



*Castle House
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Newark
NG24 1BY*

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Wednesday, 25 February 2026

Chair: Councillor L Tift
Vice-Chair: Councillor R Jackson

To all Members of the Council:

MEETING: Full Council

DATE: Thursday, 5 March 2026 at 6.00 pm

**VENUE: Civic Suite, Castle House, Great North Road,
Newark, NG24 1BY**

**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 Nigel Hill on Tel: 01636 655243
Email: nigel.hill@newark-sherwooddc.gov.uk.

AGENDA

Page Nos.

1. Notification to those present that the meeting will be recorded and streamed online
 2. Apologies for absence
 3. Declarations of Interest by Members and Officers
 4. Minutes from the meeting held on 10 February 2026 4 - 6
 5. Communications which the Chairman, Leader, Chief Executive or Portfolio Holders may wish to lay before the Council
 6. In accordance with Rule No. 3.1 to receive the presentation or the debating of any Petitions from Members of the Council (if any)
 7. Questions from Members of the Public and Council
- In accordance with Rule No. 3.3.3 the following question has been submitted to the Council from Councillor John Lee:
- “Since November 2020, national government rules have been tightened to stop councils borrowing money in order to make a commercial profit. These changes apply directly to council-owned companies such as Arkwood, and make clear that: councils should not borrow in order to invest in companies like Arkwood; should not operate companies such as Arkwood primarily to generate commercial income; and should not rely on income from companies like Arkwood to support or protect the Council’s core budgets or its Medium Term Financial Plan. This position was reinforced by revised PWLB lending rules and the updated CIPFA Prudential Code issued in December 2021.
- The same guidance also makes clear that where a council owns a company such as Arkwood, that company must be kept under regular and formal review by elected members, with clear oversight of financial risk, borrowing, and whether Arkwood’s activities remain appropriate and compliant with national labour government guidance. This is particularly important where Arkwood is involved in development activity, exposed to market risk, or operating outside the District.
- In that context, and given the Council’s continued ownership and operation of Arkwood as an income-generating company, including references to Arkwood in financial planning discussions, when was Arkwood last formally reviewed by the Council, and by which committee?”
8. Revenue Budget and Council Tax Setting for 2026/27 7 - 30
 9. Capital Programme Budget 2026/27 to 2029/30 31 - 38

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| 10. | 2026/27 to 2029/30 Medium Term Financial Plan | 39 - 51 |
| 11. | Treasury Management Strategy 2026/27 | 52 - 82 |
| 12. | Capital Strategy 2026/27 | 83 - 108 |
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| 15. | Winthorpe with Langford Neighbourhood Plan Referendum | 136 - 138 |
| 16. | Notices of Motion | 139 |

In accordance with Rule No. 3.4.3, the following motion is to be considered:

Motion 1 - 'Tourism Tax'

| | | |
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| 17. | Minutes for Noting | |
| | (a) Planning Committee - 12 February 2026 | 140 - 151 |
| | (b) Governance, General Purposes and LGR Committee - 5 February 2026 | 152 - 157 |
| 18. | Exclusion of the Press and Public | |
| | To consider resolving that, under section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act. | |
| 19. | Capital Programme Budget 2026/27 to 2029/30 | 158 - 166 |
| 20. | Staffing Preparations for Local Government Reorganisation | 167 - 186 |

Note – Fire Alarm Evacuation

In the event of an alarm sounding please evacuate the building using the nearest fire exit in the Civic Suite. You should assemble at the designated fire assembly point located in the rear car park and remain there until the Fire Service arrive and advise it is safe to return into the building

Agenda Item 4

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Full Council** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Tuesday, 10 February 2026 at 6.00 pm.

PRESENT: Councillor L Tift (Chair)
Councillor R Jackson (Vice-Chair)

Councillor N Allen, Councillor A Brazier, Councillor L Brazier, Councillor C Brooks, Councillor I Brown, Councillor R Cozens, Councillor L Dales, Councillor D Darby, Councillor A Freeman, Councillor S Forde, Councillor S Haynes, Councillor R Holloway, Councillor M Home, Councillor J Kellas, Councillor J Lee, Councillor K Melton, Councillor S Michael, Councillor D Moore, Councillor P Peacock, Councillor C Penny, Councillor M Pringle, Councillor P Rainbow, Councillor K Roberts, Councillor N Ross, Councillor S Saddington, Councillor K Smith, Councillor T Smith, Councillor M Shakeshaft, Councillor P Taylor, Councillor T Thompson, Councillor T Wendels and Councillor T Wildgust

APOLOGIES FOR ABSENCE: Councillor S Crosby, Councillor P Farmer, Councillor J Hall, Councillor P Harris and Councillor M Spoors

51 NOTIFICATION TO THOSE PRESENT THAT THE MEETING WILL BE RECORDED AND STREAMED ONLINE

The Chair advised the Council that the meeting was being recorded and streamed online in accordance with usual practice.

52 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

The Council noted the interests previously declared by Members in Agenda item No. 12 – Minutes for Noting.

53 MINUTES FROM THE MEETING HELD ON 16 DECEMBER 2025

AGREED that the minutes from the meeting held on 16 December 2025 were approved as a correct record and signed by the Chair.

54 COMMUNICATIONS WHICH THE CHAIR, LEADER, CHIEF EXECUTIVE OR PORTFOLIO HOLDERS MAY WISH TO LAY BEFORE THE COUNCIL

Members of the Council reflected on their memories of the late Lawrence Goff, former District Councillor, Newark Town Councillor and former Mayor of Newark.

The Portfolio Holder for Public Protection and Community Relations informed the Council that the ‘Knife Angel’ sculpture, created by the British Ironwork Centre would be visiting Newark as part of an upcoming UK National Youth Anti-Violence Tour.

The Portfolio Holder for Housing informed the Council that the York Drive

Regeneration Scheme had been nominated for Community Engagement in the Pineapple Awards, and ICT had been nominated in the Housing Tech Awards, both within the housing sector.

55 2026/2027 HOUSING REVENUE ACCOUNT BUDGET AND RENT SETTING

The Council considered the joint report of the Deputy Chief Executive, Director – Resources and Section 151 Officer and Director – Housing, Health & Wellbeing which set out the proposed income and expenditure on the Housing Revenue Account (HRA) budget for both revenue and capital for the 2026/27 financial year, provided indicative amounts of income and expenditure for the 2027/28 to 2029/30 financial years; and sought approval for rent levels and service charges for 2026/27 (with effect from the first Monday in April 2025) as detailed in Appendices A, B, C and D to the report.

The Cabinet, at their meeting held on 20 January 2026, recommended approval of the HRA budget for 2026/27, with an increase of 4.8% on rents of all properties in the HRA, and service charges as detailed.

AGREED (with 32 for and 1 against) that Council approve:

- a) the HRA budget for 2026/27, as set out in Appendix A to the report;
- b) an increase of 4.8% in the 2026/27 rents of all current HRA tenancies will be applied from 6 April 2026;
- c) the 2026/27 service charges, as set out in Appendix C to the report; and
- d) the Capital Budget set out in Appendix D to the report is committed as expenditure in the Capital Programme for 2026/27 to 2029/30.

(Councillor R Holloway left the meeting prior to the vote on this item).

56 TREASURY MANAGEMENT MID-YEAR REPORT 2025/26

The Council considered the report of the Deputy Chief Executive, Director – Resources and Section 151 Officer, which provided an update on the Council’s treasury activity and Prudential Indicators for the first half of 2025/26. This activity was reported to the Audit & Accounts Committee at their meeting held on 10 December 2025.

AGREED (unanimously) that Full Council note the treasury management activity and the Prudential Indicators as detailed in Sections 6 & 7 of the report.

57 AUDIT & ACCOUNTS (GOVERNANCE) COMMITTEE ANNUAL REPORT

The Council considered the report of the Deputy Chief Executive, Director – Resources and Section 151 Officer, which informed the Council of the audit and accounts activity undertaken by the Audit & Governance Committee between 25 September 2024 and 2 July 2025. The report detailed how the Committee had discharged its responsibilities

throughout the year in accordance with the Constitution.

AGREED (unanimously) that the report be noted.

58 MINUTES FOR NOTING

58a CABINET - 9 DECEMBER 2025

58b CABINET - 20 JANUARY 2026

58c POLICY & PERFORMANCE IMPROVEMENT COMMITTEE - 12 JANUARY 2026

58d PLANNING COMMITTEE - 4 DECEMBER 2025

58e PLANNING COMMITTEE - 15 JANUARY 2026

58f AUDIT & ACCOUNTS COMMITTEE - 10 DECEMBER 2025

58g LICENSING COMMITTEE - 11 DECEMBER 2025

58h EXECUTIVE SHAREHOLDER COMMITTEE - 9 DECEMBER 2025

Meeting closed at 8.01 pm.

Chair



Report to: Full Council Meeting – 5 March 2026

Portfolio Holder: Councillor Paul Peacock, Strategy, Performance & Finance

Director Lead: Sanjiv Kohli – Director – Resources and Section 151 Officer

Lead Officers: Nick Wilson, Business Manager - Financial Services, Ext 5317
Phil Ward, Business Manager - Revenues & Benefits, Ext 5347

| Report Summary | |
|----------------------------------|--|
| Report Title | Revenue Budget and Council Tax Setting for 2026/27 |
| Purpose of Report | The functions of calculating the Council Tax requirement and the District element of the Council Tax, and the function of setting the Council Tax are the responsibility of the Full Council. This report provides members of the Council with the information required to set a Council Tax for 2026/27 in accordance with statutory regulations. |
| Recommendations | That Council: a) note the proposals under section 2 of the report; b) approve the proposals under section 3 of the report; c) note sections 4, 5 and 6 of the report; d) note the proposal in section 7 of the report; and e) note the determination in section 8 of the report. |
| Reason for Recommendation | To ensure the Council fulfils its statutory duty, under Section 30 of the Local Government Act 1992, to set a Council Tax for 2026/27. |

1.0 Background

- 1.1 The Council is required by the Local Government Finance Act 1992 to set a Council Tax for 2026/2027.
- 1.2 The Council Tax Base for the Council, together with the Council Tax Base for all Parish Councils within the District and the Business Rates Base, have been determined in accordance with the regulations. These figures (for noting) are shown in 2.1 (a), (b) and (c) of this report.
- 1.3 In setting the level of Council Tax for 2026/2027 it is necessary to consider the requirements of the Council Tax Collection Fund for 2026/2027. This incorporates the District Council's Council Tax Requirement, Parish Council Precepts, and the Council Tax requirements of Nottinghamshire County Council, the Nottinghamshire Police and Crime Commissioner and the Nottinghamshire Fire and Rescue Service.

- 1.4 The Cabinet meeting held on the 24 February 2026, recommended that the District Council's Net Budget Requirement for 2026/2027 should be £20,700,110.
- 1.5 As part of the budget process, the views of the operational committees have been taken into account.
- 1.6 The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 require that "immediately after any vote is taken at a budget decision meeting of an authority there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting". Members will be aware that this applies to all parts of Proposals 3 a-i in this report.
- 1.7 All Parish Council precepts have now been received. Parish precepts total £4,330,013.90. Individual Parish Council precepts are shown in the table below.

| | PARISH | PRECEPT 2026-27 £ |
|----|-----------------------|-------------------------|
| 1 | Alverton | - |
| 2 | Averham | * |
| 3 | Balderton | 403,354.00 |
| 4 | Barnby in the Willows | 5,661.12 |
| 5 | Bathley | 1,882.00 |
| 6 | Besthorpe | 8,870.00 |
| 7 | Bilsthorpe | 107,176.56 |
| 8 | Bleasby | 23,047.00 |
| 9 | Blidworth | 113,448.00 |
| 10 | Bulcote | 11,000.00 |
| 11 | Carlton-on-Trent | 6,700.00 |
| 12 | Caunton | 7,402.50 |
| 13 | Caythorpe | 8,600.00 |
| 14 | Clipstone | 180,851.00 |
| 15 | Coddington | 18,855.00 |
| 16 | Collingham | 52,153.00 |
| 17 | Cotham | - |
| 18 | Cromwell | 1,250.00 |
| 19 | Eakring | 8,716.42 |

| | PARISH | PRECEPT 2026-27 £ |
|----|----------------------|-------------------------|
| 20 | East Stoke | **** |
| 21 | Edingley | 13,500.00 |
| 22 | Edwinstowe | 228,535.00 |
| 23 | Egmanton | 5,500.00 |
| 24 | Elston | 32,500.00 |
| 25 | Epperstone | 19,375.00 |
| 26 | Farndon | 67,466.70 |
| 27 | Farnsfield | 91,129.00 |
| 28 | Fiskerton-cum-Morton | 10,253.25 |
| 29 | Girton and Meering | 1,225.00 |
| 30 | Gonalston | - |
| 31 | Grassthorpe | - |
| 32 | Gunthorpe | 25,884.00 |
| 33 | Halam | 8,000.00 |
| 34 | Halloughton | - |
| 35 | Harby | 6,686.00 |
| 36 | Hawton | 1,345.50 |
| 37 | Hockerton | 5,000.00 |
| 38 | Holme | - |
| 39 | Hoveringham | 17,200.00 |
| 40 | Kelham | * |
| 41 | Kersall | ** |
| 42 | Kilvington | - |
| 43 | Kirklington | 9,500.00 |
| 44 | Kirton | 8,750.00 |
| 45 | Kneesall | ** |
| 46 | Langford | *** |
| 47 | Laxton & Moorhouse | 4,950.00 |
| 48 | Lowdham | 95,000.00 |

| | PARISH | PRECEPT 2026-27 £ |
|----|-----------------------|-------------------------|
| 49 | Lyndhurst | - |
| 50 | Maplebeck | - |
| 51 | Meering | - |
| 52 | Newark | 1,381,498.00 |
| 53 | North Clifton | 2,231.00 |
| 54 | North Muskham | 19,544.00 |
| 55 | Norwell | 10,608.00 |
| 56 | Ollerton and Boughton | 570,552.00 |
| 57 | Ompton | ** |
| 58 | Ossington | - |
| 59 | Oxton | 22,050.00 |
| 60 | Perlethorpe-cum-Budby | 1,800.00 |
| 61 | Rainworth | 75,000.00 |
| 62 | Rolleston | 12,148.00 |
| 63 | Rufford | 4,000.00 |
| 64 | South Clifton | 3,250.00 |
| 65 | South Muskham | 13,922.00 |
| 66 | South Scarle | 5,600.00 |
| 67 | Southwell | 305,786.00 |
| 68 | Spalford | - |
| 69 | Staunton | - |
| 70 | Staythorpe | * |
| 71 | Sutton-on-Trent | 29,994.00 |
| 72 | Syerston | 2,000.00 |
| 73 | Thorney | 3,360.00 |
| 74 | Thorpe | **** |
| 75 | Thurgarton | 18,082.00 |
| 76 | Upton | 9,345.00 |
| 77 | Walesby | 54,406.00 |

| | PARISH | PRECEPT 2026-27 £ |
|----|-----------------|-------------------------|
| 78 | Wellow | 8,200.00 |
| 79 | Weston | 5,162.85 |
| 80 | Wigsley | - |
| 81 | Winkburn | - |
| 82 | Winthorpe | *** |
| 83 | Fernwood | 117,410.00 |
| 84 | Kings Clipstone | 11,046.00 |

Parishes Grouped for Precept Purposes

| | | |
|------|-----------------------------|---------------------|
| * | Averham, Kelham, Staythorpe | 8,520.00 |
| ** | Kneesall, Kersall, Ompton | 3,263.00 |
| *** | Winthorpe, Langford | 15,970.00 |
| **** | East Stoke, Thorpe | 4,500.00 |
| | Total | 4,330,013.90 |

- 1.8 The Government Grants and net retained Business Rates (including pool surplus) form part of the District Council's General Fund and are not part of the Collection Fund. These amounts total £12,845,000 for 2026/27 and are shown at 3(d).
- 1.9 In setting the level of Council Tax for 2026/2027, it is necessary to assess whether any adjustment is necessary due to the level of Council Tax levy prior to 2026/2027. This involves calculations according to the provisions of the Local Authorities (Funds)(England) Regulations 1992, as subsequently amended. The position of the Council Tax Collection Fund was examined on 15 January, 2026, as required by the Regulations.
- 1.10 Any surplus/deficit on the Collection Fund has, by law, to be apportioned between the District Council, the County Council, the Police and Crime Commissioner and the Fire Authority in proportion to their respective calls on the Collection Fund for the previous year.
- 1.11 After calculation, it is considered that it is not necessary to make an adjustment to the level of Council Tax for 2026/2027 in respect of this. This is shown at 3 (e).
- 1.12 The amount shown at 3(f) of £738,800 is the amount that the Council has determined to contribute to usable reserves.
- 1.13 The amount shown at 3(g) of £8,593,910.00 is the Council Tax requirement for Newark and Sherwood District Council (excluding parish precepts) net of revenue support grant and business rates income as shown at 3(d).

- 1.14 The basic level of tax (i.e. the level of tax for Band D properties) required to fund District Council Services in areas where no parish charge is levied is £198.60 as shown at 3(h).
- 1.15 There are no District Council Special Expenses for 2026/2027. The amount shown at 3(i) of £4,330,014.00 for special items relates to Parish Precepts only.
- 1.16 The basic level of tax i.e. the level of tax for Band D properties for District Council Services and the average of all parish precepts is shown at 3(j).
- 1.17 The basic level of tax for Band D properties in each parish, including parish charges (where appropriate) is shown at 3(k).
- 1.18 The basic level of tax for Band D properties is then multiplied by the appropriate statutory factor for each valuation band in order to arrive at the level of tax for District and Parish services for each valuation band. The resulting figures are shown at 3(l).
- 1.19 These figures then have to be added to the level of tax set by Nottinghamshire County Council, the Nottinghamshire Police & Crime Commissioner and the Nottingham and Nottinghamshire Fire and Rescue Service, for the provision of its services.
- 1.20 Nottinghamshire County Council has set a precept on Newark and Sherwood District Council's collection fund for 2026/2027 of £85,252,352.00, equivalent to a Band D Council Tax of £1,970.13. Council Tax figures for each Band are set out in section 4.
- 1.21 The Nottinghamshire Police & Crime Commissioner has set a precept on Newark and Sherwood District Council's Collection fund for 2026/2027 of £13,462,059.20, equivalent to a Band D Council Tax of £311.10. Council Tax figures for each Band are set out in section 5.
- 1.22 The Nottingham and Nottinghamshire Fire and Rescue Service (the "Combined Fire Authority") has set a precept on Newark and Sherwood District Council's Collection fund for 2026/2027 of £4,422,877.13 equivalent to a Band D Council Tax of £102.21. Council Tax figures for each Band are set out in section 6.
- 1.23 The total levels of Council Tax for 2026/2027 for each Council Tax valuation band in each parish is shown in section 7.
- 1.24 The level of Council Tax for Newark and Sherwood District Council services only is:

Valuation Band

| A | B | C | D | E | F | G | H |
|--------|--------|--------|--------|--------|--------|--------|--------|
| £ | £ | £ | £ | £ | £ | £ | £ |
| 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |

- 1.25 From 2012/13, the Government replaced the former Council Tax Capping provisions with regulations requiring a Council Tax referendum to be held where a Council proposes a Council Tax increase in excess of a level set by the Secretary of State. For 2026/27, the

level of Council Tax increase that would trigger a referendum has been set at the higher of 3.0% or more than £5.00. Having carried out the necessary calculation, the Council's budget and Council Tax do not exceed the threshold and so do not trigger a referendum. This is reflected in section 8.

- 1.26 The total level of Council Tax, including the requirements of Nottinghamshire County Council, the Nottinghamshire Police & Crime Commissioner and the Nottinghamshire Fire and Rescue Service, for areas where there is no parish precept is:

Valuation Band

| A | B | C | D | E | F | G | H |
|----------|----------|----------|----------|----------|----------|----------|----------|
| £ | £ | £ | £ | £ | £ | £ | £ |
| 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |

2.0 Proposals for Noting

- 2.1 **it be noted that the following amounts have been determined for the year 2026/2027 in accordance with regulations made under Section 31(B) of the Local Government Finance Act 1992:-**

- (a) **43,272.45** being the amount calculated by the Council in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax Base for the year;
- (b) **£59,600,705** being the net business rate yield after transitional arrangements and rate retention;
- (c) **Part of the Council's Area**

| | PARISH | TOTAL LOCAL TAX BASE |
|----|-----------------------|----------------------|
| 1 | Alverton | 26.82 |
| 2 | Averham | 124.65 |
| 3 | Balderton | 3,092.85 |
| 4 | Barnby in the Willows | 109.71 |
| 5 | Bathley | 120.96 |
| 6 | Besthorpe | 85.41 |
| 7 | Bilsthorpe | 1,169.19 |
| 8 | Bleasby | 405.54 |
| 9 | Blidworth | 1,183.95 |
| 10 | Bulcote | 174.42 |
| 11 | Carlton-on-Trent | 104.40 |

| | PARISH | TOTAL LOCAL TAX BASE |
|----|----------------------|-------------------------|
| 12 | Caunton | 214.65 |
| 13 | Caythorpe | 142.11 |
| 14 | Clipstone | 1,700.55 |
| 15 | Coddington | 572.40 |
| 16 | Collingham | 1,294.83 |
| 17 | Cotham | 44.73 |
| 18 | Cromwell | 112.86 |
| 19 | Eakring | 214.11 |
| 20 | East Stoke | 76.41 |
| 21 | Edingley | 193.68 |
| 22 | Edwinstowe | 2,111.76 |
| 23 | Egmanton | 130.95 |
| 24 | Elston | 282.51 |
| 25 | Epperstone | 275.85 |
| 26 | Farndon | 831.15 |
| 27 | Farnsfield | 1,339.29 |
| 28 | Fiskerton-cum-Morton | 430.92 |
| 29 | Girton and Meering | 61.92 |
| 30 | Gonalston | 55.26 |
| 31 | Grassthorpe | 29.97 |
| 32 | Gunthorpe | 311.85 |
| 33 | Halam | 208.08 |
| 34 | Halloughton | 38.07 |
| 35 | Harby | 125.46 |
| 36 | Hawton | 32.04 |
| 37 | Hockerton | 102.06 |
| 38 | Holme | 40.23 |
| 39 | Hoveringham | 175.77 |
| 40 | Kelham | 89.82 |
| 41 | Kersall | 22.23 |

| | PARISH | TOTAL LOCAL TAX BASE |
|----|-----------------------|-------------------------|
| 42 | Kilvington | 14.22 |
| 43 | Kirklington | 172.26 |
| 44 | Kirton | 131.31 |
| 45 | Kneesall | 95.58 |
| 46 | Langford | 42.66 |
| 47 | Laxton & Moorhouse | 119.79 |
| 48 | Lowdham | 1,020.96 |
| 49 | Lyndhurst | 6.93 |
| 50 | Maplebeck | 47.25 |
| 51 | Meering | - |
| 52 | Newark | 9,421.02 |
| 53 | North Clifton | 75.06 |
| 54 | North Muskham | 416.52 |
| 55 | Norwell | 231.93 |
| 56 | Ollerton and Boughton | 3,076.29 |
| 57 | Ompton | 21.60 |
| 58 | Ossington | 41.49 |
| 59 | Oxton | 274.95 |
| 60 | Perlethorpe-cum-Budby | 72.90 |
| 61 | Rainworth | 1,960.65 |
| 62 | Rolleston | 169.11 |
| 63 | Rufford | 234.36 |
| 64 | South Clifton | 128.97 |
| 65 | South Muskham | 199.62 |
| 66 | South Scarle | 97.83 |
| 67 | Southwell | 3,076.65 |
| 68 | Spalford | 41.85 |
| 69 | Staunton | 29.34 |
| 70 | Staythorpe | 45.45 |
| 71 | Sutton-on-Trent | 553.59 |

| | PARISH | TOTAL LOCAL TAX BASE |
|----|-----------------|-------------------------|
| 72 | Syerston | 96.03 |
| 73 | Thorney | 106.83 |
| 74 | Thorpe | 35.28 |
| 75 | Thurgarton | 259.65 |
| 76 | Upton | 202.95 |
| 77 | Walesby | 449.46 |
| 78 | Wellow | 199.17 |
| 79 | Weston | 143.28 |
| 80 | Wigsley | 53.64 |
| 81 | Winkburn | 49.68 |
| 82 | Winthorpe | 293.13 |
| 83 | Fernwood | 1,580.76 |
| 84 | Kings Clipstone | 123.03 |
| | Total Rounded | 43,272.45 |

Parishes Grouped For Precept Purposes

| | | |
|--|-----------------------------|--------|
| | Averham, Kelham, Staythorpe | 259.92 |
| | Kneesall, Kersall, Ompton | 139.41 |
| | Winthorpe, Langford | 335.79 |
| | East Stoke, Thorpe | 111.69 |

being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.

3.0 Proposals to be Approved

- 3.1 The revenue estimates for 2026/2027 and schedule of fees and charges, as submitted in the Council's Budget book be approved;
- 3.2 That the following amounts be now calculated by the Council for the year 2026/2027 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:-

- (a) **£57,909,340.00** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) to (4) of the Act;
- (b) **£37,209,230.00** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act;
- (c) **£20,700,110.00** being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with section 31A(4) of the Act, as its Council Tax requirement for the year;
- (d) **£12,845,000.00** being the amount of Government Grants (£7,827,000) and net retained Business Rates (£5,018,000) which the Council estimates will be payable for the year into its general fund;
- (e) **£0.00** being the amount which the Council has estimated in accordance with regulations issued under Section 97(3) of the Local Government Finance Act 1988 as its proportion of the surplus/deficit on the Council Tax Collection Fund;
- (f) **£738,800.00** being the amount that the Council has determined to contribute to usable reserves;
- (g) **£8,593,910.00** being the amount at 3(c) above less the amount at 3(d) above plus the amount at 3(e) above less the amount at 3(f) above calculated by the Council as its' net Council Tax requirement for the year.
- (h) **£198.60** being the amount at 3(g) divided by the amount at 2(a), calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.
- (i) **£4,330,014.00** being the aggregate amount of all special items referred to in Section 34(1) of the Act, the Council resolves there being no other special items;
- (j) **£298.66** being the amount at 3(g) above plus the amount at 3(i) above divided by the amount at 2(a) above calculated by the Council in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year;
- (k)

| | PARISH | BASIC TAX (£) |
|---|----------|------------------|
| 1 | Alverton | 198.60 |

| | PARISH | BASIC TAX (£) |
|----|-----------------------|--------------------------|
| 2 | Averham | * |
| 3 | Balderton | 329.01 |
| 4 | Barnby in the Willows | 250.20 |
| 5 | Bathley | 214.16 |
| 6 | Besthorpe | 302.45 |
| 7 | Bilsthorpe | 290.27 |
| 8 | Bleasby | 255.43 |
| 9 | Blidworth | 294.42 |
| 10 | Bulcote | 261.67 |
| 11 | Carlton-on-Trent | 262.78 |
| 12 | Caunton | 233.09 |
| 13 | Caythorpe | 259.12 |
| 14 | Clipstone | 304.95 |
| 15 | Coddington | 231.54 |
| 16 | Collingham | 238.88 |
| 17 | Cotham | 198.60 |
| 18 | Cromwell | 209.68 |
| 19 | Eakring | 239.31 |
| 20 | East Stoke | **** |
| 21 | Edingley | 268.30 |
| 22 | Edwinstowe | 306.82 |
| 23 | Egmanton | 240.60 |
| 24 | Elston | 313.64 |
| 25 | Epperstone | 268.84 |
| 26 | Farndon | 279.77 |
| 27 | Farnsfield | 266.64 |
| 28 | Fiskerton-cum-Morton | 222.39 |
| 29 | Girton and Meering | 218.38 |
| 30 | Gonalston | 198.60 |

| | PARISH | BASIC TAX (£) |
|----|-----------------------|--------------------------|
| 31 | Grassthorpe | 198.60 |
| 32 | Gunthorpe | 281.60 |
| 33 | Halam | 237.05 |
| 34 | Halloughton | 198.60 |
| 35 | Harby | 251.89 |
| 36 | Hawton | 240.59 |
| 37 | Hockerton | 247.59 |
| 38 | Holme | 198.60 |
| 39 | Hoveringham | 296.46 |
| 40 | Kelham | * |
| 41 | Kersall | ** |
| 42 | Kilvington | 198.60 |
| 43 | Kirklington | 253.75 |
| 44 | Kirton | 265.24 |
| 45 | Kneesall | ** |
| 46 | Langford | *** |
| 47 | Laxton & Moorhouse | 239.92 |
| 48 | Lowdham | 291.65 |
| 49 | Lyndhurst | 198.60 |
| 50 | Maplebeck | 198.60 |
| 51 | Meering | 198.60 |
| 52 | Newark | 345.24 |
| 53 | North Clifton | 228.32 |
| 54 | North Muskham | 245.52 |
| 55 | Norwell | 244.34 |
| 56 | Ollerton and Boughton | 384.07 |
| 57 | Ompton | ** |
| 58 | Ossington | 198.60 |
| 59 | Oxton | 278.80 |

| | PARISH | BASIC TAX (£) |
|----|-----------------------|--------------------------|
| 60 | Perlethorpe-cum-Budby | 223.29 |
| 61 | Rainworth | 236.85 |
| 62 | Rolleston | 270.43 |
| 63 | Rufford | 215.67 |
| 64 | South Clifton | 223.80 |
| 65 | South Muskham | 268.34 |
| 66 | South Scarle | 255.84 |
| 67 | Southwell | 297.99 |
| 68 | Spalford | 198.60 |
| 69 | Staunton | 198.60 |
| 70 | Staythorpe | * |
| 71 | Sutton-on-Trent | 252.78 |
| 72 | Syerston | 219.43 |
| 73 | Thorney | 230.05 |
| 74 | Thorpe | **** |
| 75 | Thurgarton | 268.24 |
| 76 | Upton | 244.65 |
| 77 | Walesby | 319.65 |
| 78 | Wellow | 239.77 |
| 79 | Weston | 234.63 |
| 80 | Wigsley | 198.60 |
| 81 | Winkburn | 198.60 |
| 82 | Winthorpe | *** |
| 83 | Fernwood | 272.87 |
| 84 | Kings Clipstone | 288.38 |

| | Parishes Grouped for Parish Purposes | Basic Tax (£) |
|----|---|----------------------|
| * | Averham, Kelham, Staythorpe | 231.38 |
| ** | Kneesall, Kersall, Ompton | 222.01 |

| | | |
|------|---------------------|--------|
| *** | Winthorpe, Langford | 246.16 |
| **** | East Stoke, Thorpe | 238.89 |

being the amounts given by adding to the amount at 3(h) above the amounts of the special item or items (if any) relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 2(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in parts of its area including those parts to which one or more special items relate.

I The table below shows the basic level of tax for all property bands in each parish, including parish charges where appropriate. This is shown on the following two pages.

| | | | | | | | | |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| Part of the Council's area, being the Parishes of:- | Band A | Band B | Band C | Band D | Band E | Band F | Band G | Band H |
|---|--------|--------|--------|--------|--------|--------|--------|--------|

| | | £ | £ | £ | £ | £ | £ | £ | £ |
|----|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 | Alverton | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 2 | Averham | * | * | * | * | * | * | * | * |
| 3 | Balderton | 219.34 | 255.90 | 292.45 | 329.01 | 402.12 | 475.24 | 548.35 | 658.02 |
| 4 | Barnby in the Willows | 166.80 | 194.60 | 222.40 | 250.20 | 305.80 | 361.40 | 417.00 | 500.40 |
| 5 | Bathley | 142.77 | 166.57 | 190.36 | 214.16 | 261.75 | 309.34 | 356.93 | 428.32 |
| 6 | Besthorpe | 201.63 | 235.24 | 268.84 | 302.45 | 369.66 | 436.87 | 504.08 | 604.90 |
| 7 | Bilsthorpe | 193.51 | 225.77 | 258.02 | 290.27 | 354.77 | 419.28 | 483.78 | 580.54 |
| 8 | Bleasby | 170.29 | 198.67 | 227.05 | 255.43 | 312.19 | 368.95 | 425.72 | 510.86 |
| 9 | Blidworth | 196.28 | 228.99 | 261.71 | 294.42 | 359.85 | 425.27 | 490.70 | 588.84 |
| 10 | Bulcote | 174.45 | 203.52 | 232.60 | 261.67 | 319.82 | 377.97 | 436.12 | 523.34 |
| 11 | Carlton-on-Trent | 175.19 | 204.38 | 233.58 | 262.78 | 321.18 | 379.57 | 437.97 | 525.56 |

| | | | | | | | | | |
|----|----------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| 12 | Caunton | 155.39 | 181.29 | 207.19 | 233.09 | 284.89 | 336.69 | 388.48 | 466.18 |
| 13 | Caythorpe | 172.75 | 201.54 | 230.33 | 259.12 | 316.70 | 374.28 | 431.87 | 518.24 |
| 14 | Clipstone | 203.30 | 237.18 | 271.07 | 304.95 | 372.72 | 440.48 | 508.25 | 609.90 |
| 15 | Coddington | 154.36 | 180.09 | 205.81 | 231.54 | 282.99 | 334.45 | 385.90 | 463.08 |
| 16 | Collingham | 159.25 | 185.80 | 212.34 | 238.88 | 291.96 | 345.05 | 398.13 | 477.76 |
| 17 | Cotham | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 18 | Cromwell | 139.79 | 163.08 | 186.38 | 209.68 | 256.28 | 302.87 | 349.47 | 419.36 |
| 19 | Eakring | 159.54 | 186.13 | 212.72 | 239.31 | 292.49 | 345.67 | 398.85 | 478.62 |
| 20 | East Stoke | **** | **** | **** | **** | **** | **** | **** | **** |
| 21 | Edingley | 178.87 | 208.68 | 238.49 | 268.30 | 327.92 | 387.54 | 447.17 | 536.60 |
| 22 | Edwinstowe | 204.55 | 238.64 | 272.73 | 306.82 | 375.00 | 443.18 | 511.37 | 613.64 |
| 23 | Egmanton | 160.40 | 187.13 | 213.87 | 240.60 | 294.07 | 347.53 | 401.00 | 481.20 |
| 24 | Elston | 209.09 | 243.94 | 278.79 | 313.64 | 383.34 | 453.04 | 522.73 | 627.28 |
| 25 | Epperstone | 179.23 | 209.10 | 238.97 | 268.84 | 328.58 | 388.32 | 448.07 | 537.68 |
| 26 | Farndon | 186.51 | 217.60 | 248.68 | 279.77 | 341.94 | 404.11 | 466.28 | 559.54 |
| 27 | Farnsfield | 177.76 | 207.39 | 237.01 | 266.64 | 325.89 | 385.15 | 444.40 | 533.28 |
| 28 | Fiskerton-cum-Morton | 148.26 | 172.97 | 197.68 | 222.39 | 271.81 | 321.23 | 370.65 | 444.78 |
| 29 | Girton | 145.59 | 169.85 | 194.12 | 218.38 | 266.91 | 315.44 | 363.97 | 436.76 |
| 30 | Gonalston | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 31 | Grassthorpe | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |

| | | | | | | | | | |
|----|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| 32 | Gunthorpe | 187.73 | 219.02 | 250.31 | 281.60 | 344.18 | 406.76 | 469.33 | 563.20 |
| 33 | Halam | 158.03 | 184.37 | 210.71 | 237.05 | 289.73 | 342.41 | 395.08 | 474.10 |
| 34 | Halloughton | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 35 | Harby | 167.93 | 195.91 | 223.90 | 251.89 | 307.87 | 363.84 | 419.82 | 503.78 |
| 36 | Hawton | 160.39 | 187.13 | 213.86 | 240.59 | 294.05 | 347.52 | 400.98 | 481.18 |
| 37 | Hockerton | 165.06 | 192.57 | 220.08 | 247.59 | 302.61 | 357.63 | 412.65 | 495.18 |
| 38 | Holme | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 39 | Hoveringham | 197.64 | 230.58 | 263.52 | 296.46 | 362.34 | 428.22 | 494.10 | 592.92 |
| 40 | Kelham | * | * | * | * | * | * | * | * |
| 41 | Kersall | ** | ** | ** | ** | ** | ** | ** | ** |
| 42 | Kilvington | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 43 | Kirklington | 169.17 | 197.36 | 225.56 | 253.75 | 310.14 | 366.53 | 422.92 | 507.50 |
| 44 | Kirton | 176.83 | 206.30 | 235.77 | 265.24 | 324.18 | 383.12 | 442.07 | 530.48 |
| 45 | Kneesall | ** | ** | ** | ** | ** | ** | ** | ** |
| 46 | Langford | *** | *** | *** | *** | *** | *** | *** | *** |
| 47 | Laxton & Moorhouse | 159.95 | 186.60 | 213.26 | 239.92 | 293.24 | 346.55 | 399.87 | 479.84 |
| 48 | Lowdham | 194.43 | 226.84 | 259.24 | 291.65 | 356.46 | 421.27 | 486.08 | 583.30 |
| 49 | Lyndhurst | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 50 | Maplebeck | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 51 | Meering | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 52 | Newark | 230.16 | 268.52 | 306.88 | 345.24 | 421.96 | 498.68 | 575.40 | 690.48 |

| | | | | | | | | | |
|----|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| 53 | North Clifton | 152.21 | 177.58 | 202.95 | 228.32 | 279.06 | 329.80 | 380.53 | 456.64 |
| 54 | North Muskham | 163.68 | 190.96 | 218.24 | 245.52 | 300.08 | 354.64 | 409.20 | 491.04 |
| 55 | Norwell | 162.89 | 190.04 | 217.19 | 244.34 | 298.64 | 352.94 | 407.23 | 488.68 |
| 56 | Ollerton and Boughton | 256.05 | 298.72 | 341.40 | 384.07 | 469.42 | 554.77 | 640.12 | 768.14 |
| 57 | Ompton | ** | ** | ** | ** | ** | ** | ** | ** |
| 58 | Ossington | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 59 | Oxton | 185.87 | 216.84 | 247.82 | 278.80 | 340.76 | 402.71 | 464.67 | 557.60 |
| 60 | Perlethorpe-cum-Budby | 148.86 | 173.67 | 198.48 | 223.29 | 272.91 | 322.53 | 372.15 | 446.58 |
| 61 | Rainworth | 157.90 | 184.22 | 210.53 | 236.85 | 289.48 | 342.12 | 394.75 | 473.70 |
| 62 | Rolleston | 180.29 | 210.33 | 240.38 | 270.43 | 330.53 | 390.62 | 450.72 | 540.86 |
| 63 | Rufford | 143.78 | 167.74 | 191.71 | 215.67 | 263.60 | 311.52 | 359.45 | 431.34 |
| 64 | South Clifton | 149.20 | 174.07 | 198.93 | 223.80 | 273.53 | 323.27 | 373.00 | 447.60 |
| 65 | South Muskham | 178.89 | 208.71 | 238.52 | 268.34 | 327.97 | 387.60 | 447.23 | 536.68 |
| 66 | South Scarle | 170.56 | 198.99 | 227.41 | 255.84 | 312.69 | 369.55 | 426.40 | 511.68 |
| 67 | Southwell | 198.66 | 231.77 | 264.88 | 297.99 | 364.21 | 430.43 | 496.65 | 595.98 |
| 68 | Spalford | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 69 | Staunton | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 70 | Staythorpe | * | * | * | * | * | * | * | * |
| 71 | Sutton-on-Trent | 168.52 | 196.61 | 224.69 | 252.78 | 308.95 | 365.13 | 421.30 | 505.56 |
| 72 | Syerston | 146.29 | 170.67 | 195.05 | 219.43 | 268.19 | 316.95 | 365.72 | 438.86 |

| | | | | | | | | | |
|----|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| 73 | Thorney | 153.37 | 178.93 | 204.49 | 230.05 | 281.17 | 332.29 | 383.42 | 460.10 |
| 74 | Thorpe | **** | **** | **** | **** | **** | **** | **** | **** |
| 75 | Thurgarton | 178.83 | 208.63 | 238.44 | 268.24 | 327.85 | 387.46 | 447.07 | 536.48 |
| 76 | Upton | 163.10 | 190.28 | 217.47 | 244.65 | 299.02 | 353.38 | 407.75 | 489.30 |
| 77 | Walesby | 213.10 | 248.62 | 284.13 | 319.65 | 390.68 | 461.72 | 532.75 | 639.30 |
| 78 | Wellow | 159.85 | 186.49 | 213.13 | 239.77 | 293.05 | 346.33 | 399.62 | 479.54 |
| 79 | Weston | 156.42 | 182.49 | 208.56 | 234.63 | 286.77 | 338.91 | 391.05 | 469.26 |
| 80 | Wigsley | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 81 | Winkburn | 132.40 | 154.47 | 176.53 | 198.60 | 242.73 | 286.87 | 331.00 | 397.20 |
| 82 | Winthorpe | *** | *** | *** | *** | *** | *** | *** | *** |
| 83 | Fernwood | 181.91 | 212.23 | 242.55 | 272.87 | 333.51 | 394.15 | 454.78 | 545.74 |
| 84 | Kings Clipstone | 192.25 | 224.30 | 256.34 | 288.38 | 352.46 | 416.55 | 480.63 | 576.76 |

Parishes joint for Precept purposes

| | | | | | | | | | |
|----------|-----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| * | Averham, Kelham, Staythorpe | 154.25 | 179.96 | 205.67 | 231.38 | 282.80 | 334.22 | 385.63 | 462.76 |
| ** | Kneesall, Kersall, Ompton | 148.01 | 172.67 | 197.34 | 222.01 | 271.35 | 320.68 | 370.02 | 444.02 |
| *** | Winthorpe, Langford | 164.11 | 191.46 | 218.81 | 246.16 | 300.86 | 355.56 | 410.27 | 492.32 |
| *** * | East Stoke, Thorpe | 159.26 | 185.80 | 212.35 | 238.89 | 291.98 | 345.06 | 398.15 | 477.78 |

being the amounts given by multiplying the amounts at 3(i) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

4. It be noted for the year 2026/2027 that the Nottinghamshire County Council has stated

the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each valuation band shown below;

| Band A | Band B | Band C | Band D | Band E | Band F | Band G | Band H |
|----------|----------|----------|----------|----------|----------|----------|----------|
| £ | £ | £ | £ | £ | £ | £ | £ |
| 1,313.42 | 1,532.32 | 1,751.23 | 1,970.13 | 2,407.94 | 2,845.74 | 3,283.55 | 3,940.26 |

5. it be noted for the year 2026/2027 that the Nottinghamshire Police and Crime Commissioner has stated the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each valuation band shown below;

| Band A | Band B | Band C | Band D | Band E | Band F | Band G | Band H |
|--------|--------|--------|--------|--------|--------|--------|--------|
| £ | £ | £ | £ | £ | £ | £ | £ |
| 207.40 | 241.97 | 276.53 | 311.10 | 380.23 | 449.37 | 518.50 | 622.20 |

6. it be noted for the year 2026/2027 that the Nottinghamshire Fire and Rescue Service has proposed the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each valuation band shown below; and

| Band A | Band B | Band C | Band D | Band E | Band F | Band G | Band H |
|--------|--------|--------|--------|--------|--------|--------|--------|
| £ | £ | £ | £ | £ | £ | £ | £ |
| 68.14 | 79.50 | 90.85 | 102.21 | 124.92 | 147.64 | 170.35 | 204.42 |

7. having calculated the aggregate in each case of the amounts at 3(i) and 4, 5 and 6 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amount of Council Tax for the year 2025/2026 for each valuation band shown on the following pages:

| Proposal 7 | | | | | | | | | |
|---|-----------|----------|----------|----------|---------------|----------|----------|----------|----------|
| Part of the Council's area, being the Parishes of:- | | Band A | Band B | Band C | Band D | Band E | Band F | Band G | Band H |
| | | £ | £ | £ | £ | £ | £ | £ | £ |
| 1 | Alverton | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 2 | Averham | 1,743.21 | 2,033.75 | 2,324.28 | 2,614.82 | 3,195.89 | 3,776.97 | 4,358.03 | 5,229.64 |
| 3 | Balderton | 1,808.30 | 2,109.69 | 2,411.06 | 2,712.45 | 3,315.21 | 3,917.99 | 4,520.75 | 5,424.90 |

| | | | | | | | | | |
|----|-----------------------|----------|----------|----------|----------|----------|----------|----------|----------|
| 4 | Barnby in the Willows | 1,755.76 | 2,048.39 | 2,341.01 | 2,633.64 | 3,218.89 | 3,804.15 | 4,389.40 | 5,267.28 |
| 5 | Bathley | 1,731.73 | 2,020.36 | 2,308.97 | 2,597.60 | 3,174.84 | 3,752.09 | 4,329.33 | 5,195.20 |
| 6 | Besthorpe | 1,790.59 | 2,089.03 | 2,387.45 | 2,685.89 | 3,282.75 | 3,879.62 | 4,476.48 | 5,371.78 |
| 7 | Bilsthorpe | 1,782.47 | 2,079.56 | 2,376.63 | 2,673.71 | 3,267.86 | 3,862.03 | 4,456.18 | 5,347.42 |
| 8 | Bleasby | 1,759.25 | 2,052.46 | 2,345.66 | 2,638.87 | 3,225.28 | 3,811.70 | 4,398.12 | 5,277.74 |
| 9 | Blidworth | 1,785.24 | 2,082.78 | 2,380.32 | 2,677.86 | 3,272.94 | 3,868.02 | 4,463.10 | 5,355.72 |
| 10 | Bulcote | 1,763.41 | 2,057.31 | 2,351.21 | 2,645.11 | 3,232.91 | 3,820.72 | 4,408.52 | 5,290.22 |
| 11 | Carlton-on-Trent | 1,764.15 | 2,058.17 | 2,352.19 | 2,646.22 | 3,234.27 | 3,822.32 | 4,410.37 | 5,292.44 |
| 12 | Caunton | 1,744.35 | 2,035.08 | 2,325.80 | 2,616.53 | 3,197.98 | 3,779.44 | 4,360.88 | 5,233.06 |
| 13 | Caythorpe | 1,761.71 | 2,055.33 | 2,348.94 | 2,642.56 | 3,229.79 | 3,817.03 | 4,404.27 | 5,285.12 |
| 14 | Clipstone | 1,792.26 | 2,090.97 | 2,389.68 | 2,688.39 | 3,285.81 | 3,883.23 | 4,480.65 | 5,376.78 |
| 15 | Coddington | 1,743.32 | 2,033.88 | 2,324.42 | 2,614.98 | 3,196.08 | 3,777.20 | 4,358.30 | 5,229.96 |
| 16 | Collingham | 1,748.21 | 2,039.59 | 2,330.95 | 2,622.32 | 3,205.05 | 3,787.80 | 4,370.53 | 5,244.64 |
| 17 | Cotham | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 18 | Cromwell | 1,728.75 | 2,016.87 | 2,304.99 | 2,593.12 | 3,169.37 | 3,745.62 | 4,321.87 | 5,186.24 |
| 19 | Eakring | 1,748.50 | 2,039.92 | 2,331.33 | 2,622.75 | 3,205.58 | 3,788.42 | 4,371.25 | 5,245.50 |
| 20 | East Stoke | 1,748.22 | 2,039.59 | 2,330.96 | 2,622.33 | 3,205.07 | 3,787.81 | 4,370.55 | 5,244.66 |
| 21 | Edingley | 1,767.83 | 2,062.47 | 2,357.10 | 2,651.74 | 3,241.01 | 3,830.29 | 4,419.57 | 5,303.48 |
| 22 | Edwinstowe | 1,793.51 | 2,092.43 | 2,391.34 | 2,690.26 | 3,288.09 | 3,885.93 | 4,483.77 | 5,380.52 |
| 23 | Egmanton | 1,749.36 | 2,040.92 | 2,332.48 | 2,624.04 | 3,207.16 | 3,790.28 | 4,373.40 | 5,248.08 |
| 24 | Elston | 1,798.05 | 2,097.73 | 2,397.40 | 2,697.08 | 3,296.43 | 3,895.79 | 4,495.13 | 5,394.16 |
| 25 | Epperstone | 1,768.19 | 2,062.89 | 2,357.58 | 2,652.28 | 3,241.67 | 3,831.07 | 4,420.47 | 5,304.56 |
| 26 | Farndon | 1,775.47 | 2,071.39 | 2,367.29 | 2,663.21 | 3,255.03 | 3,846.86 | 4,438.68 | 5,326.42 |
| 27 | Farnsfield | 1,766.72 | 2,061.18 | 2,355.62 | 2,650.08 | 3,238.98 | 3,827.90 | 4,416.80 | 5,300.16 |
| 28 | Fiskerton-cum-Morton | 1,737.22 | 2,026.76 | 2,316.29 | 2,605.83 | 3,184.90 | 3,763.98 | 4,343.05 | 5,211.66 |
| 29 | Girton | 1,734.55 | 2,023.64 | 2,312.73 | 2,601.82 | 3,180.00 | 3,758.19 | 4,336.37 | 5,203.64 |
| 30 | Gonalston | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 31 | Grassthorpe | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 32 | Gunthorpe | 1,776.69 | 2,072.81 | 2,368.92 | 2,665.04 | 3,257.27 | 3,849.51 | 4,441.73 | 5,330.08 |
| 33 | Halam | 1,746.99 | 2,038.16 | 2,329.32 | 2,620.49 | 3,202.82 | 3,785.16 | 4,367.48 | 5,240.98 |
| 34 | Halloughton | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |

| | | | | | | | | | |
|----|-----------------------|----------|----------|----------|----------|----------|----------|----------|----------|
| 35 | Harby | 1,756.89 | 2,049.70 | 2,342.51 | 2,635.33 | 3,220.96 | 3,806.59 | 4,392.22 | 5,270.66 |
| 36 | Hawton | 1,749.35 | 2,040.92 | 2,332.47 | 2,624.03 | 3,207.14 | 3,790.27 | 4,373.38 | 5,248.06 |
| 37 | Hockerton | 1,754.02 | 2,046.36 | 2,338.69 | 2,631.03 | 3,215.70 | 3,800.38 | 4,385.05 | 5,262.06 |
| 38 | Holme | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 39 | Hoveringham | 1,786.60 | 2,084.37 | 2,382.13 | 2,679.90 | 3,275.43 | 3,870.97 | 4,466.50 | 5,359.80 |
| 40 | Kelham | 1,743.21 | 2,033.75 | 2,324.28 | 2,614.82 | 3,195.89 | 3,776.97 | 4,358.03 | 5,229.64 |
| 41 | Kersall | 1,736.97 | 2,026.46 | 2,315.95 | 2,605.45 | 3,184.44 | 3,763.43 | 4,342.42 | 5,210.90 |
| 42 | Kilvington | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 43 | Kirklington | 1,758.13 | 2,051.15 | 2,344.17 | 2,637.19 | 3,223.23 | 3,809.28 | 4,395.32 | 5,274.38 |
| 44 | Kirton | 1,765.79 | 2,060.09 | 2,354.38 | 2,648.68 | 3,237.27 | 3,825.87 | 4,414.47 | 5,297.36 |
| 45 | Kneesall | 1,736.97 | 2,026.46 | 2,315.95 | 2,605.45 | 3,184.44 | 3,763.43 | 4,342.42 | 5,210.90 |
| 46 | Langford | 1,753.07 | 2,045.25 | 2,337.42 | 2,629.60 | 3,213.95 | 3,798.31 | 4,382.67 | 5,259.20 |
| 47 | Laxton & Moorhouse | 1,748.91 | 2,040.39 | 2,331.87 | 2,623.36 | 3,206.33 | 3,789.30 | 4,372.27 | 5,246.72 |
| 48 | Lowdham | 1,783.39 | 2,080.63 | 2,377.85 | 2,675.09 | 3,269.55 | 3,864.02 | 4,458.48 | 5,350.18 |
| 49 | Lyndhurst | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 50 | Maplebeck | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 51 | Meering | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 52 | Newark | 1,819.12 | 2,122.31 | 2,425.49 | 2,728.68 | 3,335.05 | 3,941.43 | 4,547.80 | 5,457.36 |
| 53 | North Clifton | 1,741.17 | 2,031.37 | 2,321.56 | 2,611.76 | 3,192.15 | 3,772.55 | 4,352.93 | 5,223.52 |
| 54 | North Muskham | 1,752.64 | 2,044.75 | 2,336.85 | 2,628.96 | 3,213.17 | 3,797.39 | 4,381.60 | 5,257.92 |
| 55 | Norwell | 1,751.85 | 2,043.83 | 2,335.80 | 2,627.78 | 3,211.73 | 3,795.69 | 4,379.63 | 5,255.56 |
| 56 | Ollerton and Boughton | 1,845.01 | 2,152.51 | 2,460.01 | 2,767.51 | 3,382.51 | 3,997.52 | 4,612.52 | 5,535.02 |
| 57 | Ompton | 1,736.97 | 2,026.46 | 2,315.95 | 2,605.45 | 3,184.44 | 3,763.43 | 4,342.42 | 5,210.90 |
| 58 | Ossington | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 59 | Oxton | 1,774.83 | 2,070.63 | 2,366.43 | 2,662.24 | 3,253.85 | 3,845.46 | 4,437.07 | 5,324.48 |
| 60 | Perlethorpe-cum-Budby | 1,737.82 | 2,027.46 | 2,317.09 | 2,606.73 | 3,186.00 | 3,765.28 | 4,344.55 | 5,213.46 |
| 61 | Rainworth | 1,746.86 | 2,038.01 | 2,329.14 | 2,620.29 | 3,202.57 | 3,784.87 | 4,367.15 | 5,240.58 |
| 62 | Rolleston | 1,769.25 | 2,064.12 | 2,358.99 | 2,653.87 | 3,243.62 | 3,833.37 | 4,423.12 | 5,307.74 |
| 63 | Rufford | 1,732.74 | 2,021.53 | 2,310.32 | 2,599.11 | 3,176.69 | 3,754.27 | 4,331.85 | 5,198.22 |
| 64 | South Clifton | 1,738.16 | 2,027.86 | 2,317.54 | 2,607.24 | 3,186.62 | 3,766.02 | 4,345.40 | 5,214.48 |

| | | | | | | | | | |
|----|-----------------|----------|----------|----------|----------|----------|----------|----------|----------|
| 65 | South Muskham | 1,767.85 | 2,062.50 | 2,357.13 | 2,651.78 | 3,241.06 | 3,830.35 | 4,419.63 | 5,303.56 |
| 66 | South Scarle | 1,759.52 | 2,052.78 | 2,346.02 | 2,639.28 | 3,225.78 | 3,812.30 | 4,398.80 | 5,278.56 |
| 67 | Southwell | 1,787.62 | 2,085.56 | 2,383.49 | 2,681.43 | 3,277.30 | 3,873.18 | 4,469.05 | 5,362.86 |
| 68 | Spalford | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 69 | Staunton | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 70 | Staythorpe | 1,743.21 | 2,033.75 | 2,324.28 | 2,614.82 | 3,195.89 | 3,776.97 | 4,358.03 | 5,229.64 |
| 71 | Sutton-on-Trent | 1,757.48 | 2,050.40 | 2,343.30 | 2,636.22 | 3,222.04 | 3,807.88 | 4,393.70 | 5,272.44 |
| 72 | Syerston | 1,735.25 | 2,024.46 | 2,313.66 | 2,602.87 | 3,181.28 | 3,759.70 | 4,338.12 | 5,205.74 |
| 73 | Thorney | 1,742.33 | 2,032.72 | 2,323.10 | 2,613.49 | 3,194.26 | 3,775.04 | 4,355.82 | 5,226.98 |
| 74 | Thorpe | 1,748.22 | 2,039.59 | 2,330.96 | 2,622.33 | 3,205.07 | 3,787.81 | 4,370.55 | 5,244.66 |
| 75 | Thurgarton | 1,767.79 | 2,062.42 | 2,357.05 | 2,651.68 | 3,240.94 | 3,830.21 | 4,419.47 | 5,303.36 |
| 76 | Upton | 1,752.06 | 2,044.07 | 2,336.08 | 2,628.09 | 3,212.11 | 3,796.13 | 4,380.15 | 5,256.18 |
| 77 | Walesby | 1,802.06 | 2,102.41 | 2,402.74 | 2,703.09 | 3,303.77 | 3,904.47 | 4,505.15 | 5,406.18 |
| 78 | Wellow | 1,748.81 | 2,040.28 | 2,331.74 | 2,623.21 | 3,206.14 | 3,789.08 | 4,372.02 | 5,246.42 |
| 79 | Weston | 1,745.38 | 2,036.28 | 2,327.17 | 2,618.07 | 3,199.86 | 3,781.66 | 4,363.45 | 5,236.14 |
| 80 | Wigsley | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 81 | Winkburn | 1,721.36 | 2,008.26 | 2,295.14 | 2,582.04 | 3,155.82 | 3,729.62 | 4,303.40 | 5,164.08 |
| 82 | Winthorpe | 1,753.07 | 2,045.25 | 2,337.42 | 2,629.60 | 3,213.95 | 3,798.31 | 4,382.67 | 5,259.20 |
| 83 | Fernwood | 1,770.87 | 2,066.02 | 2,361.16 | 2,656.31 | 3,246.60 | 3,836.90 | 4,427.18 | 5,312.62 |
| 84 | Kings Clipstone | 1,781.21 | 2,078.09 | 2,374.95 | 2,671.82 | 3,265.55 | 3,859.30 | 4,453.03 | 5,343.64 |

Parishes joint for Precept purposes

| | | | | | | | | | |
|----------|-----------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|
| * | Averham, Kelham, Staythorpe | 1,743.21 | 2,033.75 | 2,324.28 | 2,614.82 | 3,195.89 | 3,776.97 | 4,358.03 | 5,229.64 |
| ** | Kneesall, Kersall, Ompton | 1,736.97 | 2,026.46 | 2,315.95 | 2,605.45 | 3,184.44 | 3,763.43 | 4,342.42 | 5,210.90 |
| *** | Winthorpe, Langford | 1,753.07 | 2,045.25 | 2,337.42 | 2,629.60 | 3,213.95 | 3,798.31 | 4,382.67 | 5,259.20 |
| *** * | East Stoke, Thorpe | 1,748.22 | 2,039.59 | 2,330.96 | 2,622.33 | 3,205.07 | 3,787.81 | 4,370.55 | 5,244.66 |

8. **determine that the Council's basic amount of council tax for 2026/27 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992 and that the referendum provisions in Chapter 4ZA do not apply for 2026/27. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council**

Tax for 2026/27 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.

5.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection, Digital and Cyber Security, Equality and Diversity, Financial, Human Resources, Human Rights, Legal, Safeguarding, Sustainability, and Crime and Disorder and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

Legal Implications

- 5.1 It is a legal requirement for the Council to complete and approve its budget and set a council tax before 11 March each year. This function is reserved for Full Council.

Background Papers and Published Documents

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

Budget Book 2026/27 available at <https://www.newark-sherwooddc.gov.uk/budgets/>

Local Government Finance Act 1992

Local Government Finance Act 2012

Localism Act 2012

Regulations and Directions issued annually under the above Acts



Report to: Full Council Meeting – 5 March 2026

Portfolio Holder: Councillor Paul Peacock, Strategy, Performance & Finance

Director Lead: Sanjiv Kohli, Deputy Chief Executive / Director – Resources -Section 151 Officer

Lead Officer: Jenna Norton, Senior Accountant - Financial Services, Ext 5327

| Report Summary | |
|----------------------------------|---|
| Report Title | Capital Programme Budget 2026/27 to 2029/30 |
| Purpose of Report | To approve the Council’s Capital Programme for 2026/27 to 2029/30 |
| Recommendations | <p>That:</p> <ul style="list-style-type: none"> a) the General Fund schemes shown in Appendix A be approved as committed expenditure in the Capital Programme; b) the Capital Programme be managed in accordance with Financial Regulation 6.2.3; c) in accordance with the delegation to the Section 151 Officer in the Council’s Constitution to arrange financing of the Council’s Capital Programme, the Capital Programme for the financial years 2026/27 to 2029/30 be financed to maximise the resources available, having regard to the provisions of the Local Government and Housing Act 1989 and subsequent legislation; and d) any changes above the limit delegated to the Section 151 Officer (i.e., £10,000), either in funding or the total cost of the capital scheme, be reported to the Cabinet for consideration. |
| Reason for Recommendation | The Capital Programme to be approved by Council in accordance with Financial Regulation 6.2.3 following recommendation from Cabinet. |

1.0 Background

1.1 At its meeting on 24 February 2026, Cabinet considered the proposed Capital Programme and agreed to recommend it to Council. A copy of the report is attached at **Appendix 1**.

2.0 Proposal /Options Considered

- 2.1 The General Fund Capital Programme for 2026/27 to 2029/30 full detail is included in the exempt part of this agenda. This is due to budgets being included that at this time are commercially sensitive.
- 2.2 This expenditure is financed by a combination of Government Grants, Third Party Contributions, Capital Receipts, Revenue Support and borrowing.

3.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

| Implications Considered | | | |
|--|-----|----------------------|----|
| Yes – relevant and included / NA – not applicable | | | |
| Financial | Yes | Equality & Diversity | NA |
| Human Resources | NA | Human Rights | NA |
| Legal | NA | Data Protection | NA |
| Digital & Cyber Security | NA | Safeguarding | NA |
| Sustainability | NA | Crime & Disorder | NA |
| LGR | NA | Tenant Consultation | NA |

Background Papers and Published Documents

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

None

Report to: Cabinet Meeting - 24 February 2026
 Portfolio Holder: Councillor Paul Peacock, Strategy, Performance & Finance
 Director Lead: Sanjiv Kohli, Director – Resources and Deputy Chief Executive
 Lead Officer: Jenna Norton, Senior Accountant – Financial Services, Extension 5327

| Report Summary | |
|---------------------------------------|---|
| Type of Report | <p>Open Report / Key Decision</p> <p><i>There is an exempt version of this report which contains exempt information as defined under Schedule 12A of the Local Government Act 1972, Paragraph 3 under which the Cabinet has the power to exclude the press and public if it so wishes.</i></p> <p><i>It is considered that the need to treat the information in this report as exempt outweighs the public interest in disclosure because it contains commercially sensitive information. This information has been redacted in this open report.</i></p> |
| Report Title | Capital Programme Budget 2026/27 to 2029/30 |
| Purpose of Report | In accordance with the Financial Regulations 6.2.3, Cabinet is required to consider the Capital Programme and recommend to the Full Council the final Programme for approval. This report details the proposed capital schemes over the medium term, together with the available resources to finance this. |
| Recommendations | That Cabinet recommend to Full Council on 5 March 2026 the General Fund schemes set out at Appendix A to the report as committed expenditure in the Capital Programme for 2026/27 to 2029/30. |
| Alternative Options Considered | If the Council did not have a Capital Programme, this would result in not being able to deliver the schemes and not achieve the objectives in the Community Plan. |
| Reason for Recommendations | To enable the Capital Programme to be considered by Cabinet in accordance with Financial Regulation 6.2.3 prior to its submission to Full Council. |

1.0 Background

- 1.1 The Capital Strategy was approved by Council on 6 March 2025. It contains the Capital Appraisal form template and the prioritisation criteria, which is in two stages. The schemes need to meet the criteria in stage 1, to progress to stage 2.
- 1.2 Capital Appraisal forms were issued to all Business Managers during summer 2025 to support the submission of bids for new capital schemes. Once completed, the forms were evaluated using the agreed prioritisation criteria. Senior Leadership Team reviewed the outcomes, and the proposed Capital Programme included in this report reflects the schemes they determined to be the most appropriate to progress.

2.0 Capital Expenditure – General Fund

- 2.1 The Council intends to spend ██████████ in general fund capital expenditure from 2026/27 to 2029/30.
- 2.2 The major schemes in this programme are:

| Scheme Name | Summary of Proposed Financing |
|--|--|
| Vehicle & Plant Replacement | Reserves and Capital Receipts |
| Yorke Drive Community Facilities | Reserves |
| Provision of 3G Pitches | Borrowing and Capital Receipts |
| Castle Gatehouse | Grant Funding and Borrowing |
| Private Sector Disabled Facility Grants | Grant Funding |
| Bilsthorpe Hub | Reserves and S106 |
| Clipstone Holding Centre | Borrowing and Reserves |
| Information Technology Investment | Capital Receipts and Reserves |
| Ollerton Town Centre Regeneration | LUF 3, Capital Receipts, Reserves, and Borrowing |
| 32 Stodman Street | Grant Funding, Reserves and Borrowing |
| Pride in Place Programme (Regeneration, Upper Floor Town Centre Resident and Neighbourhood Community Grant) | Grant Funding |
| Newark Market Place | Grant Funding |

- 2.3 The new schemes that have been added to the Capital Programme as part of the budget process are listed below. The total over the period of 2026/27 to 2029/30 of £7.981m in General Fund. Details of which can be found labelled 'new' at Appendix A and are summarised below:

| Scheme Name | Summary of Proposed Financing |
|---|--------------------------------------|
| Civil War Museum Doors / Security | Capital Receipts |
| Palace Theatre LED Lighting Upgrade | Capital Receipts |
| Buttermarket Roof and improved drainage | Capital Receipts |

| | |
|--|-------------------|
| Newark Sports and Fitness Centre LED Lighting to Gym | Capital Receipts |
| Fire Door Upgrades to latest standards across the corporate estate - replacement | Capital Receipts |
| Solar Panels and Battery storage to Castle House | Capital Receipts |
| Palace Theatre New Stage Safety Curtain | Capital Receipts |
| Upgrade Box Tops and Catwalk | Capital Receipts |
| Bryon Room Refit | Capital Receipts |
| PIPP Upper Floor Town Centre Residential Grant | Grant Funding |
| PiPP Neighbourhood Comm Grant Scheme | Grant Funding |
| PIPP Regeneration Plan | Grant Funding |
| Bilsthorpe Hub | Reserves and S106 |

2.4 In addition to the schemes currently in the Capital Programme, the Council is currently working on feasibility for a number of schemes that will be brought to a future Cabinet Meeting for consideration:

- Clipstone Phase 2 and 3
- South Forest Leisure Centre

2.5 The impacts of all borrowing have been included in the Treasury Management Strategy and the Medium-Term Financial Plan. Details of individual schemes are shown in **Appendix A**.

3.0 **Resources Available**

3.1 External Grants and Contributions can provide additional resources to the Capital Programme. Grant funding is subject to a detailed bidding process. Officers continue to liaise with external parties to secure the maximum available inward investment in order to contribute towards the delivery of the capital programme.

3.2 The most significant grants currently forecast over the medium term are from the final parts of the Towns Fund, the new Pride in Place Grant and the Better Care Fund (BCF) for Disabled Facilities Grants (DFG's). In addition to this, grants held from previous years for specific purposes are due to be utilised for example previously received Towns Fund Grant.

3.3 Capital Receipts

| Source – GF Capital Receipts | 2026/27 £'m | 2027/28 £'m | 2028/29 £'m | 2029/30 £'m |
|------------------------------|----------------|----------------|----------------|----------------|
| Opening Balance | 0.750 | 2.493 | 2.412 | 1.500 |
| Anticipated Receipts in Year | 3.456 | 2.490 | 0.050 | 0.000 |
| Utilised for Financing | 1.803 | 2.571 | 0.962 | 1.500 |
| Closing Balance | 2.493 | 2.412 | 1.500 | 0.000 |

3.4 The total general fund capital estimated receipts over the four-year period is £6.086m and are made up of the sale of the residential properties on Stodman Street and land at Lowfield Lane, for which the sale has completed but is deferred along with a nominal amount each year for sale of vehicles that are due for replacement.

3.5 Where appropriate, the use of existing capital resources is prioritised. Borrowing is utilised for assets with longer asset lives, where the impact of interest and Minimum Revenue Provision (MRP) can be spread over the useful economic life of the asset, whilst minimising the impact on the General Fund.

4.0 Financing

4.1 Subject to the approval of the proposals outlined in section 3.0 above, the current plan for financing the capital programme are shown in the exempt report

4.2 At the end of the financial year, once all capital expenditure has been finalised (including accrued expenditure) the financing of the Capital Programme as a whole is arranged by the Section 151 Officer, in line with the Council’s Constitution.

5.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

| Implications Considered | | | |
|---|----|----------------------|----|
| Yes – relevant and included / NA – not applicable | | | |
| Financial | NA | Equality & Diversity | NA |
| Human Resources | NA | Human Rights | NA |
| Legal | NA | Data Protection | NA |
| Digital & Cyber Security | NA | Safeguarding | NA |
| Sustainability | NA | Crime & Disorder | NA |
| LGR | NA | Tenant Consultation | NA |

Background Papers and Published Documents

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

None

GENERAL FUND CAPITAL PROGRAMME 2026/27 - 2029/30

APPENDIX A

| CODE | SCHEME | EXTERNAL FUNDING | NSDC COSTS | TOTAL SCHEME COST | BEFORE 2026/27 INC FORECAST FOR 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--|---|------------------|-------------------|-------------------|---|------------------|------------------|------------------|------------------|
| TF3227 | Lowdham Flood Alleviation | 140,000 | 160,000 | 300,000 | 200,000 | 100,000 | | | |
| TB2258 | Vicar Water Improvements (SANGS) | 35,556 | - | 35,556 | - | 35,556 | | | |
| TB2253 | Vehicles & Plant | - | 15,970,998 | 15,970,998 | 6,859,528 | 3,385,480 | 1,567,817 | 1,006,842 | 3,151,331 |
| new 6 | Solar Panels and Battery storage to Castle House | - | 158,695 | 158,695 | - | 158,695 | | | |
| new 4 | NSFC LED Lighting Gym | - | 140,000 | 140,000 | - | 140,000 | | | |
| Climate and the Environment Total | | 175,556 | 16,429,693 | 16,605,249 | 7,059,528 | 3,819,731 | 1,567,817 | 1,006,842 | 3,151,331 |
| TA3097 | Yorke Drive Regeneration and Community Facilities | 100,000 | 3,358,000 | 3,458,000 | 119,297 | 2,480,000 | - | 858,703 | |
| TA1224 | Provision of 3G Pitches | - | 2,000,000 | 2,000,000 | - | 1,200,000 | 800,000 | | |
| Health, Wellbeing and Leisure Total | | 100,000 | 5,358,000 | 5,458,000 | 119,297 | 3,680,000 | 800,000 | 858,703 | 0 |
| TB3154 | Castle Gatehouse Project | 4,488,766 | 2,076,094 | 6,564,860 | 3,087,375 | 3,477,485 | | | |
| TA3066 | Essential works at the Palace Theatre | - | 220,831 | 220,831 | 159,831 | 61,000 | | | |
| new 9 | Byron Room Re-fit | - | 28,500 | 28,500 | | | | 28,500 | |
| new 8 | Upgrade Box Tops and Catwalk | - | 31,490 | 31,490 | - | 31,490 | | | |
| new 7 | Palace Theatre Stage Safety Curtain | - | 110,000 | 110,000 | - | 110,000 | | | |
| new 2 | Palace Theatre LED Lighting Upgrade | - | 350,000 | 350,000 | - | 350,000 | | | |
| new 1 | Civil War Museum Doors / Security | - | 130,000 | 130,000 | - | 130,000 | | | |
| Heritage, Culture & Arts Total | | 4,488,766 | 2,946,915 | 7,435,681 | 3,247,206 | 4,159,975 | 0 | 28,500 | 0 |
| TF6807 | Warm Homes on Prescription | 572,203 | - | 572,202 | 292,202 | 70,000 | 70,000 | 70,000 | 70,000 |
| TF6012 | Discretionary DFG | 1,160,837 | - | 1,160,837 | 800,837 | 90,000 | 90,000 | 90,000 | 90,000 |
| TF6011 | Private Sector Disabled Facilities Grants | 5,216,737 | - | 5,216,737 | 2,416,737 | 700,000 | 700,000 | 700,000 | 700,000 |
| Housing Total | | 6,949,776 | 0 | 6,949,776 | 3,509,776 | 860,000 | 860,000 | 860,000 | 860,000 |
| TF2000 | CCTV Replacement Programme | - | 367,581 | 367,581 | 187,581 | 45,000 | 45,000 | 45,000 | 45,000 |
| new 13 | Bilsthorpe Hub | 299,097 | 1,000,000 | 1,299,097 | - | 1,299,097 | | | |
| Public Protection and Community Relations Total | | 299,097 | 1,367,581 | 1,666,678 | 187,581 | 1,344,097 | 45,000 | 45,000 | 45,000 |
| TG1003 | Housing Regeneration Loan Facility | - | 25,000,000 | 25,000,000 | 25,000,000 | | | | |
| TC2007 | Clipstone Holding Centre Purchase & Works | - | 9,613,250 | 9,613,250 | 1,436,713 | 8,176,537 | | | |
| TA3286 | Information Technology Investment | - | 2,012,127 | 2,012,127 | 595,843 | 348,247 | 507,130 | 560,907 | - |
| new 5 | Upgrade Fire Doors to Corporate Estate | - | 207,150 | 207,150 | - | 123,000 | 84,150 | | |
| new 3 | Buttermarket Roof and improved drainage | - | 220,000 | 220,000 | - | | 220,000 | | |
| Strategy, Performance and Finance Total | | 0 | 37,052,527 | 37,052,527 | 27,032,556 | 8,647,784 | 811,280 | 560,907 | 0 |

GENERAL FUND CAPITAL PROGRAMME 2026/27 - 2029/30

APPENDIX A

| CODE | SCHEME | EXTERNAL FUNDING | NSDC COSTS | TOTAL SCHEME COST | BEFORE 2026/27 INC FORECAST FOR 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|---|--|------------------|------------|-------------------|---|-----------|-----------|------------------|------------------|
| TT1006 | Towns Fund - Cultural Heart of Newark | 3,610,000 | - | 3,610,000 | - | 1,000,000 | 2,610,000 | | |
| TT1000 | Towns Fund - 32 Stodman Street Regeneration | 4,480,000 | 8,800,000 | 13,280,000 | 11,090,000 | 2,190,000 | | | |
| TE3268 | Southern Link Road Contribution | 29,865,956 | 5,153,259 | 35,019,215 | 33,789,668 | 1,229,547 | | | |
| TC2009 | Former Belvoir Iron Works | - | 1,750,000 | 1,750,000 | 4,624 | 1,745,376 | | | |
| TC2011 | Ollerton Regeneration | | | | | | | | |
| TC2012 | Ollerton Regeneration Donated Asset | | | | | | | | |
| new 12 | PiPP Regeneration Plan | 3,646,000 | - | 3,646,000 | - | | 836,000 | 1,405,000 | 1,405,000 |
| new 11 | PiPP Neighbourhood Comm Grant Scheme | 860,000 | - | 860,000 | - | 210,000 | 250,000 | 200,000 | 200,000 |
| new 10 | PiPP Upper Floor Town Centre Residential Grant | 800,000 | - | 800,000 | - | 150,000 | 650,000 | | |
| Sustainable Economic Development Total | | | | | | | | 1,605,000 | 1,605,000 |
| TOTAL GENERAL FUND | | | | | | | | 4,964,952 | 5,661,331 |



Report to: Full Council Meeting – 5 March 2026
 Portfolio Holder: Councillor Paul Peacock, Strategy, Performance & Finance
 Director Lead: Sanjiv Kohli, Deputy Chief Executive, Director - Resources & Section 151
 Lead Officer: Nick Wilson, Business Manager Financial Services, Ext. 5317

| Report Summary | |
|-----------------------------------|--|
| Report Title | 2026/27 to 2029/30 Medium Term Financial Plan |
| Purpose of Report | To approve the Council’s Medium Term Financial Plan (MTFP) for the four financial years between 1 April 2026 and 31 March 2030 (2026/27 to 2029/30). |
| Recommendations | That the Medium Term Financial Plan (MTFP) for 2026/27 to 2029/30 be approved. |
| Reason for Recommendations | The Medium Term Financial Plan (MTFP) provides a clear financial framework for delivering the Council’s objectives and is an essential pre-requisite to the annual budget setting process. |

1.0 2026/27 to 2029/30 Medium Term Financial Plan

1.1 The Council’s Medium Term Financial Plan (MTFP) for the four financial years between 1 April 2025 and 31 March 2029 (2025/26 to 2028/29) was approved by Full Council on 6 March 2025.

1.2 This document seeks to update the MTFP’s assumptions on expenditure, income and financing for the four years between 2026/27 and 2029/30 and was considered at Cabinet on 24 February 2026.

1.3 The main aims of the MTFP are to:

- a) deliver the Council’s Community Plan objectives over the life of the relevant Community Plan;
- b) clearly present the Council’s current predictions of its financial position between 2026/27 and 2029/30; and
- c) enable Members to make decisions which ensure the Council’s future financial sustainability.

1.4 The MTFP tries to do this by:

- a) bringing together in one place all known factors which will affect the Council’s financial position; and
- b) matching how the Council plans to spend to deliver its Community Plan objectives with the expected resources available to fund that spend.

Financial Projections

1.5 The table below shows high level budget projections for the next four years, using the assumptions made within the Budget Strategy approved at Cabinet during July 2025.

Table 1

| | 2026/27 (£m) | 2027/28 (£m) | 2028/29 (£m) | 2029/30 (£m) |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Net Service Expenditure (less capital charges) | 20.628 | 20.503 | 20.551 | 21.530 |
| Total Other Expenditure | 0.072 | (0.146) | (0.982) | 0.160 |
| Total Expenditure | 20.700 | 20.357 | 19.570 | 21.690 |
| | | | | |
| Business Rates: receivable annually | (5.313) | (5.407) | (5.487) | (5.487) |
| Business Rates: other adjustments | 0.295 | 0 | 0 | 0 |
| Council Tax: receivable annually | (8.594) | (8.673) | (9.015) | (9.369) |
| Council Tax: other adjustments | 0 | 0 | 0 | 0 |
| Other Grants | (7.827) | (5.984) | (5.382) | (4.458) |
| Contribution to or (from) Reserves | 0.739 | (0.293) | 0.315 | 0.330 |
| Transfer to MTFP Reserve | 0 | 0 | 0 | 0 |
| Funding Shortfall prior to Mitigations | 0 | 0 | 0 | 2.706 |

Local Government Provisional Finance Settlement 2026/27 to 2028/29

1.6 On 17 December 2025, the Government published the Provisional Local Government Finance Settlement for 2026/27, accompanied by indicative figures for 2027/28 and 2028/29. This marks the most significant redistribution of funding within the sector for at least 25 years, following the implementation of the Fair Funding Review 2.0 and a full reset of the Business Rates Retention System. The key headlines being:

- Fair Funding Review 2.0: Major changes to the funding formula now place greater weight on deprivation and population, with less emphasis on remoteness.
- Grant Simplification: Multiple grants have been consolidated into four main streams, aiming to simplify funding.
- Business Rates Reset: All accumulated business rates growth has been reset, redistributing resources based on the new formula.
- Council Tax: The settlement assumes councils will apply the maximum permitted increases, making council tax a larger share of local funding.
- Transitional Protection: New funding floors and phased arrangements will cushion the impact of changes.

- Recovery Grant: The Recovery Grant continues for three years.

1.7 The 2026/27 settlement provides a three-year funding framework, but only the first year is statutory, with subsequent years remaining indicative and subject to change. This means that while there is some increased certainty for medium-term planning, authorities must remain cautious, as future allocations could still be revised.

1.8 There is significant redistribution between authorities as a result of the new funding formula and business rates reset. More deprived and urban areas generally see larger increases in funding, while many shire districts and rural councils face below-average increases or even reductions in cash terms. This shift reflects the government's intention to target resources towards areas of greatest need, but it also creates challenges for councils that may experience a relative loss of funding.

1.9 The table below shows the Core Spending Power over the next three years. This does include the Government's assumption on Council Tax, which anticipates an increase in Council Tax equivalent to the maximum allowable together with an assumption of tax base growth.

| | 2025/26 Post Funding reform CSP | 2026/27 Core Spending Power | 2027/28 Core Spending Power | 2028/29 Core Spending Power |
|--|--|--|--|--|
| Baseline funding level (Business Rates) | £9.308m | £3.873m | £3.961m | £4.042m |
| Revenue Support Grant | £1.663m | £6.533m | £5.505m | £4.432m |
| Council Tax | £8.484m | £8.883m | £9.301m | £9.739m |
| Recovery Grant | £0.321m | £0.321m | £0.321m | £0.321m |
| Consolidated grants | £0.228m | £0m | £0m | £0m |
| Adjustment support grant | £0m | £0.814m | £0m | £0m |
| 95% income protection floor | £0m | £0m | £0m | £0.471m |
| Total | £20.004m | £20.424m | £19.088m | £19.005m |

1.10 As can be seen from the table in year 2028/29 funding amounts to 95% of the post reform CSP when the 95% income protection floor is applied.

1.11 The tax base for 2025/26 is currently 42,720.66 with a band D charge of £198.60. The Government's assumption of £8.883m with a band D charge of £204.54 means that their expectation of tax base would be 43,431.21. This is 158.76 equivalent band D properties more than the Council's forecast.

1.12 Due to the above, the following years in 2027/28 and 2028/29 will also be overstated in terms of the forecast for Council Tax, as the actual tax base in 2026/27 is lower. Similarly, the band D charge for 2026/27 is anticipated to be £198.60, this will further increase the variance between the Government assumption and the anticipated actual for this Council for the amount of Council Tax generatable.

1.13 Baseline funding levels are guaranteed in year one as the Government have agreed a safety net of 100% should Business Rates funding reduce below the £3.873m. This safety net

reduces to 97% in 2027/28 and 92.5% in 2028/29. Hence only £3.843m is guaranteed of the 2027/28 allocation £3.739m of the 2028/29 allocation.

Council Tax

- 1.14 Chapter IVA (Limitation of Council Tax and Precepts) of the *Local Government Finance Act 1992* requires billing authorities to hold referenda if their relevant basic amount of council tax for a financial year is in excess of a set of principles determined by the Secretary of State.
- 1.15 An authority's relevant basic amount of council tax is its average band D council tax excluding local precepts. The relevant basic amount of council tax for Newark & Sherwood District Council includes the levy that Internal Drainage Boards charge the Council. These are the Upper Witham Internal Drainage Board and the Trent Valley Internal Drainage Board.
- 1.16 Since 2016/17, shire district councils have been able to increase council tax by the greater of the core principle or £5.00 without holding referenda. For 2018/19 and 2019/20, the core principle was 3%; and for all other years, the core principle was 2%.
- 1.17 The proposed core principle for 2026/27 is 3%. The Government's proposed council tax referendum principle for shire district councils therefore permits increases in the Council's 2025/26 relevant basic amount of council tax of up to (and including) the greater of 2.99% or £5.00 without holding a referendum.
- 1.18 The Council calculates how much annual council tax income it can receive by multiplying the Council tax base (CTB) by the average band D council tax rate. The Council tax base is the total number of properties equivalent to band D which are liable for council tax after discounts, exemptions and premia.
- 1.19 The Council's MTFP assumes that the 2026/27 CTB will be 1.3% higher than the 2025/26 CTB, and that there will be an increase of 400 band D equivalents in CTB for 2027/28 and subsequent years.

Income from Fees and Charges

- 1.20 The Council's income from fees and charges for statutory and discretionary services is an essential part of the Council's General Fund revenue budget. Section 93 (Power to charge for discretionary services) of the *Local Government Act 2003* requires charges to be set such that taking one financial year with another, the income from charges for a service does not exceed its costs of provision.
- 1.21 Discretionary services are those for which the Council has the power, but not duty, to provide; though also include additions or enhancements to statutory services that the Council provides above standards legislated for.
- 1.22 The Action Plan to the Commercial Strategy approved at Policy and Finance Committee on 27 January 2022 set the expectation that new areas for charging and understanding price elasticity of demand on existing charges would be reviewed to ensure that discretionary charges are set at the right levels and for the right activities. The Council should ensure that fees and charges for discretionary services are set which:
 - ensure the maximum revenues possible;

- are allowed by the Council's Corporate Fees and Charges Policy; and
- are socially and politically acceptable.

Reserves and Balances

- 1.23 Section 25 (Budget calculations: report on robustness of estimates etc) of the *Local Government Act 2003* requires local authority chief finance officers (Section 151 officers) to report on the adequacy of financial reserves in the Council's proposed budget and robustness of estimates made.
- 1.24 The Council has reviewed the adequacy of its useable financial reserves to ensure that these are neither too low (imprudent) or too high (over prudent) based on their purpose and likely use.
- 1.25 Councils generally hold useable reserves for three purposes:
- as a working balance, to mitigate the impact of uneven cash flows;
 - as a contingency, to mitigate the impact of unexpected events or emergencies; and
 - as earmarked reserves, to pay for known or predicted future requirements.
- 1.26 The Council's £1.500m General Fund balance has been set aside to pay for exceptional items. Officers consistently review the appropriateness (prudence) of this amount considering internal and external risks identified. For the Council to maintain this balance, it is intended that it will only be used to fund expenditure once other appropriate reserves have been fully utilised.
- 1.27 **Appendix A** shows the balances which comprised the Council's total reserves at the end of 2024/25. It also shows the balances expected to comprise the Council's total reserves at the end of 2025/26 to 2029/30.
- 1.28 Over the years, the Council's reserves have been used for reasons such as to: cover the cost of one-off events not budgeted for; and support and improve service delivery. Whilst this principle still exists, the Council has a Medium-Term Financial Plan (MTFP) Reserve, in order to mitigate future pressures based on the uncertainty over local government funding. Some of this reserve will be released during 2029/30 to smooth the impact of anticipated funding reductions post the current three year LGFS.
- 1.29 Members and officers are required to ensure the Council operates as a going concern: that the Council will continue to fulfil its functions for the foreseeable future. If this were not the case, for example, because of an imprudent use of council reserves, the Council's external auditors would be required to express a going concern opinion (GCO). A GCO would be the external auditor's way of expressing significant doubt on the Council's ability to operate longer-term.

Robustness of Estimates and Adequacy of Reserves

- 1.30 The *Local Government Act 2003* requires the Council's Chief Financial Officer (Section 151 Officer) to comment on the robustness of the estimates and also on the adequacy of the proposed reserves.

- 1.31 The Council's total forecast General Fund revenue and capital reserves balance to 31 March 2026 is £44,779,294.
- 1.32 The budget has been prepared in accordance with the budget strategy approved by Cabinet on 8 July 2025. The same strategy has been adopted for the period of the MTFP.

Assumptions made within the Medium Term Financial Plan

- 1.33 Finance officers and budget holders have developed detailed budgets for 2026/27 and future years. Officers have used the information available to them (past, present and future) and have made appropriate assumptions where the relevant information has been unavailable to them.
- 1.34 A 3.5% increase in basic pay has been assumed for 2026/27 and 3.5% for each subsequent year of the Council's MTFP.
- 1.35 If the 2026/27 pay award is agreed at a higher rate than the 3.5% increase in basic pay assumed, and if reductions in employee costs elsewhere cannot offset the increase in pay award costs, the additional costs unbudgeted for will need to be funded from council reserves. Section 1.11 examines this in more detail.
- 1.36 Most non-pay expenditure budgets have been uplifted by 2.5% in each year of the Council's MTFP. Some costs, such as insurance and utilities, are expected to increase by more than 5%; and others, such as fixed-price goods and services, have been increased in line with contractual obligations.
- 1.37 The Council's General Fund revenue budget is charged for the purchase or creation of fixed assets where capital resources are unavailable at the time. These charges will be in line with the Council's Minimum Revenue Provision (MRP) policy for 2026/27, which is recommended by the Audit and Governance Committee on 4 March 2026 for approval by Full Council on 5 March 2026.

Proposed Strategy for Bridging the Funding Gap

- 1.38 The table below shows the funding gap and mitigations that were approved as part of the 2025/26 Medium Term Financial Plan:

Table 4

| | 2025/26 (£m) | 2026/27 (£m) | 2027/28 (£m) | 2028/29 (£m) |
|--|-----------------|-----------------|-----------------|-----------------|
| Funding Shortfall prior to Mitigations | 0.000 | 2.371 | 2.429 | 2.778 |
| Previous Year Mitigation | | | (0.763) | (1.026) |
| Dividends from Arkwood Developments Ltd | - | - | (0.250) | - |
| Target saving for borrowing costs and MRP | - | (0.300) | - | - |
| Savings from Leisure Management review | - | (0.142) | (0.013) | (0.005) |
| Savings from service reviews | - | (0.098) | - | - |
| Savings/efficiencies from making business processes more efficient | - | (0.130) | - | - |
| Increased income from the Council becoming more commercial | - | (0.093) | - | - |

| | | | | |
|---|--------------|--------------|--------------|--------------|
| Use of MTFP reserve to offset contributions from reserves in future years | - | (1.608) | (1.403) | (1.747) |
| Proposed General Fund Funding Gap | 0.000 | 0.000 | 0.000 | 0.000 |

1.39 Since that point, officers have been working towards meeting the targets as described in the table, as part of building the 2026/27 budget.

1.40 The table below shows the Council's progress towards meeting those targets. All of items below have been built into the base budget for 2026/27 and beyond:

| | |
|---|------------------|
| Commercial Strategy and MTFP Changes | |
| Savings from Leisure Management Review: | |
| Active 4 Today Management Fee removed following review of the management agreement. | (142,760) |
| Savings/efficiencies from making business processes more efficient: | |
| Savings relating to the new cleaning contract | (14,520) |
| Saving made due to no longer using the Concerto system for managing corporate estate | (45,000) |
| Increased income from the Council becoming more commercial: | |
| The Beacon has projected to reach 97% occupancy by Q3 of 2025–26. | (84,620) |
| Increase income to reflect recent trends at the palace theatre | (98,470) |
| Trade Refuse Income increase due to simpler recycling legislation requiring additional bins / collections | (64,290) |
| Expecting an increase in the price of Glass Recycling | (64,360) |
| Private Sector Speech Call expenditure is recharged from HRA to reflect the costs for the private customers. This has not increased as much as previously anticipated therefore reduce. | (64,320) |
| Total | (578,340) |

1.41 Based on table 1 at paragraph 1.5 which includes the table above, in order to bridge the funding gap over the next 4 years, the Council proposes the below:

Table 5

| | 2026/27 (£m) | 2027/28 (£m) | 2028/29 (£m) | 2029/30 (£m) |
|---|-----------------|-----------------|-----------------|-----------------|
| Funding Shortfall prior to Mitigations | 0 | 0 | 0 | 2.706 |
| Use of MTFP reserve to offset contributions from reserves in future years | 0.000 | 0.000 | 0.000 | (2.706) |
| Proposed General Fund Funding Gap | 0.000 | 0.000 | 0.000 | 0.000 |

1.42 As can be seen from the table, the Council has sufficient funding over the next three years to fund service provision, whilst in the fourth year it is expecting to need to take £2.706m out of reserves to balance the budget. Should funding not change for 2029/30 prior to that year, the newly created unitary authority will have the autonomy to be able to make decisions to reduce the gap based on policy decisions or to utilise reserves to fund.

1.43 As per **Appendix A** the MTFP reserve is expected to have a closing balance at the end of March 2026 of £8.925m. As per table 5 above the proposed utilisation of balances from the

MTFP reserve during 2026/27 to 2029/30 will leave a balance of £6.219m at the end of March 2030.

- 1.44 As the new unitary authority is expected to be operational by 1 April 2028, the above gives the new authority a fully funded first year of operation with sufficient funds to be able to operate based upon this Council's part of the new authority in the second year. Where it wants to take any decision on service provision that would increase/reduce the £2.706m gap. Similarly, once the LGFS for the 2029/30 year, this could also change the funding profile.
- 1.45 As can be seen from table 4 above, the previous years MTFP had a mitigation target of £0.300m within financial year 2026/27 for savings from MRP, for which we have actually generated £0.268m savings.
- 1.46 The Council's wholly owned development company – Arkwood Developments Ltd are expected to make a financial contribution of at least £1.100m from 2026/27 to 2029/30.
- 1.47 Each update to this MTFP will therefore report on progress against each of the headings in the table above, to ensure that each year's budget is balanced.
- 1.48 Since 2010, the Council has made significant savings in line with government grant reductions. Though further savings may become harder to identify and deliver, particularly from spend not on employees (as mentioned in section 6 below), it is essential that the Council continues to identify areas where spend can be reduced and/or income increased. This is so that the Council can continue to operate sustainably over the longer-term and into any newly created authority.
- 1.49 The Council's Commercial Strategy and Action Plan, approved by Policy and Finance Committee on 27 January 2022, aims to make Newark and Sherwood an *“innovative and entrepreneurial Council that continually achieves positive annual financial contributions; by generating new revenue and delivering cost reductions, through trading and business improvements”*. The Council has begun to benefit from the projects which have been completed to date since the Commercial Plan 2017-18 to 2020-21 was approved in October 2017 and expects to increasingly benefit in future years from the implementation of the current strategy, however the task of identifying and implementing new streams of income generation is challenging. The Council's work across the district (externally) and with services council-wide (internally) will be crucial to enabling the Council's future sustainability and growth. This is particularly as changes to the local government finance system increase the rewards for councils able to facilitate local economic growth.
- 1.50 The table below updates progress against those major projects identified within the Commercial Strategy:

Table 6

| Project/Activity | Business Unit Lead | Detail | Expected income/savings (£) | January 2025 Update |
|------------------|--------------------|--------|-----------------------------|---------------------|
|------------------|--------------------|--------|-----------------------------|---------------------|

| | | | | |
|---|------------------------------|--|---------|--|
| Development of Clipstone Holdings Centre | Corporate Property | The tender process is currently underway for the procurement of a main contractor for the build. It is anticipated for a start on site in q4 of 2025/26. | £0.075m | Moved from 26/27 to 2027/28 and included in MTFP at £0.150m from 28/29 onwards |
| Investigate options for increasing revenue through Business advertising on car parks and the lorry park | Corporate Property | New platform reviewed by officers, now being trialled promoting internal services. Should the trial be successful, seek to roll out further | £0.030m | Not reflected within the MTFP |
| Review charges for business engagement through the licensing service | Public Protection | There are a number of areas of work that the Council could charge for in relation to pre-application advice/compliance checks/health and safety advisory checks all within the licensing team | £0.010m | Not reflected within the MTFP |
| Amalgamation of Building cleaning contracts | Corporate Property | The tenders have been completed and a new operator is now in place. | £0.015m | Included in all years in the MTFP |
| Implementation of Income Management System | Financial Services | The implementation of a new Income Management System was completed during 2024 which has improved efficiency and effectiveness of the function. This has also resulted in cost due to a member of staff looking to reduce their houses could be accommodated | £0.021m | Included in all years in the MTFP |
| Careline marketing plan | Communications and Marketing | A marketing budget was allocated of £14,000 for 2025/26 which allowed the team to extend the marketing of the function which has generated additional take up of the service. | £0.064m | Included in all years in the MTFP |

1.51 The table below shows which areas have the biggest increases in expenditure budgets in each of the last three years of the Council's MTFP, compared to the equivalent budget in the year before:

| Pressures | Increase in 2027/28 budget, compared to 2026/27 budget | Increase in 2028/29 budget, compared to 2027/28 budget | Increase in 2029/30 budget, compared to 2028/29 budget |
|-----------|--|--|--|
|-----------|--|--|--|

| | (£m) | (£m) | (£m) |
|---------------------------|-------|-------|-------|
| Employees | 1.488 | 0.893 | 0.915 |
| Electricity and gas costs | 0.137 | 0.035 | 0.037 |

Risks Associated with the Budget Process

1.52 Budgets are only as accurate as the data available at the time they are developed. There are therefore risks that the proposed budgets in the Council's MTFP will differ significantly from reality (actual expenditure and income). Some of the factors which could cause adverse variances are:

- higher than expected inflation and/or interest rates;
- the Council receiving lower than expected amounts of grant funding and/or other income;
- the future differing significantly from the initial budgets proposed at the time of developing the MTFP;
- volatility of certain budget lines between years;
- underachievement of expected savings and/or efficiencies;
- unforeseen events and emergencies;
- unforeseen insurance costs or legal claims;
- lower than expected business rates growth.

1.53 Section 25 (Budget calculations: report on robustness of estimates etc) of the *Local Government Act 2003* requires local authority chief finance officers (Section 151 officers) to report on the adequacy of financial reserves in the Council's proposed budget and robustness of estimates made. This section fulfils that requirement.

1.54 In considering the Council's proposed budget for 2026/27 and the sensitivity of expenditure and income to changes, it should be noted that:

- a) a 1% increase in Council Tax is equivalent to £85,939 of net expenditure; and
- b) a £1 increase in Council Tax is equivalent to £43,272 of net expenditure.

1.55 Various assumptions were required to be made when preparing the proposed MTFP budgets. The two areas where it seems that variations between the proposed budget and reality could be greatest are employee pay and income receivable. Further details on each of these are below.

Employee Costs

1.56 Employee costs form a significant proportion of all district council budgets. Employee costs comprise 54% of the Council's proposed controllable service expenditure budget for 2026/27 (total spend, excluding spend on capital costs, internal recharges and Housing Benefit payments).

1.57 This makes it less likely to achieve savings solely by reducing non-employee spend. It also means that the Council would need to use a greater proportion of its reserves if the costs of future years' pay awards exceed the 3.5% pay award currently budgeted for 2026/27 and/or the 3.5% pay awards currently budgeted for subsequent years.

- 1.58 A vacancy provision of 7.5% of the total salary budget for 2026/27 will be made to allow for natural savings being made from posts remaining vacant before being filled. With the challenges in recruiting that have been seen over the last two financial years, this appears to be a reasonable approach. The actual outturn of savings from vacancies amounted to 8.32% for 2024/25. As it is not possible to predict precisely which business units will experience vacancies in the year, an overall saving will be set aside but this will be apportioned into services based upon the percentage of their salary costs over the whole Council.

Income

- 1.59 A significant part of the Council's annual net budget is dependent on income from rents; sales, fees and charges; and other receipts. Officers have reviewed the income that services have achieved against the current and previous years' budgets and have considered factors expected to affect future income levels, to ensure the 2026/27 income budgets for services have been set at levels considered achievable. Officers will monitor this closely over the coming year and revised forecasts over the medium term will be updated for the MTFP to be developed for the 2026/27 - 2029/30 years.
- 1.60 Significant underperformance against budgeted income would increase the Council's annual net expenditure, and thus place unbudgeted demand on council reserves. A 1% reduction in council income from fees and charges would cost around £58,000 in 2026/27.

Interest rates

- 1.61 The proposed MTFP budgets include amounts for interest payable and interest receivable. This is because the Council expects that it will both borrow money and invest money throughout the four years of the MTFP.
- 1.62 The Council anticipates that it will use fixed interest rate loans when borrowing. This is so that the Council knows exactly how much its loans will cost over their durations, and this mitigates against the risk of interest rates changes and thus costs rising significantly over the loan period. As borrowing would be for longer than four years, the risk of the Council being unable to borrow to repay existing debt (refinancing risk) does not apply.
- 1.63 The budgeted amounts have accounted for factors such as the amount of council funds expected to be available and the time during the year for which cash is needed. The actual amounts of interest payable and receivable for 2026/27 will likely differ from those budgeted due to actual income and expenditure occurring at different time periods to that forecast.
- 1.64 The impact of a 1% change in interest rate would be insignificant on the Council's overall budget.

Inflation

- 1.65 Most income budgets and non-pay expenditure budgets have been uplifted by 2.5%. Some costs, such as insurance and utilities, are expected to increase by more than 5%; and others, such as fixed-price goods and services, have been increased in line with contractual obligations.

- 1.66 The most recent month for which inflation data was available at the time of writing, December 2025, had a 2.7% increase in inflation (Consumer Prices Index (CPI)) from December 2024.
- 1.67 The small differences anticipated between actual inflation rates and the 2.5% budgeted for are expected to have insignificant impact on the Council's budget.

Capital Programme and Funding

- 1.68 The overall proposed General Fund Capital Programme for the period from 2026/27 and 2029/30 totals £48.093m. £14.925m is financed by external grant funding for Towns Fund Project, Pride in Place Programme and Disabled Facilities Grant (DFG's).
- 1.69 Council internal capital resources employed amount to £13.123m, which relates to the Council's contribution to the former Belvoir Iron Works, the redevelopment of Clipstone Holding Centre, Yorke Drive Pavilion, Castle Gatehouse, Bilsthorpe Hub, Southern Link Road and replacing parts of the Council's refuse fleet and other equipment.
- 1.70 Borrowing is the balancing figure for the capital expenditure at £12.784m. This type of financing attracts a charge to revenue called the Minimum Revenue Provision (MRP) calculated using the asset life method as approved by Council within the Treasury Management Strategy each year. The current method approved is the asset life method. This apportions notional borrowing incurred over the life of the asset, which is in line with the timeline for receiving economic benefits generated by the asset.

2.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection, Digital and Cyber Security, Equality and Diversity, Financial, Human Resources, Human Rights, Legal, Safeguarding, Sustainability, and Crime and Disorder and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

| Implications Considered | | | |
|--|----|----------------------|----|
| Yes – relevant and included / NA – not applicable | | | |
| Financial | NA | Equality & Diversity | NA |
| Human Resources | NA | Human Rights | NA |
| Legal | NA | Data Protection | NA |
| Digital & Cyber Security | NA | Safeguarding | NA |
| Sustainability | NA | Crime & Disorder | NA |
| LGR | NA | Tenant Consultation | NA |

Background Papers and Published Documents

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

None

| | Actual Balance at 31st March 2025 | Estimated Balance at 31st March 2026 | Estimated Balance at 31st March 2027 | Estimated Balance at 31st March 2028 | Estimated Balance at 31st March 2029 | Estimated Balance at 31st March 2030 |
|---|--------------------------------------|---|---|---|---|---|
| General Fund Revenue Reserves | | | | | | |
| Council Funds | | | | | | |
| MTPF Reserve | (9,011,918) | (8,924,549) | (8,924,549) | (8,924,549) | (8,924,549) | (6,218,549) |
| Total Budget Funding Reserves | (9,011,918) | (8,924,549) | (8,924,549) | (8,924,549) | (8,924,549) | (6,218,549) |
| Election Expenses Fund | (155,947) | (167,437) | (100,000) | (0) | (0) | (0) |
| Insurance Fund Excesses & Self Insured | (124,089) | (124,089) | (124,089) | (124,089) | (124,089) | (124,089) |
| ICT & Digital Services | (268,901) | (110,325) | (110,325) | (110,325) | (110,325) | (110,325) |
| Repairs And Renewals Fund | (2,386,808) | (1,492,464) | (792,464) | (92,464) | 0 | 0 |
| Domestic Homicide Review | (60,820) | 0 | 0 | 0 | 0 | 0 |
| Training Provision | (393,325) | 0 | 0 | 0 | 0 | 0 |
| Planning Costs Fund | (191,265) | (139,940) | (139,940) | (139,940) | (139,940) | (139,940) |
| Emergency Planning/Flooding Reserve | (33,871) | 0 | 0 | 0 | 0 | 0 |
| CSG/Enforcement Reserve | (105,199) | 0 | 0 | 0 | 0 | 0 |
| Management Carry Forwards | (965,046) | 0 | 0 | 0 | 0 | 0 |
| Flood Defence Reserve | (220,000) | 0 | 0 | 0 | 0 | 0 |
| Community Initiative Fund | (100,888) | 0 | 0 | 0 | 0 | 0 |
| Capital Project Feasibility Fund | (277,719) | 0 | 0 | 0 | 0 | 0 |
| Theatre Centenary Legacy | (18,696) | (16,446) | (16,446) | (16,446) | (16,446) | (16,446) |
| Local Government Reorganisation | 0 | (500,000) | (250,000) | 0 | 0 | 0 |
| Residential Food Waste | (260,040) | (776,006) | (776,291) | (1,491,622) | (1,491,622) | (1,491,622) |
| Commercial Plan Invest to Save | (200,000) | 0 | 0 | 0 | 0 | 0 |
| Energy Efficiency East Midlands | (98,555) | (93,555) | (93,555) | (93,555) | (93,555) | (93,555) |
| Capital Financing Provison | (3,292,416) | (2,070,750) | (1,248,510) | (604,680) | (544,680) | (499,680) |
| Total Earmarked for Known Pressures | (9,153,586) | (5,491,013) | (3,651,620) | (2,673,121) | (2,520,657) | (2,475,657) |
| Building Control Surplus | (82,542) | (82,542) | (82,542) | (82,542) | (82,542) | (82,542) |
| Museum Purchases Fund | (60,734) | (60,734) | (60,734) | (60,734) | (60,734) | (60,734) |
| Community Safety Fund | (134,008) | (129,008) | (129,008) | (129,008) | (129,008) | (129,008) |
| Homelessness Fund | (671,482) | (833,332) | (1,060,332) | (1,358,332) | (1,688,332) | (2,018,332) |
| Asylum Seekers Reserve | 0 | (110,500) | (110,500) | (110,500) | (110,500) | (110,500) |
| Revenue Grants Unapplied | (685,552) | (99,552) | (99,552) | (99,552) | (99,552) | (99,552) |
| Community Lottery Fund | (21,223) | (15,223) | (15,223) | (15,223) | (15,223) | (15,223) |
| Homes for Ukraine Fund | (348,256) | 0 | 0 | 0 | 0 | 0 |
| Mansfield Crematorium | (159,328) | (159,328) | (159,328) | (159,328) | (159,328) | (159,328) |
| Total Ring Fenced Reserves | (2,163,126) | (1,490,219) | (1,717,219) | (2,015,219) | (2,345,219) | (2,675,219) |
| Change Management/Capital Fund | (13,786,934) | (13,236,618) | (2,083,703) | (858,703) | (0) | (0) |
| General Fund Working Balance | (1,500,000) | (1,500,000) | (1,500,000) | (1,500,000) | (1,500,000) | (1,500,000) |
| Total Un-ringfenced Reserves | (15,286,934) | (14,736,618) | (3,583,703) | (2,358,703) | (1,500,000) | (1,500,000) |
| Total General Fund Revenue Reserves | (35,615,564) | (30,642,399) | (17,877,092) | (15,971,593) | (15,290,426) | (12,869,426) |
| General Fund Capital Receipts | (1,201,192) | (750,090) | (2,492,941) | (2,411,807) | (1,500,001) | (1) |
| GF Grants & Contributions Unapplied | (13,386,806) | (13,386,806) | (12,193,756) | (11,893,756) | (9,449,171) | (9,449,171) |
| Total Capital Reserves | (14,587,997) | (14,136,895) | (14,686,697) | (14,305,563) | (10,949,172) | (9,449,172) |
| Total General Fund Revenue and Capital Reserve | (50,203,561) | (44,779,294) | (32,563,788) | (30,277,156) | (26,239,598) | (22,318,598) |



Report to: Full Council Meeting – 5 March 2026

Relevant Committee Chair: Councillor Sylvia Michael, Audit & Accounts Committee

Director Lead: Sanjiv Kohli Deputy Chief Executive, Director – Resources & Section 151 Officer

Lead Officers: Jenna Norton, Senior Accountant - Financial Services, Ext 5327

| Report Summary | |
|----------------------------------|---|
| Report Title | Treasury Management Strategy 2026/27 |
| Purpose of Report | This report seeks approval for the Treasury Management Strategy, which incorporates the Borrowing Strategy, Investment Strategy, and Treasury Prudential Indicators, updated in accordance with latest guidance. |
| Recommendations | That Council approve: <ul style="list-style-type: none"> a) The Treasury Management Strategy 2026/27, incorporating the Borrowing Strategy and the Annual Investment Strategy Appendix A; b) the Treasury Prudential Indicators and Limits, contained within Appendix A; c) the Authorised Limit Treasury Prudential Indicator contained within Appendix A. |
| Reason for Recommendation | It is a legislative requirement for a Local Authority to approve a Treasury Management Strategy and the attached appendices meet that requirement. In addition, the External Auditors (Forvis Mazars) may pass comment in their Report to those charged with governance should relevant strategies not be approved. |

1.0 Background

1.1 At its meeting on 4 March 2026 the Audit and Accounts Committee considered the proposed Treasury Management Strategy 2026/27 and agreed to recommend it to the Full Council for approval. A copy of the report to the Audit & Accounts Committee is attached at **Appendix 1**.

2.0 Proposal/Options Considered

2.1 This report seeks approval for the Treasury Management Strategy 2026/27 (Appendix A) which encompasses the Treasury Prudential Indicators, the Borrowing Strategy, and the Annual Investment Strategy, in accordance with latest guidance.

3.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

| Implications Considered | | | |
|--|-----|----------------------|----|
| Yes – relevant and included / NA – not applicable | | | |
| Financial | Yes | Equality & Diversity | NA |
| Human Resources | NA | Human Rights | NA |
| Legal | NA | Data Protection | NA |
| Digital & Cyber Security | NA | Safeguarding | NA |
| Sustainability | NA | Crime & Disorder | NA |
| LGR | NA | Tenant Consultation | NA |

3.1 All the financial implications are contained within the appendices to this report.

Background Papers and Published Documents

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

None

Report to: Audit & Accounts Committee Meeting 4 March 2026

Director Lead: Sanjiv Kohli Deputy Chief Executive, Director – Resources & Section 151 Officer

Lead Officer: Jenna Norton, Senior Accountant on ext. 5327

| Report Summary | |
|----------------------------------|--|
| Report Title | Treasury Management Strategy 2026/27 |
| Purpose of Report | This report seeks approval for the Treasury Management Strategy, which incorporates the Borrowing Strategy, Investment Strategy, and Treasury Prudential Indicators, updated in accordance with latest guidance. |
| Recommendations | That Committee approves each of the following key elements and recommends these to Full Council on 5 March 2026 while noting that as the budgets are still being finalised some of the figures within the Strategy may alter: <ul style="list-style-type: none"> • The Treasury Management Strategy 2026/27, incorporating the Borrowing Strategy and the Annual Investment Strategy (Appendix A). • The Treasury Prudential Indicators and Limits, contained within Appendix A. • The Authorised Limit Treasury Prudential Indicator contained within Appendix A. |
| Reason for Recommendation | To ensure that the Committee discharges its responsibilities as per its delegated authority within the Councils constitution. |

1.0 Background

1.1 Treasury Management is defined as “The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.2 Statutory Requirements:

- The Local Government Act 2003 (the Act) and supporting regulations requires the Council to ‘have regard to’ the CIPFA Prudential Code and the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes to set Treasury Prudential Indicators for the next three years to

ensure that the Council's capital investment plans are affordable, prudent and sustainable.

- The Act therefore requires the Council to set out its Treasury Strategy for Borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act). This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

1.3 CIPFA Requirements:

The primary requirements of the Code are as follows:

- The creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- The creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
- Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy, a Mid-year Review Report and an Annual Report covering activities during the previous year.

1.4 This report seeks approval for the Treasury Management Strategy 2026/27 (Appendix A), which encompasses the Treasury Prudential Indicators, the Borrowing Strategy, and the Annual Investment Strategy, in accordance with latest guidance as follows:

2.0 Summary of Investment Limits and Indicators

2.1 The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). No investment limits have been amended for the financial year 2026/27. Also, it is proposed to use the same prudential indicators for the investing activity, further details are in the **Appendix**.

3.0 Summary of Borrowing Limits and Indicators

3.1 The Council's borrowing limits are directly affected by the Council's approved capital programme and any capital expenditure financed by borrowing will therefore increase the Capital Financing Requirement (CFR). In respect of the tables within the documents, these reflect the proposed capital programme that will be presented to Cabinet on 24 February 2026 to be approved at Council on 5 March 2026. Where changes occur, these will be reflected in the documents as appropriate. The CFR is the level of expected borrowing and when compared to the actual external debt the variance represents the over or under borrowing position.

- 3.2 The Council is currently in an under borrowed position which means that previous capital expenditure financed by borrowing hasn't yet required actual external debt due to the timing of cash backed reserves that haven't yet been utilised. However, this is always a temporary position as ultimately when the cash backed reserves are used there will be a requirement for actual external borrowing.
- 3.3 The table below shows the Councils increasing CFR due to capital expenditure financed by borrowing less the actual external debt, with no new borrowing assumptions, less the cash backed reserves and working capital (debtors less creditors), further details are in **Appendix A**.

| | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 |
|-------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Loans CFR | 198,947 | 213,221 | 217,034 |
| Less: External borrowing | -100,812 | -94,766 | -85,720 |
| Internal (over) borrowing | 98,135 | 118,455 | 131,314 |
| Less: Usable reserves | -38,479 | -36,589 | -33,216 |
| Less: Working capital | -10,500 | -10,500 | -10,500 |
| Investments / -New borrowing | -49,156 | -71,366 | -87,598 |

The table indicates that between 2026/27 and 2028/29 it is estimated that there will potentially be a minimum requirement to borrow an additional £88m.

- 3.4 Within the borrowing strategy the following key limits are proposed for the operational boundary and authorised limit over the same period, further details in **Appendix A**.

| | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 |
|----------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Operational Boundary | 205,947 | 220,221 | 224,034 |
| Authorised Limit | 210,947 | 225,221 | 229,034 |

- 3.5 In the proposed Investment Strategy of the Treasury Management Strategy 2026/27 at appendix A, now includes a commitment to responsible and ethical investment practices. All investment decisions will be subject to rigorous due diligence to ensure alignment with our ethical standards and community expectations.

Background Papers and Published Documents

CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes 2011 Edition and the 2017 revised Edition

CIPFA Prudential Code Local Government Act 2003

CIPFA Standard of Professional Practice on Treasury Management

TREASURY MANAGEMENT STRATEGY STATEMENT 2026/27**Introduction**

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

“The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

This strategy covers the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy.

Treasury Management Reporting

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

- a. **Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers:
 - the capital forecast summary;
 - the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an investment strategy, (the parameters on how treasury investments are to be managed).
- b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the treasury position, amending prudential indicators as necessary, and whether any policies require revision.
- c. **An annual treasury report** – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny

The above reports and strategies are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Audit and Accounts Committee.

Quarterly Reports

In addition to the three major reports detailed above, from 2024/25 quarterly reporting (end of June/end of December) is also required. However, these additional reports do not have to be reported to Full Council but are required to be adequately scrutinised. This role is undertaken by the Cabinet and the Prudential Indicators form part of the Quarterly Budget Monitoring Reports.

Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Treasury Management training has been undertaken by members on 11 February 2026 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

A formal record of the training received by officers central to the Treasury function will be maintained by the finance department. Similarly, a formal record of the treasury

management/capital finance training received by members will also be maintained by democratic services.

Treasury Management Consultants

The Council uses MUFG Corporate Markets, formally known as Link Group, Treasury solutions as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, treasury advisers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

Capital Summary and Liability Benchmark

On 31 December 2025, the Council held £109.213m of borrowing and £62.311m of investments. Forecast changes in these sums are shown in the balance sheet analysis table below.

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Capital expenditure and financing:

| | 2024/25 Actual £'000 | 2025/26 Forecast £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 |
|------------------------|----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| General Fund services | 15,060 | 19,826 | 40,047 | 15,623 | 4,965 |
| Council housing (HRA) | 17,876 | 18,821 | 29,942 | 24,674 | 14,341 |
| Capital Loan (GF) | 0 | 21,786 | 0 | 0 | 0 |
| TOTAL | 32,936 | 60,433 | 69,989 | 40,297 | 19,306 |
| Capital Grants | 6,230 | 4,855 | 16,470 | 9,637 | 2,465 |
| Other Contributions | 3,472 | 3,225 | 927 | 218 | 0 |
| CIL | 31 | 0 | 0 | 0 | 0 |
| Capital Receipts | 1,943 | 4,430 | 3,593 | 3,021 | 1,164 |
| Revenue/ Major Repairs | 6,438 | 14,963 | 20,160 | 6,054 | 1,728 |
| Borrowing | 14,822 | 32,960 | 28,839 | 21,367 | 13,949 |
| TOTAL | 32,936 | 60,433 | 69,989 | 40,297 | 19,306 |

The Council's borrowing need (the Capital Financing Requirement)

| | 2024/25 Actual £'000 | 2025/26 Forecast £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 |
|--------------------------------------|----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| General Fund CFR | 37,071 | 64,910 | 74,942 | 74,907 | 74,023 |
| HRA CFR | 109,638 | 109,049 | 124,005 | 138,314 | 143,011 |
| Total CFR | 146,709 | 173,959 | 198,947 | 213,221 | 217,034 |
| Less: External borrowing | -108,897 | -103,857 | -100,812 | -94,766 | -85,720 |
| Internal (over) borrowing | 37,812 | 70,102 | 98,135 | 118,455 | 131,314 |
| Less: Usable reserves | -68,452 | -54,475 | -38,479 | -36,589 | -33,216 |
| Less: Working capital | 2,541 | -10,500 | -10,500 | -10,500 | -10,500 |
| Investments / - New borrowing | 28,099 | -5,127 | -49,156 | -71,366 | -87,598 |

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so it's underlying borrowing need. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

The Council has an increasing CFR due to the proposed capital programme and diminishing investments and will therefore be required to borrow up to a minimum of an additional £43m over the forecast period.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. The table above shows that the Council expects to comply with this recommendation during 2026/27.

Liability benchmark: A liability benchmark has been calculated showing the lowest level of borrowing required. This assumes the same forecasts as the table above, but that cash and investment balances are kept to a minimum level of £10m, as per MiFID II, at each year-end to maintain sufficient liquidity but minimise credit risk.

| | 2024/25 Actual £'000 | 2025/26 Forecast £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 |
|----------------------------|---|---|---|---|---|
| Loans CFR | 146,709 | 173,959 | 198,947 | 213,221 | 217,034 |
| Less: Usable reserves | -68,452 | -54,475 | -38,479 | -36,589 | -33,216 |
| Less: Working capital | 2,541 | -10,500 | -10,500 | -10,500 | -10,500 |
| Plus: Minimum investments | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Liability Benchmark | 90,798 | 118,984 | 159,968 | 176,132 | 183,318 |

Borrowing Strategy

The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions.

Objectives: The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

Current Borrowing portfolio position

The Council's treasury portfolio position, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

| | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|--|----------------|-----------------|-----------------|-----------------|-----------------|
| | Actual | Forecast | Estimate | Estimate | Estimate |
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Debt at 1 April | 105,432 | 108,897 | 103,857 | 100,812 | 94,766 |
| Expected change in Debt | 3,465 | -5,040 | -3,045 | -6,046 | -9,046 |
| Actual gross debt at 31 | 108,897 | 103,857 | 100,812 | 94,766 | 85,720 |
| The Capital Financing Requirement | 146,709 | 173,959 | 198,947 | 213,221 | 217,034 |
| Under / (over) borrowing | 37,812 | 70,102 | 98,135 | 118,455 | 131,314 |

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2026/27 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue purposes or speculative purposes.

The Director of Resources/Deputy Chief Executive reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes account of current commitments, existing plans and the proposals in this budget report.

IFRS16 – Leasing

The CIPFA LASAAC Local Authority Accounting Code Board required implementation of IFRS 16 from 1 April 2024, applying to the 2024/25 financial year. In line with this requirement, the Council has now implemented IFRS 16, bringing previously off-balance-sheet leased assets onto the balance sheet. The Council has completed its assessment of the impact and incorporated the necessary amendments within its accounting policies. Prudent assumptions and forecasts have been embedded within the strategy limits to ensure compliance and maintain financial resilience.

Treasury Indicators: limits to borrowing activity

Prudential Indicator 1: Operational Boundary for External Debt: The operational boundary is based on the Council's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Council's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise of finance leases, Private Finance Initiatives and other liabilities that are not borrowing but form part of the Council's debt.

| Operational Boundary | 2025/26 Revised £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 |
|-----------------------------|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Borrowing | 178,954 | 203,947 | 218,221 | 222,034 |
| Impact of IFRS16 | 2,000 | 2,000 | 2,000 | 2,000 |
| Total Debt | 180,954 | 205,947 | 220,221 | 224,034 |

Prudential Indicator 2 and 3: Authorised Limit for External Debt: The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

| Authorised Limit | 2025/26 Revised £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 |
|-------------------------|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Borrowing | 183,954 | 208,947 | 223,221 | 227,034 |
| Impact of IFRS16 | 2,000 | 2,000 | 2,000 | 2,000 |
| Total Debt | 185,954 | 210,947 | 225,221 | 229,034 |

Separately, following the removal of the HRA Debt cap set by Government on 30 October 2018, the Council chose to use the Interest Cover Ratio (ICR) as its borrowing boundary for the HRA. The ICR represents the cover that the HRA has against its interest cost liabilities in any year. The ICR is

set to a minimum which provides comfort that if there were a sudden drop in income or increase in operating costs, there would be sufficient headroom to continue to cover debt interest payments. The typical lending covenants used with the ratio varies between 1.10 and 1.50, the lower rate represents less cover and higher rate represents more cover, the Council will use the most prudent approach and therefore use 1.50 within the ratio to provide the most comfort of interest costs cover. The ICR has been modelled into the current HRA 30 year business plan and the maximum additional debt capacity set is £2.308m in order to maintain affordability in each financial year:

| HRA Debt Limit | 2025/26 Revised £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 |
|-----------------------------|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| HRA CFR | 109,049 | 124,005 | 138,314 | 143,011 |
| Additional ICR Debt | 8,535 | 2,705 | 3,496 | 2,308 |
| HRA Authorised Limit | 117,584 | 126,710 | 141,810 | 145,319 |

Prudential Indicator 4: Maturity structure of borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed and variable rate borrowing will be:

| | Upper | Lower |
|--------------------------------|--------------|--------------|
| Under 12 months | 25% | 0% |
| 12 months and within 24 months | 25% | 0% |
| 24 months and within 5 years | 40% | 0% |
| 5 years and within 10 years | 100% | 0% |
| 10 years and above | 100% | 0% |

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Strategy: The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt. Instead, cash supporting the Authority's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate remains relatively elevated in 2026 even if some rate cuts occur

Against this background and the risks within the economic forecast, caution will be adopted with the 2026/27 treasury operations. The Director of Resources/Deputy Chief Executive will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances.

The benefits of internal or short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. MUFG will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2026/27 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

Alternatively, the Council may arrange forward starting loans during 2026/27, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Council may borrow (normally for up to one to six months) short-term loans to cover unplanned cash flow shortages. Any decisions will be reported to the appropriate decision-making body at the next available opportunity.

Sources of borrowing: Currently the PWLB Certainty Rate is set at gilts + 80 basis points for both HRA and non-HRA borrowing. However, consideration may still need to be given to sourcing funding from the following additional sources.

The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- UK Municipal Bonds Agency plc any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds
- capital market bond investors
- Finance Leases

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

LOBOs: The Council holds £3.5m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. £3.5m of these LOBOs have options during 2026/27, and although the Council understands that lenders are unlikely to exercise their options in the current interest rate environment, there remains an element of refinancing risk. The Council will take the option to repay LOBO loans at no cost if it has the opportunity to do so. Total borrowing via LOBO loans will be limited to £0m.

Short-term and variable rate loans: These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators.

Debt rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. Rescheduling of current borrowing in our debt portfolio is unlikely to occur. If rescheduling was done, it will be reported to Council, at the earliest meeting following its action.

Policy on borrowing in advance of need: The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Policy on internal borrowing interest to the HRA: On 1st April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other.

Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (capital financing requirement) will result in an internal borrowing situation. The internal borrowing on the HRA will be charged at the 25 year fixed maturity interest rate for PWLB for the 31 March for the relevant financial year with the credit going to the General Fund balance.

Investment Strategy

Management of Risk

The Ministry of Housing, Communities and Local Government (MHCLG) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy and Investment Strategy.

The Council's investment policy has regard to the following: -

- MHCLG's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- CIPFA Treasury Management Guidance Notes 2021

The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return).

The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. The Council has adopted a prudent approach to managing risk.

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 9 months, the Council's investment balance has ranged between £41 and £63 million. Levels available for investment are affected by capital expenditure and use of reserves, both will continue to be monitored throughout the financial year.

Objectives: As the CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

Strategy: Given the continued risk and market volatility, the Council aims to continue investing into secure and/or higher yielding asset classes during 2026/27. This is especially the case for the estimated £15m that is potentially available for longer-term investment. The majority of the Council's surplus cash is currently invested in short-term unsecured bank deposits and money market funds.

Business models: The IFRS 9 Statutory Override was originally scheduled to end on 31 March 2025. However, following feedback received during the 2025 Local Government Finance Settlement consultation, the Government has introduced transitional arrangements for legacy pooled investment funds.

Key Points:

- The statutory override will remain in place for existing pooled fund investments held as at 1 April 2024, and will continue to apply to these investments until 1 April 2029.
- Any new pooled fund investments made on or after 1 April 2024 will not benefit from the override and must comply fully with IFRS 9. This means that fair value movements on these investments will be recognised directly in the General Fund.

The Government's intention is that this transitional period will provide councils with additional time to review and adjust their pooled fund investment strategies, ensuring a smoother alignment with industry accounting standards and mitigating the potential impact of volatility on local authority budgets.

Creditworthiness Policy: The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:

1. It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security; and
2. It has sufficient liquidity in its investments. For this purpose, it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

The Director of Resources/Deputy Chief Executive will maintain a counterparty list in compliance with the following criteria in the table below and will revise the criteria and submit them to Council for approval as necessary.

Credit rating information is supplied by MUFG, our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating Watches (notification of a likely change), rating Outlooks (notification of the longer-term bias outside the central rating view) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating Watch applying to counterparty at the minimum Council criteria will be suspended from use, with all others being reviewed in light of market conditions.

As part of our commitment to responsible and ethical investment practices, the Council will not knowingly invest in any funds, financial instruments, or counterparties that may, directly or indirectly, reinvest our funds into products, industries, or activities that are considered socially or ethically inappropriate. This includes, but is not limited to, sectors such as tobacco, arms manufacturing, gambling, fossil fuels, or any other areas that conflict with our values and public responsibilities. All investment decisions will be subject to rigorous due diligence to ensure alignment with our ethical standards and community expectations.

Use of additional information other than credit ratings. Additional requirements under the Code require the Council to supplement credit rating information. Whilst the below criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, rating Watches/Outlooks) will be applied to compare the relative security of differing investment opportunities.

Time and monetary limits applying to investments. The time and monetary limits for institutions on the Council’s counterparty list are as follows:

| Credit rating | Banks unsecured | Banks secured | Government | Corporates | Registered Providers |
|---|------------------|------------------------|-------------------------|------------------|----------------------|
| UK Govt | n/a | n/a | £ Unlimited 50 years | n/a | n/a |
| AAA | £8m 5 years | £10m 20 years | £20m 50 years | £5m 20 years | £5m 20 years |
| AA+ | £6m 5 years | £10m 10 years | £10m 25 years | £5m 10 years | £5m 10 years |
| AA | £6m 4 years | £10m 5 years | £10m 15 years | £5m 5 years | £5m 10 years |
| AA- | £6m 3 years | £10m 4 years | | £5m 4 years | £5m 10 years |
| A+ | £6m 2 years | £10m 3 years | | £5m 3 years | £5m 5 years |
| A | £6m 13 months | £10m 2 years | | £5m 2 years | £5m 5 years |
| A- | £5m 6 months | £10m 13 months | | £5m 13 months | £5m 5 years |
| None | | n/a | | | £5m 5 years |
| Pooled funds and real estate investment trusts | | £15m per fund or trust | | | |

This table must be read in conjunction with the notes below

Credit rating: Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be considered.

Banks unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

Banks secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.

Registered providers: Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing and registered social landlords, formerly known as housing associations. These bodies are tightly regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

Pooled funds: Shares or units in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

Real estate investment trusts: Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

Operational bank accounts: The Council will incur operational exposures through its current accounts, with Lloyds Bank. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £850,000 net in the bank with an overdraft facility of £100,000. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

Country and sector limits: Due care will be taken to consider the country, group and sector exposure of the Council’s investments.

The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA (excluding UK) from Fitch (or equivalent). This list will be added to, or deducted from by officers should ratings change in accordance with this policy.

Investment limits: In order to limit the amount of reserves that will be potentially put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £15 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers’ nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Investment limits

| | Cash limit |
|---|------------------|
| Any single organisation, except the UK Central Government | £15m each |
| UK Central Government | unlimited |
| Any group of organisations under the same ownership | £15m per group |
| Any group of pooled funds under the same management | £15m per manager |
| Negotiable instruments held in a broker’s nominee account | £10m per broker |
| Foreign countries | £10m per country |
| Registered providers and registered social landlords | £10m in total |
| Unsecured investments with building societies | £10m in total |
| Loans to unrated corporates | £15m in total |

| | |
|-------------------------------|---------------|
| Local Authorities | £15m each |
| Money market funds | £12m each |
| Real estate investment trusts | £10m in total |

Liquidity management: The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council’s medium-term financial plan and cash flow forecast.

Policy on internal investment interest to the HRA: On 1st April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. Interest receivable for HRA balance sheet resources available for investment will result in a notional cash balance. This balance will be measured at the end of the financial year and interest transferred from the General Fund to the HRA at the average investment rate for a DMO investment for the financial year due to the General Fund carrying all the credit risk per investment.

Investment returns expectations: The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

| Average earnings in each year | |
|-------------------------------|-------|
| 2025/26 (residual) | 3.80% |
| 2026/27 | 3.40% |
| 2027/28 | 3.30% |
| 2028/29 | 3.30% |
| 2029/30 | 3.50% |

Treasury Indicators: limits to investing activity

The Council measures and manages its exposures to treasury management risks using the following indicators.

Prudential Indicator 5: Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

| Credit risk indicator | Target |
|---------------------------------|--------|
| Portfolio average credit rating | A |

Prudential Indicator 6: Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a banding period, without additional borrowing.

| Liquidity risk indicator | Target | Limit |
|------------------------------|--------|-------|
| Total cash available within; | | |
| 3 months | 30% | 100% |
| 3 – 12 months | 30% | 80% |
| Over 12 months | 40% | 60% |

Prudential Indicator 7: Interest rate exposures: This indicator is set to control the Council’s exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

| Interest rate risk indicator | Limit |
|--|----------|
| Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates | £400,000 |
| Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates | £400,000 |

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.

Prudential Indicator 8: Principal sums invested for periods longer than a year: The purpose of this indicator is to control the Council’s exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

| Price risk indicator | 2026/27 | 2027/28 | 2028/29 |
|---|---------|---------|---------|
| Limit on principal invested beyond year end | £15m | £15m | £15m |

Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

The MHCLG issued Investment Guidance in 2018, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which operate under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for Councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council adopted the Code and will apply its principles to all investment activity. In accordance with the Code, the Director of Resources/Deputy Chief Executive has produced its treasury management practices (TMPs). This part, TMP 1, covering investment counterparty policy requires approval each year.

Annual investment strategy - The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of following:

- The strategy guidelines for choosing and placing investments.
- The principles to be used to determine the maximum periods for which funds can be committed.

Strategy guidelines – The main strategy guidelines are contained in the body of the treasury strategy statement and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in institutions.

The monitoring of investment counterparties - The credit rating of counterparties will be monitored regularly. The Council receives credit rating information (changes, rating watches and rating outlooks) from MUFG as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Director of Resources/Deputy Chief Executive, and if required new counterparties which meet the criteria will be added to the list.

Treasury Management Scheme of Delegation

(i) Full Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.
- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;

(ii) Audit and Accounts Committee

- reviewing the treasury management policy and procedures and making recommendations to the responsible body;
- receiving and reviewing regular monitoring reports and acting on recommendations; and
- approving the selection of external service providers and agreeing terms of appointment.

The Treasury Management Role of the Section 151 Officer

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers;
- preparation of a capital strategy to include capital expenditure, capital financing, and treasury management, with a long term timeframe;
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money;
- ensuring that due diligence has been carried out on all treasury is in accordance with the risk appetite of the authority;
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing;
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources;
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities;
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees ;
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority;
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above; and
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed.

Economic Background and Interest Rate Forecast

- The first half of 2025/26 saw:
 - A 0.3% pick up in GDP for the period April to June 2025. More recently, the economy flatlined in July, with higher taxes for businesses restraining growth, but picked up to 0.1% m/m in August before falling back by 0.1% m/m in September.
 - The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% to 4.6% in September.
 - CPI inflation has ebbed and flowed but finished September at 3.8%, whilst core inflation eased to 3.5%.
 - The Bank of England cut interest rates from 4.50% to 4.25% in May, and then to 4% in August (and subsequently to 3.75% in December).
 - The 10-year gilt yield fluctuated between 4.4% and 4.8%, ending the half year at 4.70% (before falling back to 4.43% in early November).
- From a GDP perspective, the financial year got off to a bumpy start with the 0.3% m/m fall in real GDP in April as front-running of US tariffs in Q1 (when GDP grew 0.7% on the quarter) weighed on activity. Despite the underlying reasons for the drop, it was still the first fall since October 2024 and the largest fall since October 2023. However, the economy surprised to the upside in May and June so that quarterly growth ended up 0.3% q/q (subsequently revised down to 0.2% q/q). Nonetheless, the 0.0% m/m change in real GDP in July, followed by a 0.1% m/m increase in August and a 0.1% decrease in September will have caused some concern. GDP growth for 2025 - 2028 is currently forecast by the Office for Budget Responsibility to be in the region of 1.5%.
- Sticking with future economic sentiment, the composite Purchasing Manager Index (PMI) for the UK increased to 52.2 in October. The manufacturing PMI output balance improved to just below 50 but it is the services sector (52.2) that continues to drive the economy forward. Nonetheless, the PMIs suggest tepid growth is the best that can be expected in the second half of 2025 and the start of 2026. Indeed, on 13 November we heard that GDP for July to September was only 0.1% q/q.
- Turning to retail sales volumes, and the 1.5% year-on-year rise in September, accelerating from a 0.7% increase in August, marked the highest gain since April. On a monthly basis, retail sales volumes rose 0.5%, defying forecasts of a 0.2% fall, following an upwardly revised 0.6% gain in August. Household spending remains surprisingly resilient, but headwinds are gathering.
- Prior to the November Budget, the public finances position looked weak. The £20.2 billion borrowed in September was slightly above the £20.1 billion forecast by the OBR. For the year to date, the £99.8 billion borrowed is the second highest for the April to September period since records began in 1993, surpassed only by borrowing during the COVID-19 pandemic. The main drivers of the increased borrowing were higher debt interest costs, rising government running costs, and increased inflation-linked benefit payments, which outweighed the rise in tax and National Insurance contributions.

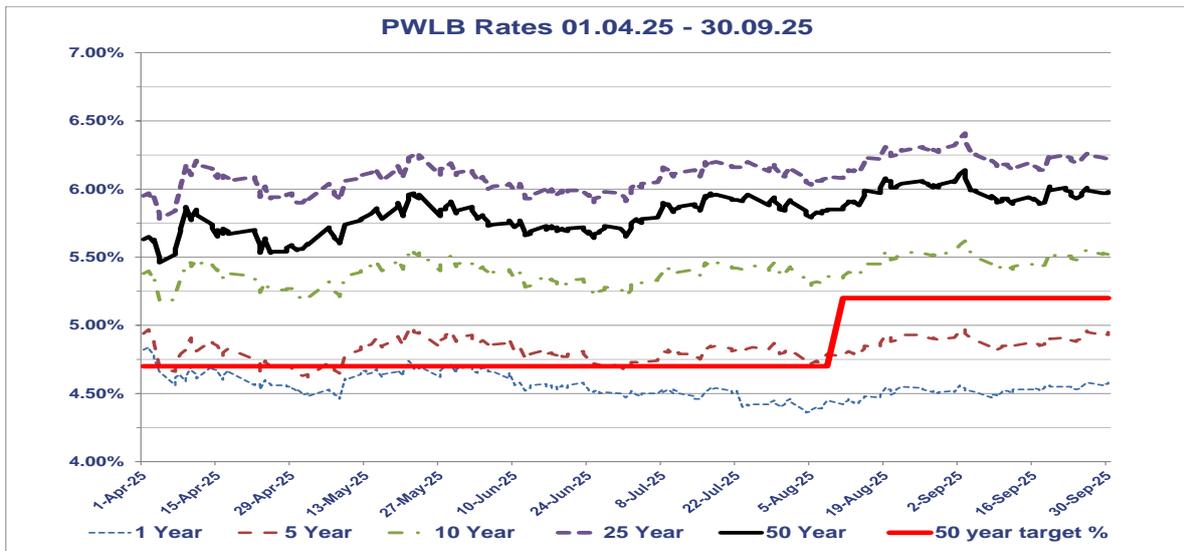
- Following the 26 November Budget, the Office for Budget Responsibility (OBR) calculated the net tightening in fiscal policy as £11.7bn (0.3% of GDP) in 2029/30, smaller than the consensus forecast of £25bn. It did downgrade productivity growth by 0.3%, from 1.3% to 1.0%, but a lot of that influence was offset by upgrades to its near-term wage and inflation forecasts. Accordingly, the OBR judged the Chancellor was going to achieve her objectives with £4.2bn to spare. The Chancellor then chose to expand that headroom to £21.7bn, up from £9.9bn previously.
- Moreover, the Chancellor also chose to raise spending by a net £11.3bn in 2029/30. To pay for that and the increase in her headroom, she raised taxes by £26.1bn in 2029/30. The biggest revenue-raisers were the freeze in income tax thresholds from 2028/29 (+£7.8bn) and the rise in NICs on salary-sacrifice pension contributions (+£4.8bn). The increase in council tax for properties worth more than £2.0m will generate £0.4bn.
- The weakening in the jobs market looked clear in the spring. May's 109,000 m/m fall in the PAYE measure of employment was the largest decline (barring the pandemic) since the data began and the seventh in as many months. The monthly change was revised lower in five of the previous seven months too, with April's 33,000 fall revised down to a 55,000 drop. More recently, however, the monthly change was revised higher in seven of the previous nine months by a total of 22,000. So instead of falling by 165,000 in total since October, payroll employment is now thought to have declined by a smaller 153,000. Even so, payroll employment has still fallen in nearly all the months since the Chancellor announced the rises in National Insurance Contributions (NICs) for employers and the minimum wage in the October 2024 Budget. The number of job vacancies in the three months to November 2025 stood at 729,000 (the peak was 1.3 million in spring 2022). All this suggests the labour market continues to loosen, albeit at a slow pace.
- A looser labour market is driving softer wage pressures. The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% in April to 4.6% in September (still at that level in November). The rate for the private sector has slipped just below 4% as the year end approaches.
- CPI inflation remained at 3.8% in September but dropped to 3.2% by November. Core inflation also fell to 3.2% by November while services inflation fell to 4.4%. Nonetheless, a further loosening in the labour market and weaker wage growth may be a requisite to UK inflation coming in below 2.0% by 2027.
- An ever-present issue throughout recent months has been the pressure being exerted on medium and longer dated gilt yields. The yield on the 10-year gilt moved sideways in the second quarter of 2025, rising from 4.4% in early April to 4.8% in mid-April following wider global bond market volatility stemming from the "Liberation Day" tariff announcement, and then easing back as trade tensions began to de-escalate. By the end of April, the 10-year gilt yield had returned to 4.4%. In May, concerns about stickier inflation and shifting expectations about the path for interest rates led to another rise, with the 10-year gilt yield fluctuating between 4.6% and 4.75% for most of May. Thereafter, as trade tensions continued to ease and markets increasingly began to price in looser monetary policy, the 10-year yield edged lower, and ended June at 4.50%.

- More recently, the yield on the 10-year gilt rose from 4.46% to 4.60% in early July as rolled-back spending cuts and uncertainty over Chancellor Reeves' future raised fiscal concerns. Although the spike proved short lived, it highlighted the UK's fragile fiscal position. In an era of high debt, high interest rates and low GDP growth, the markets are now more sensitive to fiscal risks than before the pandemic. During August, long-dated gilts underwent a particularly pronounced sell-off, climbing 22 basis points and reaching a 27-year high of 5.6% by the end of the month. While yields have since eased back, the market sell-off was driven by investor concerns over growing supply-demand imbalances, stemming from unease over the lack of fiscal consolidation and reduced demand from traditional long-dated bond purchasers like pension funds. For 10-year gilts, by late September, sticky inflation, resilient activity data and a hawkish Bank of England kept yields elevated over 4.70% although by late December had fallen back again to a little over 4.50%.
- The FTSE 100 fell sharply following the "Liberation Day" tariff announcement, dropping by more than 10% in the first week of April - from 8,634 on 1 April to 7,702 on 7 April. However, the de-escalation of the trade war coupled with strong corporate earnings led to a rapid rebound starting in late April. As a result, the FTSE 100 ended June at 8,761, around 2% higher than its value at the end of March and more than 7% above its level at the start of 2025. Since then, the FTSE 100 has enjoyed a further 4% rise in July, its strongest monthly gain since January and outperforming the S&P 500. Strong corporate earnings and progress in trade talks (US-EU, UK-India) lifted share prices and the index hit a record 9,321 in mid-August, driven by hopes of peace in Ukraine and dovish signals from Fed Chair Powell. September proved more volatile and the FTSE 100 closed September at 9,350, 7% higher than at the end of Q1 and 14% higher since the start of 2025. Future performance will likely be impacted by the extent to which investors' global risk appetite remains intact, Fed rate cuts, resilience in the US economy, and AI optimism. A weaker pound will also boost the index as it inflates overseas earnings. In early November, the FTSE100 climbed to a record high just above 9,900. By late December, the index had clung on to most of those gains standing at 9,870 on 23 December.

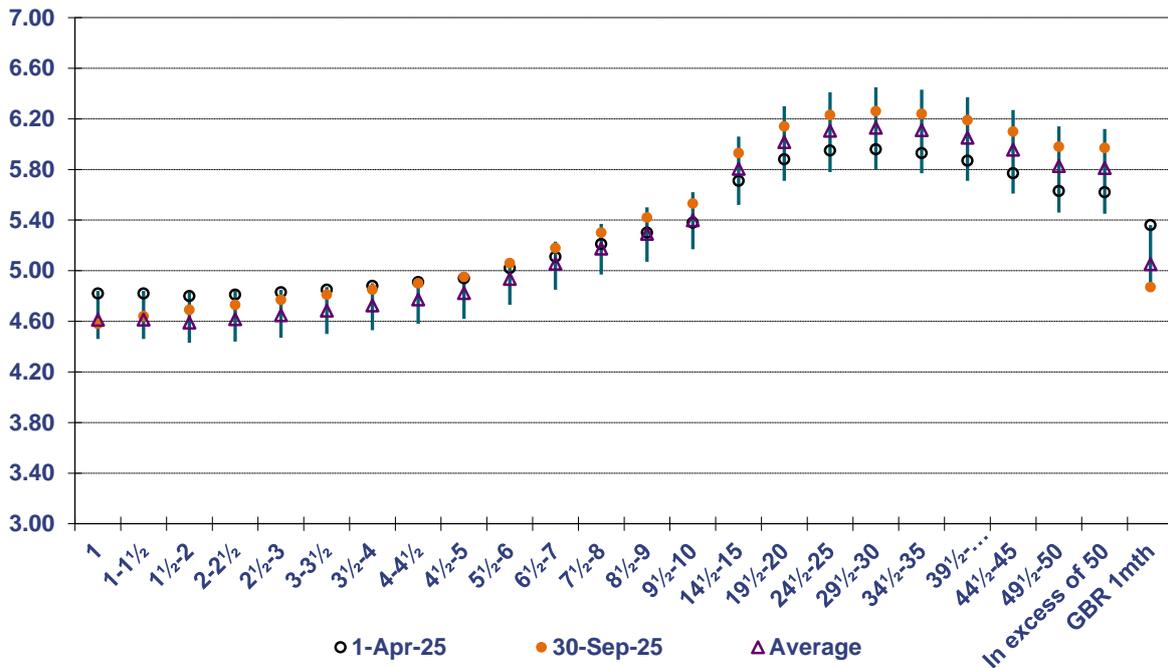
MPC meetings: 8 May, 19 June, 7 August, 18 September, 6 November, 18 December 2025

- There were six Monetary Policy Committee (MPC) meetings held between April and December. In May, the Committee cut Bank Rate from 4.50% to 4.25%, while in June policy was left unchanged. In June's vote, three MPC members (Dhingra, Ramsden and Taylor) voted for an immediate cut to 4.00%, citing loosening labour market conditions. The other six members were more cautious, as they highlighted the need to monitor for "signs of weak demand", "supply-side constraints" and higher "inflation expectations", mainly from rising food prices. By repeating the well-used phrase "gradual and careful", the MPC continued to suggest that rates would be reduced further.
- In August, a further rate cut was implemented. However, a 5-4 split vote for a rate cut to 4% laid bare the different views within the Monetary Policy Committee, with the accompanying commentary noting the decision was "finely balanced" and reiterating that future rate cuts would be undertaken "gradually and carefully". Ultimately, Governor Bailey was the casting vote for a rate cut but with the CPI measure of inflation expected to reach at least 4% later this year, the MPC was wary of making any further rate cuts until inflation begins its slow downwards trajectory back towards 2%.
- With wages still rising by just below 5%, it was no surprise that the September meeting saw the MPC vote 7-2 for keeping rates at 4% (Dhingra and Taylor voted for a further 25bps reduction). Moreover, the Bank also took the opportunity to announce that they would only shrink its balance sheet by £70bn over the next 12 months, rather than £100bn. The repetition of the phrase that "a gradual and careful" approach to rate cuts is appropriate suggested the Bank still thought interest rates will fall further.
- At the 6 November meeting, Governor Bailey was once again the deciding vote, keeping Bank Rate at 4% but hinting strongly that a further rate cut was imminent if data supported such a move. By 18 December, with November CPI inflation having fallen to 3.2%, and with Q2 GDP revised down from 0.3% q/q to only 0.2% q/q, and Q3 GDP stalling at 0.1%, the MPC voted by 5-4 to cut rates further to 3.75%. However, Governor Bailey made it clear that any further reductions would require strong supporting data, and the pace of any further decreases would be slow compared to recent months. The markets expect Bank Rate to next be cut in April.

PWLB Rates 01.04.25 - 30.09.25



PWLB Certainty Rate Variations 01.04.25 to 30.09.25



High/Low/Average PWLB Rates for 01.04.25 – 30.09.25

| | 1 Year | 5 Year | 10 Year | 25 Year | 50 Year |
|-------------------|---------------|---------------|----------------|----------------|----------------|
| 01/04/2025 | 4.82% | 4.94% | 5.38% | 5.95% | 5.63% |
| 30/09/2025 | 4.58% | 4.95% | 5.53% | 6.23% | 5.98% |
| Low | 4.36% | 4.62% | 5.17% | 5.78% | 5.46% |
| Low date | 04/08/2025 | 02/05/2025 | 02/05/2025 | 04/04/2025 | 04/04/2025 |
| High | 4.84% | 4.99% | 5.62% | 6.41% | 6.14% |
| High date | 02/04/2025 | 21/05/2025 | 03/09/2025 | 03/09/2025 | 03/09/2025 |
| Average | 4.55% | 4.82% | 5.40% | 6.11% | 5.83% |
| Spread | 0.48% | 0.37% | 0.45% | 0.63% | 0.68% |



Report to: Full Council Meeting – 5 March 2026

Relevant Committee Chair: Councillor Slyvia Michael, Audit & Accounts Committee

Director Lead: Sanjiv Kohli Deputy Chief Executive, Director – Resources & Section 151 Officer

Lead Officers: Jenna Norton, Senior Accountant - Financial Services, Ext 5327

| Report Summary | |
|----------------------------------|---|
| Report Title | Capital Strategy 2026/27 |
| Purpose of Report | This report seeks approval to the Capital Strategy 2026/27, this incorporates the Minimum Revenue Provision Policy and Capital Prudential Indicators, updated in accordance with latest guidance. |
| Recommendations | That Council approve: <ul style="list-style-type: none"> a) the Capital Strategy 2026/27, contained within Appendix A; b) the Capital Prudential Indicators and Limits for 2026/27, contained within Appendix A; c) the Minimum Revenue Provision (MRP) Policy Statement as contained within Appendix C, which sets out the Council’s policy on MRP; d) the Flexible Use of Capital Receipts Strategy, contained with Appendix D; |
| Reason for Recommendation | It is a legislative requirement for a Local Authority to approve a Capital strategy, and the attached appendices meet that requirement. In addition, the External Auditors (Mazars) may pass comment in their Report to those charged with governance should relevant strategies not be approved. |

1.0 Background

1.1 At its meeting on 4 March 2026, the Audit and Accounts Committee considered the proposed Capital Strategy 2026/27 and agreed to recommend it to Council. A copy of the report is attached at **Appendix 1**.

2.0 Proposal/Options Considered

2.1 The Capital Strategy outlines the principles and framework that shape the Council’s capital decisions. The principal aim is to deliver a programme of capital investment that contributes to the achievement of the Council’s priorities and objectives as set out in the Corporate Plan.

3.0 **Implications**

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

| Implications Considered | | | |
|--|-----|----------------------|----|
| Yes – relevant and included / NA – not applicable | | | |
| Financial | Yes | Equality & Diversity | NA |
| Human Resources | NA | Human Rights | NA |
| Legal | NA | Data Protection | NA |
| Digital & Cyber Security | NA | Safeguarding | NA |
| Sustainability | NA | Crime & Disorder | NA |
| LGR | NA | Tenant Consultation | NA |

3.1 All the financial implications are contained within the appendices to this report.

Background Papers and Published Documents

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

None

Report to: Audit & Accounts Committee Meeting 4 March 2026

Director: Sanjiv Kohli Deputy Chief Executive, Director – Resources & Section 151 Officer

Lead Officer: Jenna Norton, Senior Accountant, Financial Services on ext 5327

| Report Summary | |
|----------------------------------|---|
| Report Title | Capital Strategy 2026/27 |
| Purpose of Report | To seek Committee approval to the Capital Strategy 2026/27, this incorporates the Minimum Revenue Provision Policy and Capital Prudential Indicators, updated in accordance with latest guidance. |
| Recommendations | That Committee approves each of the following key elements and recommends these to Full Council on 5 March 2026 while noting that as the budgets are still being finalised some of the figures within the Strategy may alter: <ul style="list-style-type: none"> • The Capital Strategy 2026/27 Appendix A. • The Capital Prudential Indicators and Limits for 2026/27, contained within Appendix A. • The Minimum Revenue Provision (MRP) Policy Statement as contained within Appendix C, which sets out the Council's policy on MRP. • The Flexible Use of Capital Receipts Strategy, contained with Appendix D. |
| Reason for Recommendation | To ensure that the Committee discharges its responsibilities as per its delegated authority within the Councils constitution. |

1.0 Background

1.1 The Capital Strategy outlines the principles and framework that shape the Council's capital decisions. The principal aim is to deliver a programme of capital investment that contributes to the achievement of the Council's priorities and objectives as set out in the Corporate Plan.

1.2 The Strategy defines at the highest level how the capital programme is to be formulated; it identifies the issues and options that influence capital spending and sets out how the resources and capital programme will be managed.

1.3 Statutory Requirements:

- The Local Government Act 2003 (the Act) and supporting regulations requires the Council to 'have regard to' the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Capital Prudential Indicators each financial year to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

1.4 CIPFA Requirements:

- The Prudential Indicators set out the expected capital activities during the financial year (as required by the CIPFA Prudential Code for Capital Finance in Local Authorities).
- Delegation by the Council of the role of scrutiny of Capital Strategy and Policies to a specific named body. For this Council the delegated body is the Audit and Accounts Committee.

2.0 Summary of Capital Expenditure and Financing

2.1 The table below summaries the total forecasted capital expenditure and financing over the next three years, further breakdown is contained within the Strategy;

| | 2026/27 Budget £'000 | 2027/28 Budget £'000 | 2028/29 Budget £'000 |
|----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Total Capital Expenditure | 69,989 | 40,297 | 19,306 |
| Capital Grants | 16,470 | 9,637 | 2,465 |
| Other Contributions | 927 | 218 | 0 |
| CIL | 0 | 0 | 0 |
| Capital Receipts | 3,593 | 3,021 | 1,164 |
| Revenue/ Major Repairs Reserve | 20,160 | 6,054 | 1,728 |
| Borrowing | 28,839 | 21,367 | 13,949 |
| Total Capital Financing | 69,989 | 40,297 | 19,306 |

Background Papers and Published Documents

CIPFA Prudential Code Local Government Act 2003
CIPFA Treasury Management Code of Practice

Capital Strategy Report 2026/27

Introduction

This capital strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in an accessible style to enhance stakeholders' understanding of these technical areas.

As well as detailing the approved capital programme, the document also sets out the Council's ambitions over the medium to longer term.

The basic elements of the Strategy therefore include:

- A direct relationship to the Community Plan;
- An investment programme expressed over the medium to long term;
- A framework that prioritises the use of capital resources;
- A consideration of the need to pursue external financing (grants, contributions, borrowing etc), which reconcile external funding opportunities with the Council's priorities and organisational objectives, so that it is the achievement of the latter that directs effort to secure the former; and
- A direct relationship with the Treasury Management Strategy, and the limitations on activity through the treasury management Prudential Indicators.

This document is intended for the use by all stakeholders to show how the Council makes decisions on capital investment:

- for Cabinet and Council – to decide on capital investment policy within the overall context of investment need/opportunity and affordability;
- for Councillors – to provide an understanding of the need for capital investment and help them scrutinise policy and management;
- for Officers – to provide an understanding of the Council's capital investment priorities, to assist them in bidding for capital resources, and to confirm their role in the capital project management and monitoring arrangements;
- for taxpayers – to demonstrate how the Council seeks to prudently manage capital resources and look after its assets; and
- for partners – to share with them our Vision and help to co-ordinate and seek further opportunities for joint ventures.

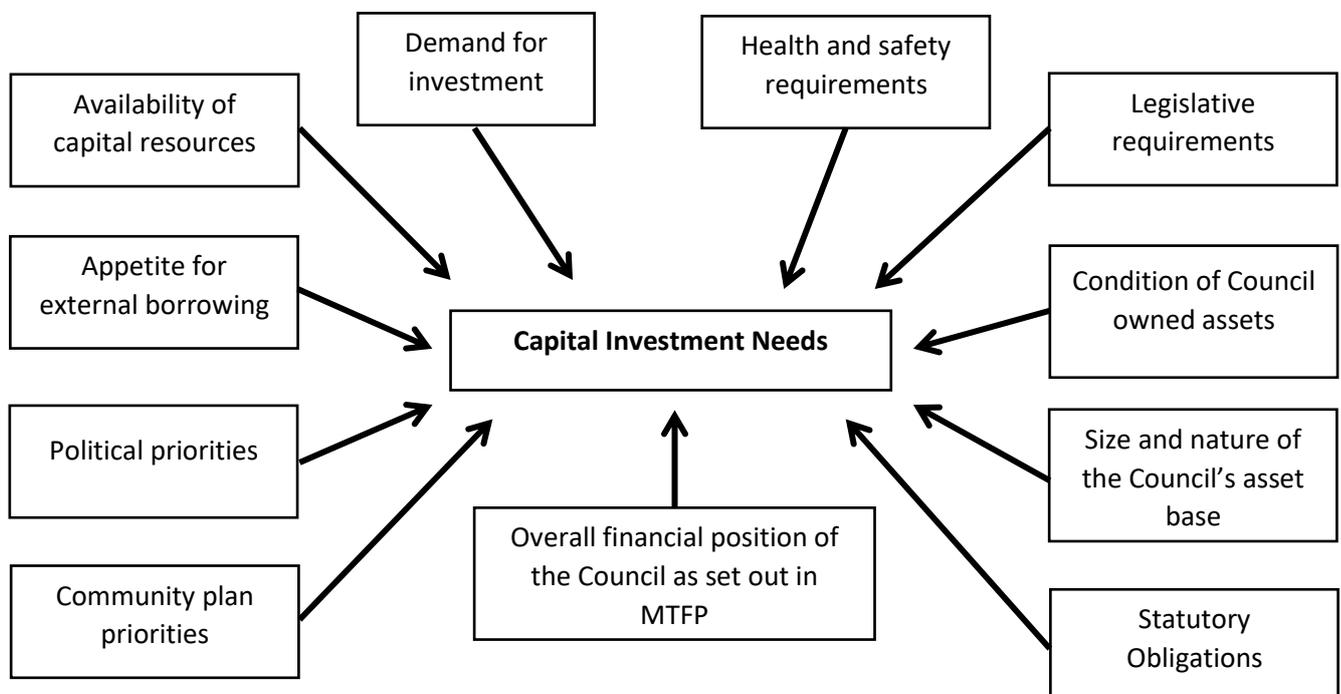
CAPITAL INVESTMENT PRIORITIES

Newark and Sherwood's Community Plan covers the period from 2023 to 2027 and sets out what the Council intends to achieve over the next four years providing a focus for activities and prioritisation of public money.

The Council's Purpose and Values:

- **Ambitious and forward thinking:** Focused on achieving the very best and always looking to improve and innovate.
- **Caring and compassionate:** Sensitive to the different needs and circumstances of others; seeks to empower people to fulfil their potential.
- **Commercial and business-like:** Careful and creative with resources; securing value for money.
- **Professional and trustworthy:** Open, honest, and transparent. Consistently delivering on promises; providing good quality and demonstrating integrity.
- **Welcoming and responsive:** Approachable, friendly, and inclusive. Open to feedback and challenge and swift to act.

Capital investment should be directly linked to the objectives as outlined in the Community Plan. There are however a number of other factors that affect the need for capital investment both internal and external. The diagram below identifies a number of these:



Capital Expenditure and Financing

Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In local government this includes spending on assets owned by other bodies and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £15,000 are not capitalised and are charged to revenue in year in accordance with its de minimis limits as set out in the Financial Regulations.

- For details of the Council's policy on capitalisation, see: Accounting Policy 1.17 under note 1 of the Councils Statement of Accounts.

In 2026/27, the Council is planning capital expenditure of £69.989m as summarised below:

Prudential Indicator 9: Estimates of Capital Expenditure in £'000

| | 2024/25 Actual | 2025/26 Forecast | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget |
|-----------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| General Fund services | 11,846 | 19,826 | 40,047 | 15,623 | 4,965 |
| Council housing (HRA) | 17,876 | 18,821 | 29,942 | 24,674 | 14,341 |
| Capital Loan (GF) | 3,214 | 21,786 | 0 | 0 | 0 |
| TOTAL | 32,936 | 60,433 | 69,989 | 40,297 | 19,306 |

The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately and has a proposed budget for 2026/27 of £29.942m, which supports the maintenance of the Councils circa 5,570 council houses.

Governance: During early July a 'Capital Bid Request Form' is sent to all Business Managers and Directors. Each bid is required to include details of the nature of the scheme and how it meets the priorities within the Community Plan. It must also include detailed costs for expenditure and all financing costs (which can be nil if the project is fully externally financed) in order to assess the viability of each scheme against the available resources. All bids are required to be authorised by the relevant director and then collated by the Capital Finance team.

The Senior Leadership Team appraises all bids based on a comparison of service priorities against financing costs. Criteria can be found at **Appendix E**. Based on this assessment a final Capital Programme report is prepared for submission to Cabinet in February before final approval by Council in March.

- Full details of the 'Capital Bid Request Form' and the prioritisation criteria can be found at **Appendix E**.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council’s own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Prudential Indicator 10: Capital financing in £’000

| | 2024/25 Actual | 2025/26 Forecast | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget |
|-----------------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| <u>External sources</u> | | | | | |
| Capital Grants | 6,230 | 4,855 | 16,470 | 9,637 | 2,465 |
| Other Contributions | 3,472 | 3,225 | 927 | 218 | 0 |
| <u>Own resources</u> | | | | | |
| CIL | 31 | 0 | 0 | 0 | 0 |
| Capital Receipts | 1,943 | 4,430 | 3,593 | 3,021 | 1,164 |
| Revenue/ Major Repairs Reserve | 6,438 | 14,963 | 20,160 | 6,054 | 1,728 |
| <u>Debt</u> | | | | | |
| Borrowing | 14,822 | 32,961 | 28,839 | 21,367 | 13,949 |
| Leasing | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 32,936 | 60,434 | 69,989 | 40,297 | 19,306 |

Debt is only a temporary source of finance, since loans and leases must be repaid this is therefore replaced over time by other financing, usually from revenue which is known as Minimum Revenue Provision (MRP). This is a charge to the General Fund Balance and is mandated by legislation to ensure that a prudent charge for the repayment of debt be made by the revenue account. An MRP Statement which sets out how this charge should be calculated each year must be produced which is appended at **Appendix C**.

As the HRA account is self-financing there is no requirement for an MRP charge as the actual debt repayments are made as the loans mature. Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. The forecast General Fund MRP charge and the HRA actual debt loan repayments are below:

Replacement of debt finance in £’000

| | 2024/25 Actual | 2025/26 Forecast | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget |
|----------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| General Fund - MRP | 837 | 669 | 807 | 1,046 | 1,088 |
| HRA - Debt Repayment | 3,037 | 5,041 | 3,044 | 6,046 | 9,045 |

The Council’s cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and

reduces with MRP and loan debt repayments and capital receipts used to replace debt. The CFR is expected to increase by £24.8m during 2026/27. Based on the above figures for expenditure and financing, the Council’s estimated CFR is as follows:

Prudential Indicator 11: Estimates of Capital Financing Requirement in £’000

| | 2024/25 Actual | 2025/26 Forecast | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget |
|-----------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| General Fund services | 33,857 | 39,910 | 49,942 | 49,907 | 49,023 |
| Council housing (HRA) | 109,638 | 109,049 | 124,004 | 138,314 | 143,011 |
| Capital investments | 3,213 | 25,000 | 25,000 | 25,000 | 25,000 |
| TOTAL CFR | 146,709 | 173,959 | 198,946 | 213,221 | 217,034 |

Asset management: The overriding objective of asset management within the council is to achieve a corporate portfolio of property assets that is appropriate, fit for purpose and affordable. The council’s property portfolio consists of operational property and property held for specific community or regeneration purposes. The council has specific reasons for owning and retaining property:

- Operational purposes e.g. assets that support core business and service delivery e.g. office buildings.
- Parks, playgrounds and open spaces.
- Regeneration, enabling strategic place shaping and economic growth.

Asset management is an important part of the council’s business management arrangements and is crucial to the delivery of efficient and effective services, the ongoing management and maintenance of capital assets will be considered as part of this strategy. The asset management planning includes an objective to optimise the council’s land and property portfolio through proactive estate management and effective corporate arrangements for the acquisition and disposal of land and property assets.

Asset disposal: The Council will continue to realise the value of any properties that have been declared surplus to requirements in a timely manner, having regard to the prevailing market conditions in order to maximise the sale proceeds, known as capital receipts, which can then be spent on new assets or repay debt. The Council is currently also permitted to spend capital receipts on service transformation projects until 2026/27, although the Council does not expect to utilise this ability during 2026/27. Repayments of capital grants, loans and investments also generate capital receipts.

- The Council’s Flexible Use of Capital Receipts Policy is available at **Appendix D**.

Treasury Management

Treasury management is concerned with keeping sufficient, but not excessive, cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council typically has a surplus of cash in the short-term as revenue income is received before it is spent, but a shortfall of cash in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

Due to decisions taken in the past, the Council at 31 December 2025 had £109m borrowing at an average interest rate of 5.89% and £62.3m treasury investments at an average rate of 4.03%.

Borrowing strategy: The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 4.75%) and long-term fixed rate loans where the future cost is known but higher (currently between 4.5% to 5.0% depending on the length of the loan).

The table below shows the Council's actual debt position against the forecasted capital financing requirement, where no additional borrowing has been included based on the proposed capital program.

Gross Debt and the Capital Financing Requirement in £'000

| Debt | 2024/25 Actual | 2025/26 Forecast | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget |
|-----------------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| External Debt at 1 April | 105,432 | 108,897 | 103,857 | 100,812 | 94,766 |
| Expected change in Debt | 3,465 | -5,040 | -3,045 | -6,046 | -9,046 |
| Actual gross debt at 31 March | 108,897 | 103,857 | 100,812 | 94,766 | 85,720 |
| The Capital Financing Requirement | 146,709 | 173,959 | 198,947 | 213,221 | 217,034 |
| Under / (over) borrowing | 37,812 | 70,102 | 98,135 | 118,455 | 131,314 |

Statutory guidance is that debt should remain below the capital financing requirement, except in exceptional circumstances that may incur for a short-term. As can be seen from the table above, the Council expects to comply with this in the medium term.

Affordable borrowing limit: The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

Authorised limit and operational boundary for external debt in £'000

| | 2025/26 Forecast | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget |
|--|-----------------------------|---------------------------|---------------------------|---------------------------|
| Authorised limit – total external debt | 185,954 | 210,764 | 225,221 | 229,034 |
| Operational boundary – total external debt | 180,954 | 205,764 | 220,221 | 224,034 |

- Further details on borrowing are in pages 4 to 7 of the treasury management strategy.

Investment strategy: Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons may be for purely financial gain or in order to stimulate the local economy and are not generally considered to be part of treasury management.

The Council’s policy on treasury investments is to prioritise security and liquidity over yield, which is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent over the short - term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property funds, to balance the risk of loss against the risk of receiving returns below inflation. Both short-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

Treasury management investments in £'000

| | 2024/25 Actual | 2025/26 Forecast | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget |
|-------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| Short-term investments | 36,528 | 43,980 | 27,285 | 25,962 | 23,601 |
| Longer-term investments | 12,500 | 10,995 | 11,694 | 11,423 | 10,656 |
| TOTAL | 49,028 | 54,975 | 38,979 | 37,089 | 33,716 |

- Further details on treasury investments are in pages 8 to 13 of the treasury management strategy.

Governance: Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Director of Resources/Deputy Chief Executive and treasury staff, who must act in line with the Treasury Management Strategy approved by Full Council. Half yearly reports on treasury management activity are presented to the Audit and Accounts committee and then to Full Council. The Audit and Accounts committee is responsible for scrutinising treasury management decisions. Quarterly reporting against the Prudential

Indicators will be included within Budget Monitoring and Forecasting reports from April 2023 which will be presented to the Audit and Accounts Committee.

Investments for Service Purposes

The Council makes investments to assist local public services, including making loans to and buying shares in local service providers, local small businesses to promote economic growth and the Council's subsidiaries that provide services. In light of the public service objective, the Council is willing to take more risk than with treasury investments, however it still plans for such investments to break even after all costs.

Governance: Decisions on service investments are made by the relevant Business Manager in consultation with the Director of Resources/Deputy Chief Executive and must meet the criteria and limits laid down in the investment strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme.

- Further details on service investments are contained within the investment strategy.

Commercial Activities

With central government financial support for local public services declining, the Council has the ability to invest in commercial property if it meets both wider Council objectives and provides a financial return that can be used to support Council services.

The Chartered Institute of Public Finance and Accountancy (CIPFA) define investment property as property held solely to earn rentals or for capital appreciation or both. Returns from property ownership can be both income driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth). The combination of these is a consideration in assessing the attractiveness of a property for acquisition.

With financial return being the main objective, the Council accepts higher risk on commercial investment than with treasury investments. In the context of the Capital Strategy, the council is using capital to invest in property to provide a positive surplus/financial return. The council may fund the purchase of the property by borrowing money. The rental income paid by the tenant should exceed the cost of repaying the borrowed money each year. The annual surplus then supports the council's budget position and enables the council to continue to provide services for local people. Property investment is not without risk as property values can fall as well as rise and changing economic conditions could cause tenants to leave with properties remaining vacant. In order that commercial investments remain proportionate to the size of the council, these are subject to an overall maximum investment limit of £15m. However, the Council does not hold any investment properties on its balance sheet and has no plans to invest in these types of assets.

Governance: Property and most other commercial investments would be classed as capital expenditure and purchases will therefore be approved as part of the capital programme.

- Further details on commercial investments and limits on their use are contained within the investment strategy.

Liabilities

In addition to debt of £109m detailed above, the Council is committed to making future payments to cover its pension fund deficit (valued at £8.3m 2024/25).

Governance: Decisions on incurring new discretionary liabilities are taken by Business Managers in consultation with the Director of Resources/Deputy Chief Executive. The risk of liabilities crystallising and requiring payment is monitored by the corporate finance team. New liabilities are reported to full Council for approval/notification as appropriate.

- Further details on liabilities and guarantees are on pages 84 to 85 of the 2024/25 statement of accounts.

Revenue Budget Implications

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Prudential Indicator 12: Proportion of financing costs to net revenue stream in £'000

| | 2024/25 Actual | 2025/26 Forecast | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget |
|---|---------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
| <u>General Fund</u> | | | | | |
| MRP Charge | 837 | 669 | 807 | 1,046 | 1,088 |
| Interest Payable | 50 | 152 | 333 | 739 | 750 |
| Less: Investment Income | -2,221 | -2,337 | -2,598 | -3,472 | -4,396 |
| Total GF Financing costs | -1,334 | -1,516 | -1,458 | -1,687 | -2,558 |
| Proportion of net revenue stream | -6.87% | -8.47% | -10.56% | -13.62% | -18.34% |
| <u>Housing Revenue Account</u> | | | | | |
| Interest Payable | 3,497 | 3,942 | 4,281 | 4,597 | 4,909 |
| Depreciation | 5,839 | 6,369 | 6,364 | 6,623 | 6,788 |
| MRR contributions including debt repayments | 1,073 | -2,675 | -700 | -3,504 | -6,410 |
| Less: Investment Income | -98 | -51 | -51 | -47 | -52 |
| Total HRA Financing costs | 10,311 | 7,585 | 9,894 | 7,669 | 5,235 |
| Proportion of net revenue stream | 33.99% | 24.54% | 30.69% | 23.04% | 15.22% |

- Further details on the revenue implications of capital expenditure are contained within the 2026/27 revenue budget.

Sustainability: Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for potentially up to 50 years into the future. The Director of Resources/Deputy Chief Executive is satisfied that the proposed capital programme is prudent, affordable and sustainable.

Knowledge and Skills

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Director of Resources, Deputy Chief Executive is a qualified accountant, the Business Manager – Major Projects Delivery, Repairs and Compliance is a Chartered Construction Manager both with over 20 years' experience. The Council pays for junior staff to study towards relevant professional qualifications including CIPFA, AAT, ACT (treasury) and actively encourages staff to attend relevant training courses and seminars.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Link Group as treasury management advisers. This approach is more cost effective than employing such staff directly and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

- The Council's policy on the use of temporary agency workers and consultants is available on the Councils Intranet.

MANAGING THE CAPITAL PROGRAMME

A key role in the monitoring of the capital programme is undertaken by the Capital Monitoring Group, which meets on a quarterly basis. This Group is attended by responsible officers and is chaired by the Senior Accountant for Financial Services. It is a supportive environment in which problem areas are identified and corrective actions agreed and implemented at an early stage to avoid slippage. Each scheme has a nominated project manager who is responsible for the successful completion of the scheme both to time and on budget.

The Council maintains comprehensive and robust procedures for managing and monitoring its Capital Programme. Ongoing monitoring arrangements for the delivery of the approved programme consist of:

- Project Managers are identified for each scheme who are responsible for monitoring progress, spend and income and producing action plans to respond to variations in pace or cost of delivery;
- The Deputy Chief Executive/Director of Resources and S151 Officer co-ordinates high level monthly reporting and detailed quarterly reporting to the Management Senior Leadership Team and Cabinet;
- The quarterly capital monitoring where project managers report on performance outputs on each of their capital projects in progress. Variations and unexpected items are discussed and appropriate action taken; and
- Business Managers are responsible for ensuring that their Project Manager's monitoring reports are quality assured and challenged, and that corporate implications arising from capital monitoring are brought to the attention of the Senior Leadership Team and Cabinet for approval of variations where necessary.

PROCUREMENT

The purchase of capital assets should be conducted in accordance with the Contract Procedure Rules, ensuring value for money, legality and sustainability at all times. Contract standing orders and rules governing the disposal or write off of assets are contained in the Constitution which is consistently reviewed.

VALUE FOR MONEY

The Council recognises that effective procurement lies at the heart of delivering value for money and is essential if the Council is to obtain real improvements to quality and service costs. The Council seeks to achieve value for money by applying rigorous procurement standards in the selection of suppliers and contractors to ensure efficiency, economy and effectiveness is received throughout the life of a contract. The significant resources applied to capital expenditure require the adopted principles of value for money to be at the heart of our capital strategy. Specifically, we will seek to strengthen the outcome indicators as part of post project reviews.

ANNUAL MINIMUM REVENUE PROVISION STATEMENT 2026/27

Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Council has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (the minimum revenue provision - MRP). The Council is required by statute to make a prudent provision for the repayment of its debt. It is also required to 'have regard' to guidance on how to calculate this provision, issued by the Ministry of Housing, Communities and Local Government, most recently in 2024.

The Council is required to calculate a prudent provision of MRP which ensures that the outstanding debt liability is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits.

In developing this policy statement, the Council is satisfied that the guidelines for their annual amount of MRP will result in it making a prudent provision.

MRP is calculated by reference to the capital financing requirement (CFR) which is the total amount of past capital expenditure that has yet to be permanently financed, noting that debt must be repaid and therefore can only be a temporary form of funding. The CFR is calculated from the Council's balance sheet in accordance with the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Expenditure in Local Authorities, 2021 edition.

The Council reserves the right to determine alternative MRP approaches in particular cases, in the interests of making a prudent provision, where this is material, taking account of local circumstances, including specific project timetables and revenue-earning profiles.

The Council is recommended to approve the following MRP Statement:

Where capital expenditure was incurred before 1 April 2008, the guidance suggests writing down the remaining Capital Financing Requirement by providing MRP of 4% per annum on a reducing balance method.

However, due to the lack of financial information on capital expenditure financed by borrowing incurred before 1 April 2016, the MRP Policy will be:

- **2% Straight Line Basis** - as the Council deems it more prudent MRP will be charged on a 2% straight line basis, net of 'Adjustment A'. This ensures that the debt will be repaid within 50 years, which will be far sooner than under the 4% reducing balance method.

From 1 April 2016 for all unsupported borrowing the MRP policy will be:

- **Asset life method** – MRP will be based on the estimated life of the assets, with a maximum of 50 years life, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3);

This option provides for a reduction in the borrowing need over approximately the asset's useful life.

Capital expenditure incurred during 2026/27 will not be subject to an MRP charge until 2027/28 or the first year following the date that an asset becomes operational.

The Council will apply the asset life method for any expenditure capitalised under a Capitalisation Direction.

The Council has determined that MRP is not required for borrowing or credit arrangements used to finance capital expenditure on housing assets and accounted for within the Housing Revenue Account (HRA) as it has determined, through its duty to charge depreciation and hold a Major Repairs Reserve, that prudent provision has been made.

For the following types of capital expenditure, the Council has determined that an alternative methodology for determining the annual MRP charge should be adopted:

- MRP in respect of PFI contracts will be calculated by the amount that writes down the balance sheet liability unless the asset life is considerably longer than the PFI contract, where MRP will be calculated on an asset life basis.
- MRP in respect of leases where a right of use asset is on the balance sheet will equal the repayment amount in year that writes down the balance sheet liability.

Capital Loans

For capital expenditure on loans to third parties which were made primarily for service purposes, the Council will make nil MRP except where an expected credit loss is recognised during the year, the MRP charge in respect of the loan will be no lower than the loss recognised. Instead, the Council will apply the capital receipts arising from the repayments of the loan principal to finance the expenditure in the year they are received.

For capital expenditure on loans to third parties which were made primarily for financial return rather than direct service purposes, MRP will be charged in accordance with the policy for the assets funded by the loan, including where appropriate, delaying MRP until the year after the assets become operational. This MRP charge will be reduced by the value of any repayments of loan principal received during the financial year with the capital receipts received applied to finance the expenditure instead.

Capital Receipts

Capital receipts - proceeds from the sale of capital assets are classed as capital receipts and are typically used to finance new capital expenditure. Where the Council decides instead to use capital receipts to repay debt and hence reduce the CFR, the calculation of MRP will be adjusted as follows:

- Capital receipts arising on the repayment of principal on capital loans to third parties will be used to lower the MRP charge in respect of the same loans in the year of receipt, if any.

MRP Overpayments

Under the MRP guidance, charges made more than the statutory MRP can be made and are known as voluntary revenue provision (VRP).

VRP can be reclaimed in later years if deemed necessary or prudent. In order for these amounts to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

Cumulative VRP overpayments made up to 31 March 2025 are £1.793m.

Each year a new MRP statement will be presented.

FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY

Introduction and Background

Traditionally, capital receipts could only be used for specific purposes as set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) regulations 2003 made under section 11 of the Local Government Act 2003. The main permitted purpose is to fund capital expenditure. The use of capital receipts to support revenue expenditure is not permitted by the regulations.

The proposals within this Flexible use of Capital Receipts Strategy have been prepared based on a capitalisation direction issued by the Secretary of State under Sections 16(2)(b) and 20 of the Local Government Act 2003: Treatment of Costs as Capital Expenditure.

The government allows local authorities further flexibilities to fund revenue costs from capital sources including allowing borrowing to fund general cost pressures (with a commitment to future efficiency savings), funding specific invest to save revenue costs from borrowing, and allowing authorities to use the proceeds from selling investment assets to fund revenue pressures or increase reserves or repay debt.

The current government directive allowing the flexible use of capital receipts ends on 31 March 2030.

In summary, the key elements of the MHCLG guidance on the flexible use of capital receipts are:

Types of qualifying expenditure

1. Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility.
2. Set up and implementation costs of any new processes or arrangements can be classified as qualifying expenditure. The ongoing revenue costs of the new processes or arrangements cannot be classified as qualifying expenditure. In addition, one off costs, such as banking savings against temporary increases in costs/pay cannot be classified as qualifying expenditure.

Financing of the qualifying expenditure

1. Up to 100% of capital receipts from property, plant and equipment disposals received from 2026/27(excluding Right to Buy receipts) can be used to finance qualifying

expenditure (existing capital receipts in hand prior to 2026/27 are not permitted to be used).

2. Local authorities may not borrow to finance qualifying expenditure.
3. The guidance will apply for 2026/27.

NEWARK & SHERWOOD DISTRICT COUNCIL
CAPITAL PROJECT APPRAISAL FORM

| | |
|------------------|--|
| PORTFOLIO | |
| DIRECTORATE | |
| BUSINESS MANAGER | |
| PROJECT OFFICER | |
| PROJECT TITLE | |

1. **DESCRIPTION OF PROJECT**

2. **DEMONSTRATION OF NEED** (is a statutory requirement to carry out the works, can you provide evidence to support this)

3. **DETAIL HOW THE PROJECT LINKS TO THE COMMUNITY PLAN**

4. **DESCRIBE THE IMPACT OF THIS PROJECT ON OTHER BUSINESS UNITS** (including officers in other BU's involvement in the project) *Particularly Legal and Asset Management.*

5. PROJECT DEPENDANCIES

6. RESOURCE REQUIREMENTS

6a. LAND/BUILDINGS CURRENTLY IN COUNCIL OWNERSHIP (State whether General Fund or HRA).

6b. ESTIMATED CAPITAL COSTS INCLUDING PROFILE OF SPEND OVER FINANCIAL YEARS (best estimates should be given which can be firmed up when details scoping has been completed)
***Consideration to be given to inflation and contingency**

| 2027/28 £ | 2028/29 £ | 2029/30 £ | 2030/31 £ |
|--------------|--------------|--------------|--------------|
| | | | |
| | | | |

6d. FUNDING AVAILABLE

| Source | 2027/28 £ | 2028/29 £ | 2029/30 £ | 2030/31 £ |
|--------|--------------|--------------|--------------|--------------|
| | | | | |
| | | | | |

6e. REVENUE IMPLICATIONS (this should include costs associated with implementation, ongoing revenue costs and ongoing savings and should be agreed with relevant accountant).

6f. VAT IMPLICATIONS (do we need to consider an option to tax?) Please do not assume no, for advice on this please contact Jenna Norton, Financial Services.

7. OTHER INFORMATION

7a. HEALTH & SAFETY ISSUES

7b. EQUALITIES IMPLICATIONS

7c. CRIME & DISORDER ISSUES

7d. PLANNING IMPLICATIONS (if a planning application is required, has this cost been factored into the cost in section 6?)

7e. LISTED BUILDING IMPLICATIONS

7f. PROJECT RISKS AND UNCERTAINTIES

7f. HAVE ALTERNATIVE PROCUREMENT STRATEGIES SUCH AS JOINT PROCUREMENT BEEN EXPLORED?

8. ANTICIPATED START AND END DATES FOR PROJECT ONCE APPROVED

9. ANY ADDITIONAL INFORMATION (results of tenant survey, cost breakdown per site or type of work etc)

FORM COMPLETED BY: _____

DATE: _____

SIGNATURE OF SPONSORING DIRECTOR: _____

PRIORITISATION CRITERIA

| | STAGE 1 FACTOR | Comments | STAGE 2 DETAILED PRIORITISATION | STAGE 2 WEIGHTING |
|---|---|--|---|------------------------------|
| 1 | <p>Key Priorities</p> <p>Scheme must link to at least one of the Council's priorities and be an objective contained within a Service Plan.</p> | <p>If a scheme does not clearly relate to these areas it will not be considered further.</p> | <p>Each scheme to be marked as to how well it fits with the Community Plan</p> | 35% |
| 2 | <p>Evidence of Need</p> <p>Service Strategy National Strategy or Guidelines Statutory Obligation</p> | <p>In some cases local demands are in excess of national guidelines and strategies and this tries to acknowledge that the two must be balanced. This will cover Health and Safety related schemes.</p> | <p>The following factors will receive equal weighting :-</p> <ul style="list-style-type: none"> • Statutory Obligation • National Strategy • Validity of consultation in relation to project. e.g. How specific to this project? Who was consulted, was this comprehensive? • Quality of evidence of need for project .e.g. size of sample base, date of evidence, format of evidence | 10% |
| 3 | <p>Partnership</p> <p>Eligibility under existing criteria can be demonstrated.</p> | <p>Show that work has been done to ensure that the obtaining of external finance is realistic. The degree to which the partnership will add value to the project.</p> | <p>The proportion of finance which will be met by third party. The likelihood of receiving support.</p> <p>Assessment of the value the partner will add to the project.</p> | 15% |

| | STAGE 1 FACTOR | Comments | STAGE 2 DETAILED PRIORITISATION | STAGE 2 WEIGHTING |
|---|--|---|---|--|
| 4 | <p>Outputs and Outcomes</p> <p>These have been clearly identified and can be justified from supporting evidence.</p> <p>Specific comments should be made as to how the scheme represents value for money when compared to other options</p> | <p>This will enable the council to improve the way it reports its work and clearly show what is being achieved. The comments should refer to any performance indicators which the proposal is addressing specifying what the improvement target is.</p> | <p>Assessment then made on what the scheme will achieve.</p> | <p>15%</p> <p>Assessment of all factors or group of factors</p> |
| 5 | <p>Financial</p> <p>Capital costs have been based on internal or external professional advice</p> <p>Revenue implications have been properly developed</p> | <p>Capital costs include both works and land purchase and cover all associated costs.</p> <p>Try and avoid “guesstimates” which result in schemes requiring increased finance or having to be reduced to meet finance available.</p> | <p><u>Capital</u> will be based on the quality of work which has been put into estimate. e.g. costed feasibility studies.</p> <p><u>Revenue</u> will be based on whether the effect is positive, neutral or negative on the revenue budget.</p> <p>Positive effect scores 10</p> <p>Neutral effect scores 3</p> <p>Negative effect scores 0</p> | <p>5%</p> <p>10%</p> |

| | | | | |
|---|---|---|--|-------------------|
| 6 | <p>Risk Assessment</p> <p>Identify the level of risk in a project not being able to proceed. For example planning appeals, listed building consent. Over subscription of partnership funds</p> | <p>Try and ensure that not all schemes selected are high risk with the danger that there will be delays in delivery or no-delivery.</p> | <p>The following will all need to be considered:-</p> <ul style="list-style-type: none"> Technical Issues Financial Uncertainty Partnership uncertainty Planning Issues Legal issues Timescale | <p>10%</p> |
|---|---|---|--|-------------------|



Report to: Full Council Meeting – 5 March 2026

Relevant Committee Chair: Councillor Sylvia Michael, Audit & Accounts Committee

Director Lead: Sanjiv Kohli Deputy Chief Executive, Director – Resources & Section 151 Officer

Lead Officers: Andrew Snape, Assistant Business Manager - Financial Services, Ext 5523

| Report Summary | |
|----------------------------------|---|
| Report Title | Investment Strategy 2026/27 |
| Purpose of Report | This investment strategy is for 2026/27, meeting the requirements of statutory guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG) Investment Guidance in January 2018. |
| Recommendations | That Council approve: a) the Non-Treasury Investment Strategy 2026/27 at Appendix A ; and b) the Investment Prudential Indicators and Limits for 2026/27, contained within Appendix A . |
| Reason for Recommendation | It is a legislative requirement for a Local Authority to approve an Investment Strategy, and the attached appendices meet that requirement. In addition, the External Auditors (Forvis Mazars) may pass comment in their Report to those charged with governance should relevant strategies not be approved. |

1.0 Background

1.1 At its meeting on 4 March 2026 the Audit and Accounts Committee considered the proposed Investment Strategy 2026/27 and agreed to recommend it to Council. A copy of the report is attached at **Appendix 1**.

2.0 Proposal/Options Considered

2.1 The definition of an investment covers all of the financial assets of the Council as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios. This may therefore include investments that are not managed as part of normal treasury management processes or under treasury management delegations.

3.0 **Implications**

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

| Implications Considered | | | |
|--|-----|----------------------|----|
| Yes – relevant and included / NA – not applicable | | | |
| Financial | Yes | Equality & Diversity | NA |
| Human Resources | NA | Human Rights | NA |
| Legal | NA | Data Protection | NA |
| Digital & Cyber Security | NA | Safeguarding | NA |
| Sustainability | NA | Crime & Disorder | NA |
| LGR | NA | Tenant Consultation | NA |

3.1 All the financial implications are contained within the appendices to this report.

Background Papers and Published Documents

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

None

Report to: Audit & Accounts Committee Meeting 4 March 2026

Director Lead: Sanjiv Kohli Deputy Chief Executive, Director – Resources & Section 151 Officer

Lead Officer: Andrew Snape, Assistant Business Manager Financial Services on ext 5523

| Report Summary | |
|----------------------------------|--|
| Report Title | Non-Treasury Investment Strategy 2026/27 |
| Purpose of Report | This investment strategy is for 2026/27, meeting the requirements of statutory guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG) Investment Guidance in January 2018. |
| Recommendations | That Committee approves each of the following key elements and recommends these to Full Council on 5 March 2026 while noting that as the budgets are still being finalised some of the figures within the Strategy may alter: <ul style="list-style-type: none"> • The Investment Strategy 2026/27 Appendix A. • The Investment Prudential Indicators and Limits for 2026/27, contained within Appendix A. |
| Reason for Recommendation | To ensure that the Committee discharges its responsibilities as per its delegated authority within the Councils constitution. |

1.0 Background

- 1.1 The definition of an investment covers all of the financial assets of the Council as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios. This may therefore include investments that are not managed as part of normal treasury management processes or under treasury management delegations.
- 1.2 A loan is a written or oral agreement where a local authority temporarily transfers cash to a third party, joint venture, subsidiary or associate who promises to return it according to the terms of the agreement, normally with interest. This definition does not include a loan to another local authority, which is classified as a specified investment.

1.3 Statutory Requirements:

- The MHCLG Investment Guidance is issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003. Under that section local authorities are required to “have regard” to “such guidance as the Secretary of State may issue”.
- For each financial year, a local authority should prepare at least one Investment Strategy (“the Strategy”). The Strategy should contain the disclosures and reporting requirements specified in this guidance. The Strategy should be approved by the full council.

2.0 Summary of Limits

2.1 The below table summarises the proposed limits within the Investment Strategy 2026/27 for the non-treasury investments, each category has further details within the **Appendix**;

| Category of borrower | 2024/25 actual | | | 2026/27 |
|----------------------------------|----------------|----------------|------------------------|----------------|
| | Balance owing | Loss allowance | Net figure in accounts | Approved Limit |
| | £m | £m | £m | £m |
| Service Investments: Loans | 3.232 | 0 | 3.232 | 26.500 |
| Service Investments: Shares | 4.039 | -0.078 | 3.961 | 5.000 |
| Commercial Investments: Property | 0 | 0 | 0 | 0 |

Background Papers and Published Documents

MHCLG Investment Guidance 3rd Edition

Non-Treasury Investment Strategy Report 2026/27

Introduction

The Council invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- to support local public services by lending to, or buying shares in, other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

This non-treasury investment strategy meets the requirements of statutory guidance issued by the government in January 2018 and focuses on the second and third of these categories and has been created in line with the Councils Treasury Management Strategy Statement and Capital Strategy. The initial strategy may be replaced with a revised strategy at any time during the year in cases where any treasury management issues (including investment issues) need to be brought to the attention of Full Council.

The Council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA). The balance of treasury management investments is expected to fluctuate between £15m and £49m during the 2026/27 financial year.

Treasury Management Investments

Contribution: The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.

Further details: Full details of the Council's policies and its plan for 2026/27 for treasury management investments are covered in a separate document, the treasury management strategy.

Service Investments: Loans

Contribution: The Council can lend money to its subsidiaries, local businesses, local charities and any other bodies to support local public services and stimulate local economic growth. The Council currently does not intend to invest further in service loans.

Security: The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have been set as follows:

Prudential Indicator 13: Loans for service purposes

| Category of borrower | 2024/25 actual | | | 2025/26 | 2026/27 |
|----------------------|---------------------|----------------------|------------------------------|-----------------------|----------------------|
| | Balance owing £m | Loss allowance £m | Net figure in accounts £m | Forecast Actual £m | Approved Limit £m |
| Subsidiaries | 3.214 | 0 | 3.2135 | 21.786 | 25.000 |
| Local businesses | 0 | 0 | 0 | 0 | 0.500 |
| Local charities | 0 | 0 | 0 | 0 | 0.500 |
| Other Bodies | 0.018 | 0 | 0.018 | 0.018 | 0.500 |
| TOTAL | 3.232 | 0 | 3.232 | 21.804 | 26.500 |

Accounting standards require the Council to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Council's statement of accounts will be shown net of this loss allowance. However, the Council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

Prudential Indicator 14: Net income from service investments to net revenue stream

| | 2024/25 Actual | 2025/26 Forecast | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget |
|---|-------------------|---------------------|-------------------|-------------------|-------------------|
| <u>General Fund</u> | | | | | |
| Total GF Service Investment Income | 2.221 | 2.337 | 2.598 | 3.472 | 4.396 |
| Proportion of net revenue stream | 6.87% | 8.47% | 10.56% | 13.62% | 18.34% |
| | | | | | |

| Housing Revenue Account | | | | | |
|--|-------|-------|-------|-------|-------|
| Total Service Investment Income | 0.098 | 0.051 | 0.051 | 0.047 | 0.052 |
| Proportion of net revenue stream | 0.32% | 0.16% | 0.16% | 0.14% | 0.15% |

Risk assessment: The Council assesses the risk of loss before entering into service loans by assessing the counterparty’s resilience, the service users’ needs that the loan is designed to help meet, and how these will evolve over time. During the life of the loan any change in original assumptions will be monitored. The Council will use external advisors if felt appropriate by the Director of Resources/Deputy Chief Executive or Business Manager for Financial Services. All loans will be subject to contract agreed by the Legal Business Unit and the credit risk will be determined by reference to the “expected credit loss” model for loans and receivables as set out in International Reporting Standard (IFRS) 9 Financial Instruments. All loans must be approved by full Council and will be monitored by the Director of Resources/Deputy Chief Executive, or Business Manager for Financial Services.

Service Investments: Shares

Contribution: The Council can invest in the shares of its subsidiaries, its suppliers, and local businesses to support local public services and stimulate local economic growth. Currently the Council does not intend to invest further in any shares with suppliers or local businesses; however the Council has invested £4m of equity funding into Arkwood Development Limited for which it has received 100% of the share capital issued, making it wholly owned by the Council.

Security: One of the risks of investing in shares is that they fall in value meaning that the initial outlay may not be recoverable. In order to limit this risk, upper limits on the sum invested in each category of shares have been set as follows:

Prudential Indicator 15: Shares held for service purposes

| Category of company | Original Investment £m | Previous Years Accumulated Gains or (Losses) £m | 2024/25 actual | | | 2026/27 |
|---------------------|---------------------------|---|---------------------------|-------------------------------|----------------------------|-------------------------|
| | | | Amounts invested £m | Gains or (losses) £m | Value in accounts £m | Approved Limit £m |
| Subsidiaries | 4.000 | 0.039 | 4.039 | -0.078 | 3.961 | 5.000 |
| Suppliers | 0 | 0 | 0 | 0 | 0 | 0 |
| Local businesses | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 4.000 | 0.039 | 4.039 | -0.078 | 3.961 | 5.000 |

Shares are classed as capital expenditure and purchases will therefore be approved as part of the capital programme.

Risk assessment: The Council would assess the risk of loss before entering into and whilst holding shares by going through an extensive process of risk analysis. The risk analysis will include an assessment of the market that the subsidiary will be active in; including the nature and level of competition, how the market/customer needs will evolve over time, the barriers to entry and exit and any ongoing investment requirements. The Council will use external advisors as thought appropriate by Director of Resources/Deputy Chief Executive, or Business Services Manager for Finance.

Liquidity: Although this type of investment is fundamentally illiquid, in order to limit this the Council, when it sets a limit in this area, will initially set out the maximum periods for which funds may prudently be committed and how the Council will ensure it stays within its stated investment limits.

Non-specified Investments: Shares are the only investment type that the Council has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Council's upper limits on non-specified investments. The Council has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

Commercial Investments: Property

Contribution: The Council can invest in local, regional and UK commercial and residential property with the intention of making a profit that will be spent on local public services. Currently none of the Council properties meet the investment property definition as defined in International Accounting Standard 40: Investment Property.

Security: In accordance with government guidance, the Council considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

Risk assessment: The Council assesses the risk of loss before entering into and whilst holding property investments by ensuring they are prudent and has fully considered the risk implications, with regard to both the individual property and that the cumulative exposure of the council is proportionate and prudent. The Council will ensure that a full due diligence exercise is undertaken and adequate security is in place, before entering into any commercial property investment and the business case will balance the benefits and risks. All investments of this type will be agreed by Cabinet.

Liquidity: Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice and can take a considerable period to sell in certain market conditions. The non-treasury investment strategy for the Council for 2026/27 is proposed to

remain broadly unchanged as it is considered overall to be well structured to limit any undue risks to the security of assets and preservation of liquidity whilst also allowing the council and delegated officers to access suitable investment opportunities.

Loan Commitments and Financial Guarantees

Although not strictly counted as investments, since no money has exchanged hands at the point of entry, loan commitments and financial guarantees carry similar risks to the Council and are included here for completeness. The Council does not provide such commitments and guarantees, and this strategy does not include them for 2026/27.

Borrowing in Advance of Need

The Council may, from time to time, borrow in advance of need, where this is expected to provide the best long-term value for money. Since amounts borrowed will be invested until spent, the Council is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Council's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit of £210.9 million. The maximum period between borrowing and expenditure is expected to be two years.

Capacity, Skills and Culture

Elected members and statutory officers: The Council recognises that those elected Members and statutory officers involved in the investments decision making process must have appropriate capacity, skills and information to enable them to:

- take informed decisions as to whether to enter into a specific investment;
- to assess individual assessments in the context of the strategic objectives and risk profile of the Council; and
- to enable them to understand how new decisions have changed the overall risk exposure of the Council.

The Council establishes project teams from all the professional disciplines from across the Council as and when required. External professional advice is taken where required and will always be sought in consideration of any major commercial property investment decision.

The investment decisions are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Audit and Accounts Committee.

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management, which includes investment decisions, receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Members

of the Audit and Accounts Committee received training from the Council’s treasury advisers, Link Group, on 9 December 2024. Further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

Commercial deals: The Council will ensure that the Audit and Accounts Committee, Cabinet and officers negotiating commercial deals are aware of the core principles of the prudential framework and of the regulatory regime within which local authorities operate.

Corporate governance: Any investment decisions will be scrutinised by Senior Leadership Team before final approval by Members.

Investment Indicators

The Council has set the following quantitative indicators to allow elected members and the public to assess the Council’s total risk exposure as a result of its investment decisions.

Total risk exposure: The first indicator shows the Council’s total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down and guarantees the Council has issued over third party loans.

| Total investment exposure | 2024/25 Actual £m | 2025/26 Forecast £m | 2026/27 Estimate £m |
|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| Treasury management investments | 49.028 | 23.471 | 17.466 |
| Service investments: Loans | 3.232 | 21.804 | 25.000 |
| Service investments: Shares | 3.961 | 5.000 | 5.000 |
| Commercial investments: Property | 0 | 0 | 0 |
| TOTAL INVESTMENTS | 56.221 | 50.275 | 47.466 |
| Commitments to lend | 0 | 0 | 0 |
| Guarantees issued on loans | 0 | 0 | 0 |
| TOTAL EXPOSURE | 56.221 | 50.275 | 47.466 |

How investments are funded: Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Council’s investments are funded by usable reserves and income received in advance of expenditure.

| Investments funded by borrowing in year | 2024/25 Actual £m | 2025/26 Forecast £m | 2026/27 Estimate £m |
|--|------------------------------|--------------------------------|--------------------------------|
| Treasury management investments | 0 | 0 | 0 |
| Service investments: Loans | 3.214 | 21.786 | 0 |
| Service investments: Shares | 0 | 0 | 0 |
| Commercial investments: Property | 0 | 0 | 0 |
| TOTAL FUNDED BY BORROWING | 3.214 | 21.786 | 0 |

Rate of return received: This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

| Investments net rate of return | 2024/25 Actual £m | 2025/26 Forecast £m | 2026/27 Estimate £m |
|---------------------------------------|------------------------------|--------------------------------|--------------------------------|
| Treasury management investments | 4.74% | 4.14% | 3.40% |
| Service investments: Loans | 5.34% | 5.34% | 4.39% |
| Service investments: Shares | 0 | 0 | 0 |
| Commercial investments: Property | 0 | 0 | 0 |
| ALL INVESTMENTS | 5.04% | 4.74% | 3.90% |



Report to: Meeting of the Full Council - 5 March 2026

Portfolio Holder: Councillor Paul Peacock, Strategy, Performance & Finance

Director Lead: Deb Johnson, Director - Customer Services & Organisational Development

Lead Officer: Sarah Lawrie, Business Manager - HR & Training, Ext 5447

| Report Summary | |
|----------------------------------|--|
| Report Title | Pay Policy Statement 2026/27 |
| Purpose of Report | To approve the proposed Pay Policy Statement for 2026/27. We are required to publish this annually in accordance with Section 38 (1) of the Localism Act 2011. |
| Recommendations | That Full Council approve the Pay Policy Statement for 2026/27 for publication. |
| Reason for Recommendation | To ensure compliance with Section 38 (1) of the Localism Act 2011. |

1.0 Background

- 1.1 In accordance with Section 38 (1) of the Localism Act 2011, Newark and Sherwood District Council along with all other English and Welsh local authorities were required to produce a Pay Policy Statement each financial year commencing April 2012. In complying with the duties in respect of pay accountability the Council must have regard to any guidance issued or approved by the Secretary of State in summary.
- 1.2 The pay award for 2026/27 has not yet been finalised, therefore the existing pay rates for 2025/26 have been included in the statement. Once agreed the pay rates will be updated.

A pay claim has been submitted by the Trades Unions for a one-year deal as follows:

- An increase of at least £3,000 or 10% (whichever is greater) across all NJC spinal column points
- A minimum pay rate of £15 an hour for the NJC pay spine
- A two-hour reduction in the working week
- An increase of one day annual leave

A multiple year deal has also been set out and further details can be found here: [NJC-Pay-Claim-2026_27.pdf](#)

- 1.3 The LGA are currently consulting with employers before meeting in February to work on the pay offer. A further meeting is to be held in March following which a formal pay offer is expected.
- 1.4 In line with the 2025/26 Pay Award, from 01/04/2026 scp2 will be deleted from the pay spine. Currently grade NS2 is paid at scp2, with grade NS3 being paid at scp3-4. The Council will retain the NS2 grade and postholders graded at NS2 will be moved from scp2 to scp3 automatically on 01/04/26.
- 1.5 The Red Book Pay Offer for 2025/26 has not yet been agreed, GMB have accepted the offer but Unite wish to ballot their members, however, as far as we are aware a ballot has not been issued. We await further instructions; however, we are strongly advised not to implement the pay offer prior to agreement for legal reasons.

2.0 Proposal/Options Considered

- 2.1 A copy of the full Pay Policy Statement for 2026/27 is attached as Appendix A to the report for review. Please note that where the Statement includes links to other policies these will be set up once the document is published on the Council’s website. The Statement was considered by the Cabinet at their meeting held on 24 February 2026 and recommended for approval by the Full Council.

3.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

| Implications Considered | | | |
|---|-----|----------------------|-----|
| Yes – relevant and included / NA – not applicable | | | |
| Financial | Yes | Equality & Diversity | Yes |
| Human Resources | NA | Human Rights | NA |
| Legal | NA | Data Protection | NA |
| Digital & Cyber Security | NA | Safeguarding | NA |
| Sustainability | NA | Crime & Disorder | NA |
| LGR | NA | Tenant Consultation | NA |

3.1 Financial Implications

Increases in employment costs have been accounted for in the 2026/27 budget at 3.5%.

3.2 Equality Implications

Due regard has been given to equality in relation to this document.

Background Papers and Published Documents

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

None

NEWARK & SHERWOOD DISTRICT COUNCIL**Pay Policy Statement 2026/27****1. Introduction**

- 1.1 This document sets out a Statement of Pay Policy for Newark & Sherwood District Council (the Council) for 2026/27 as required under Section 38 (1) of the Localism Act 2011.
- 1.2 The Pay Policy Statement includes details about the remuneration of Chief Officers at the time of recruitment as well as arrangements relating to increases and additions to remuneration, the level and elements of remuneration including salary, bonuses and benefits in kind, the use of performance related pay and bonuses as well as the approach to the payment of Chief Officers on ceasing to hold office.
- 1.3 The Statement also considers the lowest pay and median pay levels in the organisation. Pay details within this Statement are shown at rates as of 1 April 2025. A pay claim has been received from the Trades Unions for 2026/26 [NJC-Pay-Claim-2026_27.pdf](#) which at the time of writing was at the consultation stage with the LGA and Employers. Once the 2025/26 pay award has been finalised this Statement will be revised to reflect the new rates.

2. Objectives of the Policy

- 2.1 The objectives of the policy are to ensure:
- transparency in respect of the arrangements for rewarding staff in the organisation and fairness in respect of the reward relationship between the highest and lowest paid; and
 - that all decisions on pay and reward for Chief Officers comply with the parameters defined within this Pay Policy Statement.

3. Policy Statement

- 3.1 The Council recognises the importance of administering pay in a way that:
- attracts, motivates and retains appropriately talented people needed to maintain and improve the Council's performance and meet future challenges;
 - reflects the market for comparable jobs, with skills and competencies required to meet agreed delivery and performance outcomes;
 - operates within the provisions of Chief Officers pay and conditions as set out in the Joint Negotiating Committee for Chief Executives and Chief Officers of Local Authorities;
 - operates within the provisions of the national agreement on pay and conditions of service as set out in the National Joint Council for Local Government Services; and
 - is affordable and transparent.

4. Scope of the Policy**4.1 Individuals Affected**

This policy covers all employees within the organisation including those defined as Chief Officers within Section 2 of the Local Government and Housing Act 1989.

4.2 Council Policies

4.2.1 This statement sets out the Council's policy with regards to:

- the remuneration of the authority's lowest-paid employees (together with a definition of "lowest-paid employees") and the reasons for adopting that definition;
- the relationship between remuneration of Chief Officers and that of other officers (pay multiples); and
- the remuneration of Chief Officers.

4.2.2 The statement also sets out the Council's policy on:

- a) the levels and elements of remuneration for each Chief Officer;
- b) remuneration of Chief Officers on recruitment;
- c) increases and additions to remuneration for each Chief Officer;
- d) the use of performance related pay for each Chief Officer;
- e) the use of bonuses for each Chief Officer;
- f) the approach to the payment of Chief Officers on their ceasing to hold office or being employed by the authority, and
- g) the publication of and access to information relating to remuneration of Chief Officers.

4.3 Pay Bargaining - the National Context

4.3.1 The Council is a member of the Local Government Employers Association for national collective bargaining purposes in respect of Chief Executives, Chief Officers, and other employees of the Council. Separate negotiations and agreements are in place for each of these groups. Changes arising from national negotiations linked to remuneration generally take effect from 1 April each year and on occasions when negotiations conclude after this day any amendments to pay become retrospective to 1 April.

4.3.2 In accordance with the terms and conditions of employment for Council employees it is the Council's policy to implement national agreements regarding pay. In circumstances where nil pay is awarded as part of the collective bargaining process the Council will apply the same principle.

4.4 Remuneration of the Council's Lowest Paid Employees

4.4.1 All posts with the exception of Chief Officers engaged on JNC terms are evaluated using the Greater London Provincial Council (GLPC) Job Evaluation Scheme. This scheme was introduced during 2005 following the conclusion of single status negotiations. At the same time the Council also introduced a new grading structure to establish the link between evaluated posts and the Council's pay scales.

4.4.2 For the purpose of this policy the Council's "lowest paid employees" are defined as those employees on the lowest pay point available for use by the Council for substantive roles as determined through use of the approved job evaluation scheme and grading structure. This does not include grades or pay points set aside as trainee or development scales but relates to the minimum point for a competent employee appointed into a defined role.

4.4.3 In accordance with the current pay scales the lowest substantive point at which a Council officer can be paid is £24,413 (scp2) for a full-time post. This is in accordance with the nationally approved pay scales which are subject to change in line with the national collective bargaining arrangements as detailed above.

4.4.4 In line with the 2025/26 Pay Award, from 01/04/2026 scp2 will be deleted from the pay spine. Currently grade NS2 is paid at scp2, with grade NS3 being paid at scp3-4. The Council will retain the NS2 grade and postholders graded at NS2 will be moved from scp2 to scp3.

4.6 Pay Multiples

4.6.1 The Council does not explicitly set the remuneration of any individual or group of posts by reference to a simple multiple of another post or group of posts. The use of multiples cannot capture the complexities of a dynamic and highly varied workforce in terms of job content and skills required. Nor can it ensure that employees are treated fairly and equitably in respect of the value and level of a role that they undertake.

4.6.2 In terms of overall remuneration packages the Council's policy is to differentiate by setting different levels of basic pay to reflect the level of responsibility in line with the approved job evaluation scheme or as determined locally for Chief Officers engaged on JNC terms.

4.6.3 In determining pay for Chief Officers engaged on JNC terms, the Council would not expect remuneration of its highest paid employee to exceed **10** times that of the lowest group of employees, nor would the Council expect the remuneration of the highest paid employee to exceed **7** times that of the median¹ average earnings across the Council.

4.6.4 **Actual Pay Multiples as at 09/01/26**

Highest Paid Employee = £144,657

The multiples included within the policy are based on the lowest paid employee and median pay for employees in the Council (see below).

Lowest Paid Employee = £24,413

The policy states that the highest paid earner will not earn more than 10 times that of the lowest paid employee in the Council i.e. £244,130 (maximum available under the policy).

Median Pay for an Employee = £30,024

The policy states that the highest paid earner will not earn more than 7 times that of the median pay for employees in the Council i.e. £210,168 (maximum available under the policy).

5. Remuneration of Chief Officers

5.1 For the purpose of this policy Chief Officer includes Chief and Deputy Chief Officers as defined by Section 2 of the Local Government and Housing Act 1989, some of whom may not be employed on Chief Officers' terms and conditions of service. For ease of reference a list of posts to which this policy applies along with the relevant sub sections of the Local Government and Housing Act 1989 has been set out below:

- Chief Executive/Head of Paid Service (Section 2 (6) of the Act);
- Deputy Chief Executive (Section 2 (6) and (7) of the Act);
- Directors (Section 2 (7) of the Act);
- Assistant Directors (Section 2 (7) of the Act);
- Statutory Officers (Section 2 (6) of the Act);
- Business Managers (Section 2 (8) of the Act).

5.2 For the purpose of this policy the term remuneration includes:

¹ Within the Hutton Review it was suggested that the most appropriate pay multiple to track is that of top executive earnings to the median earnings of each organisation's workforce. Refer to para 2 Hutton Review of Fair Pay in the Public Sector: Final report (March 2011).

- a) the salaries or the amounts payable to Chief Officers engaged by the authority under contracts of employment and / or contracts for services;
- b) payments made by the authority to the Chief Officers for those services;
- c) any bonuses payable by the authority to Chief Officers;
- d) any charges, fees or allowances payable by the authority to Chief Officers;
- e) any benefits in kind to which the Chief Officers are entitled as a result of their office or employment;
- f) any increase in or enhancement of pension entitlement where the increase or enhancement is as a result of a resolution of the Authority, and
- g) any amounts payable by the authority to a Chief Officer on ceasing to hold office under or be employed by the authority, other than Amounts that may be payable by virtue of any enactment.

5.3 Chief Executive/Head of Paid Service

5.3.1 Terms and Conditions of Service

The Chief Executive is engaged on Local Authority Chief Executives' conditions of service, negotiated by the Joint Negotiating Committee (JNC). The Chief Executive also assumes the role of Head of Paid Service on behalf of the Council.

[Terms and Conditions for Chief Executive](#)

5.3.2 Remuneration

In line with the nationally agreed terms the salary paid to a Chief Executive is determined locally by the employing authority. The salary scale for the post of Chief Executive was approved by the Chief Officers Appointments Panel. Details of the salary scale are included below:

| Chief | Scale Point | Salary |
|-------|-------------|----------|
| | 1 | £121,753 |
| | 2 | £126,357 |
| | 3 | £130,962 |
| | 4 | £135,567 |
| | 5 | £140,172 |

Note: The role of Head of Paid Service forms an integral part of the Chief Executive's role and is rewarded as part of the substantive role.

5.3.3 Remuneration on Recruitment

When determining the most appropriate scale point at which to offer the post, consideration is given to the individual's qualifications, experience, and current level of remuneration (where appropriate). Having considered all these factors the Chief Officers Appointment Panel will then determine the most appropriate scale point at which to make an offer to the successful candidate so as to ensure that the offer is attractive and one which is likely to be accepted.

If the post of Chief Executive became vacant a report including recommendations relating to the salary scale to be applied would be submitted to the Chief Officers Appointments Panel for their consideration before the post was advertised.

5.3.4 Increases and Additions to Remuneration

- Incremental Progression
Progression through the incremental scale will be subject to performance appraisal by nominated members to be assessed against agreed annual objectives.
- Pay Awards
Any pay awards are negotiated as part of the collective bargaining arrangements as detailed earlier within the policy.
- Expenses
In accordance with nationally agreed terms the Council shall pay reasonable out-of-pocket expenses actually incurred.

5.3.5 Arrangements for the Post of Returning Officer

In accordance with the agreement the Chief Executive's salary is deemed to be inclusive of all other fees and emoluments except for Returning Officer duties where separate policy arrangements apply. Details of the policy relating to the appointment and remuneration of Returning Officer are set out below.

The Chief Executive has been formally appointed to act as the Council's Returning Officer. This extends to the role of Deputy Acting Returning Officer for UK Parliamentary Elections, Local Returning Officer for the East Midlands Combined Authority Mayor and Nottinghamshire Police and Crime Commissioner Elections (if any) and Counting Officer for any national referendums. The fees associated with these elections/referendums are determined nationally by the Cabinet Office and where appropriate the Combined Authority.

The Chief Executive also acts as Deputy Returning Officer for Nottinghamshire County Council elections, fees for which are determined by Nottinghamshire County Council. These appointments are independent of the Council.

For any other local government elections and referendums, the Returning Officer can claim specific fees which are determined on a county wide basis across Nottinghamshire having regard to the pay bands set for national elections. These are subject to annual review in line with staff annual pay review process.

5.3.6 General Terms and Conditions

In accordance with the national agreement the Chief Executive enjoys terms and conditions in all other respects no less favourable than those accorded to other officers employed by the Council.

5.4 Deputy Chief Executive/Directors/Business Managers graded at NS17 on JNC terms

5.4.1 Terms and Conditions of Service

The Deputy Chief Executive, Directors and Business Managers graded at NS17 and above are all engaged on the Conditions of Service for Chief Officers of Local Authorities negotiated by the Joint Negotiating Committee (JNC). In addition to the above some of the post holders assume statutory roles which are recompensed in accordance with the Statutory Officers' Honorarium Scheme.

[Terms and Conditions for Chief Officers](#)
[Statutory Officers Honorarium Scheme](#)

5.4.2 Remuneration

In line with the nationally agreed terms the salary paid to a Deputy Chief Executive or Director is determined locally by the employing authority.

The current salary scale for Chief Officers engaged on Chief Officer's terms is set out below.

5.4.3 Pay Scale for Deputy Chief Executives

| Deputy | Scale Point | Salary |
|--------|-------------|----------|
| | 1 | £103,784 |
| | 2 | £108,643 |
| | 3 | £111,880 |
| | 4 | £115,580 |

Note: The role of Deputy Head of Paid Service forms an integral part of the Deputy Chief Executive's role and is rewarded as part of the substantive role. The Council's Deputy Chief Executive also holds the title of Director of Resources. No additional remuneration is payable beyond the salary scale as detailed above.

A list of posts included for the purpose of this policy has been set out below:

- Deputy Chief Executive and Director of Resources

5.4.4 Pay Scale for Directors

| Director | Scale Point | Salary |
|----------|-------------|---------|
| | 1 | £82,588 |
| | 2 | £85,879 |
| | 3 | £88,575 |
| | 4 | £91,868 |
| | 5 | £94,563 |

A list of posts included for the purpose of this policy has been set out below:

- Director – Customer Services and Organisational Development
- Director – Planning and Growth
- Director – Communities and Environment
- Director – Housing, Health and Wellbeing

5.4.5 Pay Scale for Assistant Director

| 91% | | |
|----------|-------------|---------|
| Director | Scale Point | Salary |
| | 1 | £77,750 |
| | 2 | £80,843 |
| | 3 | £83,374 |

A list of posts included for the purpose of this policy has been set out below:

- None at present

5.4.6 Pay Scale for Business Managers (NS17) engaged on JNC terms

| Zone | Scale Point | Salary |
|--------|-------------|---------|
| Zone 1 | 101 | £57,728 |

| | | |
|--------|-----|---------|
| | 102 | £58,964 |
| | 103 | £60,200 |
| | 104 | £61,434 |
| Zone 2 | 201 | £62,675 |
| | 202 | £63,908 |
| | 203 | £65,143 |
| | 204 | £66,380 |
| Zone 3 | 301 | £67,618 |
| | 302 | £68,851 |
| | 303 | £70,091 |
| | 304 | £71,327 |
| Zone 4 | 401 | £72,564 |
| | 402 | £73,801 |
| | 403 | £75,039 |
| | 404 | £76,277 |

The arrangements for assigning officers to Zones are included in the [Pay and Grading Arrangements document for Officers engaged on JNC Chief Officer Terms and Conditions of Service](#).

A list of post holders engaged under JNC terms has been included below:

- Business Manager – Financial Services
- Business Manager – Revenues and Benefits
- Business Manager – ICT and Digital Services
- Business Manager – Major Projects Delivery, Repairs & Compliance
- Business Manager – Assets Estates & Facilities Management
- Business Manager – Environmental Services
- Business Manager – Public Protection
- Business Manager – Heritage and Culture
- Business Manager – Housing Services
- Business Manager – Healthy Places
- Business Manager – Building Safety and Asset Investment
- Business Manager – Housing Repairs and Empty Homes
- Business Manager – Housing Income and Leaseholder Management
- Business Manager – Elections and Democratic Services
- Business Manager – Customer Services
- Business Manager – HR & Training
- Business Manager – Transformation & Service Improvement
- Business Manager – Communications & Marketing
- Business Manager – Economic Growth and Visitor Economy
- Business Manager – Planning Policy and Infrastructure
- Business Manager – Planning Development

5.4.7 Remuneration on Recruitment/Appointment

When determining the most appropriate scale point at which to offer a post consideration is given to the individual's qualifications, experience, and current levels of remuneration (where appropriate). Having considered all these factors the panel will then determine the most appropriate scale point at which to make an offer to the successful candidate to ensure that the offer is attractive and one which is likely to be accepted.

In circumstances where Business Managers are offered revised terms of employment on JNC conditions of service they will be aligned to the nearest pay point on the pay scale.

5.4.8 Increases and additions to Remuneration

- Incremental Progression
Incremental progression for Directors and Assistant Directors is by annual increment until the top point of the grade is reached.

Full details of the [Pay and Grading Arrangements for Officers engaged on JNC Chief officer Terms and Conditions of Service](#) can be accessed on our website.

- Pay Awards
Pay awards are negotiated as part of the collective bargaining arrangements as detailed earlier within the policy.
- Honoraria and Ex-gratia Payments
The Council currently operates an honorarium scheme for officers undertaking statutory officer roles. There are three statutory officer roles within the Council, details of which are set out below:
 - Head of Paid Service *
 - Monitoring Officer *
 - Chief Finance Officer* (commonly referred to as the s151 Officer)

**No Honorarium is paid for carrying out these duties at the substantive level where these are reflected in the terms and conditions of service, but a payment is made to those deputising at this level.*

In addition to the above the scheme also outlines the arrangements for recompensing officers who assume the role of Deputy Monitoring Officer and Deputy Section 151 Officer.

Details of the scheme including information relating to the post holders that are currently in receipt of such payments [Statutory Officers Honorarium Scheme](#)

- Expenses
In accordance with the national agreement the Council pays reasonable out-of-pocket expenses actually incurred.

5.4.9 Arrangements for Election Duties

In accordance with the national agreement Officers are entitled to receive and retain the personal fees arising from carrying out the duties of Deputy Returning Officer and/or Deputy Acting Returning Officer (where applicable) and Deputy Counting Officer.

5.4.10 General Terms and Conditions

In accordance with the national agreement except whether other terms and conditions are referred to in the agreement the Deputy Chief Executive and Directors shall enjoy terms and conditions not less favourable than those accorded to other officers employed by the Council.

5.4.11 Appointment of Officers to JNC Terms and Conditions of Appointment

In circumstances where a Business Manager post is evaluated under the Council's approved Job Evaluation Scheme and receives a score of 739, they will be offered a revised contract of

employment on JNC terms. If they accept the offer, they will be subject to the Pay and Grading Arrangements for Officers engaged on JNC Chief Officer Terms and Conditions of Service.

5.5 Business Managers

5.5.1 Terms and Conditions of Service

One Business Manager is engaged on the National Agreement on Pay and Conditions of Service negotiated by the National Joint Council for local government services commonly referred to as NJC or Green Book terms.

The post holder engaged under NJC terms has been included below.

- Business Manager – Administrative Services

Terms and conditions relating to Business Managers is available within the [National Agreement on Pay and Conditions of Service document](#).

5.5.2 Remuneration

In line with the nationally agreed terms the Council have adopted the Greater London Provincial Council (GLPC) Job Evaluation Scheme. The scheme became effective on the 1 October 2005 following completion of the negotiations relating to single status.

The Council also has a pay policy outlining arrangements in respect of:

- Protection of Earnings
- Standby Payments
- Call-out Payments
- Weekend Working
- Night Working
- Shift Allowances
- Overtime Rates
- Bank Holiday Working

[Protection Of Earnings Policy](#)

[Market Supplement \(which includes arrangements for officers engaged on JNC terms\)](#)

The current salary scale for the Business Manager engaged on NJC terms is set out below.

| Scale/Band | Min SCP/Salary | Medium SCP/Salary | Maximum SCP/Salary |
|------------|-------------------|----------------------|-----------------------|
| NS13 | £45,091 | £46,142 | £47,181 |

Note: Changes to grade may occur in year because of revisions to job descriptions requiring re-evaluation of the posts under the terms of the current job evaluation scheme.

5.5.3 Remuneration on Recruitment

When determining the most appropriate scale point at which to offer a post consideration is given to the individuals qualifications, experience, and current levels of remuneration (where appropriate). Having considered all these factors the panel comprising of a Deputy Chief Officer or above will then determine the most appropriate scale point at which to make an offer to the successful candidate to ensure that the offer is attractive and one which is likely to be accepted.

5.5.4 Increases and Additions to Remuneration

- Incremental Progression
Once an officer has been appointed, they will receive annual increments until such time that they reach the top of the salary scale.
- Pay Awards
Any pay awards are negotiated as part of the collective bargaining arrangements as detailed earlier within the policy.
- Other
Officers engaged on NJC conditions of service may in some circumstances receive honoraria/ex gratia payments because of undertaking duties in part or full at a higher level. The amount payable will differ according to each individual set of circumstances to be determined by the respective Director in conjunction with the Business Manager - HR & Training. Further details relating to the terms outlined within the NJC conditions of service can be accessed [the NJC conditions of service can be accessed here](#)
- Market Supplements
The Council recognises that financial pressures and pay restraints have impacted on the ability of public sector employers to compete in the labour market for some posts. Where the Council finds it difficult to recruit to specific posts and / or retain employees in those posts, the payment of a Market Supplement to base salary may be necessary as set out within the single status agreement. Typically, a Market Supplement is paid where the 'going rate' for a specific job or specialism is higher than that offered by the Council. In circumstances where this does occur the Council will follow the approved policy. [Market Supplements Policy](#)
- Expenses
In accordance with the agreement the Council pays reasonable out-of-pocket expenses actually incurred.
- Meals and Accommodation Charges
Officers may receive subsistence rates based upon the approved rates. Further details in relation to current rates can be found in the [Travel and Subsistence Policy](#).

5.5.5 Arrangements for Election Duties

In accordance with the national agreement Officers are entitled to receive and retain the personal fees arising from carrying out the duties of Deputy Returning Officer and/or Deputy Acting Returning Officer (where applicable).

5.5.6 General Terms and Conditions

Parts 2 and 3 of the green book including local arrangements can be found in the [National Agreement on Pay and Conditions of Service document](#).

5.6 General Policies on Remuneration and Recruitment

These policies apply irrespective of status and/or terms that officers of the Council are engaged on.

5.6.1 Performance Related Pay and Bonuses

The Council does not currently operate any form of performance-related pay or bonus schemes.

5.6.2 Benefits in Kind

As part of the Workforce Development Strategy a review of benefits has been undertaken and to support employees with the Cost of Living from 01/04/24 the Council provide benefits in kind to employees on a non-contractual basis. These are reviewed annually.

- Health Cash Plan – benefit value of £66/year per person
- Enhanced Mileage Rate – benefit value of 5p/mile

The Council will make appropriate deductions from salary at source in respect of Tax and NI contributions, avoiding the requirement for P11d.

5.6.3 The Local Government Pension Scheme and Policies with regard to exercise of discretion.

All employees of the Council have the option to join the Local Government Pension Scheme (LGPS). The scheme is a statutory scheme and operates based on employee/employer contributions with employee contribution rates differing according to earnings. Details of the scheme including current contribution rates can be accessed by following the attached link. <http://www.lgpsregs.org>

The scheme provides for exercise of discretion to allow for retirement benefits to be enhanced. The Council will consider each case on its own merits in accordance with the parameters defined within the policy. Details can be found in the [Redundancy and Discretionary Compensation Policy](#). This policy applies to all officers of the Council irrespective of their status provided they have at least two years continuous service.

5.6.4 Payment of Chief Officers on their Ceasing to Hold Office or being employed by the Council

Arrangements relating to the provision of termination payments for the loss of office for Chief Officers and all other officers leaving the authority on the grounds of redundancy, efficiency and early retirement are outlined in the Council's policy. Details in relation to any discretion that may be afforded in respect of pension enhancements can be found in the Redundancy and Discretionary Compensation Policy (link above at 5.6.3). This policy applies to all officers of the Council irrespective of their status provided they have at least two years continuous service.

5.6.5 Severance Packages over £75,000

Where a member of staff applies for voluntary redundancy, early retirement, termination on the grounds of efficiency or is made compulsorily redundant the pension and redundancy entitlements are determined by the Chief Executive in consultation with the Discretionary Payments Panel which is made up of the Chief Executive, the Section 151 Officer, and another Chief Officer. Where appropriate the panel may comprise the nominated deputy for the Chief Executive or the Section 151 Officer.

Appeals against the decisions of the Discretionary Payments Panel will normally be determined by an appeal panel comprising either the Chief Executive, their nominated deputy, the Section 151 Officer, their nominated deputy, or another Chief Officer provided they have not been involved in the initial determination. However, in the case of Chief Officers any appeal shall be determined by the Policy & Finance Committee, or a sub-committee appointed on their behalf acting as an appeals panel.

In the case of any voluntary redundancy, compulsory redundancy, efficiency, or early retirement (including health-related which falls short of meeting the ill health early retirement regulations) in respect of a member of staff where the cost to the Council exceeds £75,000,

the Chief Executive shall not determine the matter until he has first consulted a Member Panel comprising the Leaders of all political groups of the Council.

In determining the “*cost to the Council*” for the purposes of this policy, the following will be included:

- the cost of early release of pension (pension strain);
- the cost of any pension enhancement;
- the cost of any redundancy payment (statutory and discretionary);
- the cost of any holiday pay, other fees or pay in lieu of notice.

In determining the “*cost to the Council*”, pension benefits which have been purchased by the employee will be disregarded.

Note: The Council will have regard to the Statutory Instrument laid before parliament on the 24 January 2017 which brought s41 of the Enterprise Act 2016 into force on 1 February 2017 (this is an enabling provision which allows the cap regulations to be made). Final details regarding the regulations and associated guidance are now awaited from East Midlands Councils and once received the Statement along with any other associated policies/procedures will be updated to reflect legislative requirements.

5.6.6 Settlement Agreements

The Chief Executive has delegated authority to determine the terms of Settlement Agreements relating to any member of staff.

In the case of any proposed Settlement Agreement in respect of a Chief Officer, the Chief Executive shall not determine the terms of the Settlement Agreement until he has first consulted a Member Panel comprising the Leaders of all political groups of the Council.

5.6.7 Recruitment of Officers in receipt of Local Government / Fire Fighters Pension, Severance, or Termination Payments

When considering whether to employ individuals in receipt of local government pension or fire fighter pensions the Council is required to have regard to the policy on Pension Abatement as determined by the relevant Administrative Body for the Pension Scheme. It should be noted that the Administrative Body for the purposes of discretion may differ according to where the individual was previously employed.

The Council’s current policy on the appointment of former staff as consultants requires that any ex-employee who has taken voluntary redundancy or early retirement not be engaged as a consultant (including under a contract for services) without a formal committee resolution.

The Council will not refrain from re-employing former employees who have received payments for redundancy, severance or any other reasons defined under the terms of a settlement agreement or those individuals who have received similar payments from organisations listed on the Redundancy Modifications Order if it is satisfied that the individuals are the best candidates for the posts.

Where appropriate the Council will also have regard to the regulations and any associated guidance notes produced concerning Exit Pay Recovery for officers returning to the public sector follow exit.

This policy applies to all posts that are advertised within the Council irrespective of their status and is in-keeping with the Council's policy on Recruitment and Selection in respect of ensuring equality of opportunity.

5.6.8 Use of "Off Payroll" Arrangements

For the purpose of this policy "off payroll" arrangements refer to individuals engaged directly under a contract for services (rather than being employed direct by the Council) operating at the Chief Officer level. The Council will only engage individuals under contracts for services in exceptional circumstances and only for a temporary period.

6. Publication and Access to Information

6.1 A copy of this document will be published on the Council's website along with any supporting documents referenced in it.

6.2 Local authorities must display details of the following data on their websites:

- the number of employees whose remuneration in that year was at least £50,000 in brackets of £5,000;
- the name of each employee and details of their remuneration, for employees whose salary is at least £150,000;
- details of remuneration and job title of certain senior employees whose salary is between £50,000 and £150,000 and a list of responsibilities (for example, the services and functions they are responsible for, budget held and number of staff) for all employees whose salaries exceeds £50,000.

7. Equality Implications

7.1 This policy has been developed with due regard and consideration to Equalities matters and other policies, procedures, and agreements currently in operation within the Council.

8. Approval/Review

8.1 Before it takes effect, the Pay Policy Statement must be approved by a resolution of the Council.

8.2 In accordance with existing Constitutional arrangements proposed amendments to terms and conditions of employment are referred to Cabinet for consideration and approval, before being referred through to the Joint Consultative Committee (JCC) to allow for consultation and/or negotiation (where appropriate). Approval of Human Resources policies and procedures is delegated to the Head of Paid Service after prior consultation at the JCC.

8.3 Given that the Pay Policy Statement relates to terms and conditions of employment as well as referring to Human Resources policies and procedures it is appropriate for it to be considered by Cabinet and any amendments made thereto before it is referred on to Full Council for approval.

8.4 Any proposed changes to terms and conditions of employment including salaries arising from collaboration activities (e.g. shared services) will be subject to the prior approval of Cabinet.

8.5 A review of the Pay Policy Statement will take place annually. It will be referred to Full Council for approval in advance of the financial year to which it relates. In certain circumstances it may be necessary to review the policy in year because of changes to legislation and/or organisational requirements. In the case of legislative changes where the Council has no discretion the Pay Policy Statement will be automatically amended to reflect the revised

legislation. In any case where there is discretion or where it is proposed to make in year changes to reflect organisational requirements such changes may be approved by Cabinet.



Report to: Meeting of the Full Council: 5 March 2026

Portfolio Holder: Councillor Claire Penny, Sustainable Economic Development

Director Lead: Matt Lamb, Director - Planning & Growth

Lead Officer: Matthew Norton, Business Manager - Planning Policy & Infrastructure, Ext. 5852

| Report Summary | |
|----------------------------------|--|
| Report Title | Winthorpe with Langford Neighbourhood Plan Referendum |
| Purpose of Report | To advise the Council of the result of the Winthorpe with Langford Neighbourhood Plan Referendum, and to seek approval from Council for the 'making' (adoption) of the Plan. |
| Recommendations | <p>(a) That the report be noted; and</p> <p>(b) Council 'make' Winthorpe with Langford Neighbourhood Plan, confirming that it forms part of the Development Plan for Newark & Sherwood District.</p> |
| Reason for Recommendation | To confirm that the Winthorpe with Langford Neighbourhood Plan forms part of the Development Plan for Newark & Sherwood District. |

1.0 Background

- 1.1 Since 2020, a steering group made up of local residents has led the production of the Winthorpe with Langford Neighbourhood Plan, and the Neighbourhood Area was designated in February 2021. The Neighbourhood Plan was developed with the assistance of District Council Officers and a consultant appointed by the Parish Council.
- 1.2 The Neighbourhood Plan was subject to several rounds of consultation with residents of Winthorpe with Langford. Following this, Winthorpe with Langford Parish Council submitted a Submission Draft version of the Neighbourhood Plan to the District Council under Regulation 15 of the Neighbourhood Planning (General) Regulations 2012 (the Regulations). The District Council published the Neighbourhood Plan for comments under Regulation 16 of the Regulations.

1.3 Following the Regulation 16 consultation, the Neighbourhood Plan was submitted to an independent examiner. The Examiner, having considered all the representations, including from the District Council, concluded that the plan was compliant with the relevant regulations subject to a number of modifications and could proceed to referendum. District Council Officers made the recommended modifications to create the Referendum Version of the Plan.

2.0 Proposal - 'Making' the Winthorpe with Langford Neighbourhood Plan

2.1 The Neighbourhood Planning Act 2017 has amended section 38 (subsection 3) of the Planning and Compulsory Purchase Act 2004 (development plan). Through these revisions, where more than half of those voting in its referendum have voted in favour of the Plan then it comes into force as part of the statutory development plan and so can be used in the determination of planning applications within the neighbourhood area from that point forward.

2.2 Where a Neighbourhood Plan is successful at referendum then the Council must proceed to formally 'make' it, thus confirming that it has come into force. There are a narrow range of circumstances under which the Council could elect to not make a plan. These are where the making of the plan would breach, or would otherwise be incompatible with, any EU Obligation or any of the Convention rights (within the meaning of the Human Rights Act 1998). Where the Council decides that a plan should not be made then it ceases to form part of the Development Plan.

2.3 With the Examiner's recommended modifications, the Neighbourhood Plan meets the basic conditions set out in paragraph 8(2) of Schedule 4B of the Town and Country Planning Act 1990, is compatible with any EU obligations and the Convention rights and complies with relevant provisions made by or under Section 38A and B of the Planning and Compulsory Purchase Act 2004 (as amended).

2.4 The referendum was held on Thursday 12th February 2026. The question decided was: 'Do you want Newark and Sherwood District Council to use the Neighbourhood Plan for Winthorpe with Langford to help it decide planning applications in the neighbourhood area?' 225 ballot papers were counted with none being rejected, representing a turnout of 37.82%. There were 225 votes for 'yes' and 20 for 'no'.

2.5 The Neighbourhood Plan, including its preparation, has been assessed and it is not considered to breach or be otherwise incompatible with, any EU obligation or any of the Convention rights (within the meaning of the Human rights Act 1998). With the referendum being passed the Plan has satisfied the necessary requirements in order to be 'made'.

3.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

| Implications Considered | | | |
|--|-----|----------------------|-----|
| Yes – relevant and included / NA – not applicable | | | |
| Financial | Y | Equality & Diversity | N/A |
| Human Resources | N/A | Human Rights | N/A |
| Legal | Y | Data Protection | N/A |
| Digital & Cyber Security | N/A | Safeguarding | N/A |
| Sustainability | N/A | Crime & Disorder | N/A |
| LGR | N/A | Tenant Consultation | N/A |

Financial Implications – FIN25-26/9019

- 3.1 The District Council will recover the cost of the referendum and associated administrative costs, but funds will be provided by Central Government to cover these costs.

Legal Implications - LEG2526/113

- 3.2 This is a matter reserved to Full Council under the Council’s Constitution. This report outlines the legal status and process of the Neighbourhood Plan. The outcome of the referendum showed a majority in favour of making the Neighbourhood Plan and therefore the Council as Local Planning Authority are obligated to make the Neighbourhood Plan within the eight weeks following the referendum.

Background Papers and Published Documents

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

The Winthorpe with Langford Neighbourhood Plan and supporting documents can be seen here:

[Winthorpe with Langford Neighbourhood Plan | Newark & Sherwood District Council](#)

Information about the Winthorpe with Langford Neighbourhood Plan Referendum can be seen here:

<https://www.newark-sherwooddc.gov.uk/your-council/your-council/elections/12-february-2026-neighbourhood-plan-referendum/>

NOTICE OF MOTION FOR FULL COUNCIL

See [Part D of the Council's Constitution – Council Procedure Rules](#) – for the rules on motions

| | |
|--|-------------------------|
| Title of Motion: | Tourism Tax |
| Date of Council meeting: | 5 March 2026 |
| Proposer of Motion: (Name, and signature if hard copy submitted) | Councillor Simon Haynes |
| Seconder of Motion: (Name, and signature if hard copy submitted) | Councillor Jack Kellas |

Background/supporting information (maximum 300 words):

EMCA is going to implement an overnight tourism tax, this tax would have a significant negative impact on Newark and Sherwood communities and is counter-intuitive to the District Councils economic and tourism plans.

The tax will add cost to families that are already feeling financial strains, provide less money to the pockets of those visiting our area, leading to less spending power impacting our local businesses.

Businesses expected to implement the overnight tax will face an increased administrative burden, this being passed on to the tourists driving down further the spending power of visitors, further impacting local business and the economy. This will be felt in the Newark and Sherwood district with large employers like Centre Parcs being impacted.

Nearby areas will become more attractive moving overnight tourism to other counties such as Lincolnshire.

Motion to be proposed (active section):

Newark and Sherwood District Council does not support the Mayor of the East Midlands imposing an ill-thought-out tourism tax (visitor levy) in our district and:

- This Council writes to the Mayor of the East Midlands, Claire Ward, urging her not to impose a tourism tax in Newark and Sherwood; and
- This Council writes to the Secretary of State for Housing, Communities and Local Government, Steve Reed OBE MP, urging him to remove the Mayor's ability to impose a tourism tax in the East Midlands.

| | |
|--|--------------------------|
| Date and time received: <i>(for completion by Democratic Services)</i> | 25 February 2026 - 09:09 |
|--|--------------------------|

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Planning Committee** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Thursday, 12 February 2026 at 4.00 pm.

PRESENT: Councillor A Freeman (Chair)
Councillor D Moore (Vice-Chair)

Councillor C Brooks, Councillor L Dales, Councillor S Forde, Councillor M Home, Councillor K Melton, Councillor P Rainbow, Councillor S Saddington, Councillor M Shakeshaft, Councillor M Spoons, Councillor L Tift and Councillor T Wildgust

APOLOGIES FOR ABSENCE: Councillor P Harris and Councillor T Smith

100 NOTIFICATION TO THOSE PRESENT THAT THE MEETING WILL BE RECORDED AND STREAMED ONLINE

The Chair informed the Committee that the Council was undertaking an audio recording of the meeting and that it was being live streamed.

101 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

Councillors L Dales, A Freeman and K Melton declared an other registerable interest for any relevant items as appointed representatives on the Trent Valley Internal Drainage Board.

102 MINUTES OF THE MEETING HELD ON 15 JANUARY 2026

AGREED that the minutes from the meeting held on 15 January 2026 were agreed as a correct record and signed by the Chair.

103 LAND WEST OF ALLENBY ROAD, SOUTHWELL - 25/01879/OUTM

The Committee considered the report of the Business Manager – Planning Development, which sought outline planning with all matters reserved except for access to Allenby Road, for up to seventy dwellings, including affordable housing, highway works, public open space, children's play space, landscaping, drainage and all other associated works, including infrastructure.

A site visit had taken place prior to the commencement of the Planning Committee for Members, for the reason that there were particular site factors which were significant in terms of the weight attached to them relative to other factors if they would be difficult to assess in the absence of a site inspection.

A Schedule of Communication was circulated prior to the meeting which detailed correspondence received from the Senior Planning Officer, which sought amendment to conditions 02, 09, 19, 22 and 25 following discussions with the agent.

Members considered the presentation from the Senior Planning Officer, which

included photographs and plans of the proposed development.

Mr R Lewis, representing Southwell Civic Society spoke in objection to the application.

Mrs A Brooks, the Agent spoke in support of the application.

Members considered the application, and the Local Ward Member commented that this site had been put forward under the call for sites in 2012 and was deemed unacceptable. The call for sites at that time had produced seven to eight other sites, two of which were still to be developed. Southwell was up to capacity with new housing. This was a gateway site in the open countryside and was a step nearer to Southwell joining with Halam, which was considered creep of urbanisation. The schools and doctor's surgeries were also reaching capacity. The additional traffic would also aggravate the already congested roads. A concern was raised regarding surface water flooding on the road further down from the site due to the land levels. A Member commented that Southwell had been allocated its share of new developments and was over stocked with housing. However, Members recognised that other areas in the District have seen a greater share of new housing. The Chair commented that the landscape had changed through development and the need to consider the impact on the landscape and character of Southwell should be undertaken. A deferral was proposed and seconded to obtain a professional opinion regarding the character and impact on the landscape and the impact of this proposed development on Southwell's distinctive landscape.

AGREED (with 10 votes For, 1 vote Against and 1 Abstention) that the application be deferred pending a professional landscape survey.

104 LAND AT 50A MAIN STREET, LOWDHAM, NG14 7BE - 25/01298/FUL

The Committee considered the report of the Business Manager – Planning Development, which sought the proposed erection of two dwellings.

A site visit had taken place prior to the commencement of the Planning Committee for Members, for the following reasons:

- (i) There were particular site factors which were significant in terms of the weight attached to them relative to other factors if they would be difficult to assess in the absence of a site inspection; and
- (iii) The impact of the proposed development was difficult to visualise.

A Schedule of Communication was circulated prior to the meeting which detailed correspondence received from two neighbours and the Agent.

The Senior Planning Officer also proposed a minor modification to Condition 02 to amend the plans to omit the ground source heat pump from the parking area, if the Planning Committee was minded to approve the application.

Members considered the presentation from the Senior Planning Officer, which

included photographs and plans of the proposed development.

Mr R Wood, local resident spoke in objection to the application.

Mr L Wiltshire, representing Lowdham Parish Council spoke in objection to the application.

Mr D Wainwright, the applicant spoke in support of the application.

Councillor T Wendels, Local Ward Member for Lowdham spoke in objection to the application.

Members considered the application, and it was commented that the proposed two storey properties would be overbearing on the street scene. Other Members commented that the proposed development was for two small, two bed room semi-detached properties and not family homes. The premises below the proposed site were commercial dwellings with customers visiting via car all day, it was felt that the access/egress could not be argued for the small amount of additional traffic that would be generated from the two properties. The visibility would also be improved by the removal of part of the wall, should the committee be minded to approve the application. A Member commented that the report indicated the shortfall of provision for two-bedroom houses in Lowdham, which would meet the small identified need. Concern was raised regarding the site increasing the chance of flooding due to the removal of the grassed area. It was suggested that the flood alleviation plan would be in place in the next year and it was unlikely that the proposed houses would be built in that timescale, it was therefore considered minimal risk. A Member commented that this scheme would allow two local residents to remain in the village and prevent the loss of young local people leaving the village.

In answer to a Member question regarding the Highway objection, it was confirmed that there would not be a loss of commercial space in the car park. Car parking proposed was in line with SPDs and guidance. There would be some improvement with visibility with the removal of part of the wall. The turning area had been satisfied, from a highway safety point of view and was adequate in terms of the planning application. There was still an objection regarding pedestrian highway splays, however given that there was not a significant intensification of use the recommendation was approval.

Councillor S Saddington having entered the meeting during the Officer presentation took no part in the debate or vote.

- AGREED (with 7 votes For and 5 votes Against) that Planning Permission be approved, subject to:
- (i) the conditions contained within the report, subject to the amendment of Condition 02 to amend the plans regarding the removal of the ground source heat pump from the parking area; and
 - (ii) the signing of a Unilateral Undertaking to secure the dwellings as self-build.

105 LINCOLN ROAD PLAYING FIELD, LINCOLN ROAD, NEWARK ON TRENT - 25/00679/S73M

The Committee considered the report of the Business Manager – Planning Development, which sought the removal of Condition 5 (Replacement Road Network) and to amend the wording of Condition 6 (Stopping-Up Order), 12 (Bus Route Parking) and 16 (PROW Diversion) attached to planning permission 22/01528/RMAM.

Members considered the presentation from the Senior Planning Officer, which included plans of the proposed development. The officer explained that the application relates to the regeneration scheme known as Yorke Drive, Newark, where consent was granted under 22/01528/RMAM for the construction of 207 dwellings, with new sports pitches and pavilion building.

Members were advised that the principle of development is established under the original application, which remains extant. Officers explained that the proposed revisions to the wording of each of the conditions, and the removal of condition 5, would assist the delivery of the scheme. It was not felt that the amendments would impact on the character of the area, neighbouring amenity, highways safety or flood risk. As such, it was recommended that the section 73 application be approved.

Members considered the application acceptable.

AGREED (with 12 votes For and 1 Abstention) that the removal of Condition 5 (Replacement Road Network) and to amend the wording of Condition 6 (Stopping-Up Order), 12 (Bus Route Parking) and 16 (PROW Diversion) attached to planning permission 22/01528/RMAM, be approved.

106 HOLLY HOUSE, 5 EAST LANE, EDWINSTOWE, NG21 9QN - 25/02047/HOUSE

The Committee considered the report of the Business Manager – Planning Development, which sought the retention of a garage as constructed.

A site visit had taken place prior to the commencement of the Planning Committee for Members, for the reason that there were particular site factors which were significant in terms of the weight attached to them relative to other factors if they would be difficult to assess in the absence of a site inspection.

Members considered the presentation from the Senior Planning Officer, which included photographs and plans of the proposed development.

Mrs C Watson, the applicant spoke in support of the application.

Members considered the application, and it was commented that the works already undertaken were over-bearing in a conservation area and should not be allowed. Other Members commented that whilst the roof line was too high, certain other changes including the brick work, which could be changed or rendered, windows including the window on the gable could be made. Negotiations between the applicant and Officers could make the building more palatable. It was further

commented that the applicant did also comply with the Enforcement Team when asked to stop works.

Councillor M Spoors having left the meeting during the Officer presentation took no part in the vote.

A vote was taken for refusal and lost with 2 votes For and 10 votes Against.

AGREED Moved Councillor A Freeman and Seconded Councillor K Melton (with 10 votes For and 2 votes Against) that contrary to Officer recommendation Planning Permission be approved, subject to conditions including securing appropriate changes to the materials and brickwork including the black timberwork and amending the window on the gable, to be delegated to the Business Manager – Planning Development, in consultation with the Planning Committee Chair and Vice-Chair.

In accordance with paragraph 18.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

| Councillor | Vote |
|-------------------|-------------|
| C Brooks | Against |
| L Dales | For |
| S Forde | For |
| A Freeman | For |
| M Home | For |
| K Melton | For |
| D Moore | For |
| P Rainbow | For |
| S Saddington | For |
| M Shakeshaft | For |
| L Tift | Against |
| T Wildgust | For |

107 LAND AT RADLEY ROAD, HALAM - 25/01853/PIP

The Committee considered the report of the Business Manager – Planning Development, which sought permission in principle for construction for a minimum and maximum of two dwellings.

A site visit had taken place prior to the commencement of the Planning Committee for Members, for the reason that there were particular site factors which were significant in terms of the weight attached to them relative to other factors if they would be difficult to assess in the absence of a site inspection.

Members considered the presentation from the Senior Planning Officer, which included photographs and plans of the proposed development.

Mr A Paris, local resident spoke in objection to the application.

Mr N Baseley, the Agent spoke in support of the application.

Members considered the application, and the Local Ward Member commented that nothing had changed from the 2018 appeal decision, this proposed development was still in the open countryside and was not sustainable. Other Members commented that the development would be built between two existing properties, becoming part of the development itself and considered the proposal acceptable.

AGREED (with 8 votes For and 5 votes Against) that Planning in Principle be approved.

The Chair indicated that the meeting duration had expired therefore a motion was moved and seconded to continue the meeting. A motion was voted on with unanimous agreement to continue for a further hour.

108 LAND OFF SWINDERBY ROAD, SOUTH SCARLE - 25/01914/PIP

The Committee considered the report of the Business Manager – Planning Development, which sought permission in principle for a residential development for two dwellings.

Members considered the presentation from the Senior Planning Officer, which included photographs and plans of the proposed development.

Mr D Clarke, local resident and representing South Scarle Parish Meeting spoke in objection to the application.

Mr N Baseley, the Agent spoke in support of the application.

Members considered the application, and the Ward Member commented that this proposed development was in the open countryside and outside of the village envelope. The bus service provided was not functional for work/school travel. The current street scene was old farm buildings. The current land use was 3B agricultural land and was not infill in the village envelope. There were six properties currently up for sale, with a need for bungalows. There were no affordable houses within the village. A Member commented that there was a good train service 31 minute's walk from the village. Other Members commented that there were no street lighting and pavement around this location. The site may also be liable to flooding due to the land level differences.

A vote was taken for approval and lost with 4 votes For, 8 votes Against and 1 Abstention.

AGREED Moved Councillor L Dales and Seconded Councillor D Moore (with 8 votes For, 3 votes Against and 2 Abstentions) that contrary to Officer recommendation Planning Permission be refused for the following reasons:

- (i) Unsustainable – Policy SP1; and
- (ii) Open Countryside – Policy DM8.

The wording for refusal to be delegated to the Business Manager – Planning Development, in consultation with the Planning Committee Chair and Vice-Chair.

In accordance with paragraph 18.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

| Councillor | Vote |
|-------------------|-------------|
| C Brooks | Against |
| L Dales | For |
| S Forde | Abstention |
| A Freeman | For |
| M Home | For |
| K Melton | Abstention |
| D Moore | For |
| P Rainbow | For |
| S Saddington | For |
| M Shakeshaft | Against |
| M Spoors | For |
| L Tift | For |
| T Wildgust | Against |

The Chair in agreement with Members of the Planning Committee changed the order of business on the agenda and brought Agenda Item No. 13 – Land to the Rear of 59 Beacon Hill, Newark (25/02147/PIP) as the next item of business. This decision was taken as there were three speakers for that application and time factors. There were no speakers thereafter and the agenda resumed its stated order.

109 LAND TO THE REAR OF 59 BEACON HILL ROAD, NEWARK ON TRENT, NG24 2JH - 25/02147/PIP

The Committee considered the report of the Business Manager – Planning Development, which sought permission in principle for construction of between one (minimum) and two (maximum) dwellings.

A site visit had taken place prior to the commencement of the Planning Committee for Members, for the following reasons:

- (ii) There were particular site factors which were significant in terms of the weight attached to them relative to other factors if they would be difficult to assess in the absence of a site inspection; and
- (iii) The impact of the proposed development was difficult to visualise.

Members considered the presentation from the Senior Planning Officer, which included photographs and plans of the proposed development.

The Planning Committee Chair indicated that the meeting duration of an additional one hour had expired therefore a motion was moved by the Chair and agreed by Members to continue the meeting for a further hour.

Mr S Mawson, local resident spoke in objection to the application.

Councillor L Geary, representing Newark Town Council spoke in objection of the application.

Mr J Foot, Agent spoke in support of the application.

Members considered the application and compared this application with the neighbouring plot which had been granted planning permission for development on appeal. Members felt that there were significant differences with this development, the plot size was much narrower and there were no outbuildings in situ. Members felt that the gardens should remain as gardens as approval would set a precedent for further development in the gardens along Beacon Hill, which was considered as overwhelming the area, invasion of privacy for the neighbouring properties and land grab.

A vote was taken for approval and lost with 12 votes Against and 1 Abstention.

AGREED Moved Councillor A Freeman and Seconded Councillor D Moore (with 12 votes For and 1 Abstention) that contrary to Officer recommendation Planning Permission be refused for the following reasons:

- (i) Backland development;
- (ii) Incongruous form in conflict with DM5;
- (iii) Over intensification; and
- (iv) Out of Character for the area.

The wording for refusal to be delegated to the Business Manager – Planning Development, in consultation with the Planning Committee Chair and Vice-Chair.

In accordance with paragraph 18.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

| Councillor | Vote |
|-------------------|-------------|
| C Brooks | Abstention |
| L Dales | For |
| S Forde | For |
| A Freeman | For |
| M Home | For |
| K Melton | For |
| D Moore | For |
| P Rainbow | For |
| S Saddington | For |
| M Shakeshaft | For |
| M Spors | For |
| L Tift | For |
| T Wildgust | For |

110 LAND ADJACENT THE BRUSHES, RETFORD ROAD, WALESBY - 25/01974/PIP

The Committee considered the report of the Business Manager – Planning Development, which sought permission in principle for residential development for a minimum of four dwellings and a maximum of four dwellings.

Members considered the presentation from the Senior Planning Officer, which included photographs and plans of the proposed development.

Mr N Baseley, the Agent spoke in support of the application.

Members considered the application, and it was felt that the proposed development was in a sustainable location and on a main road, it was therefore considered acceptable.

AGREED (with 12 votes For and 1 vote Against) that the Permission in Principle be approved.

111 FIELD REFERENCE NUMBER 7919, CAUNTON ROAD, HOCKERTON - 25/01918/PIP

The Committee considered the report of the Business Manager – Planning Development, which sought permission in principle for residential development for a minimum of two and up to four dwellings.

A Schedule of Communication was circulated prior to the meeting which detailed correspondence received from the Agent and a local resident.

Members considered the presentation from the Senior Planning Officer, which included photographs and plans of the proposed development.

Members considered the application acceptable.

AGREED (with 8 votes For, 3 votes Against and 2 Abstentions) that Permission in Principle be approved.

112 LAND OFF SAND LANE, SPALFORD - 25/02146/PIP

The Committee considered the report of the Business Manager – Planning Development, which sought permission in principle for a residential development of up to a maximum of two dwellings and a minimum of one.

A site visit had taken place prior to the commencement of the Planning Committee for Members, for the following reasons:

- (iii) There were particular site factors which were significant in terms of the weight attached to them relative to other factors if they would be difficult to assess in the absence of a site inspection; and
- (iii) The impact of the proposed development was difficult to visualise.

A Schedule of Communication was circulated prior to the meeting which detailed

correspondence received from the following: Ms Quibell (former owner of site); Spalford Parish Meeting; and Mrs Cassells.

Members considered the presentation from the Planning Case Officer, which included photographs and plans of the proposed development.

Members considered the application, and it was commented that Spalford was an unsustainable location as it was a hamlet, with no services other than an on-demand bus service. The proposed development would be surrounded by flood zone 2 & 3. In terms of need, five dwellings and two barn conversions had recently been approved. This was considered a development too far. The Planning Officer confirmed regarding a Member comment that the trees had already been felled on site, the trees were not protected and the owner had been permitted to remove them. Members raised concern that the removal of the trees would only exacerbate the flooding problem. The Senior Planning Officer advised in answer to a Member question that the access to the North which was viewed at the site visit, would not be allowed as it was outside the redline on the application plan. Access would be allowed through flood zone 2, which would need a sequential test, which had been undertaken by the applicant and deemed acceptable. The Senior Planning Officer confirmed that the previous application had been refused at appeal on the grounds of the sequential test.

A vote was taken for approval and lost with 1 vote For and 12 Votes Against.

AGREED Moved Councillor L Dales and Seconded Councillor D Moore (with 12 votes For, 1 vote Against) that contrary to Officer recommendation Permission in Principle be refused for the following reasons:

- (v) Policy SP3 & DM12;
- (vi) Surrounded by flood zone 2 & 3;
- (vii) Unsustainable location; and
- (viii) Out of character with the area.

In accordance with paragraph 18.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

| Councillor | Vote |
|-------------------|-------------|
| C Brooks | For |
| L Dales | For |
| S Forde | For |
| A Freeman | For |
| M Home | For |
| K Melton | For |
| D Moore | For |
| P Rainbow | For |
| S Saddington | For |
| M Shakeshaft | For |
| M Spoors | For |
| L Tift | For |
| T Wildgust | Against |

The Planning Committee Chair indicated that the meeting duration of an additional one hour had expired therefore a motion was moved by the Chair and agreed by Members to continue the meeting for a further hour.

113 PLANNING REFORM UPDATE

The Committee considered the report of the Director of Planning and Growth, which provided an update on the latest planning reforms.

The Planning Committee Chair indicated that the meeting duration of an additional one hour had expired therefore a motion was moved by the Chair and agreed by Members to continue the meeting for a further hour.

On the 16 December 2026, the government launched a consultation on a new National Planning Policy Framework (NPPF) and a suite of planning reforms. The deadline for responses was 10 March 2026.

The Planning and Infrastructure Bill received Royal Assent on the 18 December 2026. The new Act was central to the government's Plan for Change. Further consultation and regulations for this new legislation was planned for early 2026.

In addition, the government was also seeking views on reforming the role of statutory consultees in the planning system. This consultation would last for eight weeks from 18 November 2025 to 13 January 2026.

Prior to Christmas 2025 the Government also published a written ministerial statement on the new plan-making system. The new system would be based on the legislative changes set out in the Levelling-Up and Regeneration Act 2023, and accompanying the statement was a guidance on creating a Local Plan using the new system including proposed regulatory requirements. One element of the announcements that would have significant implications was that Supplementary Planning Documents would no longer be able to be adopted after 30 June 2026. The implications of those changes would be considered by Planning Policy Board in January and Cabinet in February 2026.

The Chair encouraged Members to submit any questions to the Business Manager – Planning Development, the Director of Planning and Growth or the Planning Policy Board.

AGREED that:

- (a) the contents of the report be noted;
- (b) the Council's response on planning reform consultations given the urgency involved with meeting the consultation deadline be delegated to the Director for Planning & Growth in consultation with the Planning Committee Chair and Vice-Chair; and
- (c) the presentation of all other reforms via the Planning Policy Board and Cabinet be endorsed.

114 MIDDLEBECK - AFFORDABLE HOUSING REVIEW (S106)

The Committee considered the report of the Business Manager – Planning Development, regarding the Affordable Housing Review (S106) at Middlebeck. Members were informed of the outcome of the review of the first S106 affordable housing review.

The Senior Planning Officer informed the Committee that there was a correction to the report to show the residual affordable housing figures for the site required was 15 and not 17. The corrections to the table as contained within the report was amended in the Schedule of Communication.

AGREED that the report be noted.

115 APPEALS LODGED

AGREED that the report be noted.

116 APPEALS DETERMINED

It was noted that several appeal decisions had been issued by PINS sometime after the original decision was made. Officers explained that this was due to a technical problem with the email being used by PINS. This had now been resolved.

AGREED that the report be noted.

Meeting closed at 9.16 pm.

Chair

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Governance, General Purposes & Local Government Reorganisation Committee** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Thursday, 5 February 2026 at 6.00 pm.

PRESENT: Councillor R Holloway (Chair)
Councillor P Rainbow (Vice-Chair)

Councillor A Freeman, Councillor J Hall, Councillor P Harris, Councillor S Haynes, Councillor J Kellas, Councillor D Moore, Councillor K Smith, Councillor L Brazier and Councillor M Shakeshaft (substitute)

IN ATTENDANCE: Councillor L Dales

APOLOGIES FOR ABSENCE: Councillor D Darby, Councillor P Peacock and Councillor M Pringle

20 NOTIFICATION TO THOSE PRESENT THAT THE MEETING WILL BE RECORDED AND STREAMED ONLINE

The Chair advised that the meeting was being recorded and live streamed from Castle House.

21 DECLARATIONS OF INTEREST FROM MEMBERS AND OFFICERS

There were no declarations of interest.

22 MINUTES OF THE MEETING HELD ON 27 NOVEMBER 2025

AGREED that the minutes from the meeting held on 27 November 2025 were agreed as a correct record and signed by the Chair.

23 LOCAL GOVERNMENT REORGANISATION IN NOTTINGHAM AND NOTTINGHAMSHIRE

The Committee considered the report of the Chief Executive which sought to provide Members with the latest position in respect of local government reorganisation following the submission to Government in November 2025.

It was noted that the Cabinet had considered this matter at their meeting held on 26 November and had agreed to endorse the submission of the Final Proposal for a new unitary structure of local government for Nottingham and Nottinghamshire. All Members of the Council had been invited to attend a presentation on the content of Final Proposal held on 18 November 2025. The report set out the timetable of the next steps following the submission of the proposal to Government.

MHCLG had provided an initial list of statutory consultees as contained as Appendix A to the report. The Council were working with them to ensure that all relevant parties were identified and contact details provided. There were a broad range of organisations across health, education, business, the voluntary sector, and other public sector and national bodies. To help guide councils with a starting point of what

the next steps were after submission, MHCLG had shared a list which was attached as Appendix B to the report, which had been developed with input from sector advisers, Local Partnerships and the Local Government Association. It was based on current and previous experience of LGR and was intended to be iterative rather than exhaustive.

A letter had also been received today regarding LGR from Alison McGovern – Minister of State for Local Government and Homelessness.

A Member raised concern regarding the design of the consultation and how it had been handled. Parish and Town Council representation needed to be taken into consideration. Concern was also raised regarding the proposed reduction of multi-Member Wards, it was felt unacceptable for multi-Member Wards to be reduced. It was commented that under LGR the new Council would have this Council and NCC to represent, Members could not work 24/7 on Council business, multi-Member Wards were required for Members to represent their constituents effectively.

The Chief Executive confirmed that ward arrangements in the 2027 shadow elections would be temporary and would be reviewed in the following two to three years.

A Member sought clarification regarding whether the Chief Executive would be involved with the MHCLG Listening Meetings and what emphasis would he be taking responsibility for. The Chief Executive confirmed that he would be involved in the Listening Meeting and would represent the feedback from local areas regarding their requirements. A presentation would be ready separated in different parts, showing sensible geography, neighbourhoods etc and would be well represented at that session. The Chief Executive commented that there were limitations with consultations, the Council needed to get into conversations with people face to face. The Business Manager for Elections and Democratic Services had met with the Boundary Commission and asked for the Council to have an input into the boundary warding. A lot of work had been undertaken and submitted to the Boundary Commission to date.

A Member sought clarification regarding any update or indication what will happen for NSDC Members between 2027/28. The Chief Executive confirmed that several exchanges had taken place with MHCLG and there was a clear assumption that there would be a Shadow election May 2027. Members terms of office would be extended by one year.

In answer to the Chair's question, the Transformation and Service Improvement Officer confirmed that briefings and communication would be cascaded to Town and Parish Councils.

AGREED that the progress update provided in respect of local government reorganisation be noted.

24 REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) ANNUAL REPORT

The Committee considered the report of the Deputy Chief Executive, Director - Resources & S151 Officer which sought to provide Members with the latest position in respect of activity by the Council under Regulation of Investigatory Powers Act 2000

(RIPA) from January 2025 to December 2025; and on mandatory training for Officers.

A programme of monitoring and review was set out in the Council's RIPA policy and guidance. Annual reports of RIPA authorisations were made to the Audit & Governance Committee previously and now to this Committee.

There had been 0 authorisations sought by the Magistrates court during this period. The Council's use of authorised RIPA surveillance had always been and remained extremely low. This was in line with the majority of other authorities; particularly those who do not have services such as Trading Standards or Consumer Protection teams. The Council had already submitted the annual statistical return to the IPCO for 2025 which was a NIL return. There had been Nil returns to the IPCO since 2016.

Appropriate training had been provided to all Authorising officers. The last training was provided in July 2024. Ongoing advice and training was provided to investigating officers on a case-by-case basis throughout the year. More formal training was planned to be completed by April 2026 to investigating officers in relevant teams.

Sue Bearman was the named Senior Responsible Officer (SRO) for the purposes of RIPA. Following her departure, Sanjiv Kohli had been appointed the new SRO. Appendix A provided an amended list of the Senior Authorising Officer; the Authorising Officers; Senior Responsible Officer and RIPA Co-Ordinator for the purposes of RIPA.

AGREED that the contents of the report and the minor amendment to the policy be noted.

25 WHISTLEBLOWING POLICY ANNUAL REPORT

The Committee considered the report of the Monitoring Officer which provided the annual report on the implementation of the Council's Whistleblowing Policy.

The Policy was clear and provided detailed information on how whistleblowing complaints would be dealt with. The Policy provided assurance to those raising a complaint that they would be treated fairly. Review of the Policy was previously a function of the Audit & Governance Committee. With the establishment of two separate committees to cover audit and governance functions, this annual report fell within the remit of the Governance, General Purposes & Local Government Reform Committee and as such the Policy needed to be updated to reflect that.

There had been two reports under the Whistleblowing Policy in 2025. Details of whistleblowing complaints were confidential, but a record of the complaints was available for internal and external auditors if inspection was required. One complaint related to staff and one to contractors. In order to ensure continued awareness of the Policy and reporting process for Whistleblowing complaints it was proposed that further communication of the Policy to staff would be undertaken in 2026.

A Member asked how the Council could ensure no detrimental effects on the whistleblower. The Monitoring Officer confirmed that there was a legal requirement, and the process was confidential. It was confirmed that the two whistleblowing

incidents undertaken were both staff related, and both were undertaken confidentially with no recourse for the whistleblower. There was also support for the whistleblower which included Occupational Health if required.

A Member commented that in the list of external organisations the whistleblower could go to as contained within the report, there was nothing for the Council's HRA and housing function in the list. Clarification was sought regarding if there was a problem with housing allocation, where would that person go externally if they wanted to seek advice. The Monitoring Officer confirmed that the Housing Ombudsman would be the relevant body for housing allocation. The Monitoring Officer confirmed that the whistleblower presents the case, and the Monitoring officer looks at how that should be dealt with. The process was to deal with serious wrong doings. The Monitoring Officer confirmed that the Housing Ombudsman would be included in the list of external organisations.

A Member commented on the importance for Managers to be trained and understand the importance of the whistleblowing process to spot a whistleblower and for the individual and Council to be protected under the policy.

AGREED that:

- (a) the contents of the report be noted;
- (b) minor changes to the Whistleblowing Policy to reflect changes to Committees and Monitoring Officer contact details and to reflect changes in employment legislation and inclusion of the Housing Ombudsman to the list of external organisations; and
- (c) further promotion of the Policy to staff in 2026.

26 GIFTS & HOSPITALITY ANNUAL REPORT

The Committee considered the report of the Monitoring Officer which provided an annual report updating Members on the implementation of the Council's Gifts & Hospitality Policies.

The Monitoring officer confirmed that having reviewed the Member's and Officer's Protocol on Hospitality and Gifts which were two separate policies, there were no proposed amendments. The process for reporting gifts and hospitality by Members and Officers was being followed and information published correctly. Reminders would be sent to Members and Officers to ensure that they maintained awareness of the requirements to declare gifts and hospitality.

Further promotional work would be undertaken in 2026 with Officers and Members to maintain awareness of the requirements to record offers of gifts and hospitality.

A Member commented that the current reporting system was not open and transparent and was difficult to find on the website and should be included in the annual report. It was further commented that the register declaration did not

indicate whether the gift/hospitality had been accepted or refused, the current wording was that the gift had been offered, the assumption being the gift had been accepted but that might not be the case.

The Monitoring Officer confirmed that the Member declaration was on their profile page, and the Officer declaration was on one spreadsheet, which could be replicated for Members. The Monitoring Officer confirmed that she would clarify the issue of the gift/hospitality being accepted or refused.

AGREED that:

- (a) the report and the proposed actions for promotion of the Policy in 2026 be noted; and
- (b) the issue of the gift/hospitality being accepted or refused be clarified.

27 UPDATE FROM GOVERNANCE, GENERAL PURPOSES & LGR WORKING GROUP - ARRANGEMENTS FOR DEALING WITH CODE OF CONDUCT COMPLAINTS, SOCIAL MEDIA PROTOCOL AND MEMBER DEVELOPMENT PLAN

The Committee considered the report of the Monitoring Officer which sought to update Members on the work undertaken by the Working Group to update the arrangements for dealing with Code of Conduct Complaints, the Social Media Protocol for Members and the Member Development Plan.

The Working Group Chair – Councillor L Dales, provided an overview of the work undertaken by the Working Group and commented that excellent work had been undertaken by the Monitoring Officer and colleagues and that all three areas reviewed provided simpler and clear arrangements.

Members discussed the three areas individually.

Code of Conduct Complaints

The Chair sought clarification on what sanctions were in place if Members failed to undertake mandatory training. The Monitoring Officer confirmed that it was difficult to sanction Members for non-attendance of training, she hoped Members would welcome training. If there was a data breach or issue, that could lead to wider consequences or sanctions if mandatory training had not been undertaken. The Chair suggested the repercussions should be made clear regarding certain breaches.

Social Media Protocol

The Monitoring Officer thanked the Principal Legal Officer and Communications team for their work on this Protocol.

A Member commented that the list was not definitive but felt that WhatsApp and Two-factor authentication (2FA) were social media and should be included on the list and anything else related to social media should be included to provide a tighter list.

Member Development Plan

A Member commented that two days allocated for all training in person was a problem and suggested that on-line training be made available.

The Monitoring Officer commented that more than one in-person training session would be offered to Members and confirmed that the in-person training could be recorded for Members to watch at their convenience or online training being made available as suggested. How training would be made accessible would be addressed by Democratic Services.

A Member commented that Appendix 2 paragraph 15 and 17, should be offered to all Members and not just those with special responsibilities as detailed. The Monitoring Officer confirmed that amendments to those paragraphs would be made so that the wider Member could attend that training.

A Member commented that due to LGR there would not be any future induction training in 2027 and hoped that budget had not been reduced. The Monitoring Officer confirmed that there would be a budget for training. A Member suggested that training was an investment and not a cost and that could be addressed at a future meeting.

AGREED that:

- (a) the work undertaken to date by the Working Group be noted;
- (b) the changes to the Council's Arrangements for Dealing with Code of Conduct Complaints at Appendix 1 of the report, subject to the proposed amendments by the Committee;
- (c) the Member Development Plan at Appendix 2 of the report, subject to the proposed amendments by the Committee; and
- (d) recommend the updated Social Media Protocol for Members at Appendix 3 to the report, subject to the proposed amendments by the Committee, to Full Council for adoption.

28 COMMITTEE WORK PROGRAMME

The Monitoring Officer informed the Committee that the Member, Officer Protocol was still outstanding and would be forwarded to this Committee.

AGREED that subject to the inclusion of the Member, Officer Protocol, the Governance, General Purposes & LGR Committee's Work Programme be noted.

Meeting closed at 7.33 pm.

Chair

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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