



*Castle House
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Wednesday, 28 February 2018

Chairman: Councillor Mrs L Tift
Vice-Chairman: Councillor K Walker

To all Members of the Council:

MEETING: Full Council

DATE: Thursday, 8 March 2018 at 6.00 pm

**VENUE: Civic Suite, Castle House, Great North Road,
Newark, Nottinghamshire, 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 Tel: 01636 655243 Email: Nigel.hill@newark-sherwooddc.gov.uk on .

AGENDA

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NOTES:

- (1) The Conservative Group will meet at 5.00pm in Rooms F1 - F3 prior to the Council Meeting.
- (2) The Labour Group will meet at 5.00pm in Room G1 prior to the Council Meeting.

- (3) The Independent Group will meet at 5.00pm prior to the Council Meeting.
- (4) Tea and coffee will be available in the Civic Suite.

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Full Council** held in the Civic Suite, Castle House, Great North Road, Newark, Nottinghamshire, NG24 1BY on Tuesday, 13 February 2018 at 6.00 pm.

PRESENT: Councillor Mrs L Tift (Chairman)
Councillor K Walker (Vice-Chairman)

Councillor Mrs K Arnold, Councillor R Blaney, Councillor Mrs B Brooks, Councillor Mrs C Brooks, Councillor Mrs I Brown, Councillor M Buttery, Councillor M Cope, Councillor J Lee, Councillor D Lloyd, Councillor Mrs S Michael, Councillor D Payne, Councillor T Wendels, Councillor B Crowe, Councillor Mrs R Crowe, Councillor Mrs G Dawn, Councillor Mrs M Dobson, Councillor P Duncan, Councillor K Girling, Councillor P Handley, Councillor Mrs L Hurst, Councillor R Jackson, Councillor B Laughton, Councillor N Mison, Councillor N Mitchell, Councillor P Peacock, Councillor Mrs P Rainbow, Councillor T Roberts, Councillor Mrs S Saddington, Councillor Mrs S Soar, Councillor D Staples, Councillor F Taylor, Councillor D Thompson and Councillor I Walker

APOLOGIES FOR ABSENCE: Councillor B Wells, Councillor Mrs Y Woodhead and Councillor Mrs A Truswell

57 MINUTES FROM THE MEETING HELD ON 12 DECEMBER 2017

AGREED that the minutes of the meeting held on 12 December 2017 be approved as a correct record and signed by the Chairman.

58 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

NOTED the interests declared as shown in the schedule circulated at the meeting.

59 DECLARATIONS OF ANY INTENTIONS TO RECORD THE MEETING

Other than the Council recording in accordance with usual practice, there were no declarations of intention to record the meeting.

60 COMMUNICATIONS WHICH THE CHAIRMAN OR THE CHIEF EXECUTIVE MAY WISH TO LAY BEFORE THE COUNCIL

The Chairman made presentations to the following winners of the staff Pride Awards for 2017:

We're Proud of You Award – Brain Rawlinson, Parking Services Manager; Caz Meakin, Administration Officer; and Vicky Marshall, Environmental Health Technical Officer from Environmental, Licensing and Parking Services.

Unsung Hero Award – Lynn Preece, e-Communications Officer, Customer Services and External Communications.

Team of the Year Award – two awards - Customer Services and ICT Teams.

The Mark Henry Award – the Moving Ahead Team.

The Acting Chief Executive advised that an Extraordinary Council Meeting would be held on Tuesday 10 April 2018 to confirm the appointment of a new Chief Executive.

61 COMMUNICATIONS WHICH THE LEADER OF THE COUNCIL AND COMMITTEE CHAIRMEN MAY WISH TO LAY BEFORE THE COUNCIL

Councillor R.V. Blaney advised that the Council had been named as a finalist in the category of Strategic Local Authority of the Year in the 2018 UK Housing Awards. This was testament to the work of our Officers.

Councillor R.B. Laughton, as the Chairman of the Homes & Communities Committee, advised the Council that Southwell had been successful in gaining funding totalling £5million for flood alleviation work. He also announced that the Council had been successful in its bid to the Homes & Communities Agency for grant funding which could amount to £1.9million for the council house building programme. He expressed his thanks to all those involved with these two initiatives.

62 REVISIONS TO THE SCHEDULE OF MEETINGS FOR 2018/19

The Council considered the report of the Acting Chief Executive which proposed two changes to the schedule of meetings for 2018/19. It was proposed that the Planning Committee meeting scheduled for 8 January 2019 be changed to 15 January 2019 to enable the publication of the agenda after the Christmas holiday period. In addition it was necessary to remove the meeting of the Planning Committee which had been scheduled for 7 May 2019 as there would be no Committee in existence following the elections scheduled for 2 May 2019.

AGREED (unanimously) that the following changes to the Schedule of Meetings for 2018/19 be approved:

Planning Committee – move from 8 January to 15 January 2019.

Planning Committee – 7 May 2019 to be removed from the Schedule.

63 HOUSING REVENUE ACCOUNT BUDGET AND RENT SETTING FOR 2018/19

The Council considered the joint report of the Director Safety and Director of Resources and Section 151 Officer concerning the Housing Revenue Account budget for 2018/2019. Under the Council's Constitution the Housing Revenue Account Self Financing Business Plan would be formulated and reviewed by the Policy & Finance Committee and recommended to Council for approval. A major element of the Business Plan comprised the annual Housing Revenue Account budget.

The annual Housing Revenue Account budget for 2018/19 and financial plan to 2021/22, including proposals for rent levels for 2018/19, was considered by the Policy & Finance Committee at their meeting held on 25 January 2018.

The report considered by the Policy & Finance Committee on 25 January 2018 was attached as an appendix to the report. This detailed proposals for the Management Fee, rent levels and service charges. The Policy & Finance Committee also considered

recommendations to adjust rent levels and service charges with effect from April 2018. These had been calculated in accordance with the announcement made by Government on 8 July 2015 that local authorities must reduce social rents by 1% each year for four years from 2016-17. It was therefore recommended that rents for HRA properties were reduced in line with the Welfare Reform and Work Act 2016. The deadline for notifying tenants of the rent levels effective from 2 April 2018 was 5 March 2018.

AGREED (unanimously) that:

- (a) the Housing Revenue Account budget for 2018/2019, as set out in Appendix 1 to the Policy & Finance report, be approved;
- (b) the management and maintenance fee of £8,265,360, included within the Housing Revenue Account budget for 2018/19, be noted;
- (c) the rent of all properties in the Housing Revenue Account, as at 31 March 2018, be decreased by 1% in accordance with Welfare Reform and Works Act 2016 with effect from April 2018;
- (d) the rent on temporary accommodation be increased by CPI plus 1% (3.8%) from April 2018;
- (e) that all services charges and support charges should be increased by September CPI plus 1% (3.8%) with effect from April 2018; and
- (f) garage, garage plot and garage port rents be increased by 3.8% in line with CPI plus 1%, with effect from April 2018.

64 DEVELOPMENT COMPANY – ESTABLISHMENT OF SHAREHOLDER COMMITTEE

The Council considered the report of the Director – Safety which sought to establish a Shareholder Committee for the Council's Development Company. The Policy & Finance Committee approved the establishment of a Development Company at their meeting held on 25 January 2018. The purpose of the Company, which would be limited by shares and wholly owned by the Council, was to undertake residential and commercial developments to generate revenue returns back to the Council and thereby contribute towards meeting the anticipated funding gap by the year 2020/21.

The Shareholder Committee would oversee the relationship between the Council and the Company. The proposals for the governance arrangements and functions in relation to the Development Company and the split between Council, the Shareholder Committee and Policy & Finance Committee, were set out in full in the report. The remit of the Shareholder Committee was set out in the report and it was proposed that the Committee should comprise of 5 elected Members in accordance with the political balance of the Council.

AGREED (with 32 votes for, 1 against and 2 abstentions) that:

- (a) a Shareholder Committee be established with the remit as set out in

paragraph 3.2.3 of the report;

- (b) Councillors R.V. Blaney, P. Handley, D.R. Payne, P. Peacock and D. Staples be appointed to the Shareholder Committee; and
- (c) the Director – Safety, as Monitoring Officer, be authorised to make all necessary changes to the Council’s constitution to reflect the establishment of the Shareholder’s Committee and its remit, and the remit of Full Council and the Policy & Finance Committee in respect of the proposed governance structure for the Development Company.

65 PROPOSED CHANGES TO THE CONSTITUTION

The Council considered the report of the Acting Chief Executive concerning proposed changes to the Council’s Constitution as recommended by the Councillors’ Commission at their meeting held on 25 January 2018.

The Commission were recommending an additional provision in the planning protocol requiring that Members of Committee who seek additional information approach the relevant Business Manager or Case Officer where they would otherwise be minded to seek deferral. The proposed wording for the relevant provision was as follows:

“Heading 15 – Deferral

15.1 Members should not seek to defer consideration of any item put before the Planning Committee unless there are clear and demonstrable reasons for doing so such as a relevant planning issue arising for the first time not having been previously considered and needing further investigation.

15.2 Where a member might otherwise be minded to seek deferral of an item by reason that they wish to seek clarification on a particular issue, consider that further material information is required on a particular matter or for any other substantial reason, they should seek to obtain such clarification or additional information from the relevant Business Manager or the relevant Case Officer at least two hours prior to the commencement of the Planning Committee meeting.”

The Commission were also recommending updates to the Councils’ Financial Regulations and Anti-Fraud and Corruption Strategy. Minor changes in both documents clarified definitions and roles and responsibilities.

AGREED (with 32 votes for, 1 against and 2 abstentions) that:

- (a) the Planning Protocol for Members on dealing with planning matters be amended as set out above; and
- (b) the updated Financial Regulations and Anti-Fraud and Corruption Strategy, as attached as Appendices A and B to the report, be approved.

66 ECONOMIC DEVELOPMENT COMMITTEE – 17 JANUARY 2018

Minute No. 38 - Social Mobility Index Report November 2017

Councillor D. Staples referred to the claim by one Member at the meeting that schools in the district had been neglected by the County Council in respect of careers advice and jobs fairs. If there were any concerns of this nature he requested local Members be made aware.

Councillor D.J. Lloyd advised of the work being undertaken by the Economic Growth Team in this area and agreed to relay any such concerns to local Members.

67 HOMES & COMMUNITIES COMMITTEE – 15 JANUARY 2018

Minute No. 37 - 2017 Rough Sleepers Count

In presenting the minutes Councillor R.B. Laughton welcomed the reduction in the figures for people sleeping rough in the District which was bucking the national trend. He expressed his thanks to the Housing and Safeguarding Team.

68 PLANNING COMMITTEE

Minute No. 186 - Enforcement Activity Update

Councillor Mrs M. Dobson welcomed the good work currently being done by the Planning Enforcement Team and asked how frequently update reports were to be presented to the Committee.

Councillor D.R. Payne advised that he had made a request for such reports to be presented at every other meeting.

Meeting closed at 6.48 pm.

Chairman

REVENUE BUDGET AND COUNCIL TAX SETTING FOR 2018/19

- 1.0 The Council is required by the Local Government Finance Act 1992 to set a Council Tax for 2018/2019.
- 2.0 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 are shown in recommendation 2 of this report.
- 3.0 In setting the level of Council Tax for 2018/2019 it is necessary to consider the requirements of the Council Tax Collection Fund for 2018/2019. 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.
- 4.0 The Policy Committee meeting held on the 22 February 2018, recommended that the District Council's Council Tax Requirement for 2018/2019, excluding Parish Council precepts, should be £11,382,210 as detailed in the Council's Budget Book for 2018/2019.
- 5.0 As part of the budget process, the views of the operational committees have been taken into account along with views of the Commercial Ratepayers through the statutory consultation.
- 6.0 The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 require that for authorities operating a Committee system, "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 Recommendation 3 a-j in this report.
- 7.0 All Parish Council precepts have now been received. Parish precepts total £2,810,467.42. Consequently the total Council Tax Requirement for the District Council is £14,192,677.42 (ie £11,382,210 plus £2,810,467.42) (see recommendation 3(c)). Individual Parish Council precepts are shown in the table below.

	PARISH	PRECEPT 2018-19 £
1	Alverton	-
2	Averham	*
3	Balderton	267,330.00
4	Barnby in the Willows	2,900.00
5	Bathley	1,405.95
6	Besthorpe	6,300.00
7	Bilsthorpe	65,058.66
8	Bleasby	10,924.00
9	Blidworth	75,522.00
10	Bulcote	6,000.00
11	Carlton-on-Trent	3,009.00

	PARISH	PRECEPT 2018-19 £
12	Caunton	5,250.00
13	Caythorpe	2,000.00
14	Clipstone	127,545.30
15	Coddington	14,900.00
16	Collingham	40,600.00
17	Cotham	-
18	Cromwell	850.00
19	Eakring	3,691.00
20	East Stoke	****
21	Edingley	4,000.00
22	Edwinstowe	115,729.00
23	Egmanton	1,800.00
24	Elston	18,000.00
25	Epperstone	8,404.47
26	Farndon	52,530.00
27	Farnsfield	75,000.00
28	Fiskerton-cum-Morton	7,300.00
29	Girton and Meering	1,149.00
30	Gonalston	-
31	Grassthorpe	-
32	Gunthorpe	17,600.00
33	Halam	8,200.00
34	Halloughton	400.00
35	Harby	3,966.40
36	Hawton	1,250.00
37	Hockerton	3,000.00
38	Holme	-
39	Hoveringham	12,344.80
40	Kelham	*
41	Kersall	**
42	Kilvington	-
43	Kirklington	6,000.00
44	Kirton	6,000.00
45	Kneesall	**
46	Langford	***
47	Laxton & Moorhouse	4,600.00
48	Lowdham	70,593.00
49	Lyndhurst	-
50	Maplebeck	-
51	Meering	-
52	Newark	896,025.00
53	North Clifton	1,750.00
54	North Muskham	16,270.00
55	Norwell	4,841.00
56	Ollerton and Boughton	97,487.00

	PARISH	PRECEPT 2018-19 £
57	Ompton	**
58	Ossington	-
59	Oxton	10,000.00
60	Perlethorpe-cum-Budby	1,600.00
61	Rainworth	62,500.00
62	Rolleston	6,250.00
63	Rufford	4,000.00
64	South Clifton	1,500.00
65	South Muskham	10,075.00
66	South Scarle	4,474.00
67	Southwell	210,232.00
68	Spalford	-
69	Staunton	-
70	Staythorpe	*
71	Sutton-on-Trent	23,057.00
72	Syerston	710.00
73	Thorney	2,140.00
74	Thorpe	****
75	Thurgarton	6,900.00
76	Upton	6,632.00
77	Walesby	36,750.00
78	Wellow	5,500.00
79	Weston	3,750.00
80	Wigsley	-
81	Winkburn	-
82	Winthorpe	***
83	Fernwood	70,317.00
84	Kings Clipstone	9,500.00

PARISHES GROUPED FOR PRECEPT PURPOSES

*	Averham, Kelham, Staythorpe	3,270.00
**	Kneesall, Kersall, Ompton	2,235.84
***	Winthorpe, Langford	8,569.00
****	East Stoke, Thorpe	3,000.00
	Total	2,810,467.42

- 8.0 The Government Grant and net retained Business Rates form part of the District Council's General Fund, and are not part of the Collection Fund. These amounts total £4,780,770 for 2018/19 and are shown as recommendation 3(d).

- 9.0 In setting the level of Council Tax for 2018/2019, it is necessary to assess if any adjustment is necessary due to the level of Council Tax collection prior to 2018/2019. 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 the 15th January, 2018, as required by the Regulations, and it is considered that an adjustment is necessary to the level of Council Tax for 2018/2019 in respect of the Council Tax Collection Fund.
- 9.1 Due to the successful collection of Council Tax, and the prompt action taken to collect arrears, there is a surplus on the Council Tax Collection Fund even though targets of 99% have been set for each year since 1997/98
- 9.2 Any surplus on the Collection Fund has, by law, to be apportioned between the District Council, the County Council, the Police Authority and the Fire Authority in proportion to their respective calls on the Collection Fund for the previous year. The surplus apportioned to each organisation must be returned directly to the taxpayer in the form of a reduction in Council Tax. It cannot be spent by the Council.
- 9.3 The proportion of the surplus due to Newark & Sherwood District Council is £76,640, equivalent to a reduction in the Band D level of Council Tax of £2.00. This reduction is shown at recommendation 3 (e).
- 10.0 There are no District Council Special Expenses for 2018/2019. The amount shown in recommendation 3(g) of £2,810,467.42 for special items relates to Parish Precepts only.
- 11.0 The basic level of tax (ie the level of tax for Band D properties) for District Council Services in areas where no parish charge is levied is £170.27 as shown in recommendation 3(h).
- 12.0 Recommendation 3(i) shows the basic level of tax for Band D properties in each parish, including parish charges where appropriate.
- 13.0 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 recommendation 3(j).
- 14.0 These figures then have to be added to the level of tax set by Nottinghamshire County Council for the provision of its services. Nottinghamshire County Council has set a precept on Newark and Sherwood District Council's collection fund for 2018/2019 of £54,392,827.00, equivalent to a Band D Council Tax of £1,419.43. Council Tax figures for each Band are set out in recommendation 4.
- 15.0 The Nottinghamshire Police & Crime Commissioner has set a precept on Newark and Sherwood District Council's Collection fund for 2018/2019 of £7,487,381.92, equivalent to a Band D Council Tax of £195.39. Council Tax figures for each Band are set out in recommendation 5.
- 16.0 The Nottingham and Nottinghamshire Fire and Rescue Service (the "Combined Fire Authority") has proposed a precept on Newark and Sherwood District Council's Collection fund for 2018/2019 of £2,970,198.00 equivalent to a Band D Council Tax of £77.51. Council Tax figures for each Band are set out in recommendation 6.

- 17.0 The total recommended levels of Council Tax for 2018/2019 for each Council Tax valuation band in each parish is shown in recommendation 7.
- 18.0 The level of Council Tax for Newark and Sherwood District Council services only is:

Valuation Band

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54

- 19.0 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 2018/19, the level of Council Tax increase that would trigger a referendum has been set at 3.0% and £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 recommendation 8.
- 20.0 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
£	£	£	£	£	£	£	£
1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20

21.0 RECOMMENDATIONS that:

1. the revenue estimates for 2018/2019 and schedule of fees and charges, as submitted in the Council's Budget book be approved;
2. it be noted that the following amounts have been determined for the year 2018/2019 in accordance with regulations made under Section 31(B) of the Local Government Finance Act 1992:-
 - (a) 38,320.19 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) £39,031,234 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	23.26
2	Averham	113.45
3	Balderton	3,025.93
4	Barnby in the Willows	103.95
5	Bathley	116.42
6	Besthorpe	78.21
7	Bilsthorpe	891.99
8	Bleasby	381.05
9	Blidworth	1,073.85
10	Bulcote	139.99
11	Carlton-on-Trent	87.52
12	Caunton	202.06
13	Caythorpe	145.23
14	Clipstone	1,321.85
15	Coddington	550.04
16	Collingham	1,106.23
17	Cotham	41.38
18	Cromwell	99.69
19	Eakring	181.76
20	East Stoke	51.78
21	Edingley	186.32
22	Edwinstowe	1,681.12
23	Egmanton	129.00
24	Elston	266.31
25	Epperstone	272.25
26	Farndon	801.90
27	Farnsfield	1,192.75
28	Fiskerton-cum-Morton	408.87
29	Girton and Meering	52.17
30	Gonalston	49.99
31	Grassthorpe	25.24
32	Gunthorpe	310.96
33	Halam	189.39
34	Halloughton	38.91
35	Harby	117.71
36	Hawton	34.45
37	Hockerton	84.35
38	Holme	38.61
39	Hoveringham	167.61
40	Kelham	86.43
41	Kersall	21.88
42	Kilvington	13.86
43	Kirklington	166.81
44	Kirton	110.29
45	Kneesall	86.82
46	Langford	40.49
47	Laxton & Moorhouse	110.19

	PARISH	TOTAL LOCAL TAX BASE
48	Lowdham	991.98
49	Lyndhurst	5.25
50	Maplebeck	47.12
51	Meering	-
52	Newark	8,232.54
53	North Clifton	73.66
54	North Muskham	398.77
55	Norwell	214.24
56	Ollerton and Boughton	2,678.76
57	Ompton	21.98
58	Ossington	39.60
59	Oxton	270.27
60	Perlethorpe-cum-Budby	76.08
61	Rainworth	1,796.06
62	Rolleston	155.53
63	Rufford	233.94
64	South Clifton	121.77
65	South Muskham	196.32
66	South Scarle	87.42
67	Southwell	2,844.07
68	Spalford	34.75
69	Staunton	27.72
70	Staythorpe	41.18
71	Sutton-on-Trent	496.98
72	Syerston	90.29
73	Thorney	94.25
74	Thorpe	33.96
75	Thurgarton	230.47
76	Upton	193.15
77	Walesby	429.36
78	Wellow	194.14
79	Weston	131.87
80	Wigsley	45.64
81	Winkburn	32.77
82	Winthorpe	280.66
83	Fernwood	936.94
84	Kings Clipstone	120.38
	Total Rounded	38,320.19

PARISHES GROUPED FOR PRECEPT PURPOSES

	Averham, Kelham, Staythorpe	241.06
	Kneesall, Kersall, Ompton	130.68
	Winthorpe, Langford	321.15
	East Stoke, Thorpe	85.74

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. that the following amounts be now calculated by the Council for the year 2018/2019 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:-

- (a) **£81,614,927.42** 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) **£67,422,250.00** 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) **£14,192,677.42** 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) **£4,780,770.00** being the amount of Revenue Support Grant (£592,370) and net retained Business Rates (£4,188,400) which the Council estimates will be payable for the year into its general fund
- (e) **£76,640.00** 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 on the Council Tax Collection Fund;
- (f) **£243.61** being the amount at 3(c) above less the amount at 3(d) above less the amount at 3(e) above all 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;
- (g) **£2,810,467.42** 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;

(h) **£170.27** being the amount at 3(f) above less the result given by dividing the amount at 3(g) above by the amount at 2(a) above, 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)

	PARISH	BASIC TAX (£)
1	Alverton	170.27
2	Averham	*
3	Balderton	258.62
4	Barnby in the Willows	198.17
5	Bathley	182.35
6	Besthorpe	250.82
7	Bilsthorpe	243.21
8	Bleasby	198.94
9	Blidworth	240.60
10	Bulcote	213.13
11	Carlton-on-Trent	204.65
12	Caunton	196.25
13	Caythorpe	184.04
14	Clipstone	266.76
15	Coddington	197.36
16	Collingham	206.97
17	Cotham	170.27
18	Cromwell	178.80
19	Eakring	190.58
20	East Stoke	****
21	Edingley	191.74
22	Edwinstowe	239.11
23	Egmanton	184.22
24	Elston	237.86
25	Epperstone	201.14
26	Farndon	235.78
27	Farnsfield	233.15
28	Fiskerton-cum-Morton	188.12
29	Girton and Meering	192.29
30	Gonalston	170.27
31	Grassthorpe	170.27
32	Gunthorpe	226.87
33	Halam	213.57
34	Halloughton	180.55
35	Harby	203.97
36	Hawton	206.55
37	Hockerton	205.84
38	Holme	170.27
39	Hoveringham	245.92

	PARISH	BASIC TAX (£)
40	Kelham	*
41	Kersall	**
42	Kilvington	170.27
43	Kirklington	206.24
44	Kirton	224.67
45	Kneesall	**
46	Langford	***
47	Laxton & Moorhouse	212.02
48	Lowdham	241.43
49	Lyndhurst	170.27
50	Maplebeck	170.27
51	Meering	170.27
52	Newark	279.11
53	North Clifton	194.03
54	North Muskham	211.07
55	Norwell	192.87
56	Ollerton and Boughton	299.98
57	Ompton	**
58	Ossington	170.27
59	Oxton	207.27
60	Perlethorpe-cum-Budby	191.30
61	Rainworth	205.07
62	Rolleston	210.46
63	Rufford	187.37
64	South Clifton	182.59
65	South Muskham	221.59
66	South Scarle	221.45
67	Southwell	244.19
68	Spalford	170.27
69	Staunton	170.27
70	Staythorpe	*
71	Sutton-on-Trent	216.66
72	Syerston	178.13
73	Thorney	192.98
74	Thorpe	****
75	Thurgarton	200.21
76	Upton	204.61
77	Walesby	255.86
78	Wellow	198.60
79	Weston	198.71
80	Wigsley	170.27
81	Winkburn	170.27
82	Winthorpe	***
83	Fernwood	245.32
84	Kings Clipstone	249.19

PARISHES GROUPED FOR PRECEPT PURPOSES

	Parish	Basic Tax (£)
*	Averham, Kelham, Staythorpe	182.96
**	Kneesall, Kersall, Ompton	187.04
***	Winthorpe, Langford	196.95
****	East Stoke, Thorpe	199.43

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.

Recommendation 3(j) 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.

3(j)

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
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		£	£	£	£	£	£	£	£
1	Alverton	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
2	Averham	*	*	*	*	*	*	*	*
3	Balderton	172.41	201.15	229.88	258.62	316.09	373.56	431.03	517.24
4	Barnby in the Willows	132.11	154.13	176.15	198.17	242.21	286.25	330.28	396.34
5	Bathley	121.57	141.83	162.09	182.35	222.87	263.39	303.92	364.70
6	Besthorpe	167.21	195.08	222.95	250.82	306.56	362.30	418.03	501.64
7	Bilsthorpe	162.14	189.16	216.19	243.21	297.26	351.30	405.35	486.42
8	Bleasby	132.63	154.73	176.84	198.94	243.15	287.36	331.57	397.88
9	Blidworth	160.40	187.13	213.87	240.60	294.07	347.53	401.00	481.20
10	Bulcote	142.09	165.77	189.45	213.13	260.49	307.85	355.22	426.26
11	Carlton-on-Trent	136.43	159.17	181.91	204.65	250.13	295.61	341.08	409.30
12	Caunton	130.83	152.64	174.44	196.25	239.86	283.47	327.08	392.50
13	Caythorpe	122.69	143.14	163.59	184.04	224.94	265.84	306.73	368.08
14	Clipstone	177.84	207.48	237.12	266.76	326.04	385.32	444.60	533.52
15	Coddington	131.57	153.50	175.43	197.36	241.22	285.08	328.93	394.72
16	Collingham	137.98	160.98	183.97	206.97	252.96	298.96	344.95	413.94
17	Cotham	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
18	Cromwell	119.20	139.07	158.93	178.80	218.53	258.27	298.00	357.60
19	Eakring	127.05	148.23	169.40	190.58	232.93	275.28	317.63	381.16
20	East Stoke	****	****	****	****	****	****	****	****
21	Edingley	127.83	149.13	170.44	191.74	234.35	276.96	319.57	383.48
22	Edwinstowe	159.41	185.97	212.54	239.11	292.25	345.38	398.52	478.22
23	Egmanton	122.81	143.28	163.75	184.22	225.16	266.10	307.03	368.44
24	Elston	158.57	185.00	211.43	237.86	290.72	343.58	396.43	475.72
25	Epperstone	134.09	156.44	178.79	201.14	245.84	290.54	335.23	402.28
26	Farndon	157.19	183.38	209.58	235.78	288.18	340.57	392.97	471.56
27	Farnsfield	155.43	181.34	207.24	233.15	284.96	336.77	388.58	466.30
28	Fiskerton-cum-Morton	125.41	146.32	167.22	188.12	229.92	271.73	313.53	376.24
29	Girton	128.19	149.56	170.92	192.29	235.02	277.75	320.48	384.58
30	Gonalston	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
31	Grassthorpe	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
32	Gunthorpe	151.25	176.45	201.66	226.87	277.29	327.70	378.12	453.74
33	Halam	142.38	166.11	189.84	213.57	261.03	308.49	355.95	427.14
34	Halloughton	120.37	140.43	160.49	180.55	220.67	260.79	300.92	361.10

35	Harby	135.98	158.64	181.31	203.97	249.30	294.62	339.95	407.94
36	Hawton	137.70	160.65	183.60	206.55	252.45	298.35	344.25	413.10
37	Hockerton	137.23	160.10	182.97	205.84	251.58	297.32	343.07	411.68
38	Holme	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
39	Hoveringham	162.61	189.72	216.82	243.92	298.12	352.33	406.53	487.84
40	Kelham	*	*	*	*	*	*	*	*
41	Kersall	**	**	**	**	**	**	**	**
42	Kilvington	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
43	Kirklington	137.49	160.41	183.32	206.24	252.07	297.90	343.73	412.48
44	Kirton	149.78	174.74	199.71	224.67	274.60	324.52	374.45	449.34
45	Kneesall	**	**	**	**	**	**	**	**
46	Langford	***	***	***	***	***	***	***	***
47	Laxton & Moorhouse	141.35	164.90	188.46	212.02	259.14	306.25	353.37	424.04
48	Lowdham	160.95	187.78	214.60	241.43	295.08	348.73	402.38	482.86
49	Lyndhurst	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
50	Maplebeck	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
51	Meering	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
52	Newark	186.07	217.09	248.10	279.11	341.13	403.16	465.18	558.22
53	North Clifton	129.35	150.91	172.47	194.03	237.15	280.27	323.38	388.06
54	North Muskham	140.71	164.17	187.62	211.07	257.97	304.88	351.78	422.14
55	Norwell	128.58	150.01	171.44	192.87	235.73	278.59	321.45	385.74
56	Ollerton and Boughton	199.99	233.32	266.65	299.98	366.64	433.3	499.97	599.96
57	Ompton	**	**	**	**	**	**	**	**
58	Ossington	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
59	Oxton	138.18	161.21	184.24	207.27	253.33	299.39	345.45	414.54
60	Perlethorpe-cum-Budby	127.53	148.79	170.04	191.30	233.81	276.32	318.83	382.60
61	Rainworth	136.71	159.50	182.28	205.07	250.64	296.21	341.78	410.14
62	Rolleston	140.31	163.69	187.08	210.46	257.23	304.00	350.77	420.92
63	Rufford	124.91	145.73	166.55	187.37	229.01	270.65	312.28	374.74
64	South Clifton	121.73	142.01	162.30	182.59	223.17	263.74	304.32	365.18
65	South Muskham	147.73	172.35	196.97	221.59	270.83	320.07	369.32	443.18
66	South Scarle	147.63	172.24	196.84	221.45	270.66	319.87	369.08	442.90
67	Southwell	162.79	189.93	217.06	244.19	298.45	352.72	406.98	488.38
68	Spalford	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
69	Staunton	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
70	Staythorpe	*	*	*	*	*	*	*	*
71	Sutton-on-Trent	144.44	168.51	192.59	216.66	264.81	312.95	361.10	433.32
72	Syerston	118.75	138.55	158.34	178.13	217.71	257.30	296.88	356.26
73	Thorney	128.65	150.10	171.54	192.98	235.86	278.75	321.63	385.96
74	Thorpe	****	****	****	****	****	****	****	****
75	Thurgarton	133.47	155.72	177.96	200.21	244.99	291.21	340.42	400.42

76	Upton	136.41	159.14	181.88	204.61	250.08	295.55	341.02	409.22
77	Walesby	170.57	199.00	227.43	255.86	312.72	369.58	426.43	511.72
78	Wellow	132.40	154.47	176.53	198.6	242.73	286.87	331.00	397.20
79	Weston	132.47	154.55	176.63	198.71	242.87	287.03	331.18	397.42
80	Wigsley	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
81	Winkburn	113.51	132.43	151.35	170.27	208.11	245.95	283.78	340.54
82	Winthorpe	***	***	***	***	***	***	***	***
83	Fernwood	163.55	190.80	218.06	245.32	299.84	354.35	408.87	490.64
84	Kings Clipstone	166.13	193.81	221.50	249.19	304.57	359.94	415.32	498.38

Parishes joint for Precept purposes

*	Averham, Kelham, Staythorpe	121.97	142.30	162.63	182.96	223.62	264.28	304.93	365.92
**	Kneesall, Kersall, Ompton	124.69	145.48	166.26	187.04	228.6	270.17	311.73	374.08
** *	Winthorpe, Langford	131.30	153.18	175.07	196.95	240.72	284.48	328.25	393.90
** **	East Stoke, Thorpe	132.95	155.11	177.27	199.43	243.75	288.07	332.38	398.86

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 2018/2019 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 of the categories of dwellings shown below;

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£	£	£	£	£	£	£	£
946.29	1,104.00	1,261.72	1,419.43	1,734.86	2,050.29	2,365.72	2,838.86

5. it be noted for the year 2018/2019 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 of the categories of dwellings shown below;

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£	£	£	£	£	£	£	£
130.26	151.97	173.68	195.39	238.81	282.23	325.65	390.78

6. it be noted for the year 2018/2019 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 of the categories of dwellings shown below; and

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£	£	£	£	£	£	£	£
51.67	60.29	68.90	77.51	94.73	111.96	129.18	155.02

7. having calculated the aggregate in each case of the amounts at 3(j) 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 2018/2019 for each of the categories of dwellings shown on the following pages:

Recommendation 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	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
2	Averham	1,250.19	1,458.56	1,666.93	1,875.29	2,292.02	2,708.76	3,125.48	3,750.58
3	Balderton	1,300.63	1,517.41	1,734.18	1,950.95	2,384.49	2,818.04	3,251.58	3,901.90
4	Barnby in the Willows	1,260.33	1,470.39	1,680.45	1,890.50	2,310.61	2,730.73	3,150.83	3,781.00
5	Bathley	1,249.79	1,458.09	1,666.39	1,874.68	2,291.27	2,707.87	3,124.47	3,749.36
6	Besthorpe	1,295.43	1,511.34	1,727.25	1,943.15	2,374.96	2,806.78	3,238.58	3,886.30
7	Bilsthorpe	1,290.36	1,505.42	1,720.49	1,935.54	2,365.66	2,795.78	3,225.90	3,871.08
8	Bleasby	1,260.85	1,470.99	1,681.14	1,891.27	2,311.55	2,731.84	3,152.12	3,782.54
9	Blidworth	1,288.62	1,503.39	1,718.17	1,932.93	2,362.47	2,792.01	3,221.55	3,865.86
10	Bulcote	1,270.31	1,482.03	1,693.75	1,905.46	2,328.89	2,752.33	3,175.77	3,810.92
11	Carlton-on-Trent	1,264.65	1,475.43	1,686.21	1,896.98	2,318.53	2,740.09	3,161.63	3,793.96
12	Caunton	1,259.05	1,468.90	1,678.74	1,888.58	2,308.26	2,727.95	3,147.63	3,777.16
13	Caythorpe	1,250.91	1,459.40	1,667.89	1,876.37	2,293.34	2,710.32	3,127.28	3,752.74
14	Clipstone	1,306.06	1,523.74	1,741.42	1,959.09	2,394.44	2,829.80	3,265.15	3,918.18
15	Coddington	1,259.79	1,469.76	1,679.73	1,889.69	2,309.62	2,729.56	3,149.48	3,779.38
16	Collingham	1,266.20	1,477.24	1,688.27	1,899.30	2,321.46	2,744.44	3,165.20	3,798.60

17	Cotham	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
18	Cromwell	1,247.42	1,455.33	1,663.23	1,871.13	2,286.93	2,702.75	3,118.55	3,742.26
19	Eakring	1,255.27	1,464.49	1,673.70	1,882.91	2,301.33	2,719.76	3,138.18	3,765.82
20	East Stoke	1,261.17	1,471.37	1,681.57	1,891.76	2,312.15	2,732.55	3,152.93	3,783.52
21	Edingley	1,256.05	1,465.39	1,674.74	1,884.07	2,302.75	2,721.44	3,140.12	3,768.14
22	Edwinstowe	1,287.63	1,502.23	1,716.84	1,931.44	2,360.65	2,789.86	3,219.07	3,862.88
23	Egmanton	1,251.03	1,459.54	1,668.05	1,876.55	2,293.56	2,710.58	3,127.58	3,753.10
24	Elston	1,286.79	1,501.26	1,715.73	1,930.19	2,359.12	2,788.06	3,216.98	3,860.38
25	Epperstone	1,262.31	1,472.70	1,683.09	1,893.47	2,314.24	2,735.02	3,155.78	3,786.94
26	Farndon	1,285.41	1,499.64	1,713.88	1,928.11	2,356.58	2,785.05	3,213.52	3,856.22
27	Farnsfield	1,283.65	1,497.60	1,711.54	1,925.48	2,353.36	2,781.25	3,209.13	3,850.96
28	Fiskerton-cum-Morton	1,253.63	1,462.58	1,671.52	1,880.45	2,298.32	2,716.21	3,134.08	3,760.90
29	Girton	1,256.41	1,465.82	1,675.22	1,884.62	2,303.42	2,722.23	3,141.03	3,769.24
30	Gonalston	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
31	Grassthorpe	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
32	Gunthorpe	1,279.47	1,492.71	1,705.96	1,919.20	2,345.69	2,772.18	3,198.67	3,838.40
33	Halam	1,270.60	1,482.37	1,694.14	1,905.90	2,329.43	2,752.97	3,176.50	3,811.80
34	Halloughton	1,248.59	1,456.69	1,664.79	1,872.88	2,289.07	2,705.27	3,121.47	3,745.76
35	Harby	1,264.20	1,474.90	1,685.61	1,896.30	2,317.70	2,739.10	3,160.50	3,792.60
36	Hawton	1,265.92	1,476.91	1,687.90	1,898.88	2,320.85	2,742.83	3,164.80	3,797.76
37	Hockerton	1,265.45	1,476.36	1,687.27	1,898.17	2,319.98	2,741.80	3,163.62	3,796.34
38	Holme	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
39	Hoveringham	1,290.83	1,505.98	1,721.12	1,936.25	2,366.52	2,796.81	3,227.08	3,872.50
40	Kelham	1,250.19	1,458.56	1,666.93	1,875.29	2,292.02	2,708.76	3,125.48	3,750.58
41	Kersall	1,252.91	1,461.74	1,670.56	1,879.37	2,297.00	2,714.65	3,132.28	3,758.74
42	Kilvington	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
43	Kirklington	1,265.71	1,476.67	1,687.62	1,898.57	2,320.47	2,742.38	3,164.28	3,797.14
44	Kirton	1,278.00	1,491.00	1,704.01	1,917.00	2,343.00	2,769.00	3,195.00	3,834.00
45	Kneesall	1,252.91	1,461.74	1,670.56	1,879.37	2,297.00	2,714.65	3,132.28	3,758.74
46	Langford	1,259.52	1,469.44	1,679.37	1,889.28	2,309.11	2,733.24	3,148.34	3,778.56

47	Laxton & Moorhouse	1,269.57	1,481.16	1,692.76	1,904.35	2,327.54	2,750.73	3,173.92	3,808.70
48	Lowdham	1,289.17	1,504.04	1,718.90	1,933.76	2,363.48	2,793.21	3,222.93	3,867.52
49	Lyndhurst	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
50	Maplebeck	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
51	Meering	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
52	Newark	1,314.29	1,533.35	1,752.40	1,971.44	2,409.53	2,847.64	3,285.73	3,942.88
53	North Clifton	1,257.57	1,467.17	1,676.77	1,886.36	2,305.55	2,724.75	3,143.93	3,772.72
54	North Muskham	1,268.93	1,480.43	1,691.92	1,903.40	2,326.37	2,749.36	3,172.33	3,806.80
55	Norwell	1,256.80	1,466.27	1,675.74	1,885.20	2,304.13	2,723.07	3,142.00	3,770.40
56	Ollerton and Boughton	1,328.21	1,549.58	1,770.95	1,992.31	2,435.04	2,877.78	3,320.52	3,984.62
57	Ompton	1,252.91	1,461.74	1,670.56	1,879.37	2,297.00	2,714.65	3,132.28	3,758.74
58	Ossington	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
59	Oxton	1,266.40	1,477.47	1,688.54	1,899.60	2,321.73	2,743.87	3,166.00	3,799.20
60	Perlethorpe-cum-Budby	1,255.75	1,465.05	1,674.34	1,883.63	2,302.21	2,720.80	3,139.38	3,767.26
61	Rainworth	1,264.93	1,475.76	1,686.58	1,897.40	2,319.04	2,740.69	3,162.33	3,794.80
62	Rolleston	1,268.53	1,479.95	1,691.38	1,902.79	2,325.63	2,748.48	3,171.32	3,805.58
63	Rufford	1,253.13	1,461.99	1,670.85	1,879.70	2,297.41	2,715.13	3,132.83	3,759.40
64	South Clifton	1,249.95	1,458.27	1,666.60	1,874.92	2,291.57	2,708.22	3,124.87	3,749.84
65	South Muskham	1,275.95	1,488.61	1,701.27	1,913.92	2,339.23	2,764.55	3,189.87	3,827.84
66	South Scarle	1,275.85	1,488.50	1,701.14	1,913.78	2,339.06	2,764.35	3,189.63	3,827.56
67	Southwell	1,291.01	1,506.19	1,721.36	1,936.52	2,366.85	2,797.20	3,227.53	3,873.04
68	Spalford	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
69	Staunton	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
70	Staythorpe	1,250.19	1,458.56	1,666.93	1,875.29	2,292.02	2,708.76	3,125.48	3,750.58
71	Sutton-on-Trent	1,272.66	1,484.77	1,696.89	1,908.99	2,333.21	2,757.43	3,181.65	3,817.98
72	Syerston	1,246.97	1,454.81	1,662.64	1,870.46	2,286.11	2,701.78	3,117.43	3,740.92
73	Thorney	1,256.87	1,466.36	1,675.84	1,885.31	2,304.26	2,723.23	3,142.18	3,770.62
74	Thorpe	1,261.17	1,471.37	1,681.57	1,891.76	2,312.15	2,732.55	3,152.93	3,783.52
75	Thurgarton	1,261.69	1,471.98	1,682.26	1,892.54	2,313.10	2,733.67	3,154.23	3,785.08
76	Upton	1,264.63	1,475.40	1,686.18	1,896.94	2,318.48	2,740.03	3,161.57	3,793.88

77	Walesby	1,298.79	1,515.26	1,731.73	1,948.19	2,381.12	2,814.06	3,246.98	3,896.38
78	Wellow	1,260.62	1,470.73	1,680.83	1,890.93	2,311.13	2,731.35	3,151.55	3,781.86
79	Weston	1,260.69	1,470.81	1,680.93	1,891.04	2,311.27	2,731.51	3,151.73	3,782.08
80	Wigsley	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
81	Winkburn	1,241.73	1,448.69	1,655.65	1,862.60	2,276.51	2,690.43	3,104.33	3,725.20
82	Winthorpe	1,259.52	1,469.44	1,679.37	1,889.28	2,309.12	2,728.96	3,148.80	3,778.56
83	Fernwood	1,291.77	1,507.06	1,722.36	1,937.65	2,368.24	2,798.83	3,229.42	3,875.30
84	Kings Clipstone	1,294.35	1,510.07	1,725.80	1,941.52	2,372.97	2,804.42	3,235.87	3,883.04

Parishes joint for Precept purposes

*	Averham, Kelham, Staythorpe	1,250.19	1,458.56	1,666.93	1,875.29	2,292.02	2,708.75	3,125.48	3,750.58
**	Kneesall, Kersall, Ompton	1,252.91	1,461.74	1,670.56	1,879.37	2,297.00	2,714.64	3,132.28	3,758.74
***	Winthorpe, Langford	1,259.52	1,469.44	1,679.37	1,889.28	2,309.12	2,728.95	3,148.80	3,778.56
*** *	East Stoke, Thorpe	1,261.17	1,471.37	1,681.57	1,891.76	2,312.15	2,732.54	3,152.93	3,783.52

- 8. determine that the Council's basic amount of council tax for 2018/19 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 2018/19. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2018/19 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.**

Background Papers

Local Government Finance Act 1992

Local Government Finance Act 2012

Localism Act 2012

Regulations and Directions issued annually under the above Acts

For further information please contact Sanjiv Kohli, Director - Resources and s151 Officer on 01636 655303.

R. V. Blaney

Leader of the Council

CAPITAL PROGRAMME 2018/19 TO 2021/22

1.0 Purpose of Report

1.1 To approve the Council's Capital Programme 2018/19 to 2021/22.

2.0 Background Information

2.1 At its meeting on 22 February 2017 the Policy & Finance Committee considered the proposed Capital Programme and agreed to recommend it to Council. A copy of the report is attached at **Appendix 1** and it has been used to prepare the Capital Programme section of the budget booklet.

3.0 Proposals

3.1 The Capital Programme 2018/19 to 2021/22 proposes investment of £69.9m over the 4 year programme. Housing Services £54.9m (made up of Property Investment and the New Build Programme) and General Fund £15m (made up of various general fund projects).

3.2 This expenditure is financed by a combination of Government Grants, Third Party Contributions, Capital Receipts, Revenue Support (through the Major Repairs Reserve) and internal/external borrowing.

4.0 RECOMMENDATIONS that:

- a) **the General Fund schemes shown in Appendix A, the housing services programme in Appendix B 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 2018/19 to 2021/22 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 Policy & Finance Committee for consideration.**

Background Papers

Nil

For further information please contact Jenna Norton - Accountant on ext. 5327.

Sanjiv Kohli
Director – Resources and S151 Officer

CAPITAL PROGRAMME 2017/18 TO 2021/22

1.0 Purpose of Report

1.1 In accordance with Financial Regulation 6.2.3, Policy & Finance Committee is required to consider the Capital Programme and recommend to Council the final Programme. This report details the available resources, the Council's existing committed programme and the priority schemes identified.

2.0 Capital Expenditure – General Fund

2.1 The Council intends to spend £15m in general fund capital expenditure from 2018/19 to 2021/22. Details of individual schemes are shown in **Appendix A**.

2.2 The Council currently has vehicles, plant, equipment and technology which it has either financed from its own resources as part of the capital programme or by a leasing contract. The decision on which financing route is made after a full appraisal of the alternatives for each tranche of assets as they come up for replacement. However in order to capture the full impact of this expenditure the full replacement cost is included as capital expenditure.

3.0 Capital Expenditure - Housing Revenue Account (HRA)

3.1 The Council intends to spend £54.9m on the HRA from 2018/19 to 2021/22. This made up of £21m on existing property investment and £33.9m on Affordable Housing.

3.2 The Management Agreement is the overarching legal agreement between the Council and Newark and Sherwood Homes (NSH) and one of its annual requirements is that the Company will submit to the Council its written proposals for the next year's arrangements for a number of operational and strategic activities including, an Asset Management Programme.

3.3 The annual Asset Management Programme is informed by the HRA Asset Management Strategy, developed by the Company. This was discussed and scrutinised by Council officers with the Company at the meeting of the Strategic Housing Panel (SHLP) on 14 September 2017. Following the successful completion of the decent homes programme, there is an ongoing requirement to continue investment in Council properties. Details of the proposed investment can be found at **Appendix B**.

3.5 Newark and Sherwood Homes have been commissioned by the Council to deliver an initial 5 year HRA new build programme of indicatively 335 new units over the period. The target delivery for phase 1 of the programme is 70 units.

3.6 Consultation with members and site investigation works for phase 2 are progressing in preparation for start during 2018/19. Details of the development programme are also available at **Appendix B**.

3.6 NSH will receive income for managing the HRA element of the Council's Capital Programme. The fee payable for the delivery of the Asset Management Programme is 8% of contract costs. With regards to the new development programme, fees have been agreed at a variable rate. The base being £2,160 per unit with variable add-ons. These fees are included in the budgeted figures.

4.0 Resources Available

4.1 Any capital schemes that are subject to funding by external parties are subject to a detailed bidding process. If successful, these can provide additional funding for the capital programme.

4.2 The most significant grants currently expected over the medium term are from the Better Care Fund (BCF) for Disabled Facilities Grants (DFG's), Homes and Communities Agency (HCA) for the first phase of the new Council housing development, and Section 106 (S106) monies. In addition to this, grants held from previous years for specific purposes are due to be utilised i.e. Local Enterprise Partnership (LEP) Grant that has been received in relation to the Southern Link Road.

4.3 Capital Receipts

	General Fund £m	HRA £m	1-4-1 £m	Total £m
Balance @ 1 Apr 18	0.378	1.787	1.211	3.376
Funding required for future years 2018/19 to 2021/22	0	0.964	1.211	2.175
Unallocated Capital Receipts Balance	0.378	0.823	0	1.201

This report leaves an unallocated balance of General Fund capital receipts of only £0.378m to consider other schemes as they emerge during the coming financial year. This will, of course be added to as further general fund capital receipts are generated.

4.4 The HRA capital receipts relate to Right to Buys (RTB). £1.211m of this relates to 1-4-1's which is an amount we agree to use for replacement homes and must be used as follows:

- Amount to no more than 30% of the total scheme cost
- Spent within 3 years of receipt, or returned to Government with interest

4.3 In keeping to the Council's Capital Strategy, unsupported borrowing is minimised to prevent any destabilisation of the General Fund from the interest and Minimum Revenue Provision (MRP) that results from borrowing. Leasing is also tightly controlled within the revenue budgets for the same reason, and is rarely used, as the interest rates over the last few years has meant that the costs of borrowing are lower than leasing costs.

5.0 Financing

5.1 Subject to the approval of the proposals outlined in section 2.0 and 3.0 above, the current plan for financing the capital programme is shown below.

	2018/19	2019/20	2020/21	2020/21
COMMITTED SCHEMES EXPENDITURE				
Other Services	5,047	4,049	4,534	1,429
Total Expenditure	5,047	4,049	4,534	1,429
CAPITAL EXPENDITURE FINANCING				
Net Internal and External Borrowing Approval	1,649	1,200	1,220	830
Government Grants	2,629	2,849	3,314	599
Contributions from Third Parties	77	0	0	0
Capital Receipts	0	0	0	0
Capital Reserve	692	0	0	0
Total Resources Available	5,047	4,049	4,534	1,429

	2018/19	2019/20	2020/21	2021/22
COMMITTED SCHEMES EXPENDITURE				
Housing Services - HRA	17,614	12,946	12,346	12,076
Total Expenditure	17,614	12,946	12,346	12,076
CAPITAL EXPENDITURE FINANCING				
Net Internal and External Borrowing Approval	1,020	3,035	3,748	7,113
Government Grants	2,397	0	0	0
Contributions from Third Parties	1,384	0	0	0
Capital Receipts	2,175	0	0	0
Capital Reserve	2	2	2	2
Housing Services Revenue Support (MRR)	10,637	9,909	8,596	4,962
Total Resources Available	17,614	12,946	12,346	12,076

- 5.2 Once the capital expenditure has been incurred, the financing of the Capital Programme as a whole is arranged by the Section 151 Officer, in line with the Council's Constitution.
- 5.3 All bids for new capital projects are allocated scores in accordance with the Capital Prioritisation Process (details of which are provided in the Capital Strategy 2018/19 to 2021/22).
- 5.4 The process is designed to demonstrate a level of objectivity in the selection of projects. It is numerically based, and allocates points to projects dependent on the categories into which they fall. The aim is to demonstrate how the Council selects projects that will achieve its overall objectives and is not biased towards particular service interests.

5.0 **RECOMMENDATION**

It is recommended to Council on 8 March 2018 that:

- a) the General Fund schemes shown in Appendix A and the housing services programme in Appendix B be approved as committed expenditure in the Capital Programme;

Reasons for Recommendations

To enable the Capital Programme to be considered by the Policy & Finance Committee in accordance with Financial Regulation 6.2.3 prior to its submission to Council.

Background Papers

Nil.

For further information please contact Jenna Norton on Ext 5327.

Sanjiv Kohli
Director - Resources and S151 Officer

CAPITAL PROGRAMME 2018/19 - 2021/22										APPENDIX A
For information only										
	SCHEME	External Funding	Total Scheme Cost	Actual Spend pre 2017/18	2017/18 Forecast	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget	
GENERAL FUND										
TA3286	Information Technology Investment	0	2,218,733	555,238	593,495	415,000	110,000	118,000	427,000	
TA	CUSTOMERS	0	2,218,733	555,238	593,495	415,000	110,000	118,000	427,000	
TB2250	Vehicles & Plant (NSH)	0	675,000	0		675,000				
TB2253	Vehicles & Plant (NSDC)	0	5,772,470	3,116,625	22,600	404,245	1,090,000	736,000	403,000	
TB3154	Castle Gatehouse Project	95,957	117,600	0	80,000	37,600				
TB6148	Lorry Carpark Extension	0	792,000	0	100,000	692,000				
TB6153	Cricket Facilities Kelham Rd - S106	87,000	87,000	0	52,004	34,996				
TB	COMMUNITY	182,957	7,444,070	3,116,625	254,604	1,843,841	1,090,000	736,000	403,000	
TC1000	New Council Offices	68,500	7,676,128	4,429,930	3,086,917	159,280				
TC	RESOURCES	68,500	7,676,128	4,429,930	3,086,917	159,280	0	0	0	
TE3268	Southern Link Road Contribution	9,114,779	9,500,000	1,019,215	1,200,000	1,950,000	2,250,000	3,080,785		
TE	GROWTH	9,114,779	9,500,000	1,019,215	1,200,000	1,950,000	2,250,000	3,080,785	0	
TF6011	Private Sector Disabled Facilities Grants	3,652,075	3,652,075	529,492	725,150	599,359	599,358	599,358	599,358	
TF6807	Warm Homes on Prescription	143,405	143,405		63,405	80,000	0	0	0	
TF	SAFETY	3,795,480	3,795,480	529,492	788,555	679,359	599,358	599,358	599,358	
TOTAL GENERAL FUND		13,161,716	30,634,410	9,650,500	5,923,571	5,047,480	4,049,358	4,534,143	1,429,358	

CAPITAL PROGRAMME 2018/19 - 2021/22										APPENDIX B
For information only										
SCHEME	External Funding	Total Scheme Cost	Actual Spend pre 2017/18	2017/18 Forecast	2018/19 Budget	2019/20 Budget	2020/21 Budget	2021/22 Budget		
HOUSING REVENUE ACCOUNT										
PROPERTY INVESTMENT PROGRAMME										
S91100	ROOF REPLACEMENTS	1,728,000	0	0	432,000	432,000	432,000	432,000		
S91200	KITCHEN & BATHROOM CONVERSIONS	6,480,000	0	0	1,620,000	1,620,000	1,620,000	1,620,000		
S91300	EXTERNAL FABRIC	1,296,000	0	0	324,000	324,000	324,000	324,000		
S91400	DOORS & WINDOWS	734,400	0	0	183,600	183,600	183,600	183,600		
S91500	OTHER STRUCTURAL	216,370	0	370	54,000	54,000	54,000	54,000		
S91511	Walls Re-Rendering	226,800	0	10,800	54,000	54,000	54,000	54,000		
S93100	ELECTRICAL	2,592,000	0	0	648,000	648,000	648,000	648,000		
S93200	SMOKE ALARMS	0	0	0	0	0	0	0		
S93205	Carbon Monoxide Detectors	540,000	0	0	0	270,000	270,000	0		
S93500	HEATING	2,376,000	0	0	594,000	594,000	594,000	594,000		
S93600	ENERGY EFFICIENCY	648,000	0	0	162,000	162,000	162,000	162,000		
S95100	GARAGE FORECOURTS	324,000	0	0	81,000	81,000	81,000	81,000		
S95109	Garages	108,000	0	0	27,000	27,000	27,000	27,000		
S95200	ENVIRONMENTAL WORKS	732,780	0	84,780	162,000	162,000	162,000	162,000		
S95250	Communal Lighting	86,400	0	0	21,600	21,600	21,600	21,600		
S95252	Flood Defence Systems	54,000	0	10,800	10,800	10,800	10,800	10,800		
S95253	Play Areas	108,000	0	21,600	21,600	21,600	21,600	21,600		
S95254	Estate Remodelling	282,960	0	2,160	70,200	70,200	70,200	70,200		
S97100	ASBESTOS	270,000	0	0	108,000	54,000	54,000	54,000		
S97200	FIRE SAFETY	216,000	0	0	54,000	54,000	54,000	54,000		
S97300	DDA IMPROVEMENTS	86,400	0	0	21,600	21,600	21,600	21,600		
S97400	DISABLED ADAPTATIONS	1,728,000	0	0	432,000	432,000	432,000	432,000		
S97500	LEGIONELLA	129,600	0	0	32,400	32,400	32,400	32,400		
S99100	Property Investment Contingency	268,091	0	52,091	54,000	54,000	54,000	54,000		
	SUB TOTAL PROPERTY INVESTMENT	0	21,231,801	0	182,601.00	5,167,800	5,383,800	5,383,800	5,113,800	
AFFORDABLE HOUSING										
SA1031	Site Acquisition (Incl RTB)	0	2,000,000	0	800,000	600,000	600,000			
SA1033	Estate Reperation	986,799	986,799	0	252,500	734,299				
SA1041	Phase 1 Cluster 1, Newark	1,270,993	2,163,867		1,997,199	166,668				
SA1042	Phase 1 Cluster 2, Farndon HCA	346,239	2,147,636		986,604	1,161,032				
SA1043	Phase 1 Cluster 2, Farndon 1-4-1	0	206,745		134,384	72,361				
SA1044	Phase 1 Cluster 3, West	1,383,834	2,178,073		326,711	1,851,362				
SA1045	Phase 1 Cluster 4, Collingham	149,970	1,343,647		134,365	1,209,283				
SA1046	Phase 1 Cluster 5, Balderton	470,920	1,487,252		147,081	1,340,171				
SA1047	Phase 1A	0	486,358		48,636	437,722				
SA1050	Phase 2	0	6,962,349			4,873,644	2,088,705			
SA1060	Phase 3	0	6,962,349				4,873,644	2,088,705		
SA1070	Phase 4	0	6,962,349					4,873,644	2,088,705	
SA1080	Phase 5	0	4,873,644						4,873,644	
	SUB TOTAL AFFORDABLE HOUSING	4,608,755	38,761,068	0	4,827,480	12,446,541	7,562,349	6,962,349	6,962,349	
	TOTAL HOUSING REVENUE ACCOUNT	4,608,755	59,992,869	0	5,010,081	17,614,341	12,946,149	12,346,149	12,076,149	

CAPITAL STRATEGY 2018/19 – 2020/21

1.0 Purpose of Report

- 1.1 To seek Committee approval to the Capital Strategy 2018/19 to 2020/21, this incorporates the Minimum Revenue Provision Policy and Capital Prudential Indicators, updated in accordance with latest guidance.

2.0 Background Information

- 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.

- 2.2 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.

2.3 Statutory Requirements:

- It is a statutory requirement under Section 33 of the Local Government Finance Act 1992 for the Council to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level that is affordable for the foreseeable future, after taking into account the following issues:
 - Increases in interest payments caused by increased borrowing to finance additional capital expenditure.
 - Any increases in running costs from new capital projects.
- 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 for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

2.4 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.

2.5 The report also seeks approval for the Council's Minimum Revenue Provision (MRP) Policy (Appendix A Section 6), which sets out how the Council will pay for capital assets through revenue each year (as required by Regulation under the Local Government and Public Involvement in Health Act 2007).

3.0 Proposals

3.1 A copy of the Capital Strategy is attached as **Appendix A** to the report.

4.0 RECOMMENDATIONS that Council approves each of the following key elements:

- (a) the Capital Strategy 2018/19 to 2020/21;**
- (b) the Capital Prudential Indicators and Limits for 2018/19 to 2020/21, contained within Appendix A Section 5; and**
- (c) the Minimum Revenue Provision (MRP) Policy Statement as contained within Appendix A Section 6, which sets out the Council's policy on MRP.**

Background Papers

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

For further information please contact Andrew Snape on Ext 5523.

Sanjiv Kohli
Deputy Chief Executive
Director – Resources and S151 Officer

CAPITAL STRATEGY

2018/19 TO 2020/21

NEWARK AND SHERWOOD DISTRICT COUNCIL



CAPITAL STRATEGY

1. INTRODUCTION

This Capital Strategy outlines the principles and framework that shape the Council's capital proposals. The principal aim is to deliver an affordable programme of capital investment consistent with the Council's Financial Strategy and that contributes to the achievement of the Council's priorities and objectives as set out in the Corporate Plan.

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

As well as detailing the approved capital programme over the forthcoming five years, 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 Corporate Plan;
- An investment programme expressed over the medium to long term;
- A document that indicates the opportunities for partnership working;
- A framework that prioritises the use of capital resources;
- A consideration of the need to pursue external financing (grants, contributions 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 Policy and 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 the Policy and Finance Committee 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.

The capital programme consists of two elements:

- The Housing Capital Programme with a proposed budget for 2018/19 of £17.6m, which supports the maintenance of the Council's circa 5,400 council houses;
- The General Fund Capital Programme with a proposed budget for 2018/19 of £5.0m. Of this amount, expenditure on the Council's non-housing assets totals £4.4m, and £0.6m will provide Disabled Facilities Grants to a number of private dwellings during the year.

CAPITAL STRATEGY

2. PRINCIPLES SUPPORTING THE STRATEGY

The Capital Strategy reflects the aspirations included within the Council's main strategic documents - principally the Corporate Plan but also other key planning documents such as the Treasury Management Policy and Strategy and the Budget Strategy.

The principles that underpin the Capital Strategy include:

Policy Principles:

- A direct relationship between Council priorities, including our statutory requirements, and a capital programme driven by essential investment needs and prioritised on an authority-wide basis, demonstrating an explicit link with all key strategic planning documents; and
- The use of a rational process for assessing the relative importance of potential schemes.

Financial Principles:

- The overarching commitment to affordability of investments over the longer term;
- A recognition that the Council's own locally generated resources are limited and will only be used to fund those capital priorities that are unlikely to be able to access any other funding sources;
- A commitment to developing partnerships, including the pursuit of joint venture and community arrangements where appropriate, to achieve the Council's investment aspirations;
- To pursue all available external funding where there is a direct compatibility with the Council priorities;
- Value for money of investments in assets over their full life cycle.

Implementation and Management Principle

- The operation of robust management arrangements for the implementation, updating and review of the Strategy.

CAPITAL STRATEGY

3. CAPITAL INVESTMENT PRIORITIES

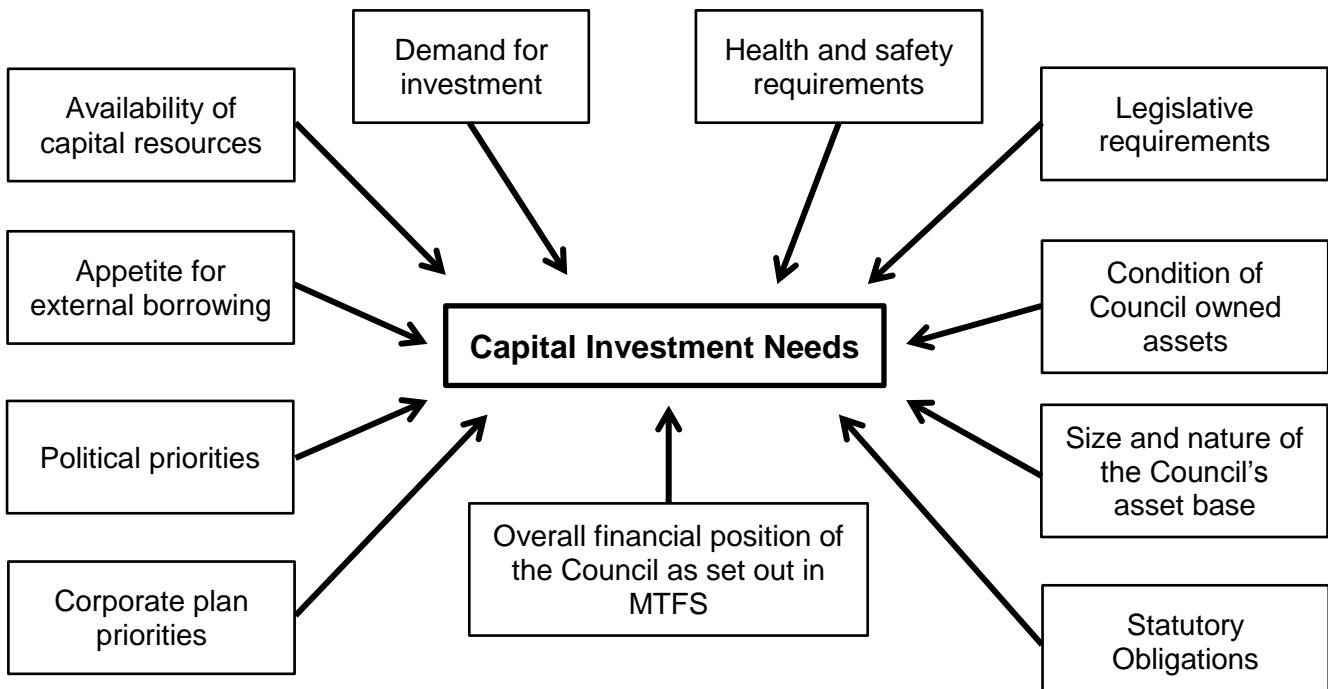
The aim of the Council is to make a sustainable improvement to the long-term quality of life of our residents. The Corporate Plan 2016-2020 sets out the vision for Newark and Sherwood. This Vision is intended to be external facing and clearly indicates the Council's ambition for the district and the people within.

Underpinning the Council's contribution to the Corporate Plan vision are four Strategic Priorities. These are:

- *Homes;*
- *Economy;*
- *Safety and Cleanliness; and*
- *Healthiness.*

The four strategic priorities are framed through the Themes of *People, Prosperity, Place and Public Service.*

While the aim of the Council for its capital investment is in line with the Corporate Plan the capital need is influenced by a number of other factors both internal and external to the Council. The diagram below identifies a number of these:



CAPITAL STRATEGY

4. FINANCIAL CONTEXT

Financial Process

The Council's financial and service planning process ensures decisions about the allocation of capital and revenue resources are taken to achieve a corporate and consistent approach.

The funding of capital schemes is via the following hierarchy:

- External grants and contributions;
- Capital receipts from the disposal of fixed assets;
- Unsupported borrowing;
- Leasing finance; (where applicable)
- Revenue contributions.

The following paragraphs examine the current and prospective means of financing projects and the range of choices available.

External Grants and Contributions - Some capital projects are financed wholly or partly through external grants and contributions that are specific to projects and cannot be used for other purposes.

Grants from external sources are a valuable source of capital finance for the Council and have enabled the Council to realise a substantial number of capital developments that would otherwise have been unable to progress. Given the scale of the Council's ambitions to improve and add to its asset base much will depend on our ability to secure external funding.

The most significant grants that the Council now receives are from a combination of European money e.g. ERDF, Section 106 monies and Community Infrastructure Levies from development sites that are acquired for housing and other purposes.

Capital Receipts - The Council also generates its own capital resources through the sale of surplus land and buildings and these resources can be used by the Council to invest in new capital projects. However, the Council is not asset rich and the ability to realise significant capital receipts is limited. Moreover, the current economic climate will restrict the capital value of any sale. Decisions to dispose of assets at less than full value should therefore be tested against the opportunity cost of the capital spending given up as a consequence.

The Council received General Fund capital receipts of £0.5m in 2016/17 (estimated at £3.9m in 2017/18), and Housing capital receipts of £1.7m in 2016/17 (estimated at £1.8 in 2017/18).

Capital receipts may only be used for one or more of the following purposes:

- to meet capital expenditure;
- to repay the principal of any amount borrowed;
- to pay a premium charged in relation to any amount borrowed;
- to meet any liability in respect of credit arrangements, other than any liability which, in accordance with proper practices, must be charged to a revenue account;
- to meet the administrative costs of or incidental to a disposal of an interest in housing land; or
- to make a payment to the Secretary of State under regulation 12 or 13.

CAPITAL STRATEGY

It is also important to clarify the categories of capital receipts as follows:

- General Fund – 100% receipts from sales of land and property that are owned by the General Fund;
- Housing – 100% receipts from sales of land and property that are owned by the Housing Revenue Account that must be spent on housing capital expenditure, regeneration or debt repayment. It also includes the 25% of capital receipts from council housing sales (the other 75% is paid over to the government);
- Retained Right to Buys – This originated from the introduction of the housing self-financing regulations, which set out the government's assumptions on the number of council house sales that would be made each financial year – for Newark and Sherwood this equates to 14 Right-to-Buy sales in 2018/19. For any sales in excess of the 14 properties, the Council is allowed to keep 100% but only if it invests in new housing within a three year period at a match funding rate of 30%.

Unsupported Borrowing – Unsupported prudential borrowing is where the debt costs have to be funded from the Council's revenue resources. The principle of affordability is therefore a key consideration.

With the introduction in April 2012 of the new Housing Self-Financing regime, significant levels of additional borrowing to fund the overall capital programme 2018/19 to 2022/23 will no longer apply. Instead, borrowing for social housing purposes will be restricted to the 'gap' between the current Capital Financing Requirement and the government imposed borrowing ceiling. The size of this housing 'gap' is circa £8.5m in 2017/18 and will only be used to fund 'invest to save' schemes such as energy efficiency projects, or new build in the longer term.

For the General Fund, unsupported prudential borrowing will be tightly controlled due to the financial impact it will have on a revenue budget that already operates to very tight margins. The planning assumption for the five-year programme is that the Council may use borrowing for 'long life' assets, or as a replacement for leasing, or for an 'invest to save' scheme. This must, however, be proven to be affordable and sustainable within the revenue budget.

Revenue Funding - The Council can also use revenue resources to fund capital projects, although pressures on the revenue budgets limit the ability to fund schemes from this source.

Other Sources of Capital Financing - The Council will continue to explore the potential for developing partnerships and private sector involvement. It also has the opportunity to use leasing as a means of funding capital expenditure on vehicles and other equipment. In all cases the resulting revenue costs of these sources of funding are tested for relative Value for Money alongside debt financing.

The Council recognises that certain services have greater potential for attracting capital finance from external sources. The Council aims to ensure that it maximises the opportunities to attract partnership or third party funding where appropriate and will focus the use of its own scarce capital resources to provide public assets where these alternative funding sources are not available.

CAPITAL STRATEGY

5. CAPITAL FORECAST AND PRUDENTIAL INDICATORS

The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure: The table below summarises the Council's capital plans and how these plans are being financed by capital or revenue resources, as presented within the separate General Fund and Housing Capital Programme reports. Any shortfall of resources results in a funding borrowing need:

Capital Expenditure and Financing	2016/17 Actual £'000	2017/18 Revised £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
General Fund Expenditure	8,818	14,181	5,047	4,049	4,534
Financed by:					
Capital receipts	561	4,365	0	0	0
Capital grants	5,849	6,995	3,398	2,849	3,314
Revenue	0	0	0	0	0
General Fund Net financing need for the year	2,408	2,821	1,649	1,200	1,220
HRA Expenditure	9,613	17,530	17,614	12,946	12,346
Financed by:					
Capital Receipts	210	637	2,177	2	2
Capital Grants	1,175	5,158	3,781	0	0
Major Repair Reserve	8,228	136	10,637	9,909	8,596
HRA Net Financing need for the year	0	11,599	1,019	3,035	3,748
Total Net Financing need for the year	2,408	14,420	2,668	4,235	4,968

CAPITAL STRATEGY

Estimates of Capital Financing Requirement: The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose.

The Council is asked to approve the CFR projections below:

Capital Financing Requirement	31.03.17 Actual £'000	31.03.18 Revised £'000	31.03.19 Estimate £'000	31.03.20 Estimate £'000	31.03.21 Estimate £'000
General Fund	21,057	23,458	24,545	25,101	25,616
HRA	93,432	104,012	104,010	105,022	102,745
Total CFR	114,489	127,470	128,555	130,123	128,361
Movement in CFR	589	12,981	1,085	1,568	-1,762

Movement in CFR represented by					
Net financing need for the year (above)	2,408	14,420	2,668	4,235	4,968
Less MRP/VRP and other financing movements	-1,819	-1,439	-1,583	-2,667	-6,730
Movement in CFR	589	12,981	1,085	1,568	-1,762

The CFR is forecast to rise by £14m over the next three years as capital expenditure financed by debt outweighs resources put aside for debt repayment.

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

Debt	31.03.17 Actual £'000	31.03.18 Revised £'000	31.03.19 Estimate £'000	31.03.20 Estimate £'000	31.03.21 Estimate £'000
Borrowing	86,899	96,889	95,867	93,844	93,819
Finance leases	224	224	224	224	224
PFI liabilities	0	0	0	0	0
Transferred debt	0	0	0	0	0
Total Debt	87,123	97,113	96,091	94,068	94,043
Capital Financing Requirement	114,489	127,470	128,555	130,123	128,361
Under / (over) borrowing	27,366	30,357	32,464	36,055	34,318

CAPITAL STRATEGY

Total debt is expected to remain below the CFR during the forecast period.

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2016/17 Actual %	2017/18 Revised %	2018/19 Estimate %	2019/20 Estimate %	2020/21 Estimate %
General Fund	3.47	2.15	3.70	4.46	4.59
HRA	32.01	33.10	39.21	38.00	37.38

Incremental Impact of Capital Investment Decisions: This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax and housing rent levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the capital programme proposed.

Incremental Impact of Capital Investment Decisions	2016/17 Actual £	2017/18 Revised £	2018/19 Estimate £	2019/20 Estimate £	2020/21 Estimate £
General Fund - increase in annual band D Council Tax	5.88	6.54	3.44	2.51	2.55
HRA - increase in average weekly rents	0.10	65.45	7.76	17.10	21.20

6. ANNUAL MINIMUM REVENUE PROVISION STATEMENT 2018/19

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

CLG regulations have been issued which require the full Council to approve **an MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:

For capital expenditure incurred before 1 April 2016 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

- **Existing practice** - MRP will follow the existing practice outlined in former CLG regulations (option 1);

These options provide for an approximate 4% reduction in the borrowing need (CFR) each year. However 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.

CAPITAL STRATEGY

From 1 April 2016 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be either:

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

These options provide for a reduction in the borrowing need over approximately the asset's life.

There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made (although there are transitional arrangements in place).

Repayments included in annual PFI or finance leases are applied as MRP.

7. FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY

Introduction and Background

Following the Spending Review 2015, the Department for Communities and Local Government (CLG) recently issued guidance on the flexible use of capital receipts which came into effect from 1 April 2016 to 31 March 2019. The guidance, underpinned by a direction from the Secretary of State for Communities and Local Government, will enable local authorities to capitalise costs incurred on transforming or improving service delivery designed to generate ongoing revenue savings. The guidance also states that each local authority should prepare a Flexible use of Capital Receipts Strategy.

In summary, the key elements of the CLG 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. 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

- i. Up to 100% of capital receipts from property, plant and equipment disposals received from 2018/19 (excluding Right to Buy receipts) can be used to finance qualifying expenditure. Existing capital receipts in hand prior to 2018/19 are not permitted to be used.
- ii. Local authorities may not borrow to finance qualifying expenditure.
- iii. The guidance will apply for 2018/19.

CAPITAL STRATEGY

8. CAPITAL INVESTMENT PRIORITISATION

To ensure that capital resources are allocated to the Council's priorities, an objective, structured prioritisation process has been adopted for determining the Capital Programme.

In moving to a longer-term view of priorities, the first step in this process is to identify the potential calls on capital. An early filtering out of aspirations, which do not sufficiently meet Council priorities to warrant incurring costs of feasibility and option appraisal studies, seeks to obviate potentially abortive costs.

From this refined review the process is based on the completion of a Capital Service Bid for each project to be considered for inclusion in the Capital Programme. Each Capital Service Bid is then scored against the established methodology. Corporate Management Team scrutinises and moderates the scores, and recommends options for a prioritised Capital Programme for the forthcoming period. These are presented to Policy and Finance Committee, which makes the final recommendations to full Council.

Once full Council has approved the schemes that comprise the Capital Programme, the project managers develop detailed project plans for each scheme. The project plan forms the basis for monitoring delivery of the critical physical milestones. Each project plan includes:

- The projects objectives and performance indicators (inputs, outputs, and outcome based);
- Key milestone dates for project delivery;
- Responsible officers for delivery of each milestone;
- Resource requirements including full financial breakdown;
- Risk analysis; and
- Post project review on the completion of each scheme.

The process specifically addresses the key requirements of the Prudential Code, i.e.:

- Affordability, prudence and sustainability - the integration of the capital and revenue planning processes ensures that coherent decision-making takes place on the level of borrowing that is prudent, affordable and sustainable;
- the Council's service objectives – the specific relationships to the achievement of the objectives expressed in the Corporate Plan supplemented by reference to relevant strategic, service and/or statutory plans;
- the Value for Money offered by the plans – as demonstrated by an options appraisal;
- the stewardship of the Council's assets – explicit regard to the Council's Property Asset Management Plan; and
- the practicalities of the capital expenditure plan – i.e. projects are realistically phased and are capable of being delivered in physical terms.

9. 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 the relevant accountant and is chaired by the Business Manager 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.



CAPITAL STRATEGY

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 Director of Resources and S151 Officer co-ordinates high level monthly reporting and detailed quarterly reporting to the Management Team, Audit & Accounts Committee, and Policy and Finance Committee;
- 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 Project Manager monitoring reports are quality assured and challenged, and that corporate implications arising from capital monitoring are brought to the attention of the Corporate Management Team and Policy and Finance Committee.

10. 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.

11. 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.

12. CAPITAL RECEIPTS

Any proceeds from the disposal of assets such as land in excess of £10,000 are determined as a 'capital receipt' and feed directly into the relevant capital pot for reinvestment. The policy to sell small pockets of land or surplus vehicles often brings in income of less than £10,000. This income is classed as 'revenue income' and is posted to the revenue income and expenditure account.

13. CONCLUSION

The Capital Strategy is a 'live' document which enables the Council to make rational capital investment decisions in order to achieve its corporate priorities and objectives. As a consequence, it provides a framework for determining the relative importance of individual capital projects.

CAPITAL STRATEGY

If the Council is to achieve its ambitions, it is recognised that a commitment to partnership working with both the private sector and other public sector agencies will play a significant part of the Council's overall approach.

The adoption of a five-year capital planning framework is a significant means of improving programming for major projects and ensuring the longer term sustainability of the borrowing requirement.

The Council aims to ensure that it will maximise the opportunities to attract partnership or third party funding, and will focus the use of its own scarce capital resources to provide public assets where these alternative funding sources are not available.

The Council will maintain comprehensive and robust procedures for managing and monitoring its Capital Programme.

Any policy or strategy proposed to Council that requires capital investment must be consistent with the Capital Strategy. The Strategy is to be revisited annually, to ensure that it is kept up-to-date and is relevant and effective.

CAPITAL STRATEGY

APPENDIX 1

CAPITAL PRIORITISATION PROCESS

INTRODUCTION AND BACKGROUND

Good practice dictates that the framework for allocating capital resources to capital projects is clear and understandable to all. It is therefore imperative that the Capital Strategy details the process by which projects are selected in relation to objectives and service plans. This will demonstrate a level of objectivity in the selection of projects, especially in the context of a strategic planning process.

HOW THE PROCESS OPERATES

When business cases for new schemes are brought to Committee, financing implications of capital expenditure are included in order to assess the viability of the scheme and to enable members to make informed decisions. Once the capital expenditure has been incurred, the financing of the Capital Programme as a whole is arranged by the Section 151 Officer, in line with the Council's Constitution.

Any new scheme will initially be commissioned by the Corporate Management Team. It will then be assessed against the prioritisation criteria, see below. Based on this assessment a report will be prepared for submission to Policy and Finance Committee in December before final approval by Council.

Council will consider all schemes and either: a) allocate resources to enable a scheme to be carried out; b) place it on the uncommitted list pending identification of resources; or c) reject it.

CAPITAL STRATEGY

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 following-</p> <ul style="list-style-type: none"> • Prosperity • People • Place • Public Service 	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. Assessment of the value the partner will add to the project.</p>	15%

CAPITAL STRATEGY

	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. 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 Revenue implications have been properly developed</p>	<p>Capital costs include both works and land purchase and cover all associated costs. 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. <u>Revenue</u> will be based on whether the effect is positive, neutral or negative on the revenue budget. Positive effect scores 10 Neutral effect scores 3 Negative effect scores 0</p>	<p>15%</p> <p>Capital marked 1 to 5 Revenue marked 0 to 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:- Technical Issues Financial Uncertainty Partnership uncertainty Planning Issues Legal issues Timescale</p>	<p>10%</p>

TREASURY MANAGEMENT STRATEGY STATEMENT 2018/19

1.0 Purpose of Report

- 1.1 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.

2.0 Background Information

- 2.1 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.”

2.2 Statutory Requirements:

- It is a statutory requirement under Section 33 of the Local Government Finance Act 1992 for the Council to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level that is affordable for the foreseeable future, after taking into account the following issues:
 - Increases in interest payments caused by increased borrowing to finance additional capital expenditure.
 - Any increases in running costs from new capital projects.
- 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.

2.3 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;
- Delegation by the Council of responsibilities for implementing and monitoring Treasury Management Policies and Practices and for the execution and administration of treasury management decisions;
- Delegation by the Council of the role of scrutiny of Treasury Management Strategy and Policies to a specific named body. For this Council the delegated body is the Audit and Account Committee.

2.4 This report seeks approval for the updated Treasury Management Strategy 2018/19 (**Appendix A**), which encompasses the Treasury Prudential Indicators, the Borrowing Strategy, and the Annual Investment Strategy, in accordance with latest guidance as follows:

- The Treasury Management Strategy determines the manner in which the Council's treasury function is managed;
- The Treasury 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). The treasury management prudential indicators are now included as treasury indicators in the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. The key indicator is the Authorised Limit, i.e. the maximum amount of debt the Council could afford in the short term, but which would not be sustainable in the longer term. This is required by paragraph 3 of the Local Government Act 2003, and is calculated in accordance with the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes and the CIPFA Prudential Code.
- The Borrowing Strategy sets out how the Council's treasury service will support the capital decisions taken; the day to day treasury management activity; and the limitations on activity through treasury prudential indicators;
- The Annual Investment Strategy sets out the Council's criteria for choosing investment counterparties and limiting exposure to the risk of loss. This strategy is in accordance with the DCLG Investment Guidance.

3.0 Proposals

3.1 A copy of the Treasury Management Strategy is attached as **Appendix A** to the report.

4.0 RECOMMENDATIONS that Council approves each of the following key elements:

- (a) **the Treasury Management Strategy 2018/19, incorporating the Borrowing Strategy and the Annual Investment Strategy (Appendix A, Section 4 and Section 5);**

- (b) the Treasury Prudential Indicators and Limits for 2017/18 to 2019/20, contained within Appendix A Section 4 and Section 5; and**
- (c) the Authorised Limit Treasury Prudential Indicator contained within Appendix A Section 4.**

Background Papers

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

For further information please contact Andrew Snape on Ext 5523.

Sanjiv Kohli
Deputy Chief Executive
Director – Resources and S151 Officer

TREASURY MANAGEMENT STRATEGY STATEMENT 2018/19

1. Introduction

In January 2010 the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes 2011 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year.

During December 2017, CIPFA released a refreshed version of their publication *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes 2017 Edition*. This Treasury Management Strategy Statement complies with this new guidance.

In addition, the Department for Communities and Local Government (CLG) issued revised *Guidance on Local Council Investments* in March 2010 that requires the Council to approve an investment strategy before the start of each financial year.

This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the CLG Guidance.

The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's treasury management strategy.

Revised strategy: In accordance with the CLG Guidance, the Council will be asked to approve a revised Treasury Management Strategy Statement should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large unexpected change in interest rates, in the Council's capital programme or in the level of its investment balance.

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

Prudential and treasury indicators and treasury strategy (this report) - The first, and most important report covers:

- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

A mid-year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether any policies require revision.

An annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Investment 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. The following training has been undertaken by members: A Senior Advisor from Arlingclose, the Councils Treasury Advisors, attended the Audit and Accounts Committee in November 2017, and further training will be arranged as required.

The Council's treasury management staff, regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to study professional qualifications from CIPFA, the Association of Corporate Treasurers and other appropriate organisations.

Investment advisers: The Council has appointed Arlingclose Limited as treasury management advisers who provide specific advice on investment, debt and capital finance issues.

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 our external advisers.

The Council 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.

2. External Context

Economic background: The major external influence on the Council's treasury management strategy for 2018/19 will be the UK's progress in negotiating its exit from the European Union and agreeing future trading arrangements. The domestic economy has remained relatively robust since the surprise outcome of the 2016 referendum, but there are indications that uncertainty over the future is now weighing on growth. Transitional arrangements may prevent a cliff-edge, but will also extend the period of uncertainty for several years. Economic growth is therefore forecast to remain sluggish throughout 2018/19.

Consumer price inflation reached 3.0% in September 2017 as the post-referendum devaluation of sterling continued to feed through to imports. However, this effect is expected to fall out of year-on-year inflation measures during 2018, removing pressure on the Bank of England to raise interest rates.

In contrast, the US economy is performing well and the Federal Reserve is raising interest rates in regular steps to remove some of the emergency monetary stimulus it has provided for the past decade. The European Central Bank is yet to raise rates, but has started to taper its quantitative easing programme, signalling some confidence in the Eurozone economy.

Credit outlook: High profile bank failures in Italy and Portugal have reinforced concerns over the health of the European banking sector. Sluggish economies and fines for pre-crisis behaviour continue to weigh on bank profits, and any future economic slowdown will exacerbate concerns in this regard.

Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the European Union, Switzerland and USA, while Australia and Canada are progressing with their own plans. In addition, the largest UK banks will ringfence their retail banking functions into separate legal entities during 2018. There remains some uncertainty over how these changes will impact upon the credit strength of the residual legal entities.

The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Council; returns from cash deposits however remain very low.

Interest rate forecast: The Council's treasury adviser Arlingclose's central case is for UK Bank Rate to remain at 0.25% during 2018/19. Two of the nine-member Monetary Policy Committee voted for an increase to 0.50% in September, and the decision was said to be finely balanced for others, although all agreed that any increases would be limited and gradual. But stilted progress in the EU exit negotiations, softening consumer spending and a tightening of consumer credit are expected to stay the Committee's hands. The risk of a cut to zero or negative rates has diminished and there is now a chance that rates will rise despite the economic fundamentals.

Longer-term interest rates have risen in the past year, reflecting the possibility of increasing short-term rates. Arlingclose forecasts these to remain broadly constant during 2018/19, but with some volatility as interest rate expectations wax and wane with press reports on the progress of EU exit negotiations.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at **Appendix A**.

For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 1.5%, and that new long-term loans will be borrowed at an average rate of 3.5%.

3. Local Context

On 31st December 2017, the Council held £87m of borrowing (Housing Revenue Account) and £36m of investments. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast

	31.3.17 Actual £'000	31.3.18 Estimate £'000	31.3.19 Forecast £'000	31.3.20 Forecast £'000	31.3.21 Forecast £'000
General Fund CFR	21,057	23,458	24,545	25,101	25,616
HRA CFR	93,432	104,012	104,010	105,022	102,745
Total CFR	114,489	127,470	128,555	130,123	128,361
Less: Other debt liabilities	-224	-224	-224	-224	-224
Borrowing CFR	114,265	127,246	128,331	129,899	128,137
Less: External borrowing	-87,123	-97,113	-96,091	-94,068	-94,043
Internal (over) borrowing	27,142	30,133	32,240	35,831	34,094
Less: Usable reserves	-43,337	-34,760	-31,316	-28,000	-28,000
Less: Working capital	-5,709	-3,000	-3,000	-3,000	-3,000
Investments (or New borrowing)	21,904	7,627	2,076	-4,831	-3,094

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 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 capital programme, but a relatively small level of investments and will assess the capital financing need to borrow, taking into account the ability for internal borrowing.

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. Table 1 shows that the Council expects to comply with this recommendation during 2018/19.

4. 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. 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 and the annual investment strategy.

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 at 31 March 2017, 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.

	2016/17 Actual £'000	2017/18 Estimate £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
External Debt					
Debt at 1 April	87,917	87,123	97,113	96,091	94,068
Expected change in Debt	-1,018	9,766	-1,246	-2,247	-249
Other long-term liabilities (OLTL)	224	224	224	224	224
Expected change in OLTL	0	0	0	0	0
Actual gross debt at 31 March	87,123	97,113	96,091	94,068	94,043
The Capital Financing Requirement	114,265	127,246	128,331	129,899	128,137
Under / (over) borrowing	27,142	30,133	32,240	35,831	34,094

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 2018/19 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.

Treasury Indicators: limits to borrowing activity

Operational Boundary for External Debt: The operational boundary is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority'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 finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Authority's debt.

Operational Boundary	2017/18 Revised £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
Borrowing	127,251	128,336	129,904	128,142
Other long-term liabilities	400	400	400	400
Total Debt	127,651	128,736	130,304	128,542

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 Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Authorised Limit	2017/18 Limit £'000	2018/19 Limit £'000	2019/20 Limit £'000	2020/21 Limit £'000
Borrowing	127,256	128,341	129,909	128,147
Other long-term liabilities	600	600	600	600
Total Debt	127,856	128,941	130,509	128,747

Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime. This limit is currently:

HRA Debt Limit	2017/18 Estimate £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000
HRA Debt Cap	112,475	112,475	112,475	112,475
HRA CFR	104,012	104,010	105,022	102,745
HRA Headroom	8,463	8,465	7,453	9,730

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	15%	0%
12 months and within 24 months	15%	0%
24 months and within 5 years	30%	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: Given the significant cuts to public expenditure and in particular to local government funding, the Council’s borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. 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. Arlingclose 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 2018/19 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 2018/19, 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 month) short-term loans to cover unplanned cash flow shortages.

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

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

- UK Municipal Bonds Agency plc and other special purpose companies created to enable local Council bond issues
- Local Authorities

Other sources of debt finance: In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- operating and finance leases
- hire purchase
- Private Finance Initiative
- sale and leaseback

The Council has previously raised the majority of its long-term borrowing from the PWLB but it continues to investigate other sources of finance, such as local Council loans and bank loans that may be available at more favourable rates.

Municipal Bonds Agency: UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a joint and several guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.

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. None of these LOBOS have options during 2018/19.

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 limit on the net exposure to variable interest rates in the treasury management indicators below.

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. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

Investment of money borrowed 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 £124 million. The maximum period between borrowing and expenditure is expected to be two years, although the Council is not required to link particular loans with particular items of expenditure.

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 on the CPI inflation rate for February for the relevant financial year with the credit going to the General Fund balance.

5. Investment Strategy

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £11 million and £36 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: Both the CIPFA Code and the CLG Guidance require 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.

Negative interest rates: If the UK enters into a recession in 2018/19, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

Strategy: Given the increasing risk and very low returns from short-term unsecured bank investments, the Council will consider diversifying into more secure and/or higher yielding asset classes during 2018/19. This is especially the case for the estimated £20m that is available for longer-term investment. The majority of the Council's surplus cash remains invested in short-term unsecured bank deposits and money market funds. This diversification will represent a substantial change in strategy over the coming year, in line with the Council's approved Investment Plan and Commercialisation Strategy.

Approved counterparties: The Council may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 2: Approved investment counterparties and limits

Credit rating	Banks unsecured	Banks secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 20 years	n/a	n/a
AAA	£5m 3 years	£10m 10 years	£10m 20 years	£5m 10 years	£5m 10 years
AA+	£5m 2 years	£10m 4 years	£10m 5 years	£5m 4 years	£5m 4 years
AA	£5m 1 year	£10m 2 years	£10m 3 years	£5m 2 years	£5m 4 years
AA-	£5m 1 year	£10m 2 years			£5m 4 years
A+	£5m 6 months	£10m 1 year			£5m 2 years

A	£5m 6 months	£10m 1 year			£5m 2 years
A-	£5m 3 months	£10m 6 months			£5m 2 years
None		n/a			£5m 2 years
Pooled funds	£10m per fund				

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 Fitch, Moody's or Standard & Poor's. 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 taken into account.

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 an insignificant risk of insolvency. 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, formerly known as housing associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain the likelihood of receiving government support if needed.

Pooled funds: Shares 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.

Operational bank accounts: The Council will incur operational exposures through their 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 £500,000 net in the bank. 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.

Risk assessment and credit ratings: Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other information on the security of investments: The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality

financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Specified investments: The CLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local Council, parish council or community council, or
 - a body or investment scheme of "high credit quality".

The Council defines "high credit quality" organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA or higher. For money market funds and other pooled funds "high credit quality" is defined as those having a credit rating of A- or higher.

Non-specified investments: Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in table 3 below.

Table 3: Non-specified investment limits

	Cash limit
Total non-specified investments	£20m

Liquidity management: The Council maintains a daily cash flow forecast to determine the maximum period for which funds may prudently be committed. 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.

Non-Treasury Investments

Although not classed as treasury management activities and therefore not covered by the CIPFA Code or the CLG Guidance, the Council may also purchase property for investment purposes and may also make loans and investments for service purposes, for example in shared ownership housing, as loans to local businesses and landlords, or as equity investments and loans to the Council’s subsidiaries.

Such loans and investments will be subject to the Council’s normal approval processes for revenue and capital expenditure and need not comply with this treasury management strategy.

Treasury Indicators: limits to investing activity

Interest rate exposures: This indicator is set to control the Council’s exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the amount of net principal borrowed will be:

	2018/19 £m	2019/20 £m	2020/21 £m
<u>Fixed Rate</u>			
Borrowing	124.2	124.2	124.2
Investments	-5	-5	-5
Net Upper limit on fixed rate exposure	119.2	119.2	119.2
<u>Variable Rate</u>			
Borrowing	31	31	31
Investments	-37.3	-37.3	-37.3
Net Upper limit on variable rate exposure	-6.3	-6.3	-6.3

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Principal sums invested for periods longer than 365 days: 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:

	2018/19	2019/20	2020/21
Limit on principal invested beyond year end	£20m	£20m	£20m

6. Arlingclose Economic & Interest Rate Forecast January 2018

Underlying assumptions:

- The MPC increased Bank Rate in November 2017 to 0.5%. The rise was questionable based on the available economic data. Market rate expectations are broadly unchanged since the rise and policy makers continue to emphasise that any prospective increases in Bank Rate would be expected to be at a gradual pace and to a limited extent.
- Further potential movement in Bank Rate is reliant on economic data and the likely outcome of the EU negotiations. Policymakers have revised lower the supply capacity of the UK economy, suggesting inflationary growth is more likely. However, the MPC will be wary of raising rates much further amid low business and household confidence.
- The UK economy faces a challenging outlook as the minority government continues to negotiate the country's exit from the European Union. While recent economic data has improved, it has done so from a low base: UK Q3 2017 GDP growth was 0.4%, after a 0.3% expansion in Q2. Forecasts for future GDP growth have generally been revised downwards.
- Household consumption growth, the driver of recent UK GDP growth, has softened following a contraction in real wages, despite both saving rates and consumer credit volumes indicating that some households continue to spend in the absence of wage growth. Policymakers have expressed concern about the continued expansion of consumer credit; any action taken will further dampen household spending.
- More recent labour market data suggested that employment has plateaued, although house prices (outside London) appear to be relatively resilient. However, both of these factors can also be seen in a negative light, displaying the structural lack of investment in the UK economy post financial crisis.
- The depreciation in sterling may assist the economy to rebalance away from spending. Export volumes will increase, helped by a stronger global and Eurozone economic expansions.
- Near-term global growth prospects have continued to improve and broaden, and expectations of inflation are subdued. Central banks are moving to reduce the level of monetary stimulus.

Forecast:

- The MPC increased Bank Rate largely to meet expectations they themselves created. Expectations for higher short term interest rates are relatively subdued. On-going decisions remain data dependant and negotiations on exiting the EU cast a shadow over monetary policy decisions.
- Our central case for Bank Rate is 0.5% over the medium term. The risks to the forecast are broadly balanced on both sides.
- The Arling close central case is for gilt yields to remain broadly stable across the medium term. Upward movement will be limited, although the UK government's seemingly deteriorating fiscal stance is an upside risk.



	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.21
Arlingclose Central Case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk	0.00	0.00	0.00	0.00	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.17
3-month LIBID rate														
Upside risk	0.10	0.10	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.23
Arlingclose Central Case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk	-0.10	-0.15	-0.15	-0.15	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.22
1-yr LIBID rate														
Upside risk	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.28
Arlingclose Central Case	0.70	0.70	0.70	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.78
Downside risk	-0.20	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.15	-0.15	-0.26
5-yr gilt yield														
Upside risk	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.33
Arlingclose Central Case	0.75	0.80	0.80	0.80	0.85	0.90	0.90	0.95	0.95	1.00	1.05	1.10	1.15	0.92
Downside risk	-0.20	-0.25	-0.25	-0.25	-0.35	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.35
10-yr gilt yield														
Upside risk	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.33
Arlingclose Central Case	1.25	1.25	1.25	1.25	1.30	1.30	1.35	1.40	1.45	1.50	1.55	1.55	1.60	1.38
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.30	-0.35	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.34
20-yr gilt yield														
Upside risk	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.33
Arlingclose Central Case	1.85	1.85	1.85	1.85	1.90	1.90	1.95	1.95	2.00	2.05	2.05	2.05	2.10	1.95
Downside risk	-0.30	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.41
50-yr gilt yield														
Upside risk	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.40	0.33
Arlingclose Central Case	1.70	1.70	1.70	1.70	1.75	1.80	1.85	1.90	1.95	1.95	1.95	1.95	2.00	1.84
Downside risk	-0.30	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.50	-0.41

7. 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.



8. 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; and
- recommending the appointment of external service providers.



PAY POLICY STATEMENT 2018/19

1.0 Purpose of Report

1.1 To approve the content of the Pay Policy Statement for 2018/19.

2.0 Background Information

2.1 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 for 2012/13 and for each financial year thereafter. 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:

2.1.1 A Pay Policy Statement for a financial year must set out the authority's policies for the financial year relating 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.

2.1.2 The statement should also set out the authority's policies for the financial year relating to:

- 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 under or to be employed by the authority, and
- g) the publication of and access to information relating to remuneration of Chief Officers.

2.1.3 The term 'remuneration' covers:

- a) the salary or the amount payable in the case of Chief Officers engaged by the authority under a contract 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 the Chief Officer's 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 the Chief Officer on the Chief Officer ceasing to hold office under or be employed by the authority other than amounts that may be payable by virtue of any enactment.

- 2.2 Existing legislation already required the Council to publish statements relating to certain elements of officer remuneration, details of which are set out below:
- regulation 7 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 requires an authority to formulate, review and publish its policy on making discretionary payments on early termination of employment;
 - regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008 requires the Council to publish its policy on increasing an employee's total pension scheme membership and on awarding additional pension.

Appropriate links to published policies and information are included within the Pay Policy Statement.

- 2.3 The Transparency Code also carries specific legal requirements to publish pay multiples, a list of employees with remuneration above £50k (in brackets of £5k), names of employees earning in excess of £150k and a chart for the top 3 tiers of the organisation which includes details regarding levels of responsibility for people/budgets and services.
- 2.4 Guidance issued by the Department for Communities and Local Government (DCLG) during 2013/2014 set out the arrangements for approval of severance packages in excess of £100,000. The 2014/2015 pay policy statement adopted by the Council included arrangements for approving severance packages over £75,000 and arrangements for delegation regarding Settlement Agreements.
- 2.5 The DCLG also issued guidance during March 2015 regarding the use of severance agreements and 'off payroll' arrangements. Following receipt of the guidance the policy was updated to include a specific paragraph around the use of 'off payroll' arrangements.

3.0 Proposals

3.1 Summary of Changes to the 2018/19 Pay Policy Statement

Changes to the pay policy statement are summarised below. The statement has been updated to:

- reflect the recent pay offer tabled by the National Employers to the Trades Unions (TU) for officers engaged on NJC terms. Note: The employers side have not yet received requests from the Trades Union (TU) representing Chief Officers engaged on JNC terms, although a request has been received from the TU in respect of Chief Executives engaged on JNC terms (refer to paragraph 3.3.1 below);
- reflect revisions to the Living Wage recommended by the Living Wage Foundation during November 2017 (increase from £8.45 to £8.75 per hour - approved by Policy and Finance committee following discussion on the 22nd February);
- include a statement reflecting the transitional arrangements that have been put in place pending the appointment of a new Chief Executive and replacement of the Director - Communities.

3.1.1 National Pay Scales

A summary of negotiations/consultations that will impact on the contents of the Pay Policy Statement within the financial year in relation to pay negotiations are summarised below.

Pay Negotiations

- NJC (to include Business Managers graded up to NS16 and all other employees of the Council)

The National Employers made a final pay offer covering the period 1 April 2018 to 31 March 2020 on the 5th December 2017. A summary of the final pay offer is included below:

1 April 2018 ('Year One'):

Bottom-Loading on SCPs 6-19 inclusive

The Employers considered it was necessary for higher increases on the lower pay points in order to continue to close the significant gap with the National Living Wage (NLW). Therefore this part of the offer would result in a new bottom rate of £8.50 per hour on SCP6

Increase on SCPs 20 and above

A flat-rate increase of 2.0%

1 April 2019 ('Year Two'):

The Employers offer includes the introduction of a **new** national pay spine. It was agreed that the bottom rate of the new pay spine should not be pegged to the National Living Wage rate but should allow for some 'headroom'. Therefore the offer is for a bottom rate of £9.00 per hour.

In order to deal with the compacting of differentials at the lower end of the spine it is proposed that the existing bottom twelve pay points are 'paired off' into six new pay points.

To further dilute the impact of compacting of the lower pay points, the offer includes 'ironing out' the current random gaps between pay points and having even increments of 2.0% between the new SCPs 1 to 22 inclusive. From SCP23 onwards a flat-rate increase of 2.0% has been applied as well as retention of the current random differentials.

The Council are currently reviewing the implications of the offer to understand what impact it will have on the Council's existing pay and grading arrangements negotiated as part of the single status negotiations. Following completion of the review the likelihood is that the Council will need to re-enter negotiations with the Trades Unions at a local level with a view to introducing revised pay and grading arrangements to take account of the new national pay spine.

- Chief Executive

The National Employers have received a pay claim on behalf of Chief Executives engaged on JNC terms. A summary of the offer is included below:

'pay increases for 1 April 2018 and 1 April 2019 that match whatever is implemented for the generality of staff covered by the National Joint Council for Local Government Services'

In other words, 2.0% + 2.0%. The Employers' side will consider the pay claim at their next meeting scheduled to take place in February.

- Chief Officers (to include Deputy Chief Executive/Directors/Business Managers/Corporate Managers graded NS17)

The National Employers have now received a pay claim for Chief Officers engaged on JNC terms. The claim states that the Trades Unions are seeking "A substantial increase on all salaries and relevant allowances". The claim has been acknowledged and negotiations are now ongoing.

As part of the budget planning process a 2.5% pay increase was included in the budget for the forthcoming year to fund the pay offer and pay information contained within the Pay Policy Statement have been increased by this to reflect the anticipated salary increases.

3.2 Legislative Updates

Members will recall having received updates in relation the Exit Payment Recovery Regulations and the Public Sector Exit Payment Cap in previous years. Further updates are awaited in respect of how and when these will be implemented and the Council will continue to monitor the position to ensure that the statement is updated as necessary once the final regulations/associated guidance documents are published.

3.0 Current Status

A copy of the full Pay Policy Statement including transitional arrangements has been appended to this report for review (refer to Appendix A). Members should note that where the appendices refer to links to other policy documents these will be included once the Pay Policy Statement is published on the Council's website. These policy documents can however be accessed by referring to the current Pay Policy Statement (on the Council's website) which contains the live links.

4.0 Equalities Implications

This policy has been developed with due regard and consideration for other policies, procedures and agreements currently in operation within the Council and follows the completion of an equality impact assessment, details of which are held in Human Resources. Given that the changes proposed to the policy are fairly minimal no adverse implications have been noted.

5.0 Impact on Budget/Policy Framework

The financial effects of the pay policy are included in the Council's budget to be presented to Council on the 8th March 2018.

6.0 Comments of S151 Officer

Refer to comments set out under section 5 of this report.

7.0 RECOMMENDATION

That the Pay Policy Statement for 2018/19 be approved.

Background Papers

Localism Act 2011

The Code of Recommended Practice for Local Authorities on Data Transparency

Localism Act: Openness and accountability in local pay: Guidance under section 40 of the Localism Act. February 2012

Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act 2011 – Supplementary Guidance. February 2013

Local Government Transparency Code 2014

DCLG – Use of severance agreements and off payroll arrangements. March 2015

For further information please contact Tracey Mellors on extension 5219.

K H Cole
Acting Chief Executive

T J Mellors
Business Manager – HR, OD and Legal Services

NEWARK AND SHERWOOD DISTRICT COUNCIL

Pay Policy Statement

1. Introduction

1.1 This document sets out a Statement of Pay Policy for Newark and Sherwood District Council (the Council) for 2017/18 as required under Section 38 (1) of the Localism Act 2011. 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. The Statement also considers the lowest pay and median pay levels in the organisation.

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
- ensure 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 in relation to:

- 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 in to 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 £16,394. 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 earlier within the policy.

4.5 Living Wage

4.5.1 In April 2013 the Council adopted a policy of paying all employees a Living Wage through the application of a pay supplement to fund the difference between the hourly rates (defined at the lowest substantive point at which a Council officer can be paid i.e. £8.50 per hour) and the Living Wage set by the Living Wage foundation (currently set at £8.75 per hour). By adopting this policy the Council ensure that the lowest paid employees (refer to definition at 4.4) receive at least the Living Wage for each hour that they work.

4.5.2 The Living Wage to be applied during the 2018/19 financial year will be the rate set out above. In the event that the Living Wage increases in year as part of the annual review conducted by the Living Wage Foundation the Council will have regard to this when developing the pay policy statement for the 2019/20 period.

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.

Pay multiples document [\[link to document to be inserted\]](#)

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:

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).

- 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);
- 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:

- a) the salary or the amount payable in the case of Chief Officers engaged by the authority under a contract 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 the Chief Officer's 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 [\[link to document to be inserted\]](#)

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 :

Scale point 1	£104,000
Scale point 2	£108,000
Scale point 3	£112,000
Scale point 4	£116,000
Scale point 5	£120,000

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 of 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.

In the event that 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 national agreement the Chief Executive is entitled to receive and retain the personal fees arising from performing the duties of Returning Officer, Acting Returning Officer, Deputy Returning Officer or Deputy Acting Returning Officer and similar positions which he or she performs subject to the payment of pension contributions thereon, where appropriate.

In accordance with the agreement the Chief Executive's salary is deemed to be inclusive of all other fees and emoluments with the exception of 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 European Parliamentary Elections and Nottinghamshire Police and Crime Commissioner Elections and Counting Officer for any national referendums. The fees associated with these elections are determined nationally by the Ministry of Justice/Home Office.

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 local government elections the Returning Officer can claim specific fees which are determined on a local county wide basis across Nottinghamshire having regard to the fees set for national elections.

5.3.6 General Terms and Conditions

In accordance with the national agreement the Chief Executive shall enjoy 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

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

Terms and Conditions for Chief Officers [[link to document to be inserted](#)]
Statutory Officers Honorarium Scheme [[link to document to be inserted](#)]

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

Scale point 1	£87,239
Scale point 2	£88,388
Scale point 3	£92,610
Scale point 4	£95,422

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.

5.4.4 Pay Scale for Directors

Scale point 1	£67,633
Scale point 2	£69,974
Scale point 3	£72,835
Scale point 4	£75,176
Scale point 5	£78,038

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

Director – Community
Director – Customers
Director – Resources
Director – Safety

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

Zone 1/SCP1 £45,782
Zone 1/SCP2 £46,823
Zone 1/SCP3 £47,863
Zone 1/SCP4 £48,903

Zone 2/SCP1 £49,944
Zone 2/SCP2 £50,985
Zone 2/SCP3 £52,025
Zone 2/SCP4 £53,065

Zone 3/SCP1 £54,106
Zone 3/SCP2 £55,146
Zone 3/SCP3 £56,187
Zone 3/SCP4 £57,228

The arrangements for assigning officers to Zones are included in the Pay and Grading Arrangements document [\[link to document to be inserted\]](#) 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 - Economic Growth
Business Manager - Environmental Health
Business Manager - Financial Services
Business Manager - Growth and Regeneration
Business Manager - HR, OD and Legal Services
Business Manager - Revenues and Benefits
Business Manager - Strategic Housing
Business Manager - Waste, Litter and Recycling

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

Scale point 1 £49,372
Scale point 2 £51,081
Scale point 3 £53,169
Scale point 4 £54,878
Scale point 5 £56,967

Salary calculations are based on 73% of the Director Pay Scale.

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

Community Projects Manager
Strategic Development Manager

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 of these factors the 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.

In circumstances where Business Managers are offered revised terms of employment on JNC conditions of service they will be aligned to the nearest highest pay point on the pay scale if they are appointed to Zone 1 or to the lowest scale point if they are appointed to Zone 2 or 3.

In circumstances where Corporate Managers are offered revised terms of employment on JNC conditions of service they will be aligned to the most appropriate scale point according to the level of responsibility they have been assigned.

5.4.8 Increases and additions to Remuneration

- Incremental Progression

Incremental progression for Directors and Corporate Managers is by annual increment until the top point of the grade is reached. Before an annual increment is awarded, it must be clearly evidenced that the post holder:

- Has made satisfactory progress against the targets set in their previous performance appraisal;
- Demonstrates, continues to demonstrate or has made substantial progress towards achieving the Council's defined competences for a post at the Director level.

Compliance with these requirements will be assessed through the Council's performance management and appraisal mechanisms, and a decision on whether an annual increment will be paid (where applicable) will be made as part of that process.

Full details of the Pay and Grading Arrangements for Officers engaged on JNC Chief Officer Terms and Conditions of Service can be accessed by following the attached link: [link to document to be inserted].

Once a Business Manager has been appointed to JNC conditions of service they will receive annual increments until such time that they reach the top of the salary scale subject to achieving satisfactory annual performance assessments.

- Pay Awards

Any 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 Section 151 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 that assume the role of Monitoring Officer, Deputy Monitoring Officer and Deputy S151 Officer.

Details of the scheme including information relating to the post holders that are currently in receipt of such payments can be accessed by following the attached link: [\[link to document to be inserted\]](#)

- Expenses

In accordance with the national agreement the Council shall pay 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).

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

A number of the Business Managers are 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.

A list of post holders engaged under NJC terms has been included below.

Business Manager – Administration

Business Manager – Community Safety

Business Manager – Customer Services and External Communications

Business Manager – Democratic Services

Business Manager – Housing Options, Energy & Home Support

Business Manager – ICT

Business Manager – Heritage, Culture and Visitors

Business Manager – Parks & Amenities

Business Manager – Planning Policy

Terms and conditions relating to Chief Officers that assume the role of Business Manager is available within the National Agreement on Pay and Conditions of Service document [[link to document to be inserted](#)].

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 1st 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

[[Link to protection of document to be inserted](#)]

[[link to document\(s\) referenced above to be inserted](#)]

Market Supplement (which includes arrangements for officers engaged on JNC terms) [[link to document to be inserted](#)].

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

Scale/Band	Min SCP/Salary	Medium SCP/Salary	Maximum SCP/Salary	Post
NS13	40 – £36,153	41 - £37,107	42 - £38,052	Business Manager – Administration
NS15	46 – £41,846	47 - £42,806	48 - £43,757	Business Manager – Democratic Services Business Manager – ICT Business Manager – Parks & Amenities Business Manager – Planning Policy
NS16	49 - £44,916	50 - £45,612	51 - £46,569	Business Manager – Community Safety Business Manager – Customer Services and External Communications Business Manager – Heritage, Culture and Visitors Business Manager – Housing and Safeguarding

Note: Changes to grade may occur in year as a consequence of revisions to job description(s) requiring re-evaluation of the post 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 of 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 so as 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 subject to achieving satisfactory annual performance assessments.
- Pay Awards
Any pay awards are negotiated as part of the collective bargaining arrangements as detailed earlier within the policy.
- Honoraria and Ex Gratia Payments
Statutory Officers
The Council currently operates an honorarium scheme for certain officers undertaking statutory officer roles or deputising in those roles (see ante). 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 Section 151 Officer)

In addition to the above the scheme also outlines the arrangements for recompensing officers that assume the role of Deputy Monitoring and Deputy S151 Officer. Ordinarily these roles are undertaken by Chief Officers engaged on JNC terms, however the scheme allows for officers engaged on NJC terms to undertake these roles as may be necessary from time to time.

Details of the scheme including information relating to the post holders that are currently in receipt of such payments can be found in the Statutory Officers Honorarium document [\[link to document to be inserted\]](#)

Other

Officers engaged on NJC conditions of service may in some circumstances receive honorariums/ex gratia payments as a consequence of undertaking duties in part or full at a higher level. The amount payable will be different according to each individual set of circumstances to be determined by the respective Director in conjunction with the Human Resources Section. Further details relating to the terms outlined within the NJC conditions of service can be accessed by following the attached link [\[link to document to be inserted\]](#).

- 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. 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 and it has been unable to recruit/or is struggling to retain current post-holders as a result. In circumstances where this does occur the Council will follow the approved policy recently updated in accordance with national guidance. [\[link to document to be inserted\]](#)

- Expenses

In accordance with the agreement the Council shall pay reasonable out-of- pocket expenses actually incurred.

Meals and Accommodation Charges

Officers will receive subsistence rates based upon the approved rates. Further details in relation to current rates can be found in the Guidance on Travel and Subsistence Allowance [\[link to document to be inserted\]](#).

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 localised arrangements can be found in the National Agreement on Pay and Conditions of Service document [\[link to document to be inserted\]](#).

5.6 General Policies in relation to 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

The Council does not currently provide any form of benefits in kind to employees engaged by the Council.

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 on the basis of 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. www.lgps2014.org

The scheme provides for exercise of discretion that 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 in relation to any discretion that may be afforded in respect of pension augmentation can be found in the Redundancy and Discretionary Compensation Policy [link to document to be inserted]. This policy applies to all officers of the Council irrespective of their status.

5.6.4 Payment of Chief Officers on their Ceasing to Hold Office Under or to be 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 augmentation can be found in the Redundancy and Discretionary Compensation Policy [link to document to be inserted]. This policy applies to all officers of the Council irrespective of their status.

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 a decision 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 that they have not been involved in the initial determination. However in the case of Chief Officers any appeal shall be determined by the Policy and Finance Committee or a sub-committee appointed on their behalf acting as an appeal panel.

In the case of any voluntary redundancy, compulsory redundancy, efficiency or early retirement (including health related which falls short of meeting 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;
- 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 bought by the employee will be disregarded.

Note: The Council will also have regard to the Statutory Instrument laid before parliament on the 24 January 2017 which brings s41 of the Enterprise Act 2016 into force on the 1 February 2017 (this is an enabling provision which allows the cap regulations to be made). Final details regarding the regulations and associated guidance is 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 a Local Government Pension/Fire Fighters Pension, Severance or Termination Payment

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

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

The Council will not presume against re-employing former members of staff who have received a payment for redundancy, severance or any other reasons defined under the terms of a settlement agreement if the Council is satisfied that the individual is the best candidate for the post. Likewise the Council will not presume against employing individuals who have received severance or termination payments by another organisation listed on the Redundancy Modifications Order if the Council is satisfied that the individual is the best candidate for the post.

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 employed direct by the Council) operating at the Chief Officer level.

Although the Council will not presume against employing individuals under a contract for services they will only do so in exceptional circumstances for a temporary period of time.

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 within.

6.2 In addition the Council also publish data on the internet as part of the wider transparency agenda relating to the publication of senior salary information. For the purpose of this exercise the Council publish details relating to post holders earning £50,000 or above in accordance with the threshold preference expressed by the Government.

7. Equality Impact Assessment

7.1 This policy has been developed with due regard and consideration for other policies, procedures and agreements currently in operation within the Council and follows the completion of an equality impact assessment, details of which are held in Human Resources.

8. Approval/Review

- 8.1 Before it takes effect, the pay policy statement has to 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 the Policy and Finance Committee for consideration and approval, before being referred through to the JCC to allow for consultation and/or negotiation (where appropriate). Approval of Human Resources policies and procedures are delegated to the Head of Paid Service after prior consultation at the Joint Consultative Committee.
- 8.3 Given that the policy statement relates to terms and conditions of employment as well as making reference to Human Resources policies and procedures it is appropriate for the content of the policy to be considered by the Policy and Finance Committee and any amendments made thereto before the policy is referred on to full Council for approval.
- 8.4 Any proposed changes to terms and conditions of employment including salary arising from collaboration activities e.g. shared services will be subject to the prior approval of the Policy and Finance Committee.
- 8.5 A review of the policy statement will take place annually and the contents of the policy 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 as a consequence of changes to legislation and/or organisational requirements. In the case of legislative changes where the Council has no discretion the 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 Policy and Finance.

Transitional Arrangements

Background

On December 12, 2017 the Council agreed transitional arrangements following the departure of the existing Chief Executive on February 4, 2018 until such time as a successor was appointed to the permanent role.

APPOINTMENT OF INDEPENDENT PERSONS

1.0 Purpose of Report

- 1.1 To confirm the appointments of Richard Dix and Sharon Jones as the Council's two Independent Persons.

2.0 Background Information

- 2.1 The Council is required, pursuant to Section 28 (7) of the Localism Act 2011, to appoint at least one Independent Person.
- 2.2 The Monitoring Officer is required to undertake the initial assessment of code of conduct complaints in consultation with the Independent Person. In addition the Council's Independent Panel, which will offer the Council advice, views or recommendations on any proposal for the dismissal of a statutory officer, has the two Independent Persons as members.
- 2.3 The appointments of the two Independent Persons were agreed by the Council on 19 June 2012, and it is now considered appropriate to determine that their appointment continue until the Annual Meeting in May 2020, which will overlap with the new Council when this is elected in May 2019.

3.0 RECOMMENDATION

That Council confirm the appointments of Richard Dix and Sharon Jones as Independent Persons to Newark & Sherwood District Council, pursuant to Section 28 of the Localism Act 2011, until May 2020.

Background Papers

Nil.

For further information please contact Kirsty Cole on Ext. 5210.

Kirsty Cole
Acting Chief Executive

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **POLICY & FINANCE COMMITTEE** held in the Civic Suite, Castle House, on Thursday, 22 February 2018 at 6.00pm.

PRESENT: Councillor R.V. Blaney (Chairman)

Councillors: R.J. Jackson, R.B. Laughton D.J. Lloyd, A.C. Roberts and D.B. Staples.

SUBSTITUTE: Councillor: Mrs L.M.J. Tift for P. Peacock.

ALSO IN Councillors: P.C. Duncan and K. Girling.

ATTENDANCE:

72. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor P. Peacock.

73. DECLARATIONS OF INTERESTS BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

There were no declarations of interest.

74. DECLARATIONS OF INTENTIONS TO RECORD THE MEETING

The Chairman advised that the proceedings were being audio recorded by the Council.

75. MINUTES FROM THE MEETING HELD ON 25 JANUARY 2018

The minutes from the meeting held on 25 January 2018 were agreed as a correct record and signed by the Chairman.

76. FORWARD PLAN OF POLICY AND FINANCE ITEMS

The Committee noted the Forward Plan items to be considered by the Committee over the next 12 months.

77. PAY POLICY STATEMENT 2018

The Acting Chief Executive presented a report which sought to review the content of the Pay Policy Statement for 2018 and subject to any necessary revisions to recommend the Statement to the Council for approval.

In accordance with Section 38 (1) of the Localism Act 2011 the Council was required to produce a Pay Policy Statement for each financial year. The Pay Policy Statement must set out the authority's policies for the financial year relating 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.

A copy of the Pay Policy Statement for 2018 was attached as an appendix to the report. It was noted that the statement had been updated to reflect:

- the recent pay offer tabled by the National Employers to the Trades Unions (TU) for officers engaged on NJC terms. Note: The employers side have not yet received requests from the Trades Union (TU) representing Chief Officers engaged on JNC terms, although a request has been received from the TU in respect of Chief Executives engaged on JNC terms;
- revisions to the Living Wage recommended by the Living Wage Foundation during November 2017 (increase from £8.45 to £8.75 per hour);

The statement had also been updated to include a summary of the transitional arrangements that had been put in place pending the appointment of a new Chief Executive and replacement of the Director Communities post.

In considering the Pay Policy Statement the Committee considered that the Council should continue to pay the Living Wage supplement and that the detailed wording in the Statement in respect of the Remuneration of the Chief Executive, relating to incremental increases in salary should reflect the decision of the Chief Officers Appointments Panel meeting held on 3 January 2018.

AGREED (unanimously) that the Pay Policy Statement for 2018 be recommended to Council for approval with two amendments namely to confirm that the Council continue to pay the Living Wage supplement; and that the detailed wording in the Statement in respect of the Remuneration of the Chief Executive, reflect the decision of the Chief Officers Appointments Panel meeting held on 3 January 2018.

Reason for Decision

To comply with Section 38 (1) of the Localism Act 2011.

78. REVIEW OF LEISURE CENTRE PROVISION IN THE WEST

This item was withdrawn from the agenda given the report was deferred by the Leisure & Environment Committee.

79. REVENUE BUDGET- PROPOSED BUDGET 2018/19

The Assistant Business Manager – Financial Strategy and Performance presented a report which enabled Members to consider spending proposals and recommendations to the Council for the budget in 2018/2019.

The report set out the details of the proposed budget for the Council in 2018/2019. The budget proposals had been formulated in accordance with the framework set out in the Council's Constitution with the initial report having being presented to the Policy Committee on 21 September 2017. It was noted that the level of discretionary

fees and charges for services provided by the Council were considered as part of the budget process rather than being implemented piecemeal throughout the year. The proposed fees and charges for 2018 were detailed in the report and would be included in the budget book which forms part of the agenda for the full Council Meeting.

The Local Government Finance Settlement provided key figures for Government Grant that formed part of the Council's budget. The draft settlement was announced on 19 December 2017 and was confirmed on 6 February 2018.

It was reported that a projection of resources under Business Rates Retention had been completed. A sum of £1.1m NDR growth had been projected for 2018/19 which was broadly in line with projections for 2017/18. Additional income of £660k from renewable energy sources had been retained 100% by the District Council. It was anticipated that a £1.14m levy would be payable into the Nottinghamshire pool. The level of appeals provision brought forward on 1/4/2017 was £9m. It was estimated that by 31 March 2018, £2.6m would have been charged to this provision due to reductions in rateable values as a result of businesses that had appealed the 2010 list rateable value. Of the remaining provision (£6.4m) it was forecast that £4m was required for the remaining 2010 list appeals and £2.4m was required for appeals to the first year of the 2017 list.

In presenting the report the Assistant Business Manager – Financial Strategy and Performance advised that an additional post in Development Control for conservation enforcement of £40,000 had been added to the proposed Economic Development Committee budget for 2018/19. This proposal was supported by the Committee.

The report had been prepared by the Resources Directorate in conjunction with the appropriate Committees and relevant budget holders. In accordance with the Constitution, all Members, Directors and Business Unit Managers had been involved with the preparation of the budget.

AGREED (unanimously) that it be recommended to Council on 8 March 2018 that:

- (a) the Employee Plan shown in Appendix C to the report be noted;
- (b) the following amounts be now calculated by the Council for the year 2018/2019 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011:
 - (i) £78,804,460 being the aggregate of the amounts which the Council estimates for items set out in Section 31A(2)(a) to (f) of the Act (the gross District Council expenditure for 2018/19);
 - (ii) £67,422,250 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 (the gross District Council income for 2018/19); and

- (iii) £11,382,210 being the amount by which the aggregate at (a)(i) above exceeds the aggregate at (a)(ii) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax Requirement for the year;
- (c) the figures shown as (b)(i) and (b)(iii) above to be increased only by the amount of Parish Precepts for 2018/2019;
- (d) the budget figures included in the report be the Council's budget for 2018/2019 and Medium Term Financial Plan for 2018/2019 to 2022/2023; and
- (e) the fees and charges shown in Appendices D to U be implemented with effect from 1st April 2018.

Reason for Decision

To enable Policy & Finance Committee to make recommendations to full Council of the amounts to be calculated in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011 for the purposes of setting Council Tax levels for the year 2018/2019.

80. CAPITAL PROGRAMME MONITORING TO 31 DECEMBER 2017

The Capital Programme Accountant presented a report which monitored the progress of the overall Capital Programme since the last progress report to the Committee on 30 November 2017. Appendices A and B to the report provided details of the capital projects to illustrate total budget, expenditure, progress and explanations for any amendments. Variations to the Capital Programme since it was last reported to the Committee on 30 November 2017 were detailed in Appendix C. It was advised that if the proposed variations were approved the revised capital programme budget for 2017/18 would decrease by £1,429,000 to £32,163,000.

AGREED (unanimously) that:

- (a) the variations detailed in Appendix C to the report be approved; and
- (b) the proposed resourcing of the Capital Programme be noted.

Reason for Decision

To enable the Capital Programme to be amended to reflect changes to resources available and better clarity of the cost and phasing of projects.

81. ALLOCATION OF SECTION 106 FUNDS TO CLIPSTONE WELFARE

The Business Manager – Community Sport and Arts Development presented a report which sought approval for the transfer of Section 106 funds to Clipstone Welfare. In 2010 the Council received S106 funds to the value of £85,790 from the Gladedale

Homes development on Mansfield Road, Clipstone, for the purposes of providing off-site children's playing space. Despite a number of projected schemes being brought forward over the past 7 years there had been only limited use of the funds and £78,047 remained unspent.

It was reported that Clipstone Welfare, in partnership with Clipstone Parish Council, was planning to provide sports and play facilities for older children on land it owned adjacent to Clipstone Youth Centre and had requested that the District Council release £49,180 of these S106 open space funds to allow it to progress this project. The Welfare had already received grants from Nottinghamshire County Council (£40,000), the National Lottery (£10,000) and the Garfield Weston Foundation (£20,000) towards the project. The total cost of the project was £109,180. However, Clipstone Welfare wished to retain £10,000 of the Garfield Weston grant to enable it to carry out repairs to the youth club building. It was noted that Clipstone Parish Council were supportive of the project and had agreed to assist with the inspection and maintenance of the facilities once they were in place. Prior to the funds being transferred Clipstone Welfare would be required to enter into a legal agreement which bound it to spending the funds in a manner which was consistent with the S106 Agreement.

AGREED (unanimously) that:

- (a) the transfer of open space Section 106 funds totalling £49,180 arising from AG842A to Clipstone Welfare be approved, subject to an appropriate legal agreement being entered into by Clipstone Welfare; and
- (b) the sum of £49,180 be added to the Council's Capital Programme in order that its expenditure can be appropriately recorded and monitored.

Reason for Decision

To ensure that S106 funds are spent in an appropriate fashion, for the benefit of the community in which they were generated and that their use is properly monitored.

82. CAPITAL PROGRAMME 2018/19 TO 2021/22

The Capital Programme Accountant presented a report which detailed the available capital resources, the Council's existing committed Programme and the priority schemes identified. In accordance with Financial Regulations the Policy & Finance Committee was required to consider the Capital Programme and recommend to Council the final Programme.

In respect of the general fund capital expenditure the Council intended to spend £15m from 2018/19 to 2021/22 on the schemes as set out in Appendix A to the report. In respect of the Housing Revenue Account expenditure the Council intended to spend £54.9m from 2018/19 to 2021/22. This was made up of £21m on existing property investment and £33.9m on affordable housing. The HRA property investment and development programme were set out in Appendix B to the report.

AGREED (unanimously) that it be recommended to Council on 8 March 2018 that the General Fund schemes shown in Appendix A to the report, and the housing services programme in Appendix B to the report, be approved as committed expenditure in the Capital Programme.

Reason for Decision

To enable the Capital Programme to be considered by the Policy & Finance Committee in accordance with Financial Regulation 6.2.3 prior to its submission to Council.

83. WORLD WAR I ROLL OF HONOUR MEMORIAL

In accordance with Section 100(B)(4)(b) of the Local Government Act 1972, the Chairman agreed to take this item as a late item of business in order to agree the financial support to the World War I Memorial project.

The Deputy Chief Executive and Director - Resources presented a report which sought approval for a contribution of £10,000 towards a World War I Memorial. All Nottinghamshire District/Borough Councils had been approached by Nottingham City Council to make a financial contribution towards the cost of the WWI Roll of Honour Memorial which would bring the names of all Nottinghamshire war dead to a single point at Victoria Embankment.

The memorial had an estimated cost of £300,000. Nottinghamshire County Council and Nottingham City Council had pledged £100,000 each along with officer time to procure and manage the project's delivery. This proposed contribution would give Newark & Sherwood District Council a seat on the Project Board.

AGREED (unanimously) that:

(a) a contribution of £10,000 be approved, subject to Nottinghamshire County Council and Nottingham City Council each contributing £100,000 and the other 6 Nottinghamshire Districts/Boroughs contributing £10,000 each; and

(b) the contribution of £10,000 be funded from reserves.

Reason for Decision

The financial contribution of £10,000 will assist in meeting the funding gap and enable the establishment of the war memorial.

84. GENERAL FUND PROJECTED OUTTURN REPORT TO 31 MARCH 2018 AS AT 31 DECEMBER 2017

The Business Manager – Financial Services presented a report which compared the General Fund Revised Budget for the period ending 31 March 2018 with the Projected Outturn forecast for the period based on three quarters performance information.

The appendices to the report detailed anticipated performance against budget for the period to 31 March 2018 for all general Fund service provision. The total for service net expenditure showed a projected additional income, and underspend on expenditure, totalling £360,221 against the revised budget for the period to 31 March 2018. The main variations from the revised budget were detailed in the report.

AGREED (unanimously) that the current projection of the Council's net expenditure compared to budget at 31 March 2018 be noted.

Reason for Decision

To advise Members of the projected outturn monitored against service budgets for the period ending 31 March 2018, as at 31 December 2017.

Meeting closed at 6.50pm.

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the meeting of the **LEISURE & ENVIRONMENT COMMITTEE** held in the Civic Suite, Castle House, Newark on Thursday, 15 February 2018 at 6.00 pm.

PRESENT: Councillor R.J. Jackson (Chairman)

Councillors: R.V. Blaney (ex-officio), M.G. Cope, P.C. Duncan, Mrs L. Hurst, J.D. Lee, N.B. Mison, P. Peacock (substitute), D.B. Staples, Mrs L.M.J. Tift, Mrs A.A. Truswell and K. Walker.

32. APOLOGIES FOR ABSENCE

An apology for absence was submitted on behalf of Councillor Mrs Y. Woodhead (Councillor P. Peacock attended as a substitute for the meeting).

33. DECLARATION OF INTERESTS BY MEMBERS AND OFFICERS

The following Members declared their interests.

<u>Member/Officer</u>	<u>Agenda Item No.</u>
Councillor M. Cope	Item No. 7 – Hawtonville Community Centre. Personal Interest as the applicant is known to the Member.
Councillors R.V. Blaney and Mrs A.A. Truswell	Item No. 9 – Active4Today Business Plan. Personal Interests as they were both Directors of Active4Today.

34. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman advised that the proceedings were being audio recorded by the Council.

35. MINUTES OF THE MEETING HELD ON 14 NOVEMBER 2017

AGREED that the Minutes of the meeting held on 14 November 2017, be approved as a correct record and signed by the Chairman.

36. ORDER OF BUSINESS

With the agreement of the Committee, the Chairman changed the order of business and Agenda Item 7 – Hawtonville Community Centre was taken as the first item of business. The agenda resumed its stated order thereafter.

37. HAWTONVILLE COMMUNITY CENTRE TENANCY OPTION

The Committee considered the report presented by the Community Projects Manager, which provided an update on the current position relating to the operation of Hawtonville Community Centre, the progress being made with the management

arrangements following the transfer of the management of the Centre to Newark and Sherwood Homes and for Members to consider the granting of a three year tenancy agreement to REACH a local charity supporting vulnerable adults in Newark and Sherwood.

A summary of the Hawtonville Community Centre Revenue Costs for the period 1 April 2017 to 31 December 2017 was tabled at the meeting.

Members considered the report and welcomed the project and progress made to date. They felt that the range of community groups was acceptable and with REACH taking on the management of the Centre would make it cost neutral to the Council and would preserve the centre which was a positive step for the area of Hawtonville. A Member commented that he had some concern regarding the potential loss of the community facility, however felt the Newark Sports Hub could be utilised. As Members were in support of the proposal and did not want to delay the project it was suggested that recommendation (b) be amended to include the Leisure & Environment Committee Chairman, Vice Chairman and opposition spokesperson in any consultation, in order for Member involvement before the detail was signed off.

In answer to a Members question as to whether any residents of the Hawtonville Estate were clients of REACH, it was confirmed that a proportion of clients were residents of the Hawtonville Estate and the Centre was meeting the needs of that community.

The Director – Safety confirmed that there would be a signed legal agreement (SLA) with REACH to guarantee a community use. Discussions had also taken place with Newark and Sherwood Homes (NSH) who had confirmed that they would remove themselves from the management of the Centre, which would make recommendation (c) within the report obsolete.

AGREED (unanimously) that:

- (a) the principle of REACH being granted a short term tenancy/agreement for the Centre, not exceeding three years, on the condition that community use as outlined in the report is protected; and
- (b) the Director – Safety be given delegated authority in consultation with the Leisure & Environment Committee Chairman, Vice-Chairman and opposition spokesperson to progress negotiations with REACH and agree the terms of the tenancy or other agreement for its occupation of the Centre.

38. LEISURE & ENVIRONMENT COMMITTEE REVENUE BUDGET FOR 2018/19

The Committee considered the report presented by the Assistant Business Manager – Financial Services in relation to the budget and scales of fees and charges for those areas falling under the remit of the Leisure & Environment Committee for 2018/19.

The Current draft budget showed an increase in 2018/19. Direct Service expenditure excluding deferred and capital charges and all central service recharges currently showed an overall increase of £275,760 against 2017/18 budget. When central recharges and capital were included this became an increase of £540,160.

The level of fees and charges had been considered by officers within the framework set out in the Corporate Charging Policy. Proposals for increases in fees and charges were appended to the report for consideration and recommendation to the 22 February 2018 Policy & Finance Committee and 8 March 2018 Council.

A Member sought clarification regarding Service Levels and asked for the number of employees employed to current date by the Council and the number for the same period in 2008. It was confirmed that this information would be circulated to Members of the Committee.

AGREED (unanimously) that:

- (a) the final Committee budget as shown in Appendix A to the report be recommended to the Policy & Finance Committee at its meeting on 22 February 2018 for inclusion in the overall council budget;
- (b) the scales of fees and charges as shown at Appendix B to the report be recommended to the Policy & Finance Committee at its meeting on 22 February 2018 and Council on 8 March 2018; and
- (c) the number of employees employed by Newark & Sherwood District Council to current date and the number for the same period in 2008 be circulated to Members of the Committee.

39. WASTE STRATEGY REVIEW

The Committee considered the report presented by the Assistant Business Manager - Waste Management, which provided a review of the Council's Waste Strategy and proposed amendments to principles and policies.

The Assistant Business Manager informed Members of an amendment to Policy 18 which had been recorded as no change. The Policy should have read amended, as the Council would continue to offer trade waste recycling services to businesses across the district.

A Member commented on Policy 4 which had reduced any replacement residual bin to households of up to two residents with a 140 litre bin. This was considered not acceptable and the residents should have the right to a like for like replacement or the opportunity to reduce their bin size at their request. It was also felt that the reduction in bin size would increase fly tipping. The Assistant Business Manager explained that the current scheme was to encourage people to recycle and lower the Council's waste.

A Member commented that the 2006 policy was written in relation to providing bins to new residents. Current residents could have a like for like replacement whilst new residents of which the district had 273 new properties in the previous year, would be provided with a 140 litre bin unless they could show a need for a 240 litre bin. The aim of the new policy was to reduce waste and encourage recycling.

The Assistant Business Manager confirmed that whilst he understood the logic behind the suggestion he would be reluctant to have a two tier system. The policy had always been to provide residents with the bin that they required for the size of the household.

The Chairman commented that there was work required regarding educating the district's residents on recycling, as everyone seemed unclear as to what could be recycled and the Council also needed to improve their recycling rates. Clarification regarding the sticker scheme was sought which had been requested at a previous meeting of the Committee.

The Assistant Business Manager confirmed that a County wide group was addressing recycling and trying to standardise recycling. A meeting had been scheduled later that month and it was hoped that any decisions made could be rolled out as soon as possible to standardise recycling across the County. Work was currently being undertaken with new residents informing them through a sticker system what could be placed in their recycling bin.

A Member commented on the wording for the instructions regarding what to do if a resident had contaminated their recycling bin as stated in Policy 10 and suggested that the Policy should read 'Place the contaminated recycling bin with the residual bin'.

Members discussed the recorded rise in fly tipping and the reason for that. The Assistant Business Manager confirmed that the rise could be due to the waste management crew having access to hand held devices to record the fly tipping and also the upturn in the economy which had an impact in fly tipping nationally. It was also confirmed that an enforcement team went through the fly tipping looking for evidence and if found prosecution. The team also had the power to investigate fly tipping on private land, the land was not cleared by the Council, but the team had the power to prosecute on behalf of the private land owner.

A Member suggested that Veolia be invited to a future meeting of the Committee. It was further suggested that Nottinghamshire County Council should also be invited with Veolia in order for the Committee to look at the flexibility of the contract.

AGREED (with 6 votes for, 3 votes against and 2 abstentions) that:

- (a) the information contained within the report be noted;
- (b) the reviewed policies and procedures subject to the amendment to Policy 4 be approved as follows:

The Council will issue standard sizes of bins for residual waste collection to new households, depending upon the number of occupants that are full time residents of a household, as follows:

1 - 2 residents	140 litre bin
3 - 5 residents	240 litre bin
6 - 8 residents	360 litre bin

For properties containing more than 8 residents the Council will consider the implementation of additional capacity on a case by case basis.

With regards to the above replacement bins will be issued 'like for like' for properties with 240 or 140L bins. Replacement bins with a capacity over 240L will be issued in line with the number of residents.

- (c) Policy No. 9 – Assisted Collection, to include the following:
In such cases the council will (where practicable) assist with the removal of items from the property which are to be collected under the terms of Policy 5.

40. REVIEW OF LEISURE CENTRE PROVISION IN THE WEST

The Committee considered the report presented by the Business Manager Housing and Safeguarding (Project Manager), which informed Members of the progress to date in considering the options available for improving leisure centre provision in the West of the district and to seek approval for the production of a business case on the preferred option.

Members asked that this item be deferred in order for more work to be undertaken as there were a number of projects underway in Ollerton and Boughton, which may be linked into the proposed development. An expanded report be presented to a future meeting of the Committee.

AGREED (with 7 votes for and 4 votes against) that the item be deferred pending an expanded report to a future meeting of the Leisure & Environment Committee.

41. ACTIVE4TODAY BUSINESS PLAN

The Committee considered the report presented by the Director – Customers and Managing Director – Active4Today, which presented the Active4Today Business Plan 2018/19 and updated Members on the Company's latest quarterly performance.

Members were informed that Active4Today was continuing to report year on year growth across the majority of indicators. Both Adult and children's memberships were up 10% and 17% respectively across the Council's three leisure centres and those two indicators were the best indication of the Company's underlying financial performance.

The number of leisure centre visits from deprived postcodes had remained static year on year, but Members noted proposals within the Active4Today Business Plan to offer a free 7-day pass to households within those postcodes to the Council's leisure centres.

The proposed management fee for 2018/19 was £121,220, which was a slight increase on the current management fee. Within the update report, Active4Today was forecasting an operating surplus at the end of the current financial year of £14,877, with a reserve position of around £400,000. It was also reported that the Company had stated its desire to have a reserves position of £750,000, made up of around £350,000 to maintain and repair the leisure centres to required standards and £400,000 as contingency. A prudent reserve position would enable the Company to withstand unforeseen risks without the need to seek financial support from the Council. Members were also informed that through the contract with Active4Today, 50% of any

surplus generated was due to be returned to the Council. This could offset the cost of the forthcoming management fee or be allocated towards future developments, such as any developments arising from the review of leisure facilities in the west. The report detailed the proposed price increases and the payment of next year's management fee which was proposed to be paid in two stages, with 50% at the start of the year and 50% payable half-way through the financial year dependent on the financial performance of Active4Today at that time.

The cash sum paid to provide strategic management support to Southwell Leisure Centre Trust was detailed within the report. The impact on the budget regarding the proposed management fee to Active4Today for sports development and leisure centre services (£121,220) and support to Southwell Leisure Centre Trust (£95,850) had been built into the medium-term financial plan and was detailed within the report.

A Member raised concern regarding the recorded visits to the Leisure Centre which had been recorded as down which was not consistent with the increase in membership. This issue had been raised at the previous meeting and was being investigated. The Managing Director Active4Today confirmed that a change in software had taken place in September 2017. Work would continue in this area and the same issue had been recorded at Southwell Leisure Centre. If the internet/kiosk was down the gates were opened which meant that the data was not captured. Membership and income had continued to increase. Discussions were also taking place with the Southwell Leisure Centre Trustees to resolve this issue.

A Member suggested that a three year pricing strategy would be a key component as to whether Active4Today could meet its predicted targets and asked for that to be included in the Business Plan.

AGREED (unanimously) that:

- (a) a three year pricing strategy be included in the future Business Plan and the performance to date be noted;
- (b) the Active4Today Business Plan 2018/19 be approved;
- (c) 50% of the Active4Today Management fee be paid at the start of 2018/19 and hold 50% in abeyance until half-way through the financial year pending the latest financial performance of the Company; and
- (d) 50% of the management fee would be paid to Active4today for the delivery of services to Southwell Leisure Centre Trust at the start of 2018/19 and hold 50% in abeyance pending the outcome of the funding agreement between the Company and the Trust.

42. FUTURE WORK PROGRAMME

Members were asked to inform the Leisure & Environment Committee Chairman of any future work areas they would like the Committee to consider. The two following suggestions were made. Active4Today Business Plan priorities for the forthcoming year and Sports Development in the future.

AGREED that Members consider future work areas for the Leisure & Environment Committee.

43. URGENCY ITEM – GARDEN WASTE COLLECTION

The Committee noted the decision regarding the increased cost of the Garden Waste Service to £35.

The reason why the decision was taken through the urgency procedure was that Rushcliffe Borough Council, which administered the scheme on behalf of the Council and Mansfield District Council needed to write to recipients of the service to give them sufficient notice of any proposed changes for 2018/19 prior to 1 April 2018.

The £35 charge was in line with the fee charged within Rushcliffe, but more than the cost of the service charged for Mansfield residents. The rural nature of Rushcliffe and Newark and Sherwood resulted in higher collection costs than Mansfield which benefited from reduced travelling distances due to the more urban nature of the District.

AGREED (unanimously) that the urgency item be noted.

44. HEALTH AND WELLBEING

The Leisure & Environment Committee Vice-Chairman informed the Committee that the Health & Wellbeing Board had met with the Newark & Sherwood Clinical Commissioning Group (CCG) and constructive dialogue took place confirming what each party could achieve. The Health & Wellbeing Board had also adopted the Health & Wellbeing strategy.

The Director Public Health Nottinghamshire - Barbara Brady had also attended the Health & Wellbeing Board meeting and was confident that work was being undertaken for public health & wellbeing through District Council initiatives.

The Vice chairman however reported some hard hitting statistics which had come from the Board meeting, which had stated that the life expectancy of the County was 3-7 years less than that of the national average. Living a healthy and active lifestyle was up to 15 years difference for the County compared to the national average. The impact from the systems/services that the Council ran in conjunction with the CCG could affect everything in resident's daily lives. There was so much that the Council could offer and adopt more initiatives and policies regarding wellbeing.

The Leader of the Council confirmed that the Council was involved with a huge amount of work regarding Health and Wellbeing, which needed to be joined up with other organisations to deliver the public health agenda. One of the key issues to be addressed was engaging with the CCG and General Practitioners (GP's).

The Business Manager Housing and Safeguarding (Project Manager) confirmed that the Health & Wellbeing Board had agreed the Health and Wellbeing Strategy. The Council's key role was to deliver the strategy. The Council was currently considering how it could pull that area of work together with the CCG and then report that work back to the

Committee. Primary care was being researched with GP's and local schemes for better care funding were being pursued.

The meeting closed at 8.00pm.

Chairman