Officers:- Karen Hanson (Chief Executive), Jim Fieldsend (Monitoring Officer), Theresa Fletcher (Section 151 Officer), Pam Brown (Service Director Executive, Corporate Services and Partnerships), Steve Brunt (Strategic Director of Services), Kath Drury (Information, Engagement and Performance Manager) (to Minute No. EX75-23/24), Debora Whallett (Housing Enforcement Manager), Joanne Wilson (Housing Strategy and Development Officer) (to Minute No. EX74-23/24), Grant Galloway (Chief Executive, Dragonfly) (to Minute No. EX81-23/24), Natalie Etches (Business Growth Manager, Dragonfly) (to Minute No. EX81-23/24), Katie Walters (Head of Property Services, Dragonfly) (to Minute No. EX81-23/24) and Alison Bluff (Governance).

Also in attendance at the meeting was Councillor Tom Kirkham, and observing, were Councillors Phil Smith and Jane Yates.

EX69-23/24 APOLOGIES

An apology for absence was received on behalf of Councillor Mary Dooley.

EX70-23/24 URGENT ITEMS OF BUSINESS

There were no urgent items of business to consider.

EX71-23/24 DECLARATIONS OF INTEREST

Minute Number	Member	Level of Interest
EX78-23/24	Councillor Steve Fritchley	Other registerable interest due to being a Director of Dragonfly Development Ltd
EX79-23/24	Councillor Steve Fritchley	Other registerable interest due to being a Director of Dragonfly Development Ltd

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EX72-23/24 MINUTES – 31ST JULY 2023

Moved by Councillor Duncan McGregor and seconded by Councillor Sandra Peake **RESOLVED** that the Minutes of an Executive meeting held on 31st July 2023 be approved as a correct record.

MATTERS REFERRED FROM SCRUTINY

EX73-23/24 LOCAL GROWTH SCRUTINY - RESPONSE TO OUTCOME OF LEVELLING UP FUND ROUND 2 APPLICATION

Executive considered a detailed report presented by Councillor Tom Kirkham, Chair of Local Growth Scrutiny Committee, in relation to the Committee's response to the outcome of the Levelling Up Fund Round 2 application, and also to present Scrutiny recommendations as a result of the outcome.

At their meeting held on 27th June 2023, Local Growth Scrutiny Committee had received an update from relevant officers regarding the failed outcome of the Round 2 Levelling Up Fund bid. The update provided the key findings of the review body, and the strengths and weaknesses of the Council's bid.

As a result of the feedback, Scrutiny had put together two recommendations for Executive's consideration.

- 1. That the creation of an internal group including representatives from Scrutiny, Leader's Executive and Partnership Team, Executive and Dragonfly to identify, action and jointly write bids for future opportunities available via national and regional funding streams be recommended to Executive.*
- 2. Executive consider the allocation of additional financial resource to support future calls for grant funding both for Levelling Up Fund and other calls for funding to ensure the maximum investment for the District can be captured.*

Referring to recommendation 1 above, the Service Director Executive, Corporate Services and Partnerships, advised Members of an existing Bolsover Partnership Commissioning Group, which identified, discussed, and actioned bids, and was administered by the Leader's Executive and Partnership Team. The group also included partners and stakeholders, and representatives of the Dragonfly Management Economic Development Team. Relevant Scrutiny Members would be welcomed to attend, and this would negate the need for the creation of a further internal group and avoid duplication of work. The Chief Executive added that she and the Service Director Executive, Corporate Services and Partnerships, would speak to Scrutiny Members about how they could be part of the commissioning group and be fully involved in any future external funding opportunities.

To provide some context to the outcome of the Council's bid, the Chief Executive noted there had been a lot of frustration locally and nationally regarding the Round 1 and 2 bids. Out of 834 Round 1 bids, only 216 were successful with 156 of these being English authorities, the rest were across the UK. In Round 2, 139 authorities

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were in priority 1 with 60% of these being successful and awarded £1.2b of a total of £1.7b. In the 2nd round specifically, £216b was awarded across 529 bids of which only 111 were successful. Chief Executives and councils had expressed their frustration and provided feedback to different government departments in relation to the amount of time, effort and huge expense taken in preparing bids, which potentially did not have much probability of being successful. Lessons had been learned and Round 3 was due to be revealed quite soon - hopefully, the Council would be in a better position to consider its approach going forward. Councillor Ritchie added that this particular bid had been supported and signed off by the MP for Bolsover.

Councillor Kirkham welcomed Scrutiny's involvement with the Bolsover Partnership Commissioning Group, however, he noted the meetings were only held informally and raised concern that as the Economic Development Team were now part of Dragonfly, who had their own missions and objectives, there was a risk they might also have access to funding opportunities and therefore checks and balances needed to be put in place. The Chief Executive, Dragonfly Management, replied that Dragonfly worked for the Council and its aims and ambitions were the same as the Council's, this was reflected in all service level agreements between the Council and Dragonfly. He added that Dragonfly were currently working on a proposal to ensure that any future bids were fully supported and funding in place to obtain relevant information to make bids successful. The Service Director Executive, Corporate Services and Partnerships further added that the Council's aims and ambitions were also part of the Sustainable Community Strategy, alongside the Council's Corporate Plan, which involved engagement with all key stakeholders and partners of the Council.

Moved by Councillor John Ritchie and seconded by Councillor Steve Fritchley
RESOLVED that 1) relevant Scrutiny Members be invited to attend future Bolsover Partnership commissioning group meetings alongside other partners and stakeholders, to identify, action, and jointly write bids for future opportunities available via local, regional, and national funding streams,

2) additional financial resource be allocated to support future calls for grant funding both for Levelling Up Fund and other calls for funding to ensure the maximum investment for the District could be captured.

(Service Director Executive, Corporate Services and Partnerships)

Reasons for Recommendation

To negate the need for the creation of a further internal group and avoid duplication of work, relevant Scrutiny Members be included in future Bolsover Partnership commissioning group meetings alongside other partners and stakeholders, to identify, action, and jointly write bids for future opportunities available via local, regional, and national funding streams.

The allocation of additional financial resource to support future calls for grant funding, as and when requested by officers, would enable the Council to develop bids of a higher quality ensuring maximum opportunity for securing investment.

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Alternative Options and Reasons for Rejection

Executive had found an alternative option to recommendation 1 of the Scrutiny report as detailed above.

The Housing Strategy and Development Officer left the meeting.

NON-KEY DECISIONS

EX74-23/24 DRAFT EQUALITY PLAN AND OBJECTIVES 2023 – 2027

Executive considered a detailed report which sought Members' approval and adoption of the Council's draft Equality Plan 2023-2027, and to note the achievements and progress made under the last two years of the previous plan (2019-2023).

The Council was required under the Public Sector Equality Duty (PSED) to set equality objectives every four years. These objectives were in addition to the Council's general duty obligations (eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not) under the Equality Act.

The Equality Plan 2023-2027 provided a framework for implementing the Council's obligations regarding the general and specific equality duties, and encompassed the range of protected characteristics as defined within the Equality Act 2010. The plan set out the Council's legal responsibilities, the Council's approach to equalities, a profile of the District and the workforce, the equality objectives, and actions to achieve them.

External consultation had been undertaken via the Citizens' Panel, the Council's website, and email subscriber groups during May 2023. 174 responses were received. Most respondents (between 88% and 97%) felt that there were no further actions to include under the three equality objectives. All suggestions and comments had been reviewed with some being added as actions. Other comments had been shared with relevant service areas for them to consider. Positive comments were received about the document design, readability, and content.

Moved by Councillor Duncan McGregor and seconded by Councillor Sandra Peake
RESOLVED that 1) the Equality Plan and objectives for 2023-2027 be approved and adopted,

2) the achievements and progress made under the previous plan (2019-2023) be noted.

Reasons for Recommendation

The equality objectives had received broad support.

The Council was required to prepare and publish equality objectives every four years

Alternative Options and Reasons for Rejection

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Not applicable as the Council was required to set equality objectives every four years.

The Information, Engagement and Performance Manager left the meeting.

EX75-23/24 TENANT ENGAGEMENT STRATEGY

Executive considered a detailed report which sought Members' approval for a Tenant Engagement Strategy to help the Council establish a clear approach to tenant engagement and meet the requirements of the Regulator for Social Housing.

The Council's Tenant Engagement Strategy and action plan, attached at appendices 1 and 2 to the report respectively, had been developed with tenants of the Tenant Participation Review and Development Group over the past 12 months.

Councillor Peake advised Members that the Tenant Participation Review and Development Group had tried unsuccessfully, to encourage younger tenants to attend their meetings. Advertisements had been placed on the Council's website and InTouch magazine and an offer of holding meetings in the south of the District. The Housing Enforcement Manager added that the group would carry on with its efforts to attract younger tenants, especially in view of the new consumer standards, which would be in force next year.

Moved by Councillor Sandra Peake and seconded by Councillor Duncan McGregor **RESOLVED** that the Tenant Engagement Strategy be approved.

Reasons for Recommendation

The Tenant Engagement Strategy was required to ensure that the Council could continue to meet the requirement set by the Regulator of Social Housing and the expectations set out in the Housing White Paper.

Alternative Options and Reasons for Rejection

To not have an Engagement Strategy was rejected as it was a requirement for local authorities (under the Tenant Involvement and Empowerment Standard of the Regulatory Framework for Social Housing) to involve and engage their tenants and therefore to do nothing would place the Authority at risk of challenge.

EX76-23/24 ANNUAL LETTER FROM THE LOCAL GOVERNMENT & SOCIAL CARE OMBUDSMAN 2022/23

Executive considered a report in relation to the Annual Letter from the Local Government & Social Care Ombudsman (LGSCO) 2022/23.

The Annual Letter from the Local Government and Social Care Ombudsman (LGSCO) contained an annual summary of statistics on the complaints made against the Council for the financial year ending 31st March 2023. It was noted that the data provided by the LGSCO may not align with the data held by the Council because the LGSCO numbers included enquiries from people who had been signposted by the

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LGSCO back to the Council, but who may have then chosen not to pursue their complaint.

During 2022/23, the LGSCO received 3 enquiries and complaints. Two were closed after initial enquiries and one case was not upheld with no fault found.

A table in the report provided benchmarking information against neighbouring local authorities.

The Chief Executive noted that this was another excellent annual letter from the Ombudsman.

Moved by Councillor Steve Fritchley and seconded by Councillor Duncan McGregor **RESOLVED** that the Annual Letter from the Local Government & Social Care Ombudsman 2022/23 be noted.

Reasons for Recommendation

To note the overall performance and receive the report and the Annual Letter from the Local Government & Social Care Ombudsman 2022/23.

Alternative Options and Reasons for Rejection

None.

EX77-23/24 REVIEW OF ECONOMIC LOAN FUND & EXCEPTIONAL LOAN REQUEST

Executive considered a detailed report which provided a review of the Economic Loan Fund (ELF) and sought Members' approval for an exceptional loan request.

The ELF was launched in September 2020, offering small and medium-sized businesses the option of taking out a loan from the Council of between £2,000 and £10,000 over variable repayment periods. A year after its launch, a review of the ELF was reported to Executive in October 2021. At that time, only one £10,000 loan had been agreed but the report noted the availability of COVID grant funding may have softened demand for the facility. The report recommended a further review of the scheme at the end of the 2021/2022 financial year or once all funding for the ELF had been committed. However, the current situation was that £140,000 remained in reserve for the ELF compared to the original £150,000 earmarked for this purpose, and it remained the case that only one £10,000 loan had been made since its launch in 2020.

Platform Thirty1, a well-established not for profit organisation, were seeking a loan of £25,000 to allow the organisation to manage a funding award of £249,999 from the Heritage Lottery Fund (HLF). The loan would solve a cashflow problem resulting from payment of the funding award being made in arrears. The funding award was for the Home Truths project, which was an extension of the activities that Platform Thirty1 were already carrying out in the District, primarily the Greater Creative programme in Blackwell.

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The Home Truths project would include a suite of innovative activities designed to unlock, capture, curate and celebrate local heritage in such a way that would bring generations together, develop community leaders and enhance the local environment. The project aimed to provide an ex-industrial working-class community with rich, locally owned heritage resources to mirror their rich, industrial heritage past, and have the opportunity to develop their skills and voices as they worked with professionals to co-create projects that were meaningful to them. Therefore, the programme aligned with the Council's own ambitions for empowering communities to improve their own lives and the environmental quality of the places they lived.

Moved by Councillor John Ritchie and seconded by Councillor Duncan McGregor **RESOLVED** that a loan of £25,000 to Platform Thirty1 from the Economic Loan Fund (ELF) subject to completion of an appropriate loan agreement and subject to the normal conditions of the Economic Loan Fund be approved.

Reasons for Recommendation

Platform Thirty1 were a well-established not for profit organisation that had a track record of delivery in the District and was demonstrably financially sound. The loan was to maintain cashflow and was effectively secured against a much larger funding award.

The loan would facilitate the release of the funding award and result in a £300,000 investment in the District, which would be used to fund a series of community activities over three years that would be free to residents. The community activities that had already taken place were valued by the local community and had resulted in significant socio-economic and environmental benefits. It was therefore considered that the individual merits of this proposal warranted consideration of an exception to the upper limit normally attached to the ELF because the loan would be made at relatively low risk to the Council, it would make good use of an underutilised reserve; and it would unlock £300,000 of funding, which would be spent in the District for the benefit of our local communities and their local environment.

Alternative Options and Reasons for Rejection

To refuse to consider a loan facility was rejected because of the adverse impact of losing the £300,000 investment in the District.

To invest £25,000 in the company was rejected because this money would not be used to pay for a service.

Having previously declared his interest in the following two items of business, Councillor Steve Fritchley left the meeting.

KEY DECISIONS

EX78-23/24 BOLSOVER HOMES SCHEME – PARK LANE, PINXTON

Executive considered a detailed report which sought Member's approval to allow Dragonfly Development Limited to deliver the Park Lane, Pinxton scheme using the existing Bolsover Homes budget.

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Council had previously agreed to allocate capital funds of £36.2m to deliver Bolsover Homes schemes with the stipulation that a report be presented to the Executive for each scheme after planning permission had been awarded, viability study presented, external value statement received, and costs agreed. Only once agreed could contracts for scheme(s) be entered into.

Part of the Council's ambition was to develop the affordable housing scheme at Park Lane, Pinxton ("Park Lane"). However, this site was not included within the Bolsover Homes work programme when agreed by Council in July 2020. In addition, the land was transferred to Dragonfly Development Limited in 2019, in anticipation of an open market housing scheme. In order to develop the land as part of the Bolsover Homes scheme, an agreement from Council was required and Dragonfly Development would also need to transfer the land back to the Council.

The scheme proposed to deliver 11 much needed social/affordable rental properties comprising 4 two-bedroom houses, and 7 three-bedroom houses, all built to Nationally Designed Space Standards. The layout was shown in Appendix 2 to the report. As this was a new layout with more properties, an application for planning permission would have to be submitted, however, it was expected that planning permission would be granted. If approval were not granted, the scheme would not be able to proceed.

The properties would be designed to the principles of lifetime homes and places for people, and built to a high standard of quality to enhance the area. The Council's Housing Management Service had confirmed there was a need for good quality two and three bedroom rented properties within Pinxton and that the scheme would be acceptable to them.

In response to a Member's query regarding paragraph 2.8 of the report, the Chief Executive, Dragonfly Management, replied that it was possible to receive potential funding from both the LEP and Homes England, however, if both required a housing output from the scheme, then only one of the funding streams would be possible.

Moved by Councillor Sandra Peake and seconded by Councillor John Ritchie
RESOLVED that 1) Dragonfly Development Limited be approved as contractor to construct the 11 new homes at Park Lane, Pinxton as described in the report using a budget of £3,100,000 from the Bolsover Homes budget, supplemented with funding, subject to the following being achieved:

- D2N2 funding being granted
- Planning permission being granted
- A market competitiveness statement in respect of the construction costs
- A report to Council as mentioned in recommendation 2

2) that a report be submitted to Council to update the schemes included in the Bolsover Homes pipeline funding envelope of £36.2m for the Park Lane, Pinxton scheme, which was currently not included.

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Reasons for Recommendations

- To try to find solutions to the growing demand for affordable housing.
- To build on the work done on the future homes model and keep Bolsover in front of the curve.
- To ensure the D2N2 funding opportunity was not lost.
- To help the Council to transition to net zero by 2050 through decarbonisation of its housing stock.
- To trial the use of this modern method of construction which if proved successful could be a trail blazer for future schemes in the UK and could be used to make the Council's smaller sites less expensive.

Alternative Options and Reasons for Rejection

Executive could choose not to support the development, but this would not help to achieve the Council's agreed ambition of building affordable housing properties and would leave a stalled site at Pinxton, which in the future might not be able to attract the levels of funding that were possible at present. More specifically this would not help to meet the current demand for affordable housing in Pinxton.

Executive could choose to delay its decision until planning permission had been achieved. As above this could impact funding of the D2N2 award.

EX79-23/24

BOLSOVER HOMES SCHEME – WOBURN CLOSE CLUSTER, BLACKWELL

Executive considered a detailed report which sought Members' approval to carry out demolition work, and construction of 45 new dwellings at the Woburn Close Cluster scheme.

The scheme at Woburn Close would provide a replacement independent living scheme comprising of 20 self-contained flats together with a mix of 23 houses and bungalows, and a further 2 properties at a nearby disused parking area at Pendean Close. Appendix 2 to the report provided the site layout and a summary of the type and number of properties for Woburn Close, and Appendix 3 for Pendean Close.

Planning permission had been obtained for Woburn Close and it was hoped to start on site in March 2024. Planning permission had not been obtained for the two bungalows at Pendean Close, however, pre application advice was favourable. If permission were not granted, they would be removed from the scheme and the costs revised downwards.

To date, the bungalows at Woburn Close had been vacated in readiness for demolition (budget approved at Executive on 31st of July 2023). The independent living scheme remained partially occupied by residents who intended to move to the newly developed independent living scheme. If approval were given to demolish the remainder of the site this would save on empty properties council tax which was currently a cost to the Housing Revenue Account.

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Moved by Councillor Sandra Peake and seconded by Councillor John Ritchie

RESOLVED that 1) the capital expenditure budget as outlined within the report to deliver the Woburn Close affordable housing building scheme in the amount of £5,944,592.11 for the houses and bungalows and £5,637,982.58 for the Independent Living Scheme be approved,

2) an expenditure budget as outlined within the report to deliver the Pendean Close affordable housing building scheme, subject to planning permission being granted, be approved,

3) the Council enters into contract with Dragonfly Development Limited for the development of the Woburn Close Cluster as outlined in the report.

Reasons for Recommendation

- To continue to meet the growing demand for affordable housing in the District.
- To develop a fit for purposes independent living scheme in the south of the District.
- To deliver a more affordable rental residential development in the south of the District.
- To enable demolition to save the HRA the cost of Council Tax on empty properties.
- To give the best chance of achieving Homes England funding by ensuring scheme completion before March 2026.

Alternative Options and Reasons for Rejection

The Council could decide not to proceed with the scheme, but this would mean that there was only provision of one independent living scheme in the south of the District when there was an identified demand for more provision.

The Council could decide to delay its decision to see if prices in the construction market fell to levels which would make the scheme more viable. However, if a decision were not made there was a chance that Homes England funding could be lost which would mean that prices in the market would have to drop much lower.

The Business Growth Manager, Dragonfly Management Ltd) and the Head of Property Services, Dragonfly Development Ltd left the meeting.

Councillor Steve Fritchley returned to the meeting.

EX80-23/24

LEASE AGREEMENT FOR VISION WEST NOTTS COLLEGE AT PLEASLEY VALE BUSINESS PARK

Executive considered a detailed report which sought Members' approval to accept £500,000 of funding from D2N2 (the Local Enterprise Partnership) to invest in Pleasley Vale Business Park and facilitate a lease agreement with Vision West Notts College. Members' approval was also sought for a ten-year lease with Vision West Notts College for vacant space at Pleasley Vale Business Park.

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The value of the income generated over the term of the lease exceeded the key decision threshold, therefore, approval of Executive was required to enable the formal heads of terms to be prepared, for Legal to be instructed on the preparation of the lease, and to issue the lease to the tenant for signing.

The report further provided reasons why a new building originally proposed on Portland Drive, Shirebrook, was no longer viable and that alternative options of a proposal to potentially convert an existing commercial building on Vernon Street, Shirebrook, which D2N2 had been supportive of, was also no longer viable. It had therefore been necessary to reconsider a further alternative which involved Vision West Notts College delivering a green skills training and assessment centre at Pleasley Mills Business Park.

Members welcomed the report.

Moved by Councillor John Ritchie and seconded by Councillor Duncan McGregor **RESOLVED** that 1) the letting of the space on the 3rd floor of Mill 3, Pleasley Vale Business Park to West Notts College on the terms set out in the report, be approved,

2) negotiation of the break clause and the associated clawback and compensation clauses be delegated to the Director of Development of Dragonfly Development Limited in consultation with the Council's Chief Executive,

3) that the lease would contribute to the promotion or improvement of the economic, social, and environmental well-being of the area be noted,

4) the Council enters into a funding agreement with the LEP-D2N2 for the grant funding to deliver the Future Skills Hub at Pleasley Vale Business Park on terms to be agreed by the Chief Executive.

Reasons for Recommendation

The office accommodation which West Notts College were interested in had been vacant for a number of years with no other interested parties wanting to let the space. It was a large office space with no demand from the market for such a size / use / class.

The investment would significantly improve the premises which are currently in a poor state of repair.

The rental income generated would be secured for the 10-year term of the lease. In addition, the business rate liability, approximately £14,870 per annum, would be paid by the tenant. This was currently being paid by the Council.

The provision of a Future Skills Hub at Pleasley Vale Business Park would enhance the post-16 provision in the District, the letting was strategically important to meeting the growth ambitions of the Council. It opened up new spin off commercial ventures by working in collaboration with existing tenants, for example, Napit, to develop a

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technology campus which would further boost the vocational and technological skills for young people and upskilling the existing workforce.

Accepting these proposals would not meaningfully compromise redevelopment of Pleasley Mills.

Alternative Options and Reasons for Rejection

To advise D2N2 the grant funding was no longer required was rejected because this would mean losing an investment of £500,000 into the District and subsequently, not realising the benefits of the creation of a Future Skills Hub when the District was already at risk of falling behind in green skills.

Not to proceed with the tenancy and leave the space vacant awaiting further interest. This option was rejected as the space has been vacant for a number of years and there were currently no other interested parties. The business rate liability would also remain with the Council at a cost to the Council of around £14,870 per annum. This would also result in a loss of grant funding investment into the District by the LEP to support the provision of post-16 education.

To offer a standard 3-year tenancy to the interested party - this option was discounted as the tenant needs a longer-term lease to make their investment in the premises viable.

BUDGET AND POLICY FRAMEWORK ITEMS

EX81-23/24 FINANCIAL OUTTURN 2022/23

Executive considered a detailed report which informed Members of the financial outturn position of the Council for the 2022/23 financial year.

The report considered the 2022/23 outturn position in respect of the General Fund, the Housing Revenue Account (HRA), the Capital Programme and the Treasury Management activities. Consideration was also given to the level of balances at the year end and the impact which the closing position had upon the Council's budgets in respect of the current financial year.

Members were asked to note that the Council had published its draft Statement of Accounts in respect of 2022/23 on 19th May 2023. The statutory deadline of 31st May was reinstated in 2023, for the first time since before the Covid-19 pandemic. The draft Statement of Accounts 2022/23 was now subject to the independent audit from the Council's external auditors, Mazars, and would be undertaken remotely throughout July and August. The statutory date for the final audited accounts had been extended from 31st July to 30th September 2023, for all local government to try to ease the pressure on auditors and finance teams who had in some cases two years' where the audit opinion was outstanding on the accounts.

Until the accounts had been agreed by Mazars, there remained the possibility that they would be subject to amendment.

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The audit opinion on the 2021/22 accounts was received on 28th November 2022, and was included in the 12% of local government audits that were completed by the 30th November 2022 deadline.

International Financial Reporting Standards (IFRS) dictated that the main focus of the Statement of Accounts was on reporting to the public in a format which was directly comparable with every country that had adopted IFRS, i.e., not just the UK or even other local authorities. By contrast, the focus of the report was on providing management information to Members and other stakeholders to assist in the financial management of the Council.

Moved by Councillor Clive Moesby and seconded by Councillor Duncan McGregor **RESOLVED** that 1) the outturn position in respect of the 2022/23 financial year be noted,

2) the transfers to earmarked reserves of £1.955m and £0.043m as outlined in detail in paragraphs 2.3 and 2.17 respectively in the report, be approved,

3) the proposed carry forward of capital budgets detailed in Appendix 4 to the report, totalling £10.173m be approved.

Reasons for Recommendation

As detailed in the report.

Alternative Options and Reasons for Rejection

The financial outturn report for 2022/23 was primarily a factual report which detailed the outcome of previously approved budgets therefore there were no alternative options that needed to be considered.

The allocation of resources to earmarked reserve accounts had been undertaken in line with the Council's policy and service delivery framework and in the light of the risks and issues facing the Council over the period of the current MTFP. If these risks did not materialise or were settled at a lower cost than anticipated, then the earmarked reserves would be reassessed and returned to balances where appropriate.

EX82-23/24 BUDGET MONITORING

Executive considered a detailed report which provided the current financial position following the 2023/24 Quarter 1 monitoring exercise, for the General Fund, the Housing Revenue Account, Capital Programme and Treasury Management activity. From 1st April 2023, a number of Council services were transferred into Dragonfly Developments, the Council's wholly owned company. Dragonfly Developments would be responsible for operating the following services on behalf of the Council under service level agreements:

- Economic Development
- Facilities Management
- Property/Commercial Asset Management

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- Property Services and Estates
- Repairs and Maintenance
- Tourism

To ensure effective financial management continued to take place regarding the transferred services, the structure of services within the Council's financial management system had been changed. Previous MTFP reports to Members showed services in either the Resources Directorate or Strategy and Development Directorate. For the purposes of this report, the services transferred into Dragonfly were shown on appendices 1, 2 and 4 as Dragonfly Services. The remainder of the Council's services were shown in the Community Services Directorate if they were outward facing services or the Corporate Resources Directorate if they were internal support services.

The Medium-Term Financial Strategy, approved in July 2023, stated that it was the Council's intention to monitor the budgets of services transferred into Dragonfly Developments, as part of the budget monitoring process.

Moved by Councillor Clive Moesby and seconded by Councillor Duncan McGregor
RESOLVED that 1) the monitoring position of the General Fund at the end of the first quarter as detailed on Appendix 1 (a net favourable variance of £0.512m against the profiled budget) and the key issues highlighted within the report be noted,

2) the position on the Housing Revenue Account (HRA), the Capital Programme and Treasury Management at the end of the first quarter (Appendices 2, 3, 4, 5 and 6) be noted.

Reasons for Recommendation

The report summarised the financial position of the Council following the first quarter's budget monitoring exercise for the General Fund, the Housing Revenue Account, Capital Programme and Treasury Management activity.

The Medium-Term Financial Strategy approved in July 2023, stated that it was the Council's intention to monitor the budgets of services transferred into Dragonfly Developments as part of the budget monitoring process.

Alternative Options and Reasons for Rejection

The Budget Monitoring report for 2023/24 was primarily a factual report which detailed progress against previously approved budgets. Accordingly, there were no alternative options to consider.

The meeting concluded at 1105 hours.



Bolsover District Council

Meeting of the Executive on 9th October 2023

Ambition Plan Targets Performance Update – April to June 2023

Report of the Portfolio Holder for Corporate Performance & Governance

Classification	This report is Public
Report By	Kath Drury Information, Engagement and Performance Manager

PURPOSE/SUMMARY OF REPORT

To report the Quarter 1 outturns for the Council’s Ambition targets 2020-2024

Out of the 31 targets:

- 20 (65%) are on track
- 2 (6%) have achieved their outturn for 2022/23
- 1 (3%) is under review
- 8 (26%) achieved their outturns previously.

REPORT DETAILS

1. Background

1.1 The attached appendix contains the performance outturn as of 30th June 2023.

2. Details of Proposal or Information

2.1 A summary of performance by Council Ambition aim is provided below:

2.2 Our Customers – Providing excellent and accessible services

- 10 targets in total
- 9 targets are on track
- 1 target is under review CUS07 (relet average time in days for standard voids)

2.3 Our Environment – protecting the quality of life for residents and businesses, meeting environmental challenges and enhancing biodiversity

- 11 targets in total
- 7 targets are on track

- 4 targets achieved previously (ENV 07, ENV 08, ENV 09, ENV 10)

2.4 Our Economy – by driving growth, promoting the District and being business and visitor friendly

- 10 targets in total
- 4 targets are on track
- 2 have achieved their outturn for 2022/23 (ECO 05 and ECO 06)
- 4 targets achieved previously (ECO 08, ECO 09, ECO 04, ECO 01)

2.5 A summary of supporting indicators by Council Ambition aim is provided below:

3. Reasons for Recommendation

3.1 Out of the 31 Council plan targets, 20 are on track (65%), 2 have achieved their annual outturn (6%), 1 is under review (3%) and 8 achieved previously (26%).

3.2 This is an information report to keep Members informed of progress against the Council Ambition targets noting achievements and any areas of concern.

4 Alternative Options and Reasons for Rejection

4.1 Not applicable to this report as providing an overview of performance against agreed targets.

RECOMMENDATION(S)

That quarterly outturns against the Council Ambition 2020-2024 targets be noted.

Approved by the Portfolio Holder for Corporate Performance & Governance

<u>IMPLICATIONS:</u>		
<u>Finance and Risk:</u>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Details:	On behalf of the Section 151 Officer	
<u>Legal (including Data Protection):</u>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Details:	On behalf of the Solicitor to the Council	
<u>Environment:</u>		
Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment.		
Details:		
By reporting on targets which supports the Council to meet its carbon neutral target and enhance the environment.		
<u>Staffing:</u>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Details:	On behalf of the Head of Paid Service	

DECISION INFORMATION

<p>Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:</p> <p>Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i></p>	No
<p>Is the decision subject to Call-In? <i>(Only Key Decisions are subject to Call-In)</i></p>	No

<p>District Wards Significantly Affected</p>	None
<p>Consultation: Leader / Deputy Leader <input checked="" type="checkbox"/> Executive <input type="checkbox"/> SLT <input checked="" type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/></p>	Cabinet Members/SLT informed on route via the quarterly performance process



<p>Links to Council Ambition: Customers, Economy and Environment.</p>
All

DOCUMENT INFORMATION	
Appendix No	Title
1	Ambition Target listing by exception and aim

<p>Background Papers <i>(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive you must provide copies of the background papers).</i></p>
All details on the PERFORM system

Appendix 1 Ambition Target Listing by Exception and Aim

Status Key

Target Status	Usage
 On Track	The target is progressing well against the intended outcomes and intended date.
 Achieved	The target has been successfully completed within the target date. Success to be celebrated.

Achieved for 2022/23

21

ECO.05 - Annually review housing delivery in the district and facilitate delivery to meet the annual target of 272 new homes	Services Directorate <i>Cllr Ritchie</i>	Achieved 2022/23	The number of net housing completions between April 1st 2022 and March 31st 2023 is 491.
ECO.06 - Work with partners to deliver an average of 20 units of affordable homes each year.	Services Directorate <i>Cllr Ritchie</i>	Achieved 2022/23	The number of gross affordable housing completions between April 1st 2022 and March 31st 2023 is 78.

Target under review

CUS.07 - Reduce average relet times for standard voids (council properties) to 20 calendar days by March 2021 and maintain thereafter	Dragonfly & Housing Management Cllr Peake & Cllr Ritchie	Under review	<p>As noted previously this target needs to be reviewed. It makes sense to do at the same time as reviewing the lettable standard and voids specification in conjunction with Councillors and tenants.</p> <p><u>Standard/Minor Voids</u> - Figure overall is 39 days. There are 2 properties which have significantly affected the figure. One property was a low demand property which incurred significant delays and the other was delayed due to requirements of the tenant and Occupational Team intervention. If these two properties are excluded the figure would be 27 days.</p> <p><u>Major Voids</u> - is 78 days (without applying exclusion). One property required major structural work and would meet the exclusion criteria, with this property removed the figure is 74 days.</p>
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Aim: Our Customers – providing excellent and accessible services

22

Council Plan Target (Target date 31/03/24 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2023/24 Progress Update
CUS.01 - Measure customer satisfaction in all front facing service areas at least every two years on a rolling programme	Services Directorate Cllr Moesby	<p>Bin collection service satisfaction figures for 2023 as follows:</p> <p>Overall satisfaction – 92%</p> <p>Burgundy bin: very satisfied 63% plus fairly satisfied 30% = 93%</p> <p>Green bin: very satisfied 56% plus fairly satisfied 34% = 90%</p> <p>Black bin: very satisfied 71% plus fairly satisfied 22% = 93%</p> <p><u>Note:</u> Citizen Panel May 2023</p>
CUS.02 - Improve the overall performance and usability of the website by achieving a minimum score of 90% using the Silktide* tool by March 2024.	Executive, Governance and Partnerships Directorate Cllr Dooley	<p>We have undertaken a great deal of work in the last quarter to improve the website including streamlining content, changing templates and removing tables, all of which affect the accessibility scores. <u>The overall scores using the Silktide system are Content - 88 (Great), Accessibility - 98 (Excellent), Marketing - 76 (Good), User Experience - 99 (Excellent).</u> Please note however, that the scores constantly change due to pages and documents being added/deleted every day. We are working our way through the website to rectify any issues and are looking at reducing the number of PDFs and documents on the site as that is the biggest area where accessibility and content scores can be increased, but this is a time-consuming process.</p>
CUS.03 - Ensure that at least 50% of transactions are made through digital channels by Dec 2024	Services Directorate Cllr Moesby	<p>Online Digital Transactions - 41,296 this includes Voter Registrations, Housing, Revenues and Planning online forms accessed via the website. This has dropped from 42,946 the previous quarter.</p> <p>Tel and Non-Digital contact – 44,175 all staff assisted transactions. This has increased from 42,489 the previous quarter (Q4) and 35,203 in Q3.</p>

Council Plan Target (Target date 31/03/24 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2023/24 Progress Update	
			<p>Total contact transactions (based on data held by Customer Services) is 85,471 which equates to 48.32% of transactions/contact via digital methods. This shows a decrease from 50.84% in Q4 and 54.45% in Q3 2022/23.</p> <p>It is uncertain what the cause of the decrease is but appears to be related to a significant increase in face-to-face contact and emails received in Q1 2023-24. The figure is more than any quarter in 2022-23, however, it is in line with previous years. There has also been a decrease in Housing applications and voter registrations in Q1 compared to previous quarters (the latter would be expected post elections and Housing applications have now levelled off). The percentage decrease appears more significant when compared to the last two quarters of 2022-23, however the figure is more in line with the increase trend seen over the last few years up to Q1 and Q2 of 2022-23.</p> <p>The good news is that generally the use of Digital services is continually increasing; the use of Self Service has seen a significant increase in this quarter and the previous. The use of telephone and web payments remains fairly stable. This is an ongoing priority and work to drive digital take-up is always kept under review.</p>
CUS.04 - Work with partners to deliver the Sustainable Communities Strategy and publish an evaluation report annually	Executive, Governance and Partnerships Directorate <i>Cllr Dooley</i>	On track	All groups have now completed a review and refresh of their priorities and action plans completed. Thematic Groups have now put their priorities together and finalising their action plans. The Annual Document will be compiled over the coming weeks. We have currently been working with the thematic groups and updating the priorities for each group. This will then form the Sustainable Community Strategy. We have had to push this back to September due to workloads currently with the Shared Prosperity Fund and investment plan that goes with it.
CUS.05 - Monitor performance against the corporate equality objectives and publish information annually	Corporate and Legal Services directorate	On Track	Internal and external consultation completed on the draft Equality Plan and objectives for 2023-27. Comments and suggestions reviewed, and the document amended. Taken to CS&T Scrutiny Committee in June and going to SLT on 03/08/23 for management sign-off.

Council Plan Target (Target date 31/03/24 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2023/24 Progress Update	
	Cllr McGregor		
CUS.06 - Prevent homelessness for more than 50% of people who are facing homelessness each year	Services Directorate Cllr Peake	On Track	108 approaches of which 62 were prevented from becoming homeless and 46 cases remain open. This equates to 57% prevention rate.
CUS.07 - Reduce average relet times for standard voids (council properties) to 20 calendar days by March 2021 and maintain thereafter	Dragonfly & Housing Management Cllr Peake & Cllr Ritchie	Under review	As noted previously this target needs to be reviewed. It makes sense to do at the same time as reviewing the lettable standard and voids specification in conjunction with Councillors and tenants. <u>Standard/Minor Voids</u> - Figure overall is 39 days. There are 2 properties which have significantly affected the figure. One property was a low demand property which incurred significant delays and the other was delayed due to requirements of the tenant and Occupational Team intervention. If these two properties are excluded the figure would be 27 days. <u>Major Voids</u> - is 78 days (without applying exclusion). One property required major structural work and would meet the exclusion criteria, with this property removed the figure is 74 days.
CUS.08 - Maintain high levels of tenant satisfaction with council housing and associated services	Services Directorate Cllr Peake	On Track	Tenant satisfaction will now be measured through the Tenancy Standard Survey methodology (this is a national survey which all housing providers are required to undertake from 01/04/23. At the year end the Council will need to submit results and, also publish). Housing and the Performance Team are running this survey in house using a sample approach by Contact Centre area. For the Q2 update we will provide some initial findings to inform Members.
CUS.09 - Increase participation/attendances in leisure, sport, recreation, health, physical and cultural activity by 3,000 per year.	Services Directorate Cllr Dooley	On Track	During quarter 1 we attracted 103,975 attendances to leisure facility-based activities, community outreach programmes and school delivery. This exceeds our quarterly target of 89,000.

Council Plan Target (Target date 31/03/24 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2023/24 Progress Update	
CUS.10 - Deliver a health intervention programme which provides 500 adults per year with a personal exercise plan via the exercise referral scheme	Services Directorate <i>Cllr Dooley</i>	On Track	The total number of people that started a health referral programme in the first quarter is 140. This exceeds our quarterly target of 125.

25 **Aim: Our Environment – protecting the quality of life for residents and businesses, meeting environmental challenges and enhancing biodiversity**

Council Plan Target (Target date 31/03/24 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2023/24 Progress Update	
ENV.01 - Develop an externally facing climate change communication strategy targeting communities and stakeholders by October 2020 and deliver an annual action plan	Executive, Governance and Partnerships Directorate <i>Cllr Fritchley</i>	On track	<p>April 2023 Bolsover TV - Cockshut Lane tree planting, Shirebrook Butterfly conservation, Creswell Crags bird song Environment newsletter - 5 April - Green Easter, International Mother Earth Day, Donate unused furniture 19 April - International Dark Sky Week, Stop Food Waste Day, International Dawn Chorus Week</p> <p>May 2023 Bolsover TV - May 2023 - Pleasley Pit nature day, New Bolsover planting day Environment newsletter - 3 May - National Gardening week, Sun Awareness Week, World Fair Trade Day, Walk to School Week 17 May - Water Saving Week, National Children's Gardening Week, New Bolsover enjoys new trees.</p> <p>June 2023 Bolsover TV - June 2023 - Fly tip FPN, grass verge maintenance, Fly tip Shirebrook,</p>

Council Plan Target (Target date 31/03/24 unless stated otherwise)	Directorate/ Portfolio Holder		Q1 2023/24 Progress Update
			<p>Environment newsletter - 1 June - World Environment Day, Garden Wildlife Week, National Growing for Wellbeing Week.</p> <p>15 June - International Clean Air Day, Thank you to our latest volunteers, Plastic free beauty day, 30 Days Wild</p> <p>29 June - Plastic Free July, Don't Step on a Bee Day, International Plastic Bag Free Day</p> <p>Social Media - used to support all of the above stories and to continue to drive traffic to the TV and newsletters.</p> <p>Website - Press releases written for the bigger of the above stories and included on the news page.</p> <p>In Touch - No In Touch published during this period.</p>
ENV.02 Reduce the District Council's carbon emissions by - 100 tonnes CO2 in 20/21 - 125 tonnes CO2 in 21/22 - 200 tonnes CO2 in 22/23 - 300 tonnes CO2 in 23/24	Executive, Governance and Partnerships Directorate <i>Cllr Clarke</i>	On track	Mapping of works has taken place regarding Low Carbon, involving all departments. Due to the Creation of Dragon Fly, Low Carbon needs to be picked up again. A meeting will take place internally regarding the reporting measures needed, officer time and capacity to drive the agenda forward. The Low Carbon thematic Group within the Partnership is due to take place on the 02/10/23.
ENV.03 - Achieve a combined recycling and composting rate of 43% by March 2024.	Services Directorate <i>Cllr Clarke</i>	On Track	Q1 (2023\234 performance is estimated based on Q1 2022\23 Waste Data Flow figures of 4,147 tonnes of recyclable\ compostable material collected, equating to a combined recycling and composting rate of 44.7%. This will be updated ending September when official Waste Data Flow (WDF) information becomes available. Actual for 2022/23 - 36%
ENV.04 - Sustain standards of litter cleanliness to ensure 96% of streets each year meet an acceptable level as assessed by Local	Services Directorate <i>Cllr Clarke</i>	On Track	Q1 (2023\24) LEQS's established 1% of streets and relevant land surveyed fell below grade B cleanliness standards representing 99% falling within the 96% target standard set.

Council Plan Target (Target date 31/03/24 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2023/24 Progress Update	
Environment Quality Surveys (LEQS).			
ENV.05 - Sustain standards of dog fouling cleanliness to ensure 98% of streets each year meet an acceptable level as assessed by Local Environment Quality Surveys (LEQS).	Services Directorate <i>Cllr Clarke</i>	On Track	Q1 (2023\24) LEQS's established 0% of streets and relevant land surveyed fell below grade B cleanliness standards and within the 2% target standard set.
ENV.06 - Carry out 144 targeted proactive littering/dog fouling patrols per year (in 2022/23 and review number for 2023/24)	Services Directorate <i>Cllr Clarke</i>	On Track	We exceeded the original quarterly target of 36 by 23, with 59 proactive patrols carried out. The overall annual target of 144 is likely to be exceeded. A review of performance achievement has taken place and this annual target will be stretched from 144 to 155, with quarterly targets of 39 for quarters 1 to 3 and 38 for quarter 4 New Q1 target = 39; Q1 actual = 59
ENV.11 - Resolve successfully 60% of cases following the issuing of a Community Protection Warning by 2024	Services Directorate <i>Cllr Peake</i>	On track	12 CPW's have been issued in Quarter 1 We currently, have 63 CPW's in force - These cases are continually monitored for the duration of the case (now with an 18-month review unless stipulated otherwise). They are only deemed to be failures if the case progresses to a Community Protection Notice (CPN) 10 of the 63 have progressed to CPN (deemed failures) – therefore a success rate of 84%

Aim: Our Economy – by driving growth, promoting the District, and being business and visitor friendly

28

Council Plan Target (Target date 31/03/24 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2023/24 Progress Update	
ECO.02 - Optimise business growth (as measured by gross Business Rates) by £2m by March 2024.	Finance Directorate <i>Cllr Ritchie</i>	On Track	Outturn Q1 23/24 = Rateable value £74,127,933. Baseline (Outturn 22/23) = £66,342,311= difference £7,785,622, +11.74%. Significant increase due to 2023 Revaluation (previous revaluation was 2017)
ECO.03 - Working with partners to bring forward employment and development opportunities at Coalite and Clowne Garden Village strategic sites by 2023.	Dragonfly <i>Cllr Ritchie</i>	On track	Horizon 29 - Q1 2023/24 - Phase 1A (units 1, 2, and 3) - unit 3 now has a prelet of Wolseley Group, with Phase 1b coming on stream in Q2 2023/24. Phase 2 is units 7 and 8 and these are to follow on late 2023/24. Clowne Garden Village - the planning application will be considered at the Planning Committee in August 2023.
ECO.05 - Annually review housing delivery in the district and facilitate delivery to meet the annual target of 272 new homes	Services Directorate <i>Cllr Ritchie</i>	Achieved 2022/23	The number of net housing completions between April 1st 2022 and March 31st 2023 is 491.
ECO.06 - Work with partners to deliver an average of 20 units of affordable homes each year.	Services Directorate <i>Cllr Ritchie</i>	Achieved 2022/23	The number of gross affordable housing completions between April 1st 2022 and March 31st 2023 is 78.

Council Plan Target (Target date 31/03/24 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2023/24 Progress Update	
ECO.07 - Deliver 150 new homes through the Bolsover Homes Programme by March 2024	Dragonfly <i>Cllr Ritchie</i>	On track	We have planning permission for the Woburn scheme and are currently costing the scheme for the viability phase. Work continues at Market Close, Hereward close, West Street and Moorfield Lane to deliver a further 40 properties.
ECO.10 - Working with partners to grow the visitor economy, the number of tourists and the amount of tourism spending in the district by 2023.	Dragonfly <i>Cllr Ritchie</i>	On track	<p>Accessible UK are nearing completion of an audit of 30 attractions and premises to support the promotion of accessible tourism with a focus on the businesses in and around Bolsover town.</p> <p>The Tourism and Place Manager, since starting in post on 26 June 2023 has started to deliver on the activities, including:</p> <ul style="list-style-type: none"> - started to establish a key attractions network (Creswell Crags, Hardwick Hall, Pleasley Pit, Bolsover Castle); - has attended the Culture and Tourism Partnership meeting, starting to engage partners with the tourism strategy and action plan delivery; - drafted the Growth Scrutiny Report to take to meeting in August, on the tourism Strategy and action plan; - completed some data mapping and workshops with High Streets Task Force Mentor to inform the place narrative being formulated to increase the impact of the destination and promotion of the tourism offer; - started to engage consultants on the levelling up fund round 3, using the feedback of the round 2 bid, the input of the Understanding Your Place Potential mentor input, as well as the stakeholder engagement group for Bolsover.

Bolsover District Council

Meeting of the Executive on 9th October 2023

Lease of Roseland Park and Crematorium

Report of the Portfolio Holder for Resources

Classification	This report is Public
Contact Officer	Theresa Fletcher Director of Finance and Section 151 Officer

PURPOSE/SUMMARY OF REPORT

- To update Members on the partial exemption and VAT position of the Council.
- To set out to Members the next steps in relation to the lease of Roseland Park and Crematorium in line with expert advice provided on the VAT partial exemption calculation.
- To authorise the transfer of the Roseland Park land to the Council and the subsequent lease of the land and crematorium to the Shirebrook Crematorium LLP (“LLP”)

REPORT DETAILS

1. Background

- 1.1 In August 2022, the Council approved the investment of £9.2million in the development of a new crematorium and wake facility. This is funded by borrowing from the Public Works Loan Board (PWLB), and works are due to commence on site in September 2023, and the building be operational from Summer 2025.
- 1.2 In September 2021, the Director of Finance - Section 151 Officer stated in a report to Executive that “...*income and expenditure related to cremations could adversely affect the Council’s partial exemption calculation and cost us money. This needs to be fully investigated as part of the next stage of the project to ensure any VAT consequences related to our Section 33 body status, are factored into the feasibility cost plan before any final decision on borrowing is undertaken.*”
- 1.3 The Director of Finance has sought this VAT Advice from the Council’s tax advisors – PSTAX – and this report sets out the measures needed to structure the delivery of the scheme in order to comply with the advice given.

2. Details of Proposal or Information

General powers of VAT recovery

- 2.1. Local authorities and other public bodies are generally referred to as section 33 bodies because their ability to recover VAT incurred on costs associated with their statutory and non-business activities, is covered in the VAT Act 1994 section 33.
 - 2.2. When a VAT-registered local authority like Bolsover, incurs VAT on expenditure, it is referred to as input VAT. We can recover input VAT under one of three powers provided by the VAT Act 1994. They are a mix of the normal rules that apply to all VAT-registered entities and the special rules that apply only to bodies like local authorities.
 - 2.3. In all cases, the input VAT is recovered through the Council's monthly VAT return submitted by finance. However, the longer-term recovery entitlement is linked to the use we as a Council, make of our purchased goods and/or services.
 - 2.4. The normal rules fall under the VAT Act 1994 section 26 and allow full recovery of input VAT related to taxable business activity.
 - 2.5. The special rules sit under the VAT Act 1994 section 33 part 1 and 2.
 - Part 1 provides a local authority full recovery of input VAT related to a non-business activity. This would apply to supplies made for no charge, such as leases where the only consideration is a peppercorn or £1.
 - Part 2 provides a local authority with the recovery of input VAT relating to VAT-exempt activities, but only to the extent that the value is insignificant. HMRC has set a basic de minimis value for significant as either £7,500 per year or 5% of all the VAT recovered in a year, whichever is the higher. If a local authority incurs exempt input VAT at or above this level, it must be repaid to His Majesty's Revenues and Customs (HMRC).
 - 2.6. The Council has to carry out a calculation annually (referred to as the partial exemption calculation), to estimate the value of its exempt input VAT. HMRC does allow a breach of the insignificant limit but this can only occur once in any consecutive 7 years, this is known as the 7-year average.
 - 2.7. A recent HMRC ruling which changes certain leisure exempt activities to non-business and the building of the crematorium, whose activities are classed as an exempt business activity, meant there was a need to obtain expert advice on our partial exemption calculation.
- PSTAX calculations and advice
- 2.8. Bolsover District Council will be investing £9.2million into the construction of a new build crematorium, wake facility, and associated hard and soft landscaping over the next 18-months with work starting on site September 2023. The facility will be operated by the Shirebrook Crematorium LLP which will be a partnership between Bolsover District Council and Shirebrook Town Council.
 - 2.9. The LLP agreement details a profit share of 96% to Bolsover based on the value of the Council's contribution. Although the Council will not be operating the crematorium, there is a risk that HMRC will deem any profit share received as consideration for a lease of occupation of the crematorium. As an exempt activity, this would then represent a substantial risk to the Council's de minimis partial

exemption position. Initial calculations estimate this predicted breach to mean a repayment of £1.7m to HMRC.

- 2.10. The potential breach of this partial exemption can be mitigated, and PSTAX have provided an advice note setting out their recommendations.

LLP operation of the crematorium

- 2.11. The LLP will operate the crematorium business in its name as principal in the delivery of VAT-exempt cremation services to the public.
- 2.12. Upon completion of the development phase, a premises lease will be granted by the Council to the LLP to enable it to occupy the crematorium facilities. The premises lease will be for no consideration (non-business activity).
- 2.13. A separate operation agreement will be drawn up under which the Council will set out how it wants the LLP to operate the crematorium. The operation agreement will be the right to operate the crematorium (a taxable supply).
- 2.14. The most common arrangement under an operation agreement is where the LLP levies a periodic operational charge on the Council to cover an anticipated operational deficit. This is a supply of operational services by the LLP to the Council for which a fee is charged. The Council is entitled to recover the VAT charged by the LLP as this relates to the taxable operation agreement.
- 2.15. Where the crematorium generates a profit, the Council will receive a periodic receipt from the LLP. The fee payable to the Council under the operation agreement will represent consideration for the Council's taxable supply of operational rights to the LLP.

The Council exercising an option to tax

- 2.16. The option to tax allows the Council to choose to charge VAT on the sale or rental of commercial property, i.e. to make a taxable supply out of what otherwise would be an exempt supply.
- 2.17. If HMRC did deem the receipt of any profit share by the Council as monetary consideration for a supply of the crematorium to the LLP, the option to tax will turn the consideration from exempt to taxable and allow the Council full input tax recovery on the capital works.
- 2.18. An option to tax on the building would act as a safety net for the Council in the event HMRC deemed the profit share as consideration for the lease.

- 2.19. *Transfer of land to Bolsover District Council*

The land where the crematorium is to be built is currently owned by Shirebrook Town Council. In order to complete the lease referred to above, Shirebrook Town Council will need to transfer the land shown edged red on Appendix 1 to the District Council for nil consideration. The transfer by the Town Council will represent its contribution to the scheme. The transfer will be made subject to the Council entering into an agreement to lease the completed crematorium to the LLP.

3. Reasons for Recommendation

- 3.1. To ensure the Council’s de minimis partial exemption position is protected, to mitigate any potential repayments of VAT to HMRC.
- 3.2. Whilst independent advice is being sought for the LLP’s VAT position, it should be noted that the LLP is separate from the Council and subject to separate VAT registration. The LLP would not be a local authority and would not receive the same VAT recovery position regarding exempt or non-business activities.

4. Alternative Options and Reasons for Rejection

- 4.1. The advice provided by PSTAX presents the only option available to the District Council to ensure it protects its partial exemption limit.
- 4.2. The recommendations from PSTAX align to the Council’s intended route of establishing a joint venture LLP to operate the crematorium, and confirm the steps needed to ensure the Council does not breach its de minimis partial exemption limit and trigger a repayment to HMRC of potentially £1.7m.

RECOMMENDATION(S)

- 1. That the Council takes a transfer of the Roseland Park land as shown edged red on the plan attached to the report from Shirebrook Town Council for nil consideration,
- 2. That the Council grant a lease of Roseland Park and crematorium for a peppercorn rent on terms to be agreed by the Council’s Chief Executive,
- 3. That the Council enter into an agreement with the LLP setting out who the LLP will operate the crematorium rent on terms to be agreed by the Council’s Chief Executive, in consultation with the Director of Finance & Section 151 Officer
- 4. That Members approve the Director of Finance & Section 151 Officer’s decision to opt to tax the crematorium, in order to protect the Council’s partial exemption position.

Approved by Councillor Clive Moesby, Portfolio Holder for Resources

<u>IMPLICATIONS.</u>		
<u>Finance and Risk:</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Details: Covered throughout the report.		
On behalf of the Section 151 Officer		
<u>Legal (including Data Protection):</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Details: Covered throughout the report.		
On behalf of the Solicitor to the Council		

Environment:

Please identify (if applicable) how this proposal/report will help the Authority meet its carbon neutral target or enhance the environment.

Details:

Not applicable to this report.

Staffing: Yes No

Details:

On behalf of the Head of Paid Service

DECISION INFORMATION

<p>Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards, or which results in income or expenditure to the Council above the following thresholds:</p> <p>Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i></p>	<p>Yes</p>
<p>Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)</p>	<p>Yes</p>

<p>District Wards Significantly Affected</p>	<p>(please state which wards or state All if all wards are affected)</p> <p>Shirebrook wards</p>
<p>Consultation: Leader / Deputy Leader <input type="checkbox"/> Executive <input type="checkbox"/> SLT <input type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/></p>	<p>Details: Meetings and discussions have been held with the Section 151 Officer and colleagues in Finance in seeking the advice and reviewing recommendations to prepare this report.</p>

<p>Links to Council Ambition: Customers, Economy, and Environment.</p>
<p>This report directly contributes to the two Economic priorities of the Vision Bolsover and Growth Strategy: making the best use of our assets; and ensuring financial sustainability and increasing revenue streams.</p>

DOCUMENT INFORMATION	
Appendix No	Title

Background Papers
<i>(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive, you must provide copies of the background papers).</i>