

Date: 2<sup>nd</sup> March 2015

Dear Sir/Madam,

**COUNCIL MEETING – 10<sup>TH</sup> MARCH 2015**

Notice is hereby given that a meeting of the Newark and Sherwood District Council will be held in the Council Chamber, Kelham Hall on Tuesday, 10<sup>th</sup> March 2015 at 5.30pm.

Yours faithfully



A.W. Muter  
Chief Executive

**AGENDA**

**Pages**

- |    |  |        |
|----|--|--------|
| 1. | Apologies for absence  |        |
| 2. | Minutes of the meeting held on 10 <sup>th</sup> February 2015  | 1 – 12 |
| 3. | Declarations of Interests by Members and Officers  |        |
| 4. | Declaration of any Intentions to Record the Meeting  |        |
| 5. | Communications which the Chairman or the Chief Executive may wish to lay before the Council              |        |
| 6. | Communications which the Leader of the Council and Committee Chairmen may wish to lay before the Council |        |
| 7. | Questions from Members of the Public   |        |
| 8. | In accordance with Rule No. 10 to receive Petitions from Members of the Council (if any)                 |        |

9.	Revenue Budget and Council Tax Setting for 2015/16 ( <i>Budget Book issued as a separate document</i> )	13 - 28
10.	Capital Programme 2015/16 – 2019/20	29 - 48
11.	Treasury Management Strategy Statement 2015/16	49 - 62
12.	Pay Policy Statement	63 - 82
13.	Notices of Motion (if any)	
14.	Questions from Members of the Council	

#### DELEGATED DECISIONS

15.	(a) Policy & Finance Committee – 25 <sup>th</sup> February 2015	PF1 – PF9 PF10 – PF11 Exempt
	(b) Audit and Accounts Committee – 11 <sup>th</sup> February 2015	AA1 – AA6
	(c) Planning Committee	
	(i) 10 <sup>th</sup> February 2015	PL1 – PL2
	(ii) 3 <sup>rd</sup> March 2015	To follow
	(d) Human Resources Committee – 12 <sup>th</sup> February 2015	HR1 – HR2 HR3 Exempt

#### NOTES:

- (1) The Conservative Group and Newark and Sherwood Independent Group will meet at 4.30pm in Room G21 prior to the Council Meeting.
- (2) The Labour Group will meet at 4.30pm in the Room G23 prior to the Council Meeting.
- (3) The Liberal Democrat Group will meet at 4.30pm in Room F20 prior to the Council Meeting.
- (4) The Independent Group will meet at 4.30pm in Room F19 prior to the Council Meeting.
- (5) Tea and coffee will be available in the Group Meeting Rooms.

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **NEWARK & SHERWOOD DISTRICT COUNCIL** held in the Council Chamber, Kelham Hall, Newark on Tuesday, 10<sup>th</sup> February 2015 at 5.30pm.

PRESENT: Councillor Mrs R. Crowe (Chairman)  
Councillor G.S. Merry (Vice- Chairman)

Councillors: N.R. Allsopp, T.S. Bickley, R.V. Blaney, J. Bradbury, R.L. Bradbury, Mrs B.M. Brooks, Mrs C. Brooks, G. Brooks, Mrs I. Brown, Mrs G.E. Dawn, Mrs M. Dobson, P.C. Duncan, Mrs T. Gurney, J.E. Hamilton, G.P. Handley, P.R.B Harris, R.J. Jackson, D. Jones, R.B. Laughton, D.J. Lloyd, D.P. Logue, Mrs S.M. Michael, J. Middleton, J.L. Osborne, D.R Payne, J.M. Peck, M. Pringle, A.C. Roberts, Mrs C. Rose, Mrs S.E. Saddington, M. Shaw, Mrs L.A. Shilling, Mrs S. Soar, D. Staples, F. Taylor, Mrs L.J. Tift, Mrs M. Tribe, Mrs A.A. Truswell, I. Walker, B. Wells, T. Wendels and Mrs Y. Woodhead.

APOLOGIES FOR ABSENCE: Councillors: R. Shillito and D. Thompson

43. MINUTES

AGREED that the minutes of the Meeting held on 16 December 2014 be approved as a correct record and signed by the Chairman.

44. DECLARATIONS OF INTERESTS BY MEMBERS AND OFFICERS

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

45. DECLARATION OF INTENTION TO RECORD THE MEETING

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

46. COMMUNICATIONS FROM THE CHAIRMAN AND CHIEF EXECUTIVE

The Chairman advised Members that tickets were still available for the 'Rat Pack' fundraising event to be held on 20<sup>th</sup> February 2015 and she confirmed that the Civic Dinner would be held on 13<sup>th</sup> March 2015.

The Chairman also made presentations to the following winners of the staff Pride Awards for 2015:

'We're Proud of You Award' - Chris Wood, Fitness Instructor at the Dukeries Leisure Centre.

'Unsung Hero Award' - Sue Kimber, Human Resources Officer.

Team of the Year Award - Refuse Collection Crew for Tor Lane, Ollerton.

47. PETITIONS

In accordance with Council Procedure Rule No. 10, Councillor T.S. Bickley presented a petition to the Council on behalf of residents of The Ossiers in Newark, which called for immediate action to ensure the Taylor Motor Group were fully compliant with the conditions specified in a recent planning permission. The petition, signed by 23 people, was presented to the Chairman.

48. HOUSING REVENUE ACCOUNT BUDGET AND RENT SETTING 2015/16 - 2019/20

The Council considered the joint report of the Directors – Resources and Safety concerning the Housing Revenue Account budget for 2015/2016. Under the Council's Constitution the Housing Revenue Account Self Financing Business Plan would be formulated and reviewed by the Policy and Finance Committee and recommended to Council for approval. A major element of the Business Plan comprised the annual Housing Revenue Account budget.

The annual Housing Revenue Account budget for 2015/16 and financial plan to 2019/20, including proposals for rent levels for 2015/16, was considered by the Policy & Finance Committee at their meeting held on 29th January 2015. Members of the Homes & Communities Committee were invited to attend in order for their views on the budget, financial plan and rent setting to be considered prior to any recommendations being made to the Council. The Council's Rent Setting Policy was reviewed by the Policy and Finance Committee as part of the budget setting process.

The report considered by the Policy and Finance Committee on 29<sup>th</sup> January was attached as an appendix to the report. This detailed proposals for the Management Fee, rent levels and long term and short term housing growth.

AGREED (unanimously) that:

- (a) the Housing Revenue Account budget for 2015/2016 as set out in Appendix A to the report be approved;
- (b) the Management and Maintenance Fee for 2015/2016 of £7,674,500 be noted;
- (c) the weekly rents of all properties in the Housing Revenue Account be increased by September 2014 CPI + 1% in accordance with the amount shown on Appendix B to the report;
- (d) weekly rents be increased to formula rent (rent convergence methodology) where a property is relet after a void period;
- (e) the support charges as set out in Appendix D to the report remain at the 2014/15 level;
- (f) other services charges should be increased by 2.2 % with effect from April 2015; and

- (g) garage, garage plot and garage port rents are increased by 2.2% in line with the agreed rent increase on dwellings with effect from 1st April 2015.

49. LEISURE CENTRE MANAGEMENT COMMISSIONING

The Council considered the report of the Director- Safety concerning the appointment of an interim board for the Council's new wholly owned leisure company. This interim board would operate for the period between the establishment of the company and the appointment of the permanent board. The permanent board would be appointed for a period of 4 years, following the elections in May 2015. The interim board would enable the arrangements for the company to be put in place and was required to facilitate development of the first business plan with the new company.

The Policy & Finance Committee had approved the composition of the interim board as being made up of 3 Members, 2 Council officers and the Managing Director of the new Company. The Managing Director of the Company would become a board member (without voting rights) once the appointment to that role was made by the Company. At their meeting held on the 29<sup>th</sup> January 2015, the Policy and Finance Committee recommended that Councillors R.V. Blaney, Mrs G.E. Dawn and Mrs A.A. Truswell be appointed as the three Members to the interim board and, taking into account the relevant skills required for the new board, the Chief Executive and the Director - Resources be appointed as the two Council officers to the interim board.

AGREED (with 41 votes for and 3 against) that Councillors R.V. Blaney, Mrs G.E. Dawn and Mrs A.A. Truswell, and Andrew Muter and David Dickinson be appointed to the interim board of the new leisure company.

50. A COMBINED AUTHORITY FOR NOTTINGHAM AND NOTTINGHAMSHIRE

The Council considered the report of the Chief Executive concerning proposals for the establishment of a Nottingham and Nottinghamshire Combined Authority. The Nottingham and Nottinghamshire Economic Prosperity Committee was formed a year ago with explicit recognition of the potential for formation of a new Combined Authority. Since then, significant progress had been made towards the formal establishment of a Nottingham and Nottinghamshire Combined Authority through the Economic Prosperity Committee and a working group chaired by the Chief Executive of Newark and Sherwood District Council.

It was proposed that the Nottingham and Nottinghamshire Combined Authority Governance Review and Scheme would be submitted to the Secretary of State for Communities and Local Government by mid February 2015 and it was possible that a Combined Authority may be created by Statutory Instrument in October 2015. It was reported that the formal establishment of the Nottingham and Nottinghamshire Combined Authority would not bring about an immediate change to governance or operational arrangements. Negotiations with the Government would need to take place over the powers and functions that could be vested in the Combined Authority.

The Combined Authority would have powers relating to the strategic economic development and regeneration of Nottingham and Nottinghamshire. The draft Governance Review and Scheme proposed that these powers would be held concurrently with the constituent partners. It was emphasised that there would be no immediate transfer of powers away from the constituent partners to the Combined Authority.

The comments of the Economic Development Committee in relation to the proposal to establish the Combined Authority, from their meeting held on 21<sup>st</sup> January 2015, were detailed in the report.

AGREED (with 42 votes for, 1 against and 1 abstention) that the Council approves the formal establishment of a Nottingham and Nottinghamshire Combined Authority.

#### 51. NOTICE OF MOTION

In accordance with Council Procedure Rule No 13.1, Councillor Mrs G.E Dawn moved and Councillor Mrs I. Brown seconded a motion to the following effect:

“The Potterdyke Town Centre redevelopment in Newark Town Centre should be evidence of the strength of Newark in challenging economic circumstances. However, the remaining derelict Robin Hood Hotel continues to blight the Town Centre. This Council and its Planning Committee has urged the developers to find a solution which retains the frontage of the Hotel but it is increasingly clear that this will not happen. This eyesore continues to plague Newark. It is time to move on. Local people want this matter addressed and they want action now.

The Council should now work with the developers to bring forward a fresh proposal which would include considering the demolition of the remaining buildings and replacing them with an improved street layout and well-designed commercial buildings. The Council should do all it can to resolve this, including considering making a financial contribution.”

In accordance with Council Procedure Rule No. 26.4, Councillor P.C. Duncan moved, and Councillor D.J. Lloyd seconded an amendment to the motion to add the following wording in the form of an additional final paragraph:

“The Council also welcomes the significant start-up grant offered by the Heritage Lottery Fund to the Nottinghamshire Buildings Preservation Trust to allow it to explore the feasibility of restoring the premises to working use and to establishing a future economic purpose for the building. Until the outcome of this study is known, any variation to the consent currently granted would not comply with English Heritage’s conditions.”

In accordance with Council Procedure Rule 25.4 Councillors Mrs G.E. Dawn and Mrs I. Brown accepted the amendment which accordingly became the substantive motion.

The substantive motion, on being put to the vote was declared carried unanimously.

52. QUESTIONS FROM MEMBERS OF THE COUNCIL

Details of two questions put forward from both Councillors G.P. Handley and J.E. Hamilton, and the replies given are attached as Appendix A to these minutes. The Chairman ruled that a third question put forward by Councillor J.E. Hamilton was not acceptable given the language used.

53. DELEGATED DECISIONS

(a) Policy & Finance Committee – 29 January 2015

(b) Economic Development Committee – 21 January 2015

(i) Minute No. 46 – Fees and Charges – Car and Lorry Parking

Councillor P.C. Duncan welcomed the decisions taken by the Committee which will result in a clear policy in respect of short and long term parking in Newark, will simplify car parking tariffs and will enable new technology to be introduced.

(ii) Minute No. 50 – Newark Signage Strategy

Councillor D.R. Payne referred to the decision taken that the shorter version of 'Newark' rather than 'Newark – on – Trent' being used on signage.

Councillor Mrs G.E. Dawn added that this had caused a degree of confusion with residents believing that the name of the town itself had been changed to 'Newark'.

Councillor D.J. Lloyd clarified that only outer signs, for example main road signage, would refer to 'Newark', with the signs inside the town still referring to Newark – on – Trent. He added that he understood that consultation had been carried out with parish councils.

(c) Homes & Communities Committee – 7 January and 26 January 2015

Minute No. 34 – Housing Performance Framework – Tenants Panel

Councillor Mrs G.E. Dawn asked how much grant would be awarded to the Newark and Sherwood Tenants Federation in 2015/16 and what the Federation actually did.

She also asked if it was appropriate for representatives of the Tenants Panel to claim taxi fares for attending meetings at Kelham Hall.

Councillor R.B. Laughton advised that this whole area was under review but he would send a written reply.

- (d) Leisure & Environment Committee – 13 January 2015
- (e) General Purposes Committee – 15 January 2015
- (f) Licensing Committee – 15 January 2015
- (g) Planning Committees – 15 December 2014, 6 January 2015, 20 January and 3 February 2015

Minute No. 129 – Land South of Newark

Councillor R.J. Jackson expressed his disappointment that it was proposed that the new southern relief road would not be a dual carriageway. In light of the volume of traffic in the area he considered this to be a mistake. He added that he hoped the new Nottingham and Nottinghamshire Combined Authority could consider this.

Councillor A.C. Roberts added that as minimum the new relief road should be constructed with the possibility that this could easily be made into a dual carriageway in the future.

Meeting closed at 7.20 pm.

Chairman



**COUNCIL PROCEDURE RULE NO. 14**  
**QUESTIONS BY MEMBERS**

**QUESTION ONE**

**Question from Councillor G.P. Handley to the Chairman of the Homes & Communities Committee:**

“The Government announced on 27<sup>th</sup> November 2014 that flood grants were being made accessible for those people who suffered from flooding between April 1<sup>st</sup> and December 1<sup>st</sup> 2013. Can you please confirm that this Council has a process in place, and are actively encouraging the people across the District who suffered from flooding in July 2013, to access this funding?”

**Reply from Councillor R.B. Laughton:**

“NSDC were made aware on 27<sup>th</sup> November 2014 that the Government would be extending the Flood Grant Scheme to include the flooding that affected so many of our households in July 2013. This is thanks to much lobbying by both our own councillors and our local MP’s and is a success story for not just Newark and Sherwood but the rest of the country too.

Our officers worked quickly and although the funding details were not confirmed until the following week, NSDC had a system in place and an application form for the ‘Repair and Renew’ grant available on the website and to post out by 8<sup>th</sup> December.

Staff from the Council have contacted parishes, newspapers, used social media and also attending a public events to promote the scheme. The Business Clubs have been made aware and further public events are planned for the next month. To date we have had 62 applications for the funding and most have been verified, with around £300,000 funding being allocated.

However, we have been delayed getting payments out to people by DCLG, as they did not send the formal MOU regarding the funding until 31<sup>st</sup> January 2015, but as this has now been received we hope to be sending formal agreement letters out to applicants within the next week.

The Council are also able to reclaim council tax relief that it provided to residents. This means approximately £50,000 which NSDC can recover from the government.

The Business Support Grant has also been made available and it is anticipated that NSDC will get £100,000 from the government to distribute. We will be working with the business community to develop means of making sure this is effectively distributed.

The staff within Community Safety and across the Council have been working hard promoting the scheme, and thankfully now deadlines for the spend have been moved back to later this summer, will be doing more work to ensure as many of the people who can apply for this funding take advantage of it.”

### **Supplementary Question from Councillor G. P. Handley**

Nottinghamshire County Council and partners are in the process of developing flood defence schemes. Will the District Council consider providing an amount of grant funding for flood defence schemes across the District as and when proposals come forward?

### **Reply from Councillor R.B. Laughton:**

The District Council would be making funding available through the budgetary process. Nottinghamshire County Council would also make funding allocations available as part of their medium term financial strategy. It was essential that funds were available for communities affected by flooding throughout the District.

### **QUESTION TWO**

### **Question from Councillor J.E. Hamilton to the Chairman of the Homes & Communities Committee:**

“Bearing in mind that:

- 1) the number of affordable units delivered in NSDC has fallen in every year of this council’s term from 103 in 2010/11, to 81 units in 2011/12, to 74 units in 2012/13 and to 63 units in 2013/14;
- 2) the Growth point minimum affordable housing is reduced from 505 to 265;
- 3) there is a shortage of 221 affordable units per annum (per Housing Market & Needs Assessment 2014 - page 3); and
- 4) the report suggested size targets of 40% one and 30% two bedroomed units (above page)

Will this Council now begin to take this matter seriously, and:

1. Direct the planning department to use the appropriate number and mix of affordable housing on each housing development wherever possible; and
2. Log the achievement of affordable houses agreed in the planning applications and to record a note of development by development delivery of affordable homes on a cumulative basis for review by the Homes and Communities Committee.”

### **Reply from Councillor R.B. Laughton:**

1. Direct the planning department to use the appropriate number and mix of affordable housing on each development wherever possible.

“In accordance Core Policies 1, 2 and 3 of the Council’s Local Development Framework Core Strategy the Council has prescribed its position on affordable housing delivery on qualifying developments across the district. The evidence for these policies was gained from the 2009 District Wide Housing Needs Survey delivered through the joint work of the Strategic Housing and Planning Policy Business Units.

The Policies provide guidance on:

- The qualifying thresholds for affordable housing provision.
- Number of affordable housing units required on site (30% on qualifying sites)
- Type of units

- Tenure mix
- Design and layout, including pepper potting
- Occupancy and nominations
- Local connection
- Phasing of the affordable housing as part of the overall scheme

Set against these policies the Strategic Housing Business Unit responds to all planning applications that qualify for affordable housing, which is done in consultation with the Development Management Business Unit. This response is reported to the Planning Committee for consideration, along with the Committee assessing the delivery of all other contributions and the overall viability of the development.

It is also important to understand that securing affordable housing is set within the context of national planning policy. This includes the National Planning Policy Framework which requires Local Planning Authorities to take into account the viability of schemes when negotiating planning contributions, including affordable housing. Furthermore the Government has introduced new appeal rights for applicants in relation to affordable housing. Applicants can seek to vary affordable housing contributions at any time with the Local Planning Authority, if no agreement on variation can be agreed the applicant has a right of appeal.

The Core Strategy is scheduled for a review in 2015 and all housing policies, including those covering affordable housing, will be appraised in accordance with the findings of the 2014 Housing Market and Needs Assessment, lettings information from the Councils housing register, local parish housing need surveys and subject to a whole plan viability assessment in line with the latest government guidance.”

2. Log the achievement of affordable houses agreed in the planning applications and to record a note of development by development delivery of affordable homes on a cumulative basis for review by the Homes and Communities Committee.

“The Planning Policy Business Unit records all matters relating to affordable housing delivery through the statutory annual monitoring returns. The Strategic Housing Business Unit records all affordable housing delivery by number, provider, unit type, tenure and location and whether delivered through a S106 or on a 100% affordable housing scheme. All affordable housing delivery is recorded on the Council’s Covalent system and is to be reported annually to the Homes and Communities Committee.”

### **Supplementary Question from Councillor J. Hamilton**

Will the Council consider an intervention to increase the amount of affordable housing available in the District?

### **Reply from Councillor B. Laughton**

To illustrate the Councils performance, between 2010/11 and 2013/14 the Council delivered 70% more affordable housing than our nearest statistical neighbour.

### **QUESTION THREE**

#### **Question from Councillor J.E. Hamilton to the Chairman of the Policy & Finance Committee:**

“There is a concern that in a time of austerity this council is committing itself to large capital spend which will have to be paid for by future generations.

Will the Council or CFO please identify the Capital Costs to which this Council is likely to be committed for the following projects as currently estimated and state over what term these are expected to be repaid and at what cost?

Replacement for Grove Leisure Centre  
Sports HUB  
Civil War Centre  
Upgrading & integration of Palace Theatre  
Newark Castle Gatehouse  
New Replacement for Kelham Hall”

#### **Reply from Councillor R.V. Blaney:**

“The Council’s proposed capital programme for the next 5 years will be considered by Council at the Council Tax setting meeting on 10<sup>th</sup> March. This will include all approved capital schemes and their associated capital expenditure and the financing of the programme.

Although capital programme proposals for individual schemes always include the impact of financing the scheme, once the programme has been approved it is capital expenditure as a whole that is financed rather than individual schemes.”

### **QUESTION FOUR**

#### **Question from Councillor G.P. Handley to the Chairman of the Planning Committee:**

“Southwell Co-op on the Ropewalk lies within my Ward of Southwell North.

Does the Chairman of Planning Committee agree with me, that this Co-op's recently introduced car parking regime and charges are in breach of its planning conditions, which require this Authority's approval in writing before any changes are made? (Such conditions were placed, inter alia, to enable linked visits to the Town centre in the interest of Town centre viability and vitality, and also for occasional use e.g. drop-off of schoolchildren, subject to there being no abuse by long-term parkers).

Can the Chairman of Planning please confirm the process being followed to ensure a resolution of this breach, such that the original planning condition objectives are restored.

Does the Chairman of Planning agree that speed is of the essence in enforcing planning conditions, and also that it would be a useful gesture of goodwill if the Co-op were to make a payment to a local charity, as a form of recompense where charges have been collected from the public during the period of breach of the planning conditions?”

**Reply from Councillor D.R. Payne:**

“I agree with Councillor Handley that the Cooperative Society, in introducing new parking charges for their Southwell store car park, where in breach of planning condition 7 of their planning permission (Ref 99/0672/OUT). This condition stated that:

“The proposed new foodstore car park will be available for town centre shoppers and to parents dropping off and picking up children from school, this car park will be managed in accordance with the details contained in the applicants letter date the 30 November 1999, unless otherwise agreed in writing be the local planning authority”

Following Councillor Handley’s complaint the Council conducted an enforcement inquiry into the matter and discussed with the Cooperative Society the failure to seek permission in writing to amend the parking regime. These discussions have resulted in the Cooperative Society reverting to the agreed arrangements of 3 hours free parking at the Southwell Store. The District Council understands that the Cooperative Society wishes to maintain this regime rather than seeking to vary it.

I agree with Councillor Handley that in such cases speed is of the essence in resolving the issue; but another important element is to ensure a reasonable and proportionate response, seeking first to remedy the problem informally before seeking legal redress which must follow its own due process and timetable.

In terms of a charitable donation that is of course up to the Cooperative Society to make a judgement on the necessity of making recompense, however I’m sure that it would be appreciated by those affected.”

**Supplementary Question from Councillor G. P. Handley**

Does the Chairman of the Planning Committee agree that the formulation of planning and economic development policies in the District is important in maintaining the vitality and viability of the District?

**Reply from Councillor D.R. Payne:**

Yes, it is important to maintain the vitality and viability of all market towns in the District.



**REVENUE BUDGET AND COUNCIL TAX SETTING FOR 2015/16**

- 1.0 The Council is required by the Local Government Finance Act 1992 to set a Council Tax for 2015/2016.
- 2.0 The Council Tax Base for the Council, together with the Council Tax Base for all Parish Councils within the District and the Business Rates Base, have been determined in accordance with the regulations. These figures are shown in recommendation 2 of this report.
- 3.0 In setting the level of Council Tax for 2015/2016 it is necessary to consider the requirements of the Council Tax Collection Fund for 2015/2016. This incorporates the District Council's Council Tax Requirement, Parish Council Precepts, and the Council Tax requirements of Nottinghamshire County Council, the Nottinghamshire Police and Crime Commissioner and the Nottinghamshire Fire and Rescue Service.
- 4.0 The Policy Committee meeting held on the 25th February 2015, recommended that the District Council's Council Tax Requirement for 2015/2016, excluding Parish Council precepts, should be £12,491,810 as detailed in the Council's Budget Book for 2015/2016.
- 5.0 As part of the budget process, the views of the operational committees have been taken into account along with views of the Commercial Ratepayers through the statutory consultation.
- 6.0 The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 require that for authorities operating a Committee system, "immediately after any vote is taken at a budget decision meeting of an authority there must be recorded in the minutes of the proceeding of that meeting the names of the persons who cast a vote for the decision or against the decision or who abstained from voting". Members will be aware that this applies to all parts of Recommendation 3 a-j in this report.
- 7.0 All Parish Council precepts have now been received with the exception of Eglington and Laxton and Moorhouse which have been anticipated at last year's level following discussion with the parish chairs. Parish precepts total £2,487,688.27. Consequently the total Council Tax Requirement for the District Council is £14,979,498.17 (ie £12,491,810 plus £2,487,688.27) (see recommendation 3(c)). Individual Parish Council precepts are shown in the table below.

	PARISH	PRECEPT 2015-16 £
1	Alverton	-
2	Averham	*
3	Balderton	248,235.00
4	Barnby in the Willows	2,450.00
5	Bathley	1,365.00
6	Besthorpe	5,884.00
7	Bilsthorpe	57,150.00
8	Bleasby	10,500.00
9	Blidworth	68,460.00

	PARISH	PRECEPT 2015-16 £
10	Bulcote	3,000.00
11	Carlton-on-Trent	2,866.00
12	Cauntton	4,750.00
13	Caythorpe	1,600.00
14	Clipstone	87,750.00
15	Coddington	13,750.00
16	Collingham	23,195.00
17	Cotham	-
18	Cromwell	250.00
19	Eakring	3,600.00
20	East Stoke	****
21	Edingley	4,000.00
22	Edwinstowe	109,537.00
23	Egmanton	1,650.00
24	Elston	16,000.00
25	Epperstone	8,280.27
26	Farndon	51,000.00
27	Farnsfield	63,000.00
28	Fiskerton-cum-Morton	6,900.00
29	Girton and Meering	1,224.00
30	Gonalston	-
31	Grassthorpe	-
32	Gunthorpe	16,456.00
33	Halam	7,500.00
34	Halloughton	350.00
35	Harby	2,987.00
36	Hawton	1,250.00
37	Hockerton	850.00
38	Holme	-
39	Hoveringham	11,865.00
40	Kelham	*
41	Kersall	**
42	Kilvington	-
43	Kirklington	4,700.00
44	Kirton	5,000.00
45	Kneesall	**
46	Langford	***
47	Laxton & Moorhouse	3,600.00
48	Lowdham	65,616.00
49	Lyndhurst	-
50	Maplebeck	-
51	Meering	-
52	Newark	801,913.00
53	North Clifton	950.00
54	North Muskham	15,495.00



	PARISH	PRECEPT 2015-16 £
55	Norwell	4,385.00
56	Ollerton and Boughton	298,950.00
57	Ompton	**
58	Ossington	-
59	Oxton	9,000.00
60	Perlethorpe-cum-Budby	1,360.00
61	Rainworth	52,500.00
62	Rolleston	6,250.00
63	Rufford	3,450.00
64	South Clifton	1,030.00
65	South Muskham	8,875.00
66	South Scarle	3,650.00
67	Southwell	197,761.00
68	Spalford	-
69	Staunton	-
70	Staythorpe	*
71	Sutton-on-Trent	21,288.00
72	Syerston	900.00
73	Thorney	2,040.00
74	Thorpe	****
75	Thurgarton	5,740.00
76	Upton	6,269.00
77	Walesby	31,000.00
78	Wellow	5,010.00
79	Weston	3,120.00
80	Wigsley	-
81	Winkburn	-
82	Winthorpe	***
83	Fernwood	65,361.00
84	Kings Clipstone	9,500.00

**PARISHES GROUPED FOR PRECEPT PURPOSES**

*	Averham, Kelham, Staythorpe	3,000.00
**	Kneesall, Kersall, Ompton	2,192.00
***	Winthorpe, Langford	8,129.00
****	East Stoke, Thorpe	2,000.00
	<b>Total</b>	<b>2,487,688.27</b>

8.0 The Government Grant and net retained Business Rates form part of the District Council's General Fund, and are not part of the Collection Fund. These amounts total £6,581,622 for 2015/16 and are shown as recommendation 3(d).

- 9.0 In setting the level of Council Tax for 2015/2016, it is necessary to assess if any adjustment is necessary due to the level of Council Tax collection prior to 2015/2016. This involves calculations according to the provisions of the Local Authorities (Funds)(England) Regulations 1992, as subsequently amended. The position of the Council Tax Collection Fund was examined on the 15th January, 2015, as required by the Regulations, and it is considered that no adjustment is necessary to the level of Council Tax for 2015/2016 in respect of the Council Tax Collection Fund.
- 10.0 This is shown at recommendation 3(e).
- 11.0 There are no District Council Special Expenses for 2015/2016. The amount shown in recommendation 3(g) of £2,487,688.27 for special items relates to Parish Precepts only.
- 12.0 The basic level of tax (ie the level of tax for Band D properties) for District Council Services in areas where no parish charge is levied is £160.73 as shown in recommendation 3(h).
- 13.0 Recommendation 3(i) shows the basic level of tax for Band D properties in each parish, including parish charges where appropriate.
- 14.0 The basic level of tax for Band D properties is then multiplied by the appropriate statutory factor for each valuation band in order to arrive at the level of tax for District and Parish services for each valuation band. The resulting figures are shown at recommendation 3(j).
- 15.0 These figures then have to be added to the level of tax set by Nottinghamshire County Council for the provision of its services. Nottinghamshire County Council has set a precept on Newark and Sherwood District Council's collection fund for 2015/2016 of £45,637,909.00, equivalent to a Band D Council Tax of £1,241.14. Council Tax figures for each Band are set out in recommendation 4.
- 16.0 The Nottinghamshire Police & Crime Commissioner has set a precept on Newark and Sherwood District Council's Collection fund for 2015/2016 of £6,486,397.34, equivalent to a Band D Council Tax of £176.40. Council Tax figures for each Band are set out in recommendation 5.
- 17.0 The Nottingham and Nottinghamshire Fire and Rescue Service (the "Combined Fire Authority") has proposed a precept on Newark and Sherwood District Council's Collection fund for 2015/2016 of £2,663,688.00, equivalent to a Band D Council Tax of £72.44. Council Tax figures for each Band are set out in recommendation 6.
- 18.0 The total recommended levels of Council Tax for 2015/2016 for each Council Tax valuation band in each parish is shown in recommendation 7.
- 19.0 The level of Council Tax for Newark and Sherwood District Council services only is:

**Valuation Band**

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46

This is the same level of Council Tax as for 2011/12, 2012/13, 2013/14, 2014/15 and therefore represents a freeze in the level of Council Tax.

20.0 From 2012/13, the Government replaced the former Council Tax Capping provisions with regulations requiring a Council Tax referendum to be held where a Council proposes a Council Tax increase in excess of a level set by the Secretary of State. For 2015/16, the level of Council Tax increase that would trigger a referendum has been set at 2.0%. Having carried out the necessary calculation, the Council's budget and Council Tax do not exceed the threshold and so do not trigger a referendum. This is reflected in recommendation 8.

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

**Valuation Band**

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,100.47	1,283.88	1,467.30	1,650.71	2,017.54	2,384.37	2,751.18	3,301.42

**22.0 RECOMMENDATIONS that:**

1. the revenue estimates for 2015/2016 and the medium term plan for 2015/16 to 2019/20, as submitted in the Council's Budget book be approved;
2. it be noted that the following amounts have been determined for the year 2015/2016 in accordance with regulations made under Section 31(B) of the Local Government Finance Act 1992:-

(a) 36,770.96 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) £38,522,066 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	22.97
2	Averham	109.89
3	Balderton	2,943.07
4	Barnby in the Willows	103.75
5	Bathley	118.21
6	Besthorpe	79.00
7	Bilsthorpe	834.47
8	Bleasby	381.74
9	Blidworth	1,055.44
10	Bulcote	136.42
11	Carlton-on-Trent	90.58

	<b>PARISH</b>	<b>TOTAL LOCAL TAX BASE</b>
12	Caunton	193.45
13	Caythorpe	136.92
14	Clipstone	1,118.20
15	Coddington	538.56
16	Collingham	1,063.36
17	Cotham	42.47
18	Cromwell	98.01
19	Eakring	172.36
20	East Stoke	53.46
21	Edingley	180.28
22	Edwinstowe	1,645.28
23	Egmanton	127.71
24	Elston	267.89
25	Epperstone	247.00
26	Farndon	794.77
27	Farnsfield	1,086.82
28	Fiskerton-cum-Morton	416.20
29	Girton and Meering	49.20
30	Gonalston	48.81
31	Grassthorpe	24.25
32	Gunthorpe	310.56
33	Halam	191.47
34	Halloughton	38.31
35	Harby	107.02
36	Hawton	33.26
37	Hockerton	73.75
38	Holme	38.91
39	Hoveringham	168.20
40	Kelham	84.45
41	Kersall	21.58
42	Kilvington	13.66
43	Kirklington	165.73
44	Kirton	113.16
45	Kneesall	89.50
46	Langford	40.99
47	Laxton & Moorhouse	113.65
48	Lowdham	985.35
49	Lyndhurst	6.93
50	Maplebeck	46.33
51	Meering	-
52	Newark	7,798.43
53	North Clifton	72.47
54	North Muskham	392.44
55	Norwell	208.99
56	Ollerton and Boughton	2,490.74
57	Ompton	21.88
58	Ossington	39.90

	PARISH	TOTAL LOCAL TAX BASE
59	Oxton	259.78
60	Perlethorpe-cum-Budby	73.46
61	Rainworth	1,732.80
62	Rolleston	149.29
63	Rufford	228.39
64	South Clifton	120.28
65	South Muskham	192.16
66	South Scarle	87.42
67	Southwell	2,785.76
68	Spalford	34.35
69	Staunton	26.73
70	Staythorpe	40.69
71	Sutton-on-Trent	489.75
72	Syerston	88.01
73	Thorney	95.04
74	Thorpe	33.86
75	Thurgarton	218.49
76	Upton	183.05
77	Walesby	414.31
78	Wellow	191.07
79	Weston	129.29
80	Wigsley	44.15
81	Winkburn	30.10
82	Winthorpe	283.44
83	Fernwood	870.90
84	Kings Clipstone	120.19
	Total Rounded	36,770.96

**PARISHES GROUPED FOR PRECEPT PURPOSES**

	Averham, Kelham, Staythorpe	235.03
	Kneesall, Kersall, Ompton	132.96
	Winthorpe, Langford	324.43
	East Stoke, Thorpe	87.32

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

- 3. that the following amounts be now calculated by the Council for the year 2015/2016 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:-**

- (a) **£85,162,858.27** 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) **£70,183,360.00** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act;
- (c) **£14,979,498.27** 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) **£6,581,622.00** being the amount of Revenue Support Grant (£2,623,636) and net retained Business Rates (£3,957,986) which the Council estimates will be payable for the year into its general fund
- (e) **£0.00** being the amount which the Council has estimated in accordance with regulations issued under Section 97(3) of the Local Government Finance Act 1988 as its proportion of the surplus on the Council Tax Collection Fund;
- (f) **£228.38** being the amount at 3(c) above less the amount at 3(d) above less the amount at 3(e) above all divided by the amount at 2(a) above calculated by the Council in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year;
- (g) **£2,487,688.27** being the aggregate amount of all special items referred to in Section 34(1) of the Act, the Council resolves there being no other special items;
- (h) **£160.73** being the amount at 3(f) above less the result given by dividing the amount at 3(g) above by the amount at 2(a) above, calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.;

(i)

	PARISH	BASIC TAX (£)
1	Alverton	<b>160.73</b>
2	Averham	*
3	Balderton	<b>245.08</b>
4	Barnby in the Willows	<b>184.34</b>
5	Bathley	<b>172.28</b>
6	Besthorpe	<b>235.21</b>

	<b>PARISH</b>	<b>BASIC TAX (£)</b>
7	Bilsthorpe	<b>229.22</b>
8	Bleasby	<b>188.24</b>
9	Blidworth	<b>225.59</b>
10	Bulcote	<b>182.72</b>
11	Carlton-on-Trent	<b>192.37</b>
12	Caunton	<b>185.28</b>
13	Caythorpe	<b>172.42</b>
14	Clipstone	<b>239.20</b>
15	Coddington	<b>186.26</b>
16	Collingham	<b>182.54</b>
17	Cotham	<b>160.73</b>
18	Cromwell	<b>163.28</b>
19	Eakring	<b>181.62</b>
20	East Stoke	<b>****</b>
21	Edingley	<b>182.92</b>
22	Edwinstowe	<b>227.31</b>
23	Egmanton	<b>173.65</b>
24	Elston	<b>220.46</b>
25	Epperstone	<b>194.25</b>
26	Farndon	<b>224.90</b>
27	Farnsfield	<b>218.70</b>
28	Fiskerton-cum-Morton	<b>177.31</b>
29	Girton and Meering	<b>185.61</b>
30	Gonalston	<b>160.73</b>
31	Grassthorpe	<b>160.73</b>
32	Gunthorpe	<b>213.72</b>
33	Halam	<b>199.90</b>
34	Halloughton	<b>169.87</b>
35	Harby	<b>188.64</b>
36	Hawton	<b>198.31</b>
37	Hockerton	<b>172.26</b>
38	Holme	<b>160.73</b>
39	Hoveringham	<b>231.27</b>
40	Kelham	<b>*</b>
41	Kersall	<b>**</b>
42	Kilvington	<b>160.73</b>
43	Kirklington	<b>189.09</b>
44	Kirton	<b>204.92</b>
45	Kneesall	<b>**</b>
46	Langford	<b>***</b>
47	Laxton & Moorhouse	<b>192.41</b>
48	Lowdham	<b>227.32</b>
49	Lyndhurst	<b>160.73</b>
50	Maplebeck	<b>160.73</b>
51	Meering	<b>160.73</b>
52	Newark	<b>263.56</b>

	<b>PARISH</b>	<b>BASIC TAX (£)</b>
53	North Clifton	<b>173.84</b>
54	North Muskham	<b>200.21</b>
55	Norwell	<b>181.71</b>
56	Ollerton and Boughton	<b>280.75</b>
57	Ompton	<b>**</b>
58	Ossington	<b>160.73</b>
59	Oxton	<b>195.37</b>
60	Perlethorpe-cum-Budby	<b>179.24</b>
61	Rainworth	<b>191.03</b>
62	Rolleston	<b>202.59</b>
63	Rufford	<b>175.84</b>
64	South Clifton	<b>169.29</b>
65	South Muskham	<b>206.92</b>
66	South Scarle	<b>202.48</b>
67	Southwell	<b>231.72</b>
68	Spalford	<b>160.73</b>
69	Staunton	<b>160.73</b>
70	Staythorpe	<b>*</b>
71	Sutton-on-Trent	<b>204.20</b>
72	Syerston	<b>170.96</b>
73	Thorney	<b>182.19</b>
74	Thorpe	<b>****</b>
75	Thurgarton	<b>187.00</b>
76	Upton	<b>194.98</b>
77	Walesby	<b>235.55</b>
78	Wellow	<b>186.95</b>
79	Weston	<b>184.86</b>
80	Wigsley	<b>160.73</b>
81	Winkburn	<b>160.73</b>
82	Winthorpe	<b>***</b>
83	Fernwood	<b>235.78</b>
84	Kings Clipstone	<b>239.77</b>

**PARISHES GROUPED FOR PRECEPT PURPOSES**

	<b>Parish</b>	<b>Basic Tax (£)</b>
<b>*</b>	Averham, Kelham, Staythorpe	<b>173.49</b>
<b>**</b>	Kneesall, Kersall, Ompton	<b>177.22</b>
<b>***</b>	Winthorpe, Langford	<b>185.79</b>
<b>****</b>	East Stoke, Thorpe	<b>183.63</b>

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

Recommendation 3(j) shows the basic level of tax for all property Bands in each parish, including parish charges where appropriate. This is shown on the following two pages.



## 3(j)

Part of the Council's area, being the Parishes of:-		Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
		£	£	£	£	£	£	£	£
1	Alverton	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
2	Averham	*	*	*	*	*	*	*	*
3	Balderton	163.39	190.62	217.85	245.08	299.54	354.00	408.47	490.16
4	Barnby in the Willows	122.89	143.38	163.86	184.34	225.30	266.27	307.23	368.68
5	Bathley	114.85	134.00	153.14	172.28	210.56	248.85	287.13	344.56
6	Besthorpe	156.81	182.94	209.08	235.21	287.48	339.75	392.02	470.42
7	Bilsthorpe	152.81	178.28	203.75	229.22	280.16	331.10	382.03	458.44
8	Bleasby	125.49	146.41	167.32	188.24	230.07	271.90	313.73	376.48
9	Blidworth	150.39	175.46	200.52	225.59	275.72	325.85	375.98	451.18
10	Bulcote	121.81	142.12	162.42	182.72	223.32	263.93	304.53	365.44
11	Carlton-on-Trent	128.25	149.62	171.00	192.37	235.12	277.87	320.62	384.74
12	Caunton	123.52	144.11	164.69	185.28	226.45	267.63	308.80	370.56
13	Caythorpe	114.95	134.10	153.26	172.42	210.74	249.05	287.37	344.84
14	Clipstone	159.47	186.04	212.62	239.20	292.36	345.51	398.67	478.40
15	Coddington	124.17	144.87	165.56	186.26	227.65	269.04	310.43	372.52
16	Collingham	121.69	141.98	162.26	182.54	223.10	263.67	304.23	365.08
17	Cotham	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
18	Cromwell	108.85	127.00	145.14	163.28	199.56	235.85	272.13	326.56
19	Eakring	121.08	141.26	161.44	181.62	221.98	262.34	302.70	363.24
20	East Stoke	****	****	****	****	****	****	****	****
21	Edingley	121.95	142.27	162.60	182.92	223.57	264.22	304.87	365.84
22	Edwinstowe	151.54	176.80	202.05	227.31	277.82	328.34	378.85	454.62
23	Egmanton	115.77	135.06	154.36	173.65	212.24	250.83	289.42	347.30
24	Elston	146.97	171.47	195.96	220.46	269.45	318.44	367.43	440.92
25	Epperstone	129.50	151.08	172.67	194.25	237.42	280.58	323.75	388.50
26	Farndon	149.93	174.92	199.91	224.90	274.88	324.86	374.83	449.80
27	Farnsfield	145.80	170.10	194.40	218.70	267.30	315.90	364.50	437.40
28	Fiskerton-cum-Morton	118.21	137.91	157.61	177.31	216.71	256.11	295.52	354.62
29	Girton	123.74	144.36	164.99	185.61	226.86	268.10	309.35	371.22
30	Gonalston	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
31	Grassthorpe	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
32	Gunthorpe	142.48	166.23	189.97	213.72	261.21	308.71	356.20	427.44
33	Halam	133.27	155.48	177.69	199.90	244.32	288.74	333.17	399.80
34	Halloughton	113.25	132.12	151.00	169.87	207.62	245.37	283.12	339.74

35	Harby	125.76	146.72	167.68	188.64	230.56	272.48	314.40	377.28
36	Hawton	132.21	154.24	176.28	198.31	242.38	286.45	330.52	396.62
37	Hockerton	114.84	133.98	153.12	172.26	210.54	248.82	287.10	344.52
38	Holme	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
39	Hoveringham	154.18	179.88	205.57	231.27	282.66	334.06	385.45	462.54
40	Kelham	*	*	*	*	*	*	*	*
41	Kersall	**	**	**	**	**	**	**	**
42	Kilvington	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
43	Kirklington	126.06	147.07	168.08	189.09	231.11	273.13	315.15	378.18
44	Kirton	136.61	159.38	182.15	204.92	250.46	296.00	341.53	409.84
45	Kneesall	**	**	**	**	**	**	**	**
46	Langford	***	***	***	***	***	***	***	***
47	Laxton & Moorhouse	128.27	149.65	171.03	192.41	235.17	277.93	320.68	384.82
48	Lowdham	151.55	176.80	202.06	227.32	277.84	328.35	378.87	454.64
49	Lyndhurst	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
50	Maplebeck	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
51	Meering	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
52	Newark	175.71	204.99	234.28	263.56	322.13	380.70	439.27	527.12
53	North Clifton	115.89	135.21	154.52	173.84	212.47	251.10	289.73	347.68
54	North Muskham	133.47	155.72	177.96	200.21	244.70	289.19	333.68	400.42
55	Norwell	121.14	141.33	161.52	181.71	222.09	262.47	302.85	363.42
56	Ollerton and Boughton	187.17	218.36	249.56	280.75	343.14	405.53	467.92	561.50
57	Ompton	**	**	**	**	**	**	**	**
58	Ossington	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
59	Oxton	130.25	151.95	173.66	195.37	238.79	282.20	325.62	390.74
60	Perlethorpe-cum-Budby	119.49	139.41	159.32	179.24	219.07	258.90	298.73	358.48
61	Rainworth	127.35	148.58	169.80	191.03	233.48	275.93	318.38	382.06
62	Rolleston	135.06	157.57	180.08	202.59	247.61	292.63	337.65	405.18
63	Rufford	117.23	136.76	156.30	175.84	214.92	253.99	293.07	351.68
64	South Clifton	112.86	131.67	150.48	169.29	206.91	244.53	282.15	338.58
65	South Muskham	137.95	160.94	183.93	206.92	252.90	298.88	344.87	413.84
66	South Scarle	134.99	157.48	179.98	202.48	247.48	292.47	337.47	404.96
67	Southwell	154.48	180.23	205.97	231.72	283.21	334.71	386.20	463.44
68	Spalford	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
69	Staunton	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
70	Staythorpe	*	*	*	*	*	*	*	*
71	Sutton-on-Trent	136.13	158.82	181.51	204.20	249.58	294.96	340.33	408.40
72	Syerston	113.97	132.97	151.96	170.96	208.95	246.94	284.93	341.92
73	Thorney	121.46	141.70	161.95	182.19	222.68	263.16	303.65	364.38
74	Thorpe	****	****	****	****	****	****	****	****
75	Thurgarton	124.67	145.44	166.22	187.00	228.56	270.11	311.67	374.00

76	Upton	129.99	151.65	173.32	194.98	238.31	281.64	324.97	389.96
77	Walesby	157.03	183.21	209.38	235.55	287.89	340.24	392.58	471.10
78	Wellow	124.63	145.41	166.18	186.95	228.49	270.04	311.58	373.90
79	Weston	123.24	143.78	164.32	184.86	225.94	267.02	308.10	369.72
80	Wigsley	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
81	Winkburn	107.15	125.01	142.87	160.73	196.45	232.17	267.88	321.46
82	Winthorpe	***	***	***	***	***	***	***	***
83	Fernwood	157.19	183.38	209.58	235.78	288.18	340.57	392.97	471.56
84	Kings Clipstone	159.85	186.49	213.13	239.77	293.05	346.33	399.62	479.54

Parishes joint for Precept purposes

*	Averham, Kelham, Staythorpe	115.66	134.94	154.21	173.49	212.04	250.60	289.15	346.98
**	Kneesall, Kersall, Ompton	118.15	137.84	157.53	177.22	216.60	255.98	295.37	354.44
** *	Winthorpe, Langford	123.86	144.50	165.15	185.79	227.08	268.36	309.65	371.58
** **	East Stoke, Thorpe	122.42	142.82	163.23	183.63	224.44	265.24	306.05	367.26

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 2015/2016 that the Nottinghamshire County Council has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below;

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£	£	£	£	£	£	£	£
827.43	965.33	1,103.24	1,241.14	1,516.95	1,792.76	2,068.57	2,482.28

5. it be noted for the year 2015/2016 that the Nottinghamshire Police and Crime Commissioner has stated the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below;

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£	£	£	£	£	£	£	£
117.60	137.20	156.80	176.40	215.60	254.80	294.00	352.80

6. it be noted for the year 2015/2016 that the Nottinghamshire Fire and Rescue Service has proposed the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below; and

Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
£	£	£	£	£	£	£	£
48.29	56.34	64.39	72.44	88.54	104.64	120.73	144.88

7. having calculated the aggregate in each case of the amounts at 3(j) and 4, 5 and 6 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amount of Council Tax for the year 2015/2016 for each of the categories of dwellings shown on the following pages:

Recommendation 7								
Part of the Council's area, being the Parishes of:-	Band A	Band B	Band C	<b>Band D</b>	Band E	Band F	Band G	Band H

		£	£	£	£	£	£	£	£
1	Alverton	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
2	Averham	1,108.98	1,293.81	1,478.64	<b>1,663.47</b>	2,033.13	2,402.80	2,772.45	3,326.94
3	Balderton	1,156.71	1,349.49	1,542.28	<b>1,735.06</b>	2,120.63	2,506.20	2,891.77	3,470.12
4	Barnby in the Willows	1,116.21	1,302.25	1,488.29	<b>1,674.32</b>	2,046.39	2,418.47	2,790.53	3,348.64
5	Bathley	1,108.17	1,292.87	1,477.57	<b>1,662.26</b>	2,031.65	2,401.05	2,770.43	3,324.52
6	Besthorpe	1,150.13	1,341.81	1,533.51	<b>1,725.19</b>	2,108.57	2,491.95	2,875.32	3,450.38
7	Bilsthorpe	1,146.13	1,337.15	1,528.18	<b>1,719.20</b>	2,101.25	2,483.30	2,865.33	3,438.40
8	Bleasby	1,118.81	1,305.28	1,491.75	<b>1,678.22</b>	2,051.16	2,424.10	2,797.03	3,356.44
9	Blidworth	1,143.71	1,334.33	1,524.95	<b>1,715.57</b>	2,096.81	2,478.05	2,859.28	3,431.14
10	Bulcote	1,115.13	1,300.99	1,486.85	<b>1,672.70</b>	2,044.41	2,416.13	2,787.83	3,345.40
11	Carlton-on-Trent	1,121.57	1,308.49	1,495.43	<b>1,682.35</b>	2,056.21	2,430.07	2,803.92	3,364.70
12	Caunton	1,116.84	1,302.98	1,489.12	<b>1,675.26</b>	2,047.54	2,419.83	2,792.10	3,350.52
13	Caythorpe	1,108.27	1,292.97	1,477.69	<b>1,662.40</b>	2,031.83	2,401.25	2,770.67	3,324.80
14	Clipstone	1,152.79	1,344.91	1,537.05	<b>1,729.18</b>	2,113.45	2,497.71	2,881.97	3,458.36
15	Coddington	1,117.49	1,303.74	1,489.99	<b>1,676.24</b>	2,048.74	2,421.24	2,793.73	3,352.48
16	Collingham	1,115.01	1,300.85	1,486.69	<b>1,672.52</b>	2,044.19	2,415.87	2,787.53	3,345.04
17	Cotham	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
18	Cromwell	1,102.17	1,285.87	1,469.57	<b>1,653.26</b>	2,020.65	2,388.05	2,755.43	3,306.52
19	Eakring	1,114.40	1,300.13	1,485.87	<b>1,671.60</b>	2,043.07	2,414.54	2,786.00	3,343.20
20	East Stoke	1,115.74	1,301.69	1,487.66	<b>1,673.61</b>	2,045.53	2,417.44	2,789.35	3,347.22
21	Edingley	1,115.27	1,301.14	1,487.03	<b>1,672.90</b>	2,044.66	2,416.42	2,788.17	3,345.80
22	Edwinstowe	1,144.86	1,335.67	1,526.48	<b>1,717.29</b>	2,098.91	2,480.54	2,862.15	3,434.58
23	Egmanton	1,109.09	1,293.93	1,478.79	<b>1,663.63</b>	2,033.33	2,403.03	2,772.72	3,327.26
24	Elston	1,140.29	1,330.34	1,520.39	<b>1,710.44</b>	2,090.54	2,470.64	2,850.73	3,420.88
25	Epperstone	1,122.82	1,309.95	1,497.10	<b>1,684.23</b>	2,058.51	2,432.78	2,807.05	3,368.46

26	Farndon	1,143.25	1,333.79	1,524.34	<b>1,714.88</b>	2,095.97	2,477.06	2,858.13	3,429.76
27	Farnsfield	1,139.12	1,328.97	1,518.83	<b>1,708.68</b>	2,088.39	2,468.10	2,847.80	3,417.36
28	Fiskerton-cum-Morton	1,111.53	1,296.78	1,482.04	<b>1,667.29</b>	2,037.80	2,408.31	2,778.82	3,334.58
29	Girton	1,117.06	1,303.23	1,489.42	<b>1,675.59</b>	2,047.95	2,420.30	2,792.65	3,351.18
30	Gonalston	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
31	Grassthorpe	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
32	Gunthorpe	1,135.80	1,325.10	1,514.40	<b>1,703.70</b>	2,082.30	2,460.91	2,839.50	3,407.40
33	Halam	1,126.59	1,314.35	1,502.12	<b>1,689.88</b>	2,065.41	2,440.94	2,816.47	3,379.76
34	Halloughton	1,106.57	1,290.99	1,475.43	<b>1,659.85</b>	2,028.71	2,397.57	2,766.42	3,319.70
35	Harby	1,119.08	1,305.59	1,492.11	<b>1,678.62</b>	2,051.65	2,424.68	2,797.70	3,357.24
36	Hawton	1,125.53	1,313.11	1,500.71	<b>1,688.29</b>	2,063.47	2,438.65	2,813.82	3,376.58
37	Hockerton	1,108.16	1,292.85	1,477.55	<b>1,662.24</b>	2,031.63	2,401.02	2,770.40	3,324.48
38	Holme	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
39	Hoveringham	1,147.50	1,338.75	1,530.00	<b>1,721.25</b>	2,103.75	2,486.26	2,868.75	3,442.50
40	Kelham	1,108.98	1,293.81	1,478.64	<b>1,663.47</b>	2,033.13	2,402.80	2,772.45	3,326.94
41	Kersall	1,111.47	1,296.71	1,481.96	<b>1,667.20</b>	2,037.69	2,408.18	2,778.67	3,334.40
42	Kilvington	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
43	Kirklington	1,119.38	1,305.94	1,492.51	<b>1,679.07</b>	2,052.20	2,425.33	2,798.45	3,358.14
44	Kirton	1,129.93	1,318.25	1,506.58	<b>1,694.90</b>	2,071.55	2,448.20	2,824.83	3,389.80
45	Kneesall	1,111.47	1,296.71	1,481.96	<b>1,667.20</b>	2,037.69	2,408.18	2,778.67	3,334.40
46	Langford	1,117.18	1,303.37	1,489.58	<b>1,675.77</b>	2,048.17	2,420.56	2,792.95	3,351.54
47	Laxton & Moorhouse	1,121.59	1,308.52	1,495.46	<b>1,682.39</b>	2,056.26	2,430.13	2,803.98	3,364.78
48	Lowdham	1,144.87	1,335.67	1,526.49	<b>1,717.30</b>	2,098.93	2,480.55	2,862.17	3,434.60
49	Lyndhurst	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
50	Maplebeck	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
51	Meering	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
52	Newark	1,169.03	1,363.86	1,558.71	<b>1,753.54</b>	2,143.22	2,532.90	2,922.57	3,507.08
53	North Clifton	1,109.21	1,294.08	1,478.95	<b>1,663.82</b>	2,033.56	2,403.30	2,773.03	3,327.64
54	North Muskham	1,126.79	1,314.59	1,502.39	<b>1,690.19</b>	2,065.79	2,441.39	2,816.98	3,380.38
55	Norwell	1,114.46	1,300.20	1,485.95	<b>1,671.69</b>	2,043.18	2,414.67	2,786.15	3,343.38
56	Ollerton and Boughton	1,180.49	1,377.23	1,573.99	<b>1,770.73</b>	2,164.23	2,557.73	2,951.22	3,541.46
57	Ompton	1,111.47	1,296.71	1,481.96	<b>1,667.20</b>	2,037.69	2,408.18	2,778.67	3,334.40
58	Ossington	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
59	Oxton	1,123.57	1,310.82	1,498.09	<b>1,685.35</b>	2,059.88	2,434.40	2,808.92	3,370.70
60	Perlethorpe-cum-Budby	1,112.81	1,298.28	1,483.75	<b>1,669.22</b>	2,040.16	2,411.10	2,782.03	3,338.44
61	Rainworth	1,120.67	1,307.45	1,494.23	<b>1,681.01</b>	2,054.57	2,428.13	2,801.68	3,362.02
62	Rolleston	1,128.38	1,316.44	1,504.51	<b>1,692.57</b>	2,068.70	2,444.83	2,820.95	3,385.14
63	Rufford	1,110.55	1,295.63	1,480.73	<b>1,665.82</b>	2,036.01	2,406.19	2,776.37	3,331.64
64	South Clifton	1,106.18	1,290.54	1,474.91	<b>1,659.27</b>	2,028.00	2,396.73	2,765.45	3,318.54
65	South Muskham	1,131.27	1,319.81	1,508.36	<b>1,696.90</b>	2,073.99	2,451.08	2,828.17	3,393.80
66	South Scarle	1,128.31	1,316.35	1,504.41	<b>1,692.46</b>	2,068.57	2,444.67	2,820.77	3,384.92
67	Southwell	1,147.80	1,339.10	1,530.40	<b>1,721.70</b>	2,104.30	2,486.91	2,869.50	3,443.40
68	Spalford	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
69	Staunton	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42

70	Staythorpe	1,108.98	1,293.81	1,478.64	<b>1,663.47</b>	2,033.13	2,402.80	2,772.45	3,326.94
71	Sutton-on-Trent	1,129.45	1,317.69	1,505.94	<b>1,694.18</b>	2,070.67	2,447.16	2,823.63	3,388.36
72	Syerston	1,107.29	1,291.84	1,476.39	<b>1,660.94</b>	2,030.04	2,399.14	2,768.23	3,321.88
73	Thorney	1,114.78	1,300.57	1,486.38	<b>1,672.17</b>	2,043.77	2,415.36	2,786.95	3,344.34
74	Thorpe	1,115.74	1,301.69	1,487.66	<b>1,673.61</b>	2,045.53	2,417.44	2,789.35	3,347.22
75	Thurgarton	1,117.99	1,304.31	1,490.65	<b>1,676.98</b>	2,049.65	2,422.31	2,794.97	3,353.96
76	Upton	1,123.31	1,310.52	1,497.75	<b>1,684.96</b>	2,059.40	2,433.84	2,808.27	3,369.92
77	Walesby	1,150.35	1,342.08	1,533.81	<b>1,725.53</b>	2,108.98	2,492.44	2,875.88	3,451.06
78	Wellow	1,117.95	1,304.28	1,490.61	<b>1,676.93</b>	2,049.58	2,422.24	2,794.88	3,353.86
79	Weston	1,116.56	1,302.65	1,488.75	<b>1,674.84</b>	2,047.03	2,419.22	2,791.40	3,349.68
80	Wigsley	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
81	Winkburn	1,100.47	1,283.88	1,467.30	<b>1,650.71</b>	2,017.54	2,384.37	2,751.18	3,301.42
82	Winthorpe	1,117.18	1,303.37	1,489.58	<b>1,675.77</b>	2,048.17	2,420.56	2,792.95	3,351.54
83	Fernwood	1,150.51	1,342.25	1,534.01	<b>1,725.76</b>	2,109.27	2,492.77	2,876.27	3,451.52
84	Kings Clipstone	1,153.17	1,345.36	1,537.56	<b>1,729.75</b>	2,114.14	2,498.53	2,882.92	3,459.50

Parishes joint for Precept purposes

*	Averham, Kelham, Staythorpe	1,108.98	1,293.81	1,478.64	<b>1,663.47</b>	2,033.13	2,402.80	2,772.45	3,326.94
**	Kneesall, Kersall, Ompton	1,111.47	1,296.71	1,481.96	<b>1,667.20</b>	2,037.69	2,408.18	2,778.67	3,334.40
***	Winthorpe, Langford	1,117.18	1,303.37	1,489.58	<b>1,675.77</b>	2,048.17	2,420.56	2,792.95	3,351.54
*** *	East Stoke, Thorpe	1,115.74	1,301.69	1,487.66	<b>1,673.61</b>	2,045.53	2,417.44	2,789.35	3,347.22

- 8. determine that the Council's basic amount of council tax for 2015/16 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 2015/16. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2015/16 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.**

Background Papers

Local Government Finance Act 1992

Local Government Finance Act 2012

Localism Act 2012

Regulations and Directions issued annually under the above Acts

For further information please contact David Dickinson, Director - Resources, on 01636 655300.

R. V. Blaney  
Leader of the Council

D. Dickinson, BA CPFA  
Director - Resources

**CAPITAL PROGRAMME 2015/16 - 2019/20**

**1.0 Purpose of Report**

1.1 To approve the Council's Capital Programme 2015/16 to 2019/20.

**2.0 Background Information**

2.1 At its meeting on 25<sup>th</sup> February 2015 the Policy & Finance Committee considered the proposed Capital Programme for the period 2015/16 to 2019/20 and agreed to recommend it to the Council. A copy of the report which was considered is attached at Appendix 1 and it has been used to prepare the Capital Programme section of the budget booklet.

**3.0 Proposals**

3.1 Taking into account the resources available as set out in section 2.0 of Appendix 1 the Capital Programme 2015/16 to 2019/20 proposes investment of £62m (Housing Services £34m and General Fund £28m) over the 5 year period.

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

**4.0 RECOMMENDATIONS that:-**

- a) **the General Fund schemes shown in Appendix A, the housing services programme in Appendix B and the vehicles, plant and equipment replacement programme in Appendix C 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 2015/16 to 2019/20 be financed so as to maximise the resources available, having regard to the provisions of the Local Government and Housing Act 1989 and subsequent legislation;**
- d) **with effect from 11<sup>th</sup> March 2015, the appropriate Directors be authorised to incur expenditure in respect of all schemes included in the committed Capital Programme; and**
- e) **any changes above the limit delegated to the Section 151 Officer (i.e. £10,000), either in funding or the total cost of the capital scheme, be reported to the Policy and Finance Committee for consideration.**

Background Papers

Nil.

For further information please contact Jenna Norton, Accountant on 01636 655327.

D. Dickinson  
Director – Resources



**CAPITAL PROGRAMME 2015/16 TO 2019/20**

**1.0 Purpose of Report**

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

**2.0 Resources Available**

2.1 The current Capital Programme includes an estimate of the amount available from useable capital receipts over the period 2015/16 – 2019/2020 of £7.6m. After allocating the receipt from the sale of the Potterdyke car park to the Leisure Centre project, the remaining receipts are made up of accumulated Right to Buy council house sales, the sale of Kelham Hall and other sundry items.

2.2 In previous years the Council has budgeted for revenue support for external borrowing for capital schemes under the Prudential regime. However in line with the Council's current Treasury Strategy, wherever possible expenditure has been financed by temporarily 'borrowing' from internal reserves and balances. On reviewing finance available from this source it has been possible to identify further internal resources which can be used temporarily to finance capital expenditure.

2.3 A number of projects within the programme benefit from external funding, which is earmarked for these projects. These projects are listed below.

<b>Project</b>	<b>Funding</b>
25 Supported dwellings – Bilsthorpe	£1,558,850
2015-2018 Affordable Housing Developments	£1,963,132
Newark Leisure Centre	£2,562,117
National Civil War Centre/Town Trail	£4,143,833
Ollerton Hall acquisition and works	£100,000
Southern Link Road (Growth Point)	£2,500,000
<b>Total</b>	<b>£12,827,932</b>

**3.0 Proposals**

**3.1 General Fund**

Proposals for the General Fund Capital Programme are attached at **Appendix A**. Schemes completed in the current year will be reported as part of the Outturn Report. The figures have been updated to include the proposals approved by Policy & Finance Committee on 4<sup>th</sup> December 2014. Indicative estimates of expenditure for new offices have also been included for financial planning purposes but financing has yet to be determined. Members are not being asked to approve the construction project at this stage. A total of £302,000 has already been approved for preparatory work.

### 3.2 Housing Revenue Account

#### **Asset Management**

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

The annual Asset Management Programme is informed by the HRA Asset Management Strategy, developed by the Company, the Strategy has gone through a recent refresh but no substantive changes have been to this. The development programme has been discussed and scrutinised by Council officers with the Company at the meeting of the Strategic Housing Liaison Panel on 17<sup>th</sup> September 2014. Relevant extracts of the report and minutes of the Panel meeting are at **Appendix E**.

The HRA property investment programme is attached at **Appendix B** for approval and is financed through provisions within the 30 year HRA Business Plan.

#### **Housing Growth**

The Committee approved at its meeting on 3<sup>rd</sup> July 2014 the approach the Council will take to housing growth on land in its ownership and through the additional finance now available within the self-financing HRA.

Set against the finances available and as already reported to the Committee at its meeting on 4<sup>th</sup> December 2014, in the Housing Growth report, a number of opportunities have been identified and categorised into short, medium and long term schemes. Two of which are included in Capital Programme, the remainder will be reported to the Committee for consideration in due course.

### 3.3 Transport, Plant, Equipment & Technology

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

A schedule of these assets, together with their planned replacement dates is shown at **Appendix C**.

In order to comply with financial regulations and the requirements of the leasing companies it is necessary for members to approve the replacement programme and to delegate the decision on method of financing to the Director – Resources.

### 4.0 Financing

4.1 Subject to the approval of the proposals outlined in section 3.0 above, the current proposals for their financing are shown at **Appendix D**.

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

## **5.0 RECOMMENDATION**

**It is recommended to Council on 10<sup>th</sup> March 2015 that:**

- a) the General Fund schemes shown in Appendix A, the housing services programme in Appendix B and the vehicles, plant and equipment replacement programme in Appendix C 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 2015/16 to 2019/20 be financed so as to maximise the resources available, having regard to the provisions of the Local Government and Housing Act 1989 and subsequent legislation;**
- d) with effect from 11<sup>th</sup> March 2015, the appropriate Directors be authorised to incur expenditure in respect of all schemes included in the committed Capital Programme; and**
- e) 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 Policy Committee for consideration.**

### **Reasons for Recommendations**

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

### **Background Papers**

Nil.

For further information please contact Jenna Norton on Ext 5327.

David Dickinson  
Director - Resources



APPENDIX A

GENERAL FUND	EXTERNAL FUNDING	NSDC COSTS	TOTAL SCHEME COST	BEFORE 2014/15	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
TA1211 Newark, New Leisure Centre	2,562,117	7,559,883	10,122,000	372,464	905,100	7,297,000	1,547,436			
TA1212 Bowbridge Road Residential Land	0	12,676	12,676	7,676	5,000					
TA1213 Purchase of Land - Sports Hub	0	65,000	65,000	4,954	60,046					
TA1214 Leisure Centre Access Road Enhancement	0	197,025	197,025	1,97,025	197,025					
TA3050 National Civil War Centre	3,643,833	1,844,231	5,488,064	1,002,032	4,405,032	81,000				
NCWC Other NCC funded expenditure	289,000	0	289,000	289,000	289,000					
TA3051 Newark Civil War Town Trail	211,000	0	211,000	211,000	211,000					
TA3052 Palace Theatre/Museum Integration	0	1,460,846	1,460,846	50,691	1,410,155					
TA3286 Information Technology Investment	17,642	1,108,589	1,126,231	179,961	0	513,270		0	433,000	0
<b>TA CUSTOMERS</b>	<b>6,723,592</b>	<b>12,248,250</b>	<b>18,971,842</b>	<b>1,387,126</b>	<b>6,302,855</b>	<b>8,788,155</b>	<b>2,060,706</b>	<b>0</b>	<b>433,000</b>	<b>0</b>
TB2250 Vehicles & Plant (NSH)	0	692,000	692,000	0	0	17,000	0	0	675,000	0
TB2253 Vehicles & Plant (NSDC)	114,048	2,880,385	2,994,433	568,223	392,140	1,266,070	558,000	78,000	132,000	2,132,595
TB3057 Maun Valley Phase II	60,000	0	60,000	57,226	2,774					
TB3154 Castle Gatehouse Project	40,000	20,000	60,000	60,000		60,000				
TB3158 Hawtonville School Playing Field	20,000	87,742	107,742	82,491	25,251					
TB3159 Humberstone Road Open Space, Southwell	54,837	0	54,837	41,323	13,514					
TB3252 Newark Castle Essential Works Ph I	111,101	204,140	315,241	303,347	11,894					
TB3263 Sconce & Devon Park Restoration Ph II	1,512,742	88,842	1,601,584	1,571,009	30,575					
TB6145 Grant to Farndon Sports Pavillion	43,099	178	43,277	10,719	32,558					
TB6146 Southwell, Nottingham Road Rugby Pitch	35,883	0	35,883	35,883	35,883					
TB6147 Contribution to Cycle Route Improvements	32,634	-7,634	25,000	25,000	25,000					
<b>TB COMMUNITY</b>	<b>2,024,344</b>	<b>3,965,653</b>	<b>5,989,997</b>	<b>2,634,338</b>	<b>569,589</b>	<b>1,343,070</b>	<b>558,000</b>	<b>78,000</b>	<b>807,000</b>	<b>2,132,595</b>
TC1000 New Council Offices	0	6,302,000	6,302,000	28,400	273,600	2,000,000	3,800,000	200,000		
TC2280 Ollerton Hall acquisition and works	100,000	250,000	350,000	35,365	314,635					
TC3282 Energy Saving Proposals	7,000	214,600	221,600	214,079	7,521					
<b>TC RESOURCES</b>	<b>107,000</b>	<b>6,766,600</b>	<b>6,873,600</b>	<b>277,844</b>	<b>595,756</b>	<b>2,000,000</b>	<b>3,800,000</b>	<b>200,000</b>	<b>0</b>	<b>0</b>
TE3267 Growth Point (Internally Funded)	0	449,121	449,121		449,121		85,000			
TE3268 Rural Broadband Provision	0	250,000	250,000		165,000					
Southern Link Road Contribution	2,105,674	394,326	2,500,000		2,500,000					
Newark Signage Strategy			106,500		106,500					
<b>TE GROWTH</b>	<b>2,105,674</b>	<b>1,093,447</b>	<b>3,305,621</b>	<b>0</b>	<b>0</b>	<b>3,220,621</b>	<b>85,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
TF3161 Balderton land drainage	9,105	2,895	12,000	2,895	9,105					
TF3222 Works to Willow Green Hostel	0	150,000	150,000	150,000	150,000					
TF6011 Private Sector Disabled Facilities Grants	0	0	0	379,509	379,509	465,000	465,000	465,000	465,000	465,000
<b>TF SAFETY</b>	<b>9,105</b>	<b>152,895</b>	<b>162,000</b>	<b>2,895</b>	<b>538,614</b>	<b>465,000</b>	<b>465,000</b>	<b>465,000</b>	<b>465,000</b>	<b>465,000</b>
<b>TOTAL GENERAL FUND</b>	<b>10,969,715</b>	<b>24,226,845</b>	<b>35,303,060</b>	<b>4,302,203</b>	<b>8,006,814</b>	<b>15,816,846</b>	<b>6,968,706</b>	<b>743,000</b>	<b>1,705,000</b>	<b>2,597,595</b>



## APPENDIX B

**HOUSING REVENUE ACCOUNT****PROPERTY INVESTMENT PROGRAMME**

		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
S91100	ROOF REPLACEMENTS	0	540,000	540,000	540,000	540,000	540,000
S91105	Chatham Court Roof Replacement	199,800					
S91106	Roof Replacements 2014/15	340,200					
<b>S711</b>	<b>ROOF REPLACEMENTS</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>
S91200	KITCHEN & BATHROOM CONVERSIONS	0	1,620,000	1,620,000	1,620,000	1,620,000	1,620,000
S91211	Kitchen and Bathrooms 14/15	1,296,000					
S91212	Kitchen and Bathrooms 14/15 Materials	324,000					
<b>S712</b>	<b>KITCHEN &amp; BATHROOM CONVERSIONS</b>	<b>1,620,000</b>	<b>1,620,000</b>	<b>1,620,000</b>	<b>1,620,000</b>	<b>1,620,000</b>	<b>1,620,000</b>
S91300	EXTERNAL FABRIC	132,780	378,000	378,000	378,000	378,000	378,000
S91314	External Wall Insulation	324,000	270,000	0	0	0	
S91318	External Fabric Repairs and Painting	68,040					
S91319	Plant room doors	6,160					
S91320	Bakewell House	108,380					
S91321	H454 Delacy Court Curtain Walling	6,480					
<b>S713</b>	<b>EXTERNAL FABRIC</b>	<b>645,840</b>	<b>648,000</b>	<b>378,000</b>	<b>378,000</b>	<b>378,000</b>	<b>378,000</b>
S91400	DOORS & WINDOWS	0	183,600	183,600	183,600	183,600	183,600
S91408	Door and Widow Replacements Supply 14/15	140,400					
S91409	Door and Widow Replacements Instal 14/15	43,200					
<b>S714</b>	<b>DOORS &amp; WINDOWS</b>	<b>183,600</b>	<b>183,600</b>	<b>183,600</b>	<b>183,600</b>	<b>183,600</b>	<b>183,600</b>
S91500	OTHER STRUCTURAL	0	54,000	54,000	54,000	54,000	54,000
S91510	Major Structural Works 14/15	56,160					
S91511	Walls Re-Rendering	54,000	54,000	54,000	54,000	54,000	54,000
<b>S715</b>	<b>OTHER STRUCTURAL</b>	<b>110,160</b>	<b>108,000</b>	<b>108,000</b>	<b>108,000</b>	<b>108,000</b>	<b>108,000</b>
S93100	ELECTRICAL	0	680,400	680,400	680,400	680,400	680,400
S93106	Rewires 2014/15	594,000					
S93107	Disturbance Allowance 2014/15	81,000					
S93108	Isolators 2014/15	5,400					
<b>S731</b>	<b>ELECTRICAL</b>	<b>680,400</b>	<b>680,400</b>	<b>680,400</b>	<b>680,400</b>	<b>680,400</b>	<b>680,400</b>
S93200	SMOKE ALARMS	0	0	0	0	0	0
S93204	Smoke Alarm Installations 14/15	162,000					
	Carbon Monoxide Detectors		0	270,000	270,000		
<b>S732</b>	<b>SMOKE ALARMS</b>	<b>162,000</b>	<b>0</b>	<b>270,000</b>	<b>270,000</b>	<b>0</b>	<b>0</b>
S93500	HEATING	0	594,000	594,000	594,000	594,000	594,000
S93506	Heating Replacements 2014/15	594,000					
<b>S735</b>	<b>HEATING</b>	<b>594,000</b>	<b>594,000</b>	<b>594,000</b>	<b>594,000</b>	<b>594,000</b>	<b>594,000</b>

**HOUSING REVENUE ACCOUNT**

		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
S93600	ENERGY EFFICIENCY	0	502,200	502,200	502,200	502,200	502,200
S93606	EE DOORS	102,600					
S93608	ENERGY EFFICIENT BOILERS	194,400					
S93609	LED PROJECT WILLIAM BAILEY HSE/THORESBY RD	54,000					
<b>S736</b>	<b>ENERGY EFFICIENCY</b>	<b>351,000</b>	<b>502,200</b>	<b>502,200</b>	<b>502,200</b>	<b>502,200</b>	<b>502,200</b>
S95100	GARAGE FORECOURTS	27,000	108,000	108,000	108,000	108,000	108,000
S95108	Resurfacing Work 14-15 Phase 1	70,200					
S95109	Garages	27,000	27,000	27,000	27,000	27,000	27,000
S95110	H457 Alexander Rd Car Park	10,800					
<b>S751</b>	<b>GARAGE FORECOURTS</b>	<b>135,000</b>	<b>135,000</b>	<b>135,000</b>	<b>135,000</b>	<b>135,000</b>	<b>135,000</b>
S95200	ENVIRONMENTAL WORKS	279,280	313,200	313,200	313,200	313,200	313,200
S95230	82 Millgate Environmental	2,700					
S95245	Grange Road Individual Access	38,340					
S95246	Boundary/Retaining Walls Ollerton	49,680					
S95247	Alliance Street Garage Site Impr H436	4,000					
S95248	Potwell Flood defence Scheme	30,240					
S95249	Fencing work Fosse Estate	8,320					
S95250	Communal Lighting	21,600	21,600	21,600	21,600	21,600	21,600
S95251	82 Millgate Flats Door Entry system	2,160					
S95255	H445 Boundary Wall Fencing	10,800					
S95256	Gaitskill Crescecent, Ewinstowe Boundary Walls	109,080					
S95257	Fencing - Burton Court, Bilsthorpe	37,800					
S95258	Fencing - Nightingale Close, Bilsthorpe	5,400					
	Flood Defence Systems	32,400	10,800	10,800	10,800	10,800	10,800
	Play Areas	27,000	27,000	27,000	27,000	27,000	27,000
	Estate Remodelling	0	162,000	162,000	162,000	162,000	162,000
<b>S752</b>	<b>ENVIRONMENTAL WORKS</b>	<b>658,800</b>	<b>534,600</b>	<b>534,600</b>	<b>534,600</b>	<b>534,600</b>	<b>534,600</b>
S97100	ASBESTOS	0	108,000	108,000	54,000	54,000	54,000
S97107	Abestos Removal 14/15	75,600					
S97108	Abestos Suveys 14/15	32,400					
<b>S771</b>	<b>ASBESTOS</b>	<b>108,000</b>	<b>108,000</b>	<b>108,000</b>	<b>54,000</b>	<b>54,000</b>	<b>54,000</b>
S97200	FIRE SAFETY	38,560	54,000	54,000	54,000	54,000	54,000
S97209	Vale View Fire Risk Assessment	860					
S97210	FRA Surveys 14/15	14,580					
S97211	Fire Doors Delacey Crt & William Bailey House	54,000					
<b>S772</b>	<b>FIRE SAFETY</b>	<b>108,000</b>	<b>54,000</b>	<b>54,000</b>	<b>54,000</b>	<b>54,000</b>	<b>54,000</b>
S97300	DDA IMPROVEMENTS	0	21,600	21,600	21,600	21,600	21,600
S97305	H422 DDA Kitchens 14/15	21,600					
<b>S773</b>	<b>DDA IMPROVEMENTS</b>	<b>21,600</b>	<b>21,600</b>	<b>21,600</b>	<b>21,600</b>	<b>21,600</b>	<b>21,600</b>
S97400	DISABLED ADAPTATIONS	0	432,000	432,000	432,000	432,000	432,000
S97407	Care Plans 2014/15	399,600					
S97408	OT1 minor adaptations 2014/15	32,400					
<b>S774</b>	<b>DISABLED ADAPTATIONS</b>	<b>432,000</b>	<b>432,000</b>	<b>432,000</b>	<b>432,000</b>	<b>432,000</b>	<b>432,000</b>
S97500	LEGIONELLA	0	16,200	32,400	32,400	32,400	32,400



**HOUSING REVENUE ACCOUNT****S791 UNALLOCATED FUNDING**S99100 UNALLOCATED FUNDING  
S99101 Grant Income**S791 UNALLOCATED FUNDING****SUB TOTAL PROPERTY INVESTMENT****AFFORDABLE HOUSING**SA1012 Buy-back of RTB Council Houses 36,500  
SA1013 25 supported dwellings - Bilsthorpe 2,330,141  
SA1014 Purchase of land at St Mary's Gardens 60,000  
SA1015 Affordable Rural Housing Grant 260,000  
SA1016 Site A - Wolfit Avenue, Balderton 0 381,984 42,450  
SA1017 Site B - Wolfit Avenue, Balderton 0 397,666 44,180  
SA1018 Coronation Street/Grove View Rd, Balderton 3,000 635,668 70,960  
SA1019 Lilac Close 0 846,415 95,000  
SA1020 Second Avenue, Edwinstowe 0 491,229 54,580**SUB TOTAL HOUSING REVENUE ACCOUNT**

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
<b>S791 UNALLOCATED FUNDING</b>	<b>0</b>	<b>16,200</b>	<b>32,400</b>	<b>32,400</b>	<b>32,400</b>	<b>32,400</b>
S99100 UNALLOCATED FUNDING	0	54,000	54,000	54,000	54,000	54,000
S99101 Grant Income						
<b>S791 UNALLOCATED FUNDING</b>	<b>0</b>	<b>54,000</b>	<b>54,000</b>	<b>54,000</b>	<b>54,000</b>	<b>54,000</b>
<b>SUB TOTAL PROPERTY INVESTMENT</b>	<b>6,350,400</b>	<b>6,231,600</b>	<b>6,247,800</b>	<b>6,193,800</b>	<b>5,923,800</b>	<b>5,923,800</b>
<b>AFFORDABLE HOUSING</b>						
SA1012 Buy-back of RTB Council Houses	36,500					
SA1013 25 supported dwellings - Bilsthorpe	2,330,141					
SA1014 Purchase of land at St Mary's Gardens	60,000					
SA1015 Affordable Rural Housing Grant	260,000					
SA1016 Site A - Wolfit Avenue, Balderton	0	381,984	42,450			
SA1017 Site B - Wolfit Avenue, Balderton	0	397,666	44,180			
SA1018 Coronation Street/Grove View Rd, Balderton	3,000	635,668	70,960			
SA1019 Lilac Close	0	846,415	95,000			
SA1020 Second Avenue, Edwinstowe	0	491,229	54,580			
	<b>2,689,641</b>	<b>2,752,962</b>	<b>307,170</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SUB TOTAL HOUSING REVENUE ACCOUNT</b>	<b>9,040,041</b>	<b>8,984,562</b>	<b>6,554,970</b>	<b>6,193,800</b>	<b>5,923,800</b>	<b>5,923,800</b>



VEHICLES, PLANT, EQUIPMENT & TECHNOLOGY

APPENDIX C

**NSDC**

**SCHEME**

**Leased Assets**

CC120902	Refuse vehicle
8808001067	Johnston VT650 Sweeper
8811001026	Trimax Mower
6611001006	4 Kubota mowers
99920034	2 Kubota mowers
8809001012	Massey Ferguson Tractor and Flail
8810001025	7 Refuse vehicles

**NSDC Leased Assets**

**Owned Assets**

E00010	Ransome Mower
E00020	Medical Truck
E00021	Street Sweeping Transit
E00022	Transit Van
E00023	Transit Van
E00024	Hit squad vehicle
E00025	Hit squad vehicle
E00026	Ford Ranger Pick-up
E00027	Ford Ranger - Grounds Maintenance
E00028	Transit Pickup - Grounds Maintenance
E00029	Ford Transit - Grounds Maintenance
E00030	Ford Transit - Grounds Maintenance
E00031	Dropside Transit - Street Cleaning
E00032	Dropside Transit - Street Cleaning
E00033	Transit Pickup - Grounds Maintenance
E00034	Dennis Elite Refuse Collection Vehicle
E00035	Dennis Elite Refuse Collection Vehicle
E00036	Dennis Elite Refuse Collection Vehicle
E00037	Dennis Elite Refuse Collection Vehicle
E00038	Dennis Elite Refuse Collection Vehicle
E00039	Ford Fiesta - Refuse
E00039	Ford Fiesta - Refuse
E00040	Ford Connect - Castle Ranger
E00040	Ford Ranger - Sconce Ranger
E00040	Ford Connect - Car Parks
E00041	Ford Connect - Pest Control
E00041	Ford Connect - Pest Control
E00041	Ford Ranger - Pest Control
E00042	Johnston CX201 Compact Sweeper
E00043	Johnston V651 Road Sweeper
E00044	Johnston V651 Road Sweeper
E00045	Refuse Collection Vehicle
E00046	Refuse Collection Vehicle
E00047	DAF Tipper Grab
E00304	Fitness Equipment - Dukeries
E00402	Market Stall
E00403	Market Stall
E00601	Mobile lifting Equipment
E00603	Spider mower
E00605	Fitness Equipment - Blidworth
E00606	Fitness Equipment - Dukeries
E00607	Fitness Equipment - Grove
E00608	Fitness Equipment - Southwell
X00005	Ground Maintenance Ranger
	Medical Truck
	Medical Truck
	Refuse Collection Vehicle
	Refuse Collection Vehicle

**NSDC Owned Vehicles & Plant**

2014/15 REVISED	2015/16 REVISED	2016/17 REVISED	2017/18 REVISED	2018/19 REVISED	2019/20 REVISED
293,640					
	122,000				
44,500		10,000			
			18,000		45,000
	1,080,000				
<b>338,140</b>	<b>1,202,000</b>	<b>10,000</b>	<b>18,000</b>	<b>0</b>	<b>45,000</b>
		30,000			
27,000					
27,000					
	23,590				
	23,590				
				55,000	
				55,000	
					17,000
					18,000
					21,000
					23,000
					23,000
					24,000
					21,845
					25,000
					160,000
					160,000
					160,000
					160,000
					160,000
					10,000
					10,000
					11,250
					11,250
					11,250
					14,000
					14,000
					14,000
					66,000
					105,000
					105,000
					160,000
					160,000
					25,000
		18,000			
			30,000		
			30,000		
				22,000	20,000
		100,000			
		120,000			
		185,000			
		95,000			
	16,890				
					29,000
					29,000
					160,000
					160,000
					<b>2,087,595</b>
<b>54,000</b>	<b>64,070</b>	<b>548,000</b>	<b>60,000</b>	<b>132,000</b>	

<b>NSDC</b>	<b>SCHEME</b>	<b>2014/15 REVISED</b>	<b>2015/16 REVISED</b>	<b>2016/17 REVISED</b>	<b>2017/18 REVISED</b>	<b>2018/19 REVISED</b>	<b>2019/20 REVISED</b>
TB2253	<b>TOTAL NSDC ASSET REPLACEMENT PROGRAMME</b>	<b>392,140</b>	<b>1,266,070</b>	<b>558,000</b>	<b>78,000</b>	<b>132,000</b>	<b>2,132,595</b>

<b>Technology</b>	<b>SCHEME</b>	<b>2014/15 REVISED</b>	<b>2015/16 REVISED</b>	<b>2016/17 REVISED</b>	<b>2017/18 REVISED</b>	<b>2018/19 REVISED</b>	<b>2019/20 REVISED</b>
E00204	Torex - Leisure Receipting System			50,000			
E00207	Replacement computer software			33,000			
E00208	Servers			15,000			
E00209	Warden Call System			320,000			
E00211	Replacement Laptops					70,000	
E00215	Desktops & Monitors	87,090		95,270			
E00216	Network Server					180,000	
E00217	IT Investment Software					50,000	
E00218	IT Investment Hardware					83,000	
	Laptops 14/15	17,642					
	Laptops 18/19					50,000	
	Firewall	20,536					
	Palace/Museum Ticketing Software	54,693					
TA3286	<b>TOTAL TECHNOLOGY REPLACEMENT PROGRAMME</b>	<b>179,961</b>	<b>0</b>	<b>513,270</b>	<b>0</b>	<b>433,000</b>	<b>0</b>

<b>NSH</b>	<b>SCHEME</b>	<b>2014/15 REVISED</b>	<b>2015/16 REVISED</b>	<b>2016/17 REVISED</b>	<b>2017/18 REVISED</b>	<b>2018/19 REVISED</b>	<b>2019/20 REVISED</b>
<b>Leased Assets</b>							
	22 various vans (used by NSHomes)					400,000	
	10 Various Vans (used by NSHomes)					145,000	
	6 Various Vans (used by NSHomes)					130,000	
	<b>Leased Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>675,000</b>	<b>0</b>
<b>Owned Assets</b>							
E00602	NSH Van		17,000				
	<b>NSH Owned Assets</b>	<b>0</b>	<b>17,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
TB2250	<b>TOTAL NSH ASSET REPLACEMENT PROGRAMME</b>	<b>0</b>	<b>17,000</b>	<b>0</b>	<b>0</b>	<b>675,000</b>	<b>0</b>

## CAPITAL PROGRAMME FINANCING

## COMMITTED SCHEMES EXPENDITURE

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Housing Services	9,040,041	8,984,562	6,554,970	6,193,800	5,923,800	5,923,800
Other Services	8,006,814	15,816,846	6,968,706	743,000	1,705,000	2,597,595
<b>Total Expenditure</b>	<b>17,046,855</b>	<b>24,801,408</b>	<b>13,523,676</b>	<b>6,936,800</b>	<b>7,628,800</b>	<b>8,521,395</b>

## CAPITAL EXPENDITURE FINANCING

Net Internal and External Borrowing Approval	1,928,950	4,380,807	1,783,978	0	0	2,132,595
Government Grants	953,629	4,954,674	465,000	465,000	465,000	465,000
Contributions from Third Parties	5,538,670	1,670,922	0	0	0	0
Community Infrastructure Levy	0	0	0	0	0	0
Capital Receipts Brought Forward	2,023,868	1,795,618	1,282,038	1,121,118	7,394,368	6,305,618
Capital Receipts in Year	983,330	5,303,170	146,250	6,546,250	146,250	146,250
Capital Receipts Carried Forward	-1,795,618	-1,282,038	-1,121,118	-7,394,368	-6,305,618	-6,451,868
Capital Reserve	1,007,126	1,545,155	4,723,228	8,500	8,500	0
Revenue Support	6,406,900	6,433,100	6,244,300	6,190,300	5,920,300	5,923,800
<b>Total Resources Available</b>	<b>17,046,855</b>	<b>24,801,408</b>	<b>13,523,676</b>	<b>6,936,800</b>	<b>7,628,800</b>	<b>8,521,395</b>

**Net resources before allowing for Earmarked Funds**

<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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***Extract of the Report to the Strategic Housing Liaison Panel:***

**STRATEGIC LIAISON HOUSING PANEL**  
**17<sup>TH</sup> SEPTEMBER 2014**

**AGENDA ITEM NO.4**

**Management Agreement Annual Changes for 2015/16**

3.5.6 Implementation of an approach to undertake Legionella assessment surveys.

3.5.6.1 The Legionella guidance (ACoP L8) now includes a specific section on Landlord's duties which has introduced the term "residential accommodation". The guidance clearly states that Landlords must carry out a Legionella risk assessment of the hot and cold water systems in all residential accommodation. The guidance does not give a definition of residential accommodation but the HSE has made it clear, at a recent series of Stakeholder events, that this meant any rental property used for domestic purposes.

3.5.6.2 The ACoP L8 is not prescriptive in meeting the delivery and required timescales, there are a number of alternative choices available in terms of the approach and eliminating risk. The options are based on the level of risk the Council/ Company are comfortable with in terms of the delivery of the survey and completion of related works. The cost of delivery of the survey and related capital costs would be required to be funded in the years commensurate to programme related to the option chosen. The speed at which the surveys are carried out subject to increased revenue fee all are deliverable within the resources of the Asset Management Programme which would be proposed to be adapted to reflect the preferred option by the Company and Council as appropriate.

3.5.6.3 The alternative options are:

- a. A 10% sample archetype of NSDC properties can be established and preparation of a contract be undertaken ready for commencement in April 2015. This will give a more informed indication as to the level of risk present and future resources required.

During 2015 a 10% sample Legionella risk assessment survey undertaken by competent specialist and risk assessments returned to the Company, issues could be identified which may pose an increased risk from the HSE's expectations and may need to be targeted for priority action. These would be completed through a Capital Programme of compliance work proposed to the Council for their approval.

Plan the subsequent risk assessment survey rollout programme over the following 5 years (18% of properties a year = 990 units). The cost of modifications required could be estimated from the archetype first year survey of assessments.

- b. Financial resources be identified in the next financial year to commence a full survey of all properties from April 2015. This will then require additional resources from the Council's Capital Programme to address in a timely manner any significant areas of risk identified.

- c. Legionella surveys to be undertaken to achieve full survey of all properties at a rate quicker than the 6 year programme in option a); for example 2 years or 4 years.

### 3.12 Asset Management Strategy

3.13 It is proposed that the strategy now be subject to a revision every 10 years instead of the previous 3 years. It is, however, subject to the annual review required by the Council as part of the new Management Agreement. This change has been made to ensure that the Council has a document that reflects the fact that with the arrangements under Self-Financing, the Asset Management Strategy needs to have a long term approach in order to ensure that the Council can sustain a long term viable HRABP and support the Council's Housing Growth Strategy.

3.14 The strategy has been fully reviewed and this has resulted in non-substantive changes for proposal to the Council along with the other annual Management Agreement changes. Specific reference has been made to parking and locally acute problems relating to this issue which often require multi agency solutions to resolve. Parking in some areas is acknowledged to be of such an issue that without intervention it may have a long term detrimental impact upon the HRABP through asset becoming non-viable through low demand resulting from the inability to park vehicles. Parking is considered further under the Asset Management Programme.

### 3.15 Asset Management Programme

3.16 The proposed changes from the current programme are:

- a. Proposed installation of carbon monoxide detectors be moved backwards one year due to expected legislative requirement not yet coming forward.
- b. Footpath, roads, walkways and garage forecourts be increased slightly up to the 2014/15 expenditure level due to current and expected level of demand to meet legislative requirements.
- c. External Wall Insulation be reduced to zero after 2015/16. This is due to higher than expected levels of inward investment achieved through the Green Deal Eco scheme that has allowed the acceleration of the External Wall Programme and removed the requirement for further investment in the short to medium term.
- d. Additional expenditure line be included for making Legionella improvements to domestic properties following the release of new guidance and Approved Code of Practice by the Health and Safety Executive in April 2014.

3.17 The programme provides a provision for parking to support the sustainability of the asset over time. This is an area where we are seeing increasing requests for work by tenants. These requests may be a tenant preference rather than being based on asset sustainability. The resource allocation able to be proposed in relation to other investment requirements is not sufficient to provide parking solutions to all properties. Further some solutions, although feasible, are costly for the provision of a few parking spaces and therefore benefit only a small number of people. To try and maximise the parking schemes provided and maintain equality for tenants the Panel may want to consider a proposal to require payment/contribution or fee for the provision of parking, seeking for the costs to be met by the user as the beneficiary.



- a. Parking schemes are only progressed where the cost per parking space is less than will be recoverable by fee over specified period of time; e.g. 3 years.
- b. Costs of future schemes be met by the individual or group of individuals that benefit.

***Extract from the minutes of the Strategic Housing Liaison Panel:***

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the meeting of the **Strategic Housing Liaison Panel** held in G21, Kelham Hall on Wednesday 17 September 2014 at 4.00pm.

MANAGEMENT AGREEMENT ANNUAL CHANGES FOR 2015/16

The Panel then considered the new requirements around Legionella testing, which had been included as a specific landlord's duty to carry out a Legionella risk assessment of hot and cold water in all residential accommodation. The Panel heard that it was likely to cost around £250,000 to undertake assessments in all the Company stock, and there were potential further costs associated with any remedial works required. However, the Panel noted that capital works undertaken in achieving the Decent Homes standard had helped reduce the risk of Legionella.

A number of alternative options for programming assessments were presented to the Panel which were detailed in the report. Members considered the proposed timetables for the assessments and during discussion heard that there had been one case of Legionella in the District a number of years ago. Periodic 'refresher' assessments would be required, which were likely to be on a five to ten year rolling basis, however, it was unlikely that these would lead to a requirement for remedial works.

The Panel heard that option A- to undertake a sample assessment of 10% of properties to ascertain the level of risk present and future resources required was likely to cost £45,000. Any works required would be undertaken as part of the Capital Programme. Subsequent risk assessment surveys would then be undertaken over the following five years. Members of the Panel agreed that this approach would help smooth out the cost of undertaking the assessments, but questioned whether this would lead to a greater risk of negative reputational impact should there be a case of Legionella in a property that had not yet been assessed. Officers acknowledged that there was a potential risk, but also clarified that communal properties were already subject to programme of Legionella testing. In addition, to help mitigate the risk, Officers suggested that if, following an initial 10% sample assessment, the level of risk was higher than expected, further assessments could be undertaken on an accelerated programme. The Panel agreed to support option A being pursued.

With regard to the Asset Management Strategy, the Panel were of the view that the Strategy should be revised every ten years instead of every three years, which would help facilitate more effective planning for growth to manage and maintain viable stock.

The Panel then considered the proposed changes to the Asset Management Programme. The Chief Executive- Newark and Sherwood Homes explained that there was an increasing number of requests for parking schemes/provision from tenants, some which were based on tenant preference rather than asset sustainability, however, there were examples of stock within the District where there was no parking provision at all. Members of the Panel agreed that in some

cases it might be beneficial to provide parking to improve highway safety, however, acknowledged that the cost of some schemes was prohibitive. It was also suggested that charging be implemented for some parking schemes, so the cost per parking space would be recoverable by a fee over a specified period of time. The Panel agreed that flexibility was essential when considering parking schemes and if appropriate, charging for works should be considered.

Finally the Panel discussed the Annual Procurement Plan, which would include specified contracts to be procured, identifying them as either high or low risk. The Panel considered the list of factors which would be used to assess the risk rating of the contracts, and agreed that these should be circulated to the Council's Procurement Manager.

AGREED (unanimously) to recommend that:

6. option A for Legionella Assessment Surveys be pursued; and
7. that the Asset Management Strategy be revised every ten years instead of every three years.

TREASURY MANAGEMENT STRATEGY STATEMENT 2015/16

**1.0 Introduction**

- 1.1. In January 2010 the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year.
- 1.2. In addition, the Department for Communities and Local Government (CLG) issued revised *Guidance on Local Authority Investments* in March 2010 that requires the Council to approve an investment strategy before the start of each financial year.
- 1.3. This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the CLG Guidance.
- 1.4. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's treasury management strategy.

**2.0 External Context**

- 2.1. **Economic background:** There is momentum in the UK economy, with a continued period of growth through domestically-driven activity and strong household consumption. There are signs that growth is becoming more balanced. The greater contribution from business investment should support continued, albeit slower, expansion of GDP. However, inflationary pressure is currently extremely benign and is likely to remain low in the short-term. There have been large falls in unemployment but levels of part-time working, self-employment and underemployment are significant and nominal earnings growth remains weak and below inflation.
- 2.2. The Bank of England's Monetary Policy Committee's (MPC) focus is on both the degree of spare capacity in the economy and the rate at which this will be used up, factors prompting some debate on the Committee. Despite two MPC members having voted for a 0.25% increase in rates at each of the meetings between August and December 2014, the minutes of the January 2015 meeting showed unanimity in maintaining the Bank Rate at 0.5% as there was sufficient risk that low inflation could become entrenched and the MPC became more concerned about the economic outlook.
- 2.3. **Credit outlook:** Two European Union directives will become law in the UK in the coming months and will place the burden of rescuing failing EU banks disproportionately onto unsecured local authority investors. The *Bank Recovery and Resolution Directive* promote the interests of individual and small businesses covered by the Financial Services Compensation Scheme and similar European schemes, while the recast *Deposit Guarantee Schemes Directive* includes large companies into these schemes. The combined effect of these two changes is to leave public authorities and financial organisations (including pension funds) as the only senior creditors likely to incur losses in a failing bank after July 2015.

The continued global economic recovery has led to a general improvement in credit conditions since last year. This is evidenced by a fall in the credit default swap spreads of banks and companies around the world. However, due to the above legislative changes, **the credit risk associated with making unsecured bank deposits will increase** relative to the risk of other investment options available to the Council.

- 2.4. **Interest rate forecast:** The Council's treasury management advisor Arlingclose forecasts the first rise in official interest rates in August 2015 and a gradual pace of increases thereafter, with the average for 2015/16 being around 0.75%. Arlingclose believes the normalised level of the Bank Rate post-crisis to range between 2.5% and 3.5%. The risk to the upside (i.e. interest rates being higher) is weighted more towards the end of the forecast horizon. On the downside, Eurozone weakness and the threat of deflation have increased the risks to the durability of UK growth. If the negative indicators from the Eurozone become more entrenched, the Bank of England will likely defer rate rises to later in the year. Arlingclose projects gilt yields on an upward path in the medium term, taking the forecast average 10 year PWLB loan rate for 2015/16 to 2.7%.

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

### 3.0 **Local Context**

- 3.1. The Council currently has £91.2m of borrowing and £11.9m of investments (as at 31<sup>st</sup> December 2014). This is set out in further detail at **Appendix B**. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

**Table 1: Balance Sheet Summary and Forecast**

	<b>31.3.14 Actual £m</b>	<b>31.3.15 Estimate £m</b>	<b>31.3.16 Estimate £m</b>	<b>31.3.17 Estimate £m</b>	<b>31.3.18 Estimate £m</b>
General Fund CFR	17.5	16.8	23.5	28.4	27.7
HRA CFR	104.1	104.1	104.1	104.1	104.1
<b>Total CFR</b>	<b>121.6</b>	<b>120.9</b>	<b>127.6</b>	<b>132.5</b>	<b>131.8</b>
Less: Other debt liabilities	0.2	0.2	0.2	0.2	0.2
<b>Borrowing CFR</b>	<b>121.4</b>	<b>120.7</b>	<b>127.4</b>	<b>132.3</b>	<b>131.6</b>
Less: External borrowing	97	95.7	98.5	100.7	100.6
<b>Internal borrowing</b>	<b>24.4</b>	<b>25</b>	<b>28.9</b>	<b>31.6</b>	<b>31</b>

- 3.2 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.
- 3.3 The Council has an increasing CFR due to the capital programme, but minimal investments and will assess the capital financing need to borrow, taking into account the ability for internal borrowing.

3.4 CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Council expects to comply with this recommendation during 2015/16.

#### **4.0 Borrowing Strategy**

4.1. The Council currently holds £91.2 million of loans (as at 31<sup>st</sup> December 2014), a decrease of £5.8 million on the previous year, as part of its strategy for funding previous years' capital programmes. The Council's current capital programme shows we may need to borrow up to £7.4m in 2015/16, and may also need borrow additional sums in future years.

4.2. **Objectives:** The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty 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.

4.3. **Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term instead.

4.4. By using internal resources, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal 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. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2015/16 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

4.5. In addition, the Council may use short-term loans (normally for up to one month) to cover unexpected cash flow shortages.

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

- Public Works Loan Board (PWLB) and its successor body
- Any institution approved for investments (see below)
- Any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds
- Capital market bond investors
- Local Capital Finance Company and other special purpose companies created to enable local authority bond issues

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

- operating and finance leases
- hire purchase
- sale and leaseback

- 4.8 The Council has previously raised the majority of its long-term borrowing from the Public Works Loan Board but it continues to investigate other sources of finance, such as local authority loans and bank loans, which may be available at more favourable rates.
- 4.9 **LGA Bond Agency:** Local Capital Finance Company was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities
- 4.10 **LOBOs:** The Council holds £16.5m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as 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 2015/16, 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.
- 4.11 **Short-term and Variable Rate loans:** These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators below.
- 4.12 **Debt Rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

## **5.0 Investment Strategy**

- 5.1. The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the first 10 months of 2014/15, the Council's investment balance has ranged between £9.6 and £22 million. Levels available for investment are affected by capital expenditure and will continue to be monitored.
- 5.2. **Objectives:** Both the CIPFA Code and the CLG Guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk receiving unsuitably low investment income.
- 5.3. **Strategy:** Given the increasing risk and continued low returns from short-term unsecured bank investments, the Council will consider diversifying into more secure asset classes during 2015/16. All of the Authorities surplus cash is currently invested in short-term unsecured bank deposits, and money market funds.
- 5.4. **Approved Counterparties:** The Council may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty) and the time limits shown.

**Table 2: Approved Investment Counterparties and Limits**

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 20 years	n/a	n/a
AAA	£5m 3 years	£10m 10 years	£10m 20 years	£5m 10 years	£5m 10 years
AA+	£5m 2 years	£10m 4 years	£10m 5 years	£5m 4 years	£5m 4 years
AA	£5m 1 year	£10m 2 years	£10m 3 years	£5m 2 years	£5m 4 years
AA-	£5m 1 year	£10m 2 years			£5m 4 years
A+	£5m 6 months	£10m 1 year			£5m 2 years
A	£5m 6 months	£10m 1 year			£5m 2 years
A-	£5m 3 months	£10m 6 months			£5m 2 years
BBB+	£0.25m next working day only	£5m 3 months			£0.25m 1 year
BBB or BBB-	£0.25m next working day only	£0.25m next working day only			n/a
None		n/a			£5m 2 years
Pooled funds	£10m per fund				

This table must be read in conjunction with the notes below.

- 5.5. **Credit Rating:** Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used.
- 5.6. **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. Unsecured investment with banks rated BBB+, BBB or BBB- are restricted to overnight deposits. The Council's current account bank (Natwest Bank plc) is currently rated below A-.
- 5.7. **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 highest 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.

- 5.8. **Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
- 5.9. **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.
- 5.10. **Registered Providers:** Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain a high likelihood of receiving government support if needed.
- 5.11. **Pooled Funds:** Shares in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Money Market Funds that offer same-day liquidity and aim for a constant net asset value 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.
- 5.12. The Council may consider investing in Property Funds. Discussions with the Councils treasury advisers Arlingclose have identified the potential to invest in managed property funds, whereby a third party pools investments from local authorities to purchase commercial properties and earn lease income from them. The third party manages the property portfolio removing the need for local authorities to have the relevant expertise, and the return on investment is usually higher than for equivalent investments with financial institutions. These funds should only be used for longer term investments to achieve a reasonable return, therefore the decision to invest in them will be made in conjunction with consideration of the use of internal reserves to fund the capital programme.
- 5.13. 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.
- 5.14. **Risk Assessment and Credit Ratings:** Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
  - any existing investments that can be recalled or sold at no cost will be, and
  - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.



- 5.15. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as “rating watch negative” or “credit watch negative”) so that it may fall below the approved rating criteria, then only investments that can be withdrawn [on the next working day] will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.
- 5.16. **Other Information on the Security of Investments:** The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.
- 5.17. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.
- 5.18. **Specified Investments:** The CLG Guidance defines specified investments as those:
- denominated in pound sterling,
  - due to be repaid within 12 months of arrangement,
  - not defined as capital expenditure by legislation, and
  - invested with one of:
    - the UK Government,
    - a UK local authority, parish council or community council, or
    - a body or investment scheme of “high credit quality”.

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

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

- 5.20. **Investment Limits:** A group of banks under the same ownership will be treated as a single organisation for limit purposes.
- 5.21. **Liquidity Management:** The Council maintains a daily cash flow forecast to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a pessimistic basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Any proposed long term investments are set by reference to the Council's medium term financial plan, capital programme and cash flow forecast.
- 5.22. **Convertible Loans:** At the meeting of the Think BIG Policy Monitoring Group on 13<sup>th</sup> January 2015, a proposal was agreed that Think BIG loans should contain within the agreements an option for a loan to be converted to equity under certain circumstances. This proposal and a recommendation from the group that it be adopted will be presented to Policy & Finance Committee and full Council. Although the loans remain part of the Think BIG fund, any conversion to equity would become an investment. If the proposal to include conversion terms in Think BIG loans is agreed, it is necessary that reference to them is included in the Treasury Management Strategy.

## 6.0 Treasury Management Indicators

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

	2015/16 £m	2016/17 £m	2017/18 £m
<b><u>Fixed Rate</u></b>			
Borrowing	118.7	120.8	120.7
Investments	-5.3	-5.3	-5.3
<b>Net Upper limit on fixed rate exposure</b>	<b>113.4</b>	<b>115.5</b>	<b>115.4</b>
<b><u>Variable Rate</u></b>			
Borrowing	29.6	30.1	30.1
Investments	-24.7	-24.7	-24.7
<b>Net Upper limit on variable rate exposure</b>	<b>4.9</b>	<b>5.4</b>	<b>5.4</b>

- 6.2 **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 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.

- 6.3 **Principal Sums Invested for Periods Longer than 364 days:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

	2015/16	2016/17	2017/18
Limit on principal invested beyond year end	£2m	£2m	£2m

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

Operational Boundary	2014/15 Revised £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m
Borrowing	125.5	128.3	130.5	130.4
Other long-term liabilities	0.4	0.4	0.4	0.4
<b>Total Debt</b>	<b>125.9</b>	<b>128.7</b>	<b>130.9</b>	<b>130.8</b>

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

Authorised Limit	2014/15 Revised £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m
HRA Borrowing	112.5	112.5	112.5	112.5
General Fund Borrowing	32.3	35.8	38.4	38.3
Other long-term liabilities	0.6	0.6	0.6	0.6
<b>Total Debt</b>	<b>145.4</b>	<b>148.9</b>	<b>151.5</b>	<b>151.4</b>

## 7.0 Other Items

- 7.1. There are a number of additional items that the Council is obliged by CIPFA or CLG to include in its Treasury Management Strategy.
- 7.2. **Policy on Apportioning 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 (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Council's average interest rate on investments, adjusted for credit risk.

7.3. **MRP Statement:** The Council is required to set an annual policy on the way it calculates the prudent provision for the repayment of General Fund borrowing. Local Authorities are required to 'have regard' to guidance on Minimum Revenue Provision (MRP) issued by the Secretary of State. This guidance suggests a number of options for calculating MRP but does not preclude other prudent methods that the Council may wish to adopt. This Council will continue to use the Asset Life Method, whereby MRP will be based on the estimated life of the asset for all capital expenditure funded from borrowing, subject to a maximum life of 50 years.

7.4. **Investment Training:** The needs of the Council's treasury management staff for training in investment management are assessed as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change.

Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to study professional qualifications from CIPFA, and other appropriate organisations.

7.5. **Investment Advisers:** The Council has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues.

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

## 8.0 **RECOMMENDATION that the Council approves:**

- (a) **the Treasury Management Strategy;**
- (b) **the investment counterparty criteria listed in paragraph 5.4 of the report;**
- (c) **the Prudential Indicators and Limits set out in paragraph 6 of the report; and**
- (d) **the Minimum Revenue Provision statement set out in paragraph 7.3 of the report.**

For further information please contact Tara Beesley, Accountant on 01636 655328.

David Dickinson  
Director – Resources

**Arlingclose Economic & Interest Rate Forecast January 2015**

**Underlying Assumptions:**

- The UK economic recovery slowed towards the end of 2014, with economic and political uncertainty weighing on business investment. However, the Q3 growth rate of 0.7% remains slightly above the long run average, suggesting the recovery remains robust.
- Household consumption is key to the recovery in 2015. While we expect consumption growth to slow, given softening housing market activity and slower employment growth, the fall in inflation and resulting rise in both real (and nominal) wage growth and disposable income should support spending.
- Inflationary pressure is currently low (annual CPI is currently 0.5%) and is likely to remain so in the short-term. The fall in oil prices has yet to feed fully into the prices of motor fuel and retail energy and CPI is expected to fall further. Supermarket price wars are also expected to bear down on food price inflation.
- The MPC's focus is on both the degree of spare capacity in the economy and the rate at which this will be used up, factors prompting some debate on the Committee.
- Nominal earnings growth is strengthening, but remains relatively weak in historical terms, despite large falls in unemployment. Our view is that spare capacity remains extensive. The levels of part-time, self-employment and underemployment are significant and indicate capacity within the employed workforce, in addition to the still large unemployed pool. Productivity growth can therefore remain weak in the short term without creating undue inflationary pressure.
- However, we also expect employment growth to slow as economic growth decelerates. This is likely to boost productivity, which will bear down on unit labour costs and inflationary pressure.
- In addition to the lack of wage and inflationary pressures, policymakers are evidently concerned about the bleak prospects for the Eurozone. These factors will maintain the dovish stance of the MPC in the medium term. The MPC clearly believes the appropriate level for Bank Rate for the post-crisis UK economy is significantly lower than the previous norm. We would suggest this is between 2.5 and 3.5%.
- The ECB has introduced outright QE as expected. While this may alleviate some of the anxiety about the economic potential of the Eurozone, political risk remains significant (e.g. Greek election). Therefore fears for the Eurozone are likely to maintain a safe haven bid for UK government debt.

## Forecast:

- We continue to forecast the first rise in official interest rates in Q3 2015, but the risks to this forecast are very much weighted to the downside. The February Inflation Report will be key to our review of the possible path for Bank Rate.
- We project a slow rise in Bank Rate. The pace of interest rate rises will be gradual and the extent of rises limited; we believe the normalised level of Bank Rate post-crisis to range between 2.5% and 3.5%.
- Market sentiment (derived from forward curves) has shifted significantly lower in the past three months; market expectations are now for a later increase in interest rates and a more muted increase in gilt yields.
- The short run path for gilt yields has flattened due to the sharp decline in inflation expectations. We project gilt yields on an upward path in the medium term.
- The short run path for gilt yields is flatter due to the deteriorating Eurozone situation. We project gilt yields on an upward path in the medium term.

	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
<b>Official Bank Rate</b>													
Upside risk				0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
<b>Arlingclose Central Case</b>	<b>0.50</b>	<b>0.50</b>	<b>0.75</b>	<b>0.75</b>	<b>1.00</b>	<b>1.00</b>	<b>1.25</b>	<b>1.25</b>	<b>1.50</b>	<b>1.50</b>	<b>1.75</b>	<b>1.75</b>	<b>1.75</b>
Downside risk			0.25	0.25	0.50	0.50	0.75	0.75	1.00	1.00	1.00	1.00	1.00
<b>3-month LIBID rate</b>													
Upside risk	0.10	0.20	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
<b>Arlingclose Central Case</b>	<b>0.55</b>	<b>0.60</b>	<b>0.80</b>	<b>0.90</b>	<b>1.05</b>	<b>1.15</b>	<b>1.30</b>	<b>1.40</b>	<b>1.55</b>	<b>1.65</b>	<b>1.80</b>	<b>1.95</b>	<b>2.00</b>
Downside risk	0.15	0.20	0.30	0.40	0.55	0.65	0.75	0.85	0.95	0.95	0.95	0.95	1.00
<b>1-yr LIBID rate</b>													
Upside risk	0.10	0.20	0.20	0.30	0.30	0.30	0.30	0.30	0.40	0.40	0.40	0.40	0.40
<b>Arlingclose Central Case</b>	<b>0.95</b>	<b>1.00</b>	<b>1.20</b>	<b>1.30</b>	<b>1.45</b>	<b>1.55</b>	<b>1.70</b>	<b>1.80</b>	<b>1.95</b>	<b>2.05</b>	<b>2.20</b>	<b>2.35</b>	<b>2.40</b>
Downside risk	0.15	0.20	0.30	0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.80	0.80	0.80
<b>5-yr gilt yield</b>													
Upside risk	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.45	0.45	0.45	0.45	0.50	0.50
<b>Arlingclose Central Case</b>	<b>1.10</b>	<b>1.20</b>	<b>1.30</b>	<b>1.40</b>	<b>1.50</b>	<b>1.65</b>	<b>1.80</b>	<b>1.95</b>	<b>2.10</b>	<b>2.20</b>	<b>2.35</b>	<b>2.40</b>	<b>2.50</b>
Downside risk	0.35	0.35	0.40	0.45	0.50	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.75
<b>10-yr gilt yield</b>													
Upside risk	0.35	0.40	0.40	0.40	0.40	0.45	0.45	0.45	0.45	0.50	0.50	0.55	0.55
<b>Arlingclose Central Case</b>	<b>1.60</b>	<b>1.70</b>	<b>1.80</b>	<b>1.90</b>	<b>2.00</b>	<b>2.15</b>	<b>2.30</b>	<b>2.45</b>	<b>2.60</b>	<b>2.70</b>	<b>2.85</b>	<b>2.90</b>	<b>3.00</b>
Downside risk	0.35	0.35	0.40	0.45	0.50	0.50	0.55	0.60	0.65	0.70	0.70	0.75	0.80
<b>20-yr gilt yield</b>													
Upside risk	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55	0.55
<b>Arlingclose Central Case</b>	<b>2.10</b>	<b>2.20</b>	<b>2.30</b>	<b>2.35</b>	<b>2.45</b>	<b>2.50</b>	<b>2.65</b>	<b>2.75</b>	<b>2.90</b>	<b>3.00</b>	<b>3.15</b>	<b>3.20</b>	<b>3.30</b>
Downside risk	0.35	0.40	0.50	0.60	0.70	0.75	0.75	0.75	0.80	0.85	0.85	0.90	0.90
<b>50-yr gilt yield</b>													
Upside risk	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55	0.55
<b>Arlingclose Central Case</b>	<b>2.15</b>	<b>2.25</b>	<b>2.35</b>	<b>2.40</b>	<b>2.50</b>	<b>2.55</b>	<b>2.70</b>	<b>2.80</b>	<b>2.95</b>	<b>3.05</b>	<b>3.20</b>	<b>3.25</b>	<b>3.35</b>
Downside risk	0.35	0.40	0.50	0.60	0.70	0.75	0.75	0.75	0.80	0.85	0.85	0.90	0.90

**Existing Investment & Debt Portfolio Position**

<b>Treasury Management Report as at 31st December 2014</b>					
<b>A. Short Term Position</b>					
<b>A1 Temporary Loans</b>					
<b>Lender</b>	<b>Interest paid gross of fee</b>	<b>Type</b>	<b>Date Borrowed</b>	<b>To be Repaid</b>	<b>Period end Balance</b>
Newark & Sherwood Homes	0.35%	Call	n/a	n/a	886,230
Southwell LC Trust	0.35%	7 day notice	n/a	n/a	141,005
<b>Total Temporary Loans</b>				(a)	<b>1,027,235</b>
<b>A2 Temporary Investments</b>					
<b>Borrower</b>	<b>Interest Rate</b>	<b>Type</b>	<b>Date Invested</b>	<b>To be Repaid</b>	<b>Period end Balance</b>
NatWest SIBA Account	0.50%	Call	n/a	n/a	25,000
Santander	0.50%	Call	n/a	n/a	5,000,000
Handelsbanken	0.35%	Call	n/a	n/a	70,000
Goldman Sachs Treasury Money Market Fund	0.32%	Call	n/a	n/a	10,000
Deutsche Bank Sterling Money Market Fund	0.36%	Call	n/a	n/a	1,390,000
Lloyds TSB	0.57%	32 Day Notice	n/a	n/a	2,000,000
Glitnir ISK balance in escrow	4.20%	Fixed	16-Mar-12	tba	443,399
Lloyds TSB	0.57%	Fixed	08-Oct-14	08-Jan-15	1,000,000
Lloyds TSB	0.57%	Fixed	12-Nov-14	12-Feb-15	1,000,000
Lloyds TSB	0.57%	Fixed	14-Nov-14	13-Feb-15	1,000,000
<b>Total Temporary Investments</b>				(b)	<b>11,938,399</b>
<b>Bank Balance 31st December 2014</b>				(c)	<b>7,531</b>
<b>A3 Short Term Position - Net Invested/(Borrowed)</b>				(d)=(b+c-a)	<b>10,918,695</b>
<b>Average variable rate earned to date</b>	<b>0.47%</b>				
<b>Average fixed rate earned to date</b>	<b>0.59%</b>				
<i>Note - This excludes the Glitnir deposit</i>					
<b>B. Long Term Position</b>					
<b>B1 Long Term Loans</b>					
	<b>Average Interest Rate</b>	<b>Type</b>	<b>Date Borrowed</b>	<b>To be Repaid</b>	
Public Works Loans Board (41 loans)	4.54%	Maturity	Various	Various	73,078,000
Public Works Loans Board (21 loans)	9.05%	Annuity	Various	Various	589,257
Barclays Bank (4 loans)	4.09%	LOBO	Various	Various	13,000,000
BAe Systems Pension Funds (2 loans)	3.75%	LOBO	01-Dec-11	01-Dec-16	3,500,000
<b>Total Long Term Loans</b>				(e)	<b>90,167,257</b>
Please note the interest rate for long term loans is an average of the total loans for each category					
<b>B2 Long Term Investments</b>					
	<b>Interest Rate</b>	<b>Type</b>	<b>Date Borrowed</b>	<b>To be Repaid</b>	
None					
<b>Total Long Term Investments</b>				(f)	<b>0</b>
<b>B3 Net Long Term Position</b>				(g) (e-f)	<b>90,167,257</b>
<b>C. Net Indebtedness</b>				(g)-(d)	<b>79,248,562</b>





**PAY POLICY STATEMENT**

**1.0 Purpose of Report**

1.1 To approve the content of the Pay Policy Statement for 2015/16.

**2.0 Background Information**

2.1 In accordance with Section 38 (1) of the Localism Act 2011, Newark and Sherwood District Council along with all other English and Welsh local authorities were required to produce a Pay Policy Statement for 2012/13 and for each financial year thereafter. In complying with the duties in respect of pay accountability, the Council must have regard to any guidance issued or approved by the Secretary of State, in summary:

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

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

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

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

2.1.3 The term 'remuneration' covers:

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

2.2 Existing legislation already required the Council to publish statements relating to certain elements of officer remuneration, details of which are set out below:

- regulation 7 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, requires an authority to formulate, review and publish its policy on making discretionary payments on early termination of employment;
- regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008 requires the Council to publish its policy on increasing an employee's total pension scheme membership and on awarding additional pension.

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

2.3 In addition other regulations provide for disclosure of remuneration of senior employees including details of severance payments within the Council's annual statement of accounts.

### **3.0 Additional Guidance**

3.1 Further guidance was issued during 2013/2014 by the Department for Communities and Local Government titled "*Openness and Accountability in local pay: Guidance under Section 40 of the Localism Act 2011*". The guidance related to the approval of severance packages in excess of £100,000. Following consideration the Pay Policy Statement was amended to include arrangements for approving Severance Packages over £75,000 and arrangements for delegation regarding Settlement Agreements.

### **4.0 Summary of Changes to the 2014/15 Pay Policy Statement**

4.1 Changes to the pay policy statement have been summarised below:

- Amendments to pay and grading arrangements for Directors and for Business Managers graded at NS17
- Changes to the Deputy Chief Officer grades engaged on NJC terms have been amended to reflect the 2014 pay award and changes in grade that have occurred within year under the approved job evaluation arrangements.
- The statement has also been updated to reflect revisions to the Living Wage recommended by the Living Wage Foundation during November 2014.
- Insertion of additional paragraph highlighting the need to review the Statutory Officer Honoraria Scheme in light of recent changes to the pay and grading arrangements for officers engaged on JNC terms, along with the mechanisms for doing so.
- Amendment to pay multiple to reflect current arrangements.

### **5.0 Human Resources Committee**

5.1 The Pay Policy Statement was considered by the Human Resources Committee at their meeting held on 12<sup>th</sup> February 2015 and was recommended for approval to the Full Council.

5.2 A copy of the Pay Policy Statement is attached as an appendix to the report.

## 6.0 **RECOMMENDATION**

**That the Pay Policy Statement for 2015/16 be approved subject to any necessary revisions.**

### Background Papers

The Code of Recommended Practice for Local Authorities on Data Transparency

Localism Act: Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011 - February 2012.

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

Local Government Transparency Code 2014.

For further information please contact Tracey Mellors on 01636 655219.

Andrew Muter

Chief Executive



**NEWARK AND SHERWOOD DISTRICT COUNCIL**  
**Pay Policy Statement**

**1. Introduction**

1.1 This document sets out a Statement of Pay Policy for Newark and Sherwood District Council (the Council) for 2015/16 as required by Section 38 (1) of the Localism Act 2011. The Pay Policy Statement includes details about the remuneration of Chief Officers at the time of recruitment as well as arrangements relating to increases and additions to remuneration, the level and elements of remuneration including salary, bonuses and benefits in kind, the use of performance related pay and bonuses as well as the approach to the payment of Chief Officers on ceasing to hold office. The Statement also considers the lowest pay and median pay levels in the organisation.

**2. Objectives of the policy**

2.1 The objectives of the policy are to:

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

**3. Policy Statement**

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

- attracts, motivates and retains appropriately talented people needed to maintain and improve the Council's performance and meet future challenges;
- reflects the market for comparable jobs, with skills and competencies required to meet agreed delivery and performance outcomes;
- operates within the provisions of Chief Officers pay and conditions as set out in the Joint Negotiating Committee for Chief Executives and Chief Officers of Local Authorities;
- operates within the provisions of the national agreement on pay and conditions of service as set out in the National Joint Council for Local Government Services;
- 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 a Chief Officer within Section 2 of the Local Government and Housing Act 1989.

**4.2 Council Policies**

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

- the remuneration of the authority's lowest-paid employees (together with a definition of "lowest-paid employees") and the reasons for adopting that definition;

- the relationship between remuneration of Chief Officers and that of other officers (pay multiples); and
- the remuneration of Chief Officers.

4.2.2 The statement also sets out the Council's policy in relation to:

- a) the levels and elements of remuneration for each Chief Officer;
- b) remuneration of Chief Officers on recruitment;
- c) increases and additions to remuneration for each Chief Officer;
- d) the use of performance related pay for each Chief Officer;
- e) the use of bonuses for each Chief Officer;
- f) the approach to the payment of Chief Officers on their ceasing to hold office or to be 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 the 1<sup>st</sup> April each year and on occasions when negotiations conclude after this day any amendments to pay become retrospective to the 1<sup>st</sup> April.

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

#### 4.4 Remuneration of the Council's Lowest Paid Employees

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

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

4.4.3 In accordance with the current pay scales the lowest substantive point at which a Council officer can be paid is £13,500. This is in accordance with the nationally approved pay scales which are subject to change in line with the national collective bargaining arrangements as detailed earlier within the policy.

#### 4.5 Living Wage

- 4.5.1 During April 2013 the Council adopted a policy of paying all employees a Living Wage through the application of a pay supplement to fund the difference between the hourly rates (defined at the lowest substantive point at which a Council officer can be paid i.e. £7.02 per hour) and the Living Wage set by the Living Wage foundation (currently set at £7.85 per hour). By adopting this policy the Council ensure that the lowest paid employees (refer to definition at 4.4) receive at least the Living Wage for each hour that they work.
- 4.5.2 The Living Wage to be applied during the 2015/16 financial year will be the rate set out above. In the event that the Living Wage increases in year as part of the annual review conducted by the Living Wage Foundation the Council will have regard to this when developing the pay policy statement for the 2016/17 period.

#### 4.6 Pay Multiples

- 4.6.1 The Council does not explicitly set the remuneration of any individual or group of posts by reference to a simple multiple of another post or group of posts. The use of multiples cannot capture the complexities of a dynamic and highly varied workforce in terms of job content and skills required. Nor can it ensure that employees are treated fairly and equitably in respect of the value and level of a role that they undertake.
- 4.6.2 In terms of overall remuneration packages the Council's policy is to differentiate by setting different levels of basic pay to reflect the level of responsibility in line with the approved job evaluation scheme or as determined locally for Chief Officers engaged on JNC terms.
- 4.6.3 In determining pay for Chief Officers engaged on JNC terms, the Council would not expect remuneration of its highest paid employee to exceed **10** times that of the lowest group of employees, nor would the Council expect the remuneration of the highest paid employee to exceed **7** times that of the median<sup>1</sup> average earnings across the Council.

### 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 Officer's 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)
- Statutory Officers (Section 2 (6) of the Act)
- Business Managers (Section 2 (8) of the Act)

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<sup>1</sup> 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).

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

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

### 5.3 Chief Executive/Head of Paid Service

#### 5.3.1 Terms and Conditions of Service

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

The terms and conditions for the Chief Executive can be accessed by following the attached link [insert link].

#### 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 current salary scale for the post of Chief Executive was determined prior to the appointment of the current post holder, having regard to the labour market rate for the position of a Chief Executive of a district of this size, coupled with local market factors relating to salary. This included arrangements for annual incremental progression until such time as the post holder reached the top of the scale.

Details in relation to the current salary scale for the Chief Executive are set out below:

Scale point 1	£94,686
Scale point 2	£104,841
Scale point 3	£113,490

#### 5.3.3 Remuneration on Recruitment

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



In the event that the post of Chief Executive becomes vacant a report including recommendations relating to the salary scale to be applied in these circumstances would be submitted to full Council for their consideration before the post was advertised.

#### 5.3.4 Increases and additions to Remuneration

- Incremental Progression  
Once an officer has been appointed they will receive annual increments until such time as they reach the top of the salary scale subject to achieving satisfactory annual performance assessments.
- Pay Awards  
Any pay awards are negotiated as part of the collective bargaining arrangements as detailed earlier within the policy.
- Expenses  
In accordance with nationally agreed terms the Council shall pay reasonable out-of-pocket expenses actually incurred.

#### 5.3.5 Arrangements for the Post of Returning Officer

In accordance with the national agreement the Chief Executive is entitled to receive and retain the personal fees arising from performing the duties of returning officer, acting returning officer, deputy returning officer or deputy acting return officer and similar positions which he or she performs subject to the payment of pension contributions thereon, where appropriate.

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

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

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

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

### 5.3.6 General Terms and Conditions

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

The terms and conditions for Chief Officers along with a copy of the Statutory Officer Honoraria Scheme can be accessed by following the attached link [insert link]. Following the recent change to pay and grading arrangements for officers engaged on JNC terms it is necessary to review this scheme to ensure that it remains fit for purpose. Any changes proposed to the scheme during the year will be referred to the Policy and Finance Committee for consideration/approval prior to implementation.

#### 5.4.2 Remuneration

In line with the nationally agreed terms the salary paid to the Deputy Chief Executive or a 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 Executive\*

Scale point 1	£75,660
Scale point 2	£79,707
Scale point 3	£83,763
Scale point 4	£86,466

*\*In circumstances where only one post holder assumes the role of Deputy Head of Paid Service the honorarium, which is ordinarily paid separately, is incorporated into the substantive salary.*

#### 5.4.4 Pay Scale for Directors

Scale point 1	£65,000
Scale point 2	£67,250
Scale point 3	£70,000
Scale point 4	£72,250
Scale point 5	£75,000

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

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

#### 5.4.5 Pay Scale for Business Managers (NS17)

Zone 1/SCP1 £44,000  
Zone 1/SCP2 £45,000  
Zone 1/SCP3 £46,000  
Zone 1/SCP4 £47,000

Zone 2/SCP1 £48,000  
Zone 2/SCP2 £49,000  
Zone 2/SCP3 £50,000  
Zone 2/SCP4 £51,000

Zone 3/SCP1 £52,000  
Zone 3/SCP2 £53,000  
Zone 3/SCP3 £54,000  
Zone 3/SCP4 £55,000

The arrangements for assigning officers to Zones are documented in the Pay and Grading Arrangements for Officers engaged on JNC Chief Officer Terms and Conditions of Service which can be accessed by following the attached link [insert link].

The following Business Managers graded at NS17 have been offered revised appointments on JNC terms:

Business Manager - Asset Management  
Business Manager - Economic Growth  
Business Manager - Environmental Health  
Business Manager - Finance  
Business Manager - Growth Development  
Business Manager - HR and Legal  
Business Manager - Leisure  
Business Manager - Revenues and Benefits  
Business Manager – Sports and Arts Development  
Business Manager – Strategic Housing  
Business Manager – Waste, Litter and Recycling

#### 5.4.6 Remuneration on Recruitment/Appointment

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

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

#### 5.4.7 Increases and additions to Remuneration

- Incremental Progression

Incremental progression within the Director scale is by annual increment until the top point of the grade is reached. Before an annual increment is awarded, it must be clear that, Directors:

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

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

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

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

- Pay Awards

Any pay awards are negotiated as part of the collective bargaining arrangements as detailed earlier within the policy.

- Honoraria and Ex-Gratia Payments

The Council currently operates an honorarium scheme for officers undertaking statutory officer roles. There are three statutory officer roles within the Council, details of which are set out below:

- Head of Paid Service\*
- Monitoring Officer \*
- Chief Finance Officer (commonly referred to as the Section 151 Officer)

*\*No Honorarium is paid for carrying out these duties at the substantive level but a payment is made for deputising at this level.*

In addition to the above the scheme also outlines the arrangements for recompensing officers that assume the role of Deputy for each of these roles.

Details of the scheme including information relating to the post holders that are currently in receipt of such payments can be accessed by following the attached link [insert link].

- Expenses

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

#### 5.4.8 Arrangements for Election Duties

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

#### 5.4.9 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.

#### 5.4.10 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.

#### 5.4.11 Arrangements regarding Collaboration

If an opportunity for shared services arises under the Gedling, Newark and Sherwood, Rushcliffe (GNSR) collaboration agreement this may impact on terms and conditions of employment including salary levels should an officer take on responsibility for managing a service(s) across more than one Council. If there are any changes that arise in year that fall outside the parameters of the Pay Policy Statement it is proposed that these changes be approved by the Policy and Finance Committee.

### 5.5 Business Managers

#### 5.5.1 Terms and Conditions of Service

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

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

Business Manager - Administration

Business Manager – Building Control

Business Manager – Car Parks & Markets

Business Manager – Community Safety

Business Manager – Customer Services and External Communications

Business Manager – Democratic Services  
 Business Manager – Housing Options, Energy & Home Support  
 Business Manager – ICT  
 Business Manager – National Civil War Centre & Museums & Heritage Service  
 Business Manager – Palace Theatre  
 Business Manager – Parks & Amenities  
 Business Manager – Performance  
 Business Manager – Policy & Commissioning  
 Business Manager – Planning Policy  
 Business Manager – Procurement  
 Business Manager – Technical Support (Growth)

Terms and conditions relating to Chief Officers that assume the role of Business Manager can be accessed by following the attached link [insert link].

### 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<sup>st</sup> 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
- Market Supplements

A copy of the policy can be accessed by following the attached link [insert link].

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

Scale/Band	Min SCP/Salary	Medium SCP/Salary	Maximum SCP/Salary	Post
NS13	40 – £34,746	41 - £35,662	42 - £36,571	Business Manager – Administration Business Manager – Palace Theatre Business Manager – Procurement Business Manager – Technical Support (Growth)
NS14	43 – £37,483	44 - £38,405	45 - £39,267	Business Manager – Car Parks and Markets Business Manager – Performance
NS15	46 – £40,217	47 - £41,140	48 - £42,053	Business Manager – Building Control Business Manager – Customer Services and External Communications Business Manager – Democratic Services

				Business Manager – Housing Options, Energy and Home Support Business Manager – ICT Business Manager – National Civil War Centre & Museums & Heritage Service Business Manager – Parks & Amenities Business Manager – Policy & Commissioning Business Manager – Planning Policy
NS16	49 - £42,957	50 - £43,837	51 - £44,756	Business Manager – Community Safety

Note: Changes to grade may occur in year as a consequence of revisions to job description(s) requiring re-evaluation of the post under the terms of the current job evaluation scheme.

### 5.5.3 Remuneration on Recruitment

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

### 5.5.4 Increases and additions to Remuneration

- Incremental Progression  
Once an officer has been appointed they will receive annual increments until such time that they reach the top of the salary scale subject to achieving satisfactory annual performance assessments.
- Pay Awards  
Any pay awards are negotiated as part of the collective bargaining arrangements as detailed earlier within the policy.
- Honoraria and Ex Gratia Payments  
Statutory Officers  
The Council currently operates an honorarium scheme for certain officers undertaking statutory officer roles or deputising in those roles (see ante). There are three statutory officer roles within the Council, details of which are set out below:
  - Head of Paid Service
  - Monitoring Officer
  - Chief Finance Officer commonly referred to as the Section 151 Officer)

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

Details of the scheme including information relating to the post holders that are currently in receipt of such payments can be accessed by following the attached link [insert link].

#### Other

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

- Market Supplements

In accordance with existing policy it is acknowledged that there may be posts where the evaluated rate is insufficient to attract suitable candidates or to retain existing staff. If such a case is identified by management, the circumstances must be market tested to ensure that the payment of a market supplement through research, national and local labour market comparisons can be objectively justified. If research provides evidence to demonstrate that a market supplement is justified, the proposed payment and amount will be referred to the Council's Joint Consultative Committee (JCC) for consideration prior to approval by the Council's Corporate Management Team (CMT). In addition, any such payments will be reviewed and monitored on a half yearly basis by the JCC to determine whether continued payment is still justified. Any payment may be varied or withdrawn as a result of the review. The decision of CMT will be final.

- Expenses

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

#### Meals and Accommodation Charges

Officers will receive subsistence rates based upon the approved rates. Further details in relation to current rates can be accessed by following the attached link [insert link].

#### 5.5.5 Arrangements for Election Duties

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

#### 5.5.6 General Terms and Conditions

Parts 2 and 3 of the green book including localised arrangements can be accessed by following the attached link [insert link].

#### 5.6 General Policies in relation to Remuneration and Recruitment

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

#### 5.6.1 Performance Related Pay and Bonuses

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



#### 5.6.2 Benefits in Kind

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

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

All employees of the Council have the option to join the Local Government Pension Scheme (LGPS). The scheme is a statutory scheme and operates on the basis of employee/employer contributions with employee contribution rates differing according to earnings. Details of the scheme including current contribution rates can be accessed by following the attached link. [www.lgps2014.org](http://www.lgps2014.org)

The scheme provides for exercise of discretion that allow for retirement benefits to be enhanced. The Council will consider each case on its own merits in accordance with the parameters defined within the policy.

Details in relation to any discretion that may be afforded in respect of pension augmentation can be accessed by following the attached link [insert link]. This policy applies to all officers of the Council irrespective of their status.

#### 5.6.4 Payment of Chief Officers on their ceasing to hold office under or to be employed by the Council

Arrangements relating to the provision of termination payments for the loss of office for Chief Officers and all other officers leaving the authority on the grounds of redundancy, efficiency and early retirement are outlined in the Council's policy. Details in relation to any discretion that may be afforded in respect of pension augmentation can be accessed by following the attached link [insert link]. This policy applies to all officers of the Council irrespective of their status.

#### 5.6.5 Severance Packages over £75,000

Where any member of staff applies for voluntary redundancy or early retirement 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.

In the case of any voluntary redundancy, compulsory redundancy or early retirement in respect of any member of staff where the cost to the Council exceeds £75,000, the Chief Executive shall not determine the matter until he has first consulted a Member Panel comprising the Leaders of all political groups of the Council.

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

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

In determining the "cost to the Council", pension benefits which have been bought by the employee will be disregarded.

#### 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 on the Council.

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

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

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

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

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.

### **6. Publication and Access to Information**

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

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

### **7. Equality Impact Assessment**

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

## **8. Approval/Review**

- 8.1 Before it takes effect, the pay policy statement has to be approved by a resolution of the Council.
- 8.2 In accordance with existing constitutional arrangements proposed amendments to terms and conditions of employment are referred to the Policy and Finance Committee for consideration and approval, before being referred through to the JCC to allow for consultation and/or negotiation (where appropriate). Approval of Human Resources policies and procedures are delegated to the Head of Paid Service after prior consultation at the Joint Consultative Committee.
- 8.3 Given that the policy statement relates to terms and conditions of employment as well as making reference to Human Resources policies and procedures it is appropriate for the content of the policy to be considered by the Policy and Finance Committee and any amendments made thereto before the policy is referred on to full Council for approval.
- 8.4 Any proposed changes to terms and conditions of employment including salary arising from collaboration activities e.g. shared services will be subject to the prior approval of the Policy and Finance Committee.
- 8.5 Any changes proposed to the Statutory Officers Honoraria Scheme in year will be referred to the Policy and Finance Committee for consideration/approval prior to implementation.
- 8.6 A review of the policy statement will take place annually and the contents of the policy referred to full Council for approval in advance of the financial year to which it relates. In certain circumstances it may be necessary to review the policy in year as a consequence of changes to legislation and/or organisational requirements.



NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **POLICY & FINANCE COMMITTEE** held in the Carriage Court, Kelham Hall, Newark on Wednesday 25 February 2015 at 5.30pm.

PRESENT: Councillor R.V. Blaney (Chairman)  
Councillor D.J. Lloyd (Vice- Chairman)

Councillors: Mrs T. Gurney, R.B. Laughton, A.C. Roberts, D. Staples and Mrs A.A. Truswell.

ALSO IN ATTENDANCE: Councillors: T.S. Bickley, J. Bradbury, R.J. Jackson, D.R. Payne, R. Shillito, B. Wells and Mrs Y. Woodhead.

68. APOLOGIES FOR ABSENCE

Apologies for the late arrival of Councillor Mrs T. Gurney were given

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

Councillor D.R. Payne declared a personal interest in respect of the exempt Agenda Item No. 13 – Former Municipal Buildings, 20 Balderton Gate, Newark.

70. DECLARATIONS OF INTENTIONS TO RECORD THE MEETING

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

71. MINUTES FROM THE MEETING HELD ON 29 JANUARY 2015

The minutes from the meeting held on Thursday, 29 January 2015 were agreed as a correct record and signed by the Chairman.

72. COMMISSIONING PROGRAMME

The Business Manager – Policy and Commissioning presented a report concerning the future commissioning programme. In June 2013, the Policy Committee agreed an indicative five year programme. A number of issues had since affected the original programme such as the collaboration agreement, devolution, and service changes. Current projects, approved by the Policy Committee in September 2014, were researching options for the future delivery of back office services, the implementation of the new arrangements for leisure management and support to the devolution of services including those to Newark Town Council.

Looking ahead, there were a range of pressures likely to affect local government and some specific to the Council. The Chancellor's Autumn Statement 2014 signalled continued reductions in public sector spending and it was considered that policies and priorities may shift following the national and local elections. In addition, capacity across the Council would continue to be constrained by financial, service demand and

change management pressures such as major capital schemes. Whilst future commissioning projects would be a matter for the new Council from May 2015, the Committee considered the potential areas of focus. These were set out in the report and included a review of the Revenues and Benefits Business Unit, a project focusing on future electronic service delivery, potential management approaches for the National Civil War Centre and commissioning support to develop any collaboration agreements concerning various services.

AGREED    AGREED (unanimously) that:

- (a) the Council's approach to future commissioning be approved;
- (b) the potential areas of focus as identified in paragraph 4 of the report should form the basis of the programme; and
- (c) the detailed programme be agreed by the new Council after May 2015.

Reason for Decision

To progress the Council's Commissioning Programme.

73. PROPOSALS FOR THE TRANSFER OF DISTRICT COUNCIL ASSETS TO LOCAL COUNCILS

The Director – Community presented a report which informed Members of a range of proposals for devolving the ownership and responsibility for the operation and maintenance of a number of District Council assets and amenities located around the District, including public conveniences, cemeteries and Community Centres.

In parallel with the devolution proposals and discussions with Newark Town Council, officers had been having similar discussions with other relevant Parish and Town Councils with a view to securing agreement for the transfer of assets and amenities to the respective local councils. The Director – Communities advised that future reports would be brought to the Committee in respect of ongoing discussions with Ollerton and Boughton and Southwell Town Councils.

Specific proposals, as detailed in the report, were for the freehold of the public conveniences sites in Edwinstowe and Lowdham to be transferred to the relevant parish councils together with one-off payments in recognition of future liabilities and planned maintenance; for the freehold of the sites of Lowdham and Walesby cemeteries to be transferred to the relevant parish councils with a one-off payment in recognition of future liabilities and planned maintenance/improvements; to give notice to the owners of the public conveniences in Farndon to break the current lease; and for the public conveniences in Laxton it was proposed that the current lease, which was due to expire on 31<sup>st</sup> July 2015, be allowed to expire through effluxion of time and that an annual grant of £900 per annum be paid to the Visitor Centre Trust to enable the toilets to remain open as part of the Laxton Visitor Centre.

The report also set out proposals in respect of Coddington Community Centre following an in principle agreement having been reached with Coddington Parish

Council to transfer the freehold of the centre.

(Councillor Mrs T. Gurney arrived during consideration of this item).

AGREED    AGREED (unanimously) that:

- (a) the proposals for public conveniences and cemeteries as outlined in the report be approved with the Chief Executive/Director – Communities being given delegated authority to take all necessary steps to implement the proposals;
- (b) the proposed transfer of the freehold for Coddington Community Centre to Coddington Parish Council, together with a grant of £5,878 from the localism budget as outlined in the report be approved; and
- (c) the position regarding Southwell Town Council and Ollerton Car Park as outlined in the report be noted.

Reason for Decision

To devolve local amenities and facilities to the local communities that they serve.

74. REVENUE BUDGET - PROPOSED BUDGET 2015/16

The Director- Resources presented a report which enabled Members to consider spending proposals and recommendations to the Council for the budget in 2015/2016 and preliminary projections for 2016/2017 to 2019/2020.

The report set out the details of the proposed budget for the Council in 2015/2016. The budget proposals had been formulated in accordance with the framework set out in the Council's Constitution with the initial report having been presented to the Policy Committee on 18<sup>th</sup> September 2014. The report also included indicative overall budgets for the following four years to 2019/2020. It was noted that the level of discretionary fees and charges for services provided by the Council were considered as part of the budget process rather than being implemented piecemeal throughout the year. The proposed fees and charges for 2015 were detailed in the report and would be included in the budget book which forms part of the agenda for the full Council Meeting.

The Local Government Finance Settlement provided key figures for Government Grant that formed a major part of the Council's budget. The draft settlement was announced on 18<sup>th</sup> December 2014 with the final settlement being received on 4<sup>th</sup> February 2015. It was noted that the Council were part of the business rates pool with other Nottinghamshire Authorities. A projection of available resources under Business Rates Retention had been completed. At this stage, the Medium Term Financial Plan had been prepared using these forecasts assuming NDR growth at a similar level to that achieved in 2014/14 but with an adjustment for business rates lost through the closure of Thoresby colliery in 2015. This would be reviewed as more information became available.

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

AGREED (unanimously) that it be recommended to Council on 10<sup>th</sup> March 2015 that:

- (a) the Employee Plan shown in Appendix C to the report be noted;
- (b) the following amounts be now calculated by the Council for the year 2015/2016 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011:-
  - (i) £82,675,170 being the aggregate of the amounts which the Council estimates for items set out in Section 31A(2)(a) to (f) of the Act;
  - (ii) £70,183,360 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; and
  - (iii) £12,491,810 being the amount by which the aggregate at (a)(i) above exceeds the aggregate at (a)(ii) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax Requirement for the year;
- (c) the figures shown as (b)(i) and (a)(iii) above to be increased only by the amount of Parish Precepts for 2015/2016; and
- (d) the budget figures included in the report be the Council's budget for 2015/2016 and Medium Term Financial Plan for 2015/2016 to 2019/2020.

#### Reason for Decision

To enable the Policy & Finance Committee to make recommendations to full Council of the amounts to be calculated in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011 for the purposes of setting Council Tax levels for the year 2015/2016.

#### 75. NEWARK SIGNAGE STRATEGY

The Business Manager – Economic Growth presented a report concerning the proposed delivery for a new Signage Strategy for Newark and sought approval of capital expenditure in order to upgrade road and pedestrian signage in Newark.

The report set out the rationale for the Signage Strategy, giving specific details on the findings in relation to road and pedestrian signs including issues relating to incorrect signage, out of date signage and the need to ensure effective signage for the National Civil War Centre. It also provided a summary of the key themes arising from the



consultation events held in October 2014. More in depth information was also provided on highway signage; pedestrian signage; and overall capital expenditure costs.

The Economic Development Committee, at their meeting held on 21<sup>st</sup> January 2015, agreed the following recommendations:

- (a) the signage strategy is agreed and discussions with relevant agencies and any tender exercise that is required is commenced;
- (b) options to gain financial support via Nottinghamshire County Council and any other sources are undertaken;
- (c) that Newark is described as an Historic Civil War Town;
- (d) that the battlefield symbol is utilised for the promotion of the National Civil War Centre;
- (e) the Newark Attractions car parks are identified as those near to Newark Castle Station with signs identifying these as Attractions Car Parks;
- (f) the pedestrian signs are updated and replaced with similar looking signs that are easier to maintain and replace by section if needed;
- (g) the twinning signs are retained, although there may be some inconsistencies which will be reviewed; and
- (h) that the replacement should be undertaken prior to the opening of the National Civil War Centre.

The total estimated costs of the signs which would be capital expenditure, was £86,500. It was confirmed that if progressed, Nottinghamshire County Council would be approached to discuss contributions to the required funding. In addition it was noted that Highways Agency costs would also be incurred which could range between £10,000 and £20,000.

AGREED (unanimously) that:

- (a) the Capital Expenditure as outlined in paragraph 3.10 of the report be approved; and
- (b) the ongoing discussions regarding additional contributions to the funding which may reduce the capital expenditure for Newark & Sherwood District Council be noted.

#### Reason for Decision

The opening of the National Civil War Centre in May 2015 will significantly increase visitor numbers into the town so ensuring correct and effective traffic management and also pedestrian directional information was crucial to the development of the Centre and the reputation of Newark as a thriving town.

#### 76. CAPITAL PROGRAMME - 2015/16 TO 2019/20

The Director- Resources presented a report which detailed the available capital resources, the Council's existing committed Programme and the priority schemes

identified. The current Capital Programme included an estimate of the amount available from useable capital receipts over the period 2015/16 – 2019/20 of £7.6 million after allocating the receipt from the sale of the Potterdyke car park to the Leisure Centre project. The remaining receipts were made up from accumulated Right to Buy council house sales, the sale of Kelham Hall and other sundry items.

In previous years the Council had budgeted for revenue support for external borrowing for capital schemes under the Prudential regime. However, in line with the Council's current Treasury Strategy, wherever possible expenditure had been financed by temporarily 'borrowing' from internal reserves and balances. On reviewing finance available from this source it had been possible to identify further internal resources which could be used temporarily to finance capital expenditure. A number of projects within the capital programme benefit from external funding which was earmarked for these projects. The projects within the programme were 25 supported dwellings in Bilsthorpe, 2015 – 2018 affordable housing developments, the Newark Leisure Centre, the National Civil War Centre/Town Trail, Ollerton Hall acquisition and works and the southern link road (Growth Point).

Proposals for the General Fund Capital Programme were set out in Appendix A to the report. The Housing Revenue Account property investment programme was attached as Appendix B to the report for approval and was financed through the 30 year HRA business plan. A schedule of the vehicle, plant and equipment assets, together with their planned replacement dates was shown as Appendix C to the report. The current proposals for financing were given in Appendix D to the report.

AGREED (unanimously) that it be recommended to Council on 10<sup>th</sup> March 2015 that:

- (a) the General Fund schemes shown in Appendix A, the housing services programme in Appendix B and the vehicles, plant and equipment replacement programme in Appendix C 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 2015/16 to 2019/20 be financed so as to maximise the resources available, having regard to the provisions of the Local Government and Housing Act 1989 and subsequent legislation;
- (d) with effect from 11<sup>th</sup> March 2015, the appropriate Directors be authorised to incur expenditure in respect of all schemes included in the committed Capital Programme; and
- (e) 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 Policy Committee for consideration.

Reason for Decision

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

77. BUSINESS RATES-LOCAL TRANSITION RATE RELIEF SCHEME

The Business Manager – Revenues and Benefits presented a report which sought adoption of a proposed new local transitional rates relief scheme for 2015/16 and 2016/17. The transitional relief scheme was introduced in 2010 to help those ratepayers who were faced with higher bills. The scheme ends on 31<sup>st</sup> March 2015 and as a result a small number of ratepayers would face a jump to their full rates bill from 1<sup>st</sup> April 2015.

The government announced in the Autumn Statement that it would extend to March 2017 the current transitional relief scheme for properties with a rateable value up to and including £50,000. The government would fully reimburse local authorities that use their discretionary relief powers under the Local Government Finance Act 1988. It was for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief. The proposals for the scheme were detailed in the report.

AGREED (unanimously) that the proposed new local transitional rates relief scheme for 2015/16 and 2016/17 be adopted.

Reason for Decision

To establish a local transitional rates relief scheme for the financial years 2015/16 and 2016/17.

78. URGENCY ITEM - SCHEME ALTERATION - HOMES AND COMMUNITIES AGENCY AFFORDABLE HOUSING PROGRAMME

The Committee noted the decision to alter the schemes submitted to the Homes and Communities Agency Affordable Homes Programme 2015 - 18. The changes were in respect of two sites, Wolfit Avenue and Coronation Street in Balderton.

AGREED (unanimously) that the urgency item be noted.

Reason for Decision

To enable changes to be made to two of the proposed schemes following initial site investigations.

79. DEVOLUTION TO NEWARK TOWN COUNCIL - PROGRESS UPDATE

The Deputy Chief Executive presented a report which updated the Committee in respect of the proposed devolution package to Newark Town Council. At their meeting

on 4<sup>th</sup> December 2014, the Policy & Finance Committee approved the proposed devolution package to Newark Town Council and agreed, that the Chief Executive be given delegated authority to agree the detailed terms of the devolution package subject to the agreement of the Chairman and Opposition Spokesman of the Policy & Finance Committee in line with the principles set out in the report and to take all necessary steps to enable the transfer of services and assets on 1<sup>st</sup> April 2015.

Unfortunately, the package was initially rejected by Newark Town Council which had a number of concerns about the details of the proposed package although they were generally supportive of the principle of devolving services to a local level. Significantly, the Town Council were concerned about the overall cost of the package and the impact that it would have on the financial strength of the Town Council. In the longer term this could be mitigated by an increase in the Council Tax Base within the parish of Newark but the package as originally proposed would have placed financial pressures on the Town Council in the early years of the agreement.

Accordingly, following further negotiations between the Town and District Councils, an agreement was reached that the Grant Payment from the District Council to the Town Council be re-profiled in order to mitigate the financial pressures on the Town Council. However, over the twenty year period of the agreement, the District Council would still pay a total sum of £3.78 million (or less) to the Town Council as set out in the original agreement. This had been achieved by re-profiling the annual payments to front load them, enabling the Town Council to maintain an acceptable level of General Reserve Fund balance throughout the twenty year period of the financial support, but not increasing the overall sum paid by the District Council to the Town Council. It was still intended that the transfer of responsibility for the package of services and assets would be 1<sup>st</sup> April 2015.

The report set out the full changes to the original package as agreed by the Committee and it was considered that it remained in line the overall principles agreed in December 2014. It was noted that whilst the Grant Payments from the District to the Town Council had been reprofiled, they remained within the overall financial parameters previously agreed and could potentially reduce in the event of the council tax based growing more quickly than anticipated.

The revised proposals were considered and approved by Newark Town Council at its meeting on 18<sup>th</sup> February 2015 and it was reported that work was now ongoing to ensure that there was a smooth transition of services and assets on 1<sup>st</sup> April 2015.

AGREED (unanimously) that the report be noted.

Reason for Decision

To update Members on the devolution package agreed between the District Council and Newark Town Council.

80. EXCLUSION OF PRESS AND PUBLIC

AGREED (unanimously) that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion

of the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

81. FORMER MUNICIPAL BUILDINGS, 20 BALDERTONGATE, NEWARK

The Committee considered the exempt report presented by the Deputy Chief Executive in relation to the proposal to dispose of this property. The report contained a summary of offers received for the property.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

Meeting closed at 7.10pm.

Chairman



## NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the meeting of the **AUDIT & ACCOUNTS COMMITTEE** held in Room G21, Kelham Hall on Wednesday 11 February 2015 at 10:00am.

PRESENT: Councillor Mrs S.M. Michael (Chairman)

Councillors: J. Bradbury, G.P. Handley and D. Staples.

ALSO IN ATTENDANCE: David Dickinson (Director – Resources (NSDC))  
Nicola Lovely (Business Manager – Financial Services (NSDC))  
Richard Bates (Safety and Risk Management Officer)  
Tara Beesley (Accountant - NSDC)  
John Sketchley (Audit Lincolnshire)  
Amanda Hunt (Audit Lincolnshire)  
John Cornett – (KPMG)

### 38. APOLOGIES FOR ABSENCE

Apologies for absence were submitted by Councillors Mrs R. Crowe, Mrs M. Dobson, and Helen Brookes (KPMG).

### 39. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

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

### 40. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

None.

### 41. MINUTES OF MEETING HELD ON 5 NOVEMBER 2014

AGREED that the Minutes of the meeting held on 5 November 2014 be approved as a correct record and signed by the Chairman.

The Chairman agreed to take the items on Risk Management Report, and Strategic Risk Register first, and then revert to original agenda order.

### 42. RISK MANAGEMENT REPORT

The Safety and Risk Management Officer presented a report regarding the Council Risk Management progress, including corporate risk management and risk management across the Council.

The Council's Risk Management Policy was under review, with the assistance of the Council's insurers Zurich, alongside work on the Council's Risk Appetite. The Council's Risk Management Group continued to meet which helped to raise insight into risks faced by the Council, including Safeguarding, the new office project, devolution and development of the new leisure company.

In response to a query from a Member of the Committee, the Safety and Risk Management Officer explained that risks were presented to CMT on a quarterly basis, highlighting high risks and monitoring. It was acknowledged that the Council had risks that could not be minimised as they were outside of the control of the Council, however, it was important to identify and continue to monitor such risks.

AGREED that the report be noted.

#### 43. STRATEGIC RISK REGISTER

The Safety and Risk Management Officer presented a report advising the status of the Strategic Risk Register for the Council. The nine risks included on the Strategic Risk Register were those that had potential to cause the Authority to fail, and were broadly similar to those faced by all local authorities. Each of the risks were assigned to a member of CMT and with the assistance of relevant business managers, action plans have been developed to manage, mitigate or reduce the risk accordingly.

Members reviewed the Strategic Risk Profile, noting that risks SR001 - Reduced public sector funding and major income streams leading to potential inability to meet objectives and SR003 - Growth Delivery, were both categorised as high risks and with both these risks, external issues beyond the control of the Council affected the impact and likelihood.

SR007 had been renamed from Severe Weather to Continuity of Service. The risk still encompassed severe weather, but had been downgraded due to the increased capacity to prepare for such events and thus reduce the impact. SR006 - Community Cohesion was currently the lowest scoring risk, but would be assessed in light of the impending parliamentary election.

The Committee considered the report, and in relation to SR002 - Major Projects, raised concern about the level of financial exposure these created for the Council. Officers advised the Committee that those projects relating to construction were required to have individual risk logs, which fed into the strategic risk.

With regard to risk SR005 - Workforce Planning, Development and Transformational Change, Members questioned whether this risk was higher due to increased levels of sick leave and stress. Members also felt that SR006 - Community Cohesion could increase in risk profile due to the impending election, though it was noted that this would be reviewed prior to the election.

AGREED that the report be noted.

#### 44. TREASURY PERFORMANCE REPORT- APRIL TO DECEMBER 2014

Members considered the Treasury Performance Report regarding the Council's treasury activity and prudential indicators up to 31 December 2014. None of the prudential indicators had been breached during the period, and no new borrowing or investment had been undertaken. The base rate had remained the same and the Council's treasury advisors, Arlingclose, had advised the Council that they felt it was unlikely to increase until next year.



AGREED that the report be noted.

45. DRAFT TREASURY STRATEGY 2015/16

The Accountant presented the Draft Treasury Strategy 2015/16 which would be considered by Council on 10 March 2015. The Strategy set out the expected treasury operations for the period, based on the latest capital programme submitted, and adjusted for known variations.

The report detailed Prudential Indicators, the Minimum Revenue Provision Policy, the Treasury Management Strategy statement and the Investment Strategy. Within the Investment Strategy, Member's attention was drawn to an updated counterparty list, which had been amended due to a change in legislation. It was confirmed that the Director - Resources had authority to invest in overseas banks, but would consult the Audit and Accounts Committee prior to such action.

AGREED (unanimously) that the Committee recommend to Council:

- a) the Treasury Management Strategy 2015/16;
- b) the investment counterparty criteria listed in paragraph 5.4 of the report;
- c) the Prudential Indicators and Limits set out in the report; and
- d) the Minimum Revenue Provision statement contained in paragraph 7.3 of the report.

46. INTERNAL AUDIT PROGRESS REPORT

The Committee considered the Internal Audit Progress Report, including the key messages, work completed and reports issued and the number of audits in progress. Officers from Audit Lincolnshire informed the Committee that it was anticipated that all fieldwork for the audits programmed would be completed by the end of April 2015, however, it was difficult to determine when final reports would be issued, due to the uncertainty around potential issues identified and recommendations, as well as feedback and work from business managers.

With regard to audits for ICT Partnerships/Projects, and Treasury Management, both of which had been given an assurance level of 'Some Improvement Needed', Members noted there were a number of recommendations. Amanda Hunt explained that these would be monitored, although it was noted that the recommendations were not yet due.

AGREED that the report be noted.

47. COMBINED ASSURANCE REPORT

The Director - Resources presented the Combined Assurance Report for consideration by the Committee. The Committee considered the report, and noted the following:

- Collaboration and Partnerships - should include reference to the proposed Combined Authority; Officers advised that the report was as at a point in time and the Combined Authority was not in existence at the time. It would be included in the next report.
- Growth - Planning Policy - should include information regarding enforcement;
- Members requested information on recycling levels, particularly comparison data with other neighbouring authorities; and
- Safety - HR - Members noted that sickness levels were over target, although the target had been reduced last year due to very good sickness level performance. It was also noted the performance for completion of appraisals was below target, although reasons for this were detailed in the report, and the Director-Resources explained that those staff on very short hours did not require an appraisal.

AGREED that the report be noted.

#### 48. ANNUAL INTERNAL AUDIT PLAN AND STRATEGY

The Business Manager – Financial Services presented the Annual Internal Audit Plan and Strategy, detailing the proposed work of internal audit for 2015/16.

Members considered whether it would be appropriate to request any additional items to include, with particular reference to affordable housing, and whether any gap between the Council's policy and achieved affordable housing could be audited. The Director-Resources explained that individual committees had responsibility to monitor performance within their remits, but acknowledged some areas may cut across committees.

AGREED (unanimously) that the Annual Internal Audit Plan and Strategy be approved.

#### 49. EXTERNAL AUDITORS PROGRESS REPORT

John Cornett, KPMG, was in attendance to present the External Auditors Annual Progress report, detailing progress on the 2013/14 Audit and the initial planning process for the 2014/15 Audit. The report also included an oversight of national issues and relevant developments.

Mr Cornett explained that as part of the audit process for the Housing Benefits Claim, the Council's benefits staff had undertaken completion of the testing, to help to reduce the Audit fee. It was noted that the Certification work had been delayed due to the nature of some of the errors found, but the issues were comparable to other authorities, with no unique issues. An additional fee of £900 for NNDR work for 2014/15 audit was highlighted.

During the discussion regarding the report, in response to a query from the Director-Resources, Mr Cornett explained that the Council had the power to appoint an external auditor for a wholly owned Council company, such as the new Leisure Company which was in development. Details were also clarified regarding the split of responsibilities of the Audit Commission, which would close in March 2015. The setting of Audit Fees and Charges would be approved by a company set up and wholly owned by the LGA. The Code of Audit practice would be under the National Audit Office and fraud initiative work would be undertaken by CIPFA.

AGREED that the report be noted.

50. RESULTS OF THE REVIEW OF THE EFFECTIVENESS OF THE INTERNAL AUDIT FUNCTION

The Business Manager - Financial Services presented the results of the Assessment of the Effectiveness of the Internal Audit function. The review was split into two parts - the review of the internal audit function, and the self-assessment of the effectiveness of the Audit and Accounts Committee, and had been undertaken by a group comprising the Chairman of the Committee, plus one other member of the Committee, the Director - Resources and the Business Manager - Financial Services.

The Group had highlighted and commended the quality of the audit reports, although acknowledged there were still some frustrations due to timing and delay of reports. Further evidence had been requested to support the statements included in the self-assessment. The Group also felt that the Chairman of Audit and Accounts Committee should keep regular meetings with chairs of the Council's other functional committees. An action plan had been developed, reflecting the work of the group, which was included as an appendix to the report.

AGREED (unanimously) that the Committee:

- a) notes the results of the Review of the Effectives of the Internal Audit Function;
- b) notes the results of the Self-Assessment of the Effectiveness of the Audit and Accounts Committee; and
- c) adopts the Action Plan.

51. REVIEW OF SIGNIFICANT GOVERNANCE ISSUES HIGHLIGHTED IN THE ANNUAL GOVERNANCE STATEMENT

The Director - Resources presented a report updating the Committee in regard to significant governance issues identified in the Annual Governance Statement. The report included updates on Organisational Change, Devolution, Management of Leisure Services, Collaboration Agreement and Major Projects. The Committee noted the appointment of a consultant to oversee major projects, following the departure of the Business Manager - Asset Management.

AGREED that the Committee notes the results of the review of significant Governance Issues Highlighted in the Annual Governance Statement.

52. PROTECTING THE PUBLIC REPORT

The Committee considered the report from the Audit Commission entitled Protecting the Public Purse - Fighting Fraud against Local Government, summarising the findings from the annual survey on counter fraud in local government. This was the last report to be produced by the Commission prior to its closure in 2015.

Common areas of fraud in local government were highlighted as Council Tax, Right to Buy, Social Care and Insurance. Concern was also raised in regard to tenancy fraud. Of particular note, one of the biggest issues facing local government was the fall in number of fraud investigators within the local government, reducing the overall capacity, which was generally associated with lower detection rates.

The Business Manager- Financial Services detailed the work that the Council had undertaken towards counter fraud, including the Counter Fraud Strategy and training for officers and members. However, the impact of the development of the single counter fraud service under the DWP would have a significant negative impact the Council's ability to detect fraud by removing the only dedicated officer resource the Council had in fraud detection.

Members heard that a review of the Single Person Discount was currently on-going, across Nottinghamshire with co-operation of the County Council, Fire and Police. Members agreed that anti-fraud work was a very important part of overall prevention of fraud.

AGREED that the report be noted.

53. RESPONSES TO QUESTIONS RAISED AT PREVIOUS MEETING

AGREED that the questions and answers be noted.

54. WORK PLAN

AGREED that the workplan be noted.

55. DATE OF NEXT MEETING

The next meeting would be on Wednesday, 8<sup>th</sup> April 2015, 10am.

The meeting closed at 12.04pm

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of the **PLANNING COMMITTEE** held in the Council Chamber, Kelham Hall, Newark on Tuesday, 10<sup>th</sup> February 2015 at 3.00pm.

PRESENT: Councillor D.R. Payne (Chairman)  
Councillor B. Wells (Vice-Chairman)

Councillors: T.S. Bickley, R.V. Blaney, J. Bradbury, Mrs C. Brooks,  
Mrs G.E. Dawn, G.P. Handley, G.S. Merry, M. Shaw,  
Mrs L.M.J. Tift and I. Walker.

ALSO IN

ATTENDANCE: Councillors: R. Jackson, Mrs S. Soar and F. Taylor.

144. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors J.E. Hamilton and Mrs S.E. Saddington.

145. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

There were none.

146. DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman asked if any members of the public or Members were intending to record the meeting. No one indicated that they were intending to record. The Chairman then informed those present that an audio recording of the meeting would be made by the Council.

147. LAND AT BILSTHOPRE BUSINESS PARK, BILSTHOPRE, NOTTINGHAMSHIRE (13/01767/CMW)

The Committee considered the report of the Deputy Chief Executive, which recommended that the Planning Committee withdraw their objection in respect of planning application 13/01767/CMW and also sought authority to withdraw as a Rule 6 party to the forthcoming local inquiry. A supplementary report had also been forwarded to the Committee which set out how the County Planning Committee had addressed the grounds of objection raised by Newark and Sherwood District Council in respect of application 13/01767/CMW and provided an estimate of the costs of maintaining rule 6 status at the local inquiry.

A schedule of communication was tabled at the meeting which included correspondence received after the agenda was published from the following: UKWIN; RAGE (local action group); Clerk to Kersall, Kneesall and Ompton Parish Council; Member of the Public; the Local Ward Member for Southwell (East Ward) Upton; and Centre Parcs. Two emails were also attached to the schedule of communications as appendices from Shlomo Downen – National Coordinator, United Kingdom Without Incineration Network (UKWIN), dated 7<sup>th</sup> and 9<sup>th</sup> February 2015. Members were given

time to read the schedule of communications prior to the presentation of the report. The Council's legal advisor presented the report and advised the Committee that each ground of objection was considered in the Supplemental report. Members were reminded that they were required to reach a decision on the planning merits and whilst the report set out the potential financial consequences to the Council if it maintained Rule 6 status, the issue of costs was not material to the consideration of the planning merits.

As the matter had now been called in by the Secretary of State, Members had an opportunity to decide whether to withdraw all or some of the objections in light of the further information which had become available since October 2014.

Members were also asked to consider, in light of the reports and supplemental information; including third party representations, whether to maintain Rule 6 Status in respect of the forthcoming inquiry.

A Member proposed that the objection not be withdrawn and that it should remain on record for the inspector to consider at the public inquiry but that the District Council withdraw as a Rule 6 party.

AGREED (with 9 votes for and 3 votes against) that:

- (a) the Council withdraws as a Rule 6 party to the local inquiry;
- (b) the Deputy Chief Executive is authorised to write to the Secretary of State, the Applicants and Nottinghamshire County Council confirming the same; and
- (c) the formal objection to planning application 13/01767/CMW be left on record to enable the inspector to consider the Council's objections at the inquiry.

The meeting closed at 3.50pm

Chairman

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the meeting of the **HUMAN RESOURCES COMMITTEE** held in G21, Kelham Hall on Thursday, 12<sup>th</sup> February 2015 at 5.00pm.

PRESENT: Councillor Mrs M. Tribe (Chairman)

Councillors: Mrs B. Brooks and Mrs C. Rose.

ALSO IN	Andrew Muter	Chief Executive
ATTENDANCE	Kirsty Cole	Deputy Chief Executive
	Tracey Mellors	Business Manager- HR & Legal

1. APOLOGIES FOR ABSENCE

Apologies for absence were submitted by Councillors Mrs M. Dobson, Mrs Soar and R Shillito.

2. DECLARATIONS OF INTERESTS BY MEMBERS AND OFFICERS

The Deputy Chief Executive clarified that with regard to minute 5, the Pay Policy Statement 2015/16, certain provisions contained in the policy directly related to the officers present, however it was important that officers remained in the meeting in an advisory capacity.

3. MINUTES OF THE MEETING HELD ON 13 FEBRUARY 2013

AGREED that the Minutes of the Meeting held on 13 February 2014 be approved as a correct record and signed by the Chairman.

The Chairman explained that this was the last meeting of the Human Resources Committee. The remit of the Committee would be transferred to the Policy and Finance Committee, as agreed by Council on 14 October 2014.

CONFIDENTIAL AND EXEMPT INFORMATION

4. EXCLUSION OF THE PRESS AND PUBLIC

AGREED that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of this item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 4 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

5. PAY POLICY STATEMENT 2015-16

The Committee considered the report of the Chief Executive and Business Manager- HR and Legal detailing the Council's Pay Policy Statement for 2015/16.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

6. SECONDMENT

The Committee considered the report of the Director-Communities, detailing a secondment agreement.

(Summary provided in accordance with 100C(2) of the Local Government Act 1972).

The meeting closed at 5.17pm.

Chairman