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Wednesday, 28 February 2024

Chair: Councillor C Brooks
Vice-Chair: Councillor J Hall

To all Members of the Council

MEETING: Full Council

DATE: Thursday, 7 March 2024 at 6.00 pm

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

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

If you have any queries please contact Nigel Hill Tel: 01636 655243 Email: Nigel.hill@newark-sherwooddc.gov.uk

AGENDA

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1. Notification to those present that the meeting will be recorded and streamed online	
2. Apologies for absence	
3. Declarations of Interest by Members and Officers	
4. Minutes from the meeting held on 13 February 2024	4 - 14
5. Communications which the Chairman, Leader, Chief Executive or Portfolio Holders may wish to lay before the Council	
6. In accordance with Rule No. 3.1 to receive the presentation or the debating of any Petitions from Members of the Council (if any)	
7. Questions from Members of the Public and Council	
<p>In accordance with Rule No. 3.3.2 the following question has been submitted to the Council from a member of the public, Mathew Skinner:</p> <p>“Why is it that not all trees and open spaces in Beacon Ward matter to Newark & Sherwood District Council?</p> <p>Land East of Newark – known locally as the area around ‘Clay Lane’ continues to be included and allocated for housing development with no justification. As local residents, we feel that this area is not suitable for development due to unsuitability of the designated access roads and the enormous negative impact it would have environmentally. And at a time when we see large amounts of housing being delivered in other areas of the town, we see no reason why this area continues to be included in the Council’s Allocations and Development Management DPD.</p> <p>In recent weeks a significant number of trees on Sherwood Avenue Play Park have been removed without the prior consent of the landowner (Newark Town Council controlled by Independents for Newark) by Newark and Sherwood District Council after being appointed as the contractor for the park redevelopments. The site is within the conservation area for Newark. Why was it decided that its ok for these trees to be removed?”</p>	
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15.	Review of Polling Districts and Places	147 - 173
16.	Notices of Motion	

In accordance with Rule No. 3.4.3, Councillor P. Taylor will move and Councillor L. Brazier will second a motion to the following effect:

“Newark and Sherwood District Council has serious concerns about the provision of NHS services in Newark. NHS staff are doing an amazing job in the most challenging of circumstances.

The recent NHS Nottingham and Nottinghamshire Integrated Care Board consultation about the opening hours of the Urgent Treatment Centre has revealed itself to be a fait accompli, with no option to provide 24-hour cover. This was a question of resources, not need.

Newark Hospital has been under resourced for too many years, leading to the loss of its Accident and Emergency service in the summer of 2010.

Newark and Sherwood District Council supports the vision of NHS Nottingham and Nottinghamshire Integrated Care Board, which is;

Our neighbourhoods, places and system will seamlessly integrate to provide joined up care. Every citizen will enjoy their best possible health and wellbeing.

Newark and Sherwood District Council will engage with the NHS Nottingham and Nottinghamshire Integrated Care Board to work towards a consistency of care across Nottinghamshire and will support the NHS Nottingham and Nottinghamshire Integrated Care Board to lobby Government for more resources so that Newark Hospital can increase its services for the people living right across our district”.

17.	Minutes for Noting	
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NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Full Council** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Tuesday, 13 February 2024 at 6.00 pm.

PRESENT: Councillor C Brooks (Chair)
Councillor J Hall (Vice-Chair)

Councillor N Allen, Councillor L Brazier, Councillor I Brown, Councillor R Cozens, Councillor S Crosby, Councillor L Dales, Councillor D Darby, Councillor P Farmer, Councillor A Freeman, Councillor S Forde, Councillor P Harris, Councillor S Haynes, Councillor R Holloway, Councillor R Jackson, Councillor K Melton, Councillor S Michael, Councillor D Moore, Councillor E Oldham, Councillor P Peacock, Councillor C Penny, Councillor M Pringle, Councillor P Rainbow, Councillor N Ross, Councillor S Saddington, Councillor T Smith, Councillor M Shakeshaft, Councillor M Spoons, Councillor P Taylor, Councillor L Tift, Councillor T Thompson, Councillor T Wendels and Councillor T Wildgust

APOLOGIES FOR ABSENCE: Councillor A Amer, Councillor A Brazier, Councillor J Kellas, Councillor J Lee and Councillor K Roberts

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

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

62 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

The Council noted the interests previously declared by Members in Agenda Item No. 13 – Minutes for Noting.

63 MINUTES FROM THE MEETING HELD ON 12 DECEMBER 2023

AGREED that that minutes of the meeting held on 12 December 2023 be approved as a correct record and signed by the Chair.

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

The Chair announced the winners of the ‘Serving People – Improving Lives’ Awards for staff in 2023. The winners were invited to the Full Council to have their awards represented by the Chair and to celebrate their success with Members.

Team of the Year – Community Development Team
Manager of the Year – Jill Baker
Colleague of the Year – Stacey Carter
Apprentice of the Year – Anthony Whyton
Chief Executive’s Award – Brian Rawlinson

The Portfolio Holder for Housing informed the Council that the Council's ICT team had been highly commended at the recent Housing Technology awards in the Digital Transformation and Cyber Security category.

65 QUESTIONS FROM MEMBERS OF THE PUBLIC AND COUNCIL

In accordance with Rule No. 3.3.2 one question had been submitted by a member of the public to the Council. Details of the questions put forward and the responses given by Councillor L Brazier are attached as Appendix A to the minutes.

66 COUNCIL TAX EMPTY HOMES PREMIUM

The Council considered the report of the Deputy Chief Executive and Director – Resources which provided an update on the current position relating to the Council Tax empty homes premium, and a proposal to change the trigger date for charging the empty home premium from two years to one year.

The proposal, recommended by the Cabinet, was to change the date on which the Council Tax long-term empty home premium becomes due from two years to one. This proposal would support the Council and Government policy in helping to reduce the number of empty homes by giving the highest incentive to owners to bring the properties back into use, by either selling or renting the property. The element of the total Council Tax liability which related to the District Council's income, would increase by £114,500 to £229,000.

The Council welcomed the change, noting the discretionary element in applying the policy where homes have been left empty for a wide range of reasons.

AGREED (unanimously) that the proposal to increase the long-term empty home premium as set out in paragraph 2.7 of the report, effective from 1 April 2024, be approved.

67 2024/25 HOUSING REVENUE ACCOUNT BUDGET AND RENT SETTING

The Council considered the joint report of the Deputy Chief Executive, Director – Resources and Section 151 Officer and Director – Housing, Health & Wellbeing which set out the proposed income and expenditure on the Housing Revenue Account (HRA) budget for the 2024/25 financial year, provided indicative amounts of income and expenditure for the 2025/26 to 2027/28 financial years; and sought approval for rent levels and service charges for 2024/25 (with effect from the first Monday in April 2024) as detailed in Appendices A, B and C to the report.

The Cabinet, at their meeting held on 23 January 2024, recommended approval of the HRA budget for 2024/25, with an increase of 7.7% on rents of all properties in the HRA, and service charges as detailed.

Councillor L Brazier moved and Councillor P Peacock seconded the recommendations as set out in the report, which reflected the recommendations made by the Cabinet.

Councillor T Wendels moved and Councillor R Holloway seconded an amendment that Council approve:

- a) an increase of 6.7% in the 2024/25 rents of all properties in the HRA as at 31 March 2024 be applied from 1 April 2024;
- b) the 2024/25 service charges, as set out in Appendix C to the Report; and
- c) the HRA budget for 2024/25, as set out in Appendix A with the exception of the income which will be reduced by £244,100 due to the level of rent increase set out at a) above and funded by an equivalent reduction in the revenue contribution to the Major Repairs Reserve.

Members debated the proposed amendment, and in accordance with Rule 5.4 a recorded vote was taken as follows:

Councillor	Vote
Neil Allen	For
Lee Brazier	Against
Celia Brooks	Against
Irene Brown	For
Rowan Cozens	Against
Susan Crosby	Against
Linda Dales	For
Debbie Darby	Against
Phil Farmer	For
Simon Forde	Against
Andrew Freeman	Against
Jean Hall	Against
Peter Harris	Against
Simon Haynes	For
Rhona Holloway	For
Roger Jackson	For
Keith Melton	Against
Sylvia Michael	For
David Moore	Against
Emma Oldham	Against
Paul Peacock	Against
Claire Penny	Against
Mike Pringle	Against
Penny Rainbow	For
Neil Ross	Against
Sue Saddington	For
Maurice Shakeshaft	Against
Tom Smith	For
Matthew Spoons	Against
Paul Taylor	Against
Tina Thompson	Against
Linda Tift	Against
Tim Wendels	For
Tim Wildgust	For

The amendment was declared lost, with 13 votes for and 21 against.

The Council considered the substantive motion and it was AGREED with 21 votes and 13 against that the Council approve:

- a) the HRA budget for 2024/25, as set out in Appendix A to the report;
- b) an increase of 7.7% in the 2024/25 rents of all properties in the HRA as of 31 March 2024, to be applied from 1 April 2024; and
- c) the 2024/25 service charges, as set out in Appendix C to the report.

In accordance with Rule 5.4, a recorded vote was taken as follows:

Councillor	Vote
Neil Allen	Against
Lee Brazier	For
Celia Brooks	For
Irene Brown	Against
Rowan Cozens	For
Susan Crosby	For
Linda Dales	Against
Debbie Darby	For
Phil Farmer	Against
Simon Forde	For
Andrew Freeman	For
Jean Hall	For
Peter Harris	For
Simon Haynes	Against
Rhona Holloway	Against
Roger Jackson	Against
Keith Melton	For
Sylvia Michael	Against
David Moore	For
Emma Oldham	For
Paul Peacock	For
Claire Penny	For
Mike Pringle	For
Mrs Penny Rainbow	Against
Neil Ross	For
Sue Saddington	Against
Maurice Shakeshaft	For
Tom Smith	Against
Matthew Spoons	For
Paul Taylor	For
Tina Thompson	For
Linda Tift	For
Tim Wendels	Against
Tim Wildgust	Against

68 POLITICAL COMPOSITION OF THE COUNCIL AND ALLOCATION OF SEATS TO POLITICAL GROUPS

The Council considered the report of the Chief Executive which advised Members of the political composition of the Council following the resignation of Cllr Amer from the Independents for Newark & District to serve as an independent non-aligned Member. The change required an amendment to the allocation of seats to political groups on committees.

Section 15 of the Local Government and Housing Act 1989 required the Council to consider the political composition of the Council. This Act, together with the Local Government (Committees and Political Groups) Regulations 1990, required the Council to allocate seats on committees on a proportional basis in accordance with the number of seats held on the Council by each political group. The proposed revised allocation of seats was set out in Appendix A to the report.

AGREED (unanimously) that the allocation of seats to Political Groups, as set out in Appendix B to these minutes, be approved.

69 CONSTITUTION UPDATE - PUBLIC SPEAKING AT PLANNING COMMITTEE

The Council considered the report of the Assistant Director Legal & Democratic Services and Monitoring Officer which sought approval of updates to the Council's Constitution to enable the Planning Committee to revise the Council's Protocol for Dealing with Planning Matters to allow for public speaking at Planning Committee.

The Audit & Governance Committee considered the potential introduction of public speaking at the Planning Committee at their meeting held on 27 November 2023 and recommended to Council minor amendments to the Constitution to enable the provision of public speaking. The proposed changes to the Constitution were set out in the appendix to the report. If approved, it would be for the Planning Committee to finalise arrangements and adopt if they chose to do so.

AGREED (unanimously) that the Council's Constitution be amended as set out in paragraphs 2.2 to 2.4 of the report (and as set out in the appendix to the report) to enable Planning Committee to make provision for public speaking if it resolves to do so.

70 NOTICE OF MOTION

Flooding in Newark and Sherwood

In accordance with Rule No. 3.4.3, Councillor P. Taylor moved and Councillor E. Oldham, seconded a motion to the following effect:

"Newark and Sherwood District has seen occurrences of three severe weather events over recent months. This has resulted in both serious flooding in locations that have a track record of flooding alongside new locations.

Understandably, the people of Newark and Sherwood are angry and concerned about the number of times their homes, communities and livelihoods have been impacted.

The consequences of this flooding has been:

- Homes repeatedly flooded and damaged.
- Businesses and farmland flooded.
- Roads closed.
- Impact on people's mental health.

These types of flooding incidents have been described as once in 100-year events. However, with the impacts of climate change escalating, we know flooding is harder to forecast and will become more commonplace.

As water levels start to reduce there is a danger that there will be a perception that Newark and Sherwood District Council is returning to business as usual.

We cannot go back to business as usual. We do not accept the level of pain and suffering so many of our residents across Newark and Sherwood have been through. Our thinking and future actions need to show an understanding that some degree of adaptation needs to be considered in relation to the impacts of Climate Change

We know that many people and businesses are still suffering from the impacts of the recent flooding, with their homes and lives devastated. For some, this is likely to be an ongoing issue for many months. Even after homes have dried out and been refurbished, many will be living with the fear that it will happen again. We cannot see these individuals abandoned.

As a Council we wish to acknowledge the hard work and commitment of so many people during the floods. The staff of this council who worked tirelessly, putting in long hours over and above their normal working hours to support residents.

We would like to thank all the Community Flood Wardens for all their expertise and hard work. Members of the emergency services, Police and Fire Brigade. We would also like to acknowledge the work of organisations who have statutory responsibility around flooding. The County Council as the Flood Authority, the Environment Agency and the Drainage Boards along with the water authorities. Our communities would have suffered even more had it not been for the efforts of volunteers and neighbours helping one another, along with community groups. We should also acknowledge supermarkets who donated provisions for those isolated.

As a council we have organised a debrief session with the above to learn the lessons from their perspective and we will continue to learn lessons as we further engage with our communities.

Moving forward

This Council proposes that we bring together local authorities and other agencies with a responsibility for flood alleviation across the Trent Valley to explore ways of addressing the continued threat of flooding. This will include a proposal to jointly commission a River Trent Valley Flood Alleviation Plan.

The plan should capitalise on the benefits of natural solutions, including restoring wetlands and floodplains, tree planting, creation of reed beds, and dedicated dredging.

Flood alleviation is the responsibility of;

- Central Government
- Environment Agency
- Nottinghamshire County Council (Flood Authority)
- Seven Trent Water
- Drainage Authorities

Other stakeholders

- Local Authorities the length of the Trent.

Ultimately, we will need Government support in order to implement any flood alleviation plan.

This Council therefore resolves to work tirelessly with those authorities with statutory responsibilities and other stakeholders to ensure the creation of a flood alleviation plan for the Trent Valley and its tributaries. This Council will then lobby Government for the resources to be made available to implement the plan as soon as possible”.

The motion, on being put to the vote the motion was agreed unanimously.

71 MINUTES FOR NOTING

72 CABINET - 5 DECEMBER 2023

73 CABINET - 19 DECEMBER 2023

74 CABINET - 23 JANUARY 2024

75 EXECUTIVE SHAREHOLDER COMMITTEE - 5 DECEMBER 2023

76 PLANNING COMMITTEE - 7 DECEMBER 2023

77 PLANNING COMMITTEE - 18 JANUARY 2024

77a POLICY AND PERFORMANCE IMPROVEMENT COMMITTEE - 29 JANUARY 2024

Minute No. 64 – Information Sharing with Members Working Group Update

Councillor P Harris requested an update on the progress of the working group to date and how it was planned to share information to Members on Ward matters.

Councillor M Pringle advised that two meetings of the group had been held to date and agreed to feed in any additional matters where necessary.

Meeting closed at 8.15 pm.

Chair

FULL COUNCIL MEETING – 13 FEBRUARY 2024

QUESTIONS FROM MEMBERS OF THE PUBLIC

In accordance with Rule No. 3.3.2 the following question has been submitted to the Council from a member of the public, Laurence Goff:

“What is the District Council doing regarding rough sleepers during the winter months. Have they considered ‘NAP Pads’ which could save the lives of homeless people in the District. Would the Council have a suitable location for these. The NAP Pads are fitted with non-invasive ‘vital life’ sensors to confirm that the users are still breathing. Each pad is self-contained with toilet and wash facilities, a security door, window, power points, heater and LED lighting. These NAP Pads are being piloted in York and other areas and could save countless lives.”

Reply from Councillor Lee Brazier – Portfolio Holder for Housing

“Thank you, Laurence, for your question and thank you for originally raising this matter when you were a councillor here. I can confirm that we as an administration are meeting this week with the chair of Well Homeless Support to discuss NAPpads within Newark and Sherwood District. I can also confirm that our new temporary accommodation at Alexander Lodge is set to open very soon, which will have provision for homelessness support. During the severe weather we have had recently, we triggered our severe weather provision, where we offered temporary shelter to those who we knew were street homeless. Going forward, we are also looking at our wider temporary accommodation across the district and how we can improve this in the future”.

Supplemental Question from Laurence Goff

“Will the Council consider having a proper facility for the homeless such as a hostel?”

Reply from Councillor Lee Brazier – Portfolio Holder for Housing (supplied following the meeting)

The Council has an extensive provision of temporary accommodation, which is used for emergency placements of individuals or households who are experiencing housing crisis; either when threatened with homelessness or when remaining in their current accommodation presents a risk to any member of the household. Here is the breakdown:

Location	Number & Type of Accommodation
Wellow Green, Boughton	10 family units
Northgate, Newark	6 units designated for rough sleepers.
Alexander Lodge, Newark	20 units with the facility to make larger units

36 units in total for supporting homeless people and families

We recognise and appreciate the support of local organisations who also support individuals and families who may not engage with the Council or are unable to be supported through the statutory duties the Council has and these services complement our own.

APPENDIX A

ALLOCATION OF SEATS TO POLITICAL GROUPS

Committee	Conservative	Labour	Independents for Newark and District	Liberal Democrats	Newark & Sherwood District Independents	Independent Non-Aligned – Cllr. Amer	Independent Non-Aligned – Cllr. Brown	Total Seats By Committee
Policy & Performance Improvement	5	5	3	1	1			15
Planning	5	5	2	2		1		15
General Purposes	6	4	3	1	1			15
Licensing	6	4	3	1	1			15
Audit & Governance*	4	3	3	1	1			12
Board of Gilstrap Trustees+	2	1				1	1	5
Total Seats by Group	28	22	14	6	4	2	1	77

*Note The Audit & Governance Committee includes one independent co-opted member acting in an advisory capacity

+Note The Board of Trustees of the Gilstrap Charity includes up to four non-voting co-opted Members (Newark Wards)



Report to: Full Council Meeting – 7 March 2024

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

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

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

Report Summary	
Report Title	Revenue Budget and Council Tax Setting for 2024/25
Purpose of Report	The functions of calculating the Council Tax requirement and the District element of the Council Tax, and the function of setting the Council Tax are the responsibility of the Full Council. This report provides members of the Council with the information required to set a Council Tax for 2024/25 in accordance with statutory regulations.
Recommendations	That Council: a) note the proposals under section 2 of the report; b) approve the proposals under section 3 of the report; c) note sections 4, 5 and 6 of the report; d) note the proposal in section 7 of the report; and e) note the determination in section 8 of the report.
Reason for Recommendation	To ensure the Council fulfils its statutory duty, under Section 30 of the Local Government Act 1992, to set a Council Tax for 2024/25.

1.0 Background

- 1.1 The Council is required by the Local Government Finance Act 1992 to set a Council Tax for 2024/2025.
- 1.2 The Council Tax Base for the Council, together with the Council Tax Base for all Parish Councils within the District and the Business Rates Base, have been determined in accordance with the regulations. These figures (for noting) are shown in 2.2 (a), (b) and (c) of this report.
- 1.3 In setting the level of Council Tax for 2024/2025 it is necessary to consider the requirements of the Council Tax Collection Fund for 2024/2025. This incorporates the District Council's Council Tax Requirement, Parish Council Precepts, and the Council Tax requirements of Nottinghamshire County Council, the Nottinghamshire Police and Crime Commissioner and the Nottinghamshire Fire and Rescue Service.

- 1.4 The Cabinet meeting held on the 20 February 2024, recommended that the District Council's Net Budget Requirement for 2024/2025 should be £19,878,850.
- 1.5 As part of the budget process, the views of the operational committees have been taken into account.
- 1.6 The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 require that "immediately after any vote is taken at a budget decision meeting of an authority there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting". Members will be aware that this applies to all parts of Proposals 3 a-i in this report.
- 1.7 All Parish Council precepts have now been received. Parish precepts total £3,880,857.65. Individual Parish Council precepts are shown in the table below.

	PARISH	PRECEPT 2024-25 £
1	Alverton	-
2	Averham	*
3	Balderton	365,620.00
4	Barnby in the Willows	4,765.25
5	Bathley	1,690.00
6	Besthorpe	8,050.00
7	Bilsthorpe	90,433.35
8	Bleasby	19,430.00
9	Blidworth	95,291.00
10	Bulcote	10,312.00
11	Carlton-on-Trent	4,676.00
12	Caunton	6,800.00
13	Caythorpe	4,300.00
14	Clipstone	172,380.00
15	Coddington	17,773.00
16	Collingham	50,183.00
17	Cotham	-
18	Cromwell	1,050.00
19	Eakring	5,632.00

	PARISH	PRECEPT 2024-25 £
20	East Stoke	****
21	Edingley	12,500.00
22	Edwinstowe	211,500.00
23	Egmanton	5,500.00
24	Elston	29,500.00
25	Epperstone	16,852.50
26	Farndon	61,194.00
27	Farnsfield	88,906.00
28	Fiskerton-cum-Morton	9,300.00
29	Girton and Meering	1,220.00
30	Gonalston	-
31	Grassthorpe	-
32	Gunthorpe	23,500.00
33	Halam	8,000.00
34	Halloughton	-
35	Harby	6,364.00
36	Hawton	1,300.00
37	Hockerton	5,000.00
38	Holme	-
39	Hoveringham	16,800.00
40	Kelham	*
41	Kersall	**
42	Kilvington	-
43	Kirklington	9,000.00
44	Kirton	7,875.00
45	Kneesall	**
46	Langford	***
47	Laxton & Moorhouse	4,600.00
48	Lowdham	80,390.00

	PARISH	PRECEPT 2024-25 £
49	Lyndhurst	-
50	Maplebeck	-
51	Meering	-
52	Newark	1,227,058.00
53	North Clifton	1,894.00
54	North Muskham	22,890.00
55	Norwell	9,579.00
56	Ollerton and Boughton	506,599.00
57	Ompton	**
58	Ossington	-
59	Oxton	19,000.00
60	Perlethorpe-cum-Budby	1,800.00
61	Rainworth	67,000.00
62	Rolleston	8,994.55
63	Rufford	4,000.00
64	South Clifton	2,850.00
65	South Muskham	13,717.00
66	South Scarle	5,350.00
67	Southwell	286,321.00
68	Spalford	-
69	Staunton	-
70	Staythorpe	*
71	Sutton-on-Trent	28,000.00
72	Syerston	-
73	Thorney	2,778.00
74	Thorpe	****
75	Thurgarton	15,266.00
76	Upton	8,600.00
77	Walesby	47,520.00

	PARISH	PRECEPT 2024-25 £
78	Wellow	7,800.00
79	Weston	4,917.00
80	Wigsley	-
81	Winkburn	-
82	Winthorpe	***
83	Fernwood	97,645.00
84	Kings Clipstone	10,374.00

Parishes Grouped for Precept Purposes

*	Averham, Kelham, Staythorpe	5,200.00
**	Kneesall, Kersall, Ompton	3,018.00
***	Winthorpe, Langford	12,000.00
****	East Stoke, Thorpe	3,000.00
	Total	3,880,857.65

- 1.8 The Government Grants 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 £12,503,810 for 2024/25 and are shown at 3(d).
- 1.9 In setting the level of Council Tax for 2024/2025, it is necessary to assess whether any adjustment is necessary due to the level of Council Tax levy prior to 2024/2025. This involves calculations according to the provisions of the Local Authorities (Funds)(England) Regulations 1992, as subsequently amended. The position of the Council Tax Collection Fund was examined on 15 January, 2024, as required by the Regulations. After calculation, it is considered that there is a deficit on the Council Tax Collection Fund and therefore an adjustment is necessary to the level of Council Tax for 2024/2025 precepts for 2024/20245 in respect of this.
- 1.10 Any deficit on the Collection Fund has, by law, to be apportioned between the District Council, the County Council, the Police and Crime Commissioner and the Fire Authority in proportion to their respective calls on the Collection Fund for the previous year.
- 1.11 The proportion of the deficit relating to Newark & Sherwood District Council is £116,520, this reduction is shown at 3 (e).
- 1.12 The amount shown at 3(f) of £794,470 is the amount that the Council has determined to contribute to usable reserves.

- 1.13 The amount shown at 3(g) of £8,286,030.00 is the Council Tax requirement for Newark and Sherwood District Council (excluding parish precepts) net of revenue support grant and business rates income as shown at 3(d).
- 1.14 The basic level of tax (i.e. the level of tax for Band D properties) required to fund District Council Services in areas where no parish charge is levied is £194.82 as shown at 3(h).
- 1.15 There are no District Council Special Expenses for 2024/2025. The amount shown at 3(i) of £3,880,857.65 for special items relates to Parish Precepts only.
- 1.16 The basic level of tax i.e. the level of tax for Band D properties for District Council Services and the average of all parish precepts is shown at 3(j).
- 1.17 The basic level of tax for Band D properties in each parish, including parish charges (where appropriate) is shown at 3(k).
- 1.18 The basic level of tax for Band D properties is then multiplied by the appropriate statutory factor for each valuation band in order to arrive at the level of tax for District and Parish services for each valuation band. The resulting figures are shown at 3(l).
- 1.19 These figures then have to be added to the level of tax set by Nottinghamshire County Council, the Nottinghamshire Police & Crime Commissioner and the Nottingham and Nottinghamshire Fire and Rescue Service, for the provision of its services.
- 1.20 Nottinghamshire County Council has set a precept on Newark and Sherwood District Council's collection fund for 2024/2025 of £76,858,275.00, equivalent to a Band D Council Tax of £1,807.08. Council Tax figures for each Band are set out in section 4.
- 1.21 The Nottinghamshire Police & Crime Commissioner has set a precept on Newark and Sherwood District Council's Collection fund for 2024/2025 of £12,000,333.00, equivalent to a Band D Council Tax of £282.15. Council Tax figures for each Band are set out in section 5.
- 1.22 The Nottingham and Nottinghamshire Fire and Rescue Service (the "Combined Fire Authority") has set a precept on Newark and Sherwood District Council's Collection fund for 2024/2025 of £3,921,861.00 equivalent to a Band D Council Tax of £92.21. Council Tax figures for each Band are set out in section 6.
- 1.23 The total levels of Council Tax for 2024/2025 for each Council Tax valuation band in each parish is shown in section 7.
- 1.24 The level of Council Tax for Newark and Sherwood District Council services only is:

Valuation Band

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64

1.25 From 2012/13, the Government replaced the former Council Tax Capping provisions with regulations requiring a Council Tax referendum to be held where a Council proposes a Council Tax increase in excess of a level set by the Secretary of State. For 2024/25, the level of Council Tax increase that would trigger a referendum has been set at the higher of 3.0% or more than £5.00. Having carried out the necessary calculation, the Council's budget and Council Tax do not exceed the threshold and so do not trigger a referendum. This is reflected in section 8.

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

Valuation Band

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52

2.0 Proposals for Noting

2.1 it be noted that the following amounts have been determined for the year 2024/2025 in accordance with regulations made under Section 31(B) of the Local Government Finance Act 1992:-

- (a) **42,531.75** 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) **£45,347,040** being the net business rate yield after transitional arrangements and rate retention;
- (c) **Part of the Council's Area**

	PARISH	TOTAL LOCAL TAX BASE
1	Alverton	26.19
2	Averham	123.66
3	Balderton	3,072.96
4	Barnby in the Willows	109.71
5	Bathley	121.32
6	Besthorpe	83.61
7	Bilsthorpe	1,076.49
8	Bleasby	394.47
9	Blidworth	1,174.59

	PARISH	TOTAL LOCAL TAX BASE
10	Bulcote	171.36
11	Carlton-on-Trent	105.03
12	Caunton	209.88
13	Caythorpe	145.80
14	Clipstone	1,703.16
15	Coddington	575.91
16	Collingham	1,287.18
17	Cotham	46.62
18	Cromwell	108.72
19	Eakring	216.90
20	East Stoke	72.36
21	Edingley	192.24
22	Edwinstowe	2,024.01
23	Egmanton	132.12
24	Elston	288.63
25	Epperstone	278.73
26	Farndon	835.38
27	Farnsfield	1,333.44
28	Fiskerton-cum-Morton	430.65
29	Girton and Meering	58.05
30	Gonalston	52.56
31	Grassthorne	28.08
32	Gunthorpe	319.50
33	Halam	203.04
34	Halloughton	39.87
35	Harby	125.64
36	Hawton	32.04
37	Hockerton	105.84
38	Holme	45.99
39	Hoveringham	178.11

	PARISH	TOTAL LOCAL TAX BASE
40	Kelham	86.76
41	Kersall	22.14
42	Kilvington	13.05
43	Kirklington	173.07
44	Kirton	127.35
45	Kneesall	95.85
46	Langford	42.12
47	Laxton & Moorhouse	120.15
48	Lowdham	1,036.08
49	Lyndhurst	6.75
50	Maplebeck	47.61
51	Meering	-
52	Newark	9,226.89
53	North Clifton	75.60
54	North Muskham	422.01
55	Norwell	225.63
56	Ollerton and Boughton	3,004.47
57	Ompton	22.05
58	Ossington	40.95
59	Oxton	279.81
60	Perlethorpe-cum-Budby	74.88
61	Rainworth	1,957.14
62	Rolleston	163.35
63	Rufford	244.17
64	South Clifton	131.31
65	South Muskham	202.59
66	South Scarle	98.46
67	Southwell	3,051.81
68	Spalford	42.03
69	Staunton	28.53

	PARISH	TOTAL LOCAL TAX BASE
70	Staythorpe	46.17
71	Sutton-on-Trent	564.12
72	Syerston	96.75
73	Thorney	102.69
74	Thorpe	33.39
75	Thurgarton	260.01
76	Upton	202.86
77	Walesby	450.36
78	Wellow	195.39
79	Weston	145.89
80	Wigsley	53.82
81	Winkburn	46.98
82	Winthorpe	296.19
83	Fernwood	1,317.42
84	Kings Clipstone	127.26
	Total Rounded	42,531.75

Parishes Grouped For Precept Purposes

	Averham, Kelham, Staythorpe	256.59
	Kneesall, Kersall, Ompton	140.04
	Winthorpe, Langford	338.31
	East Stoke, Thorpe	105.75

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

3.0 Proposals to be Approved

- 3.1 The revenue estimates for 2024/2025 and schedule of fees and charges, as submitted in the Council's Budget book be approved;
- 3.2 That the following amounts be now calculated by the Council for the year 2024/2025 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:-

- (a) **£57,602,680.00** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) to (4) of the Act;
- (b) **£37,723,830.00** 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) **£19,878,850.00** being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with section 31A(4) of the Act, as its Council Tax requirement for the year;
- (d) **£12,503,810.00** being the amount of Government Grants (£3,294,000) and net retained Business Rates (£9,209,810) which the Council estimates will be payable for the year into its general fund;
- (e) **£116,520.00** 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 deficit on the Council Tax Collection Fund;
- (f) **£794,470.00** being the amount that the Council has determined to contribute to usable reserves;
- (g) **£8,286,030.00** being the amount at 3(c) above less the amount at 3(d) above plus the amount at 3(e) above less the amount at 3(f) above calculated by the Council as its' net Council Tax requirement for the year.
- (h) **£194.82** being the amount at 3(g) divided by the amount at 2(a), calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.
- (i) **£3,880,857.65** being the aggregate amount of all special items referred to in Section 34(1) of the Act, the Council resolves there being no other special items;
- (j) **£286.07** being the amount at 3(g) above plus the amount at 3(i) above divided by the amount at 2(a) above calculated by the Council in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year;
- (k)

	PARISH	BASIC TAX (£)
1	Alverton	194.82

	PARISH	BASIC TAX (£)
2	Averham	*
3	Balderton	313.80
4	Barnby in the Willows	238.25
5	Bathley	208.75
6	Besthorpe	291.10
7	Bilsthorpe	278.83
8	Bleasby	244.08
9	Blidworth	275.95
10	Bulcote	255.00
11	Carlton-on-Trent	239.34
12	Caunton	227.72
13	Caythorpe	224.31
14	Clipstone	296.03
15	Coddington	225.68
16	Collingham	233.81
17	Cotham	194.82
18	Cromwell	204.48
19	Eakring	220.79
20	East Stoke	****
21	Edingley	259.84
22	Edwinstowe	299.32
23	Egmanton	236.45
24	Elston	297.03
25	Epperstone	255.28
26	Farndon	268.07
27	Farnsfield	261.49
28	Fiskerton-cum-Morton	216.42
29	Girton and Meering	215.84
30	Gonalston	194.82

	PARISH	BASIC TAX (£)
31	Grassthorpe	194.82
32	Gunthorpe	268.37
33	Halam	234.22
34	Halloughton	194.82
35	Harby	245.47
36	Hawton	235.39
37	Hockerton	242.06
38	Holme	194.82
39	Hoveringham	289.14
40	Kelham	*
41	Kersall	**
42	Kilvington	194.82
43	Kirklington	246.82
44	Kirton	256.66
45	Kneesall	**
46	Langford	***
47	Laxton & Moorhouse	233.11
48	Lowdham	272.41
49	Lyndhurst	194.82
50	Maplebeck	194.82
51	Meering	194.82
52	Newark	327.81
53	North Clifton	219.87
54	North Muskham	249.06
55	Norwell	237.27
56	Ollerton and Boughton	363.44
57	Ompton	**
58	Ossington	194.82
59	Oxton	262.72

	PARISH	BASIC TAX (£)
60	Perlethorpe-cum-Budby	218.86
61	Rainworth	229.05
62	Rolleston	249.88
63	Rufford	211.20
64	South Clifton	216.52
65	South Muskham	262.53
66	South Scarle	249.16
67	Southwell	288.64
68	Spalford	194.82
69	Staunton	194.82
70	Staythorpe	*
71	Sutton-on-Trent	244.45
72	Syerston	194.82
73	Thorney	221.87
74	Thorpe	****
75	Thurgarton	253.53
76	Upton	237.21
77	Walesby	300.34
78	Wellow	234.74
79	Weston	228.52
80	Wigsley	194.82
81	Winkburn	194.82
82	Winthorpe	***
83	Fernwood	268.94
84	Kings Clipstone	276.34

	Parishes Grouped for Parish Purposes	Basic Tax (£)
*	Averham, Kelham, Staythorpe	215.09
**	Kneesall, Kersall, Ompton	216.37

***	Winthorpe, Langford	230.29
****	East Stoke, Thorpe	223.19

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

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

Part of the Council's area, being the Parishes of:-	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
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		£	£	£	£	£	£	£	£
1	Alverton	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
2	Averham	*	*	*	*	*	*	*	*
3	Balderton	209.20	244.07	278.93	313.80	383.53	453.27	523.00	627.60
4	Barnby in the Willows	158.83	185.31	211.78	238.25	291.19	344.14	397.08	476.50
5	Bathley	139.17	162.36	185.56	208.75	255.14	301.53	347.92	417.50
6	Besthorpe	194.07	226.41	258.76	291.10	355.79	420.48	485.17	582.20
7	Bilsthorpe	185.89	216.87	247.85	278.83	340.79	402.75	464.72	557.66
8	Bleasby	162.72	189.84	216.96	244.08	298.32	352.56	406.80	488.16
9	Blidworth	183.97	214.63	245.29	275.95	337.27	398.59	459.92	551.90
10	Bulcote	170.00	198.33	226.67	255.00	311.67	368.33	425.00	510.00
11	Carlton-on-Trent	159.56	186.15	212.75	239.34	292.53	345.71	398.90	478.68
12	Caunton	151.48	176.73	201.97	227.22	277.71	328.21	378.70	454.44

13	Caythorpe	149.54	174.46	199.39	224.31	274.16	324.00	373.85	448.62
14	Clipstone	197.35	230.25	263.14	296.03	361.81	427.60	493.38	592.06
15	Coddington	150.45	175.53	200.60	225.68	275.83	325.98	376.13	451.36
16	Collingham	155.87	181.85	207.83	233.81	285.77	337.73	389.68	467.62
17	Cotham	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
18	Cromwell	136.32	159.04	181.76	204.48	249.92	295.36	340.80	408.96
19	Eakring	147.19	171.73	196.26	220.79	269.85	318.92	367.98	441.58
20	East Stoke	****	****	****	****	****	****	****	****
21	Edingley	173.23	202.10	230.97	259.84	317.58	375.32	433.07	519.68
22	Edwinstowe	199.55	232.80	266.06	299.32	365.84	432.35	498.87	598.64
23	Egmanton	157.63	183.91	210.18	236.45	288.99	341.54	394.08	472.90
24	Elston	198.02	231.02	264.03	297.03	363.04	429.04	495.05	594.06
25	Epperstone	170.19	198.55	226.92	255.28	312.01	368.74	425.47	510.56
26	Farndon	178.71	208.50	238.28	268.07	327.64	387.21	446.78	536.14
27	Farnsfield	174.33	203.38	232.44	261.49	319.60	377.71	435.82	522.98
28	Fiskerton-cum-Morton	144.28	168.33	192.37	216.42	264.51	312.61	360.70	432.84
29	Girton	143.89	167.88	191.86	215.84	263.80	311.77	359.73	431.68
30	Gonalston	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
31	Grassthorpe	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
32	Gunthorpe	178.91	208.73	238.55	268.37	328.01	387.65	447.28	536.74

33	Halam	156.15	182.17	208.20	234.22	286.27	338.32	390.37	468.44
34	Halloughton	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
35	Harby	163.65	190.92	218.20	245.47	300.02	354.57	409.12	490.94
36	Hawton	156.93	183.08	209.24	235.39	287.70	340.01	392.32	470.78
37	Hockerton	161.37	188.27	215.16	242.06	295.85	349.64	403.43	484.12
38	Holme	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
39	Hoveringham	192.76	224.89	257.01	289.14	353.39	417.65	481.90	578.28
40	Kelham	*	*	*	*	*	*	*	*
41	Kersall	**	**	**	**	**	**	**	**
42	Kilvington	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
43	Kirklington	164.55	191.97	219.40	246.82	301.67	356.52	411.37	493.64
44	Kirton	171.11	199.62	228.14	256.66	313.70	370.73	427.77	513.32
45	Kneesall	**	**	**	**	**	**	**	**
46	Langford	***	***	***	***	***	***	***	***
47	Laxton & Moorhouse	155.41	181.31	207.21	233.11	284.91	336.71	388.52	466.22
48	Lowdham	181.61	211.87	242.14	272.41	332.95	393.48	454.02	544.82
49	Lyndhurst	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
50	Maplebeck	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
51	Meering	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
52	Newark	218.54	254.96	291.39	327.81	400.66	473.50	546.35	655.62
53	North Clifton	146.58	171.01	195.44	219.87	268.73	317.59	366.45	439.74

54	North Muskham	166.04	193.71	221.39	249.06	304.41	359.75	415.10	498.12
55	Norwell	158.18	184.54	210.91	237.27	290.00	342.72	395.45	474.54
56	Ollerton and Boughton	242.29	282.68	323.06	363.44	444.20	524.97	605.73	726.88
57	Ompton	**	**	**	**	**	**	**	**
58	Ossington	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
59	Oxton	175.15	204.34	233.53	262.72	321.10	379.48	437.87	525.44
60	Perlethorpe-cum-Budby	145.91	170.22	194.54	218.86	267.50	316.13	364.77	437.72
61	Rainworth	152.70	178.15	203.60	229.05	279.95	330.85	381.75	458.10
62	Rolleston	166.59	194.35	222.12	249.88	305.41	360.94	416.47	499.76
63	Rufford	140.80	164.27	187.73	211.20	258.13	305.07	352.00	422.40
64	South Clifton	144.35	168.40	192.46	216.52	264.64	312.75	360.87	433.04
65	South Muskham	175.02	204.19	233.36	262.53	320.87	379.21	437.55	525.06
66	South Scarle	166.11	193.79	221.48	249.16	304.53	359.90	415.27	498.32
67	Southwell	192.43	224.50	256.57	288.64	352.78	416.92	481.07	577.28
68	Spalford	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
69	Staunton	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
70	Staythorpe	*	*	*	*	*	*	*	*
71	Sutton-on-Trent	162.97	190.13	217.29	244.45	298.77	353.09	407.42	488.90
72	Syerston	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
73	Thorney	147.91	172.57	197.22	221.87	271.17	320.48	369.78	443.74
74	Thorpe	****	****	****	****	****	****	****	****

75	Thurgarton	169.02	197.19	225.36	253.53	309.87	366.21	422.55	507.06
76	Upton	158.14	184.50	210.85	237.21	289.92	342.64	395.35	474.42
77	Walesby	200.23	233.60	266.97	300.34	367.08	433.82	500.57	600.68
78	Wellow	156.49	182.58	208.66	234.74	286.90	339.07	391.23	469.48
79	Weston	152.35	177.74	203.13	228.52	279.30	330.08	380.87	457.04
80	Wigsley	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
81	Winkburn	129.88	151.53	173.17	194.82	238.11	281.41	324.70	389.64
82	Winthorpe	***	***	***	***	***	***	***	***
83	Fernwood	179.29	209.18	239.06	268.94	328.70	388.47	448.23	537.88
84	Kings Clipstone	184.23	214.93	245.64	276.34	337.75	399.16	460.57	552.68

Parishes joint for Precept purposes

*	Averham, Kelham, Staythorpe	143.39	167.29	191.19	215.09	262.89	310.69	358.48	430.18
**	Kneesall, Kersall, Ompton	144.25	168.29	192.33	216.37	264.45	312.53	360.62	432.74
***	Winthorpe, Langford	153.53	179.11	204.70	230.29	281.47	332.64	383.82	460.58
*** *	East Stoke, Thorpe	148.79	173.59	198.39	223.19	272.79	322.39	371.98	446.38

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 2024/2025 that the Nottinghamshire County Council has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each valuation band shown below;

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£	£	£	£	£	£	£	£
1,204.72	1,405.51	1,606.29	1,807.08	2,208.65	2,610.23	3,011.80	3,614.16

5. it be noted for the year 2024/2025 that the Nottinghamshire Police and Crime Commissioner has stated the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each valuation band shown below;

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£	£	£	£	£	£	£	£
188.10	219.45	250.80	282.15	344.85	407.55	470.25	564.30

6. it be noted for the year 2024/2025 that the Nottinghamshire Fire and Rescue Service has proposed the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each valuation band shown below; and

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£	£	£	£	£	£	£	£
61.47	71.72	81.96	92.21	112.70	133.19	153.68	184.42

7. having calculated the aggregate in each case of the amounts at 3(i) and 4, 5 and 6 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amount of Council Tax for the year 2024/2025 for each valuation band shown on the following pages:

Proposal 7									
Part of the Council's area, being the Parishes of:-									
		Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
		£	£	£	£	£	£	£	£
1	Alverton	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
2	Averham	1,597.68	1,863.97	2,130.24	2,396.53	2,929.09	3,461.66	3,994.21	4,793.06
3	Balderton	1,663.49	1,940.75	2,217.98	2,495.24	3,049.73	3,604.24	4,158.73	4,990.48
4	Barnby in the Willows	1,613.12	1,881.99	2,150.83	2,419.69	2,957.39	3,495.11	4,032.81	4,839.38

5	Bathley	1,593.46	1,859.04	2,124.61	2,390.19	2,921.34	3,452.50	3,983.65	4,780.38
6	Besthorpe	1,648.36	1,923.09	2,197.81	2,472.54	3,021.99	3,571.45	4,120.90	4,945.08
7	Bilsthorpe	1,640.18	1,913.55	2,186.90	2,460.27	3,006.99	3,553.72	4,100.45	4,920.54
8	Bleasby	1,617.01	1,886.52	2,156.01	2,425.52	2,964.52	3,503.53	4,042.53	4,851.04
9	Blidworth	1,638.26	1,911.31	2,184.34	2,457.39	3,003.47	3,549.56	4,095.65	4,914.78
10	Bulcote	1,624.29	1,895.01	2,165.72	2,436.44	2,977.87	3,519.30	4,060.73	4,872.88
11	Carlton-on-Trent	1,613.85	1,882.83	2,151.80	2,420.78	2,958.73	3,496.68	4,034.63	4,841.56
12	Caunton	1,605.77	1,873.41	2,141.02	2,408.66	2,943.91	3,479.18	4,014.43	4,817.32
13	Caythorpe	1,603.83	1,871.14	2,138.44	2,405.75	2,940.36	3,474.97	4,009.58	4,811.50
14	Clipstone	1,651.64	1,926.93	2,202.19	2,477.47	3,028.01	3,578.57	4,129.11	4,954.94
15	Coddington	1,604.74	1,872.21	2,139.65	2,407.12	2,942.03	3,476.95	4,011.86	4,814.24
16	Collingham	1,610.16	1,878.53	2,146.88	2,415.25	2,951.97	3,488.70	4,025.41	4,830.50
17	Cotham	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
18	Cromwell	1,590.61	1,855.72	2,120.81	2,385.92	2,916.12	3,446.33	3,976.53	4,771.84
19	Eakring	1,601.48	1,868.41	2,135.31	2,402.23	2,936.05	3,469.89	4,003.71	4,804.46
20	East Stoke	1,603.08	1,870.27	2,137.44	2,404.63	2,938.99	3,473.36	4,007.71	4,809.26
21	Edingley	1,627.52	1,898.78	2,170.02	2,441.28	2,983.78	3,526.29	4,068.80	4,882.56
22	Edwinstowe	1,653.84	1,929.48	2,205.11	2,480.76	3,032.04	3,583.32	4,134.60	4,961.52
23	Egmanton	1,611.92	1,880.59	2,149.23	2,417.89	2,955.19	3,492.51	4,029.81	4,835.78
24	Elston	1,652.31	1,927.70	2,203.08	2,478.47	3,029.24	3,580.01	4,130.78	4,956.94
25	Epperstone	1,624.48	1,895.23	2,165.97	2,436.72	2,978.21	3,519.71	4,061.20	4,873.44
26	Farndon	1,633.00	1,905.18	2,177.33	2,449.51	2,993.84	3,538.18	4,082.51	4,899.02
27	Farnsfield	1,628.62	1,900.06	2,171.49	2,442.93	2,985.80	3,528.68	4,071.55	4,885.86
28	Fiskerton-cum-Morton	1,598.57	1,865.01	2,131.42	2,397.86	2,930.71	3,463.58	3,996.43	4,795.72
29	Girton	1,598.18	1,864.56	2,130.91	2,397.28	2,930.00	3,462.74	3,995.46	4,794.56
30	Gonalston	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
31	Grassthorpe	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
32	Gunthorpe	1,633.20	1,905.41	2,177.60	2,449.81	2,994.21	3,538.62	4,083.01	4,899.62
33	Halam	1,610.44	1,878.85	2,147.25	2,415.66	2,952.47	3,489.29	4,026.10	4,831.32
34	Halloughton	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
35	Harby	1,617.94	1,887.60	2,157.25	2,426.91	2,966.22	3,505.54	4,044.85	4,853.82

36	Hawton	1,611.22	1,879.76	2,148.29	2,416.83	2,953.90	3,490.98	4,028.05	4,833.66
37	Hockerton	1,615.66	1,884.95	2,154.21	2,423.50	2,962.05	3,500.61	4,039.16	4,847.00
38	Holme	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
39	Hoveringham	1,647.05	1,921.57	2,196.06	2,470.58	3,019.59	3,568.62	4,117.63	4,941.16
40	Kelham	1,597.68	1,863.97	2,130.24	2,396.53	2,929.09	3,461.66	3,994.21	4,793.06
41	Kersall	1,598.54	1,864.97	2,131.38	2,397.81	2,930.65	3,463.50	3,996.35	4,795.62
42	Kilvington	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
43	Kirklington	1,618.84	1,888.65	2,158.45	2,428.26	2,967.87	3,507.49	4,047.10	4,856.52
44	Kirton	1,625.40	1,896.30	2,167.19	2,438.10	2,979.90	3,521.70	4,063.50	4,876.20
45	Kneesall	1,598.54	1,864.97	2,131.38	2,397.81	2,930.65	3,463.50	3,996.35	4,795.62
46	Langford	1,607.82	1,875.79	2,143.75	2,411.73	2,947.67	3,483.61	4,019.55	4,823.46
47	Laxton & Moorhouse	1,609.70	1,877.99	2,146.26	2,414.55	2,951.11	3,487.68	4,024.25	4,829.10
48	Lowdham	1,635.90	1,908.55	2,181.19	2,453.85	2,999.15	3,544.45	4,089.75	4,907.70
49	Lyndhurst	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
50	Maplebeck	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
51	Meering	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
52	Newark	1,672.83	1,951.64	2,230.44	2,509.25	3,066.86	3,624.47	4,182.08	5,018.50
53	North Clifton	1,600.87	1,867.69	2,134.49	2,401.31	2,934.93	3,468.56	4,002.18	4,802.62
54	North Muskham	1,620.33	1,890.39	2,160.44	2,430.50	2,970.61	3,510.72	4,050.83	4,861.00
55	Norwell	1,612.47	1,881.22	2,149.96	2,418.71	2,956.20	3,493.69	4,031.18	4,837.42
56	Ollerton and Boughton	1,696.58	1,979.36	2,262.11	2,544.88	3,110.40	3,675.94	4,241.46	5,089.76
57	Ompton	1,598.54	1,864.97	2,131.38	2,397.81	2,930.65	3,463.50	3,996.35	4,795.62
58	Ossington	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
59	Oxton	1,629.44	1,901.02	2,172.58	2,444.16	2,987.30	3,530.45	4,073.60	4,888.32
60	Perlethorpe-cum-Budby	1,600.20	1,866.90	2,133.59	2,400.30	2,933.70	3,467.10	4,000.50	4,800.60
61	Rainworth	1,606.99	1,874.83	2,142.65	2,410.49	2,946.15	3,481.82	4,017.48	4,820.98
62	Rolleston	1,620.88	1,891.03	2,161.17	2,431.32	2,971.61	3,511.91	4,052.20	4,862.64
63	Rufford	1,595.09	1,860.95	2,126.78	2,392.64	2,924.33	3,456.04	3,987.73	4,785.28
64	South Clifton	1,598.64	1,865.08	2,131.51	2,397.96	2,930.84	3,463.72	3,996.60	4,795.92
65	South Muskham	1,629.31	1,900.87	2,172.41	2,443.97	2,987.07	3,530.18	4,073.28	4,887.94

66	South Scarle	1,620.40	1,890.47	2,160.53	2,430.60	2,970.73	3,510.87	4,051.00	4,861.20
67	Southwell	1,646.72	1,921.18	2,195.62	2,470.08	3,018.98	3,567.89	4,116.80	4,940.16
68	Spalford	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
69	Staunton	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
70	Staythorpe	1,597.68	1,863.97	2,130.24	2,396.53	2,929.09	3,461.66	3,994.21	4,793.06
71	Sutton-on-Trent	1,617.26	1,886.81	2,156.34	2,425.89	2,964.97	3,504.06	4,043.15	4,851.78
72	Syerston	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
73	Thorney	1,602.20	1,869.25	2,136.27	2,403.31	2,937.37	3,471.45	4,005.51	4,806.62
74	Thorpe	1,603.08	1,870.27	2,137.44	2,404.63	2,938.99	3,473.36	4,007.71	4,809.26
75	Thurgarton	1,623.31	1,893.87	2,164.41	2,434.97	2,976.07	3,517.18	4,058.28	4,869.94
76	Upton	1,612.43	1,881.18	2,149.90	2,418.65	2,956.12	3,493.61	4,031.08	4,837.30
77	Walesby	1,654.52	1,930.28	2,206.02	2,481.78	3,033.28	3,584.79	4,136.30	4,963.56
78	Wellow	1,610.78	1,879.26	2,147.71	2,416.18	2,953.10	3,490.04	4,026.96	4,832.36
79	Weston	1,606.64	1,874.42	2,142.18	2,409.96	2,945.50	3,481.05	4,016.60	4,819.92
80	Wigsley	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
81	Winkburn	1,584.17	1,848.21	2,112.22	2,376.26	2,904.31	3,432.38	3,960.43	4,752.52
82	Winthorpe	1,607.82	1,875.79	2,143.75	2,411.73	2,947.67	3,483.61	4,019.55	4,823.46
83	Fernwood	1,633.58	1,905.86	2,178.11	2,450.38	2,994.90	3,539.44	4,083.96	4,900.76
84	Kings Clipstone	1,638.52	1,911.61	2,184.69	2,457.78	3,003.95	3,550.13	4,096.30	4,915.56

Parishes joint for Precept purposes

*	Averham, Kelham, Staythorpe	1,597.68	1,863.97	2,130.24	2,396.53	2,929.09	3,461.66	3,994.21	4,793.06
**	Kneesall, Kersall, Ompton	1,598.54	1,864.97	2,131.38	2,397.81	2,930.65	3,463.50	3,996.35	4,795.62
***	Winthorpe, Langford	1,607.82	1,875.79	2,143.75	2,411.73	2,947.67	3,483.61	4,019.55	4,823.46
*** *	East Stoke, Thorpe	1,603.08	1,870.27	2,137.44	2,404.63	2,938.99	3,473.36	4,007.71	4,809.26

8. **determine that the Council's basic amount of council tax for 2024/25 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 2024/25. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2024/25 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.**

5.0 **Implications**

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

Legal Implications

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

Background Papers and Published Documents

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

Budget Book 2024/25 available at <https://www.newark-sherwooddc.gov.uk/budgets/>

Local Government Finance Act 1992

Local Government Finance Act 2012

Localism Act 2012

Regulations and Directions issued annually under the above Acts



Report to: Full Council Meeting – 7 March 2024

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

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

Lead Officers: Nick Wilson, Business Manager - Financial Services, Ext 5317

Report Summary	
Report Title	Capital Programme Budget 2024/25 to 2027/28
Purpose of Report	To approve the Council’s Capital Programme for 2024/25 to 2027/28.
Recommendations	<p>That:</p> <ul style="list-style-type: none"> a) the General Fund schemes shown in Appendix A and the Housing Revenue Account schemes shown 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 2024/25 to 2027/28 be financed to maximise the resources available, having regard to the provisions of the Local Government and Housing Act 1989 and subsequent legislation; and d) any changes above the limit delegated to the Section 151 Officer (i.e., £10,000), either in funding or the total cost of the capital scheme, be reported to the Cabinet for consideration.
Reason for Recommendations	The Capital Programme to be approved by Council in accordance with Financial Regulation 6.2.3 following recommendation from Cabinet.

1.0 Background

1.1 At its meeting on 20 February 2024 Cabinet considered the proposed Capital Programme and agreed to recommend it to Council. A copy of the report is attached at **Appendix 1**.

2.0 Proposal/Options Considered

- 2.1 The Capital Programme for 2024/25 to 2027/28 proposes investment of £149.328m over the 4 year programme. General Fund projects of £64.401m and HRA projects of £84.927m (made up of Property Investment and the New Build Programme).
- 2.2 This expenditure is financed by a combination of Government Grants, Third Party Contributions, Capital Receipts, Revenue Support (through the HRA Major Repairs Reserve, General Fund reserves) and borrowing.

3.0 Implications

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

Financial Implications (FIN23-24/2793)

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

Background Papers and Published Documents

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

None



Report to: Cabinet Meeting - 20 February 2024

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

Director Lead: Sanjiv Kohli, Director – Resources and Deputy Chief Executive

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

Report Summary	
Type of Report	Open Report, Key Decision
Report Title	Capital Programme Budget 2024/25 to 2027/28
Purpose of Report	In accordance with the Financial Regulations 6.2.3, Cabinet is required to consider the Capital Programme and recommend to the Council the final Programme for approval. This report details the proposed capital schemes over the medium term, together with the available resources to finance this.
Recommendations	It is recommended that Cabinet recommend to full Council on 7 March 2024 the General Fund schemes set out at Appendix A to the report and the Housing Services schemes set out at Appendix B to the report as committed expenditure in the Capital Programme for 2024/25 to 2027/28.
Alternative Options Considered	If the Council did not have a Capital Programme, this would result in not being able to deliver the schemes and not achieve the objectives in the Community Plan.
Reason for Recommendations	To enable the Capital Programme to be considered by Cabinet in accordance with Financial Regulation 6.2.3 prior to its submission to Council.

1.0 Background

- 1.1 The Capital Strategy was approved by Council on 8 March 2023. It contains the Capital Appraisal form template and the prioritisation criteria, which is in two stages. The schemes need to meet the criteria in stage 1, to progress to stage 2.
- 1.2 Capital Appraisal forms were circulated to all Business Managers during summer 2023 to enable bids for new Capital schemes. Completed forms were scored in conjunction with the prioritisation criteria. The Council's Senior Leadership Team (SLT) considered the results of this exercise and the proposed Capital Programme included within this report, contain those schemes that were agreed to be appropriate for consideration by Cabinet.

2.0 Capital Expenditure – General Fund

2.1 The Council intends to spend £64.401m in general fund capital expenditure from 2024/25 to 2027/28.

2.2 The major schemes in this programme are:

Scheme Name	Summary of Proposed Financing
Southwell Leisure Centre New Pool	Borrowing
Yorke Drive Regeneration and Community Facility	Borrowing plus external grant
Provision of 3G Pitches	Borrowing and Capital Receipts
Vehicles and Plant Replacement	Capital Receipts and Capital Provision
Information Technology Investment	Capital Receipts and Capital Provision
Clipstone Holding Centre Development	Borrowing and Change Management Reserve
Rural Prosperity Fund	Wholly funded by Grant
Former Belvoir Iron Works Acquisition	Wholly funded from Change Management Reserve
A1 Overbridge	Community Infrastructure Levy
Arkwood Developments Regeneration Loan Facility	Borrowing
Castle Gatehouse	£3m contribution from the Towns Fund, the remainder borrowing. Further contribution from HLF to be agreed and budget updated once Full business case is approved.
32 Stodman Street – Towns Fund	£2.2m Town Fund, £284k One Public Estate, £400k Shared Prosperity Fund with the remainder supplemented Reserves and borrowing
Newark Gateway / SISLOG – Towns Fund	Towns Fund Grant of £4.2m, full funding package will be added once Full Business Case is approved.

2.3 A number of new schemes have been added to the Capital Programme as part of the budget process. The total over the period of 2024/25 to 2027/28 of £8.014m in General Fund. Details of which can be found labelled 'New' at Appendix A and are summarised below:

Scheme Name	Summary of Proposed Financing
Southwell Leisure Centre New Pool	Borrowing
Provision of 3G Pitches	Borrowing and Capital Receipts
Dukeries Changing Places	Borrowing
Castle – Condition Works Phase 2	Contribution from R&R

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

3.0 Capital Expenditure – Housing Revenue Account (HRA)

3.1 The Council intends to spend £84.927m from the HRA from 2024/25 to 2027/28. This is made up of £52.802m on existing property investment and £32.125m on additional Affordable Housing.

3.2 The Housing, Health and Wellbeing directorate will review and update the property investment programme against the records kept for all properties to ensure budget levels are sufficient for works coming up in the medium term.

3.3 Major schemes included in the HRA are:

Scheme Name	Summary of Proposed Financing
Roof Replacements	MRR and borrowing
Heating Renewals	MRR and borrowing
Decarbonisation	Government Grant, MRR and Borrowing
Yorke Drive Estate Regeneration	Borrowing plus external grant
Phases 5 of the Council House Development Programme	Capital Receipts and Borrowing
New Phases 6 of the Council House Development Programme	S106 where appropriate, Capital Receipts and Borrowing

3.4 New schemes added during the budget process total £13.565m in the HRA for the period 2024/25 to 2027/28. Details of which can be found labelled ‘New’ at Appendix B, and are summarised below:

Scheme Name	Summary of Proposed Financing
EPC	MRR and Borrowing
Communal Areas	MRR and Borrowing
Phase 6 New Build Programme	S106 where appropriate, Capital Receipts and Borrowing

3.5 Details of individual schemes are shown in **Appendix B**.

4.0 Resources Available

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

4.2 The most significant grants currently forecast over the medium term are from the Towns Fund, Shared and Rural Prosperity Fund’s, Decarbonisation Wave 2.1 and the Better Care Fund (BCF) for Disabled Facilities Grants (DFG’s). In addition to this, grants held from previous years for specific purposes are due to be utilised. For example, the Towns Fund projects, where grant instalments were received during 2022/23 and 2023/24, which is forecast to be utilised over the next financial year.

4.3 Capital Receipts

	General Fund £'m	HRA £'m	1-4-1 £'m	Total £'m
Estimated Balance @ 1 Apr 2024	0.499	0.377	0.020	0.896
Estimated Receipts 2024/25 – 2027/28	5.826	4.810	3.162	13.798
Approved for Financing 2024/25 – 2027/28	5.885	5.181	0.780	11.846
Unallocated Capital Receipts Balance	0.440	0.006	2.402	2.848

4.6 The general fund capital estimated receipts of £5.826m are made up of the sale of the residential properties on Stodman Street and the 50% staged payment for land at Lowfield Lane, due to be sold to Arkwood Developments.

4.7 The HRA capital receipts and 1-4-1 figures above relate to forecast Right to Buy (RTB) sales. The 1-4-1's are restricted for replacement homes and must be used as follows:

- Amount to no more than 40% of the new build scheme cost
- Spent within 5 years of receipt, or returned to Government with interest

Officers continue to monitor the deadlines closely and maximising use where practicable within the new build programme in order to avoid having to pay the remaining balances to Government with interest.

4.8 Where appropriate, the use of existing capital resources is prioritised. Borrowing is utilised for assets with longer asset lives, where the impact of interest and Minimum Revenue Provision (MRP) can be spread over the useful economic life of the asset, whilst minimising the impact on the General Fund. Leasing is also tightly controlled within the revenue budgets for the same reason and is rarely used as the interest rates remain low, therefore borrowing is currently a more attractive means of financing capital expenditure.

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.

5.0 Financing

5.1 Subject to the approval of the proposals outlined in section 3.0 and 4.0 above, the current plan for financing the capital programme is shown below.

General Fund Capital Programme Financing Summary

General Fund Financing	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
Borrowing	13.641	15.848	0.800	0.000
Government Grants	4.640	6.860	0.860	0.860
Contributions from Third Parties	0.267	0	0	0

Community Infrastructure Levy	0	2.500	3.000	0
Capital Receipts	0.449	1.862	1.783	1.790
Capital Reserve	0.756	0	0	0
RCCO	5.846	2.639	0	0
Total	25.599	29.709	6.443	2.650

Housing Revenue Account Capital Programme Financing Summary

HRA	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
Borrowing	15.000	20.000	10.000	6.499
Government Grants	0.676	0.746	0.518	2.925
Contributions from Third Parties	1.041	0.346	0	0
Capital Receipts	1.218	3.577	0.575	0.591
RCCO	0.655	0	0	0
Revenue Support	7.218	0.868	3.290	9.184
Total	25.808	25.537	14.383	19.199

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

6.0 Implications

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

Background Papers and Published Documents

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

Capital Strategy 2024/25 report to Audit and Governance on 21 February 2024

CODE	SCHEME	EXTERNAL FUNDING	NSDC COSTS	TOTAL SCHEME COST	BEFORE 2024/25 INC FORECAST FOR 2023/24	2024/25	2025/26	2026/27	2027/28
GENERAL FUND									
BIODIVERSITY AND ENVIRONMENTAL SERVICES									
TF3227	Lowdham Flood Alleviation	140,000	160,000	300,000		300,000			
BIODIVERSITY AND ENVIRONMENTAL SERVICES TOTAL		140,000	160,000	300,000	0	300,000	0	0	0
CLIMATE CHANGE									
New	Castle - Condition Works Phase 2	0	414,000	414,000		414,000			
TB2253	Vehicles & Plant	0	10,435,997	10,435,997	6,177,142	80,400	1,287,285	1,501,040	1,390,130
TB3155	Castle - Condition Works	0	627,000	627,000	560,955	66,045			
TC3136	Climate Change	0	205,200	205,200	36,900	168,300			
CLIMATE CHANGE TOTAL		0	11,682,197	11,682,197	6,774,997	728,745	1,287,285	1,501,040	1,390,130
COMMUNITY SAFETY AND COMMUNITY DEVELOPMENT									
TA3097	Yorke Drive Regeneration and Community Facilities	100,000	3,358,000	3,458,000	79,617	739,677	2,638,706		
TF2000	CCTV Replacement Programme	15,500	189,850	205,350	91,443	105,127	8,780		
COMMUNITY SAFETY AND COMMUNITY DEVELOPMENT TOTAL		115,500	3,547,850	3,663,350	171,060	844,804	2,647,486	0	0
HEALTH, WELLBEING AND LEISURE									
New	Southwell Leisure Centre New Pool		5,500,000	5,500,000		2,200,000	3,300,000		
New	Provision of 3G Pitches	0	2,000,000	2,000,000			800,000	800,000	400,000
New	Dukeries Changing Places	0	100,000	100,000		100,000			
TA1218	Leisure Equipment Purchase	0	784,230	784,230		784,230			
TA1221	SLC Fire Safety Remedial Works	0	740,000	740,000	466,500	273,500			
HEALTH, WELLBEING AND LEISURE TOTAL		0	9,124,230	9,124,230	466,500	3,357,730	4,100,000	800,000	400,000
HERITAGE, CULTURE AND THE ARTS									
TA3053	Museum Improvements	0	770,000	770,000	585,706	184,294			
TA3058	Palace Theatre Fire Alarm Upgrade	0	155,060	155,060		155,060			
TB22	Sherwood Avenue Park - Shared Prosperity Fund	470,395	50,005	520,400		520,400			
HERITAGE, CULTURE AND THE ARTS TOTAL		470,395	975,065	1,445,460	585,706	859,754	0	0	0
HOUSING									
TF6011	Private Sector Disabled Facilities Grants	3,512,211	700,000	4,212,211	1,412,211	700,000	700,000	700,000	700,000
TF6012	Discretionary DFG	458,208	90,000	548,208	188,208	90,000	90,000	90,000	90,000
TF6807	Warm Homes on Prescription	416,616	70,000	486,616	206,616	70,000	70,000	70,000	70,000

CODE	SCHEME	EXTERNAL FUNDING	NSDC COSTS	TOTAL SCHEME COST	BEFORE 2024/25 INC FORECAST FOR 2023/24	2024/25	2025/26	2026/27	2027/28
HOUSING TOTAL		4,387,035	860,000	5,247,035	1,807,035	860,000	860,000	860,000	860,000
STRATEGY, PERFORMANCE AND FINANCE									
TA3060	Beacon - New Boiler	0	61,525	61,525		61,525			
TA3061	Beacon - LED Lights	0	81,995	81,995		81,995			
TA3286	Information Technology Investment	0	3,957,476	3,957,476	2,148,326	764,850	762,090	282,210	
TC2007	Clipstone Holding Centre Purchase & Works	0	8,413,250	8,413,250	629,801	4,670,069	3,113,380		
TC2009	Former Belvoir Iron Works	0	1,750,000	1,750,000		1,750,000			
TC3156	Jubilee Bridge Works	0	200,000	200,000		200,000			
TE3250	Shared Prosperity Fund	383,173	0	383,173	90,064	293,109			
TE3251	Rural England Prosperity Fund	842,000	0	842,000	396,000	446,000			
TG1003	Housing Regeneration Loan Facility	0	11,408,071	11,408,071	4,000,000	4,000,000	3,408,071		
STRATEGY, PERFORMANCE AND FINANCE TOTAL		1,225,173	25,872,318	27,097,491	7,264,191	12,267,548	7,283,541	282,210	0
SUSTAINABLE ECONOMIC DEVELOPMENT									
TB3154	Castle Gatehouse Project	3,000,000	1,025,151	4,025,151	395,151	1,630,000	2,000,000		
TI1002	A1 Overbridge Improvements	5,600,000	0	5,600,000	100,000		2,500,000	3,000,000	
TT1000	Towns Fund - 32 Stodman Street Regeneration	3,168,000	7,932,000	11,100,000	3,069,345	4,000,000	4,030,655		
TT1005	Towns Fund - Cycle Town	245,900	4,100	250,000	200,000	50,000			
TT1006	Towns Fund - Cultural Heart of Newark	1,500,000	0	1,500,000		500,000	1,000,000		
TT1007	Towns Fund - Newark Gateway / SISCLOG	4,200,000	0	4,200,000		200,000	4,000,000		
SUSTAINABLE ECONOMIC DEVELOPMENT TOTAL		17,713,900	8,961,250	26,675,150	3,764,495	6,380,000	13,530,655	3,000,000	0
TOTAL GENERAL FUND		24,052,003	61,182,910	85,234,913	20,833,984	25,598,581	29,708,967	6,443,250	2,650,130

CODE	SCHEME	EXTERNAL FUNDING	NSDC COSTS	TOTAL SCHEME COST	BEFORE 2024/25 INC FORECAST FOR 2023/24	2024/25	2025/26	2026/27	2027/28
HOUSING REVENUE ACCOUNT									
PROPERTY INVESTMENT PROGRAMME									
S91100	ROOF REPLACEMENTS		7,003,120	7,003,120		1,050,000	2,738,750	1,713,050	1,501,320
S711	ROOF REPLACEMENTS	0	7,003,120	7,003,120		1,050,000	2,738,750	1,713,050	1,501,320
Split Existing	Kitchens		5,442,500	5,442,500		1,365,000	1,203,280	1,427,670	1,446,550
Split Existing	Bathrooms		3,126,490	3,126,490		750,750	758,670	778,810	838,260
S712	KITCHEN & BATHROOM CONVERSIONS	0	8,568,990	8,568,990		2,115,750	1,961,950	2,206,480	2,284,810
S91300	EXTERNAL FABRIC		1,569,540	1,569,540		378,000	389,340	397,130	405,070
S713	EXTERNAL FABRIC	0	1,569,540	1,569,540		378,000	389,340	397,130	405,070
Split Existing	Doors		415,440	415,440		107,100	105,380	59,300	143,660
Split Existing	Windows		169,260	169,260		107,100	9,080	12,240	40,840
S714	DOORS & WINDOWS	0	584,700	584,700		214,200	114,460	71,540	184,500
S91500	OTHER STRUCTURAL		554,680	554,680		157,500	129,780	132,380	135,020
S715	OTHER STRUCTURAL	0	554,680	554,680		157,500	129,780	132,380	135,020
S93100	ELECTRICAL		3,309,310	3,309,310		756,000	973,350	992,820	587,140
S731	ELECTRICAL	0	3,309,310	3,309,310		756,000	973,350	992,820	587,140
S93300	PASSENGER LIFTS		218,000	218,000		52,500	54,080	55,160	56,260
S733	PASSENGER LIFTS	0	218,000	218,000		52,500	54,080	55,160	56,260
S93500	HEATING		5,696,190	5,696,190		1,386,000	1,427,580	1,356,850	1,525,760
S735	HEATING	0	5,696,190	5,696,190		1,386,000	1,427,580	1,356,850	1,525,760
S93622	PV Invertors	0	871,970	871,970		210,000	216,300	220,630	225,040
S93625	Thermal Comfort		210,000	210,000		210,000	0	0	
S93626	Decarbonisation	2,399,051	8,252,665	10,651,716	919,956.00	1,352,470	1,492,470	1,036,940	5,849,880
New	EPC		2,719,300	2,719,300		157,500	837,080	853,820	870,900

CODE	SCHEME	EXTERNAL FUNDING	NSDC COSTS	TOTAL SCHEME COST	BEFORE 2024/25 INC FORECAST FOR 2023/24	2024/25	2025/26	2026/27	2027/28
S736	ENERGY EFFICIENCY	2,399,051	12,053,935	14,452,986		1,929,970	2,545,850	2,111,390	6,945,820
S95100	GARAGES, FOOTPATHS, WALKWAYS		218,000	218,000		52,500	54,080	55,160	56,260
S751	GARAGE FORECOURTS	0	218,000	218,000		52,500	54,080	55,160	56,260
S95200	ENVIRONMENTAL WORKS		2,092,710	2,092,710		504,000	519,120	529,500	540,090
New	Communal Areas		145,800	145,800		10,500	10,820	15,220	109,260
S95400	Void Works		959,160	959,160		231,000	237,930	242,690	247,540
S752	ENVIRONMENTAL WORKS	0	3,197,670	3,197,670		745,500	767,870	787,410	896,890
S97100	ASBESTOS		261,590	261,590		63,000	64,890	66,190	67,510
S771	ASBESTOS	0	261,590	261,590		63,000	64,890	66,190	67,510
S97200	FIRE SAFETY		924,470	924,470		262,500	216,300	220,630	225,040
S772	FIRE SAFETY	0	924,470	924,470		262,500	216,300	220,630	225,040
S97400	DISABLED ADAPTATIONS		2,932,900	2,932,900		945,000	535,450	689,010	763,440
S774	DISABLED ADAPTATIONS	0	2,932,900	2,932,900		945,000	535,450	689,010	763,440
S97500	LEGIONELLA		156,950	156,950		37,800	38,930	39,710	40,510
S775	LEGIONELLA	0	156,950	156,950		37,800	38,930	39,710	40,510
S98100	BUILDING SAFETY		1,350,510	1,350,510		390,020	369,280	293,930	297,280
S781	BUILDING SAFETY	0	1,350,510	1,350,510		390,020	369,280	293,930	297,280
S99100	PROPERTY INVESTMENT CONTINGENCY		240,000	240,000		60,000	60,000	60,000	60,000
S99102	Investment Programme Fees		2,482,490	2,482,490		576,690	605,020	634,810	665,970
S791	UNALLOCATED FUNDING	0	2,722,490	2,722,490		636,690	665,020	694,810	725,970
	SUB TOTAL PROPERTY INVESTMENT	2,399,051	51,323,045	53,722,096	919,956.00	11,172,930	13,046,960	11,883,650	16,698,600
	AFFORDABLE HOUSING								
SA1031	Site Acquisition (Incl RTB)	0	2,310,532	2,310,532	849,970	1,460,562.00			
SA1033	Yorke Drive Estate Regeneration	986,766	16,960,026	17,946,791	2,946,641	5,000,050.20	5,000,050.20	2,500,025	2,500,025.10
SA1080	Phase 5	0	7,100,100	7,100,100	2,791,100	4,309,000.00			

CODE	SCHEME	EXTERNAL FUNDING	NSDC COSTS	TOTAL SCHEME COST	BEFORE 2024/25 INC FORECAST FOR 2023/24	2024/25	2025/26	2026/27	2027/28
New	Phase 6	0	10,700,000	10,700,000		3,210,000.00	7,490,000.00		
SC2000	Careline Analogue to Digital	0	460,540	460,540	140,540	320,000.00			
SC2002	New Housing Management System	0	856,000	856,000	521,000	335,000.00			
SUB TOTAL AFFORDABLE HOUSING		986,766	38,387,198	39,373,964	7,249,251	14,634,612	12,490,050	2,500,025	2,500,025
TOTAL HOUSING REVENUE ACCOUNT		3,385,817	89,710,243	93,096,060	8,169,207	25,807,542	25,537,010	14,383,675	19,198,625



Report to: Full Council Meeting – 7 March 2024

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

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

Lead Officers: Nick Wilson, Business Manager - Financial Services, Ext 5317

Report Summary	
Report Title	Medium Term Financial Plan 2024/25 to 2027/28
Purpose of Report	To approve the Council’s Medium Term Financial Plan (MTFP) for the four financial years between 1 April 2024 and 31 March 2028 (2024/25 to 2027/28).
Recommendations	That the Medium Term Financial Plan (MTFP) for 2024/25 to 2027/28 be approved.
Reason for Recommendation	The Medium Term Financial Plan (MTFP) provides a clear financial framework for delivering the Council’s objectives and is an essential pre-requisite to the annual budget setting process.

1.0 Background

- 1.1 The MTFP (**Appendix A**) aims to provide Members and Officers with a clear financial framework for delivering the Council’s Community Plan objectives over the next four financial years.
- 1.2 Updating the Council’s MTFP is an essential pre-requisite to the annual budget setting process for future years.

2.0 Proposal/Options Considered

- 2.1 The MTFP shows that the Council is able to set a balanced budget for 2024/25, though will need to reduce expenditure and/or increase income in order to mitigate future anticipated shortfalls in funding.
- 2.2 The Council will need to continually consider how best to manage demand for its services, as well as continually monitor and review how it best delivers each service.

3.0 Implications

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

Financial Implications (FIN23-24/1262)

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

Background Papers and Published Documents

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

Revenue Budget and Council Tax Setting for 2024/25

Capital Programme 2024/25 to 2027/28

Statement of Accounts 2022/23

2024/25 TO 2027/28 MEDIUM TERM FINANCIAL PLAN (MTFP)

The council's Medium Term Financial Plan (MTFP) for the four financial years between 1 April 2023 and 31 March 2027 (2023/24 to 2026/27) was approved by Full Council on 8 March 2023.

This document seeks to update the MTFP's assumptions on expenditure, income and financing for the four years between 2024/25 and 2027/28 (2024/28).

The main aims of the MTFP are to:

- a) deliver the council's Community Plan objectives over the life of the relevant Community Plan;
- b) clearly present the council's current predictions of its financial position between 2024/25 and 2027/28; and
- c) enable members to make decisions which ensure the council's future financial sustainability.

The MTFP tries to do this by:

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

1.1 Financial Projections

The table below shows high level budget projections for the next four years, assuming annual increases of 2.99% in the rate of average band D council tax (excluding local precepts), together with annual increases in the council tax base based on forecast housing growth.

Table 1

	2024/25 (£m)	2025/26 (£m)	2026/27 (£m)	2027/28 (£m)
Net Service Expenditure (less capital charges)	19.787	20.749	20.718	21.376
Total Other Expenditure	0.092	1.348	2.250	2.250
Total Expenditure	19.879	22.097	22.968	23.626
Business Rates: receivable annually	(9.117)	(9.597)	(9.597)	(9.597)
Business Rates: other adjustments	(0.093)	0.000	0.000	0.000
Council Tax: receivable annually	(8.286)	(8.614)	(8.955)	(9.307)
Council Tax: other adjustments	0.117	0.000	0.000	0.000
Other Grants	(3.294)	(2.597)	(0.407)	(0.353)
Contribution (to) or from Reserves	0.994	0.272	0.278	0.283
Funding Shortfall prior to Mitigations	0.200	1.551	4.277	4.642

1.2 Financial Landscape

The government has had plans to reform the local government finance system for a number of years. The government initially intended for these reforms to take effect from 2020/21. It has now delayed these reforms further to 2026/27 at the earliest.

The reforms of the system are principally to increase the proportion of non-domestic rates (NDR) ('business rates') retained locally; and to make fairer the government's annual funding allocations for local authorities.

The impact of the government's decision to delay the reform to the system has been positive on the funding position of Newark and Sherwood District Council. The delay in re-setting the NDR baseline has meant that expected NDR income in 2023/24 to 2025/26 is c£12.3m higher than forecast within the MTFP that was approved on 8 March 2022.

As it is not known how exactly the local government finance system will change or from when these changes will take effect from, the council's current modelling of funding projections for 2026/27 and future years are subject to high levels of volatility.

The scope of reforms is still uncertain which would include the Fair Funding Review, a reset in the baseline for Business Rates Funding and changes to New Homes Bonus.

It is expected, however, that the government's changes to the local government finance system will incorporate transitional arrangements where appropriate, and that changes will be made manageable for individual authorities or classes of authorities.

Officers will closely monitor the government's announcements relating to the local government finance system and assess the implications of these on the council's funding for 2026/27 and future years.

1.3 Fair Funding Review

The government is reviewing how it assesses the relative needs and resources of English local authorities, so that it can distribute funding to councils based on a more robust and up-to-date approach. Its review (the Fair Funding Review) aims to address concerns that the current formula for determining each council's Baseline Funding Level (BFL) is unfair, out of date and overly complex.

The government now plans to use an updated approach to distributing funding to councils expected from 2026/27. Much of the data that Government hold in relation to the current formula relates to 2013/14 and before hence significant work is necessary in order to recalibrate the formulae.

The Fair Funding Review will have an enormous effect on the Council's budget because it will affect the amount of BFL the government will give the council in future years, and thus also the amount of business rates the council can retain. As per the table in section 1.1, business rates are expected to account for a large proportion of the council's total expenditure (excluding capital charges) in each year of the council's MTFP.

1.4 Retained Business Rates

The introduction of the current 50% business rates retention system in 2013/14 has allowed councils which have increased their locally raised business rates income since this time to benefit from the additional income generated.

The government plans to implement a reformed business rates retention system, though for changes not to take place until 2026/27 at the earliest. The reforms aim to:

- give local authorities greater control over the money it raises;
- support local economic growth;
- update the balance of risk (of loss) and reward (for growth) in the system; and
- make the system simpler and income less volatile.

Two main changes have been proposed for the business rates retention system. These are:

- 1) to increase the proportion of business rates retained locally from 50% to 75% or 100%; and
- 2) to reset the Business Rates Baseline (BRB).

The BRB is the government's prediction of how much each council is able to raise locally in business rates.

As the government intends to reform the business rates retention system in a way which is fiscally neutral, councils currently benefitting from growth in locally raised business rates income could see some of this income transferred to councils with reduced Business Rates Baselines.

Nonetheless, the planned increase in proportion of NDR retained locally means that promoting economic growth and inward investment will become ever more crucial to ensuring the council's sustainability going forward.

The council's MTFP accounts for planned reforms to the NDR retention system, though amounts for 2026/27 and future years are subject to higher levels of volatility. These have been modelled with the assistance of Pixel, the Council's external advisors who assist many authorities on national funding.

2024/25 Business Rates

Under the NDR system, businesses pay councils based on the open market rental value of their business property, as estimated by the government's Valuation Office Agency (VOA). The rate payable by small businesses in 2024/25 will be 49.9p per pound (49.9%) of their property's rateable value, and the rate payable by other businesses will be 54.6p (54.6%).

Within the draft LGFS the government have changed the mechanism for the multiplier. Previously all businesses paid the small business multiplier, with those businesses with a rateable value (RV) of over £51,000 then paying an additional supplement (last year an additional 1.3p hence 51.2p in the pound). Within the LGFS government have separated the multipliers in order to inflate them separately. Therefore, being able to increase the charges to businesses occupying premises with an RV of over £51,000 without having to increase charges to businesses occupying premises with an RV less than that. They have chosen to freeze the multiplier at 49.9p for those properties with an RV less than £51,000.

The original legislation set out that the multiplier should increase by CPI for September in each year, but in practice the multiplier has been frozen since 2021/22. It had also not increased by CPI, but RPI, in some of the preceding years.

The government compensates local authorities for their decisions relating to business rates through s31 grants, and hence the Council does not lose out for the decision to freeze the multiplier (and in the previous years applied RPI increases rather than CPI).

The council is budgeting to retain £9.117m of business rates for 2024/25. This includes the £3.986m from the LGFS; additional income, such as local growth above this baseline and from relevant renewable energy projects; and offset by additional expenditure; such as the levy on additional income.

Below are some of the key risks which could affect the amount of business rates income collected and thus retained in future years:

- slower than anticipated local economic growth, or local economic growth at a rate less than the change in Consumer Price Index (CPI) used to determine annual business rates payable;
- successful backdated appeals from businesses regarding the amounts of business rates payable in previous years;
- uncollectable debts which need to be written off; and
- unpredictable increases in the amounts of discretionary reliefs granted to businesses.

Currently, the Council use external consultants Analyse local, who assist the Council with forecasting losses in RV based on future appeals that may come forward. For the 2024/25 financial year £0.400m has been set aside in order to provide for any successful appeals.

If appeals that the council has provided for (set money aside) are unsuccessful or are successful but cost the council less than the amount set aside for these appeals, the council can release the surplus provisions back into the Collection Fund, in order that this may then be re-distributed back to the council and its preceptors. Similarly, where appeals are settled higher than funds set aside, an additional charge would need to be levied from the council and its preceptors in order to fund the deficit arising.

1.5 Council Tax

Chapter IVA (Limitation of Council Tax and Precepts) of the *Local Government Finance Act 1992* requires billing authorities to hold referenda if their relevant basic amount of council tax for a financial year is in excess of a set of principles determined by the Secretary of State.

An authority's relevant basic amount of council tax is its average band D council tax excluding local precepts. The relevant basic amount of council tax for Newark & Sherwood District Council includes the levy that Internal Drainage Boards charge the council. These are the Upper Witham Internal Drainage Board and the Trent Valley Internal Drainage Board.

Since 2016/17, shire district councils have been able to increase council tax by the greater of the core principle or £5.00 without holding referenda. For 2018/19 and 2019/20, the core principle was 3%; and for all other years, the core principle was 2%.

The proposed core principle for 2024/25 is 3%. The government's proposed council tax referendum principle for shire district councils therefore permits increases in the council's 2023/24 relevant basic amount of council tax of up to (and including) the greater of 2.99% or £5.00 without holding a referendum.

The council calculates how much annual council tax income it can receive by multiplying the council tax base (CTB) by the average band D council tax rate. The council tax base is the total number of properties equivalent to band D which are liable for council tax after discounts, exemptions and premia.

The council’s MTFP assumes that the 2024/25 CTB will be 1.8% higher than the 2023/24 CTB, and that there will be an increase of 400 band D equivalents in CTB for 2025/26 and subsequent years.

The table below shows the additional income the council would expect to receive over the four years of the MTFP, based on council tax increases of 2.99% in 2024/25, compared to if council tax was frozen at the 2023/24 level during 2024/25 but increased by 2.99% annually thereafter:

Table 2

Effect of council tax changes	2024/25 (£m)	2025/26 (£m)	2026/27 (£m)	2027/28 (£m)	MTFP (£m)
Additional income from 2.99% increase in all years	0.241	0.250	0.260	0.270	1.021

1.6 New Homes Bonus (NHB)

New Homes Bonus (NHB) is a government grant paid to councils to incentivise local housing growth, based on the extra council tax income raised from new homes. NHB is paid to councils with growth in their housing stock above 0.4% of their existing council tax base.

The government plans to consult on the future of NHB, with a view to implementing reform in 2025/26.

Details of the government’s final NHB allocations for 2024/25 and the three years previous are in the table below.

Table 3

Year	2021/22 (£m)	2022/23 (£m)	2023/24 (£m)	2024/25 (£m)
Total	1.187	1.573	0.888	0.327

NHB is not ring-fenced, and thus can be used to fund either revenue or capital expenditure. To-date, the council has not needed to budget to use NHB to fund its General Fund revenue expenditure, as budgeted funding from council tax, business rates and other sources has been sufficient.

In previous years, NHB has been used to fund key regeneration projects. This is expected to continue. As capital resources are scarce, the termination of multi-year payments on new NHB allocations will have significant impact on capital resources.

100% of the receipt of NHB has been budgeted to be received and transferred to the Capital Provision in order to fund short-life capital assets.

As per section 1.2, NHB is within scope of the proposed reforms to the local government finance system. As such, councils are not expected to receive NHB in 2025/26 or future years.

1.7 Income from Fees and Charges

The council's income from fees and charges for statutory and discretionary services is an essential part of the council's General Fund revenue budget. Section 93 (Power to charge for discretionary services) of the *Local Government Act 2003* requires charges to be set such that taking one financial year with another, the income from charges for a service does not exceed its costs of provision.

Discretionary services are those for which the council has the power, but not duty, to provide; though also include additions or enhancements to statutory services that the council provides above standards legislated for.

The Action Plan to the Commercial Strategy approved at Policy and Finance Committee on 27 January 2022 set the expectation that new areas for charging and understanding price elasticity of demand on existing charges would be reviewed to ensure that discretionary charges are set at the right levels and for the right activities. The council should ensure that fees and charges for discretionary services are set which:

- ensure the maximum revenues possible;
- are allowed by the council's Corporate Fees and Charges Policy; and
- are socially and politically acceptable.

The tables in section 1.10 identifies further fees and charges income as key to bridging the council's funding gap. It is anticipated that new annual income of £0.200m will be generated by delivering the Commercial Strategy. This may be by stretching existing fees and charges income targets, new income streams, and/or a combination of both. Individual projects which will contribute to this target are described at table 5 in section 1.10 below.

1.8 Reserves and Balances

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

The council has reviewed the adequacy of its useable financial reserves to ensure that these are neither too low (imprudent) or too high (overprudent) based on their purpose and likely use.

Council's generally hold useable reserves for three purposes:

- as a working balance, to mitigate the impact of uneven cash flows;
- as a contingency, to mitigate the impact of unexpected events or emergencies; and
- as earmarked reserves, to pay for known or predicted future requirements.

The council's £1.500m General Fund balance has been set aside to pay for exceptional items. Officers consistently review the appropriateness (prudence) of this amount in light of internal and external risks identified. For the council to maintain this balance, it is intended that it will only be used to fund expenditure once other appropriate reserves have been fully utilised.

Appendix B shows the balances which comprised the council's total reserves at the end of 2022/23. It also shows the balances expected to comprise the council's total reserves at the end of 2023/24 to 2027/28.

Over the years, the council's reserves have been used, for reasons such as to: cover the cost of one-off events not budgeted for; and support and improve service delivery. Whilst this principle still exists, the council has set up a Medium Term Financial Plan reserve, in order to mitigate future pressures based on the uncertainty over local government funding. This reserve will be released over the medium-term in order to smooth the impact of anticipated funding reductions arising from changes in the local government funding formula.

Members and officers are required to ensure the council operates as a going concern: that the council will continue to fulfil its functions for the foreseeable future. If this were not the case, for example, because of an imprudent use of council reserves, the council's external auditors would be required to express a going concern opinion (GCO). A GCO would be the external auditor's way of expressing significant doubt on the council's ability to operate longer-term.

ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES

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

The council's total forecast General Fund revenue and capital reserves and fund balance to 31 March 2025 is £34,300,927.

The budget has been prepared in accordance with the budget strategy approved by Cabinet on 11 July 2023. The same strategy has been adopted for the period of the MTFP.

The Section 151 Officer also notes that in the future, all local authorities, and in particular district councils, will face a reduction in core funding from the Government once changes to the current funding regime (in particular New Homes Bonus and Business Rates). The Section 151 Officer is closely monitoring the progress of the Fair Funding Review, the government's departmental multi-year Spending Review and the redesign of the national Business Rates Retention System. The council's current projections within the Medium Term Financial Plan (MTFP) make prudent and robust assumptions around the likely level of funding in light of these government-led reviews.

1.9 Assumptions made within the MTFP

Finance officers and budget holders have developed detailed budgets for 2024/25 and future years. Officers have used the information available to them (past, present and future), and have made appropriate assumptions where the relevant information has been unavailable to them.

A 5% increase in basic pay has been assumed for 2024/25 and 5% for each subsequent year of the council's MTFP.

If the 2024/25 pay award is agreed at a higher rate than the 5% increase in basic pay assumed, and if reductions in employee costs elsewhere cannot offset the increase in pay award costs, the additional costs unbudgeted for will need to be funded from council reserves. Section 1.11 examines this in more detail.

Most non-pay expenditure budgets have been uplifted by 5% in each year of the council's MTFP. Some costs, such as insurance and utilities, are expected to increase by more than 5%; and others, such as fixed-price goods and services, have been increased in line with contractual obligations.

The council's General Fund revenue budget is charged for the purchase or creation of fixed assets where capital resources are unavailable at the time. These charges will be in line with the council's Minimum Revenue Provision (MRP) policy for 2023/24, which is recommended by the Audit and Governance Committee on 21 February 2024 for approval by Full Council on 7 March 2024.

Assumptions not made in the MTFP

The Government have recently issued all waste collecting authorities indicative capital transition costs for the introduction of weekly food waste collections. Within Nottinghamshire it has been agreed with Government that this service would not begin until 2027. Currently there have been limited conversations with Government regarding funding of this service, from an on-going revenue and a cyclical capital perspective. Government have indicated that there will be funding available for ongoing revenue costs, albeit there has been no detail to hand as yet. Due to this, there have been no costs for the running of this service accounted for within this MTFP. This will be reviewed further during the year and once further information is available, the MTFP will be revised at that point.

1.10 Proposed strategy for bridging the funding gap

The table below shows the contributions to and from reserves currently projected for each year of the council's MTFP (as described at the table in paragraph 1.1), and the actions currently proposed to mitigate the annual contributions from reserves projected for 2023/24, 2024/25 and 2025/26:

Table 4

	2024/25 (£m)	2025/26 (£m)	2026/27 (£m)	2027/28 (£m)
Funding Shortfall prior to Mitigations	0.200	1.551	4.277	4.642
Dividends from Arkwood Developments Ltd	-	(0.500)	(0.650)	(0.650)
Savings from service reviews	-	(0.100)	(0.170)	(0.170)
Savings/efficiencies from making business processes more efficient	-	(0.100)	(0.150)	(0.150)
Increased income from the council becoming more commercial	-	(0.100)	(0.200)	(0.200)
Use of MTFP reserve to offset contributions from reserves in future years	(0.200)	(0.751)	(3.107)	(1.845)
Proposed General Fund Funding Gap	0.000	0.000	0.000	1.627

As per Appendix B the MTFP reserve is expected to have a closing balance at the end of March 2024 of £8.108m. As per table 4 above the proposed utilisation of balances from the MTFP reserve during 2024/25 to 2027/28 will leave a balance of £2.205m at the end of March 2028.

Officers will continue to work with Members to review the inherent deficit and address the longer-term financial sustainability of the authority.

As the Council has received, for a number of years, return funding from the Nottinghamshire Business Rates Pool in relation to the local growth retained (split with Nottinghamshire County Council), a forecast of the additional funding to be generated next financial year has been made of £0.800m. This has now been budgeted for within the main budget, and hence is now not shown in the table above.

Each update to this MTFP will therefore report on progress against each of the headings in the table above, to ensure that each year's budget is balanced.

Since 2010, the council has made significant savings in line with government grant reductions. Though further savings may become harder to identify and deliver, particularly from spend not on employees (as mentioned in section 1.11), it is essential that the council continues to identify areas where spend can be reduced and/or income increased. This is so that the council can continue to operate sustainably longer-term.

The council's total income will need to increase significantly, if it is to continue delivering and improving the services it currently provides and not use its reserves to cover the deficits currently anticipated for 2024/25 and future years.

Councils are severely restricted in how much funding they can raise from council tax increases without holding referenda. As mentioned in sections 1.5, the council can increase council tax in 2023/24 by the greater of 2.99% or £5.00 without holding a referendum. A 1% increase in council tax is equivalent to £80,453 of net expenditure.

The council's Commercial Strategy and Action Plan, approved by Policy and Finance Committee on 27 January 2022, aims to make Newark and Sherwood an *"innovative and entrepreneurial Council that continually achieves positive annual financial contributions; by generating new revenue and delivering cost reductions, through trading and business improvements"*. The council has begun to benefit from the projects which have been completed to date since the Commercial Plan 2017-18 to 2020-21 was approved in October 2017 and expects to increasingly benefit in future years from the implementation of the current strategy. The council's work across the district (externally) and with services council-wide (internally) will be crucial to enabling the council's future sustainability and growth. This is particularly as changes to the local government finance system increase the rewards for councils able to facilitate local economic growth.

At the Cabinet meeting 11 July 2023, an update report was presented, informing Members of progress against the Commercial Plan. The table below updates further progress against those projects identified:

Table 5

Project/Activity	Business Unit Lead	Detail	Expected income (£)	January 2024 Update
Development of Town Centre Brown Field Land	Corporate Property	Corporate property assessed the small areas of land in town centres (brownfield land not utilised) the Council owned to scope if these areas of land could be developed into contract car parking. As a result of this the area of land next to Newark Hospital (Bowbridge Road) was identified for car parking. Planning permission has been granted and the development expected to be completed by February 2024. The residual land has been valued and is being considered for sale to either Arkwood or the council's Housing Revenue Account (HRA) before possibly testing the open market.	£100,000	included in MTFP 23/24 onwards
Development of Clipstone Holdings	Corporate Property	Clipstone holdings site has now been purchased (freehold) to allow the Council to have flexibility of use and development. The site is being cleared and detailed design of the development is now being progressed with the aim of having a green employment park complemented by modern mixed-use sports facilities, education (a land management economy focus) and well-being provision in partnership with the Clipstone Miners Welfare Trust and YMCA. Site clearance is underway and construction work is anticipated to start on site during 2024/25.	£224,000	Included in MTFP £0.112 25/26 full £0.224 26/27 onwards

<p>Industrial Units at Crew Lane, Southwell</p>	<p>Corporate Property</p>	<p>The 6 industrial units on this site have reached end of life and require some investment and 4 of the units are not occupied by tenants as these are not fit for purpose. A feasibility study of the site has been undertaken in order to examine the refurbishment options to modernise the units. This involves utilising the current structures but modernising the units by installing WCs to all plots, small kitchenettes, low-carbon, energy efficient buildings, fire compartmentation works, new door systems and windows. After some market testing, the units will be designed to suit potential new incoming tenants. There is also an opportunity to create a secure external storage area for larger items along the open perimeter of the site. It is anticipated that a report will be brought to Cabinet in March relating to this</p>	<p>£49,615</p>	<p>Not yet reflected within the MTFP</p>
<p>Expand the CCTV Partnership</p>	<p>Public Protection</p>	<p>Public Protection looked to increase the number of partners in the shared CCTV services to deliver savings and shared resilience. The current partners are Newark and Sherwood, Broxtowe, and Ashfield. Rushcliffe has now entered a temporary arrangement to join the CCTV partnership. This will be £7,200 per year for a three-year period. The same resource can be used to cover the additional cameras and the additional of another partner reduces the running costs for all current partners.</p>	<p>£2,400</p>	<p>£2,400 reduction in expenditure reflected in 24/25 budget onwards</p>

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

Pressures	Increase in 2025/26 budget, compared to 2024/25 budget (£m)	Increase in 2026/27 budget, compared to 2025/26 budget (£m)	Increase in 2027/28 budget, compared to 2026/27 budget (£m)
Employees	0.901	0.884	1.117
Electricity and gas costs	0.032	0.032	0.025

1.11 Risks Associated with the Budget Process

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

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

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

In considering the council's proposed budget for 2024/25 and the sensitivity of expenditure and income to changes, it should be noted that:

- a) a 1% increase in Council Tax is equivalent to £80,453 of net expenditure; and
- b) a £1 increase in Council Tax is equivalent to £42,532 of net expenditure.

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

Employee costs

Employee costs form a significant proportion of all district council budgets. Employee costs comprise 50% of the council's proposed controllable service expenditure budget for 2024/25 (total spend, excluding spend on capital costs, internal recharges and Housing Benefit payments).

This makes it less likely to achieve savings solely by reducing non-employee spend. It also means that the council would need to use a greater proportion of its reserves if the costs of future years' pay awards exceed the 5% pay award currently budgeted for 2024/25 and/or the 5% pay awards currently budgeted for subsequent years.

Currently vacancies are expected to amount to around 3.1% of total employee spend to the year end of 2023/24, albeit this is the quarter three forecast and outturn will potentially be different to this. In previous years 5% has been the experience that the Council has seen. With this in mind a forecast of 5% in 2024/25 and all future years.

Income

A significant part of the council's annual net budget is dependent on income from rents; sales, fees and charges; and other receipts. Officers have reviewed the income that services have achieved against the current and previous years' budgets and have considered factors expected to affect future income levels, to ensure the 2024/25 income budgets for services have been set at levels considered achievable. Officers will monitor this closely over the coming year and revised forecasts over the medium term will be updated for the MTFP to be developed for the 2024/25 - 2027/28 years.

Significant underperformance against budgeted income would increase the council's annual net expenditure, and thus place unbudgeted demand on council reserves. A 1% reduction in council income from fees and charges would cost around £48,000 in 2024/25.

Interest rates

The proposed MTFP budgets include amounts for interest payable and interest receivable. This is because the council expects that it will both borrow money and lend money throughout the four years of the MTFP.

The council anticipates that it will use fixed interest rate loans when borrowing. This is so that the council knows exactly how much its loans will cost over their durations, and as this mitigates against the risk of interest rates and thus costs rising significantly over the loan period. As borrowing would be for longer than four years, the risk of the council being unable to borrow to repay existing debt (refinancing risk) does not apply.

The budgeted amounts have accounted for factors such as the amount of council funds expected to be available. The actual amounts of council interest payable and receivable for 2024/25 will likely differ from those budgeted.

The impact of a 1% change in interest rate would be insignificant on the council's overall budget.

Inflation

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

The most recent month for which inflation data was available at the time of writing, December 2023, had a 4.2% increase in inflation (Consumer Prices Index (CPI)) from December 2022.

The small differences anticipated between actual inflation rates and the 5% budgeted for are expected to have insignificant impact on the council's budget.

1.12 Capital Investment Programme and Funding

The overall proposed General Fund Capital Programme for the period from 2024/25 and 2027/28 totals £64.400m. £13.219m is financed by external grant funding for Towns Fund Projects, Shared and Rural Prosperity Funds and Disabled Facilities Grant (DFG's). The DFG funding is received via the Better Care Fund (BCF) and is subject to an annual bidding process.

Other external financing in the form of contributions from external partners amounts to £0.220m. £0.170 of S106 funding towards the plans to reinvigorate Sherwood Avenue Park, along with a contribution from Newark Town Council. A project made possible by Shared Prosperity Grant.

Council internal capital resources employed amount to £15.126m, which relates to the Council's contribution to the acquisition of the former Belvoir Iron Works, the redevelopment of Clipstone Holding Centre, Yorke Drive Pavilion, the remaining remedial works required at Southwell Leisure Centre and replacing parts of the Council's refuse fleet and other equipment.

In 2025/26 to 2026/27 Community Infrastructure Levy receipts will be used to finance the cost of £5.5m to improve the A1 overbridge at Fernwood. This bridge is part of the highways mitigation work to deliver the expansion of Fernwood.

Borrowing is the balancing figure for the capital expenditure at £30.289m. This type of financing attracts a charge to revenue called the Minimum Revenue Provision (MRP) calculated using the asset life method as approved by Council within the Treasury Management Strategy each year. The current method approved is the asset life method. This apportions notional borrowing incurred over the life of the asset, which is in line with the timeline for receiving economic benefits generated by the asset.

	Actual Balance at 31st March 2023	Estimated Balance at 31st March 2024	Estimated Balance at 31st March 2025	Estimated Balance at 31st March 2026	Estimated Balance at 31st March 2027	Estimated Balance at 31st March 2028
General Fund Revenue Reserves						
Council Funds						
MTFP Reserve	(6,191,528)	(8,107,988)	(7,907,988)	(7,156,988)	(4,049,988)	(2,204,988)
Collection Fund Budget	(1,074,310)	0	0	0	0	0
Total Budget Funding Reserves	(7,265,838)	(8,107,988)	(7,907,988)	(7,156,988)	(4,049,988)	(2,204,988)
Election Expenses Fund	(46,224)	(127,198)	(167,898)	(210,638)	(255,518)	(255,518)
Insurance Fund Excesses & Self Insured	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)
ICT & Digital Services	(95,000)	(95,000)	(95,000)	(95,000)	(95,000)	(95,000)
Repairs And Renewals Fund	(2,413,828)	(2,234,198)	(1,934,198)	(1,934,198)	(1,934,198)	(1,934,198)
Domestic Homicide Review	(10,000)	(9,700)	(9,700)	(9,700)	(9,700)	(9,700)
Training Provision	(281,300)	(271,300)	(271,300)	(271,300)	(271,300)	(271,300)
Planning Costs Fund	(201,140)	(119,940)	(119,940)	(119,940)	(119,940)	(119,940)
Growth And Prosperity Fund	(127,366)	(127,366)	(127,366)	(127,366)	(127,366)	(127,366)
CSG/Enforcement Reserve	(30,910)	(76,610)	(76,610)	(76,610)	(76,610)	(76,610)
Management Carry Forwards	(1,207,890)	0	0	0	0	0
Flood Defence Reserve	(250,000)	(50,000)	(20,000)	(20,000)	(20,000)	(20,000)
NNDR Volatility Reserve	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
Community Initiative Fund	(100,888)	(110,888)	(110,888)	(110,888)	(110,888)	(110,888)
Asset Maintenance Fund	(500,000)	(217,040)	(17,040)	(17,040)	(17,040)	(17,040)
Capital Project Feasibility Fund	(321,608)	(98,120)	(258,120)	(258,120)	(258,120)	(258,120)
Community Engagement	(79,441)	(17,825)	(17,825)	(17,825)	(17,825)	(17,825)
Theatre Centenary Legacy	(14,339)	(14,339)	(14,339)	(14,339)	(14,339)	(14,339)
Commercial Plan Invest to Save	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Workforce Development Reserve	(200,000)	(146,971)	(146,971)	(146,971)	(146,971)	(146,971)
Capital Financing Provison	(517,750)	(193,097)	(16,683)	(16,683)	(16,683)	(16,683)
Total Earmarked for Known Pressures	(7,187,684)	(4,699,592)	(4,193,878)	(4,236,618)	(4,281,498)	(4,281,498)
Building Control Surplus	(83,912)	(83,912)	(83,912)	(83,912)	(83,912)	(83,912)
Museum Purchases Fund	(45,784)	(45,784)	(45,784)	(45,784)	(45,784)	(45,784)
Community Safety Fund	(123,219)	(122,219)	(122,219)	(122,219)	(122,219)	(122,219)
Homelessness Fund	(480,542)	(608,870)	(863,290)	(863,290)	(863,290)	(863,290)
Revenue Grants Unapplied	(869,636)	(692,492)	(692,492)	(692,492)	(692,492)	(692,492)
Energy & Home Support Reserve	(103,171)	(103,171)	(103,171)	(103,171)	(103,171)	(103,171)
Community Lottery Fund	(12,063)	(9,063)	(9,063)	(9,063)	(9,063)	(9,063)
Homes for Ukraine Fund	(319,538)	(345,256)	(345,256)	(345,256)	(345,256)	(345,256)
Mansfield Crematorium	(159,360)	(159,360)	(159,360)	(159,360)	(159,360)	(159,360)
Total Ring Fenced Reserves	(2,197,225)	(2,170,127)	(2,424,547)	(2,424,547)	(2,424,547)	(2,424,547)
Change Management/Capital Fund	(14,171,531)	(8,749,078)	(3,850,271)	(1,211,562)	(1,211,562)	(1,211,562)
General Fund Working Balance	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Total Un-ringfenced Reserves	(15,671,531)	(10,249,078)	(5,350,271)	(2,711,562)	(2,711,562)	(2,711,562)
Total General Fund Revenue Reserves	(32,322,278)	(25,226,785)	(19,876,684)	(16,529,715)	(13,467,595)	(11,622,595)
General Fund Capital Receipts	0	(320,238)	(89,787)	(1,737,722)	(472)	(472)
GF Grants & Contributions Unapplied	(14,047,491)	(12,853,097)	(14,334,457)	(13,218,757)	(11,428,757)	(10,568,757)
Total Capital Reserves	(14,047,491)	(13,173,335)	(14,424,244)	(14,956,479)	(11,429,229)	(10,569,229)
Total General Fund Revenue and Capital Reserves	(46,369,769)	(38,400,119)	(34,300,927)	(31,486,193)	(24,896,823)	(22,191,824)



Report to: Full Council Meeting – 7 March 2024

Relevant Committee Chair: Councillor Peter Harris, Audit & Governance

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

Lead Officers: Nick Wilson, Business Manager - Financial Services, Ext 5317

Report Summary	
Report Title	Treasury Management Strategy 2024/25
Purpose of Report	This report seeks approval for the Treasury Management Strategy, which incorporates the Borrowing Strategy, Investment Strategy, and Treasury Prudential Indicators, updated in accordance with latest guidance.
Recommendations	That Council approve: <ul style="list-style-type: none"> • The Treasury Management Strategy 2024/25, incorporating the Borrowing Strategy and the Annual Investment Strategy (Appendix A). • The Treasury Prudential Indicators and Limits, contained within Appendix A; and • The Authorised Limit Treasury Prudential Indicator contained within Appendix A.
Reason for Recommendation	It is a legislative requirement for a Local Authority to approve a Treasury Management Strategy and the attached appendices meet that requirement. In addition, the External Auditors (Mazars) may pass comment in their Report to those charged with governance should relevant strategies not be approved.

1.0 Background

1.1 At its meeting on 21 February 2024 the Audit & Governance Committee considered the proposed Treasury Management Strategy 2024/25 and agreed to recommend it to Council. A copy of the report is attached at **Appendix 1**.

2.0 Proposal/Options Considered

2.1 This report seeks approval for the Treasury Management Strategy 2024/25 (Appendix A), which encompasses the Treasury Prudential Indicators, the Borrowing Strategy, and the Annual Investment Strategy, in accordance with latest guidance.

3.0 Implications

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

Financial Implications (FIN23-24/1360)

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

Background Papers and Published Documents

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

None



Report to: Audit & Governance Committee Meeting 21 February 2024

Director or Business Manager Lead: Sanjiv Kohli Deputy Chief Executive / Director – Resources - Section 151 Officer

Lead Officer: Nick Wilson, Business Manager Financial Services on ext 5317

Report Summary	
Report Title	Treasury Management Strategy 2024/25
Purpose of Report	This report seeks approval for the Treasury Management Strategy, which incorporates the Borrowing Strategy, Investment Strategy, and Treasury Prudential Indicators, updated in accordance with latest guidance.
Recommendations	That Committee approves each of the following key elements and recommends these to Full Council on 8 March 2023 while noting that as the budgets are still being finalised some of the figures within the Strategy may alter: <ul style="list-style-type: none"> • The Treasury Management Strategy 2024/25, incorporating the Borrowing Strategy and the Annual Investment Strategy (Appendix A). • The Treasury Prudential Indicators and Limits, contained within Appendix A. • The Authorised Limit Treasury Prudential Indicator contained within Appendix A.
Reason for Recommendation	To ensure that the Committee discharges its responsibilities as per its delegated authority within the Councils constitution.

1.0 Background

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

1.2 Statutory Requirements:

- The Local Government Act 2003 (the Act) and supporting regulations requires the Council to ‘have regard to’ the CIPFA Prudential Code and the CIPFA Treasury

Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes to set Treasury Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

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

1.3 CIPFA Requirements:

The primary requirements of the Code are as follows:

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

1.4 This report seeks approval for the Treasury Management Strategy 2024/25 (Appendix A), which encompasses the Treasury Prudential Indicators, the Borrowing Strategy, and the Annual Investment Strategy, in accordance with latest guidance as follows:

2.0 **Summary of Investment Limits and Indicators**

2.1 The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). No investment limits have been amended for the financial year 2024/25. Also, it is proposed to use the same prudential indicators for the investing activity, further details are in the **Appendix**.

3.0 **Summary of Borrowing Limits and Indicators**

3.1 The Council's borrowing limits are directly affected by the Council's approved capital programme and any capital expenditure financed by borrowing will therefore increase the Capital Financing Requirement (CFR). In respect of the tables within the documents, these reflect the proposed capital programme that will be presented to Cabinet on 20 February 2024 to be approved at Council on 7 March 2024. Where changes occur, these will be reflected in the documents as appropriate. The CFR is the level of expected borrowing and when compared to the actual external debt the variance represents the over or under borrowing position.

3.2 The Council is currently in an under borrowed position which means that previous capital expenditure financed by borrowing hasn't yet required actual external debt due

to the timing of cash backed reserves that haven't yet been utilised. However, this is always a temporary position as ultimately when the cash backed reserves are used there will be a requirement for actual external borrowing.

- 3.3 The table below shows the Councils increasing CFR due to capital expenditure financed by borrowing less the actual external debt, with no new borrowing assumptions, less the cash backed reserves and working capital (debtors less creditors), further details are in **Appendix A**.

	2024/25 Forecast £'000	2025/26 Forecast £'000	2026/27 Forecast £'000
Loans CFR	169,975	199,676	206,224
Less: External borrowing	-82,397	-77,357	-74,312
Internal (over) borrowing	87,578	122,319	131,912
Less: Usable reserves	-49,806	-48,436	-44,868
Less: Working capital	-10,500	-10,500	-10,500
Investments (or New borrowing)	-27,272	-63,383	-76,544

The table indicates that over the next forecasted three year period there will potentially be a minimum requirement to borrow an additional £76m.

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

	2024/25 Forecast £'000	2025/26 Forecast £'000	2026/27 Forecast £'000
Operational Boundary	176,975	206,676	213,224
Authorised Limit	181,975	211,676	218,224

Background Papers and Published Documents

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

CIPFA Prudential Code Local Government Act 2003

CIPFA Standard of Professional Practice on Treasury Management

TREASURY MANAGEMENT STRATEGY STATEMENT 2024/25**Introduction**

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

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

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

CIPFA defines treasury management as:

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

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

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

Treasury Management Reporting

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

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

Scrutiny

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

Quarterly Reports

In addition to the three major reports detailed above, from 2023/24 quarterly reporting (end of June/end of December) is also required. However, these additional reports do not have to be reported to Full Council but do require to be adequately scrutinised. This role is undertaken by the Cabinet and the Prudential Indicators form part of the Quarterly Budget Monitoring Reports.

Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Treasury Management training has been undertaken by members on 5 December 2023 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

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

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

Treasury Management Consultants

The Council uses Link Group, Treasury solutions as its external treasury management advisors.

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

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

Capital Summary and Liability Benchmark

On 31 December 2023, the Council held £97m of borrowing and £59m of investments. Forecast changes in these sums are shown in the balance sheet analysis table below.

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

Capital expenditure and financing:

	2022/23 Actual £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000
General Fund services	19,998	48,205	21,599	26,301	6,443
Council housing (HRA)	11,879	17,521	25,808	25,537	14,384
Capital Loan (GF)	-761	4,000	4,000	3,408	0
TOTAL	31,116	69,726	51,407	55,246	20,827
Capital Grants	12,014	35,742	5,316	7,606	1,378
Other Contributions	567	806	1,307	346	0
Capital Receipts	3,761	4,316	1,667	5,439	2,359
Revenue/ Major Repairs	9,302	18,092	14,475	6,006	6,289
Borrowing	5,472	10,770	28,642	35,849	10,801
TOTAL	31,116	69,726	51,407	55,246	20,827

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

	2022/23 Actual £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000
General Fund CFR	28,018	41,564	54,441	69,184	68,776
HRA CFR	106,601	103,570	115,534	130,492	137,448
Total CFR	134,619	145,134	169,975	199,676	206,224
Less: External borrowing	-90,969	-85,435	-82,397	-77,357	-74,312
Internal (over) borrowing	43,650	59,699	87,578	122,319	131,912
Less: Usable reserves	-68,099	-52,339	-49,806	-48,436	-44,868
Less: Working capital	-6,329	-10,500	-10,500	-10,500	-10,500
Investments (or New borrowing)	30,778	3,140	-27,272	-63,383	-76,544

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

The Council has an increasing CFR due to the proposed capital programme, and diminishing investments and will therefore be required to borrow up to a minimum of an additional £76m over the forecast period.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. The table above shows that the Council expects to comply with this recommendation during 2024/25.

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

	2022/23 Actual £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000
Loans CFR	134,619	145,134	169,975	199,676	206,224
Less: Usable reserves	-68,099	-52,339	-49,806	-48,436	-44,868
Less: Working capital	-6,329	-10,500	-10,500	-10,500	-10,500
Plus: Minimum investments	10,000	10,000	10,000	10,000	10,000
Liability Benchmark	70,191	92,295	119,669	150,740	160,856

Borrowing Strategy

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

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

Current Borrowing portfolio position

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

	2022/23	2023/24	2024/25	2026/27	2027/28
	Actual	Estimate	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
Debt at 1 April	97,111	90,969	85,435	82,397	77,357
Expected change in Debt	-6,142	-5,534	-3,038	-5,040	-3,045
Actual gross debt at 31	90,969	85,435	82,397	77,357	74,312
The Capital Financing Requirement	134,619	145,134	169,975	199,676	206,224
Under / (over) borrowing	43,650	59,699	87,578	122,319	131,912

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 2024/25 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

Prudential Indicator 1: Operational Boundary for External Debt: The operational boundary is based on the Council's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Council's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year

monitoring. Other long-term liabilities comprise of finance leases, Private Finance Initiatives and other liabilities that are not borrowing but form part of the Council's debt.

Operational Boundary	2023/24 Revised £'000	2024/25 Estimate £'000	2025/25 Estimate £'000	2026/27 Estimate £'000
Borrowing	150,134	174,975	204,676	211,224
Impact of IFRS16	2,000	2,000	2,000	2,000
Total Debt	152,134	176,975	206,676	213,224

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

Authorised Limit	2023/24 Revised £'000	2024/25 Estimate £'000	2025/25 Estimate £'000	2026/27 Estimate £'000
Borrowing	155,134	179,975	209,676	216,224
Impact of IFRS16	2,000	2,000	2,000	2,000
Total Debt	157,134	181,975	211,676	218,224

Separately, the Council has previously been limited to a maximum HRA CFR through the HRA self-financing regime and the Government set HRA Debt cap, however on 30 October 2018 the Government removed the HRA Debt cap. The Council deems it prudent to have a limit on the borrowing for the HRA, therefore it has chosen to use the Interest Cover Ratio (ICR) as its borrowing boundary for the HRA. The ICR represents the cover that the HRA has against its interest cost liabilities in any year. The ICR is set to a minimum which provides comfort that if there were a sudden drop in income or increase in operating costs, there would be sufficient headroom to continue to cover debt interest payments. The typical lending covenants used with the ratio varies between 1.10 and 1.50, the lower rate represents less cover and higher rate represents more cover, the Council will use the most prudent approach and therefore use 1.50 within the ratio to provide the most comfort of interest costs cover. The ICR has been modelled into the current HRA 30 year business plan and the maximum additional debt capacity set is £14.197m in order to maintain affordability in each financial year:

HRA Debt Limit	2023/24 Revised £'000	2024/25 Estimate £'000	2025/25 Estimate £'000	2026/27 Estimate £'000
HRA CFR	103,570	115,534	130,492	137,448
Additional ICR Debt	14,197	14,197	14,197	14,197
HRA Authorised Limit	117,767	129,731	144,689	151,645

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

	Upper	Lower
Under 12 months	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: The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Authority's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate remains elevated through to the second half of 2024.

Against this background and the risks within the economic forecast, caution will be adopted with the 2024/25 treasury operations. The Director of Resources/Deputy Chief Executive will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances.

The benefits of internal or short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Link 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 2024/25 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 2024/25, 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. Any decisions will be reported to the appropriate decision-making body at the next available opportunity.

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

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

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

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

LOBOs: The Council holds £3.5m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. £3.5m of these LOBOs have options during 2024/25, and although the Council understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Council will take the option to repay LOBO loans at no cost if it has the opportunity to do so. Total borrowing via LOBO loans will be limited to £0m.

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

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

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

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

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

Investment Strategy

Management of Risk

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

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

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

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

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

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 9 months, the Council's investment balance has ranged between £52 and £83 million. Levels available for investment are affected by capital expenditure and use of reserves, both will continue to be monitored throughout the financial year.

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

Strategy: Given the continued risk and market volatility, the Council aims to continue investing into secure and/or higher yielding asset classes during 2024/25. This is especially the case for the estimated £15m that is potentially available for longer-term investment. The majority of the Council's surplus cash is currently invested in short-term unsecured bank deposits and money market funds.

Business models: As a result of the change in accounting standards under IFRS 9, the Council must consider the implications of investment instruments which could result in an adverse

movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. The Department for Levelling Up, Housing and Communities (DLHUC) has released a consultation in advance of the current expiry of the qualifying Pooled Fund override to IFRS 9 accounting requirements. The current regulation 30K, which was introduced on 1 April 2018 will come to an end on 31 March 2023. However, Ministers have decided to extend the existing IFRS9 statutory override for a further 2 years until 31 March 2025.

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

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

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

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

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

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

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

This table must be read in conjunction with the notes below

Credit rating: Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be 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 generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

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

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

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

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

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

Operational bank accounts: The Council will incur operational exposures through its current accounts, with Lloyds Bank. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £850,000 net in the bank. The Bank

of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

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

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

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

Investment limits

	Cash limit
Any single organisation, except the UK Central Government	£15m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£15m per group
Any group of pooled funds under the same management	£15m per manager
Negotiable instruments held in a broker’s nominee account	£10m per broker
Foreign countries	£10m per country
Registered providers and registered social landlords	£10m in total
Unsecured investments with building societies	£10m in total
Loans to unrated corporates	£15m in total
Local Authorities	£15m each
Money market funds	£12m each
Real estate investment trusts	£10m in total

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

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

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

Average earnings in each year	
2023/24 (residual)	5.30%
2024/25	4.70%
2025/26	3.20%
2026/27	3.00%
2027/28	3.25%

Treasury Indicators: limits to investing activity

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

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

Credit risk indicator	Target
Portfolio average credit rating	A

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

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

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

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

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

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

Price risk indicator	2024/25	2025/26	2026/27
Limit on principal invested beyond year end	£15m	£15m	£15m

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

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

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

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

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

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

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

Treasury Management Scheme of Delegation

(i) Full Council

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

(ii) Audit and Governance Committee

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

The Treasury Management Role of the Section 151 Officer

The S151 (responsible) officer

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

Economic Background and Interest Rate Forecast

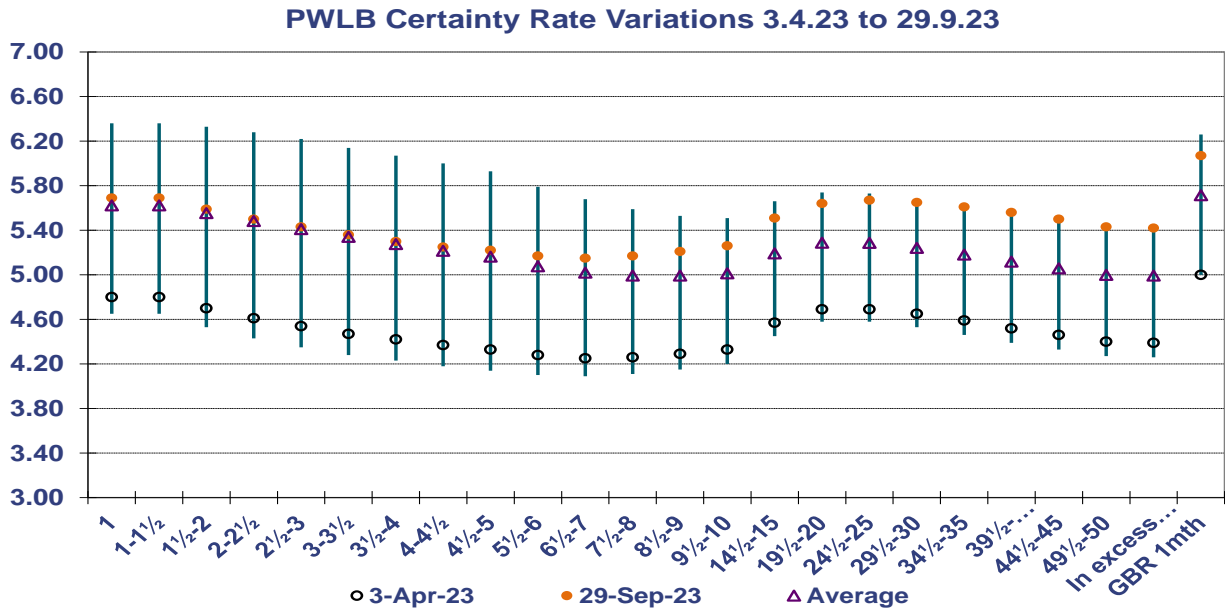
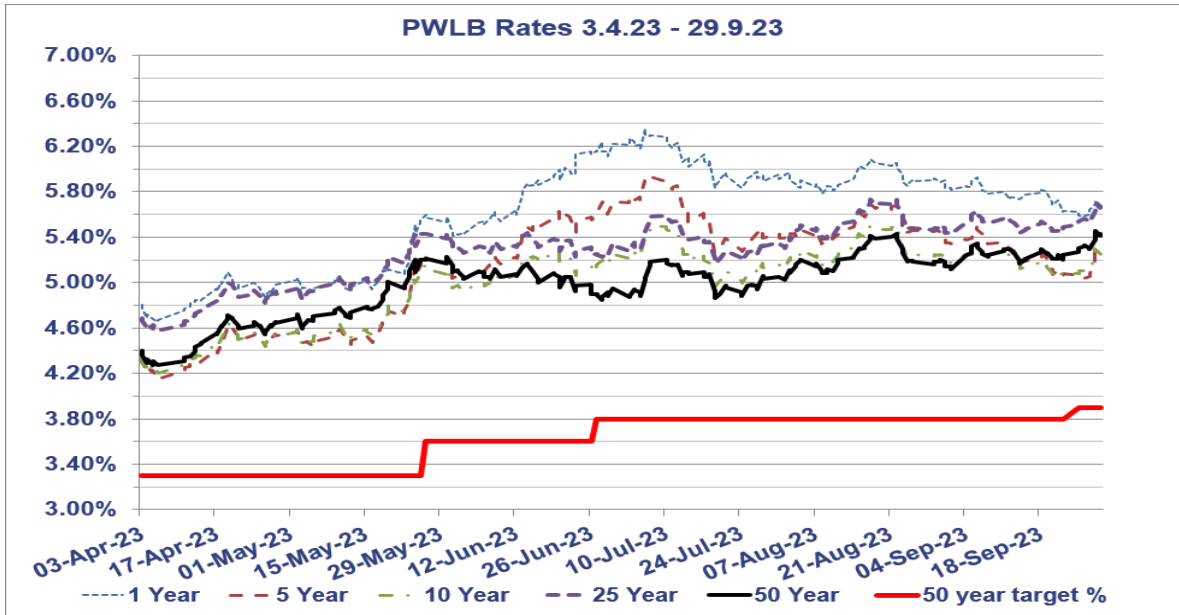
- The first half of 2023/24 saw:
 - Interest rates rise by a further 100bps, taking Bank Rate from 4.25% to 5.25% and, possibly, the peak in the tightening cycle.
 - Short, medium and long-dated gilts remain elevated as inflation continually surprised to the upside.
 - CPI inflation falling from 8.7% in April to 6.7% in September, its lowest rate since February 2022, but still the highest in the G7.
 - Core CPI inflation declining to 6.1% in September from 7.1% in April and May, a then 31 years high.
 - A cooling in labour market conditions, but no evidence yet that it has led to an easing in wage growth (as the 3m growth of average earnings rose by 7.8% for the period June to August, excluding bonuses).
- The registering of 0% GDP for Q3 suggests that underlying growth has lost momentum since earlier in the year. Some of the weakness in July was due to there being almost twice as many working days lost to strikes in July (281,000) than in June (160,000). But with output falling in 10 out of the 17 sectors, there is an air of underlying weakness.
- The fall in the composite Purchasing Managers Index from 48.6 in August to 46.7 in September left it at its lowest level since COVID-19 lockdowns reduced activity in January 2021. At face value, it is consistent with the 0% q/q rise in real GDP in the period July to September, being followed by a contraction in the next couple of quarters.
- The 0.4% m/m rebound in retail sales volumes in August is not as good as it looks as it partly reflected a pickup in sales after the unusually wet weather in July. Sales volumes in August were 0.2% below their level in May, suggesting much of the resilience in retail activity in the first half of the year has faded.
- As the growing drag from higher interest rates intensifies over the next six months, we think the economy will continue to lose momentum and soon fall into a mild recession. Strong labour demand, fast wage growth and government handouts have all supported household incomes over the past year. And with CPI inflation past its peak and expected to decline further, the economy has got through the cost-of-living crisis without recession. But even though the worst of the falls in real household disposable incomes are behind us, the phasing out of financial support packages provided by the government during the energy crisis means real incomes are unlikely to grow strongly. Higher interest rates will soon bite harder too. We expect the Bank of England to keep interest rates at the probable peak of 5.25% until the second half of 2024. Mortgage rates are likely to stay above 5.0% for around a year.
- The tightness of the labour market continued to ease, with employment in the three months to July falling by 207,000. The further decline in the number of job vacancies from 1.017m in July to 0.989m in August suggests that the labour market has loosened a bit further since July. That is the first time it has fallen below 1m since July 2021. At 3.0% in July, and likely to have fallen to 2.9% in August, the job vacancy rate is getting closer to 2.5%, which would be consistent with slower wage growth. Meanwhile, the 48,000 decline in the supply of workers

in the three months to July offset some of the loosening in the tightness of the labour market. That was due to a 63,000 increase in inactivity in the three months to July as more people left the labour market due to long term sickness or to enter education. The supply of labour is still 0.3% below its pre-pandemic February 2020 level.

- But the cooling in labour market conditions still has not fed through to an easing in wage growth. The headline 3myy rate rose 7.8% for the period June to August, which meant UK wage growth remains much faster than in the US and in the Euro-zone. Moreover, while the Bank of England's closely watched measure of regular annual average total pay growth for the private sector was 7.1% in June to August 2023, for the public sector this was 12.5% and is the highest total pay annual growth rate since comparable records began in 2001. However, this is affected by the NHS and civil service one-off non-consolidated payments made in June, July and August 2023. The Bank of England's prediction was for private sector wage growth to fall to 6.9% in September.
- CPI inflation declined from 6.8% in July to 6.7% in August and September, the lowest rate since February 2022. The biggest positive surprise was the drop in core CPI inflation, which declined from 6.9% to 6.1%. That reverses all the rise since March.
- In its latest monetary policy meeting on 06 November, the Bank of England left interest rates unchanged at 5.25%. The vote to keep rates on hold was a split vote, 6-3. It is clear that some members of the MPC are still concerned about the stickiness of inflation.
- Like the US Fed, the Bank of England wants the markets to believe in the higher for longer narrative. In terms of messaging, the Bank once again said that "further tightening in monetary policy would be required if there were evidence of more persistent inflationary pressures", citing the rise in global bond yields and the upside risks to inflation from "energy prices given events in the Middle East". So, like the Fed, the Bank is keeping the door open to the possibility of further rate hikes. However, it also repeated the phrase that policy will be "sufficiently restrictive for sufficiently long" and that the "MPC's projections indicate that monetary policy is likely to need to be restrictive for an extended period of time". Indeed, Governor Bailey was at pains in his press conference to drum home to markets that the Bank means business in squeezing inflation out of the economy.
- This narrative makes sense as the Bank of England does not want the markets to decide that a peak in rates will be soon followed by rate cuts, which would loosen financial conditions and undermine its attempts to quash inflation. The language also gives the Bank of England the flexibility to respond to new developments. A rebound in services inflation, another surge in wage growth and/or a further leap in oil prices could conceivably force it to raise rates in the future.

In the table below, the rise in gilt yields across the curve as a whole in 2023/24, and therein PWLB rates, is clear to see.

PWLB RATES 01.04.23 - 29.09.23



HIGH/LOW/AVERAGE PWLB RATES FOR 01.04.23 – 29.09.23

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.14%	4.20%	4.58%	4.27%
Date	06/04/2023	06/04/2023	06/04/2023	06/04/2023	05/04/2023
High	6.36%	5.93%	5.51%	5.73%	5.45%
Date	06/07/2023	07/07/2023	22/08/2023	17/08/2023	28/09/2023
Average	5.62%	5.16%	5.01%	5.29%	5.00%
Spread	1.71%	1.79%	1.31%	1.15%	1.18%

The peak in medium to longer dated rates has generally arisen in August and September and has been primarily driven by continuing high UK inflation, concerns that gilt issuance may be too much for the market to absorb comfortably, and unfavourable movements in US Treasuries.

The S&P 500 and FTSE 100 have struggled to make much ground through 2023.

CENTRAL BANK CONCERNS

Currently, the Fed has pushed up US rates to a range of 5.25% to 5.5%, whilst the MPC followed by raising Bank Rate to 5.25%. EZ rates have also increased to 4% with further tightening a possibility.

Ultimately, however, from a UK perspective it will not only be inflation data but also employment data that will mostly impact the decision-making process, although any softening in the interest rate outlook in the US may also have an effect (just as, conversely, greater tightening may also).

INTEREST RATE FORECASTS

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. Link provided the following forecasts on 07 November 2023. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 bps.

Link Group Interest Rate View	07.11.23												
	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
BANK RATE	5.25	5.25	5.25	5.00	4.50	4.00	3.50	3.25	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	5.30	5.00	4.50	4.00	3.50	3.30	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.60	5.50	5.40	5.10	4.60	4.10	3.60	3.40	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.80	5.70	5.50	5.20	4.70	4.20	3.70	3.50	3.30	3.30	3.30	3.30	3.30
5 yr PWLB	5.00	4.90	4.80	4.70	4.40	4.20	4.00	3.80	3.70	3.60	3.50	3.50	3.50
10 yr PWLB	5.10	5.00	4.80	4.70	4.40	4.20	4.00	3.80	3.70	3.70	3.60	3.60	3.50
25 yr PWLB	5.50	5.30	5.10	4.90	4.70	4.50	4.30	4.20	4.10	4.10	4.00	4.00	4.00
50 yr PWLB	5.30	5.10	4.90	4.70	4.50	4.30	4.10	4.00	3.90	3.90	3.80	3.80	3.80

PWLB RATES

- Gilt yield curve movements have broadened since our last Newsflash. The short part of the curve has not moved far but the longer-end continues to reflect inflation concerns. At the time of writing there is 60 basis points difference between the 5 and 50 year parts of the curve.

The balance of risks to the UK economy: -

- The overall balance of risks to economic growth in the UK is to the downside.

Downside risks to current forecasts for UK gilt yields and PWLB rates include: -

- Labour and supply shortages** prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, could keep gilt yields high for longer).

- **The Bank of England** has increased Bank Rate too fast and too far over recent months, and subsequently brings about a deeper and longer UK recession than we currently anticipate.
- **UK / EU trade arrangements** – if there was a major impact on trade flows and financial services due to complications or lack of co-operation in sorting out significant remaining issues.
- **Geopolitical risks**, for example in Ukraine/Russia, the Middle East, China/Taiwan/US, Iran and North Korea, which could lead to increasing safe-haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates: -

- Despite the recent tightening to 5.25%, the **Bank of England proves too timid** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to remain elevated for a longer period within the UK economy, which then necessitates Bank Rate staying higher for longer than we currently project.
- **The pound weakens** because of a lack of confidence in the UK Government's pre-election fiscal policies, resulting in investors pricing in a risk premium for holding UK sovereign debt.
- Longer-term **US treasury yields** rise strongly if inflation remains more stubborn there than the market currently anticipates, consequently pulling gilt yields up higher. (We saw some movements of this type through October although generally reversed in the last week or so.)
- Projected **gilt issuance, inclusive of natural maturities and QT**, could be too much for the markets to comfortably digest without higher yields compensating.

Forecasts for PWLB rates and gilt and treasury yields

We now expect the MPC will keep Bank Rate at 5.25% for the remainder of 2023 and the first half of 2024 to combat on-going inflationary and wage pressures. We do not think that the MPC will increase Bank Rate above 5.25%, but it is possible.

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, as inflation starts to fall through the remainder of 2023 and into 2024.



Report to: Full Council Meeting – 7 March 2024

Relevant Committee Chair: Councillor Peter Harris, Audit & Governance

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

Lead Officers: Nick Wilson, Business Manager - Financial Services, Ext 5317

Report Summary	
Report Title	Capital Strategy 2024/25
Purpose of Report	This report seeks approval to the Capital Strategy 2024/25, this incorporates the Minimum Revenue Provision Policy and Capital Prudential Indicators, updated in accordance with latest guidance.
Recommendations	That Council approve: <ul style="list-style-type: none"> • The Capital Strategy 2023/24, contained within Appendix A; • The Capital Prudential Indicators and Limits for 2023/24, contained within Appendix A; • The Minimum Revenue Provision (MRP) Policy Statement as contained within Appendix C, which sets out the Council’s policy on MRP; and • The Flexible Use of Capital Receipts Strategy, contained with Appendix D.
Reason for Recommendation	It is a legislative requirement for a Local Authority to approve a Capital strategy and the attached appendices meet that requirement. In addition, the External Auditors (Mazars) may pass comment in their Report to those charged with governance should relevant strategies not be approved.

1.0 Background

1.1 At its meeting on 21 February 2024 the Audit & Governance Committee considered the proposed Capital Strategy 2024/25 and agreed to recommend it to Council. A copy of the report is attached at **Appendix 1**.

2.0 Proposal/Options Considered

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

3.0 Implications

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

Financial Implications (FIN23-24/9351)

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

Background Papers and Published Documents

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

None



Report to: Audit & Governance Committee Meeting 21 February 2024

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

Lead Officer: Nick Wilson, Business Manager Financial Services on ext 5317

Report Summary	
Report Title	Capital Strategy 2024/25
Purpose of Report	To seek Committee approval to the Capital Strategy 2024/25, this incorporates the Minimum Revenue Provision Policy and Capital Prudential Indicators, updated in accordance with latest guidance.
Recommendations	<p>That Committee approves each of the following key elements and recommends these to Full Council on 7 March 2024 while noting that as the budgets are still being finalised some of the figures within the Strategy may alter:</p> <ul style="list-style-type: none"> • The Capital Strategy 2024/25 Appendix A. • The Capital Prudential Indicators and Limits for 2024/25, contained within Appendix A. • The Minimum Revenue Provision (MRP) Policy Statement as contained within Appendix C, which sets out the Council’s policy on MRP. • The Flexible Use of Capital Receipts Strategy, contained with Appendix D.
Reason for Recommendation	To ensure that the Committee discharges its responsibilities as per its delegated authority within the Councils constitution.

1.0 Background

- 1.1 The Capital Strategy outlines the principles and framework that shape the Council’s capital decisions. The principal aim is to deliver a programme of capital investment that contributes to the achievement of the Council’s priorities and objectives as set out in the Corporate Plan.
- 1.2 The Strategy defines at the highest level how the capital programme is to be formulated; it identifies the issues and options that influence capital spending and sets out how the resources and capital programme will be managed.
- 1.3 Statutory Requirements:

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

1.4 CIPFA Requirements:

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

2.0 Summary of Capital Expenditure and Financing

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

	2024/25 budget	2025/26 budget	2026/27 budget
Total Capital Expenditure	51,407	55,246	20,827
Capital Grants	5,316	7,606	1,378
Other Contributions	1,307	346	0
Capital Receipts	1,667	5,439	2,359
Revenue/Major Repairs Reserve	14,475	6,006	6,289
Borrowing	28,642	35,849	10,801
Total Capital Financing	51,407	55,246	20,827

Background Papers and Published Documents

CIPFA Prudential Code Local Government Act 2003

CIPFA Treasury Management Code of Practice

Capital Strategy Report 2024/25

Introduction

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

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

The basic elements of the Strategy therefore include:

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

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

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

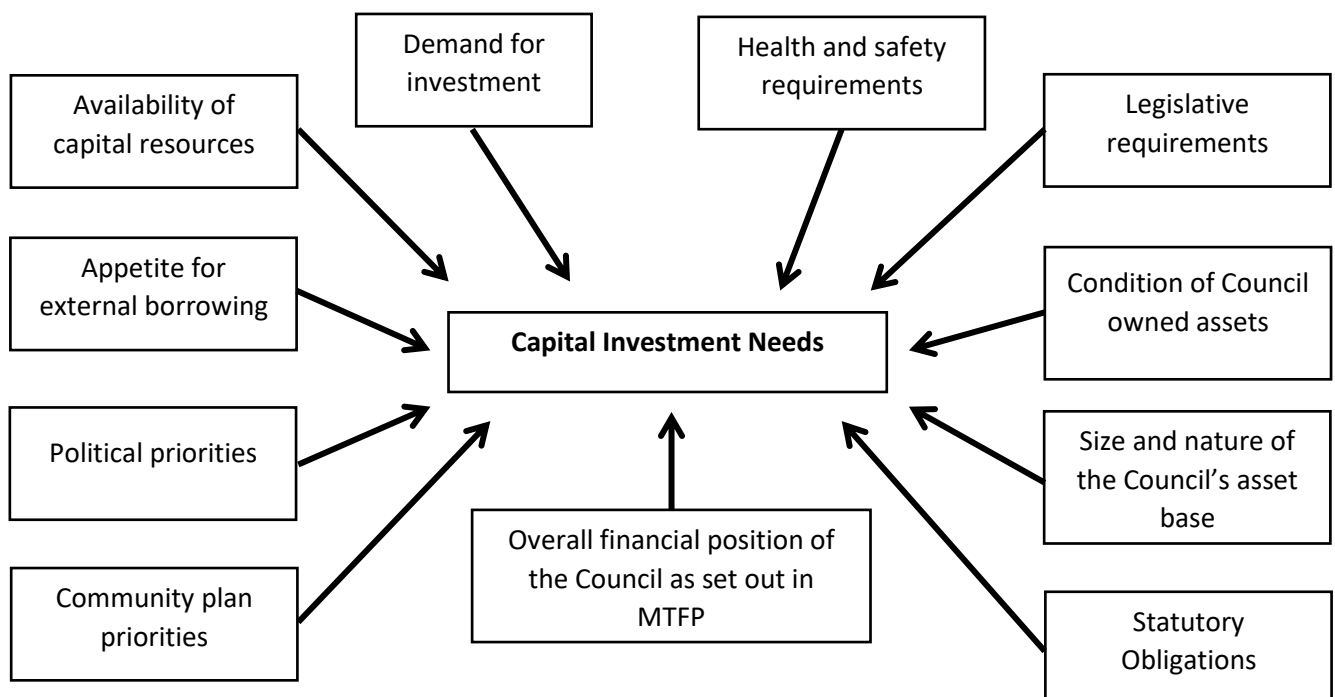
CAPITAL INVESTMENT PRIORITIES

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

The Council's Purpose and Values:

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

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



Capital Expenditure and Financing

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

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

In 2024/25, the Council is planning capital expenditure of £51.3m as summarised below:

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

	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Budget	2026/27 Budget
General Fund services	19,998	48,205	21,599	26,301	6,443
Council housing (HRA)	11,879	17,521	25,808	25,537	14,384
Capital Loan (GF)	-761	4,000	4,000	3,408	0
TOTAL	31,116	69,726	51,407	55,246	20,827

The General Fund Capital Programme with a proposed budget for 2024/25 of £25.6m. Of this amount, expenditure on the Council’s General Fund assets totals £18.3m, and £0.8m will provide Disabled Facilities Grants to a number of private dwellings during the year. Also during 2024/25 the Council also plans to make available £4m of capital funding in the form of capital loans to the Councils housing development company for regeneration purposes.

The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately, and has a proposed budget for 2024/25 of £25.8m, which supports the maintenance of the Councils circa 5,500 council houses.

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

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

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

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

Prudential Indicator 10: Capital financing in £'000

	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Budget	2026/27 Budget
<u>External sources</u>					
Capital Grants	12,014	35,742	5,316	7,606	1,378
Other Contributions	567	806	1,307	346	0
<u>Own resources</u>					
Capital Receipts	3,761	4,316	1,667	5,439	2,359
Revenue/ Major Repairs Reserve	9,302	18,092	14,475	6,006	6,289
<u>Debt</u>					
Borrowing	5,472	10,770	28,642	35,849	10,801
Leasing	0	0	0	0	0
TOTAL	31,116	69,726	51,407	55,246	20,827

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

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

Replacement of debt finance in £'000

	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Budget	2026/27 Budget
General Fund - MRP	1,863	720	764	1,107	1,209
HRA - Debt Repayment	6,531	5,534	3,037	5,041	3,044

The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and loan debt repayments and capital receipts used to replace debt. The CFR is expected to increase

by £24.8m during 2024/25. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

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

	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Budget	2026/27 Budget
General Fund services	28,018	37,564	46,441	57,776	57,368
Council housing (HRA)	106,601	103,570	115,534	130,492	137,448
Capital investments	0	4,000	8,000	11,408	11,408
TOTAL CFR	134,619	145,134	169,975	199,676	206,224

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

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

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

Asset disposal: The Council will continue to realise the value of any properties that have been declared surplus to requirements in a timely manner, having regard to the prevailing market conditions in order to maximise the sale proceeds, known as capital receipts, which can then be spent on new assets or repay debt. The Council is currently also permitted to spend capital receipts on service transformation projects until 2025/26, although the Council does not expect to utilise this ability during 2024/25. Repayments of capital grants, loans and investments also generate capital receipts.

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

Treasury Management

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

expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

Due to decisions taken in the past, the Council at 31 December 2023 had £97m borrowing at an average interest rate of 3.4% and £59m treasury investments at an average rate of 4.2%.

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

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

Gross Debt and the Capital Financing Requirement in £’000

Debt	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Budget	2026/27 Budget
External Debt					
Debt at 1 April	97,111	90,969	85,435	82,397	77,357
Expected change in Debt	-6,142	-5,534	-3,038	-5,040	-3,045
Actual gross debt at 31 March	90,969	85,435	82,397	77,357	74,312
The Capital Financing Requirement	134,619	145,134	169,975	199,676	206,224
Under / (over) borrowing	43,650	59,699	87,578	122,319	131,912

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

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

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

	2023/24 Revised	2024/25 Limit	2025/26 Limit	2026/27 Limit
Authorised limit – total external debt	157,134	181,975	211,676	218,224
Operational boundary – total external debt	152,134	176,975	206,676	213,224

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

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

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

Treasury management investments in £’000

	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Budget	2026/27 Budget
Short-term investments	66,895	42,271	35,214	34,255	31,758
Longer-term investments	7,500	10,568	15,092	14,681	13,610
TOTAL	74,395	52,839	50,306	48,936	45,368

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

Governance: Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Director of Resources/Deputy Chief Executive and treasury staff, who must act in line with the Treasury Management Strategy approved by Full Council. Half yearly reports on treasury management activity are presented to the Audit and Governance committee and then to Full Council. The Audit and Governance committee is responsible for scrutinising treasury management decisions. Quarterly reporting against the Prudential Indicators will be included within Budget Monitoring and Forecasting reports from April 2023 which will be presented to the Audit and Governance Committee.

Investments for Service Purposes

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

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

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

Commercial Activities

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

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

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

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

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

Liabilities

In addition to debt of £97m detailed above, the Council is committed to making future payments to cover its pension fund deficit (valued at £20m 2022/23).

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

- Further details on liabilities and guarantees are on pages 85 to 90 of the 2022/23 statement of accounts.

Revenue Budget Implications

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge

is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

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

	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Budget	2026/27 Budget
General Fund					
MRP Charge	1,863	720	764	1,107	1,209
Interest Payable	49	326	541	860	860
Less: Investment Income	-2,942	-1,921	-2,492	-1,944	-1,849
Total GF Financing costs	-1,030	-875	-1,187	23	220
Proportion of net revenue stream	-14.07%	-7.25%	-9.45%	-5.21%	-5.22%
Housing Revenue Account					
Interest Payable	3,907	3,775	3,955	4,563	5,001
Depreciation	4,860	5,420	6,388	6,583	6,583
MRR contributions including debt repayments	5,009	0	6,618	7,721	5,614
Less: Investment Income	-4	-5	-5	-5	-5
Total HRA Financing costs	13,772	9,190	16,956	18,862	17,193
Proportion of net revenue stream	52.57%	33.05%	56.10%	61.71%	54.60%

- Further details on the revenue implications of capital expenditure are contained within the 2024/25 revenue budget.

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

Knowledge and Skills

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Director of Resources/Deputy Chief Executive is a qualified accountant with 20 years' experience, the Business Manager – Corporate Property is a qualified Chartered Surveyor and also has 11 years' experience. The Council pays for junior staff to study towards relevant professional qualifications including CIPFA, AAT, ACT (treasury) and actively encourages staff to attend relevant training courses and seminars.

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

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

MANAGING THE CAPITAL PROGRAMME

A key role in the monitoring of the capital programme is undertaken by the Capital Monitoring Group, which meets on a quarterly basis. This Group is attended by responsible officers and 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.

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

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

PROCUREMENT

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

VALUE FOR MONEY

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

ANNUAL MINIMUM REVENUE PROVISION STATEMENT 2024/25

Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Council has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments where it is deemed appropriate (voluntary revenue provision - VRP).

DLUHC 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 the former DLUHC regulations (option 1);

This option provides 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.

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

- **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);

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

Capital expenditure incurred during 2023/24 will not be subject to an MRP charge until 2024/25.

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).

MRP in respect of assets acquired under Finance Leases or PFI will be charged at an amount equal to the principal element of the annual repayment.

For capital expenditure on loans to third parties where the principal element of the loan is being repaid, the capital receipts arising from the principal loan repayments will be used to reduce the CFR instead of MRP.

Where no principal repayment is made in a given year, MRP will be charged at a rate in line with the life of the assets funded by the loan.

FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY**Introduction and Background**

Following the Spending Review 2015, the Department of Levelling Up, Housing and Communities (DLUHC) recently issued guidance on the flexible use of capital receipts which came into effect from 1 April 2016 to 31 March 2022. On 10 February 2021 the government announced a 3-year extension from 2022-23 onwards of the existing flexibility for councils to use capital receipts to fund transformation projects that produce long-term savings or reduce the costs of service delivery. 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 DLHUC guidance on the flexible use of capital receipts are:

Types of qualifying expenditure

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

Financing of the qualifying expenditure

1. Up to 100% of capital receipts from property, plant and equipment disposals received from 2024/25 (excluding Right to Buy receipts) can be used to finance qualifying expenditure (existing capital receipts in hand prior to 2024/25 are not permitted to be used).
2. Local authorities may not borrow to finance qualifying expenditure.
3. The guidance will apply for 2024/25.

NEWARK & SHERWOOD DISTRICT COUNCIL
CAPITAL PROJECT APPRAISAL FORM

PORTFOLIO	
DIRECTORATE	
BUSINESS MANAGER	
PROJECT OFFICER	
PROJECT TITLE	

1. **DESCRIPTION OF PROJECT**

--

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

--

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

--

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

--

5. **PROJECT DEPENDANCIES**

--

6. RESOURCE REQUIREMENTS

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

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

***Consideration to be given to inflation and contingency**

2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £

6d. FUNDING AVAILABLE

Source	2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £

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

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

7. OTHER INFORMATION

7a. HEALTH & SAFETY ISSUES

7b. EQUALITIES IMPLICATIONS

7c. CRIME & DISORDER ISSUES

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

7e. LISTED BUILDING IMPLICATIONS

7f. PROJECT RISKS AND UNCERTAINTIES

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

8. ANTICIPATED START AND END DATES FOR PROJECT ONCE APPROVED

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

FORM COMPLETED BY: _____

DATE: _____

SIGNATURE OF SPONSORING DIRECTOR: _____

PRIORITISATION CRITERIA

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

	STAGE 1 FACTOR	Comments	STAGE 2 DETAILED PRIORITISATION	STAGE 2 WEIGHTING
4	<p>Outputs and Outcomes</p> <p>These have been clearly identified and can be justified from supporting evidence.</p> <p>Specific comments should be made as to how the scheme represents value for money when compared to other options</p>	<p>This will enable the council to improve the way it reports its work and clearly show what is being achieved. The comments should refer to any performance indicators which the proposal is addressing specifying what the improvement target is.</p>	<p>Assessment then made on what the scheme will achieve.</p>	<p>15%</p> <p>Assessment of all factors or group of factors</p>
5	<p>Financial</p> <p>Capital costs have been based on internal or external professional advice</p> <p>Revenue implications have been properly developed</p>	<p>Capital costs include both works and land purchase and cover all associated costs.</p> <p>Try and avoid “guesstimates” which result in schemes requiring increased finance or having to be reduced to meet finance available.</p>	<p><u>Capital</u> will be based on the quality of work which has been put into estimate. e.g. costed feasibility studies.</p> <p><u>Revenue</u> will be based on whether the effect is positive, neutral or negative on the revenue budget.</p> <p>Positive effect scores 10</p> <p>Neutral effect scores 3</p> <p>Negative effect scores 0</p>	<p>5%</p> <p>10%</p>
6	<p>Risk Assessment</p> <p>Identify the level of risk in a project not being able to proceed. For example planning appeals, listed building consent. Over subscription of partnership funds</p>	<p>Try and ensure that not all schemes selected are high risk with the danger that there will be delays in delivery or no-delivery.</p>	<p>The following will all need to be considered:-</p> <p>Technical Issues</p> <p>Financial Uncertainty</p> <p>Partnership uncertainty</p> <p>Planning Issues</p> <p>Legal issues</p> <p>Timescale</p>	<p>10%</p>



Report to: Full Council Meeting – 7 March 2024

Relevant Committee Chair: Councillor Peter Harris, Audit & Governance

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

Lead Officer: Nick Wilson, Business Manager - Financial Services, Ext 5317

Report Summary	
Report Title	Investment Strategy 2024/25
Purpose of Report	This report seeks approval for the Investment Strategy, meeting the requirements of statutory guidance issued by Department of Levelling Up, Housing and Communities DLUHC (previously MHCLG) Investment Guidance in January 2018.
Recommendations	That Council approve: <ul style="list-style-type: none"> • The Non-Treasury Investment Strategy 2024/25 at Appendix A; and • The Investment Prudential Indicators and Limits for 2024/25, contained within Appendix A.
Reason for Recommendation	It is a legislative requirement for a Local Authority to approve an Investment strategy and the attached appendices meet that requirement. In addition, the External Auditors (Mazars) may pass comment in their Report to those charged with governance should relevant strategies not be approved.

1.0 Background

1.1 At its meeting on 21 February 2024 the Audit & Governance Committee considered the proposed Investment Strategy 2024/25 and agreed to recommend it to Council. A copy of the report is attached at **Appendix 1**.

2.0 Proposal/Options Considered

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

3.0 Implications

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

Financial Implications (FIN23-24/5293)

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

Background Papers and Published Documents

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

None



Report to: Audit & Governance Committee Meeting 21 February 2024

Director or Business Manager Lead: Sanjiv Kohli Deputy Chief Executive / Director – Resources - Section 151 Officer

Lead Officer: Nick Wilson, Business Manager Financial Services on ext 5317

Report Summary	
Report Title	Investment Strategy 2024/25
Purpose of Report	This investment strategy is for 2024/25, meeting the requirements of statutory guidance issued by Department of Levelling Up, Housing and Communities DLUHC (previously MHCLG) Investment Guidance in January 2018.
Recommendations	That Committee approves each of the following key elements and recommends these to Full Council on 7 March 2024 while noting that as the budgets are still being finalised some of the figures within the Strategy may alter: <ul style="list-style-type: none"> • The Investment Strategy 2024/25 Appendix A. • The Investment Prudential Indicators and Limits for 2024/25, contained within Appendix A.
Reason for Recommendation	To ensure that the Committee discharges its responsibilities as per its delegated authority within the Councils constitution.

1.0 Background

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

1.3 Statutory Requirements:

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

2.0 Summary of Limits

2.1 The below table summarises the proposed limits within the Investment Strategy 2024/25 for the non-treasury investments, each category has further details within the **Appendix**;

Category of borrower	2022/23 actual			2024/25
	Balance owing £m	Loss allowance £m	Net figure in accounts £m	Approved Limit £m
Service Investments: Loans	0.024	0	0.024	14.500
Service Investments: Shares	3.997	0.407	4.404	5.000
Commercial Investments: Property	0	0	0	0

Background Papers and Published Documents

DLUHC Investment Guidance 3rd Edition

Investment Strategy Report 2024/25

Introduction

The Council invests its money for three broad purposes:

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

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

The Council typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA). The balance of treasury management investments is expected to fluctuate between £20m and £60m during the 2024/25 financial year.

Treasury Management Investments

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

Further details: Full details of the Council's policies and its plan for 2024/25 for treasury management investments are covered in a separate document, the treasury management strategy.

Service Investments: Loans

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

Security: The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to

service loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have been set as follows:

Prudential Indicator 13: Loans for service purposes

Category of borrower	2022/23 actual			2023/24	2024/25
	Balance owing £m	Loss allowance £m	Net figure in accounts £m	Forecast Actual £m	Approved Limit £m
Subsidiaries	0	0	0	4.000	13.000
Local businesses	0	0	0	0.000	0.500
Local charities	0	0	0	0	0.500
Other Bodies	0.024	0	0.024	0.022	0.500
TOTAL	0.024	0	0.024	4.022	14.500

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

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

	2022/23 actual	2023/24 forecast	2024/25 budget	2025/26 budget	2026/27 budget
General Fund					
Total GF Service Investment Income	2.942	1.921	2.492	1.944	1.849
Proportion of net revenue stream	14.07%	7.25%	9.45%	5.21%	5.22%
Housing Revenue Account					
Total Service Investment Income	0.004	0.005	0.005	0.005	0.005
Proportion of net revenue stream	0.02%	0.02%	0.02%	0.02%	0.02%

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

monitored by the Director of Resources/Deputy Chief Executive, or Business Manager for Financial Services.

Service Investments: Shares

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

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

Prudential Indicator 15: Shares held for service purposes

Category of company	Original Investment £m	Previous Years Accumulated Gains or (Losses) £m	2022/23 actual			2024/25
			Amounts invested £m	Gains or (losses) £m	Value in accounts £m	Approved Limit £m
Subsidiaries	4.000	-0.003	3.997	0.407	4.404	5.000
Suppliers	0	0	0	0	0	0
Local businesses	0	0	0	0	0	0
TOTAL	4.000	-0.003	3.977	0.407	4.404	5.000

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

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

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

Non-specified Investments: Shares are the only investment type that the Council has identified that meets the definition of a non-specified investment in the government guidance. The limits above on share investments are therefore also the Council's upper limits on non-specified investments. The

Council has not adopted any procedures for determining further categories of non-specified investment since none are likely to meet the definition.

Commercial Investments: Property

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

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

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

Liquidity: Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. The investment strategy for the Council for 2024-25 is proposed to remain broadly unchanged as it is considered overall to be well structured to limit any undue risks to the security of assets and preservation of liquidity whilst also allowing the council and delegated officers to access suitable investment opportunities.

Loan Commitments and Financial Guarantees

Although not strictly counted as investments, since no money has exchanged hands at the point of entry, loan commitments and financial guarantees carry similar risks to the Council and are included here for completeness. The Council does not provide such commitments and guarantees and this strategy does not include them for 2024/25.

Borrowing in Advance of Need

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

The total amount borrowed will not exceed the authorised borrowing limit of £218 million. The maximum period between borrowing and expenditure is expected to be two years.

Capacity, Skills and Culture

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

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

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

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

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management, which includes investment decisions, receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Members of the Audit and Governance Committee received training from the Council's treasury advisers, Link Group, on 5 December 2023. Further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

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

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

Investment Indicators

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

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

Total investment exposure	2022/23 Actual £m	2023/24 Forecast £m	2024/25 Forecast £m
Treasury management investments	57.075	38.645	39.364
Service investments: Loans	0.024	4.022	8.000
Service investments: Shares	4.404	4.000	4.000
Commercial investments: Property	0	0	0
TOTAL INVESTMENTS	61.503	46.667	51.364
Commitments to lend	0	0	0
Guarantees issued on loans	0	0	0
TOTAL EXPOSURE	61.503	46.667	51.364

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

Investments funded by borrowing in year	2022/23 Actual £m	2023/24 Forecast £m	2024/25 Forecast £m
Treasury management investments	0	0	0
Service investments: Loans	0	4.000	4.000
Service investments: Shares	0	0	0
Commercial investments: Property	0	0	0
TOTAL FUNDED BY BORROWING	0	4.000	4.000

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

Investments net rate of return	2022/23 Actual	2023/24 Forecast	2024/25 Forecast
Treasury management investments	4.74%	4.91%	4.00%
Service investments: Loans	5.55%	6.51%	6.51%
Service investments: Shares	0	0	0
Commercial investments: Property	0	0	0
ALL INVESTMENTS	5.15%	5.71%	5.26%



Report to: Full Council Meeting – 7 March 2024
 Portfolio Holder: Councillor Paul Peacock, Strategy, Performance & Finance
 Director Lead: Deborah Johnson - Customer Services & Organisational Development
 Lead Officer: Sarah Lawrie, Business Manager - HR & Training, Ext. 5447

Report Summary	
Report Title	Pay Policy Statement 2024/25
Purpose of Report	To approve the proposed Pay Policy Statement for 2024/25 which we are required to produce annually in accordance with Section 38 (1) of the Localism Act 2011.
Recommendations	That Full Council approve the Pay Policy Statement for 2024/25.
Reason for Recommendations	To ensure compliance with Section 38 (1) of the Localism Act 2011.

1.0 Background

1.1 In accordance with Section 38 (1) of the Localism Act 2011, Newark and Sherwood District Council along with all other English and Welsh local authorities were required to produce a Pay Policy Statement each financial year commencing April 2012. In complying with the duties in respect of pay accountability the Council must have regard to any guidance issued or approved by the Secretary of State in summary.

1.2 Pay Issues – The National Living Wage

The National Employers for local government services (LGS) represent the employers of over 1.5m local government workers in England, Wales and Northern Ireland. The local government workforce is the largest public sector workforce in the country and on average is also the lowest paid. Employees work in all parts of the community delivering vital public services for councils, schools, fire authorities, social care and thousands of other areas.

Since its introduction in 2014, the NLW has proven to be a challenge because of its constant close proximity to the bottom end of the LGS national pay spine, which is used by most councils. This has led to pay increases over the past few years to be bottom loaded at the bottom of the pay spine and has eroded the differentials in pay. For example:

The 2022 and 2023 local government pay awards of a flat rate £1,925 on most pay points on the pay spine meant pay was increased by 21% on the bottom pay point to 8% at the top of the pay spine.

1.4 Recruitment & Retention

Recruitment and retention remains challenging with more jobs than jobseekers, coupled with the cost of living, jobseekers are being choosy and selecting roles that pay more. Many sectors are also experiencing skills shortages. Whilst some of our benefits are generous, we are behind on base pay in the jobs market across a wide range of roles.

1.5 Review of Pay and Market Supplements

Full Council approved the recommendation to review pay and market supplements alongside the 2023/24 Pay Policy Statement. Research has been carried out and a review of a number of elements of Pay & Reward is ongoing.

2.0 **Proposal**

- 2.1 A copy of the full Pay Policy Statement has been appended to this report for review (refer to **Appendix A**). Please note that where the Statement includes links to other policies these will be set up once the document is published on the Council's website.

3.0 **Implications**

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

3.1 **Financial Implications**

All costs associated with this document have been accounted for in the 2024/25 budget.

3.2 **Equality Implications**

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

Background Papers and Published Documents

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

None.

NEWARK & SHERWOOD DISTRICT COUNCIL

Pay Policy Statement 2024/25

1. Introduction

1.1 This document sets out a Statement of Pay Policy for Newark & Sherwood District Council (the Council) for 2024/24 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. Pay details within this Statement are shown at rates as of 1 April 2023. At the time of writing, no pay claim for the period of 2024/25 has been received. Once the 1 April 2024/25 pay award has been finalised this Statement will be revised to reflect the new rates.

2. Objectives of the Policy

2.1 The objectives of the policy are to ensure:

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

3. Policy Statement

3.1 The Council recognises the importance of administering pay in a way that:

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

4. Scope of the Policy

4.1 Individuals Affected

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

4.2 Council Policies

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

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

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

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

4.3 Pay Bargaining - the National Context

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

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

4.4 Remuneration of the Council's Lowest Paid Employees

4.4.1 All posts with the exception of Chief Officers engaged on JNC terms are evaluated using the Greater London Provincial Council (GLPC) Job Evaluation Scheme. This scheme was introduced during 2005 following the conclusion of single status negotiations. At the

same time the Council also introduced a new grading structure to establish the link between evaluated posts and the Council's pay scales.

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

4.4.3 In accordance with the current pay scales the lowest substantive point at which a Council officer can be paid is £22,366 for a full-time post. This is in accordance with the nationally approved pay scales which are subject to change in line with the national collective bargaining arrangements as detailed above.

4.6 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 [Pay Multiples](#)

5. Remuneration of Chief Officers

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

- Chief Executive/Head of Paid Service (Section 2 (6) of the Act);
- Deputy Chief Executive (Section 2 (6) and (7) of the Act);
- Directors (Section 2 (7) of the Act);

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).

- Assistant Director (Section 2 (7) of the Act);
- Statutory Officers (Section 2 (6) of the Act);
- Business Managers on Zone 1 or above (Section 2 (8) of the Act).

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

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

5.3 Chief Executive/Head of Paid Service

5.3.1 Terms and Conditions of Service

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

[Terms and Conditions for Chief Executive](#)

5.3.2 Remuneration

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

Chief	Scale Point	Salary
	1	118,784.00
	2	123,276.00
	3	127,768.00
	4	132,261.00
	5	136,754.00

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

5.3.3 Remuneration on Recruitment

When determining the most appropriate scale point at which to offer the post, consideration is given to the individual's qualifications, experience, and current level

of remuneration (where appropriate). Having considered all these factors the Chief Officers Appointment Panel will then determine the most appropriate scale point at which to make an offer to the successful candidate so as to ensure that the offer is attractive and one which is likely to be accepted.

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

5.3.4 Increases and Additions to Remuneration

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

5.3.5 Arrangements for the Post of Returning Officer

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

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

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

For local government elections and any referendums the Returning Officer can claim specific fees which are determined on a county wide basis across Nottinghamshire having regard to the fees set for national elections. These fees were subject to a benchmarking exercise in 2018 to ensure they were comparable with other county areas and are subject to annual review in line with staff annual pay review process.

5.3.6 General Terms and Conditions

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

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

5.4.1 Terms and Conditions of Service

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

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

5.4.2 Remuneration

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

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

5.4.3 Pay Scale for Deputy Chief Executives

Deputy	Scale Point	Salary
	1	101,253.00
	2	105,994.00
	3	109,152.00
	4	112,761.00

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

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

- Deputy Chief Executive and Director of Resources

5.4.4 Pay Scale for Directors

Director	Scale Point	Salary
	1	80,574.00
	2	83,785.00
	3	86,415.00

	4	89,628.00
	5	92,257.00

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

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

5.4.5 Pay Scale for Assistant Director

94%		
Director	Scale Point	Salary
	1	75,857.00
	2	78,877.00
	3	81,350.00

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

- Assistant Director – Law and Democratic Services

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

Zone	Scale Point	Salary
Zone 1	101	54,573.00
	102	55,742.00
	103	56,911.00
	104	58,077.00
Zone 2	201	59,248.00
	202	60,416.00
	203	61,584.00
	204	62,753.00
Zone 3	301	63,920.00
	302	65,089.00
	303	66,259.00
	304	67,429.00
Zone 4	401	68,599.00
	402	69,768.00
	403	70,939.00
	404	72,109.00

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

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

- Business Manager – Financial Services
- Business Manager – Revenues and Benefits
- Business Manager – ICT and Digital Services
- Business Manager – Corporate Property
- Business Manager – Environmental Services
- Business Manager – Public Protection
- Business Manager – Heritage and Culture
- Business Manager – Housing and Estates Management
- Business Manager – Regeneration and Housing Strategy
- Business Manager – Housing Maintenance and Asset Management
- Business Manager – Housing Income and Leaseholder Management
- Business Manager – Elections and Democratic Services
- Business Manager – Customer Services
- Business Manager – HR and Training
- Business Manager – Economic Growth and Visitor Economy
- Business Manager – Planning Policy and Infrastructure
- Business Manager – Planning Development

5.4.7 Remuneration on Recruitment/Appointment

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

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

5.4.8 Increases and additions to Remuneration

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

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

- Pay Awards
Pay awards are negotiated as part of the collective bargaining arrangements as detailed earlier within the policy.
- Honoraria and Ex-gratia Payments
The Council currently operates an honorarium scheme for officers undertaking statutory officer roles. There are three statutory officer roles within the Council, details of which are set out below:

- Head of Paid Service *
- Monitoring Officer *
- Chief Finance Officer* (commonly referred to as the s151 Officer)

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

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

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

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

5.4.9 Arrangements for Election Duties

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

5.4.10 General Terms and Conditions

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

5.4.11 Appointment of Officers to JNC Terms and Conditions of Appointment

In circumstances where a Business Manager post is evaluated under the Council's approved Job Evaluation Scheme and receives a score of 739, they will be offered a revised contract of employment on JNC terms. If they accept the offer, they will be subject to the Pay and Grading Arrangements for Officers engaged on JNC Chief Officer Terms and Conditions of Service.

5.5 Business Managers

5.5.1 Terms and Conditions of Service

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

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

- Business Manager – Administrative Services

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

5.5.2 Remuneration

In line with the nationally agreed terms the Council have adopted the Greater London Provincial Council (GLPC) Job Evaluation Scheme. The scheme became effective on the 1 October 2005 following completion of the negotiations relating to single status. The Council also has a pay policy outlining arrangements in respect of:

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

[Protection Of Earnings Policy](#)

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

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

Scale/Band	Min SCP/Salary	Medium SCP/Salary	Maximum SCP/Salary
NS13	£42,403	£43,421	£44,428

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

5.5.3 Remuneration on Recruitment

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

5.5.4 Increases and Additions to Remuneration

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

5.5.5 Arrangements for Election Duties

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

5.5.6 General Terms and Conditions

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

5.6 General Policies on Remuneration and Recruitment

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

5.6.1 Performance Related Pay and Bonuses

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

5.6.2 Benefits in Kind

As part of the Workforce Development Strategy a review of benefits has been undertaken and to support employees with the Cost of Living from 01/04/24 the Council will provide benefits in kind to employees for a trial period of 1 year, as follows:

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

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

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

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

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

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

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

5.6.5 Severance Packages over £75,000

Where a member of staff applies for voluntary redundancy, early retirement, termination on the grounds of efficiency or is made compulsorily redundant the

pension and redundancy entitlements are determined by the Chief Executive in consultation with the Discretionary Payments Panel which is made up of the Chief Executive, the Section 151 Officer, and another Chief Officer. Where appropriate the panel may comprise the nominated deputy for the Chief Executive or the Section 151 Officer.

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

In the case of any voluntary redundancy, compulsory redundancy, efficiency, or early retirement (including health-related which falls short of meeting the ill health early retirement regulations) in respect of a member of staff where the cost to the Council exceeds £75,000, the Chief Executive shall not determine the matter until he has first consulted a Member Panel comprising the Leaders of all political groups of the Council.

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

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

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

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

5.6.6 Settlement Agreements

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

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

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

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

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

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

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

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

5.6.8 Use of "Off Payroll" Arrangements

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

6. Publication and Access to Information

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

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

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

7. Equality Implications

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

8. Approval/Review

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

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

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

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

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



Report to: Meeting of the Full Council – 7 March 2024

Relevant Committee Chair: Councillor Jean Hall, General Purposes

Director Lead: Sue Bearman, Assistant Director – Legal & Democratic Services

Lead Officer: Nigel Hill, Business Manager – Elections & Democratic Services, Ext. 5243

Report Summary	
Report Title	Review of Polling Districts and Polling Places
Purpose of Report	To approve a final scheme for Polling Districts and Polling Places following the Review undertaken and consideration by the General Purposes Committee.
Recommendations	That: (a) the proposed scheme, as set out in the Appendix to the report, subject to any revisions put forward by the General Purposes Committee or any revisions made by the Full Council, be approved; and (b) delegated authority be given to the Returning Officer to make subsequent amendments to the scheme going forward following consultation with the Chair and Vice-Chair of the General Purposes Committee and appropriate local Ward Members.
Reason for Recommendation	There is a statutory requirement to review the Council’s scheme of polling districts, places and stations to ensure that all electors in the authority have reasonable facilities for voting which are practical given the local circumstances.

1.0 Background

1.1 It is a statutory requirement (Representation of the People Act 1983) that local authorities undertake a compulsory review of their polling districts and polling places for UK parliamentary constituencies at least once every five years and prior to a Parliamentary Election. The last review was undertaken in 2019, so the review has been undertaken now given the time elapsed since the last review and it is anticipated that the next UK Parliamentary Election will be held at some point in 2024 (the last date such an election can be held is 28 January 2025).

1.2 Given there are scheduled elections taking place on Thursday 2 May 2024 (East Midlands Combined Authority Mayor and Nottinghamshire Police & Crime Commissioner) it was

considered appropriate to undertake the review early in 2024 in order to have an agreed final scheme ahead of these scheduled polls.

1.3 The table below sets out the timetable for the review:

Publication of notice and consultation document – consultation opens	Monday 18 December 2023
Closing date for representations	Friday 16 February 2024
Report on representations to General Purposes Committee. General Purposes to recommend a final scheme to the Full Council	Thursday 29 February 2024
Full Council to agree final scheme	Thursday 7 March 2024

1.4 The requisite notice of review and consultation were published on the Council’s website in accordance with the review timetable and responses were invited from electors, Members, Parish and Town Councils and accessibility groups etc.

2.0 **Proposal/Options Considered**

2.1 Following the nine-week consultation period, only one representation was received which was from an elector in the Parish of Norwell who made a case for retaining Norwell Village Hall as a polling station as the village was poorly served by public transport. Norwell Village Hall is an existing polling station with no proposal to change what is considered a suitable building.

2.2 At their meeting to be held on 29 February 2024, the General Purposes were invited to consider certain issues with polling places as follows:

Bulcote (Lowdham District Ward: Polling District JB)

The polling station used at the 2023 District & Parish Elections was a private dwelling. This dwelling has now been sold and is therefore no longer available for use as polling station. The consultation period has not identified any suitable alternative venues in the parish but any further options will be explored with the parish council, local Ward Member and colleagues in Planning. However, in the absence of any suitable options to date, the draft scheme proposes to direct voters to Lowdham Village Hall until such time a replacement can be found. It is understood there is proposed future development in the parish which may bring about a community facility.

Winkburn (Southwell District Ward: Polling District SI)

The polling station used at the 2023 District & Parish Elections was Winkburn School, but this is no longer considered suitable given its poor state of repair and poor facilities for staff. Two alternative venues have been identified within the parish, the Winkburn Micro-Brewery and Winkburn Learn2Print. Having assessed both options, the use of the Micro-Brewery is recommended given it has better accessibility to the other building which has stepped access and a gravel driveway.

Magnus Church of England Academy (Beacon District Ward: Polling District AD)

This polling station has poor accessibility with poor staff facilities and is no longer considered as appropriate to serve this polling district. Potential options around alternative venues are being considered, with the preferred solution being to explore the possibility of a different location on the school site, but officers will also explore any alternative venues in the polling district.

- 2.3 The conclusions of the General Purposes Committee will be reported to the meeting.
- 2.4 Any changes to polling stations will be advised to electors on their poll cards which are sent out prior to the poll, and in good time for electors to make an absent vote application of they cannot vote in person at the polling station.

3.0 Implications

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

Equalities Implications

As part of the review, local authorities must consider the accessibility of potential polling stations when considering designating as a polling place. All electors should have reasonable facilities for voting as are practicable in the circumstances and so far as reasonable and practicable every polling place should be accessible to voters who are disabled. For example, temporary ramps are used where available to support access for voters who use a wheelchair or have difficulty using steps. Where possible polling stations are identified which have car parking provision so that disabled voters may park as close as possible to the station. Where the term 'access' is used in the Appendix that is a reference to accessibility.

Background Papers and Published Documents

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

Electoral Commission Guidance

Responses received in respect of the Consultation

[Report to General Purposes Committee – 29 February 2024](#)

District Ward Summary: Balderton North & Coddington

Parliamentary Constituency	Newark
Number of Polling Districts	7 (EA, EB, EC, ED, EE, EF and EG)
Number of Polling Places	5
Number of properties (as at 01/12/23)	3,251
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	5,176

Polling District Information: EA	
Parish	Parish of Balderton – Rowan Ward
County Division	Balderton
Polling Place	John Hunt Primary & Nursery School, London Road, Balderton, NEWARK, NG24 3BN
Polling Place comments	Used the old nursery building for Newark Parliamentary by-election on 5 June 2014 and proposed to continue to use this for future elections. This enables the school to remain open. This building, which is adjacent to the school, has limited car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	912
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,391
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	270
Number of Voters in Person (as at 01/12/23)	1,121
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: EB	
Parish	Newark Town – East Ward (Beacon Ward for 04/05/23 elections)
County Division	Newark East
Polling Place	Balderton Village Centre, Coronation Street, Balderton, NEWARK, NG24 3BD
Polling Place comments	This building has good car parking facilities and excellent access for all electors.
Number of properties (as at 01/12/23)	3
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	4
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	1
Number of Voters in Person (as at 01/12/23)	3
Number of Stations	1
Summary/Recommendation	No proposed change

District Ward Summary: Balderton South

Parliamentary Constituency	Newark
Number of Polling Districts	3 (FA, FB and FC)
Number of Polling Places	2
Number of properties (as at 01/12/23)	2,710
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	4,276

Polling District Information: FA	
Parish	Parish of Balderton – South Ward
County Division	Balderton
Polling Place	William Ghent House, Gibson Crescent, Balderton, NEWARK, NG24 3EB
Polling Place comments	This building has limited car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	1,317
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	2,133
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	367
Number of Voters in Person (as at 01/12/23)	1,766
Number of Stations	2
Summary/Recommendation	No proposed change

Polling District Information: FB	
Parish	Newark Town – South Ward (from 04/05/23 elections)
County Division	Balderton
Polling Place	William Ghent House, Gibson Crescent, Balderton, NEWARK, NG24 3EB
Polling Place comments	This building has limited car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	469
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	641
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	111
Number of Voters in Person (as at 01/12/23)	530
Number of Stations	0 (merged into one of the polling stations in FA)
Summary/Recommendation	No proposed change

District Ward Summary: Beacon

Parliamentary Constituency	Newark
Number of Polling Districts	5 (AA, AA1, AB, AC and AD)
Number of Polling Places	3
Number of properties (as at 01/12/23)	4,667
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	6,674

Polling District Information: AA

Parish	Newark Town – Beacon Ward
County Division	Newark East
Polling Place	Charles Street Methodist Church, Charles Street, NEWARK, NG24 1RN
Polling Place comments	This building has on street parking only and access for all electors.
Number of properties (as at 01/12/23)	1,873
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	2,505
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	373
Number of Voters in Person (as at 01/12/23)	2,132
Number of Stations	2
Summary/Recommendation	No proposed change

Polling District Information: AA1

Parish	Balderton – North Ward
County Division	Newark East
Polling Place	Charles Street Methodist Church, Charles Street, NEWARK, NG24 1RN
Polling Place comments	This building has on street parking only and access for all electors.
Number of properties (as at 01/12/23)	1
Number of properties with no electors registered (as at 01/12/23)	0
Number of Electors (as at 01/12/23)	0
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	0
Number of Voters in Person (as at 01/12/23)	0
Number of Stations	0 (merged into one of the polling stations in AA)
Summary/Recommendation	No proposed change

District Ward Summary: **Bilsthorpe**

Parliamentary Constituency	Sherwood Forest
Number of Polling Districts	3 (NA, NB and NC)
Number of Polling Places	2
Number of properties (as at 01/12/23)	2,003
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	2,834

Polling District Information: NA	
Parish	Parish of Bilsthorpe
County Division	Muskham & Farnsfield
Polling Place	The Green Community Centre, The Green, BILSTHORPE, NG22 8QQ
Polling Place comments	New polling place from 04/05/23 elections, to replace Bilsthorpe Village Hall, Cross Street, BILSTHORPE, NG22 8QY, following consultation with members, as no longer available for us to use as a polling place. This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	1,351
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,911
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	259
Number of Voters in Person (as at 01/12/23)	1,652
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: NB	
Parish	Parish of Rufford – Mickledale Ward
County Division	Muskham & Farnsfield
Polling Place	The Green Community Centre, The Green, BILSTHORPE, NG22 8QQ
Polling Place comments	New polling place from 04/05/23 elections, to replace Bilsthorpe Village Hall, Cross Street, BILSTHORPE, NG22 8QY, following consultation with members, as no longer available for us to use as a polling place. This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	81
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	130
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	35
Number of Voters in Person (as at 01/12/23)	95
Number of Stations	0 (merged into the polling station in NB)
Summary/Recommendation	No proposed change

District Ward Summary: Boughton

Parliamentary Constituency	Sherwood Forest
Number of Polling Districts	3 (QA, QB and QC)
Number of Polling Places	3
Number of properties (as at 01/12/23)	1,522
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	2,290

Polling District Information: QA	
Parish	Ollerton & Boughton Town – Boughton Ward
County Division	Ollerton
Polling Place	The Dukeries Young Peoples Centre, Main Road, BOUGHTON, NG22 9JE
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	763
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,090
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	198
Number of Voters in Person (as at 01/12/23)	892
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: QB	
Parish	Parish of Kirton
County Division	Ollerton
Polling Place	Room At Kirton Hall Farm, Main Street, KIRTON, NG22 9LP
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	140
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	222
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	44
Number of Voters in Person (as at 01/12/23)	174
Number of Stations	1
Summary/Recommendation	No proposed change

District Ward Summary: Bridge

Parliamentary Constituency	Newark
Number of Polling Districts	4 (BA, BB, BC and BD)
Number of Polling Places	4
Number of properties (as at 01/12/23)	3,542
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	4,750

Polling District Information: BA	
Parish	Newark Town – Bridge Ward
County Division	Collingham
Polling Place	Church Of Promise, Winthorpe Road, NEWARK, NG24 2AA
Polling Place comments	New polling place from 04/05/23 elections, to replace Bishop Alexander Primary School, Wolsey Road, NEWARK, NG24 2BQ, following consultation with members, as no longer available for us to use as a polling place. This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	655
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	913
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	140
Number of Voters in Person (as at 01/12/23)	773
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: BB	
Parish	Newark Town – Bridge Ward
County Division	Collingham
Polling Place	Bridge Community Centre, Lincoln Road, NEWARK, NG24 2DQ
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	1,314
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,973
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	358
Number of Voters in Person (as at 01/12/23)	1,615
Number of Stations	1
Summary/Recommendation	No proposed change

District Ward Summary: Castle

Parliamentary Constituency	Newark
Number of Polling Districts	2 (CA and CB)
Number of Polling Places	2
Number of properties (as at 01/12/23)	2,366
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	2,575

Polling District Information: CA	
Parish	Newark Town – Castle Ward
County Division	Farndon & Trent
Polling Place	7th Newark Scout Group Hall, Lovers Lane, NEWARK, NG24 1HZ
Polling Place comments	This building has good car parking facilities and access for all electors. There is no ramp, but alternative disabled access is available and signed.
Number of properties (as at 01/12/23)	870
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as of 01/12/23)	841
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	168
Number of Voters in Person (as at 01/12/23)	673
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: CB	
Parish	Newark Town – Castle Ward
County Division	Farndon & Trent
Polling Place	Holy Trinity Community And Partnership Centre, Boundary Road, NEWARK, NG24 4AU
Polling Place comments	This building has good car parking facilities and access for all electors. Consultation with members in June 2018: Venue changed from Christ Church Infant School, Victoria Street, as no longer available for us to use as a polling place.
Number of properties (as at 01/12/23)	1,496
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as of 01/12/23)	1,734
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	329
Number of Voters in Person (as at 01/12/23)	1,405
Number of Stations	1
Summary/Recommendation	No proposed change

District Ward Summary: Collingham

Parliamentary Constituency	Newark
Number of Polling Districts	13 (UA, UB, UC, UD, UE, UF, UG, UH, UI, UJ, UK, UL and UM)
Number of Polling Places	8
Number of properties (as at 01/12/23)	2,854
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	4,753

Polling District Information: UA	
Parish	Parish of Collingham
County Division	Collingham
Polling Place	Collingham War Memorial Hall, Collingham, NEWARK, NG23 7LB
Polling Place comments	This building has on street parking only and access for all electors.
Number of properties (as at 01/12/23)	1,622
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	2,576
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	530
Number of Voters in Person (as at 01/12/23)	2,046
Number of Stations	2
Summary/Recommendation	No proposed change

Polling District Information: UB	
Parish	Parish of Winthorpe & Langford – Winthorpe Ward
County Division	Collingham
Polling Place	Winthorpe Village Hall, Gainsborough Road, Winthorpe, NEWARK, NG24 2NN
Polling Place comments	This building has on street parking only and access for all electors.
Number of properties (as at 01/12/23)	303
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	524
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	98
Number of Voters in Person (as at 01/12/23)	426
Number of Stations	1
Summary/Recommendation	No proposed change

District Ward Summary: Devon

Parliamentary Constituency	Newark
Number of Polling Districts	5 (DA, DB, DC, DD and DE)
Number of Polling Places	5
Number of properties (as at 01/12/23)	4,406
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	6,376

Polling District Information: DA	
Parish	Newark Town – Devon Ward
County Division	Newark West
Polling Place	Thomas Mann Pavilion, Between 89 91 Valley Prospect, NEWARK, NG24 4QN
Polling Place comments	The building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	529
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	864
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	177
Number of Voters in Person (as at 01/12/23)	687
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: DB	
Parish	Newark Town – Devon Ward
County Division	Newark West
Polling Place	Hawtonville Community Centre, St Marys Gardens, NEWARK, NG24 4JQ
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	1,476
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	2,177
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	328
Number of Voters in Person (as at 01/12/23)	1,849
Number of Stations	2
Summary/Recommendation	No proposed change

District Ward Summary: Dover Beck

Parliamentary Constituency	Sherwood Forest (from 29/11/23, previously Newark except Polling District: IG previously was Sherwood)
Number of Polling Districts	7 (IA, IB, IC, ID, IE, IF and IG)
Number of Polling Places	6
Number of properties (as at 01/12/23)	1,391
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	2,407

Polling District Information: IA	
Parish	Parish of Gunthorpe
County Division	Southwell
Polling Place	Gunthorpe Village Hall, Davids Lane, GUNTHORPE, NG14 7EW
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	349
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	590
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	108
Number of Voters in Person (as at 01/12/23)	482
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: IB	
Parish	Parish of Caythorpe
County Division	Southwell
Polling Place	Caythorpe War Memorial Hall, CAYTHORPE, NG14 7EF
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	123
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	203
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	45
Number of Voters in Person (as at 01/12/23)	158
Number of Stations	1
Summary/Recommendation	No proposed change

District Ward Summary: Edwinstowe & Clipstone

Parliamentary Constituency	Sherwood Forest
Number of Polling Districts	5 (OA, OB, OC, OD and OE)
Number of Polling Places	3
Number of properties (as at 01/12/23)	5,673
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	8,939

Polling District Information: OA	
Parish	Parish of Clipstone – Clipstone Village Ward
County Division	Sherwood Forest
Polling Place	Clipstone Village Hall, Church Road, CLIPSTONE, NG21 9DF
Polling Place comments	This building has limited car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	1,549
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	2,413
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	364
Number of Voters in Person (as at 01/12/23)	2,049
Number of Stations	2
Summary/Recommendation	No proposed change

Polling District Information: OB	
Parish	Parish of Clipstone – Cavendish Ward
County Division	Sherwood Forest
Polling Place	Clipstone Village Hall, Church Road, CLIPSTONE, NG21 9DF
Polling Place comments	This building has limited car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	1,049
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,850
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	364
Number of Voters in Person (as at 01/12/23)	1,486
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: OC	
Parish	Parish of Kings Clipstone
County Division	Sherwood Forest
Polling Place	Clipstone Village Hall, Church Road, CLIPSTONE, NG21 9DF
Polling Place comments	This building has limited car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	155
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	265
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	85
Number of Voters in Person (as at 01/12/23)	180
Number of Stations	0 (merged into the polling station in OB)
Summary/Recommendation	No proposed change

Polling District Information: OD	
Parish	Parish of Edwinstowe
County Division	Sherwood Forest
Polling Place	Abbey Road Community Centre, 25 Abbey Road, Edwinstowe, MANSFIELD, NG21 9LQ
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	852
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,445
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	272
Number of Voters in Person (as at 01/12/23)	1,173
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: OE	
Parish	Parish of Edwinstowe
County Division	Sherwood Forest
Polling Place	Edwinstowe Village Hall, Mansfield Road, EDWINSTOWE, NG21 9NJ
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	2,068
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	2,966
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	570
Number of Voters in Person (as at 01/12/23)	2,396
Number of Stations	2
Summary/Recommendation	No proposed change

District Ward Summary: Farndon & Fernwood

Parliamentary Constituency	Newark
Number of Polling Districts	12 (GA, GB, GC, GD, GE, GF, GG, GH, GI, GJ, GK and GL)
Number of Polling Places	7
Number of properties (as at 01/12/23)	4,293
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	5,975

Polling District Information: GA	
Parish	Parish of Farndon
County Division	Farndon & Trent
Polling Place	Farndon Memorial Hall, Marsh Lane, Farndon, NEWARK, NG24 3SZ
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	1,157
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,928
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	391
Number of Voters in Person (as at 01/12/23)	1,537
Number of Stations	2
Summary/Recommendation	No proposed change

Polling District Information: GB	
Parish	Parish of East Stoke & Thorpe – East Stoke Ward
County Division	Farndon & Trent
Polling Place	Farndon Memorial Hall, Marsh Lane, Farndon, NEWARK, NG24 3SZ
Polling Place comments	New polling place from 04/05/23 elections, to replace East Stoke W I Hall, School Lane, East Stoke, NEWARK, NG23 5QL, following consultation with members, as no longer available for us to use as a polling place. This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	90
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	144
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	26
Number of Voters in Person (as at 01/12/23)	118
Number of Stations	0 (merged into the one of the polling stations in GA)
Summary/Recommendation	No proposed change

District Ward Summary: Farnsfield

Parliamentary Constituency	Sherwood Forest
Number of Polling Districts	1 (KA)
Number of Polling Places	1
Number of properties (as at 01/12/23)	1,441
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	2,492

Polling District Information: KA	
Parish	Parish of Farnsfield
County Division	Farnsfield
Polling Place	Farnsfield Village Centre, New Hill, FARNSFIELD, NG22 8JN
Polling Place comments	This building has on street parking only and access for all electors.
Number of properties (as at 01/12/23)	1,441
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	2,492
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	474
Number of Voters in Person (as at 01/12/23)	2,018
Number of Stations	2
Summary/Recommendation	No proposed change

District Ward Summary: **Lowdham**

Parliamentary Constituency	Sherwood Forest (from 29/11/23, previously Newark)
Number of Polling Districts	2 (JA and JB)
Number of Polling Places	2
Number of properties (as at 01/12/23)	1,274
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	2,240

Polling District Information: JA	
Parish	Parish of Lowdham
County Division	Southwell
Polling Place	Lowdham Village Hall, Main Street, LOWDHAM, NG14 7BD
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	1,098
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,954
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	419
Number of Voters in Person as at 01/12/23)	1,535
Number of Stations	2
Summary/Recommendation	No proposed change

Polling District Information: JB	
Parish	Parish of Bulcote
County Division	Southwell
Polling Place	5 Corporation Cottages, Old Main Road, Bulcote, Nottingham, NG14 5GY
Polling Place comments	This was a new polling place used for the 04/05/23 elections, to replace Bulcote Farm Committee Room which was no longer available for use as a polling place. This private property had good access for all electors, however the dwelling has now been sold and is therefore no longer available for use as polling station.
Number of properties (as at 01/12/23)	176
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	286
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	59
Number of Voters in Person as at 01/12/23)	227
Number of Stations	1
Summary/Recommendation	There are no alternative venues in the parish, and as such the draft scheme proposes to direct voters to Lowdham Village Hall until such time a replacement can be found. It is understood there is proposed future development in the parish which may bring about a community facility.

District Ward Summary: Muskham

Parliamentary Constituency	Newark
Number of Polling Districts	6 (TA, TB, TC, TD, TE and TF)
Number of Polling Places	6
Number of properties (as at 01/12/23)	1,365
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	2,388

Polling District Information: TA	
Parish	Parish of North Muskham
County Division	Muskham & Farnsfield
Polling Place	North Muskham Rural Community Centre, Nelson Lane, NORTH MUSKHAM, NG23 6HD
Polling Place comments	This building has good car parking facilities and access for all electors. North Muskham Parish Council has confirmed their approval of the venue.
Number of properties (as at 01/12/23)	433
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	785
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	130
Number of Voters in Person (as at 01/12/23)	655
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: TB	
Parish	Parish of South Muskham
County Division	Muskham & Farnsfield
Polling Place	South Muskham Village Hall, Main Street, South Muskham, NEWARK, NG23 6EE
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	230
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	393
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	67
Number of Voters in Person (as at 01/12/23)	326
Number of Stations	1
Summary/Recommendation	No proposed change

District Ward Summary: Ollerton

Parliamentary Constituency	Sherwood Forest
Number of Polling Districts	7 (PA, PB, PC, PD, PE, PF and PG)
Number of Polling Places	7
Number of properties (as at 01/12/23)	4,976
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	7,225

Polling District Information: PA

Parish	Ollerton & Boughton Town – North Ward
County Division	Ollerton
Polling Place	St Paulinus Church Hall, Church Circle, Briar Road, OLLERTON, NG22 9SZ
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	1,998
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	2,950
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	459
Number of Voters in Person (as at 01/12/23)	2,491
Number of Stations	2
Summary/Recommendation	No proposed change

Polling District Information: PB

Parish	Ollerton & Boughton Town – North Ward
County Division	Ollerton
Polling Place	Boughton Social Club, Hallam Road, BOUGHTON, NG22 9TT
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	450
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	686
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	95
Number of Voters in Person (as at 01/12/23)	591
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: PC	
Parish	Ollerton & Boughton Town – North Ward
County Division	Ollerton
Polling Place	Ollerton Town Hall, Sherwood Drive, NEW OLLERTON, NG22 9PP
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	313
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	523
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	57
Number of Voters in Person (as at 01/12/23)	466
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: PD	
Parish	Ollerton & Boughton Town – South Ward
County Division	Ollerton
Polling Place	Ollerton Methodist Church Hall, Forest Road, NEW OLLERTON, NG22 9QS
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	562
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	874
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	124
Number of Voters in Person (as at 01/12/23)	750
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: PE	
Parish	Ollerton & Boughton Town – South Ward
County Division	Ollerton
Polling Place	Unit 8, Beacon Court, OLLERTON, NG22 9QL
Polling Place comments	Used Unit 8, Beacon Court, OLLERTON, NG22 9QL following requests made during the 2014 review.
Number of properties (as at 01/12/23)	696
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	773
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	123
Number of Voters in Person (as at 01/12/23)	650
Number of Stations	1
Summary/Recommendation	Due to issues with this polling place from the 2019 elections, we would welcome any suggestions for an alternative venue as it is considered not suitable long term due to the type of building.

Polling District Information: PF	
Parish	Ollerton & Boughton Town – South Ward
County Division	Ollerton
Polling Place	Ollerton Jubilee Hall, Wellow Road, OLLERTON, NG22 9AP
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	866
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,288
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	278
Number of Voters in Person (as at 01/12/23)	1,010
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: PG	
Parish	Perlethorpe-cum-Budby (Meeting)
County Division	Ollerton
Polling Place	Perlethorpe Village Hall, Perlethorpe, NEWARK, NG22 9EF
Polling Place comments	This building has limited car parking facilities and access for all electors. The Parish Meeting have previously confirmed that they would welcome the continued use of the Village Hall as the polling place.
Number of properties (as at 01/12/23)	91
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	131
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	22
Number of Voters in Person (as at 01/12/23)	109
Number of Stations	1
Summary/Recommendation	No proposed change

District Ward Summary: Rainworth North & Rufford

Parliamentary Constituency	Sherwood Forest (Polling District: LD was previously Newark)
Number of Polling Districts	4 (LA, LB, LC and LD)
Number of Polling Places	4
Number of properties (as at 01/12/23)	3,078
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	5,030

Polling District Information: LA	
Parish	Parish of Rainworth – North Ward
County Division	Blidworth
Polling Place	Rainworth Village Hall, Kirklington Road, Rainworth, MANSFIELD, NG21 0JZ
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	2,450
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	3,952
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	655
Number of Voters in Person (as at 01/12/23)	3,297
Number of Stations	2
Summary/Recommendation	No proposed change

Polling District Information: LB	
Parish	Parish of Rufford – Forest Ward
County Division	Sherwood Forest
Polling Place	Markham Suite Rufford Mill, Rufford Country Park, Rufford Lane, RUFFORD, NG22 9DG
Polling Place comments	This building has good car parking facilities and access for all electors. Consultation with members in January 2019: Venue changed from Rufford Country Park – Abbey Site, as no longer available for us to use as a polling place.
Number of properties (as at 01/12/23)	174
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	315
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	71
Number of Voters in Person (as at 01/12/23)	244
Number of Stations	1
Summary/Recommendation	No proposed change

District Ward Summary: Rainworth South & Blidworth

Parliamentary Constituency	Sherwood Forest
Number of Polling Districts	5 (MA, MB, MC, MD and ME)
Number of Polling Places	3
Number of properties (as at 01/12/23)	2,830
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	4,432

Polling District Information: MA	
Parish	Parish of Rainworth – South Ward
County Division	Blidworth
Polling Place	Cambridge Close Community Centre, Cambridge Close, RAINWORTH, NG21 0AY
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	752
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,238
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	223
Number of Voters in Person (as at 01/12/23)	1,012
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: MB	
Parish	Parish of Blidworth – North Ward
County Division	Blidworth
Polling Place	St Andrews Mission Hall, The Crescent, BLIDWORTH, NG21 0SE
Polling Place comments	This building has limited car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	791
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,283
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	213
Number of Voters in Person (as at 01/12/23)	1,070
Number of Stations	1
Summary/Recommendation	No proposed change

District Ward Summary: **Southwell**

Parliamentary Constituency	Newark (Polling Districts: SE, SF and SG were previously Sherwood)
Number of Polling Districts	9 (SA, SB, SC, SD, SE, SF, SG, SH and SI)
Number of Polling Places	7
Number of properties (as at 01/12/23)	4,203
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	6,857

Polling District Information: SA	
Parish	Southwell Town – East Ward
County Division	Southwell
Polling Place	The Barn Room, The Hearty Goodfellow, 81 Church Street, SOUTHWELL, NG25 0HQ
Polling Place comments	New polling place from 04/05/23 elections, to replace Easthorpe Hall, Bramley Close, SOUTHWELL, NG25 0HQ, following consultation with members, as no longer available for us to use as a polling place.
Number of properties (as at 01/12/23)	924
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,497
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	316
Number of Voters in Person (as at 01/12/23)	1,181
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: SB	
Parish	Southwell Town – North Ward
County Division	Southwell
Polling Place	Kings Court Community Centre, King Street, SOUTHWELL, NG25 0EL
Polling Place comments	This building has limited car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	1,199
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,909
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	435
Number of Voters in Person (as at 01/12/23)	1,474
Number of Stations	2
Summary/Recommendation	No proposed change

District Ward Summary: **Sutton-on-Trent**

Parliamentary Constituency	Newark
Number of Polling Districts	11 (RA, RB, RC, RD, RE, RF, RG, RH, RI, RJ and RK)
Number of Polling Places	8
Number of properties (as at 01/12/23)	1,480
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	2,479

Polling District Information: RA	
Parish	Parish of Sutton-on-Trent
County Division	Muskham & Farnsfield
Polling Place	Sutton-On-Trent Methodist Community Centre, High Street, Sutton-On-Trent, NEWARK, NG23 6QG
Polling Place comments	This building has good car parking facilities and access for all electors (ramp in place for disabled access).
Number of properties (as at 01/12/23)	678
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	1,124
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	194
Number of Voters in Person (as at 01/12/23)	930
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: RB	
Parish	Parish of Grassthorpe (Meeting)
County Division	Muskham & Farnsfield
Polling Place	Sutton-On-Trent Methodist Community Centre, High Street, Sutton-On-Trent, NEWARK, NG23 6QG
Polling Place comments	This building has good car parking facilities and access for all electors (ramp in place for disabled access).
Number of properties (as at 01/12/23)	28
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	45
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	6
Number of Voters in Person (as at 01/12/23)	39
Number of Stations	0 (merged into the polling station in RA)
Summary/Recommendation	No proposed change

District Ward Summary: Trent

Parliamentary Constituency	Newark
Number of Polling Districts	7 (HA, HB, HC, HD, HE, HF and HG)
Number of Polling Places	5
Number of properties (as at 01/12/23)	1,296
Number of properties with no electors registered (as at 01/12/23)	N/A
Electorate (as at 01/12/23)	2,352

Polling District Information: HA

Parish	Parish of Bleasby
County Division	Farndon & Trent
Polling Place	Bleasby Village Hall, Gypsy Lane, BLEASBY, NG14 7GG
Polling Place comments	This building has good car parking facilities and access for all electors.
Number of properties (as at 01/12/23)	344
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	665
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	125
Number of Voters in Person (as at 01/12/23)	540
Number of Stations	1
Summary/Recommendation	No proposed change

Polling District Information: HB

Parish	Parish of Fiskerton-cum-Morton
County Division	Farndon & Trent
Polling Place	Fiskerton Chapel, Gravelly Lane, FISKERTON, NG25 0UW
Polling Place comments	This building has on street parking only and access for all electors.
Number of properties (as at 01/12/23)	359
Number of properties with no electors registered (as at 01/12/23)	N/A
Number of Electors (as at 01/12/23)	683
Number of Postal Voters (as at 01/12/23 – these electors would not vote in person)	151
Number of Voters in Person (as at 01/12/23)	532
Number of Stations	1
Summary/Recommendation	No proposed change

Public Document Pack Agenda Item 17a

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Cabinet** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Tuesday, 20 February 2024 at 6.00 pm.

PRESENT: Councillor P Peacock (Chair)

Councillor R Cozens, Councillor S Crosby, Councillor L Brazier,
Councillor K Melton, Councillor E Oldham, Councillor M Spoor,
Councillor P Taylor and Councillor R Holloway

ALSO IN ATTENDANCE: Councillor N Allen, Councillor R Jackson and Councillor P Rainbow

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

The Leader advised that the proceedings were being audio recorded and live streamed by the Council.

86 DECLARATIONS OF INTEREST FROM MEMBERS AND OFFICERS

Councillor K Melton declared an other registerable interest in relation to Agenda Item No. 12 – Southwell Leisure Centre - as a Trustee of Southwell Leisure Centre, but advised that he did not consider there was any conflict of interest which would prevent him taking part in any debate and vote on the item.

87 MINUTES FROM THE PREVIOUS MEETING HELD ON 23 JANUARY 2024

The minutes from the meeting held on 23 January 2024 were agreed as a correct record and signed by the Chairman.

88 2024/25 PROPOSED REVENUE BUDGET (KEY DECISION)

The Business Manager – Financial Services presented a report which enabled Members to consider the spending proposals in the Council's proposed 2024/25 General Fund Revenue Budget. The budget proposals had been prepared in accordance with the Council's budget setting strategy for 2024/25, as approved by Cabinet on 11 July 2023.

The Local Government Finance Settlement provided key figures for Government Grant that formed part of the Council's budget. The provisional settlement was announced on 18 December 2023 with the final settlement still to be announced. It was reported that the assumed Council Tax increase within the proposed revenue budget was an increase in the Band D equivalent of 2.99%.

AGREED (with 7 votes for and 2 abstentions) that Cabinet recommends to Full Council 7 March 2024:

- i. the following amounts be now calculated by the Council for the 2024/25 financial year, in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011:
- ii. the figures shown as i.1. and i.3. above to be increased only by the amount of Parish Precepts for 2024/25;
 1. £57,602,680 being the aggregate of the amounts which the Council estimates for items set out in Section 31A(2)(a) to (f) of the Act, as the District Council's gross expenditure for 2024/25);
 2. £37,723,830 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, as the District Council's gross income for 2024/25); and
 3. £19,878,850 being the amount by which the aggregate at (b)(i) above exceeds the aggregate at (b)(ii) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Net Budget Requirement for the year;
- iii. the budget amounts included in the report be the Council's budget for 2024/25; and
- iv. the fees and charges shown in Appendices C1-C22 be implemented with effect from 1 April 2024.

Reasons for Decision:

To enable Cabinet to make recommendations to 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 2024/25 financial year.

Options Considered:

Not applicable, the Cabinet is required to make recommendations on the budget to the Full Council.

89 CAPITAL PROGRAMME BUDGET 2024/25 TO 2027/28 (KEY DECISION)

The Business Manager – Financial Services presented a report which detailed the proposed capital schemes over the medium term, together with the available resources to finance them. In accordance with the Financial Regulations, Cabinet was required to consider the Capital Programme and recommend to the Council the final Programme for approval on 7 March 2024.

In respect of the general fund capital expenditure, the Council intended to spend £64.401m from 2024/25 to 2027/28 on the schemes set out in Appendix A to the report. In respect of the Housing Revenue Account expenditure, the Council intended

to spend £84.927m from 2024/25 to 2027/28. This was made up of £52.802m on existing property investment and £32.125m on additional Affordable Housing. Details of the individual schemes were set out in Appendix B to the report.

AGREED (with 8 votes for and 1 abstention) that Cabinet recommend to the Full Council on 7 March 2024 the General Fund schemes set out at **Appendix A** to the report and the Housing Services schemes set out at **Appendix B** to the report as committed expenditure in the Capital Programme for 2024/25 to 2027/28.

Reasons for Decision:

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

Options Considered:

If the Council did not have a Capital Programme, this would result in not being able to deliver the schemes and not achieve the objectives in the Community Plan.

90 2024/25 TO 2027/28 MEDIUM TERM FINANCIAL PLAN (KEY DECISION)

The Business Manager – Financial Services presented a report detailing the Council’s Medium Term Financial Plan (MTFP) for the four financial years for 2024/25 to 2027/28. A copy of the MTFP was attached as an appendix to the report.

The MTFP provided Members and Officers with a clear financial framework for delivering the Council’s Community Plan objectives over the plan period and maintaining the Council’s MTFP was an essential pre-requisite to the annual budget setting process for future years.

The MTFP showed that the Council was able to set a balanced budget for 2024/25, though would need to reduce expenditure and/or increase income to pay for service delivery in future years.

AGREED (with 8 votes for and 1 abstention) that Cabinet recommends to the Full Council on 7 March 2024, for approval, the 2024/25 to 2027/28 Medium Term Financial Plan. .

Reasons for Decision:

To provide a framework to support the Council’s future spending plans.

Options Considered:

Not applicable, the MTFP is an essential element in the Council’s financial framework.

91 PAY POLICY STATEMENT 2024/25

The Director – Customer Services & Organisational Development presented the proposed Pay Policy Statement for 2024/25 which the Council was required to produce annually in accordance with Section 38 (1) of the Localism Act 2011. The Pay Policy Statement 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.

AGREED (unanimously) that Cabinet recommend the Pay Policy Statement for 2024/25 to Full Council for approval.

Reasons for Decision:

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

Options Considered:

Not applicable, the publication of the Pay Policy Statement is required by the Localism Act 2011.

92 UPDATE ON THE COUNCIL'S RESPONSE TO THE COST OF LIVING CRISIS (KEY DECISION)

The Business Manager – Regeneration & Housing Strategy presented a report which provided an update on the delivery of proposals to assist tenants and residents, local businesses and employees with the rise in the cost of living and set out proposals for ongoing support and activity in 2024/25. As part of the future plans, the Cabinet noted the creation of the food creator role on a two-year fixed term contract.

AGREED (unanimously) that: Cabinet:

- a) subject to approval by Full Council of the Revenue Budget for 2024-25, allocates the budget proposed for 2024/25 for the activities as described in the tables in Section 2 of the report; and
- b) notes and endorses an additional £18,830 budget to be added to the 2025/26 financial year Revenue Budget to cover the shortfall in funding necessary.

Reasons for Decision:

To support tenants, residents, businesses and employees with the ongoing cost of living challenges.

Options Considered:

Alternative options include not providing a cost-of-living response however this has not been considered viable given the pressures faced by residents, staff and business.

93 CUSTOMER EXPERIENCE STRATEGY: PILOT OPENING HOURS AND CUSTOMER PROMISE FEEDBACK RESULTS (KEY DECISION)

The Business Manager – Customer Services presented a report which informed the Cabinet of the results of the pilot for potential changes to the opening hours of the customer contact centre and housing repairs and advised of the feedback received on the Council’s Customer Promise.

The pilot trialled opening hours of 8am to 9am on a Monday for a 12 week period. Based on the findings of the pilot, the Policy & Performance Improvement Committee

recommended the resumption of the opening hours of 9am to 5pm given the relatively low demands experienced in the earlier hour for the duration of the pilot. The report also updated on the positive feedback in relation to the proposed Customer Promise which set out the behaviour the Council will follow when interacting with customers.

AGREED (unanimously) that Cabinet:

- a) approve the recommendation to resume the Council's opening hours of 9:00am - 5:00pm within the Customer Contact Centre and Housing Repairs; and
- b) note the results of customer feedback about the Customer Promise, formally adopt the Promise and embed it in the Council.

Reasons for Decision:

This aim of this pilot was to understand whether the extra opening hour supported customers who may have work or personal commitments during the opening hours of the Council, to get in touch with an advisor when they would have otherwise not have been able to.

Options Considered:

The alternative option considered based on the results of the opening hours pilot was to adopt the extended opening hours permanently.

94 PORTFOLIO HOLDERS ATTENDANCE AT THE POLICY & PERFORMANCE IMPROVEMENT COMMITTEE

The Director – Customer Services & Organisational Development presented a report set out the proposed schedule of Portfolio Holders attendance at future meetings of the Policy & Performance Improvement Committee at which they would provide an overview of their remit and the key elements they wish to achieve as per the Community Plan.

AGREED (unanimously) that the proposed schedule of attendance by Portfolio Holders at future meetings of the Policy & Performance Improvement Committee be noted.

Reasons for Decision:

Portfolio Holders attendance has been requested by the Policy & Performance Improvement Committee. This will provide them with the opportunity to scrutinise the actions listed in the Council's Community Plan and highlight activities within their respective portfolio areas.

Options Considered:

None, it was considered important to establish a schedule of briefings by Portfolio Holders to the Council's overview and scrutiny body.

95 HOMELESSNESS AND ROUGH SLEEPER STRATEGY (KEY DECISION)

The Business Manager – Regeneration & Housing Strategy presented a report which sought approval for the Homelessness and Rough Sleeper Strategy for 2024 to 2029. The Strategy followed on from the existing Homelessness Prevention and Rough

Sleeper Strategy 2019-2024. Consultation on the strategy had been undertaken with a range of stakeholders and had been recommended for approval by the Policy & Performance Improvement Committee.

AGREED (unanimously) that the Homelessness and Rough Sleeper Strategy 2024-2029 as at Appendix 1 to the report be approved.

Reasons for Decision:

Newark and Sherwood District Council has a statutory requirement to deliver a Homelessness Strategy every five years as a minimum.

The delivery of this strategy also supports key community plan objectives: To improve health and wellbeing and to increase the supply, choice and standard of housing.

Options Considered:

Under the Homelessness Act 2002, local housing authorities have a statutory duty to have a Homelessness Strategy. Alternative options therefore relate only to the actions within the strategy and not the decision to have a strategy.

Priorities for Newark and Sherwood and actions to be delivered under the strategy have been developed following a robust review of local and national evidence.

96 PROPOSED OPERATING MODEL FOR ALEXANDER LODGE, NEWARK (KEY DECISION)

The Assistant Business Manager – Housing & Estate Management presented a report which provided an overview of the Alexander Lodge temporary accommodation project and set out the proposed service model and associated costs. Alexander Lodge was the Council's Newark offer of temporary accommodation for those who are owed statutory duties and provision of accommodation pending assessment as per the requirements of the Homelessness Reduction Act 2017. It was noted that the new facility was due to open in early March, four weeks ahead of schedule.

AGREED (unanimously) that Cabinet:

- a) note the progress of the scheme and the allocated budgets for 2024-25;
- b) approve the transfer of £17,033 from the Homelessness Reserve to revenue for the one-off items listed in the table at 4.3 (summarised at 5.2.3) of the report;
- c) approve budgetary provision a caretaker post, funded through service charges;
- d) note that costs of the caretaker role of £28,195 will be funded from the existing budget set for 2024/25; and
- e) approve additional budget of £30,000 for the purchase of a vehicle (subject to caretaker role approval) and inclusion into vehicle replacement programme.

Reasons for Decision:

To provide a strong homelessness support service that complements the investment in temporary accommodation in the District; improving the standard of housing available and extending the services available within and from Alexander Lodge.

Aligning to 24/27 Community Plan objectives:

- Increase the supply, choice, and standard of housing;
- Raise peoples' skills levels and create employment opportunities for the to fulfil their potential; and
- To be a top performing, modern and accessible Council.

Options Considered:

Alternative lesser service models could be an option, but this would have an impact on the service and its deliverables, management of the site and could lead to damage to the structure and wasted community space.

97 SOLAR PANEL INSTALLATION AT THE BROADLEAVES AND GLADSTONE HOUSE

The Portfolio Holder for Housing presented a report which sought approval for the proposed installation of solar panela at The Broadleaves and Gladstone House Housing Care Scheme sites in order to continue the move to renewable energy sources and to benefit residents through lower energy costs. The capital investment required was £217,000 and the Council would be monitoring the potential to generate income through selling electricity back to the grid.

AGREED (unanimously) that Cabinet approve funding of £217,000 for the installation of solar panels at The Broadleaves and Gladstone House, to be included in the Capital Budget 24/25 financed by the Major Repairs Reserve.

Reasons for Decision:

To assist the Council in achieving its objectives as set out in the Community Plan. The lower utility costs at the schemes will directly benefit tenants as this will reduce the service charges and reduce impact of cost of living.

Community Plan 24/27 alignment:

- Increase the supply, choice, and standard of housing;
- Reduce the impact of climate change; and
- To be a top performing, modern and accessible Council

Options Considered:

Undertaking other identified energy saving measures alone without the installation of solar panels would limit both the benefits to tenants and the wider Council objectives.

98 SURVEYOR - DAMP & MOULD - NEW POST

The Director – Housing, Health & Wellbeing presented a report which sought to approve a new post to manage reported damp and mould cases and assist with disrepair claims. To ensure the Council identifies the causes of damp and mould correctly and commission appropriate works to remedy reporte4d cases, it was proposed that these should be managed by a qualified surveyor. The role of the proposed new post would be to cover other complex repairs but with priority being given to cases of damp and mould.

AGREED (unanimously) that Cabinet approves the recommendation to make the necessary budgetary allowance as set out in paragraph 3.1 of the report, to increase establishment by 1x FTE to create a surveyor role with a focus on damp and mould,

subject to the HRA revenue budget being approved by the Full Council on 13 February which includes the funding for this role from 2024-25.

Reasons for Decision:

To ensure that the Council can respond proactively and promptly to reports of damp and mould and provide additional technical knowledge to the Assets and Repairs functions.

This aligns to Community Plan Objective 1 – improving health and well-being and Objective 2 - Increasing the supply, choice, and standard of housing.

Options Considered:

To add these additional activities to existing posts which would not provide the resource needed to prioritise responses to damp and mould.

99 PUBLIC SPACES PROTECTION ORDERS WITHIN NEWARK & SHERWOOD (KEY DECISION)

The Business Manager – Public Protection presented a report which outlined to Cabinet the existing Public Space Protection Orders in place, their end dates and draft Orders for first stage public consultation. With some of the current orders ending in 2024, it was proposed to put in place a number of orders in place across the District. The proposed orders (District Wide Dog Control; Fire Control – Vicar Water and Sconce and Devon; Alcohol Controls; Dispersal; and Restriction of Vehicles – Eakring Road) were included as appendices to the report. Following the first public consultation stage, comments and amendments would be considered, ahead of a further four week consultation, with final orders being brought back to the Cabinet for final approval. It was planned that the orders would become effective in June 2024 and remain in place for three years.

AGREED (unanimously) that Cabinet:

- a) approve the draft Public Spaces Protection Orders, as set out in the report, to be issued for the first stage public consultation for a period of 6 weeks; and
- b) give delegated authority to the Director of Communities and Environment in consultation with the Portfolio Holder for Public Protection & Community Relations, to approve amendments from the first stage consultation to be made to the final draft order to be issued for the final 4 week consultation period.

Reasons for Decision:

The implementation of PSPOs within Newark and Sherwood aligns with the Community Plan objective to Reduce Crime and Anti-Social Behaviour.

Options Considered:

- Do nothing – a number of orders that are due to end in 2024 would not be renewed in time and would lapse. This would mean there would be no controls in place and no enforcement action could be taken.
- Reduce the number of orders – This would reduce the ability for enforcement action to be taken in certain areas where ASB is causing an issue.

Increase the number of orders – PSPOs can only be placed where there is a justification and evidence to support. They must also be enforceable.

100 NEWARK & SHERWOOD'S PLAYING PITCH AND OUTDOOR SPORTS STRATEGY 2023-2033 (KEY DECISION)

The Business Manager – Regeneration & Housing Strategy presented a report which sought approval for the Playing Pitch and Outdoor Sport Strategy for 2023 to 2033. In December 2022, the Council commissioned Knight, Kavanagh & Page Ltd to develop the strategy and action plan for the District. The strategy supported the wider objectives within the Community Plan and had been developed using Sport England's 'Playing Pitch Strategy Guidance' and 'Assessing Needs and Opportunities Guide'. The strategy identified priority recommendations across each sport as set out in the report. It was noted that any future decisions in terms of future delivery of 3G pitches would be subject to a decision of the Cabinet.

AGREED (unanimously) that Cabinet approve the Playing Pitch and Outdoor Sport Strategy, as at Appendix A to the report.

Reasons for Decision:

The adoption of this strategy supports delivery across a wide range of community plan objectives, provides an evidence base for planning policy and future funding, and sets out priorities for investment to ensure that playing pitches and outdoor sports meet the needs of the growing population of Newark and Sherwood.

In particular, the adoption of the strategy supports the following Community Plan objectives:

Objective 1: Improve health and wellbeing;

Objective 5: Protect and enhance the district's natural environment and green spaces; and

Objective 7: Celebrate and invigorate community spirit, pride of place and a sense of belonging.

Options Considered:

The alternative option is to not adopt a Playing Pitch and Outdoor Sport Strategy.

Neither the strategy itself, nor direct investment in playing pitches/ outdoor sports facilities, are a statutory responsibility of the District Council. However, as articulated in section 1.2 and 1.3 of the report, the evidence to support the District Council contributing to the delivery of facilities through its role as Local Planning Authority and in its role supporting healthy, active and sustainable communities, is strong.

101 NEWARK & SHERWOOD'S SPORT AND RECREATION FACILITIES STRATEGY 2023-2033 (KEY DECISION)

The Business Manager – Regeneration & Housing Strategy presented a report which sought approval for the Sport & Recreation Facilities Strategy for 2023 – 2033. The Strategy outlined how the Council will assess future investment in sport and recreation facilities against a 'Hierarchy of Provision' taking into consideration key factors including predicted population growth, impact on demand and current facilities and the aspirations of local sports clubs to develop.

AGREED (unanimously) that the Sport & Recreation Facilities Strategy 2023-2033, as at Appendix A to the report, be approved.

Reasons for Decision:

The adoption of this strategy directly supports delivery across a number of community plan objectives, provides an evidence base for planning policy and future funding, and sets out the strategic approach to identify priorities for investment to ensure that sports and recreation facilities provided across the District meet the needs of Newark & Sherwood's growing population.

Specifically, the adoption of the strategy supports the following community plan objectives:

Objective 1: 'Improve health and wellbeing'; and

Objective 7: 'Celebrate and invigorate community spirit, pride of place and a sense of belonging' and will contribute to Objective 4 'Reduce Crime and Anti-Social Behaviour'.

Options Considered:

The alternative option is to not adopt a Sport & Recreation Facilities Strategy.

Neither the strategy itself, nor direct investment in sport and recreation facilities, are a statutory responsibility of the District Council. However, as articulated in section 1.2 of the report and within the strategy itself, the evidence to support the District Council contributing to the delivery of facilities through its role as Local Planning Authority and in its role supporting healthy, active and sustainable communities, is strong.

102 SOUTHWELL LEISURE CENTRE

The Leader and Portfolio Holder for Strategy, Performance & Finance presented a report which provided the Cabinet with an update on progress and proposed next steps towards the development of a new swimming facility at Southwell Leisure Centre. The decision taken by the Cabinet at their meeting held on 19 December 2023 to provide a replacement learner and main pool had not changed, however, agreement to land transfer had not yet been confirmed by the Southwell Leisure Centre Trust. This was further complicated given the approval of the Charity Commission was required and complications with landlord / tenant lease relationship which existed. The Chief Executive referred to further correspondence received from the Southwell Leisure Centre Trust earlier in the day, which reflected the recommendations considered by the Cabinet.

AGREED (unanimously) that Cabinet:

- a) expresses its disappointment with the lack of progress, since 19 December, to transfer the land from Southwell Leisure Centre Trust to the Council;
- b) confirms its continued commitment to invest £5.5m in the development of a new swimming facility and not to repair the current pool;
- c) confirms that the investment referred to in recommendation (b) above is subject to the freehold transfer of all land currently in the ownership of Southwell Leisure Centre Trust, it being noted that this would be subject to the agreement

of the Charity Commission and for the legal agreement to include a covenant to restrict the use of the land transferred for the provision of leisure services;

- d) requests Southwell Leisure Centre Trust to agree to make a joint submission to the Charity Commission to propose the freehold disposal of all designated land in its ownership in return for the Council's £5.5m investment in a new pool and an estimated £740,000 investment in the "dry side", on the grounds that this is in the best interests of the beneficiaries of the charity and to enable the charity to meet its charitable objectives; and
- e) in order to avoid abortive work and costs, officers freeze any further work on the provision of a new pool until Southwell Leisure Centre Trust provide written agreement to (d) above. If and when agreement is reached the Council will commit to a 24 month project programme which will be shared with relevant stakeholders.

Reasons for Decision:

To progress and expedite the provision of a replacement swimming facility at Southwell.

Options Considered:

Three other options have already been discounted and covered in the report to Cabinet dated 19 December 2023; "Do nothing" and leave Southwell without a swimming facility, sleeve the pipework which was considered not to be viable and line the pool at a cost of £645,435.

Meeting closed at 8.26 pm.

Chair

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NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Planning Committee** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Thursday, 15 February 2024 at 4.00 pm.

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

Councillor C Brooks, Councillor L Dales, Councillor P Harris, Councillor J Lee, Councillor K Melton, Councillor E Oldham, Councillor P Rainbow, Councillor M Spoons, Councillor L Tift and Councillor T Wildgust

ALSO IN

ATTENDANCE: Councillor L Brazier, Councillor T Wendels

APOLOGIES FOR ABSENCE: Councillor A Amer, Councillor S Saddington and Councillor M Shakeshaft

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

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

109 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

The Chair advised the Committee of other registerable interests declared on behalf of Councillors L Dales, A Freeman and K Melton as appointed representatives on the Trent Valley Internal Drainage Board for any relevant items.

Councillor T Wildgust declared an other registerable Interest in Application Item Nos. 7 & 8 – 34 Manvers View, Boughton, NG22 9HJ (23/02091/FUL & 23/02094/ADV) as he was a member of the strategic oversight group. He would speak as ward Member but would leave the meeting during the debate and vote.

Councillor J Lee declared an other registrable Interest as appointed representative on the Nottingham Fire Authority and Member for Nottinghamshire County Council.

110 MINUTES OF THE MEETING HELD ON 18 JANUARY 2024

AGREED that the minutes of the meeting held on 18 January 2024 were approved as a correct record and signed by the Chair.

111 31 RIDGE HILL, LOWDHAM, NG14 7EL - 23/01650/HOUSE

The Committee considered the report of the Business Manager – Planning Development, which sought the proposed front and rear extensions.

A site visit had taken place prior to the commencement of the Planning Committee, for the reason the impact of the proposed development was difficult to visualise.

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

A Schedule of Communication was circulated prior to the meeting which detailed correspondence received following publication of the agenda from the Planning Officer. The Planning Committee was asked to strike through and delete the small paragraph of four lines toward the bottom of page 18 of the report. Condition 1 also required deletion as the development had already commenced on site.

Councillor T Wendels, local Ward Member for Lowdham spoke against the application on the grounds of overbearing impact on neighbouring dwellings and their garden areas; over shadowing and loss of light; overlooking and loss of privacy; the extension was too big for the plot and not in keeping with the neighbourhood; and rainwater runoff and flooding implications.

Councillor P Harrison, Chair of Lowdham Parish Council, spoke against the application in accordance with the views of Lowdham Parish Council as contained within the report.

Members commented that they agreed with the local Ward Member and felt that the overbearing nature of the extension was apparent when on the site visit. They were concerned with the removal of the lawn to hardstanding which would exuberate the problem of flooding in that area.

A vote was taken and lost for Approval with 1 vote For and 10 votes Against.

Councillor M Spoor entered the meeting during the debate and in accordance with the Planning Protocol, as he had missed the Officer presentation took no part in the vote.

Moved by Chair and Seconded by Vice-Chair

AGREED (with 10 votes For and 1 vote Against) that contrary to Officer recommendation, full planning permission be refused due to its scale resulting in an overbearing impact and loss of amenity in relation to light to the occupiers of 32 Ridge Hill, contrary to policy DM5.

In accordance with paragraph 13.5 of the Planning Protocol, as the motion was against Officer recommendation, a recorded vote was taken.

Councillor	Vote
C Brooks	For
L Dales	For
A Freeman	For
P Harris	For
J Lee	For
K Melton	For
D Moore	For
E Oldham	For
P Rainbow	For

L Tift	For
T Wildgust	Against

112 FOXGLOVES, MAIN STREET, EDINGLEY - 23/01338/LBC

The Committee considered the report of the Business Manager – Planning Development, which sought a retrospective application for a small open porch and installation of composite doors.

A site visit had taken place prior to the commencement of the Planning Committee, for the reason that the impact of the proposed application was difficult to visualise.

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

A Schedule of Communication was circulated prior to the meeting which detailed correspondence received following publication of the agenda from the Applicant.

Councillor D Poole, Chair of Edingley Parish Council, spoke in support of the application in accordance with the views of Edingley Parish Council as contained within the report.

The local Ward Member commented that this was a retrospective application, which was a genuine mistake as the applicant had not been advised that they needed listed building consent. The building was basic in design with a rainwater runoff from the barn, which was the reason the porch was constructed to protect the fabric of the building. An oak door had been replaced as it had rotted, and the porch had been built. The porch was considered a small structure which did not have any impact. Domestic features had been added to a neighbour’s property, the buildings had been turned into residential properties and to survive changes had to be made. A Member commented that a change of mortar would be more in keeping with the barn and considered the porch appropriate, however felt the composite doors were not appropriate. Other Members commented that this was a listed building, and the porch was incongruous, and barns do not have porches.

AGREED (with 6 votes For and 6 votes Against, the Chair used his casting vote in support of Refusal) that Listed Building Consent be Refused for the reason contained within the report.

113 34 MANVERS VIEW, BOUGHTON, NG22 9HJ - 23/02091/FUL

The Committee considered the report of the Business Manager – Planning Development, which sought the change of use from residential to Community Hub including associated alterations.

Members considered the presentation from the Business Manager - Planning Development, which included photographs and plans of the proposed development.

A Schedule of Communication was circulated prior to the meeting which detailed correspondence received following publication of the agenda from the applicant.

The local Ward Member informed the Committee that the Community Hub would provide a safe centre for users. The Hub was currently occupied however there were other void properties on the estate as people did not want to move there. The Hub would improve the safety and wellbeing for residents which was considered essential.

Councillor T Wildgust having declared an Other Registerable Interest left the meeting during the debate and vote.

A Member raised concern that this would be the loss of a Council house which was not acceptable given the high volume of people waiting for Council accommodation.

Other Members commented that this area was in the top 10% of a most deprived areas in Nottinghamshire. People did not want to move to this estate, there were void properties available, the loss of one unit was irrelevant and the Hub would make the estate safer and more desirable. The long-term plan was to provide support to residents and improve the estate, the aim was then for the property to be able to return to residential. A community day of action was also suggested to improve the condition of the estate.

The Business Manager – Planning Development confirmed that other properties had been looked at, taking into consideration the need to have an end of row property and nearby car parking to have the least impact on neighbours, the proposed property was considered the best option.

AGREED (with 10 votes For and 1 vote Against) that full planning permission be approved subject to the conditions contained within the report.

114 34 MANVERS VIEW, BOUGHTON, NG22 9HJ - 23/02094/ADV

The Committee considered the report of the Business Manager – Planning Development, which sought the display of three fascia signs.

Members considered the presentation from the Business Manager – Planning Development, which included photographs and plans of the proposed development.

Members considered the application acceptable.

Having declared an Other Registerable Interest Councillor T Wildgust remained out of the room for the duration of this item.

AGREED (with 10 votes For and 1 Abstention) that Advertisement Consent be approved subject to the conditions contained within the report.

Councillor T Wildgust came back to the meeting at this point.

115 AIR AND SPACE INSTITUTE NEWARK (ASI), GREAT NORTH ROAD, NEWARK ON TRENT, NG24 1BY - 23/02240/ADV

The Committee considered the report of the Business Manager – Planning Development, which sought permission for the signage on the facades of the ASI building and within the Car Park area.

Members considered the presentation from the Business Manager – Planning Development, which included photographs and plans of the proposed development.

A Schedule of Communication was circulated prior to the meeting which detailed correspondence received following publication of the Agenda from Newark Town Council stating no objection.

Members considered the application acceptable.

AGREED (unanimously) that Advertisement Consent be approved subject to the conditions and submission of the more detailed plan as contained within the report.

116 PLANNING APPLICATION VALIDATION CHECKLIST

The Committee considered the report of the Director – Planning & Growth which provided an update on the review of the adopted Planning Application Validation Checklist prior to undertaking consultation.

It was reported that legislation sets out that a local list was required to be published on a Council’s website and reviewed every 2 years. Whilst the checklist was previously reviewed within the last 12-months, there had been some quite significant changes introduced, most notably biodiversity net gain on 12 February 2024 and therefore it was considered prudent to review the checklist at an earlier stage. This also allowed other amendments that had come into effect, particularly with the introduction of new application types (mainly prior approval) to be included.

The checklist, attached at Appendix 1 to the report, was similar to the one adopted from April 2023. It had been updated under delegated authority, to provide clarification regarding preliminary bat roost assessments in December. There were also suggested changes taken as part of this review in relation to flooding, and minor suggested amendments such as sections and finished floor levels.

It was proposed that the amended checklist was consulted upon for a minimum of 8-weeks with Members, Parish and Town Councils and statutory consultees. Details would be provided on the Council’s website enabling developers and interested stakeholders to respond, as well as applicants and their agents, residents through planning application receipt and notification letters. However, in relation to biodiversity net gain, it was proposed that these amendments were adopted by Planning Committee immediately with the consultation enabling a review of the requirements set out and presented to Members in due course, following the consultation. It was not anticipated that there would be any challenge to this due to our requirements reflecting what was set out in legislation.

AGREED (unanimously) that:

- (a) the contents of the accompanying validation checklist are noted;
- (b) the requirements as set out under ‘Biodiversity Net Gain’ and

- (c) associated application types come into effect immediately; and the draft updated Planning Application Validation Checklist (as set out at Appendix A to the report) be approved for an 8-week public consultation with statutory consultees, District Councillors and Town/Parish Councils, applicants/developers and neighbours, along with any changes required to the Biodiversity Net Gain section.

117 BIODIVERSITY NET GAIN, ANCIENT WOODLANDS AND LEVELLING-UP AND REGENERATION ACT 2023

The Committee considered the report of the Director – Planning & Growth which briefed Members on the new statutory instruments and commencement of parts of the Levelling-up and Regeneration Act.

The Government had issued on 17 January 2024, five statutory instruments with a further one on 18 January relating to Biodiversity Net Gain. Additionally, a further statutory instrument was published on 25 January 2024. This was the Levelling-up and Regeneration Act 2023 (Commencement No. 2 and Transitional Provisions) Regulations 2024 as well as a Consultation Direction The Town and Country Planning (Consultation) (England) Direction 2024.

There were a number of statutory instruments relating to biodiversity net gain, which was a complex area and a highlighted summary was provided within the report. A report had also been presented to Cabinet in January 2024 relating to biodiversity net gain.

AGREED that the report be noted and the Planning Committee be aware of the contents of the documents when considering planning applications.

118 APPEALS LODGED

AGREED that the report be noted.

119 APPEALS DETERMINED

AGREED that the report be noted.

120 DEVELOPMENT MANAGEMENT PERFORMANCE REPORT

The Committee considered the report of the Director – Planning & Growth relating to the performance of the Planning Development Business Unit over the three-month period October to December 2023. In order for the latest quarter's performance to be understood in context, in some areas data going back to October 2021 was provided. The performance of the Planning Enforcement team was provided as a separate report.

AGREED that the report be noted.

121 QUARTERLY PLANNING ENFORCEMENT ACTIVITY UPDATE REPORT

The Committee considered the report of the Business Manager – Planning Development updating Members as to the activity and performance of the planning enforcement function over the third quarter of the current financial year.

The report provided Members with examples of cases that had been resolved, both through negotiation and via the service of notices and provided detailed and explanations of notices that had been issued during the period covered 1 October 2023 – 31 December 2023.

The schedule of communication provided an update by the Planning Officer regarding an incorrect photograph included in the agenda. The photograph within the report displayed an incorrect elevation. The correct photograph was provided in the schedule of communication. Schedule C: provided examples of breaches resolved without formal action.

AGREED that the contents of the report and the ongoing work of the planning enforcement team be noted.

Meeting closed at 6.19 pm.

Chair

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Audit and Governance Committee** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Wednesday, 21 February 2024 at 6.00 pm.

PRESENT: Councillor P Harris (Chair)
Councillor S Forde (Vice-Chair)

Councillor R Cozens, Councillor A Freeman, Councillor J Hall, Councillor S Haynes, Councillor J Kellas, Councillor J Lee and Councillor C Penny and Mr C Richardson (Non-Voting Co-Optee)

APOLOGIES FOR ABSENCE: Councillor S Michael, Councillor M Shakeshaft and Councillor T Thompson

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

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

44 DECLARATIONS OF INTEREST FROM MEMBERS AND OFFICERS

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

45 MINUTES OF THE MEETING HELD ON 22 NOVEMBER 2023

AGREED that the minutes of the meeting held on 22 November 2023 be approved as a correct record and signed by the Chair.

46 BUDGET REPORTS 2024/25

The Committee considered the report from the Business Manager for Financial Services providing Members with attached reports for approval at Cabinet on 20 February 2024:

General Fund Revenue Budget 2024/25
General Fund Medium Term Financial Plan 2024/25 – 2027/28
Capital Programme 2024/25 – 2027/28.

The report informed the Committee that the 3 reports had been presented to Cabinet the night before, to then take to Full Council on 7 March.

The Committee discussed the Budget reports, noting that any comments could not be referred back to Cabinet, however there would be an option to debate at Full Council.

AGREED, with Members voting 8 For and 1 Abstention, in having received and noted the reports that were presented to Cabinet on 20 February 2024.

47 ANNUAL INTERNAL AUDIT PLAN

The Committee considered the report from the Business Manager for Financial Services, presenting the proposed Internal Audit Plan to the Committee for approval, in order for the Council to gain the relevant assurances throughout the 2024/25 financial year.

Any changes to the plan during the year will be agreed with the Business Manager for Financial Services and subsequently notified to the Audit and Governance Committee.

All Members of Committee, Portfolio Holders and the Council's Senior Leadership Team were to be invited to a Risk Workshop; it was proposed that rather than approve the Internal Audit Plan at the meeting, it should be reviewed at the Workshop taking into account findings at the Workshop in relation to risk.

AGREED (unanimously) that Members noted the report subject to detailed discussion at the Risk Workshop, any amendments to be delegated to S151 Officer and reported back to the Audit & Governance Committee.

48 INTERNAL AUDIT PROGRESS REPORT 2023/24

The Committee considered the report from Philip Lazenby, Director of Audit (TIAA) providing a summary of Internal Audit work undertaken during 2023/24 against the agreed audit plan.

The Audit Plan for 2023/24 had been agreed at the Audit & Governance Committee in April 2023 and then throughout the year reports on the progress made and changes to the plan are then taken to the Audit & Governance Committee.

The Committee discussed the report containing details of all reports issued within the first part of the financial year 2023/24, including the rolling strategic plan and to consider in the next financial year.

AGREED (unanimously) that Members considered and commented upon the latest internal audit progress report and noted its content.

49 EXTERNAL AUDITORS ANNUAL DRAFT AUDIT COMPLETION REPORT

The Committee considered the report from the Business Manager for Financial Services presenting the External Auditor's Draft Annual Audit Completion Report for Newark and Sherwood District Council for 2022/23.

The representative from Mazars, Mark Surridge, present at the meeting had provided at Appendix A of the Auditor's Annual Report a summary of the work carried out by the External Auditors as the auditor for the Council for year ending 31 March 2023.

AGREED (unanimously) that:

- a) Members received and noted the External Auditors Draft Annual Audit Completion Report for 2022/23; and

- b) Members noted the adjustments to the draft audited financial statements set out in the report.

50 APPROVAL OF THE STATEMENT OF ACCOUNTS

The Committee considered the report from the Business Manager for Financial Services to obtain approval of the Council's Statutory Accounts for the financial year ended 31 March 2023.

The Assistant Business Manager for Financial Services informed Members that this would be the final version of the Statement of Accounts, having brought the draft to the Audit & Governance Committee on 14 June 2023.

AGREED (unanimously) that:

- a) Members approved the Annual Governance Statement for the financial year ended 31 March 2023;
- b) Members approved the Draft Audited Statement of Accounts for the financial year ended 31 March 2023;
- c) Members gave delegation to the Deputy Chief Executive/Director of Resources – S151 Officer and the Chairman to sign a revised set of accounts if required as per paragraph 3.5;
- d) Members gave delegation for the Deputy Chief Executive/Director of Resources – S151 Officer and the Chairman to sign the Management Letter of Representation as per the paragraph 3.8; and
- e) Members gave delegation to the Leader of the Council and the Chief Executive to sign the Annual Governance Statement as per paragraph 3.10.

51 PROJECTED GENERAL FUND AND HOUSING REVENUE ACCOUNT REVENUE AND CAPITAL OUTTURN REPORT TO 31 MARCH 2024 AS AT 31 DECEMBER 2023

The Committee considered the report from the Business Manager for Financial Services updating Members with the forecast outturn position for the 2023/24 financial year for the Council's General Fund and Housing Revenue Account revenue and Capital Budgets, to show performance against the approved estimates of revenue and capital expenditure and income.

The report provided the expected outturn at Quarter 3, referring to Table 1 on page 301 of the agenda.

AGREED (unanimously) that Cabinet:

- a) noted the General Fund projected favourable outturn variance of £0.636m;
- b) noted the Housing Revenue Account projected favourable outturn variance of

£0.025m to the Major Repairs Reserve;

c) noted the Capital Programme revised budget and financing of £69.564m; and

d) noted the Prudential indicators at Appendix A.

52 TREASURY MANAGEMENT STRATEGY 2024/25

The Committee considered the report from the Business Manager for Financial Services seeking approval for the Treasury Management Strategy, which incorporates the Borrowing Strategy, Investment Strategy and Treasury Prudential Indicators, updated in accordance with latest guidance.

AGREED (unanimously) that the Committee approved each of the following key elements and recommended these to Full Council on 7 March 2024 while noting that as the budgets are still being finalised some of the figures within the Strategy may alter:

- The Treasury Management Strategy 2024/25, incorporating the Borrowing Strategy and the Annual Investment Strategy (Appendix A).
- The Treasury Prudential Indicators and Limits, contained within Appendix A.
- The Authorised Limit Treasury Prudential Indicator contained within Appendix A.

53 CAPITAL STRATEGY 2024/25

The Committee considered the report from the Business Manager for Financial Services seeking Committee approval to the Capital Strategy 2024/25, this incorporates the Minimum Revenue Provision Policy and Capital Prudential Indicators, updated in accordance with latest guidance.

AGREED, with Members voting 8 For and 1 Against approving each of the following key elements and recommended these to Full Council on 7 March 2024 while noting that as the budgets are still being finalised some of the figures within the Strategy may alter:

- The Capital Strategy 2024/25 Appendix A.
- The Capital Prudential Indicators and Limits for 2024/25, contained within Appendix A.
- The Minimum Revenue Provision (MRP) Policy Statement as contained within Appendix C, which sets out the Council's policy on MRP.
- The Flexible Use of Capital Receipts Strategy, contained with Appendix D.

54 INVESTMENT STRATEGY 2024/25

The Committee considered the report from the Business Manager for Financial Services providing the Investment strategy for 2024/25, meeting the requirements of statutory guidance issued by the Department of Levelling Up, Housing and Communities DLUHC (previously MHCLG) Investment Guidance in January 2018.

AGREED (unanimously) that the Committee approved each of the following key elements and recommended these to Full Council on 7 March 2024 while noting that as the budgets are still being finalised some of the figures within the Strategy may alter:

- The Investment Strategy 2024/25 Appendix A.
- The Investment Prudential Indicators and Limits for 2024/25, contained within Appendix A.

55 HOUSING OMBUDSMAN ANNUAL REVIEW UPDATE

The Committee considered the report from the Business Manager for Customer Services informing Members of the Housing Ombudsman Annual Review report.

The Assistant Director Legal & Democratic Services, Monitoring Officer, introduced the report, referring the Committee to Section 3. The Chair commenting that it was a positive outcome.

AGREED (unanimously) that Members noted the report.

56 GIFTS AND HOSPITALITY ANNUAL REPORT

The Committee considered the report from the Assistant Director Legal & Democratic Services, Monitoring Officer providing an annual report to update the Committee on the implementation of the Council's Gifts and Hospitality policies.

The Chair noted that some gifts are declined, whilst smaller gifts are accepted and therefore reasonable. The Assistant Director Legal & Democratic Services, Monitoring Officer, advised that there would be a reissuing of the guidance.

Councillor Lee requested a copy of the registers be made available in advance of the meeting.

AGREED (unanimously) that Members noted the report and that the Committee includes an annual review of the operation of the Council's Gifts and Hospitality arrangements in the Committee's Work Plan.

57 REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) ANNUAL REPORT

The Committee considered the report from the Assistant Director Legal & Democratic Services, Monitoring Officer reporting to the Committee:

- i. Activity by the Council under RIPA from 2023 to date
- ii. An update on training for officers

The report informed the Committee that this report is provided annually and that refresher training for officers is anticipated to be delivered in Autumn 2024.

AGREED (unanimously) that Members noted the report.

58 WHISTLEBLOWING POLICY ANNUAL REPORT

The Committee considered the report from the Assistant Director Legal & Democratic Services, Monitoring Officer providing an annual report to update the Committee on the implementation of the Council's Whistleblowing Policy.

Members were reminded that the Council's Whistleblowing Policy was last updated in 2023 following a review by the Committee. The Monitoring Officer informing Members that no whistleblowing concerns had been recorded in the past year.

AGREED (unanimously) that Members noted the report, that the Committee includes an annual review of the operation of the Council's Whistleblowing Policy in the Committee's Work Plan and that an awareness raising exercise be undertaken during the next year.

59 REVIEW OF SIGNIFICANT ISSUES IN THE ANNUAL GOVERNANCE STATEMENT

The Committee considered the report from the Assistant Director Legal & Democratic Services, Monitoring Officer providing an update to Members of the Audit & Governance Committee on the significant governance issues identified in the Annual Governance Statement.

The report explained that after the District Council election in May last year and a change in the Council's membership, an induction and training programme was delivered to all Councillors, with training and development remaining on the work programme for the Audit & Governance Committee.

The Local Government Association also delivered a development session for the Council's leadership in December 2023. This included Portfolio Holders, Chairs and Vice Chairs, with the Officer Senior Leadership Team joining for the second part of the session.

AGREED (unanimously) that Committee noted the results of the review of significant governance issues as identified in the Annual Governance Statement.

60 UPDATE ON THE LGA NEWARK AND SHERWOOD DISTRICT COUNCIL CYBER 360 REPORT

The Committee considered the report from the Business Manager for ICT & Digital Services providing the updated results of LGA Newark and Sherwood District Council Cyber 360 Report.

The report writer was not able to attend the meeting, therefore any Members who had a question for the open and/or the exempt report could contact the Business Manager for ICT & Digital Services to provide a response.

AGREED (unanimously) that Members reviewed, commented upon and noted the update on the LGA Newark and Sherwood District Council Cyber 360 Report.

61 AUDIT AND GOVERNANCE COMMITTEE WORK PLAN

The Committee considered the joint report of the Assistant Director Legal & Democratic Services and Monitoring Officer and the Business Manager for Financial Services which attached the Committee's Work Plan for consideration.

Both the Chair and the Vice-Chair informed the meeting that they would be giving their apologies for the 3 July 2024 meeting and that therefore a Chair be elected at the April meeting in preparation.

The Vice-Chair reminded the Committee that Councillor Melton had requested a report go to Audit & Governance Committee on Ethical and Fossil Fuel Investments, as also Councillor Lee requested a report linked to this on Pensions.

AGREED (unanimously) that the Work Plan be noted.

62 DATE OF NEXT MEETING

The next Audit & Governance Committee meeting to be held on Wednesday 24 April 2024.

Meeting closed at 7.27 pm.

Chair