

# Agenda

## Cabinet

Date: **Thursday 16 February 2023**

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Time: **2.00 pm**

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Place: **Council Chamber**

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For any further information please contact:

**Democratic Services**

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0115 901 3906

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# Cabinet

## Membership

**Chair** Councillor John Clarke

**Vice-Chair** Councillor Michael Payne

Councillor David Ellis  
Councillor Kathryn Fox  
Councillor Jenny Hollingsworth  
Councillor Ron McCrossen  
Councillor Viv McCrossen  
Councillor Henry Wheeler

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## AGENDA

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## MINUTES CABINET

**Tuesday 24 January 2023**

Councillor John Clarke (Chair)

Councillor David Ellis  
Councillor Kathryn Fox  
Councillor Jenny Hollingsworth

Councillor Ron McCrossen  
Councillor Viv McCrossen

Absent: Councillor Michael Payne and Councillor Henry Wheeler

Officers in Attendance: M Hill, C McCleary, A Ball and F Whyley

### **47 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Payne and Wheeler.

### **48 TO APPROVE, AS A CORRECT RECORD, THE MINUTES OF THE MEETING HELD ON 8 DECEMBER 2022**

#### **RESOLVED:**

That the minutes of the above meeting, having been circulated, be approved as a correct record.

### **49 DECLARATION OF INTERESTS**

None.

### **50 FORWARD PLAN**

Consideration was given to a report of the Democratic Services Manager, which had been circulated prior to the meeting, detailing the Executive's draft Forward Plan for the next six month period.

#### **RESOLVED:**

To note the report.

### **51 CUSTOMER PROMISE**

The Head of Governance and Customer Services introduced a report, which had been circulated in advance of the meeting, informing Cabinet of the work undertaken by Customer Services to improve customer engagement and seeking approval of an updated Customer Promise.

**RESOLVED to:**

- 1) Note the work undertaken by Customer Services to improve customer engagement; and
- 2) Approve the Customer Promise at Appendix 1 to the report, for publication on the Council's website.

**52 PRUDENTIAL CODE INDICATOR MONITORING 2022/23 AND QUARTER 3 TREASURY ACTIVITY REPORT**

The Head of Finance and ICT introduced a report, informing Cabinet of the performance monitoring of the 2022/23 prudential code indicators, and advising members of the quarterly treasury activity as required by the treasury management strategy.

**RESOLVED:**

That the report, together with the treasury activity report 2022/23 for quarter 3 at appendix 1, and the prudential and treasury indicator monitoring 2022/23 for quarter 3 at appendix 2 of the report, be noted.

**53 BUDGET MONITORING Q3 AND VIREMENT REPORT**

The Head of Finance and ICT introduced a report, which had been circulated in advance of the meeting, updating Cabinet on the forecast outturn for revenue and capital budgets for 2022/23, including all approved carried forward amounts from the 2021/22 financial year and to request approval for changes to the budget as set out in the report.

**RESOLVED to:**

- 1) Approve the general fund budget virements set out in appendix 1 of the report;
- 2) Note the use of reserves and funds during quarter three as detailed in appendix 2 of the report; and
- 3) Approve the changes to the capital programme included in paragraph 2.3 of the report.

**54 GEDLING PLAN Q3 PERFORMANCE REPORT**

The Chief Executive introduced a report, which had been circulated in advance of the meeting, informing Cabinet in summary of the position against improvement actions and performance indicators in the 2020-23 Gedling Plan at the end of quarter 3 2022/23.

**RESOLVED:**

To note the report.

**55**

**ANY OTHER ITEMS THE CHAIR CONSIDERS URGENT**

None.

The meeting finished at 1.30 pm.

Signed by Chair:  
Date:

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## **Report to Cabinet**

**Subject:** Forward Plan

**Date:** 16 February 2023

**Author:** Democratic Services Manager

### **Wards Affected**

All

### **Purpose**

To present the Executive's draft Forward Plan for the next six month period.

### **Key Decision**

This is not a Key Decision.

### **Recommendation(s)**

**THAT:**

**Cabinet notes the contents of the draft Forward Plan making comments where appropriate.**

#### **1 Background**

- 1.1 The Council is required by law to give to give notice of key decisions that are scheduled to be taken by the Executive.
- 1.2 A key decision is one which is financially significant, in terms of spending or savings, for the service or function concerned (more than £500,000), or which will have a significant impact on communities, in two or more wards in the Borough.
- 1.3 In the interests of effective coordination and public transparency, the plan includes any item that is likely to require an Executive decision of the Council, Cabinet or Cabinet Member (whether a key decision or not). The Forward Plan covers the following 6 months and must be

updated on a rolling monthly basis. All items have been discussed and approved by the Senior Leadership Team.

## **2 Proposal**

- 2.1 The Forward Plan is ultimately the responsibility of the Leader and Cabinet as it contains Executive business due for decision. The Plan is therefore presented at this meeting to give Cabinet the opportunity to discuss, amend or delete any item that is listed.

## **3 Alternative Options**

- 3.1 Cabinet could decide not agree with any of the items are suggested for inclusion in the plan. This would then be referred back to the Senior Leadership Team.
- 3.2 Cabinet could decide to move the date for consideration of any item.

## **4 Financial Implications**

- 4.1 There are no financial implications directly arising from this report.

## **5 Legal Implications**

- 5.1 There are no legal implications directly arising from this report.

## **6 Equalities Implications**

- 6.1 There are no equalities implications arising from this report.

## **7 Carbon Reduction/Environmental Sustainability Implications**

- 7.1 There are no carbon reduction/sustainability implications arising from this report.

## **8 Appendices**

- 8.1 Appendix 1 – Forward Plan

## **9 Background Papers**

- 9.1 None identified

## **10 Reasons for Recommendations**

- 10.1 To promote the items that are due for decision by Gedling Borough Council's Executive over the following six month period.

**Statutory Officer approval**

**Approved by:**

Chief Financial Officer

**Date:**

31/8/2020 (report content)

**Approved by:**

Monitoring Officer

31/8/2020 (report content)

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# Gedling Borough Council

## FORWARD PLAN

### FOR THE PERIOD 3 JANUARY 2023 TO 30 JUNE 2023

This forward plan sets out the details of the key and non-key decisions which the executive cabinet, individual executive Members or officers expect to take during the next six months.

The current members of the Executive Cabinet are:

Councillor John Clarke – Leader of the Council

Councillor Michael Payne – Deputy Leader and Portfolio Holder for Corporate Resources and Performance

Councillor David Ellis – Portfolio Holder for Local Pride and Community Engagement

Councillor Kathryn Fox - Portfolio Holder for Diverse Communities and Life Chances

Councillor Jenny Hollingsworth – Portfolio Holder for Sustainable Growth and Economy

Councillor Ron McCrossen – Portfolio Holder for Environment

Councillor Viv McCrossen – Portfolio Holder for Young People and Equalities

Councillor Henry Wheeler – Portfolio Holder for Lifestyles, Health and Wellbeing

Anyone wishing to make representations about any of the matters listed below may do so by contacting the relevant officer listed against each key decision, within the time period indicated.

Description of the decision	Date decision is expected to be taken and who will take the decision?	Responsible Officer	Documents to be considered by the decision maker	Cabinet Portfolio	Open / Exempt (and reason if the decision is to be taken in private)  Is this a Key Decision?
<b>Local scheme of validation for planning applications</b> To inform Cabinet of the local scheme of validation for planning applications	<b>16 Feb 2023 Cabinet</b>	Nigel Bryan, Principal Planning Officer	Officer Report	Portfolio Holder for Sustainable Growth and Economy	Open  Yes
<b>Annual update on policy advisors</b>	<b>16 Feb 2023 Cabinet</b>	Mike Hill, Chief Executive	Officer Report	Leader of the Council	Open  Yes
<b>General Fund Budget 2023/24</b> For Cabinet to recommend to Council the revenue budget for the next financial year.	<b>16 Feb 2023</b>  <b>2 Mar 2023</b>  <b>Council</b>	Paul Adcock, Head Of Finance and IT	Officer Report	Portfolio Holder for Corporate Resources and Performance	Open  Yes
<b>Capital Programme and Capital Investment Strategy</b> To approve the capital spending programme and the capital investment strategy for the next financial year.	<b>16 Feb 2023</b>  <b>2 Mar 2023</b>  <b>Council</b>	Paul Adcock, Head Of Finance and IT	Officer Report	Portfolio Holder for Corporate Resources and Performance	Open  Yes
<b>Prudential and Treasury Indicators and Treasury Management Strategy Statement 2023/24</b> To present for Members approval the Council's Prudential Code Indicators and Treasury Strategy for 2023/24, for referral to Council	<b>16 Feb 2023</b>  <b>2 Mar 2023</b>  <b>Council</b>	Paul Adcock, Head Of Finance and IT	Officer Report	Portfolio Holder for Corporate Resources and Performance	Open  Yes
<b>Gedling Plan 2023-2027</b> To update Cabinet on the review of the Gedling Plan 2023-2027 and seek support for referral to Council.	<b>16 Feb 2023</b>  <b>2 Mar 2023</b>  <b>Council</b>	Senior Leadership Team	Officer Report	Portfolio Holder for Corporate Resources and Performance	Open  Yes

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Description of the decision	Date decision is expected to be taken and who will take the decision?	Responsible Officer	Documents to be considered by the decision maker	Cabinet Portfolio	Public / Exempt (and reason if the decision is to be taken in private)  Is this a key decision?
<b>Community Asset transfer of Wollaton Avenue Community Centre</b>	<b>16 Mar 2023 Cabinet</b>	Lance Juby, Head of Communities and Leisure	Officer Report	Portfolio Holder for Corporate Resources and Performance	Open  No
<b>Burton Road and Station Road</b> To present a business case for developing the Council owned sites at Burton Road and Station Road	<b>16 Mar 2023 Cabinet</b>	Paul Whitworth, Benefits Manager	Officer Report	Portfolio Holder for Sustainable Growth and Economy	Open  Yes

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## Report to Cabinet

**Subject:** Prudential and Treasury Indicators and Treasury Management Strategy Statement (TMSS) 2023/24

**Date:** 16 February 2023

**Author:** Director of Corporate Resources and S151 Officer

### Wards Affected

All

### Purpose

To present for Members' approval the Council's Prudential Code Indicators and Treasury Strategy for 2023/24, for referral to Full Council on 2 March 2023.

### Key Decision

This is a key decision because it is likely to result in the Council incurring expenditure or savings, which are significant having regard to the budget for the service or function concerned.

### Recommendations:

Members are recommended to:

1. Approve the Prudential and Treasury Indicators and Treasury Management Strategy Statement (TMSS) 2023/24, which includes the key elements below, and refer it to Full Council on 2 March 2023 for approval as required by the Regulations:
  - a. The Minimum Revenue Provision (MRP) Policy Statement (2.2);
  - b. The Borrowing Strategy (2.3.4);
  - c. The Annual Investment Strategy (2.3.8);
  - d. Capital Affordability Prudential Indicators for 2023/24 to 2025/26 (Appendix 1);
  - e. Treasury Indicators including affordability limits to borrowing for 2023/24 to 2025/26 (Appendix 1).
2. Note the indicative Prudential Indicators for 2026/27 and 2027/28 (Appendix 1).

## Background

### 1.1 Introduction

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

“Investments” in the definition above include all the Council’s financial assets (treasury investments) which are defined as the placement of cash in relation to the S12 Local Government Act 2003 investment powers (ie. they represent the residual cash left in the Council’s bank account as a result of its day-to-day activities). However, investments also include other “non-financial assets” (non-treasury investments) which are held primarily for financial returns, for example commercial investment property portfolios and loans to third parties. Whilst commercial initiatives and loans to third parties will have an impact on the Treasury Management function, these activities are generally classed as “non-treasury activities” (as they usually arise from capital expenditure), and are separate from day to day Treasury Management activities.

However, all investments require appropriate risk management under the Treasury Management Code, and the key principle of the control of risk and optimisation of returns should be applied across all investment activities, including those that are more commercially based.

- 1.1.2 The Council is required to operate a “balanced budget”, which broadly means that cash raised during the year will meet cash expenditure. Part of the Treasury Management service is to ensure that cashflow is adequately planned, with cash available when it is needed. Surplus cash is invested in low-risk counterparties and instruments commensurate with the Council’s low risk appetite, providing adequate liquidity before considering investment return.

A further Treasury Management function is the funding of the Council’s capital plans. These plans provide a guide to the Council’s borrowing needs, and require longer-term cashflow planning to ensure that the Council can meet its spending obligations. The management of longer-term cash may involve arranging long or short-term loans or the use of longer-term cashflow surpluses. On occasion, debt previously drawn may be restructured to meet the Council’s risk or cost objectives.

The contribution made by the Treasury Management function is critical as the balance of debt and investment operations ensure liquidity, ie. the ability to meet spending commitments as they fall due. Treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits impacting the overall budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

## 1.2 Statutory reporting requirements

- 1.2.1 CIPFA published the updated Treasury Management and Prudential Codes on 20 December 2021. CIPFA stated that, after a soft introduction of the Codes, local authorities are expected to fully implement the required reporting changes within their TMSS reports from 2023/24.

The Department for Levelling Up, Housing and Communities (DLUHC) is proposing to tighten up regulations around local authorities financing capital expenditure on investments in commercial projects for yield and has already closed access to all Public Works Loan Board (PWLB) borrowing if such schemes are included in an authority's capital programme. The new CIPFA codes have adopted a similar outlook to discourage further capital expenditure on commercial investments for yield.

However, this does not mean that local authorities may not currently have the legal powers to undertake such capital expenditure despite such guidance and regulation, but each authority should take its own legal advice on such matters before proceeding.

The main objective of the updated Treasury Management and Prudential Codes was to respond to the major expansion of local authority investment activity in recent years on the purchase of non-financial investments, particularly property. The Codes require a local authority to:

- define its risk appetite and its governance processes for managing risk;
- set out, at a high level, its investment policy in relation to environmental, social and governance aspects;
- adopt a new liability benchmark treasury indicator to support the risk management of the capital financing requirement (CFR); this is to be shown in chart form for a minimum of ten years, with material differences between the liability benchmark and actual loans to be explained;
- ensure it does not borrow to finance capital expenditure to invest primarily for commercial return;
- ensure that increases in the CFR and borrowing are undertaken solely for purposes directly and primarily related to the functions of the authority; where any financial returns are related to the financial viability of the project in question, they should be incidental to its primary purpose;
- conduct an annual review to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt;
- ensure its capital plans and investment plans are affordable and proportionate;
- ensure all borrowing and other long-term liabilities are within prudent and sustainable levels;
- ensure risks associated with commercial investments are proportionate to overall financial capacity in order to sustain losses;
- ensure that treasury management decisions are made in accordance with good professional practice;

- ensure that reporting to Members is conducted quarterly, including updates of prudential indicators;
- assess the risks and rewards of significant investments over the long-term as opposed to the usual three to five years that most local authority financial planning has been conducted over to ensure the financial sustainability of the authority;
- ensure it has access to the appropriate level of expertise to be able to operate safely in all areas of investment and capital expenditure and to involve Members adequately in making properly informed decisions on such investments.

In addition, all investments and investment income must be attributed to one of the following three purposes:

- Treasury Management

Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

- Service Delivery

Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".

- Commercial Return

Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to a council's financial capacity – ie. that "plausible losses" could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return.

There is now an explicit requirement to prepare a Capital Strategy to provide a longer-term focus to capital planning, and to meet the greater reporting requirements for any commercial activity undertaken under the Localism Act 2011. The Council's Capital Strategy is reported separately, but its purpose and content is summarised below for completeness.

### 1.2.2 Capital Strategy

The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following:

- A high level long-term overview of how capital expenditure, capital financing and Treasury Management activities contribute to the provision of services;
- An overview of how the associated risk is managed;
- The implications for future sustainability.

The aim of the Capital Strategy report is to ensure that all elected Members, ie. Full Council, fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite. The Capital Strategy is reported separately from the TMSS.

Members are advised that whilst the Council does not currently have a Commercial Property Investment Strategy (CPIS) any future “non-treasury” investments would be reported through the Capital Strategy to ensure the separation of the core treasury function under security, liquidity and yield principles, and any policy and commercialism investments usually driven by expenditure on an asset.

The Capital Strategy would show:

- The corporate governance arrangements for these types of activities;
- Any service objectives relating to the investments;
- The expected income, costs and resulting contribution;
- The debt related to the activity and the associated interest costs;
- The payback period (MRP policy);
- For non-loan type investments, the cost against the current market value;
- The risks associated with each activity.

Should any non-treasury investment sustain a loss during the final accounts and audit process, the strategy and revenue implications would be reported through the same procedure as the Capital Strategy.

### 1.2.3 Treasury Management Reporting

As a minimum, the Treasury Management Code requires that the Full Council receives and approves three main reports each year, which incorporate a variety of policies, estimates and actuals.

- a) Prudential and Treasury Indicators and Treasury Management Strategy Statement (TMSS) - this report:

This first, and most important report is forward-looking and covers:

- The capital plans (including prudential indicators);
- A Minimum Revenue Provision (MRP) policy (how residual capital expenditure is charged to revenue over time);

- The Treasury Management Strategy (how the investments and borrowings are to be organised) including treasury indicators;
- An Investment Strategy (the parameters on how investments are to be managed).

b) Mid-year Treasury Management Report:

This is primarily a progress report and updates Members on the capital position, amending prudential indicators as necessary, and whether the treasury strategy is appropriate or whether any policies require revision.

The Council has adopted a policy of presenting quarterly Treasury Management progress reports to Members, and this exceeds the minimum requirement.

c) Annual Treasury Report:

This is a backward looking review and provides details of a selection of actual prudential and treasury indicators, and actual treasury operations compared to the estimates within the strategy.

1.2.4 Scrutiny

All Treasury Management reports must be adequately scrutinised before being recommended to Council, and this role is undertaken by Cabinet. The TMSS is part of the Council's Budget and Policy Framework and accordingly the Chair of the Overview and Scrutiny Committee must also be consulted. Any comments received will be taken into account before referral to Council.

In addition to the three major reports detailed above, from 2023/24 quarterly reporting (at 30 June and 31 December) is also required. However, these additional reports do not have to be reported to Council but do need to be adequately scrutinised. This role is undertaken by Cabinet.

**1.3 Treasury Management Strategy for 2023/24**

The treasury management strategy for 2023/24 covers two main areas:

Capital issues including:

- The Council's capital expenditure plans, and the prudential indicators;
- The minimum revenue provision (MRP) policy.

Treasury management issues including:

- The current treasury position;
- Treasury indicators which limit the treasury risk and activities of the Council;
- Prospects for interest rates;
- The borrowing strategy;

- The policy on borrowing in advance of need;
- Debt rescheduling;
- The investment strategy;
- The Creditworthiness policy;
- The policy on the use of external service providers.

These elements cover the requirements of the Local Government Act 2003, DLUHC Investment Guidance, DLUHC MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

#### **1.4 Training**

The CIPFA Treasury Management Code requires the responsible officer to ensure that Members with responsibility for Treasury Management receive adequate training. This especially applies to Members responsible for the scrutiny of Treasury Management, ie. Cabinet.

Pages 47 and 48 of the Treasury Management Code state that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making.

The scale and nature of this will depend on the size and complexity of the organisation’s treasury management needs. Organisations should consider how to assess whether treasury management staff and board/ council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.

As a minimum, authorities should carry out the following to monitor and review knowledge and skills:

- Record attendance at training and ensure action is taken where poor attendance is identified.
- Prepare tailored learning plans for treasury management officers and board/council members.
- Require treasury management officers and board/council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).
- Have regular communication with officers and board/council members, encouraging them to highlight training needs on an ongoing basis.”

The Chief Financial Officer will arrange training for Members as required. The Council’s Treasury Management advisers, Link Asset Services (LAS), also

provide more detailed training sessions for Members as appropriate, and it is currently intended that such training will be arranged during 2023/24.

The training needs of officers involved with Treasury Management are reviewed periodically. A formal record of the training received by these officers will be maintained by the Chief Financial Officer. Similarly, a formal record of the treasury management/capital finance training received by Members will be maintained by Democratic Services.

## **1.5 Treasury Management Consultants**

The Council uses Link Asset Services (LAS) as its external treasury management advisers.

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

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

The scope of the Council's investments currently includes only conventional treasury investments (the placing of residual cash from Council functions), following the withdrawal of the Commercial Property Investment Strategy which covered more commercial type investments. Commercial investment requires additional specialist advice and the Council will obtain this should it become necessary in the future.

## **2.1 The Capital Prudential Indicators 2023/24 to 2025/26**

The Council's capital expenditure plans are the key driver of treasury management activity.

The output of the Council's capital expenditure plans is reflected in prudential indicators, which are designed to assist Members to overview and confirm such plans. The indicators for the three years 2023/24 to 2025/26 are attached at Appendix 1 and these must be referred to Full Council for approval in accordance with the regulations.

Indicative indicators for 2026/27 and 2027/28 are also included in Appendix 1, to reflect the 5-year period of the Medium Term Financial Plan. The purpose of this is to ensure that longer-term forecasts for capital expenditure and borrowing are



fully considered, and that they can be demonstrated to be prudent and affordable. The inclusion of these indicators aligns with the Capital Programme and Capital Investment Strategy elsewhere on this agenda.

### 2.1.1 Capital Expenditure and Financing

The indicator includes a summary of the proposed capital expenditure plans for 2023/24 to 2025/26, including both those schemes agreed previously and those forming part of this budget cycle. The Capital Programme includes only “service-related” expenditure.

<b>Capital Expenditure:</b>	<b>2023/24 Estimate £000s</b>	<b>2024/25 Estimate £000s</b>	<b>2025/26 Estimate £000s</b>
Service Investment	6,928.1	3,624.7	2,554.0
<b>Total Capital Expenditure</b>	<b>6,928.1</b>	<b>3,624.7</b>	<b>2,554.0</b>

The table below analyses the capital expenditure plans by portfolio.

<b>Portfolio Capital Expenditure:</b>	<b>2023/24 Estimate £000s</b>	<b>2024/25 Estimate £000s</b>	<b>2025/26 Estimate £000s</b>
Environment	3,712.4	2,364.0	2,124.0
Sustainable Growth and Economy	125.7	830.7	0.0
Corporate Resources and Performance	3,090.0	260.0	260.0
<b>Total Capital Expenditure</b>	<b>6,928.1</b>	<b>3,624.7</b>	<b>2,554.0</b>

The table below summarises the above capital expenditure plans and how these are being financed by capital or revenue resources. Any shortfall of resources results in a net borrowing need (all service related).

<b>Financing of Capital Expenditure:</b>	<b>2023/24 Estimate £000s</b>	<b>2024/25 Estimate £000s</b>	<b>2025/26 Estimate £000s</b>
<b>Capital Expenditure (above):</b>	<b>6,928.1</b>	<b>3,624.7</b>	<b>2,554.0</b>
<b>Financed by:</b>			
Capital receipts	610.9	50.0	50.0
Capital grants & contributions	1,999.6	2,525.7	1,200.0
S106 & CIL	0.0	0.0	0.0
Direct Revenue Financing	21.0	0.0	0.0
<b>Net Borrowing Need</b>	<b>4,296.6</b>	<b>1,049.0</b>	<b>1,304.0</b>

## 2.1.2 The Council's Borrowing Need – the Capital Financing Requirement (CFR)

The CFR represents the total historic outstanding capital expenditure which has not yet been paid for, from either revenue or capital resources. It is essentially a measure of the Council's "underlying borrowing need". Any capital expenditure in the tables above, which has not immediately been paid for by way of capital receipts, grants or contributions, will increase the Council's CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each asset's life, and so charges the economic consumption of capital assets as they are used.

The CFR can include any other long-term liabilities, for example finance leases. Whilst these would increase the CFR, and therefore the borrowing requirement, such schemes would include their own borrowing facilities and the Council would not be required to separately borrow for them. The Council has no such schemes within its CFR.

<b>Capital Financing Requirement (CFR)</b>	<b>2023/24 Estimate £000s</b>	<b>2024/25 Estimate £000s</b>	<b>2025/26 Estimate £000s</b>
<b>Closing CFR:</b>	17,161.8	17,182.8	17,341.4
<b>Movement in CFR within the year</b>	<b>+3,502.5</b>	<b>+21.0</b>	<b>+158.6</b>
<b>Represented by:</b>			
Net financing need	+4,296.6	+1,049.0	+1,304.0
MRP	-794.1	-1,028.0	-1,145.4
<b>Movement in CFR within the year</b>	<b>+3,502.5</b>	<b>+21.0</b>	<b>+158.6</b>

The predominantly private-sector based concept of "gearing" provides an opportunity to compare the total underlying borrowing need to the Council's total fixed assets. The gearing ratio can provide an early indication where debt levels are rising relative to the long-term assets held.

The Council's treasury advisers, Link Asset Services, have analysed the balance sheets of over 200 authorities and established that average gearing is around 36% for councils similar in size to Gedling. The table below demonstrates that, on the basis of current assumptions, Gedling sits close to this average.

<b>Gearing:</b>	<b>2023/24 Estimate £000s</b>	<b>2024/25 Estimate £000s</b>	<b>2025/26 Estimate £000s</b>
Estimated closing Long Term Assets: (Property, Plant, Equipment & Investment Assets)	51,387	53,182	55,166
Closing CFR (above)	17,161.8	17,182.8	17,341.4
<b>Gearing Ratio</b>	<b>32%</b>	<b>31%</b>	<b>31%</b>

### 2.1.3 Liability Benchmark

A fourth and new prudential indicator for 2023/24 is the Liability Benchmark (LB). The Council is required, as a minimum, to estimate and measure the LB for the forthcoming financial year and the two following financial years.

There are four components to the LB:

- Existing Loan Debt Outstanding – The Council’s existing loans that are still outstanding in future years
- Loans CFR – Calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP
- Net Loans Requirement – The Council’s gross loan debt less treasury management investments at the last financial year end, projected into the future and based on approved prudential borrowing, planned MRP and any other major cash flow forecasts.
- Liability Benchmark (or Gross Loans Requirement) – The net loans requirement plus a short-term liquidity allowance.

The Council’s estimated liability benchmark is as follows:

	2023/24 £	2024/25 £	2025/26 £
Liability Benchmark	-2,285,282	-2,051,853	-3,002,293

The estimated liability benchmark is a negative figure due to the Council’s investments exceeding its borrowings over the period shown.

### 2.1.4 Other Capital Affordability Prudential Indicators

Sections 2.1.1, 2.1.2 and 2.1.3 above cover the Prudential Indicators for overall “capital” and “control of borrowing”, but within the Prudential framework additional indicators are required to further assess the affordability of the Council’s capital investment plans. These provide an indication of the impact of the capital investment plans on the Council’s overall finances and are detailed below. A summary of the indicators can be found at Appendix 1.

- **Ratio of financing costs to net revenue stream** - this indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs, net of investment income) against the net revenue stream.

Financing costs represent the element of the Council’s budget to which it is committed even before providing any services, because they reflect the current costs of previous and planned capital financing decisions. Furthermore, if the net revenue stream falls as funding sources decline and cuts are made to

expenditure, financing costs may be fixed, increasing the ratio of financing costs to the net revenue stream. If for example the ratio of financing costs to the net revenue stream is 8%, that leaves 92% with which to provide all the Council's other services. If the ratio rises to 10%, only 90% is available for services.

Estimates of financing costs include current commitments and the proposals included in the Gedling Plan report elsewhere on this agenda.

<b>Financing costs and the net revenue stream:</b>	<b>2023/24 Estimate £000s</b>	<b>2024/25 Estimate £000s</b>	<b>2025/26 Estimate £000s</b>
Net revenue stream	14,199.9	13,118.9	12,209.8
Financing costs (net)	923.7	1,225.7	1,462.9
<b>Ratio to net revenue stream</b>	<b>6.50%</b>	<b>9.34%</b>	<b>11.98%</b>

- **Maximum Gross Debt** - The Council must ensure that its gross debt does not, except in the short term, exceed the total of the opening capital financing requirement, plus estimates of any additional CFR for the year in question and the following two financial years. This allows flexibility for early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes. Please see 2.3.1 below.

The 2023/24 Capital Programme and Capital Investment Strategy report provides full details of the proposed capital programme. All the capital prudential indicators can be found at Appendix 1, and represent capital investment plans that have been fully factored into the Council's Medium Term Financial Plan, and are assessed as affordable, prudent and sustainable, subject to securing the commitment to delivering an efficiency programme in the medium term, as proposed in the Gedling Plan.

<b>Maximum Gross Debt:</b>	<b>2023/24 Estimate £000s</b>	<b>2024/25 Estimate £000s</b>	<b>2025/26 Estimate £000s</b>
Opening CFR (ie. closing CFR in preceding year)	13,659.3	17,161.8	17,182.8
Additions (only) in-year + following 2 years	3,682.1	179.6	20.9
<b>Maximum Gross Debt</b>	<b>17,341.4</b>	<b>17,341.4</b>	<b>17,203.7</b>
Estimated total GBC debt outstanding at 31 March	12,811.6	13,811.6	13,811.6
<b>Under/(over) borrowing</b>	<b>4,529.8</b>	<b>3,529.8</b>	<b>3,392.1</b>

All the estimated total debt figures above relate to service related activities.

## **2.2 Minimum Revenue Provision (MRP) Policy Statement**

The Council is required to pay off an element of the accumulated General Fund capital spending (CFR) each year by way of a minimum revenue provision (MRP). It is also allowed to make an additional voluntary revenue provision if it so wishes (VRP).

DLUHC regulations require the full Council to approve an MRP Statement in advance of each year. A variety of options is provided to councils, but there must be “prudent provision”. The guidance does not define “prudent”, instead making recommendations on the interpretation of the term. It is the responsibility of each authority to decide upon the most appropriate method of making a prudent MRP, having had regard to the guidance and its own circumstances, the broad aim being to ensure that borrowing is repaid over a period that reflects the useful lives of the assets acquired. The guidance seeks to ensure that local authorities make borrowing and investment decisions in a way that is commensurate with their statutory responsibilities, and their best value duty. The Council is obliged to have regard to the DLUHC guidance, but it is not prescriptive.

The Council is recommended to approve the following Statement for 2023/24:

### MRP Statement 2023/24

- a. The Council will assess MRP in accordance with the recommendations within the guidance issued under section 21(1A) of the Local Government Act 2003.
- b. The CFR method will be used for calculating MRP in respect of all capital expenditure incurred up to and including 31 March 2008. This is the simplest approach available, being calculated as a straightforward 4% of the relevant element of the CFR at the end of the previous year. In the current economic climate, the Chief Financial Officer considers that use of the CFR Method is prudent.
- c. The Asset Life Method will be used for calculating MRP in respect of all capital expenditure incurred on and after 1 April 2008. From 1 April 2019 an annuity approach has been adopted in making this calculation, allowing for a slightly lower MRP charge in the early years than under the previously used equal instalment approach. This is considered prudent because it better reflects the time value of money, whereby £100 paid ten years hence represents less of a burden than paying £100 today.
- d. The Chief Financial Officer will determine estimated asset lives. Where expenditure of different types is involved, it will be grouped together in a manner which best reflects the nature of the main component of expenditure. It will only be divided up in cases where there are two or more major components, with significantly different asset lives.

- e. DLUHC guidance provides that any charge made over and above the statutory MRP, ie. a voluntary revenue provision (VRP) or “overpayment”, can be reclaimed in later years if deemed necessary or prudent, providing the cumulative overpayment made to date is disclosed in this policy statement. In view of the economic climate and significant budgetary pressures, the Council will not provide for an additional voluntary contribution to MRP in 2023/24, and neither has it done so in previous years.
- f. Based on the above policy, the net MRP charge for 2023/24 has been calculated as **£794,100** as detailed below, and this sum has been included in the Council’s 2023/24 budget proposals. The exact amount of MRP will be subject to change should capital financing decisions alter during the year.

<b>Minimum Revenue Provision (MRP)</b>	<b>2023/24 £s</b>
CFR Method - up to 31 March 2008	187,800
Asset Life Method (annuity approach) - from 1 April 2008	606,300
<b>Total MRP</b>	<b>794,100</b>

DLUHC is presently conducting a consultation on amending MRP regulations and guidance for England. It is anticipated that any changes will take effect from 2024/25 at the earliest.

## **2.3 Treasury Strategy 2023/24 - Borrowing and Investment**

The capital expenditure plans set out above provide details of the Council’s service activity. The Treasury Management function ensures that the Council’s cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this activity. This will involve both the organisation of the cash flow and, where necessary, the organisation of appropriate borrowing facilities. The Treasury Strategy covers the relevant treasury indicators, the current and projected debt positions and the annual investment strategy.

### **2.3.1 Projected Portfolio Position**

The Council’s forward projection on its treasury portfolio position is summarised below. This shows the projected external debt, ie. the treasury management operations, against the underlying total capital borrowing need, ie. the Capital Financing Requirement (CFR), highlighting any expected over or under borrowing.

<b>Projected Gross Debt compared to CFR</b>	<b>2023/24 Estimate £000s</b>	<b>2024/25 Estimate £000s</b>	<b>2025/26 Estimate £000s</b>
Estimated Debt 1 April	10,811.6	12,811.6	13,811.6
Estimated change in debt	2,000.0	1,000.0	0.0
Other long term liabilities	0.0	0.0	0.0
<b>Estimated Gross Debt 31 March</b>	<b>12,811.6</b>	<b>13,811.6</b>	<b>13,811.6</b>
Estimated Closing CFR	17,161.8	17,182.8	17,341.4
<b>Under/Internal / (Over) borrowing</b>	<b>4,350.2</b>	<b>3,371.2</b>	<b>3,529.8</b>
<b>Internal borrowing as % of estimated closing CFR</b>	<b>25%</b>	<b>20%</b>	<b>20%</b>

Under-borrowing represents the extent of the Council’s “internal borrowing” position, ie. the use of reserves and balances that are being used as a short-term alternative to taking external debt. This represents the Council’s exposure to interest rate movements (whilst internal balances are used, PWLB rates may rise) and the element of borrowing that is being undertaken at variable rates (ie. rates equivalent to lost investment income).

Balance sheet reviews undertaken by LAS have established that the average level of internal borrowing is around 20%, however authorities with a relatively low CFR (like Gedling) may be able to successfully run a higher internal borrowing position. The table above shows that Gedling’s ratio is estimated to be between 20% and 25% over the next three years, ie. broadly in line with the average, to lessen the risk of interest movements.

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. As detailed at 2.1.4 above, to comply with the “gross debt” indicator, the Council must ensure that its gross debt does not, except in the short term, exceed the total of the closing CFR in the preceding year plus the estimates of any additional CFR for 2023/24 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue, or for speculative purposes.

The Chief Financial Officer can report that the Council has complied with this prudential indicator during the current year, 2022/23, and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in the budget report.

### 2.3.2 Treasury indicators – affordability limits to borrowing (Appendix 1)

#### a. The Operational Boundary for external debt

This is the limit which external debt is not “normally” expected to exceed. In most cases, this would be a similar figure to the CFR, but it may be lower or higher depending on the levels of actual debt.

b. The Authorised Limit for external debt

This is a key prudential indicator and represents a control on the “maximum” level of borrowing. It is the statutory limit determined under s3 (1) of the Local Government Act 2003 and represents the limit beyond which external debt is prohibited. The Authorised Limit must be set, and revised if necessary, by Full Council. It reflects a level of external debt which, while not desirable, could be afforded in the short term, but is not sustainable in the longer term. The Government retains an option to control either the total of all Councils’ plans, or those of a specific Council, although this power has not yet been exercised.

2.3.3 Prospects for Interest Rates

The Council has appointed Link Asset Services (LAS) as its treasury adviser and part of their service is to assist the Council to formulate a view on interest rates. The following table and commentary gives the latest LAS forecast at 7 February 2023 and reflect PWLB “certainty rates” for which the Council qualifies. Further information on interest rates can be found at Appendix 2.

Link Group Interest Rate View	07.02.23												
	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
<b>BANK RATE</b>	4.25	4.50	4.50	4.25	4.00	3.75	3.25	3.00	2.75	2.75	2.50	2.50	2.50
3 month ave earnings	4.30	4.50	4.50	4.30	4.00	3.80	3.30	3.00	2.80	2.80	2.50	2.50	2.50
6 month ave earnings	4.40	4.50	4.40	4.20	3.90	3.70	3.20	2.90	2.80	2.80	2.60	2.60	2.60
12 month ave earnings	4.50	4.50	4.40	4.20	3.80	3.60	3.10	2.70	2.70	2.70	2.70	2.70	2.70
5 yr PWLB	4.00	4.00	3.90	3.80	3.70	3.60	3.50	3.40	3.30	3.20	3.10	3.10	3.10
10 yr PWLB	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.50	3.40	3.30	3.30	3.20
25 yr PWLB	4.60	4.60	4.40	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.40	3.40
50 yr PWLB	4.30	4.30	4.20	4.10	3.90	3.80	3.60	3.60	3.40	3.30	3.20	3.20	3.10

Link’s forecast for interest rates reflects a view that the Bank of England’s Monetary Policy Committee (MPC) will be keen to further demonstrate their anti-inflation credential by delivering a succession of Bank Rate increases. Bank rate currently stands at 4.0% but is expected to peak at 4.5% in 2023.

Significant downside risks to the forecasts include:

- Labour and supply shortages proving more enduring and disruptive and depressing economic activity.
- The MPC acting too quickly, or going too far, over the next year to raise Bank Rate and causing United Kingdom economic growth, and increases in inflation, to be weaker currently anticipated.
- United Kingdom/European Union trade arrangements – if there was a major impact on trade flows and financial services due to complications or lack of co-operation in resolving significant remaining issues.
- Geopolitical risks such as, for example, the situation in Ukraine and Russia leading to increasing flows to safe havens.



Significant upside risks to the forecasts include:

- The MPC being too slow in its pace and strength of increases in Bank Rate and therefore allowing inflationary pressures to build up too strongly and for a longer period which would then necessitate Bank rate staying higher for longer than currently projected or even necessitating a further series of increases in Bank Rate.
- The Government acting too quickly to cut taxes and/or increase expenditure in response to the cost of living crisis.
- The pound weakening because of a lack of confidence in the Government's fiscal policies and leading to investors pricing in a risk premium for holding United Kingdom sovereign debt.
- Long term United States treasury yields rising strongly and pulling gilt yield up higher than currently forecast.
- Projected gilt issues being too much for the market comfortably digest without higher yields.

Link suggest that the balance of risk to economic growth in the United Kingdom is to the downside.

Link expect that Bank Rate to reach a peak of 4.5% in June 2023 and then decline steadily to a level of 2.5% at September 2025.

The Council is currently budgeting to take an additional £2m of new borrowing in 2023/24, and a further £1m in 2024/25 to finance its capital programme. There will remain a cost of carry (the difference between higher borrowing costs and lower investment returns), to any new long-term borrowing that causes a temporary increase in cash balances as this position will almost certainly incur a revenue cost.

#### 2.3.4 Borrowing Strategy 2023/24

The Council is currently maintaining an under-borrowed position (see 2.3.1 above). This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This represents "internal borrowing". This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy in the form of Bank Rate increases in the first half of 2023.

However, against this background and the risks within the economic forecast outlined above, and the potential cost of carry, caution will be adopted with the 2023/24 treasury operations. The Chief Financial Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- If it was felt that there was a significant risk of a sharp FALL in long and short term rates (e.g. due to a marked increase of risks around a relapse into

recession, or a risk of deflation), then long term borrowing will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.

- If it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from an acceleration in the rate of increase in central rates in the UK and US, an increase in world economic activity or a sudden rise in inflation risk, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still lower than they are projected to be in the next few years.

Any new borrowing will be discussed with LAS, and any decisions will be reported to Cabinet at the next available opportunity.

### 2.3.5 Policy on Borrowing in Advance of Need

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

In determining whether borrowing will be undertaken in advance of need, the Council will ensure that there is a clear link between the capital programme and the maturity profile of the existing debt portfolio which supports the need to take funding in advance of need. It will ensure that the on-going revenue liabilities created, and the implications for future plans and budgets have been considered, and evaluate the economic and market factors that might influence the manner and timing of any decision to borrow. The advantages and disadvantages of alternative forms of funding will be considered, together with the most appropriate periods over which to fund.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

### 2.3.6 Debt Rescheduling

Reasons for rescheduling to be considered include:

- The generation of cash savings and / or discounted cash flow savings
- Helping to fulfil the Treasury Strategy;
- Enhancement of the portfolio balance (amend the maturity profile and/or the balance of volatility).

When the current day PWLB rate for the same term is higher than that being paid on an existing loan there is the potential for a discount to be available if the loan is repaid prematurely.

LAS will advise on the availability and merit of any rescheduling opportunities and any rescheduling will be reported to Cabinet at the earliest meeting following action.

### 2.3.7 New Financial Institutions as a Source of Borrowing

Currently the PWLB certainty rate is set at gilts plus 80 basis points, however consideration may be given to alternative sources of funding, including:

- Local authorities (primarily shorter dated maturities);
- Financial institutions (primarily insurance companies and pension funds but also some banks);

The extent to which these funding options may prove cheaper than PWLB is still evolving. The Council may make use of these sources of borrowing if appropriate, but only following advice from LAS.

### 2.3.8 Annual Investment Strategy 2023/24

#### a. Investment Policy – management of risk

DLUHC and CIPFA have extended the meaning of “investments” to include both financial (placement of surplus cash) and non-financial (primarily for financial return, ie. commercial) investments. The TMSS report deals solely with financial investments managed by the Treasury Management team. Non-financial investments such the purchase of income-yielding assets and service investments are managed by the Property Services team and are covered in the Capital Strategy.

The Council’s investment policy has regard to:

- DLUHC’s Guidance on Local Government Investments (“the Guidance”);
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 (“the CIPFA TM Code”);
- CIPFA Treasury Management Guidance Notes 2021.

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

The DLUHC and CIPFA guidance places a high priority on the management of risk. The Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means:

- i. Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus the avoidance of “concentration risk”. The Council utilises the LAS Creditworthiness Methodology, whereby banks’ ratings are monitored on a real time basis with knowledge of any changes notified electronically as the

agencies notify modifications. The Council has clearly stipulated its creditworthiness policy at 2.3.8 (b) below.

- ii. Ratings will not be the sole determinant of the quality of an institution, as it is important to continually assess and monitor the financial sector in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets, and the Council will engage with its treasury advisers to maintain a monitor on market pricing.
- iii. Other information sources will include the financial press, share prices and other such information pertaining to the banking sector, in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- iv. The Council has defined the types of financial investment instruments that are authorised for use and these are classified as either “Specified Investments” or “Non-Specified Investments” (see Appendix 3):
  - **Specified Investments** are those with a high level of credit quality, subject to a maximum maturity limit of one year (365 days), and not defined as capital expenditure. Only minimal reference is given to specified investments in the Annual Investment Strategy, and they will generally be used for cash-flow management.
  - **Non-Specified Investments** are all those not meeting the criteria for specified investments above, ie. those with a lower credit quality, for periods in excess of one year (365 days), or more complex instruments, eg. property funds, which require greater consideration by Members and officers before being authorised for use. Once an investment is classified as non-specified it remains non-specified through to maturity, ie. an 18 month deposit would still be a non-specified investment even when it had only 11 months left until maturity. If used, non-specified investments will tend to be used for the longer-term investment of core-balances.

Appendix 3 also sets out:

- The advantages and associated risk of investments under the non-specified category;
  - The upper limit to be invested in each non-specified category;
  - Those instruments best used only after consultation with the Council’s treasury advisers.
- v. Investment counterparty limits for 2023/24 will generally be **£3m** per individual counterparty, however a higher limit of **£4m** per Money Market Fund is considered prudent since such funds are already by definition highly diversified investment vehicles.

A limit of **£4m** currently applies to Santander, which offers the Council preferential rates on its 35, 95 and 180-day notice accounts, and has to give 60 days of notice of any change (other than Bank Rate changes). The Link methodology indicates that investments for up to 6 months are appropriate.

A limit of **£4m** also currently applies to CCLA, represented by a maximum of £3m in the Public Sector Deposit Fund (PSDF) money market fund, plus £1m in the Local Authorities Property Fund (LAPF) property fund.

No limit is placed on deposits with the Debt Management Office (DMO), since these represent lending to the UK Government.

The CFO has delegated authority to amend investment limits as he/she sees fit, and will report any such amendments to Cabinet for information as part of the next quarterly Treasury Management Report following the change.

With regard to the Council's own banker, HSBC, for transactional purposes if the bank was to fall below the standard creditworthiness criteria below, cash balances would be minimised both in monetary size and in duration of deposit.

- vi. The Council will set a limit on the amount of its investments placed with an initial term longer than one year (365 days).
- vii. Investments will only be placed with approved counterparties from the UK, or those from other countries with a minimum sovereign rating (see Appendix 4).
- viii. The Council has engaged external consultants (see para 1.5) to provide expert advice on how to optimise the appropriate balance of security, liquidity and yield – given the risk appetite of the Council in the context of the expected level of cash balances and the need for liquidity throughout the year.
- ix. All investments will be denominated in sterling.
- x. As a result of a change in accounting standards for 2022/23 under IFRS9, whereby movements in the value of investments are charged immediately to the revenue accounts, the Council have considered the implications of investment instruments that could result in an adverse movement in the value of the amount invested, and resultant charges to the General Fund at the end of the year.

In November 2018, MHCLG (now DLUHC) concluded its consultation on a temporary override to allow English authorities time to adjust their portfolio of pooled investments by announcing a statutory override to delay the implementation of IFRS9 for 5 years commencing 1 April 2018, and currently due to end on 31 March 2023. It has not, as yet, been determined whether a further extension to the override will be agreed by Government.

The Council has an investment of £1m in the CCLA Property Fund which is subject to the statutory override. If the override is not extended, from 1 April

2023 all movements in the capital value of this investment, both positive and negative, will have to be charged to the General Fund, creating volatility which is a risk that will have to be carefully managed.

The alternative is to decide not to use pooled investments and withdraw the investment before 31 March 2023. This carries a risk of failing to recover the original value of £1m – depending on market performance and the fund's liquidity at the time the withdrawal request is made.

The initial value of the Council's £1m investment in the CCLA Property Fund in December 2017 was £0.937m. The latest value, at 31 December 2022, is £0.931m, which represents an improvement from a low of £0.895m in August 2020.

An earmarked reserve has been set aside to mitigate the risk to the General Fund.

- xi. The Council will pursue value for money in Treasury Management and will monitor the yield from investment income against appropriate benchmarks for investment performance. Regular monitoring of investment performance will be carried out during the year.

b. Creditworthiness Policy

To reiterate, the primary principles governing the Council's creditworthiness criteria are:

- Security of capital – the categories of investment instruments to be used (specified and non-specified) are set out at Appendix 3;
- Liquidity of capital – regular cashflow monitoring determines the optimum period for which funds may be prudently committed at any particular time, and the creditworthiness methodology below determines the maximum time for which funds may be prudently committed with individual counterparties;
- Return on investment (yield).

i. Counterparty selection:

The Chief Financial Officer maintains a "counterparty list" and this is monitored constantly. The CFO has delegated authority to amend the minimum criteria as they see fit, and will report any such amendments to Cabinet for information as part of the next quarterly Treasury Management Report following the change.

The Council applies the creditworthiness methodology provided by LAS for the selection of investment counterparties. This employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies (Fitch, Moody's and Standard & Poor). The credit ratings of counterparties are supplemented with overlays for:

- Credit watches and credit outlooks from rating agencies;
- Credit default swap (CDS) spreads which give early warnings of likely changes in credit ratings;
- Sovereign ratings to select counterparties from only the most creditworthy countries.

The LAS modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the output is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested maximum duration of investments with a given counterparty. The colour bandings used by LAS and the Council are as follows:

- Yellow 5 years (UK government debt or its equivalent)
- Dark pink 5 years for Ultra Short Dated Bond Funds (credit score 1.25)
- Light pink 5 years for Ultra Short Dated Bond Funds (credit score 1.50)
- Purple 2 years
- Blue 1 year (nationalised or semi nationalised UK banks only)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

The LAS creditworthiness service uses a wider array of information than just “primary” ratings. Furthermore, by using a risk weighted scoring system it does not place undue reliance on one agency’s rating. All credit ratings are monitored weekly and the Council is also alerted to interim changes via its use of the LAS creditworthiness online service. If a downgrade deems counterparties no longer acceptable, their use for new investments will be withdrawn immediately.

Ratings under the LAS methodology will not necessarily be the sole determinant for the use of a counterparty. Other information sources used will include market data, the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

ii. Ringfencing:

Ringfencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail deposits from investment banking in order to improve resilience. In general, ringfenced banks will focus on lower risk day to day core transactions, whilst more complex and riskier activities will be the domain of an entirely separate non-ringfenced bank. Whilst the structure of banks included in this process may have changed, the fundamentals of credit assessment have not. The Council will continue to assess the newly formed entities under the LAS creditworthiness methodology.

iii. Property Funds:

Property Funds are not credit-rated, due to their diverse portfolios and structures. There are inherent risks associated with Property Fund investment in that the capital value is not guaranteed, and past dividend performance is not a guarantee of future returns. Investments should therefore be made with a time horizon of at least five years, to accommodate potential reductions in property values in the short to medium term. Evidence from recent years suggests that over time, property has been a positive long-term investment, however the market is undeniably cyclical, and investing for less than five years, may pose a significant risk.

The timing of property fund investments represents some degree of risk both in terms of the dividend and the capital sum. The key unknown is the future performance relative to the risk. If an investment is made at or near the bottom of a cycle, significant benefits might accrue from subsequent upturn, with rising dividends and increasing capital value. Conversely, should the cycle turn downwards for a significant proportion of the investment period, dividends might be lower than would be acceptable given the additional risks taken, and the capital sum returned might be **less** than that originally invested – see 2.3.8(a) (x).

Property is not a liquid asset and it can take time to realise an investment. A 90-day notice period for redemptions from the CCLA LAPF was introduced during 2020 following the temporary suspension of the fund due to the Covid-19 pandemic. This was done to align the dealing terms of the fund with the liquidity of the underlying assets, and to ensure resilience during periods of market stress.

Whilst Property Funds must hold a proportion of their assets as cash, in practice there may be a delay whilst assets are sold to realise the cash with which to make a redemption payment. Investment in Property Funds should be from core cash that is not likely to be required for at least five years, and even then not on demand.

iv. Country limits:

The Council will use approved **UK** counterparties subject to their individual credit ratings under the LAS methodology (see above). The Council **may** also use approved counterparties from countries with a minimum sovereign credit rating of **AA minus**. No more than £3m will be placed with **each** non-UK country at any time. The list of countries that currently qualify is shown at Appendix 4, however this list will be adjusted by officers in accordance with this policy should ratings change. The CFO has delegated authority to amend the minimum sovereign credit rating as he/she sees fit, and will report any such amendment to Cabinet for information as part of the next quarterly Treasury Management Report following the change.



***The ultimate decision on what is prudent and manageable for the Council will be taken by the Chief Financial Officer under the approved scheme of delegation.***

c. Investment Strategy

The Council's in-house managed funds are mainly cash-flow derived however, there has for some time been a core balance available for investment over a longer period if appropriate.

If it is thought that Bank Rate is likely to rise significantly within the relevant time horizon, consideration will be given to keeping most investments short term or variable. Conversely, if it is thought that Bank Rate is likely to fall, consideration will be given to locking in to the higher rates currently obtainable for longer periods.

As discussed at 2.3.3 above, Bank Rate rose to 4.0% on 2 February 2023. Link forecast that it will rise to 4.5% by June 2023 and then fall to 2.5% by September 2025. LAS consider that it is prudent to assume investment earnings from market-related instruments up to around 3 months will be approximately 4.4% for 2023/24 before falling to 3.3%. The Council's investment interest estimate for 2023/24 is currently based on an assumption of 3.75% on the property fund and an equated rate of 3.00% on remaining investments, since these are a mixture of short term deposits offering slightly better returns, and money market funds for liquidity. These will be kept under review.

Investments will be made with careful reference to any remaining core balance, to cash-flow requirements, and to the outlook for short-term interest rates (ie. for investments up to 365 days).

For its cashflow generated balances, the Council will seek to utilise its money market funds, notice accounts and short dated deposits in order to benefit from the compounding of interest.

An Investment treasury indicator and limit must be set for the total principal funds invested for periods in excess of one year (365 days) in the forthcoming and two subsequent years (ie. new non-specified investments). The limit for each year is set with regard to the Council's liquidity requirements. As at 8 February 2023 the Council's **total** non-specified investment is £1,000,000 - represented by the £1,000,000 investment in the CCLA property fund.

The treasury indicator and limit for new non-specified investments to be made in each of 2023/24, 2024/25 and 2025/26 is £3m, as detailed at Appendix 1 (treasury indicators) however this is subject to an overall limit of £5m for the total non-specified investments held by the Council at any one time (see Appendix 3). The overall individual counterparty limit of £3m or £4m (see 2.3.8 (v) above) also applies, including both specified and non-specified investments.

In accordance with the CIPFA Treasury Management Code 2021, a statement in the TMSS stating how interest rate exposure is managed and monitored is required, and this is set out below:

*The Council has a general preference for fixed rate borrowing in order to minimise uncertainty and ensure stability in the charge to revenue, however it is acknowledged that in certain circumstances, some variable rate borrowing may be prudent, for example if interest rates are expected to fall. The Council's investments are generally for cashflow purposes and accordingly a mix of fixed and variable rates will be used to maximise flexibility and liquidity. Interest rate exposure will be managed and monitored on a daily basis by the Chief Financial Officer.*

d. Investment risk benchmarking

Publication of official LIBOR (and related LIBID) calculations ceased on 31 December 2021. The Council will use Sterling Overnight Index Average (SONIA) rates to benchmark its own equated investment rate. These are the risk-free rates for sterling markets administered by the Bank of England, and are the new official rates. Link will be providing SONIA rates in its regular reporting templates and advice will be sought as to the most appropriate benchmark rate.

e. Investments defined as capital expenditure

The acquisition of share capital or loan capital in a body corporate is defined as capital expenditure under regulation 25(1)(d) of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003. Such investments will have to be funded out of capital or revenue resources, and will be classified as non-specified investments.

A loan or grant or financial assistance by this Council to another body for capital expenditure by that body will be treated as capital expenditure.

Investments in Money Market Funds, which are collective investment schemes, and bonds issued by "multilateral development banks", both defined in SI 2004 No 534, will not be treated as capital expenditure.

f. Provision for credit-related loss

If any of the Council's investments appear to be at risk of loss due to default, this is a "credit-related loss" and not a loss resulting from a fall in price due to movements in interest rates. In such an instance, the Council will make revenue provision of an appropriate amount.

g. End of Year Investment Report

At the end of the year, the Council will report on its investment activity as part of its Annual Treasury Report.

h. Policy on the use of external service providers

The Council uses LAS as its external Treasury Management advisers, however it recognises that responsibility for Treasury Management decisions remains with the Council at all times, and will ensure that undue reliance is not placed upon the external service providers.

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

i. Environmental, Social and Governance (ESG) considerations

The ESG agenda is becoming a major focus for local authorities. While around two thirds of councils have declared a “climate emergency”, this has not yet led to the inclusion of anything more formal within treasury-related investment strategies, ie the TMSS.

The Treasury Management Code suggests that the credit and counterparty policies for an organisation like the Council “should set out its policy and practices relating to ESG investment considerations. This is still a developing area and it is not implied that the organisation’s ESG policy will currently include ESG scoring or other real-time ESG criteria at individual investment level”.

The CIPFA Treasury Management Code 2021 also goes on to state that “ESG issues are increasingly significant for investors and investment managers. This is better developed in equity and bond markets than for short-term cash deposits, and there is a diversity of market approaches to ESG classification and analysis. This means that a consistent and developed approach to ESG for public service organisations is currently difficult. Organisations are therefore recommended to consider their credit and counterparty policies in light of ESG information and develop their own ESG investment policies and treasury management practices consistent with their organisation’s own relevant policies, such as environmental and climate change policies.”

Link’s view is that the most important issue is ensuring that there is a clear understanding of what “environmental, social and governance (ESG)” investment considerations actually **mean**. It is about understanding the ESG “risks” that an entity like the Council is exposed to, and evaluating how well it manages those risks, as all entities will be subject to them to some extent. ESG is **not** the same as Socially Responsible Investing, (typically where “negative screens” are applied to investment counterparties), and equally, it is **not** the same as Sustainable Investing, (investing in products or companies based on expected sustainable and beneficial societal impact, alongside a financial return).

There is huge potential for misunderstanding, and this could have material unintended consequences, ie. limiting the Council's potential counterparty options and thus decreasing diversification. This could then lead to the Council widening its credit criteria to take on more names, or those with a stronger ESG performance, which could then increase credit risk - which would place its cornerstone of "prudent investing" at risk.

Many local authorities can, or already do, take ESG considerations into account via the use of ratings from credit rating agencies. All the agencies now stress how they incorporate ESG risks alongside more traditional financial risk metrics when assessing counterparty ratings. The Council uses the Link creditworthiness service which is a sophisticated model including data from all three major agencies, and therefore does take ESG considerations into account to some extent.

ESG risks are about potential impact on an entity's enterprise value - the "G" (Governance) is the most important factor when considering treasury investments, the majority of which will be shorter-term in nature. This is because poor governance can have a more immediate impact on the financial circumstances of an entity, and the potential for a default event that would impact the amount the local authority receive back from its investments. Those financial institutions that are viewed as having poor or weak corporate governance are generally less well rated in the first instance, or have a higher propensity for being subject to negative rating action. So this element of ESG is of high importance to an investor that is following investment guidance with the security, liquidity and yield (SLY) principle at its core. Environmental and social factors are also important, but more for the long-term impact, unless an authority is specifically going down the "impact" or "sustainable" type investment route - and there are not many options for that in respect of short-term investments.

Link emphasise the use of SMART (specific, measurable, appropriate, realistic and timely) criteria in investment decisions. This approach seems more relevant than ever in view of perceived weaknesses in the ability of many fund managers to accurately report on the degree to which their funds or products are ESG compliant.

Link continues to look at ways in which these factors can be incorporated into its creditworthiness assessment service. However, the lack of consistency, as well as uncertainty as to how the Treasury Management Code may develop TMP1, means that they continue to review the options and will update clients as progress is made. Link's advice is therefore that it is not practicable to include ESG into its TMSS template for 2023/24 at the current time.

### 2.3.9 Gedling Borough Council scheme of delegation

**Full Council** is responsible for:

- Receiving and reviewing reports on Treasury Management policies, practices and activities;
- Approval of the annual Strategy (TMSS);
- Annual budget approval.

**Cabinet** is responsible for:

- Approval of, and amendments to, the Council's adopted clauses, Treasury Management Policy Statement and Treasury Management Practices;
- Budget consideration and virement approval;
- Approval of the division of responsibilities;
- Receiving and reviewing regular Treasury Management monitoring reports (the scrutiny role), and acting on recommendations;

**Audit Committee** is responsible for:

- Reviewing the Treasury Management policy and procedures, and making recommendations to the responsible body through the Internal Audit process.

### 2.3.10 The role of the Section 151 Officer (Chief Financial Officer)

The role of the Section 151 (responsible) officer includes the following:

- Recommending clauses, Treasury Management Policy and Practices for approval, reviewing these regularly and monitoring compliance;
- Submitting regular Treasury Management policy reports;
- Submitting budgets and budget variations;
- Receiving and reviewing management information reports;
- Reviewing the performance of the Treasury Management function;
- Ensuring the adequacy of Treasury Management resources and skills, and the effective division of responsibilities within the Treasury Management function;
- Ensuring the adequacy of internal audit, and liaising with external audit;
- Approving the selection of external service providers and agreeing terms of appointment.

The above list of the specific responsibilities of the Section 151 Officer as set out in the CIPFA Treasury Management Code 2021 are as per the 2017 Code. However, implicit in the changes to both the CIPFA Prudential and Treasury Management Codes was a major extension of the function of the Section 151 Officer role, especially in respect of non-financial investments (which CIPFA has defined as being part of treasury management). The Section 151 officer role is also now responsible for:

- Preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management over a long term timeframe;
- Ensuring that the capital strategy is prudent, sustainable and affordable in the long term, and provides value for money;
- Ensuring that due diligence has been carried out on all treasury and non-financial investments, and is in accordance with the risk appetite of the authority;
- Ensuring that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing;
- Ensuring the proportionality of all investments so that the authority does not undertake a level of investment which exposes it to an excessive level of risk compared to its financial resources;
- Ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities;
- Provision to Members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees;
- Ensuring that Members are adequately informed and understand the risk exposure taken on by the authority;
- Ensuring that the authority has adequate expertise, either in-house or externally provided, to carry out any non-financial investments;
- The creation of Treasury Management Practices which specifically deal with how non-financial investments will be carried out and managed.

### **3. Alternative Options**

An alternative option is to fail to present a Treasury Management Strategy Statement (TMSS), however this would contravene the requirements of the relevant Regulations.

### **4. Financial Implications**

No specific financial implications are attributable to this report.

### **5. Legal Implications**

To comply with the requirements of the Local Government Act 2003, the CIPFA Prudential Code, DLUHC MRP guidance, the CIPFA Treasury Management Code and the DLUHC investment guidance, the Council is required to have a strategy as set out in this report.

### **6. Equalities Implications**

There are no equalities implications arising from this report.

## **7. Carbon Reduction/Environmental Sustainability Implications**

There are no carbon reduction/environmental sustainability implications arising from this report.

## **8. Appendices**

1. Prudential and Treasury Indicators 2023/24 to 2025/26 for approval, and Indicative Indicators for 2026/27 and 2027/28;
2. Interest rate forecasts;
3. Specified and non-specified investments;
4. Approved countries for investment.

## **9. Background Papers**

None identified.

## **10. Reasons for Recommendations**

To comply with the requirements of the Local Government Act 2003, the CIPFA Prudential Code, DLUHC MRP guidance, the CIPFA Treasury Management Code and DLUHC investment guidance.

### **Statutory Officer approval:**

**Approved by:** Chief Financial Officer

**Date:** 8 February 2023

**Approved by:** Monitoring Officer

**Date:** 8 February 2023

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	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Indicative	2027/28 Indicative
<b><u>Prudential Indicators</u></b>					
a) Capital Expenditure:	£ 6,928,100	£ 3,624,700	£ 2,554,000	£ 2,291,000	£ 1,731,000
b) Capital Financing Requirement: (closing)	£ 17,161,800	£ 17,182,700	£ 17,341,400	£ 17,103,000	£ 16,290,200
c) Gearing	32%	31%	31%	24%	30%
d) Liability Benchmark	-£ 2,225,282	-£ 2,051,853	-£ 3,002,293	-£ 4,093,015	-£ 5,222,530
e) <u>Ratio of Financing Costs to Net Revenue Stream</u> Service activity	6.50%	9.34%	11.98%	12.87%	12.73%
f) Maximum Gross Debt	£ 17,341,400	£ 17,341,400	£ 17,203,700	£ 17,203,700	£ 17,203,700
g) Ratio of Internal Borrowing to CFR	25%	20%	20%	20%	20%
<b><u>Treasury Indicators</u></b>					
a) Operational Boundary for External Debt:					
Borrowing	£ 18,300,000	£ 18,300,000	£ 18,200,000		
Other Long Term Liabilities	£ 1,500,000	£ 1,500,000	£ 1,500,000		
Total Operational Boundary	£ 19,800,000	£ 19,800,000	£ 19,700,000		
b) Authorised Limit for External Debt:					
Borrowing	£ 19,300,000	£ 19,300,000	£ 19,200,000		
Other Long Term Liabilities	£ 1,500,000	£ 1,500,000	£ 1,500,000		
Total Authorised Limit	£ 20,800,000	£ 20,800,000	£ 20,700,000		
c) Upper limits for the maturity structure of o/s Borrowing during 2023/24 (Lower limit 0%)					
Under 1 Year	40.00%	40.00%	40.00%		
1 Year to 2 Years	40.00%	40.00%	40.00%		
2 Years to 5 Years	50.00%	50.00%	50.00%		
5 Years to 10 Years	50.00%	50.00%	50.00%		
Over 10 Years	100.00%	100.00%	100.00%		
d) Investment treasury indicator and limit Maximum NEW principal sums invested > 365 days (subject to overall individual counterparty limit AND total Non Specified Inv Limit)	£ 3,000,000	£ 3,000,000	£ 3,000,000		

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**INTEREST RATE FORECASTS TO DECEMBER 2025 (Link and Capital Economics as at 7 February 2023)**

Link Group Interest Rate View												
	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Bank Rate	4.25%	4.50%	4.50%	4.50%	4.00%	3.75%	3.50%	3.25%	3.00%	2.75%	2.50%	2.50%
3 month ave. earnings	4.30%	4.50%	4.50%	4.50%	4.00%	3.80%	3.30%	3.00%	3.00%	2.80%	2.50%	2.50%
6 month ave. earnings	4.50%	4.60%	4.50%	4.20%	4.10%	3.90%	3.40%	3.10%	3.00%	2.90%	2.60%	2.60%
12 month ave. earnings	4.70%	4.70%	4.50%	4.30%	4.20%	4.00%	3.50%	3.20%	3.10%	3.00%	2.70%	2.70%
5yr PWLB Rate	4.20%	4.20%	4.10%	4.00%	3.90%	3.80%	3.60%	3.50%	3.40%	3.30%	3.20%	3.10%
10yr PWLB Rate	4.40%	4.40%	4.30%	4.10%	4.00%	3.90%	3.80%	3.60%	3.50%	3.40%	3.30%	3.30%
25yr PWLB Rate	4.60%	4.60%	4.50%	4.40%	4.20%	4.10%	4.00%	3.90%	3.70%	3.60%	3.50%	3.50%
50yr PWLB Rate	4.30%	4.30%	4.20%	4.10%	3.90%	3.80%	3.70%	3.60%	3.50%	3.30%	3.20%	3.20%
<b>Bank Rate</b>	<b>Mar-23</b>	<b>Jun-23</b>	<b>Sep-23</b>	<b>Dec-23</b>	<b>Mar-24</b>	<b>Jun-24</b>	<b>Sep-24</b>	<b>Dec-24</b>	<b>Mar-25</b>	<b>Jun-25</b>	<b>Sep-25</b>	<b>Dec-25</b>
Link Group	4.25%	4.50%	4.50%	4.50%	4.00%	3.75%	3.50%	3.25%	3.00%	2.75%	2.50%	2.50%
Capital Economics	4.25%	4.50%	4.50%	4.50%	4.25%	4.00%	3.50%	3.00%	-	-	-	-
<b>5yr PWLB Rate</b>	<b>Mar-23</b>	<b>Jun-23</b>	<b>Sep-23</b>	<b>Dec-23</b>	<b>Mar-24</b>	<b>Jun-24</b>	<b>Sep-24</b>	<b>Dec-24</b>	<b>Mar-25</b>	<b>Jun-25</b>	<b>Sep-25</b>	<b>Dec-25</b>
Link Group	4.20%	4.20%	4.10%	4.00%	3.90%	3.80%	3.60%	3.50%	3.40%	3.30%	3.20%	3.10%
Capital Economics	3.75%	3.65%	3.60%	3.50%	3.45%	3.35%	3.30%	3.25%	-	-	-	-
<b>10yr PWLB Rate</b>	<b>Mar-23</b>	<b>Jun-23</b>	<b>Sep-23</b>	<b>Dec-23</b>	<b>Mar-24</b>	<b>Jun-24</b>	<b>Sep-24</b>	<b>Dec-24</b>	<b>Mar-25</b>	<b>Jun-25</b>	<b>Sep-25</b>	<b>Dec-25</b>
Link Group	4.40%	4.40%	4.30%	4.10%	4.00%	3.90%	3.80%	3.60%	3.50%	3.40%	3.30%	3.30%
Capital Economics	3.80%	3.70%	3.65%	3.55%	3.50%	3.40%	3.35%	3.30%	-	-	-	-
<b>25yr PWLB Rate</b>	<b>Mar-23</b>	<b>Jun-23</b>	<b>Sep-23</b>	<b>Dec-23</b>	<b>Mar-24</b>	<b>Jun-24</b>	<b>Sep-24</b>	<b>Dec-24</b>	<b>Mar-25</b>	<b>Jun-25</b>	<b>Sep-25</b>	<b>Dec-25</b>
Link Group	4.60%	4.60%	4.50%	4.40%	4.20%	4.10%	4.00%	3.90%	3.70%	3.60%	3.50%	3.50%
Capital Economics	4.13%	4.00%	3.93%	3.80%	3.75%	3.65%	3.60%	3.55%	-	-	-	-
<b>50yr PWLB Rate</b>	<b>Mar-23</b>	<b>Jun-23</b>	<b>Sep-23</b>	<b>Dec-23</b>	<b>Mar-24</b>	<b>Jun-24</b>	<b>Sep-24</b>	<b>Dec-24</b>	<b>Mar-25</b>	<b>Jun-25</b>	<b>Sep-25</b>	<b>Dec-25</b>
Link Group	4.30%	4.30%	4.20%	4.10%	3.90%	3.80%	3.70%	3.60%	3.50%	3.30%	3.20%	3.20%
Capital Economics	3.80%	3.80%	3.80%	3.80%	3.75%	3.65%	3.60%	3.55%	-	-	-	-

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**SPECIFIED INVESTMENTS 2023/24**

All “Specified Investments” listed below must be sterling-denominated.

Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum Credit Rating?	Capital Expenditure?	Circumstance of use	Maximum period
<b>Debt Management Agency Deposit Facility (DMADF)</b> This facility is at presently available for investments up to 6 months	No	Yes	Govt-backed	No	In-house	365 days
<b>Term deposits</b> with the UK government or with UK local authorities (i.e. local authorities as defined under Section 23 of the 2003 Act) with maturities up to 1 year	No	Yes	High security, although Local Authorities are not credit rated.	No	In-house	365 days
<b>Term deposits</b> with credit-rated deposit takers (banks and building societies), including callable deposits, with maturities up to 1 year (365 days)	No	Yes	Adopt LAS creditworthiness methodology to assess usage, and duration of investments	No	In-house	365 days
<b>Certificates of Deposit</b> issued by credit-rated deposit takers (banks and building societies) up to 1 yr. <i>Custodial arrangement required prior to purchase</i>	No	Yes	Adopt LAS creditworthiness methodology to assess usage, and duration of investments	No	To be used in-house after consultation/advice from Link Asset Services (LAS)	365 days
<b>Gilts</b> with maturities up to 1 year <i>Custodial arrangement required prior to purchase</i>	No	Yes	Govt-backed	No	Buy and hold to maturity. To be used in-house after consultation/advice from LAS	365 days

LOCAL GOVERNMENT INVESTMENTS (England) page 2

**SPECIFIED INVESTMENTS 2023/24 (CONTINUED)**

All “Specified Investments” listed below must be sterling-denominated.

Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum Credit Rating?	Capital Expenditure?	Circumstance of use	Maximum period
<p><b>Money Market Funds (MMFs)</b> Collective investment schemes as defined in SI 2004 No 534</p> <p>Since early 2019 there are 3 structural options for MMFs, CNAV (Constant Net Asset Value) LVNAV (Low Volatility Net Asset Value) and VNAV (Variable Net Asset Value) <i>These funds do not have any maturity date</i></p>	No	Yes	AAA	No	<p>In-house with advice from LAS</p> <p>New rules strengthen the requirements for portfolio diversification and transparency for all MMFs. Advice will be taken from LAS but the assumption is that only CNAV and LVNAV funds will be used</p>	<i>The period of investment may not be determined at the outset but would be subject to cash flow and liquidity requirements</i>
<p><b>Treasury bills</b> Government debt security with a maturity less than one year and issued through a competitive bidding process at a discount to par value <i>Custodial arrangement required prior to purchase</i></p>	No	Yes	Govt-backed	No	In-house	365 days
<p><b>Bonds issued by a financial institution that is guaranteed by the United Kingdom Government</b> (as defined in SI 2004 No 534) with maturities under 12 months <i>Custodial arrangement required prior to purchase</i></p>	No	Yes	Govt-backed	No	Buy and hold to maturity. To be used in-house after consultation/advice from LAS	365 days

**SPECIFIED INVESTMENTS 2023/24 (CONTINUED)**

All “Specified Investments” listed below must be sterling-denominated.

Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum Credit Rating?	Capital Expenditure?	Circumstance of use	Maximum period
<b>Bonds issued by multilateral development banks</b> (as defined in SI 2004 No 534) with maturities under 12 months <i>Custodial arrangement required prior to purchase</i>	No	Yes	AAA	No	Buy and hold to maturity. To be used in-house after consultation/advice from LAS	365 days

LOCAL GOVERNMENT INVESTMENT (England) page 4

**NON-SPECIFIED INVESTMENTS 2023/24**

***The limit for the Council's TOTAL "Non-Specified Investments" is £5m. The maximum non-specified investment per counterparty is £3m, but this is also subject to the relevant prevailing TOTAL maximum investment limit per counterparty (ie. Specified plus Non-Specified).***

<u>Investment</u>	<u>(A) Why use it?</u> <u>(B) Associated risks?</u>	<u>Share/</u> <u>Loan</u> <u>Capital?</u>	<u>Repayable/</u> <u>Redeemable</u> <u>within 12</u> <u>months?</u>	<u>Security /</u> <u>Minimum credit</u> <u>rating</u>	<u>Capital</u> <u>Exp?</u>	<u>Circumstance</u> <u>of use</u>	<u>Maximum</u> <u>Investment</u>	<u>Maximum</u> <u>maturity of</u> <u>investment</u>
<p><b>Term deposits</b> with credit rated deposit takers (banks and building societies) with maturities <u>greater</u> than 1 year (365 days)</p> <p>Page 56</p>	<p>(A) (i) Certainty of rate of return over period invested. (ii) No movement in capital value of deposit despite changes in interest rate environment.</p> <p>(B) (i) Illiquid - as a general rule, cannot be traded or repaid prior to maturity. (ii) Return will be lower if interest rates rise after making the investment. (iii) Credit risk - potential for greater deterioration in credit quality over longer period</p>	No	No	Adopt LAS creditworthiness methodology to assess usage, and duration of investments	No	In-house	£3m any ONE counterparty <b>AND £5m in TOTAL.</b> <u>AND</u> subject to the prevailing OVERALL maximum investment with any one counterparty	3 years
<p><b>Certificates of Deposit</b> with credit rated deposit takers (banks and building societies) with maturities <u>greater</u> than 1 year (365 days) <i>Custodial arrangement required prior to purchase</i></p>	<p>(A) (i) Although in theory tradable, are relatively illiquid.</p> <p>(B) (i) 'Market or interest rate risk' - Yield subject to movement during life of CD which could negatively impact on price of the CD.</p>	No	Yes	Adopt LAS creditworthiness methodology to assess usage, and duration of investments	No	To be used in-house after consultation/ advice from LAS	£3m	3 years



LOCAL GOVERNMENT INVESTMENT (England) page 5

**NON-SPECIFIED INVESTMENTS 2023/24 (Continued)**

***The limit for the Council’s TOTAL “Non-Specified Investments” is £5m. The maximum non-specified investment per counterparty is £3m, but this is also subject to the relevant prevailing TOTAL maximum investment limit per counterparty (ie. Specified plus Non-Specified).***

<b>Investment</b>	<b>(A) Why use it? (B) Associated risks?</b>	<b>Share/ Loan Capital?</b>	<b>Repayable/ Redeemable within 12 months?</b>	<b>Security / Minimum credit rating</b>	<b>Capital Exp?</b>	<b>Circumstance of use</b>	<b>Maximum investment</b>	<b>Maximum maturity of investment</b>
<p><b>Fixed Term Deposits with variable rates and variable maturities</b> with credit rated deposit takers (banks and building societies) with maturities greater than 1 year (structured deposits)</p>	<p>(A) (i) Enhanced income - Potentially higher return than using a term deposit with similar maturity.</p> <p>(B) (i) Illiquid – only borrower has the right to pay back deposit; the lender does not have a similar call. (ii) period over which investment will actually be held is not known at the outset. (iii) Interest rate risk - borrower will not pay back deposit if interest rates rise after deposit is made.</p>	No	No	Adopt LAS creditworthiness methodology to assess usage, and duration of investments	No	To be used in-house after consultation/ advice from LAS	£3m	3 years in aggregate
<p><b>UK government gilts</b> with maturities in excess of 1 year <i>Custodial arrangement required prior to purchase</i></p>	<p>(A) (i) Excellent credit quality. (ii) Very Liquid. (iii) If held to maturity, known yield (rate of return) per annum - aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk</p> <p>(B) (i) ‘Market or interest rate risk’ - Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss.</p>	No	Yes	Govt backed	No	Buy and hold to maturity. To be used in-house after consultation/ advice from LAS	£3m	Maturity limit 5 years

LOCAL GOVERNMENT INVESTMENT (England) page 6

**NON-SPECIFIED INVESTMENTS 2023/24 (Continued)**

***The limit for the Council’s TOTAL “Non-Specified Investments” is £5m. The maximum non-specified investment per counterparty is £3m, but this is also subject to the relevant prevailing TOTAL maximum investment limit per counterparty (ie. Specified plus Non-Specified).***

<b>Investment</b>	<b>(A) Why use it? (B) Associated risks?</b>	<b>Share/ Loan Capital?</b>	<b>Repayable/ Redeemable within 12 months?</b>	<b>Security / Minimum credit rating</b>	<b>Capital Exp?</b>	<b>Circumstance of use</b>	<b>Maximum Investment</b>	<b>Maximum maturity of investment</b>
<p><b>Sovereign issues ex UK govt gilts</b> - any maturity <i>Custodial arrangement required prior to purchase</i></p> <p>Page 58</p>	<p>(A) (i) Excellent credit quality. (ii) Liquid. (iii) If held to maturity, known yield (rate of return) per annum - aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk</p> <p>(B) (i) ‘Market or interest rate risk’ - Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss.</p>	No	Yes	AAA	No	Buy and hold to maturity. To be used in-house after consultation/ advice from LAS	£3m	5 years
<p><b>Bonds issued by a financial institution that is guaranteed by the United Kingdom Government</b> (as defined in SI 2004 No 534) with maturities in excess of 1year <i>Custodial arrangement required prior to purchase</i></p>	<p>(A) (i) Excellent credit quality. (ii) relatively liquid (but not as liquid as gilts) (iii) If held to maturity, known yield (rate of return) per annum which would be higher than that on comparable gilt - aids forward planning, enhanced return compared to gilts. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity)</p> <p>(B) (i) ‘Market or interest rate risk’ - Yield subject to movement during life of bond which could negatively impact on price of the bond i.e. potential for capital loss. (ii) Spread versus gilts could widen</p>	Yes	Yes	AAA / government guaranteed	No	Buy and hold to maturity. To be used in-house after consultation/ advice from LAS	£3m	5 years

**LOCAL GOVERNMENT INVESTMENT (England) page 7**

**NON-SPECIFIED INVESTMENTS 2023/24 (Continued)**

***The limit for the Council's TOTAL "Non-Specified Investments" is £5m. The maximum non-specified investment per counterparty is £3m, but this is also subject to the relevant prevailing TOTAL maximum investment limit per counterparty (ie. Specified plus Non-Specified).***

<b>Investment</b>	<b>(A) Why use it? (B) Associated risks?</b>	<b>Share/ Loan Capital?</b>	<b>Repayable/ Redeemable within 12 months?</b>	<b>Security / Minimum credit rating</b>	<b>Capital Exp?</b>	<b>Circumstance of use</b>	<b>Maximum Investment</b>	<b>Maximum maturity of investment</b>
<p><b>Bonds issued by multilateral development banks</b> (as defined in SI 2004 No 534) with maturities in excess of 1 year <i>Custodial arrangement required prior to purchase</i></p> <p>Page 59</p>	<p>(A) (i) Excellent credit quality. (ii) relatively liquid. (although not as liquid as gilts) (iii) If held to maturity, known yield (rate of return) per annum, which would be higher than that on comparable gilt - aids forward planning, enhanced return compared to gilts. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity)</p> <p>(B) (i) 'Market or interest rate risk' - Yield subject to movement during life of bond which could negatively impact on price of the bond i.e. potential for capital loss. (ii) Spread versus gilts could widen</p>	Yes	Yes	AAA or government guaranteed	No	Buy and hold to maturity. To be used in-house after consultation/ advice from LAS	£3m	5 years
<p><b>Property Funds</b> Collective investment Schemes. The CCLA Local Authority Property Fund is a local government investment scheme approved by the Treasury under the Trustee Investments Act 1961 (section 11). <i>These funds do not have any maturity date</i></p>	<p>(A) Property Funds allow a property element to be introduced into an investment portfolio, without the direct purchase of assets and associated risks.</p> <p>(B) (i) The value of Property Fund investments fluctuate, and can go down as well as up since past performance is no guarantee of future returns. There is therefore inevitably some risk to the capital sum. The timing of investment in a Property fund poses some additional risk.</p> <p>(B) (ii) Property is not a liquid asset and it may take time to realise an investment.</p>	No	No	Property Funds are not rated, due to their diverse portfolios and structures	Investment in the CCLA LAPF is NOT deemed capital expenditure and ONLY such schemes will be used	To be used in-house after consultation/ advice from LAS and appropriate due diligence.	£3m	Property Funds do not have any maturity dates and therefore no maximum period of investment. A minimum period of 5 years is envisaged to take account of the property cycle.

LOCAL GOVERNMENT INVESTMENT (England) page 8

**NON-SPECIFIED INVESTMENTS 2023/24 (Continued)**

*The limit for the Council's TOTAL "Non-Specified Investments" is £5m. The maximum non-specified investment per counterparty is £3m, but this is also subject to the relevant prevailing TOTAL maximum investment limit per counterparty (ie. Specified plus Non-Specified).*

<u>Investment</u>	<u>(A) Why use it?</u> <u>(B) Associated risks?</u>	<u>Share/</u> <u>Loan</u> <u>Capital?</u>	<u>Repayable/</u> <u>Redeemable</u> <u>within 12</u> <u>months?</u>	<u>Security /</u> <u>Minimum credit</u> <u>rating</u>	<u>Capital</u> <u>Exp?</u>	<u>Circumstance</u> <u>of use</u>	<u>Maximum</u> <u>Investment</u>	<u>Maximum</u> <u>maturity of</u> <u>investment</u>
<p><b>Share capital or loan capital in a body corporate</b></p> <p>Page 60</p>	<p>The acquisition of share capital or loan capital in a body corporate is defined as capital expenditure under regulation 25(1)(d) of the Local Authorities (Capital Finance and Accounting) ( England) Regulations 2003.</p>	<p>Yes</p>	<p>No</p>		<p>Yes</p>	<p>Use of these instruments is deemed to be capital expenditure, ie the application of capital resources.</p> <p>Advice will be sought on the appropriateness and associated risks of any share or loan capital investment.</p>	<p>£3m</p>	<p>Acquisitions of share and loan capital do not have maturity dates.</p>

## APPROVED COUNTRIES FOR INVESTMENT

The Council will use any UK Counterparties subject to their individual credit ratings under the Link Asset Services Methodology.

The Council may also use counterparties from countries with a minimum **AA-** sovereign rating. No more than £3m will be placed with each non-UK country at any time.

### AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

### AA+

- Canada
- Finland
- USA

### AA

- Abu Dhabi (UAE)
- France

### AA-

- Belgium
- Qatar
- **UK**

This list was provided by Link Asset Services as at 19 December 2022 and includes countries with sovereign ratings of AA- or higher, (based on the lowest rating from Fitch, Moody's and Standard & Poor (S&P)). Except for Hong Kong and Luxembourg, countries also have banks operating in sterling markets, with credit ratings of green or above in the Link credit worthiness service.

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## Report to Cabinet

**Subject:** Capital Programme and Capital Investment Strategy 2023/24 to 2027/28

**Date:** 16 February 2023

**Author:** Senior Leadership Team on behalf of the Leader

### Wards Affected

All

### Purpose

This report summarises:

- a) The proposed Capital Investment Strategy for 2023/24 to 2027/28; and
- b) The proposed Capital Programme for 2023/24 to 2025/26 for approval, and the indicative capital programme for 2026/27 to 2027/28, in light of the Council's priorities and the resources available.

The Capital Investment Strategy and Capital Programme determined by Cabinet at this meeting will be referred to the Council on 2 March 2023 for final approval. The detailed capital programme proposals are shown in Appendix 2 to this report.

### Key Decision

This is a Key Decision.

### Recommendations

Members are recommended to:

1. Note the estimated capital financing available for 2023/24 to 2027/28;
2. Approve the Capital Investment Strategy 2023/24 to 2027/28 detailed at Appendix 1 and refer it to Council for approval on 2 March 2023;
3. Approve the Capital Programme for 2023/24 to 2025/26 detailed at Appendix 2 and refer it to Council for approval on 2 March 2023;
4. Note the indicative Capital Programme for 2026/27 to 2027/28.

## Background

1.1 The prudential framework for Local Authority Capital Investment was introduced through the Local Government Finance Act 2003.

1.2 This prudential framework incorporates four statutory codes. These are:

- The Prudential Code prepared by CIPFA;
- The Treasury Management Code prepared by CIPFA;
- The Statutory Guidance on Local Authority Investments prepared by the Department for Levelling Up, Housing and Communities (DLUHC);
- The Statutory Guidance on Minimum Revenue Provision (MRP) prepared by DLUHC.

1.3 CIPFA issued a new edition of the Prudential Code in December 2021. Although the revised reporting arrangements could be deferred until 2023/24, the Council moved to adopt the majority of changes at the earliest opportunity. The Capital Investment Strategy 2023/24, contained as an appendix to this report complies in full with the new Prudential Code.

1.4 The Prudential Code underpins the systems of capital finance and planning and is the primary document which provides the framework for the development of the capital strategy and the capital programme which are proposed in this report. The key issues addressed by the code relate to how Councils will ensure prudence, in respect of longer term planning, the MRP, understanding of risk and the ability to raise council tax.

1.5 The Prudential Code sets out the following key objectives, to ensure that:

- Local strategic planning, asset management planning and proper option appraisal are supported;
- The capital investment plans of local authorities are affordable, prudent and sustainable. Affordability has regard to the implications of capital expenditure for Council Tax, whilst prudence and sustainability have regard to the long term implications for external borrowing considering the actual impact, and potential impact on overall fiscal sustainability;
- Treasury management and other investment decisions are taken in accordance with good professional practice and in the full understanding of risks involved;
- The authority is accountable, by providing a clear and transparent framework.

To provide a clear and transparent framework authorities are required by the Code to formulate a Capital Strategy which sets out the long term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and their impact on priority outcomes. Whilst the Code does not define 'long term' the Council's current capital investment strategy proposed at Appendix 1 covers the five year period of the medium term financial plan (MTFP), 2023/24 to 2027/28, to ensure that longer term forecasts for capital expenditure, disposals and borrowing are fully considered in the revenue budget and demonstrated to be prudent and affordable.



- 1.6 The Investment Guidance and MRP Guidance aim to ensure that local authorities make borrowing and investment decisions in a way that is commensurate with their statutory duties. All Councils are required to have regard to this guidance in their investment decisions.

The Investment Guidance defines “investment” to include expenditure driven activity, e.g. commercial property, as well as simple treasury cash. Such activity would represent “non-treasury investments”, i.e. investment in “non-financial assets”. It also reaffirms that borrowing may only be undertaken for investments that are made for strategic purposes, and not “purely” for financial return.

The MRP Guidance also focuses on expenditure on non-financial investments, e.g. commercial property, making it clear that the duty to make prudent MRP extends to commercial investment property where its acquisition has been partially or fully funded by an increase in borrowing.

- 1.7 The requirements of the codes and guidance are fully reflected in each of the Budget Cabinet reports which appear on this agenda to ensure fully integrated revenue, capital and treasury management planning.

## **Proposal**

### **2. Capital Investment Strategy**

- 2.1 The Capital Investment Strategy outlines the principles and framework that shape the Council’s capital investment decisions. The principal aim is to deliver a programme of capital investment that contributes to the achievement of the Council’s priorities and objectives as set out in the Gedling Plan.
- 2.2 The Strategy defines at the highest level how the capital programme is to be formulated; it identifies the issues and options that influence capital spending; and sets out how the resources and capital programme will be managed.
- 2.3 The Prudential Code details the indicators that Councils are required to set to demonstrate that capital plans are affordable and prudent. The required indicators are included in the Prudential and Treasury Indicators and Treasury Management Strategy Statement, an item elsewhere on this agenda.
- 2.4 A copy of the proposed Capital Investment Strategy for 2023/24 to 2027/28 is attached at Appendix 1.

### **3. Proposed Capital Programme**

- 3.1 The following table presents the proposed three year Capital Programme for 2023/24 to 2025/26 for approval, together with the indicative programme for a further two years to match the period of the MTFP as detailed in paragraph 1.5 above. The full programme of schemes is presented in Appendix 2.

Portfolio	Proposed Programme for Approval			Indicative Programme	
	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £
Environment	3,712,400	2,364,000	2,124,000	1,861,000	1,301,000
Sustainable Growth and Economy	125,700	830,700	0	0	0
Corporate Resources and Performance	3,090,000	430,000	430,000	430,000	430,000
<b>Total Capital Programme</b>	<b>6,928,100</b>	<b>3,624,700</b>	<b>2,554,000</b>	<b>2,291,000</b>	<b>1,731,000</b>

3.2 The proposed capital programme is derived from the following:

a) **Schemes totalling £200,000 already approved as part of the 2022/23 budget setting process:**

- Essential Window Replacement/Maintenance - Civic Centre (Phase 2) **£200,000** (2023/24)

b) **Schemes re-profiled from 2022/23**

Schemes totalling **£682,900** approved for deferral by Cabinet to 2023/24:

Schemes Re-profiled from 2022/23	2023/24 £
CCTV Provision	25,000
Vehicle Replacement Programme	392,000
Lambley Lane Play Area Refurbishment	111,000
Play Area Refurbishments	100,000
Sand Martin Bank Bird Hide	54,900
<b>Total</b>	<b>682,900</b>

c) **Ongoing Capital Programme Items (previously approved as ongoing)**

- Disabled Facilities Grants **£1,200,000** per annum (subject to confirmation of grant funding via Better Care Fund).
- Future Service Development Bids **£100,000** per annum 2024/25-2027/28.

d) **Replacement Equipment/Vehicles and Asset Maintenance**

Replacement assets and maintenance to ensure continuation of existing service:

	Proposed Programme			Indicative Programme	
	2023/24	2024/25	2025/26	2026/27	2027/28
	£	£	£	£	£
Vehicle Replacement Programme	1,213,500	669,000	904,000	661,000	101,000
IT Licencing	110,000	110,000	110,000	110,000	110,000
Equipment Replacement	0	70,000	70,000	70,000	70,000
General Asset Management	100,000	150,000	150,000	150,000	150,000
<b>Total</b>	<b>1,423,500</b>	<b>999,000</b>	<b>1,234,000</b>	<b>991,000</b>	<b>431,000</b>

Note: The proposed Vehicle Replacement Programme for 2023/24 after totalling the sums in (b) and (d) amounts to £1,605,500.

e) **New resource development bids and grant funded schemes which meet the Council priorities**

The table below show schemes totalling **£3,421,700** and **£1,325,700** included in the proposed capital programme for 2023/24 and 2024/25 respectively. Resource development bids which score 15 points and above using the Council's approved methodology as detailed in the Capital Investment Strategy (see paragraph 2 above) are proposed for inclusion in the programme. The approved methodology assesses schemes in accordance with the level of contribution made towards the achievement of the Council's Priorities and Improvement Plans. They are assessed as affordable in line with the Council's Prudential Code Indicators contained within the Treasury Management Strategy and within the overall context of the Medium Term Financial Plan.

	2023/24 £	2024/25 £
Economic Regeneration Land Assembly	1,500,000	
Temporary Accommodation	1,160,000	
Home Upgrade Grant	330,000	495,000
UK Shared Prosperity Fund	125,700	830,700
Recreation Playground Improvements	110,000	
Flood Alleviation Upper Daybrook	60,000	
Council Street Lighting	50,000	
Green Lung – Digby park to Gedling Country Park Construction	35,000	
Income Management System	20,000	
Tree Audit and Management Software	16,000	
Carlton Cemetery Remembrance Tree	15,000	
<b>Total</b>	<b>3,421,700</b>	<b>1,325,700</b>

Further details of these schemes are as follows:

- Economic Regeneration Land Assembly (£1,500,000) (subject to confirmation of business case) – Acquisition of land to further the Council's economic regeneration objectives.
- Temporary Accommodation (£1,160,000) (subject to confirmation of business case) – Purchase of property to improve the quality of homeless accommodation and reduce the cost of bed and breakfast.

- Home Upgrade Grant (£825,000 total) – Energy efficiency improvements to properties in the area fully funded by grant.
- UK Shared Prosperity Fund (£956,400 total) – To be spent on individual projects in accordance with the Council’s Investment Plan and fully funded by grant.
- Recreation Playground Improvements (£110,000) – To enhance the provision of play area facilities.
- Flood Alleviation Upper Daybrook (£60,000) – Scheme to address flooding issues in Upper Daybrook area.
- Council Street Lighting (£50,000) – To carry out a structural survey of Council owned lamp columns and undertake any urgent repairs
- Green Lung Digby Park to Gedling Country Park Path Construction (£35,000) – Connecting the two sites and adding features such as new bins, park benches, pathways and crossings.
- Income Management System (£20,000) – Moving to a cloud based income management system with any maintenance and upgrades undertaken by the service provider.
- Tree Audit & Management Software (£16,000) – Dedicated software that would enable an inventory of the Council’s trees to be maintained and support regular tree inspections.
- Carlton Cemetery Remembrance Tree (£15,000) – The provision of a memorial facility.

#### 4. Capital Resources

##### 4.1 Capital Receipts

When the Council sells General Fund assets it is permitted to use this income to fund capital expenditure.

The estimated annual capital receipt generation for 2023/24 to 2027/28 is detailed in the table below and it is proposed that these are fully utilised to finance the capital programme as detailed in paragraph 3.1.

	Proposed Programme			Indicative Programme	
	2023/24	2024/25	2025/26	2026/27	2027/28
	£	£	£	£	£
Land Sales	560,900	0	0	0	0
General Capital Receipts	50,000	50,000	50,000	50,000	50,000
<b>Total Capital Receipt Estimate</b>	<b>610,900</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>

##### 4.2 Direct Revenue Financing

The use of earmarked revenue reserves and revenue equipment budgets as contributions to specific capital schemes totalling **£21,000** in 2023/24 are proposed as follows:

- a) £10,000 contribution from the Asset Management Reserve to meet the cost of general recreation and playground improvements;
- b) £11,000 contribution from the Asset Management Reserve for the Lambley Lane Play Area refurbishment.

#### 4.3 Capital Grants and Contributions

External funds such as the Disabled Facilities Grant (DFG) and contributions from developers continue to be important in the funding of capital expenditure, and schemes financed in this way are included in the programme.

Grants and contributions estimated for financing the capital programme include:

	2023/24	2024/25
	£	£
Disabled Facilities/Better Care Fund Grant (assumed £1.2m per annum ongoing <b>2023/24-2027/28</b> )	1,200,000	1,200,000
Home Upgrade Grant	330,000	495,000
Severn Trent Community Fund contributions to Play Area Refurbishments	130,200	0
UK Shared Prosperity Fund	125,700	830,700
Asset Management Reserve contribution	200,000	0
S106 contribution to Sand Martin Bank Bird Hide	13,700	0
<b>Total Grants and Contributions</b>	<b>1,999,600</b>	<b>2,525,700</b>

Disabled Facilities/Better Care Fund grant funding is now paid by the Department for Levelling Up, Housing and Communities to Nottinghamshire County Council for distribution. The actual allocations to each District Council are agreed by the Nottinghamshire Health and Wellbeing Board. There have not, as yet, been any grant announcements for 2023/24 so an estimated grant amount of £1,200,000 is included for 2023/24 and for the future programme. Any variation will be reported to Cabinet via the usual quarterly budget monitoring process.

Expenditure in the capital programme has been grossed up and the contributions are shown in the table below as adding to the resources available to finance the programme.

#### 4.4 Prudential Borrowing

The total borrowing that is required to finance the proposed 2023/24 to 2025/26 capital programme is £6.649m. It is currently estimated that a further £1.522m of borrowing will be required to finance the indicative capital programme for 2026/27 to 2027/28. The proposed borrowing amounts are detailed in paragraph 4.5 below.

The Council's Prudential Indicators in respect of both the proposed programme 2023/24 to 2025/26 and the indicative programme for 2026/27 to 2027/28 are

contained within the Prudential and Treasury Indicators and Treasury Management Strategy Statement, an item elsewhere on this agenda. These Prudential Indicators, in conjunction with the calculations within the Medium Term Financial Plan, show that this level of borrowing is affordable and sustainable, subject to securing the commitment to delivering the proposed budget reduction and efficiency programme detailed in the Medium Term Financial Plan, included in the Revenue Budget report, an item elsewhere on this agenda.

#### 4.5 Capital Resources Summary

An estimate of the resources for financing the 2023/24 to 2025/26 programme is summarised below:

Capital Resources	Proposed Programme			Indicative Programme	
	2023/24	2024/25	2025/26	2026/27	2027/28
	£	£	£	£	£
Use of Capital Receipts	610,900	50,000	50,000	50,000	50,000
Direct Revenue Financing	21,000	0	0	0	0
Grants and Contributions	1,999,600	2,525,700	1,200,000	1,200,000	1,200,000
<b>Total Cash Resource</b>	<b>2,631,500</b>	<b>2,575,700</b>	<b>1,250,000</b>	<b>1,250,000</b>	<b>1,250,000</b>
Prudential Borrowing	4,296,600	1,049,000	1,304,000	1,041,000	481,000
<b>Total Financing</b>	<b>6,928,100</b>	<b>3,624,700</b>	<b>2,554,000</b>	<b>2,291,000</b>	<b>1,731,000</b>

#### 5. **Alternative Options**

As the resources for financing the capital programme are limited there is no capacity to implement further service developments which are not funded by specific grants/ contributions or are not invest to save schemes, therefore no alternative options are available. However, depending upon the timing and value of expected capital receipts, borrowing may be utilised as a substitute for capital receipts to fund the programme in any one year, and vice versa.

#### 6. **Financial Implications**

As detailed in the report.

#### 7. **Legal Implications**

The legal implications are detailed in the background section of this report and the report reflects the requirements of the Prudential framework.

#### 8. **Carbon Reduction/ Environmental Sustainability Implications**

There are a number of schemes in the 2023/24 capital programme specifically focussed upon improving energy efficiency in Council and other properties as well as other environmental objectives. These will assist in meeting the Council's ambition to achieve net zero emissions by 2030 as set out in the Carbon Management Strategy.

All procurement activity required to deliver the capital programme will be undertaken

in accordance with both corporate and legislative requirements.

## 9. Appendices

Appendix 1 - Capital Investment Strategy 2023/24 – 2027/28

Appendix 2 - Proposed Capital Programme 2023/24 – 2025/26 (including Indicative Programme 2026/27 to 2027/28)

## 10. Background Papers

- Prudential and Treasury Indicators and Treasury Management Strategy Statement 2023/24
- Gedling Plan 2023-27

## 11. Reasons for Recommendations

To obtain approval of the draft Capital Programme and Capital Investment Strategy, which support the delivery of the Gedling Plan.

**Statutory Officer approval:**

**Approved by:** Chief Financial Officer

**Date:** 8 February 2023

**Approved by:** Monitoring Officer

**Date:** 8 February 2023

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**CAPITAL INVESTMENT  
STRATEGY  
2023/24 to 2027/28**

# CAPITAL INVESTMENT STRATEGY 2023/24 to 2027/28

## 1. INTRODUCTION

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

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

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

The basic elements of the Strategy therefore include:

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

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

- for the Cabinet and Council – to decide on capital investment policy within the overall context of investment need/opportunity and affordability;
- for Councillors – to provide an understanding of the need for capital investment and help them scrutinise policy and management. Training will be provided as necessary to support this scrutiny process;

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

The capital programme consists of investment in the Council's own assets and also provides Disabled Facilities Grants to a number of private dwellings during the year. The Capital Programme is approved by Council for a period of 3 years but an indicative programme for a further 2 years is also completed which matches the 5 year period of the Council's Medium Term Financial Plan. This ensures that longer term forecasts for capital expenditure, disposals and borrowing that are fully reflected in the MTFP are also demonstrated to be affordable and sustainable in the Prudential Indicators for the same period. The current summary capital programme is detailed in the table below:

	Proposed Programme for Approval			Indicative Programme	
	2023/24	2024/25	2025/26	2026/27	2027/28
	£	£	£	£	£
<b>Expenditure:</b>					
Gedling Assets	5,398,100	1,929,700	1,354,000	1,091,000	531,000
Disabled Facilities Grant	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Home Upgrade Grant	330,000	495,000	0	0	0
<b>Total Programme</b>	<b>6,928,100</b>	<b>3,624,700</b>	<b>2,554,000</b>	<b>2,291,000</b>	<b>1,731,000</b>
<b>Financed by:</b>					
Capital Receipts	610,900	50,000	50,000	50,000	50,000
Direct Revenue Financing	21,000	0	0	0	0
Grants and Contributions	1,999,600	2,525,700	1,200,000	1,200,000	1,200,000
Borrowing Requirement	4,296,600	1,049,000	1,304,000	1,041,000	481,000
<b>Total Financing</b>	<b>6,928,100</b>	<b>3,624,700</b>	<b>2,554,000</b>	<b>2,291,000</b>	<b>1,731,000</b>

## 2. PRINCIPLES SUPPORTING THE STRATEGY

The Capital Investment Strategy reflects the aspirations included within the Council's main strategic documents - principally the Gedling Plan but also other key planning documents such as the Property Asset Management Plan, Treasury Management Strategy and Prudential Code Indicators, Medium Term Financial Plan/Budget Strategy, and the ICT Strategy.

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The principles that underpin the Capital Investment Strategy include:

## Policy Principles:

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

## Financial Principles:

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

## Asset Management Principles:

- The development of Property Asset Management Plans (AMP) and investment plans for the use of all Council assets, be these operational buildings, investment properties, equipment and machinery, Information Technology or infrastructure assets;
- The optimisation of surplus assets by maximising income or application to other purposes informed through the AMP process, with all receipts generated through the sale of surplus property assets being used to fund the Capital Programme;
- Recognition of the value of surplus properties that are gifted by the Council as a contribution to a particular scheme. This value will be treated as capital resources and will have to be assessed against other capital proposals;

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- A process of declaring property assets as surplus will be led by the Head of Regeneration and Welfare in consultation with the holding department, who will be able to declare a site surplus to requirements if deemed to be under-utilised or surplus to requirements;
- Wherever possible ensuring active community involvement in informing priorities and engagement in management plans, in line with the Localism Act 2011;
- Management of assets to take full account of the Council's wider priorities including its environmental priorities;
- The continuation of financial support to schemes that involve site assembly, which will potentially generate significant capital receipts in the medium term;
- The Property Review process will determine if an asset meets the corporate need in the longer term. If this is the case then investment in the asset will be maintained. Conversely, if it is not required, then the asset is more valuable to the Council as a capital receipt.
- An assessment of asset condition to determine investment required over the life of the asset to ensure they continue to be fit for purpose in service delivery.

### Implementation and Management Principle

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

### Links to Other Financial Documents

#### Medium Term Financial Plan

The Capital Strategy is closely linked to the Medium Term Financial Plan (MTFP), where available funding and projected levels of expenditure are set out. The revenue implications of the capital programme are also included in the MTFP, and the affordability of the impact on Council Tax is demonstrated.

#### Prudential Code

The Capital Strategy sets out the framework for prioritisation of capital investment decisions. The strategy for funding this investment is underpinned by the Prudential Code for Local Authority investment, which was introduced by The Local Government Act 2003. The Prudential Code has the following key objectives:

## CAPITAL INVESTMENT STRATEGY 2023/24 to 2027/28

- local strategic planning, asset management planning and proper option appraisal are supported;
- The capital investment plans of local authorities are affordable, prudent and sustainable having regard to the long term implications for external borrowing considering the impact, and potential impact, on overall fiscal sustainability;
- Treasury management and other investment decisions are taken in accordance with good professional practice and in the full understanding of risks involved;
- The authority is accountable, by providing a clear and transparent framework.

To demonstrate that these objectives have been fulfilled, the Prudential Code details the indicators that must be set and monitored. These are designed to support and record local decision-making, and not to be comparative performance indicators. The Prudential Indicators must be approved by full Council.

The Prudential Code classifies Commercial Property Investment as a non-treasury investment to be reported through the Capital Strategy as the investment is usually driven by expenditure on assets. This is distinct from the core treasury investments of surplus cash which operate under strict principles of security, liquidity and yield as detailed in the Treasury Management Strategy. Where appropriate, the Prudential Code requires that indicators are set that are transparent in respect of Commercial Property Investments to demonstrate that these investments are proportionate to the level of resources available to the authority and that detail:

- The expected income, costs and resulting contribution;
- The debt related to the activity and the associated interest costs;
- The payback period (MRP policy);
- For non-loan type investments, the cost against the current market value.

### Treasury Management Strategy

The Treasury Management Strategy links to the Capital Investment Strategy in determining the Council's approach to borrowing and investment, including borrowing to fund capital expenditure. The Treasury Management Strategy is closely related to the Prudential Code and Prudential Indicators discussed above.

The Authority has an integrated Treasury Management Strategy, and has adopted the CIPFA Code of Practice for Treasury Management in Public Services. The Treasury Management Strategy deals with borrowing and investment arising as a consequence of all the financial transactions of the authority, not exclusively those arising from capital spending.

# CAPITAL INVESTMENT STRATEGY 2023/24 to 2027/28

## Statement of Accounts

The capital expenditure carried out in the year which increases asset values is reflected in the Balance Sheet of the Statement of Accounts ensuring stewardship of assets is demonstrated. The accurate monitoring and recording of capital expenditure ensures that this document is free from material error. The Statement of Accounts is externally audited at the end of each financial year to certify that it presents a true and fair view of the financial position of the Council.

## Procurement Strategy

The manner in which capital monies are spent is determined by the Procurement Strategy, which along with the Contract Standing Orders and Financial Regulations, looks at who can be used to supply goods and services to the Council, and how these goods and services should best be obtained to secure value for money.

### **3. CAPITAL INVESTMENT PRIORITIES**

The aim of the Council is to make a sustainable improvement to the long-term quality of life of our residents. The Gedling Plan 2023-2027 sets out the vision for Gedling. This Vision is intended to be external facing and clearly indicates the Council's ambition for the district and the people within. Underpinning the Council's contribution to the Gedling Plan vision are the priorities. These are:

#### Economy

To encourage and support healthy businesses in our town and local centres, improving local skills and employment opportunities, and promoting an economy that attracts visitors throughout the day and supports leisure activity.

#### Community

To enable a resilient, empowered, connected, inclusive and healthy community.

#### Place

To enable a safe, attractive, clean and culturally vibrant borough that plays its part to tackle the climate emergency.

#### The Council

To ensure the Council is a healthy place to work, it engages with its customers has a focus on improvement, is financially sound, and ensures compliance with all relevant legislation.

### **4. FINANCIAL CONTEXT**

#### **Spending Review and Local Government Finance Settlement**

On 17 November 2022, the Chancellor of the Exchequer presented his Autumn Statement to Parliament.

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The Autumn Statement confirmed that government departmental DEL budgets will be maintained at least in line with the budgets set at the Spending Review 2021 but then grow more slowly than previously expected. The Spending Review 2021 set UK government Departmental Expenditure Limit (DEL) budgets from 2022-23 to 2024-25. This included an average increase in Core Spending Power for local government of 3% in real terms over the Spending Review period. However, a substantial part of the additional £4.8 billion of new grant funding allocated at the time to local government is primarily to meet social care pressures which is an upper tier function.

The final settlement figures for 2023/24 were announced by the Secretary of State for Levelling Up, Housing and Communities (DLUHC) on 6 February 2023. The Government's assessment of the Core Spending Power of local authorities and its referendum principles for managing excessive council tax increases were also confirmed as part the Settlement.

The final settlement figures announced on 6 February 2023 related only to 2023/24 and is a one-year settlement and there was no multi-year settlement that many local authorities were hoping for. However, the Government has attempted to provide some clarity for 2024/25 by confirming that the core settlement will continue in a similar manner for 2024/25 i.e. Revenue Support Grant and Baseline Funding Levels will continue in the same format as 2023/24 meaning there will be no implementation of the Fair Funding Review or reset of the Business Rates system in 2024/25 and confirming no further changes will be made to Council Tax referendum principles. Further consideration will be given to the funding position of lower tier councils for 2024/25 and the future of the New Homes Bonus scheme will be set out ahead of the 2024/25 local government finance settlement.

The one year settlement means that there is still no clarity over funding levels after March 2024. This continues to hamper meaningful financial planning at a time when demand and inflationary pressures are now increasing beyond expectations. This resulting level of uncertainty means in practice that local authorities will find it much harder to plan and fund capital expenditure.

In response to these significant pressures, local authorities must now explore alternative sources of funding capital expenditure. These various options can be summarised as follows:

- External partners – Traditionally Section 106 monies have been levied on private contractors where funds have been required to deliver (amongst other things) capital projects necessary to make a planning application acceptable e.g. to upgrade highways infrastructure, within the district. These opportunities are now extended to include the Community Infrastructure Levy (CIL), which allows local authorities in England and Wales to raise funds from developers undertaking new building projects in their area. The money can be used to fund a wide range of infrastructure that is needed to deliver new development. The infrastructure to be funded by CIL must be clearly set out



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and can include transport schemes, flood defences, schools, hospitals, other health and social care facilities, parks, green spaces and leisure centres.

- Grants – Capital grants are made available by the central government and other public sector bodies that could be used to fund capital expenditure. Unfortunately capital grants are now diminishing in number as further cuts are enforced on Local Government. For example, as detailed above, changes to the New Homes Bonus, which is an established non-ringfenced grant is not expected to be a source of capital funding going forward.
- Business Improvement Districts (BIDs) – A partnership between a local authority and local businesses to develop projects and services that benefit the local trading environment.
- Local Asset Backed Vehicles (LABVs) – This is a form of public and private sector partnership that allows public sector bodies to use their assets (usually land and buildings) to attract long term investment from the private sector in order to deliver socio-economic development and regeneration. They are designed to encourage parties to pool resources, such as finance, planning powers, land and expertise, in order to deliver regeneration with an acceptable balance of risk and return for all those involved. They are increasingly being looked at as a potential model to help local authorities meet their regeneration aspirations.
- Social Impact Bonds (SIBs) – A contract between a public body and a private investor, where the investor funds are used to pay for interventions to improve the social outcome, and the public body pays the investor based on that improved social outcome. Examples include prisons based on reduced re-offending, and CCTV based on reduced anti-social behaviour and crime levels.
- Community Involvement – The Localism Act 2011 introduced the concept of “community asset transfer”, “community right to challenge” and “community right to bid” for services. These changes in legislation have opened up the whole spectrum of opportunities of private sector investment in community-led capital projects, where deemed appropriate.
- Collaborative Working – a move away from the traditional development agreement structure and towards a more collaborative approach, either to enhance marketing prospects for a site or to enhance its redevelopment value by addressing planning issues. This type of approach encourages interest from expert developers to promote a site or work together on the planning and infrastructure process, to enhance the attractiveness of the site to end users.

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## **Financial Process**

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

The funding of capital schemes is via the following hierarchy:

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

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

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

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

The most significant grants that the Council is now likely to receive are from Section 106 monies and the Community Infrastructure Levies from development sites. Section 106 agreements are contributions from developers tied into new construction projects, such as funding a new play area when building a housing development. These agreements can be complex and difficult to monitor, and the provision of the funding can be contingent upon a certain stage in the development being met. Once contributions have been received, there is usually a time limit within which they must be spent. Where there is a revenue element to provide for ongoing maintenance of facilities, it needs to be correctly reflected in directorate revenue budgets.

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

All capital receipts arising from the sale of land and buildings will feed directly into the corporate capital pot for reinvestment. Generally capital receipts will be treated as a corporate resource.

## CAPITAL INVESTMENT STRATEGY 2023/24 to 2027/28

The Council will ring-fence capital receipts to specific schemes where there is a legal requirement to do so i.e. whether it arises from the terms under which the asset was acquired, or from a statutory requirement. Exceptionally the Council may ring-fence receipts where there is a close link between the receipt and reinvestment.

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

Prudential borrowing will be tightly controlled due to the financial impact it will have on a revenue budget that already operates to very tight margins. The planning assumption for the programme is that the Council may use borrowing for 'long life' assets, or as an alternative for leasing, or for an 'invest to save' scheme. This must, however, be proven to be affordable within the revenue budget through the production of a robust business case.

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

### **Leasing**

Leasing does not currently play a part in funding the Council's capital expenditure, as vehicles are now purchased rather than leased when they are replaced. This falls outside the prioritisation and scoring mechanism, and checks need to be made to ensure that vehicle replacements form part of a coherent overall strategy that provides value for money.

**Other Sources of Capital Financing** - The Council will continue to explore the potential for developing partnerships and private sector involvement. In all cases the resulting revenue costs of these sources of funding are tested for relative Value for Money alongside debt financing.

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

# CAPITAL INVESTMENT STRATEGY 2023/24 to 2027/28

## 5. CAPITAL BUDGET PREPARATION

The capital programme is derived from the following:

### (a) **Rolling Programme Items**

- ongoing investment required to ensure continuation of existing service e.g. replacement of vehicles and equipment;
- Asset Management Fund to ensure existing assets are maintained to appropriate standards;
- schemes determined to be an ongoing requirement and funded by grant e.g. Disabled Facilities Grant;

(b) **Resource Development Bids** - new capital investment proposals to secure the achievement of Council priorities.

### Capital Investment Prioritisation

The purpose of the capital budgeting process is to ensure that the money available for capital expenditure is prioritised in the way which best meets the Council's objectives. This must be achieved within the constraints of the capital funding available. Demand for capital resources to meet investment needs and aspirations will exceed the resources available to the Council and so are prioritised as follows:

(a) **Rolling Programme Items** are the first call on available resources to ensure that existing approved service levels can continue to be delivered.

The vehicle replacement programme identifies vehicles reaching the end of their useful life for which replacement vehicles need to be purchased. Additional vehicles for new service proposals are subject to the development bidding process.

Asset maintenance of a capital nature e.g. refurbishment of leisure centre changing rooms, are bid for annually by service departments and included in the programme as an Asset Management Fund scheme. Schemes may be prioritised in accordance with the capital scoring methodology (see below) if there are more bids than funds available in the Asset Management allocation. Funding for routine asset repairs and maintenance is not bid for on a yearly basis as the majority of ongoing repairs and maintenance budgets are held as revenue by directorates.

(b) **Resource Development Bids** present the competing directorate priorities for capital resources which are assessed by a capital scoring methodology (see below) which assigns points to proposed schemes based on their fit with the priorities identified.

# CAPITAL INVESTMENT STRATEGY 2023/24 to 2027/28

## The Capital Budgeting Process

The capital budgeting process commences in September each year, and is made up of several steps.

- Service Managers identify capital schemes in line with identified corporate and service priorities.
- Resource Development Bids are scored against the capital scoring methodology.
- The ranked scores of schemes are considered in conjunction with the capital funds available, to arrive at a proposed capital programme.
- Council has the final decision on which schemes proceed, informed by the proposed programme.

Service Managers submit proposed capital schemes on development bid proformas. The financial information required includes the initial outlay and ongoing costs of the scheme, as well as any income or savings generated.

The revenue impact of proposed schemes is of particular concern. Schemes that have a high ongoing impact on revenue may fail to proceed, due to the constraints on revenue financing. Conversely, schemes which generate additional revenue income, or contribute to revenue savings will score additional points on the financial element of the methodology. This also applies to schemes which generate external funding or capital receipts.

The bid process also asks Service Managers to identify the non-financial outputs and outcomes which their scheme will provide, and this information is used to score schemes against the criteria in the scoring matrix.

Bids are scored by the Senior Leadership Team (SLT) with support from the Head of Finance and ICT.

A good capital bid is likely to be one which:

- makes a significant contribution to one or more corporate priorities;
- has been thoroughly researched, both practically and financially, including consideration of an option appraisal and whole life costing approach for major schemes;
- considers fully the ongoing revenue implications, both costs and incomes;
- pays for itself and generates an income stream i.e. Invest to Save schemes;
- has been developed in conjunction with stakeholders, including Members and any other services or partners affected;
- has identified and secured possible external funding or capital receipts;
- identifies realistic and achievable outcomes and outputs;
- is deliverable within the resources (such as staffing) available within the directorate, or identifies extra resources required.

The submission of bids by directorates which demonstrate these qualities is key to ensuring that the Council's priorities are delivered through capital investment.

# CAPITAL INVESTMENT STRATEGY 2023/24 to 2027/28

## The Capital Scoring Methodology

The aim of the capital scoring methodology is to ensure that the schemes that best fit the Council's priorities, within the funds available, are taken forward. A copy of the most recent scoring methodology is attached at Appendix A. **Please note this will be amended going forward to reflect the new Gedling Plan subject to its approval.** Scores are awarded based on:

- the extent to which schemes meet the priorities identified. Weighting may be applied to the scores if Cabinet propose that a particular priority or ward area requires additional investment. No weighting has been applied in the development of the 2023/24 to 2027/28 programme;
- Asset management priorities – this section is used to prioritise Asset Management Fund items if bids to the fund exceed the budget allocation;
- the measure of the financial impact of the scheme, where points are awarded for external funding, income generation, value for money, impact of risk, and generation of capital receipts.

The maximum score possible (excluding Asset Management Fund items) is 80 points. The highest score would only be achievable if the scheme made a high contribution to all of the Council priorities together with a maximum positive financial impact in terms of value for money, funding/income generation and risk. The maximum available score is unlikely to be achieved by any individual scheme so scoring parameters are set, based on the level of contribution to priorities achieved, by which schemes are considered for inclusion in the proposed capital programme.

For the 2023/24 to 2027/28 capital budget, the following score parameters have determined the schemes to be proposed for inclusion in the capital programme based on contribution to priorities:

<b>Score</b>	<b>Capital Programme Inclusion</b>
Greater than 25 points	Automatic Proposal
Between 15 and 25 points	Include with Cabinet Support
Less than 15 points	Automatic Disregard

Scheme are ranked in accordance with the scores secured and those above 15 points considered by Cabinet in light of resources available before making final recommendations to Council of the final programme for approval.

## Managing the Capital Programme

A key role in the monitoring of the capital programme is undertaken by the Capital Monitoring Group, which meets on a bi-monthly basis. This Group is attended by responsible officers providing a supportive environment in which problem areas are identified and corrective actions agreed and implemented at an early stage to avoid slippage. Each scheme has a nominated project manager who is

## **CAPITAL INVESTMENT STRATEGY 2023/24 to 2027/28**

responsible for the successful completion of the scheme both to time and on budget.

The Council maintains comprehensive and robust procedures for managing and monitoring its Capital Programme. The ongoing monitoring arrangement for the delivery of the approved programme is a reciprocal process between service directorates and Financial Services consisting of:

- Project Managers identified for each scheme who are responsible for monitoring progress, spend and income and producing action plans to respond to variations in pace or cost of delivery;
- Project Managers feed information on scheme progress to the Finance Business Partner to produce the monthly budget monitoring statement;
- Bi-monthly capital monitoring meetings consider each Project Manager's report on performance outputs on each of their capital projects in progress. Variations and unexpected items are discussed and appropriate action taken;
- Heads of Service are responsible for ensuring that Project Manager monitoring reports are quality assured and challenged, and that corporate implications arising from capital monitoring are brought to the attention of the Senior Leadership Team and Cabinet;
- Capital budget monitoring is reported to Cabinet on a quarterly basis, for consideration of deferrals and budget amendments;
- At year end, Financial Services collate the outturn position for capital schemes, and report under and overspends and propose budget carry forwards. The Asset Register and Statement of Accounts are updated with new assets acquired within the year;
- A post-implementation review of capital projects after completion is important to assess to what extent the financial and non-financial aims of the project were met. Where they were not, lessons can be learned, which can inform future projects and may lead to revisions in either the budgeting or monitoring processes.

### **6. CONCLUSION**

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

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

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The adoption of a three-year capital planning framework and indicative 5 year programme is a significant means of improving programming for major projects and ensuring the longer term sustainability of the borrowing requirement.

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

New and innovative ways of generating increased capital finance will continue to be explored, as well as adopting a rigorous approach to the identification and disposal of surplus assets.

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

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



## Capital Resource Development Bid – Scoring Methodology

	Scoring system	Bid Name	Bid Name
<b>1. Priorities</b>			
<b>a. Cohesive, Diverse and Safe Communities</b>			
i	Promote and encourage pride, good citizenship and participation	0 – 3	
ii	Reduce poverty and inequality and provide support to the most vulnerable	0 – 3	
iii	Improve social mobility and life chances	0 – 3	
iv	Reduce anti-social behaviour, crime and fear of crime	0 – 3	
<b>Total for 1a: Maximum points =</b>		<b>12</b>	<b>0</b>
<b>Weighting due to performance indicator:</b>		<b>1</b>	<b>1</b>
<b>b. Healthy Lifestyles</b>			
i	Improve health and wellbeing and reduce health inequalities	0 - 3	
ii	Support physically active lifestyles	0 - 3	
iii	Increase recreational activities	0 - 3	
iv	Reduce levels of loneliness and isolation	0 - 3	
<b>Total for 1b: Maximum points =</b>		<b>12</b>	<b>0</b>
<b>Weighting due to performance indicator:</b>		<b>1</b>	<b>1</b>
<b>c. Sustainable Environment</b>			
i	Provide an attractive and sustainable local environment that people can enjoy	0 - 3	
ii	Improve transport infrastructure and connectivity	0 - 3	
iii	Conserve, enhance, promote and celebrate our heritage	0 - 3	
iv	Promote and protect the environment by minimising pollution and waste and becoming carbon neutral	0 - 3	
<b>Total for 1c: Maximum points =</b>		<b>12</b>	<b>0</b>
<b>Weighting due to performance indicator:</b>		<b>1</b>	<b>1</b>
<b>d. Vibrant Economy</b>			
i	Provide more homes	0 - 3	
ii	Ensure a robust strategic development framework is in place	0 - 3	
iii	Restore business confidence, workforce development and job opportunities	0 - 3	
iv	Create thriving and vibrant town and local centres	0 - 3	
<b>Total for 1d: Maximum points =</b>		<b>12</b>	<b>0</b>
<b>Weighting due to performance indicator:</b>		<b>1</b>	<b>1</b>

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<b>e High Performing Council</b>				
<b>i</b>	Improve the customer experience of engaging with the Council	<b>0 - 3</b>		
<b>ii</b>	Provide efficient and effective services	<b>0 - 3</b>		
<b>iii</b>	Maintain a positive working environment and strong employee morale	<b>0 - 3</b>		
<b>iv</b>	Improve use of digital technologies	<b>0 - 3</b>		
<b>Total for 1e: Maximum points =</b>		<b>12</b>	<b>0</b>	<b>0</b>
<b>Weighting due to performance indicator:</b>		<b>1</b>	<b>1</b>	<b>1</b>
<b>Total Priorities</b>			<b>0</b>	<b>0</b>

<b>2. Asset Management Plan Priority</b>				
<b>a.</b>	AMP 1 (urgent Health & Safety)	<b>25 pts</b>		
<b>b.</b>	AMP 2 (desirable Health & Safety)	<b>5 pts</b>		
<b>c.</b>	AMP 3 or 4	<b>0 pts</b>		
<b>Total for 2: Maximum Points =</b>		<b>25</b>	<b>0</b>	<b>0</b>

<b>3. Measure of Finance Impact</b>				
<b>a.</b>	External Funding	<b>0 - 10</b>		
<b>b.</b>	Income Generation	<b>0 - 10</b>		
<b>c.</b>	VFM	<b>0 - 10</b>		
<b>d.</b>	Risk	<b>0 - 10</b>		
<b>e.</b>	Capital Receipt Generation	<b>0 - 10</b>		
<b>Total for 3: Maximum points =</b>		<b>20</b>	<b>0</b>	<b>0</b>
<b>4.</b>	<b>Total points</b>	<b>Maximum points possible =</b>	<b>105</b>	<b>0</b>

**Proposed Capital Programme 2023/24 - 2025/26 and Indicative Programme 2026/27 to 2027/28**

	Capital Programme for Approval			Indicative programme	
	2023/24	2024/25	2025/26	2026/27	2027/28
<b><u>Environment</u></b>					
Disabled Facilities Grant	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Home Upgrade Grant (HUG2)	330,000	495,000			
CCTV Provision	25,000				
Vehicle Replacement Programme	1,605,500	669,000	904,000	661,000	101,000
Waste Management - in-cab devices			20,000		
Lambley Lane Play Area	111,000				
Play Area Refurbishments	100,000				
Recreation/Playground Improvements	110,000				
Sand Martin Bank Bird Hide	54,900				
Flood Alleviation (Upper Daybrook)	60,000				
Council Street Lighting	50,000				
Carlton Cemetery Remembrance Tree	15,000				
Green Lung Digby Park to Gedling County Park Path Construction	35,000				
Tree Audit & Management software	16,000				
<b>Environment Total</b>	<b>3,712,400</b>	<b>2,364,000</b>	<b>2,124,000</b>	<b>1,861,000</b>	<b>1,301,000</b>
<b><u>Sustainable Growth and Economy</u></b>					
UK Shared Prosperity Fund (Projects)	125,700	830,700	0	0	0
<b>Sustainable Growth and Economy Total</b>	<b>125,700</b>	<b>830,700</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Corporate Resources and Performance</u></b>					
IT Licences	110,000	110,000	110,000	110,000	110,000
Asset Management Fund	100,000	150,000	150,000	150,000	150,000
Future Resource Development Bids		100,000	100,000	100,000	100,000
Replacement Equipment		70,000	70,000	70,000	70,000
Civic Centre Window Replacement	200,000				
Income Management System	20,000				
Temporary Accommodation	1,160,000				
Economic Regeneration Land Assembly	1,500,000				
<b>Corporate Resources &amp; Performance Total</b>	<b>3,090,000</b>	<b>430,000</b>	<b>430,000</b>	<b>430,000</b>	<b>430,000</b>
<b>Total Capital Budget</b>	<b>6,928,100</b>	<b>3,624,700</b>	<b>2,554,000</b>	<b>2,291,000</b>	<b>1,731,000</b>

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## Report to Cabinet

**Subject:** Review of the Gedling Plan 2023-27

**Date:** 16 February 2023

**Author:** Senior Leadership Team on behalf of the Leader

### Wards Affected

Borough-wide

### Purpose

To seek agreement for the Gedling Plan 2023-27 to be referred to Council for approval.

### Key Decision

This is a key decision because it significantly affects residents living in two or more wards.

### Recommendations

**THAT: The Gedling Plan 2023-27 be agreed and referred to Council for approval on 2 March 2023**

## 1 Background

- 1.1 The Constitution of the Council requires the Leader to present, before 21 February each financial year, a draft Budget and Performance Plan (known as the Gedling Plan) to the Cabinet for approval, highlighting budget priorities, growth items and proposed cuts.
- 1.2 The Executive is required to consider any comments made on the draft Budget and Performance Plan and to present the final drafts to Council for adoption in accordance with the statutory requirements. To fulfil these requirements the 2023/24 budget proposals, which are detailed in a separate report on the agenda, together with the Gedling Plan will be presented to Budget Council on 2 March 2023.

- 1.3 The Borough Council has a statutory responsibility to determine its Council Tax by 10 March.
- 1.4 As Cabinet is aware, the current Gedling Plan concludes at the end of March this year.
- 1.5 The last plan ran for a period of three years and was revisited during this time due to the sudden changes in priorities that were a result of the Covid pandemic. That said, a majority of actions were successfully completed during the lifetime of the Plan and these will be documented and celebrated in the Annual Report to be produced at year end.
- 1.6 Some examples of achievements made during the period of the last Gedling Plan are as follows:
- ✓ The regeneration and development of Arnold town centre and market, including a new iconic AMP building and public realm, including performance area;
  - ✓ Works at Carlton Square including a new public vehicle entrance, separation of the delivery yard, resurfacing of car parks, electric vehicle charging points, and new planting;
  - ✓ The provision of additional CCTV cameras;
  - ✓ Investment in leisure through refurbishments, new booking systems, free swimming sessions, and the introduction of free access to leisure for Armed Forces personnel;
  - ✓ Becoming a 'plastic clever council' and adopting a new Carbon Management Strategy to further the councils ambitions to be carbon neutral by 2030;
  - ✓ Further investment in parks and open spaces, play areas, and planting of native trees.
- 1.7 A new Gedling Plan for the four-year period 2023-2027 has now been developed following extensive consultation with Members and senior managers. This is shown at Appendix 1. The format of the new Plan is different to earlier years in that it is set at a more strategic level with detail being delivered through annual service plans. The Annual Report will be published in summertime each year and will document the Council's achievements and successes.

## **2 Proposal**

- 2.1 In view of the fact that 2023 marks the beginning of a new Gedling Plan a full review has been carried out to ensure that it incorporates any changes necessary to address new challenges and reflects the Council's ambitions.

- 2.2 It was also an opportunity to re-focus, check and challenge whether the priorities and objectives were the right ones as well as reviewing the general approach to setting the plan which now is at a more strategic level than in the past.
- 2.3 A further report will be presented to Cabinet in March to seek approval for the strategic performance indicators which will be used to measure progress against the Gedling Plan.
- 2.4 It is important that the delivery of the Gedling Plan actions and performance indicators are monitored. Progress will be reported to Senior Leadership Team, Cabinet and Overview and Scrutiny Committee on a quarterly basis and performance reports published on the Council's website in the usual way.
- 2.5 It is proposed that the Gedling Plan 2023-2027 shown at Appendix 1 be approved by Cabinet and authorised to progress to Council on 2 March for formal ratification and adoption.

### **3 Alternative Options**

- 3.1 An alternative option would be not to agree the proposed Gedling Plan at this time although to take this action would mean that the Gedling Plan could not be adopted by the Council in time for the new financial year and until a new Plan was passed to Council for approval, the organisation would be operating without a formal business plan in place.
- 3.2 A second alternative would be to adopt a different or amended plan. If an alternative plan were to be proposed then this would need to progress through committee process and be agreed by Cabinet in time to be considered by Council on 2 March 2023. The current plan proposal has been drafted by Senior Leadership Team following Member and senior officer consultation.

### **4 Financial Implications**

- 4.1 There are no direct financial implications arising out of this report. Costs arising from actions and projects that will be undertaken during the life of the plan will be identified as part of the service planning and project delivery process.
- 4.2 The Gedling Plan will need to be delivered within existing and future approved budgets. The budget required for delivery of the Gedling Plan is

set out in the General Fund Revenue Budget 2023-24 report elsewhere on this agenda.

## **5 Legal Implications**

- 5.1 The Constitutional requirement for the Leader to present, before 21 February each financial year, a draft Budget and Performance Plan (known as the Gedling Plan) to the Cabinet for approval is met by this report.
- 5.2 The Gedling Plan 2023-2027 also meets its obligations under the Equality Act 2010 to publish at least one objective that meets the requirement of the Act as detailed in Section 6.
- 5.3 Legal issues arising from actions and projects that will be undertaken during the life of the plan will be identified as part of the service planning and project delivery process. It is the Council that will formally adopt the new Gedling Plan 2023-27.

## **6 Equalities Implications**

- 6.1 There are no direct equality implications arising out of this report. Equality implications arising from actions and projects that will be undertaken during the life of the plan will be identified as part of the service planning and project delivery process. The Equality Impact Assessment shown at Appendix 2 reflects the strategic level at which the Gedling Plan is set and identifies potential positive benefits across the whole of the community as service plan actions and projects aspire to improve lives and life chances of most sections of the community across the whole of the borough.
- 6.2 The Equalities Act 2010 requires the Council to publish at least one objective (at least every 4 years) aimed at achieving the following:
  - a) eliminating discrimination, harassment, victimisation and other conduct that is prohibited by or under the Act;
  - b) advancing equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - c) fostering good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 6.3 In relation to the Gedling Plan 2023-27 these obligations are met through the inclusion of the outward-facing theme of “equality, diversity and social inclusion” under the “Community” priority and the inward-facing theme of “healthy workforce” under the “Council” priority. In both of these areas in



the Gedling Plan, service plans will identify specific actions each year to meet these clearly identified ambitions.

## **7 Carbon Reduction/Sustainability Implications**

- 7.1 There are no direct carbon reduction implications arising out of this report. Positive carbon reduction actions and projects will be undertaken during the life of the plan will be identified as part of the service planning and project delivery process.

## **8 Appendices**

- 8.1 Appendix 1 – Gedling Plan 2023-2027  
8.2 Appendix 2- Equality Impact Assessment

## **9 Background Papers**

- 9.1 None identified.

## **10 Reasons for Recommendations**

- 10.1 To approve the Gedling Plan 2023- 2027 and to ensure that strategic direction is clearly set out.

### **Statutory Officer approval**

**Approved by the Chief Financial Officer 7 February 2023**

**Approved by the Monitoring Officer 30 January 2023**



# GEDLING PLAN

2023-2027

Serving people Improving Lives



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# Introduction



At the start of 2020 I introduced our previous Gedling Plan. At that time we set out an ambitious programme of work in which we hoped to deliver a range of improvements and positive changes for the residents, businesses and service users of the borough. I am delighted to say that at the end of the three years we have achieved delivery of most of these ambitions including some huge projects such as the acquisition and development of the Arnold Market Place (AMP) site. Even in normal times this would have been an achievement worthy of note but, put simply, recent years have been far from normal. In addition to delivery of our objectives we have had to focus our attention elsewhere for about eighteen months whilst we weathered the storm of covid-19 and worked tirelessly as members and officers to provide practical support to our community. During this time we supported the most vulnerable people within our communities through our community hub that distributed essential food items, also by ensuring that essential medical supplies were received by those who

were dependent upon support, and by pulling together to ensure that business grants were administered quickly and efficiently to help our local businesses survive. Through it all we continued to provide essential services such as refuse collection even if it meant other teams from our Parks and Street Cleansing Service and Leisure Services stepping in to help staff the refuse rounds.

Now I am proud to introduce our new Gedling Plan that sets out our key objectives for the next four years. Not only proud but also confident that we have the right teams, both members and officers, to provide first-rate services again. It won't be an easy task with the issues of high costs, high inflation and limited grant aid all being realistic scenarios not just in the short term but possibly for a significant proportion of the term of this plan. It may be the case that we cannot continue to deliver all the services that we do now and it may be that we have to modify some service delivery to do things in ways that are affordable. What you can be assured of though is that you have teams of dedicated, professional

and caring people that will be doing their best to meet or exceed your expectations.

The four-year plan aims to identify the three main themes of what we see as the cornerstones of good, solid local authority service; "Economy, Community and Place" underpinned by sound governance. Behind these themes service plans will be compiled each year to deliver practical and material improvements within the borough. Service Plans will reflect feedback that we have received over the last few years in our Residents' Survey and, more recent, Gedling Plan Survey. Our Annual Report will detail our achievements at the end of each year and will show you just how we have worked to meet our vision of,

**"Serving People, Improving Lives".**

Councillor John Clarke  
Leader of the Council

# Your views: feedback from the Gedling Plan survey (2022)



In preparation for the new Gedling Plan 2023 - 2027, the Council ran a consultation during August and September 2022. Questions focussed on the council's current priorities, how to close a budget gap, the future of our services in terms of potential spending reductions and areas for investment, keeping you informed, and accessibility.

## Gedling Plan consultation results

- Comparatively high percentage of all respondents agree with the current council's priorities, which is on average 80%
- 'Prioritise spending in the local economy and housing to support residents and businesses in post pandemic recovery' was the most frequently selected category for the targeted investment alongside 'more spending in some service areas'
- 'The council to join up with its partners' is the most frequently selected category for the council's future plans to do things differently in order to transform its services
- 'Raise more income from charges to service users' is the most frequently selected category relating to the respondents' preferred option for closing the budget gap
- 55% of the respondents felt that they didn't feel well informed and the top reasons selected for this are related to the general activity of the council and the council's website

## Our Vision

We are responsible for a wide range of local services that matter to our residents and businesses in the borough. The Gedling Plan sets out how the Council will operate and what it will focus on delivering to its businesses, residents and communities. At the heart of this is our vision:

“Serving People, Improving Lives”

## Our Ambition

We aspire to be regarded as an excellent council by the people and businesses we serve and the staff we employ, by making a positive difference to people's lives and creating opportunities for everyone to achieve their full potential.

## Our values What we stand for and the way we go about our business

- 01** | **Openness and trust** - We will be open, honest and trustworthy in the way we work and will make decisions in a timely way.
- 02** | **Communication and Empowerment** - We will clearly communicate and be accountable for our own actions, and empower others with the skills to help themselves.
- 03** | **Fairness and respect** - We will respond to people's needs in a fair and consistent way.
- 04** | **Continuous Improvement and Inclusivity** - We will strive to be forward thinking and work with our communities, involving people in decisions that affect their lives, and be prepared to listen and take on new ideas.



# Our Priorities

## Economy

To encourage and support healthy businesses in our town and local centres, improving local skills and employment opportunities, and promoting an economy that attracts visitors throughout the day and supports leisure activity.



## Community

To enable a resilient, empowered, connected, inclusive and healthy community.



## Place

To enable a safe, attractive, clean and culturally vibrant borough that plays its part to tackle the climate emergency.



## The Council

To ensure the council is a healthy place to work, it engages with its customers, has a focus on improvement, is financially sound, and ensures compliance with all relevant legislation.

Serving people **Improving Lives**

# Economy



To encourage and support healthy businesses in our town and local centres, improving local skills and employment opportunities, and promoting an economy that attracts visitors throughout the day and supports leisure activity.

## • SKILLS AND EMPLOYMENT

The council will support local people into employment using its influence and connectivity with partners to create jobs, and provide support and training.



## • BUSINESS

A local economy that attracts new business investment enabling growth and the creation of jobs.



## • TOWN AND LOCAL CENTRES

To provide vibrant town and local centres that attract shoppers and leisure users.



## • VISITORS

A visitor economy that attracts tourism through our natural beauty and places to see.





# Community



To enable a resilient, empowered, connected, inclusive and healthy community.

## • POVERTY AND THE VULNERABLE

Financially vulnerable residents are supported through our welfare services and community partnerships.



## • CHILDREN AND YOUNG PEOPLE

In partnership, improving the life chances and opportunities for our children and young people.



## • EQUALITY, DIVERSITY AND SOCIAL INCLUSION

Providing opportunities for all people to connect and live, work and socialise together, and have equal access to services.



## • HEALTH AND WELLBEING

Work with Health Service partners to enable residents to lead healthy lives through positive social and physical activity.



# Place



To enable a safe, attractive, clean and culturally vibrant borough that plays its part to tackle the climate emergency.

- **CLEANLINESS, ENVIRONMENT AND CLIMATE CHANGE**

Cleanliness of our built environment and the protection and enhancement of our natural environment, including our waterways, parks and open spaces, habitats and wildlife; minimising pollution and waste by influencing the council's and borough's carbon emissions.



- **PRIDE OF PLACE**

Developing sustainable community hubs and infrastructure, and encouraging volunteering and participation in cultural activity and preserving our heritage.



- **COMMUNITY PROTECTION**

Reducing crime and the fear of crime so that residents feel safe and protected in their neighbourhoods, and the licensing and regulation of businesses for health and hygiene safety.



- **HOUSING**

Individuals and families can access high quality, affordable and energy efficient housing to bring life to neighbourhoods.



# The Council



To ensure the council is a healthy place to work, it engages with its customers, has a focus on improvement, is financially sound, and ensures compliance with all relevant legislation.

## • CUSTOMER ENGAGEMENT

Our customer experience is the best possible and our facilities and services are accessible to all.



## • INNOVATION AND IMPROVEMENT

We strive to make improvements by doing things differently and collaboratively, using digital transformation of our services.



## • GOVERNANCE AND COMPLIANCE

Governance and decision-making is transparent and evidence-led, and services continue to be delivered in accordance with legislation and professional guidance.



## • FINANCIAL MANAGEMENT

We continue to deliver a balanced budget and receive unqualified opinions from our external auditors.



## • HEALTHY WORKPLACE

The council provides a positive working environment for its staff, it is recognised as an employer of choice with a workforce that is empowered, skilled, diverse and responsive and is proud to work for the council; and it embraces all aspects of equality, diversity and inclusion.



# What your Council tax pays for

The Council provides a broad range of services and our funding comes mainly from Council Tax, Central Government Funding and income from service users.

The 2022/23 Council tax for an average Band B property occupied by two or more people is £1,681 per annum.

Of this, Gedling Borough Council only receives £138, so about 8%.

The rest goes to Nottinghamshire County Council (76%), to the Police and Crime Commissioner (12%), and to the Fire and Rescue Authority (4%).

The following provides a summary of the functions provided by Gedling Borough Council and Nottinghamshire County Council:

GEDLING BOROUGH COUNCIL	NOTTINGHAMSHIRE COUNTY COUNCIL
Collection of council tax and business rates	Birth, marriage and death registration
Environmental health	Education
Housing	Highways, including on-street parking, traffic management, and street lighting
Leisure centres and recreational facilities	Libraries
Local plans and planning applications	Recreation, arts and museums
Public conveniences	Social care
Waste collection and recycling	Strategic planning
	Trading standards
	Transport planning and passenger transport
	Waste disposal
POLICE AND CRIME COMMISSIONER	FIRE AND RESCUE AUTHORITY



011

# Vision for the Future

The Council continues to face a very difficult financial future with grant aid from government having been substantially reduced over the last ten years and future awards being unclear. Although it has been possible to retain most services through recent years, albeit sometimes delivered differently or in a reduced way, this may not always be the case going forwards. We will continue to look at ways to further reduce the Council's costs to ensure that the budget we have in place best meets the needs of our borough and the communities we serve. Although care needs to be taken to minimise risk and ensure that returns warrant investment, we will continue to explore ways to make services commercially-minded and that we maximise the returns from our assets.

This four-year plan gives a flavour of what we aim to achieve. We pride ourselves on being an "enabling Authority" that maximises its resources and harnesses the resources of others in order to secure long-lasting and high quality improvements for the borough. Increasingly we both want and need to work collaboratively with our communities, public sector partners, voluntary organisations, schools, universities and businesses in order to be able to deliver our vision. We

recognise that there is "strength in number". Also, by engaging more widely we hope to build and strengthen the sense of community pride and make the services that the Council provides or influences truly inclusive.

Whilst we will continue to develop the use of new technologies and embrace innovation to become more efficient, we won't forget our reason for being- that is to serve the residents, service users and businesses of the borough and to make improvement to their lives.

We will continue to support national priorities around housing delivery. The borough has experienced significant growth in recent years and aims to continue to support responsible development whilst recognising the sensitivity and sometimes conflicting demands that an ambitious programme of expansion brings. A continuing key priority for the Council is to boost the supply of new homes, to provide good quality homes to rent, to reduce homelessness, and to tackle the housing waiting list.

The completion of the Gedling Access Road is an example that demonstrates our commitment to the ongoing improvement to transport connectivity within the borough. We are not afraid to lobby

for and support ambitious schemes and we aspire to see an extension of the Nottingham tram into Gedling, a fourth road crossing built across the River Trent and high speed broadband provision across the borough. We have a track record of improving our town centres as the AMP (Arnold Market Place) development testifies as does the improvement works carried out in Carlton; we recognise the need to continue to improve and revitalise these centres of business and community.

The Environment Act imposes some difficult challenges for all local authorities to deliver against, but Gedling has committed to becoming carbon neutral by 2030. A Climate Change Officer has been appointed to support and guide the Council towards this ambition. There are some themes that underpin all of our work and alongside the carbon reduction agenda stand our actions to ensure that equality, diversity and inclusion is a thread that runs through the delivery plans across all services.

**Equality Impact Assessment**

Name of project, policy, function, service or proposal being assessed:	The Gedling Plan 2023- 2027				
The main objective of (please insert the name of accessed document stated above):	To ensure that any negative equality impacts are identified in order to be able to mitigate against them				
What impact will this (please insert the name) have on the following groups? Please note that you should consider both external and internal impact: <ul style="list-style-type: none"> <li>• External (e.g. stakeholders, residents, local businesses etc.)</li> <li>• Internal (staff)</li> </ul>					
Please use only 'Yes' where applicable		<b>Negative</b>	<b>Positive</b>	<b>Neutral</b>	<b>Comments</b>
<b>Gender</b>	External		x		
	Internal		x		
<b>Gender Reassignment</b>	External		x		
	Internal		x		
<b>Age</b>	External		x		
	Internal		x		

<b>Marriage and civil partnership</b>	External		x		
	Internal		x		
<b>Disability</b>	External		x		
	Internal		x		
<b>Race &amp; Ethnicity</b>	External		x		
	Internal		x		
<b>Sexual Orientation</b>	External		x		
	Internal		x		
<b>Religion or Belief (or no Belief)</b>	External		x		
	Internal		x		
<b>Pregnancy &amp; Maternity</b>	External		x		
	Internal		x		
<b>Other Groups</b> (e.g. any other vulnerable groups, rural isolation, deprived areas, low income staff etc.)	External		x		
	Internal		x		

Is there any evidence of a high disproportionate adverse or positive impact on any groups?		No	Comment : Actions and projects will detail positive and negative equality impacts through the service plan and normal process
Is there an opportunity to mitigate or alleviate any such impacts?		N/a	Comment : Actions and projects will detail positive and negative equality impacts through the service plan and normal process together with any possible mitigation
Are there any gaps in information available (e.g. evidence) so that a complete assessment of different impacts is not possible?		Not known at this stage	
In response to the information provided above please provide a set of proposed action including any consultation that is going to be carried out:			
Planned Actions	Timeframe	Success Measure	Responsible Officer

**Authorisation and Review**

<b>Completing Officer</b>	<b>Mike Hill</b>
<b>Authorising Head of Service/Director</b>	<b>On behalf of the Senior Leadership Team</b>
<b>Date</b>	<b>26 January 2023</b>
<b>Review date ( if applicable)</b>	

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## Report to Cabinet

**Subject:** Local Requirements List for planning and related applications

**Date:** 16 February 2023

**Author:** Nigel Bryan – Principal Planning Officer

### Wards Affected

All

### Purpose

The purpose of this paper is to seek Cabinet approval to adopt the Local Requirements List.

### Key Decision

Yes

### Recommendation(s)

#### THAT:

- 1) The Local Requirements List for planning related applications be adopted;
- 2) Authorise the Principal Planning Officer – Development Management to publish the document; and
- 3) Delegates authority to the Principal Planning Officer, to make any minor typographical, formatting or factual amendments to the Local Requirements List for planning and related applications.

## 1 Background

- 1.1 Gedling Borough Council determine in the region of 700 planning and related applications a year. Currently the Council can validate applications in accordance only with the National requirements, as set out in the Planning Practice Guidance (paragraph 22 Reference ID: 14-022-20140306) and the Town and Country Planning Development Management Procedure (England)(Order) 2015. However, paragraph 44

of the National Planning Policy Framework (2021) identifies that a list of local requirements can be adopted by a Local Planning Authority and that the information sought should be the minimum needed to make a decision. The document should be reviewed at least every two years and Local Planning Authorities should only request information that is relevant, necessary and material to the application in question.

- 1.2 Applications received with all relevant information will ensure that all interested parties e.g. Officers, Statutory consultees and neighbours, have sufficient details to consider the proposal and it will also assist the Council in making timely decisions. Currently the Council relies on the national validation requirements and this can sometimes mean that valuable information is missing at the outset, which can lead to a delay in determining applications.
- 1.3 As outlined in the Planning Practice Guidance (paragraphs 38-44), a Council can produce a Local List which will outline specific documents that can be sought in support of a planning application e.g. a heritage statement or flood risk assessment. This is not to say that Councils can invalidate application erroneously, which is not the intention with this document, but it will create continuity and certainty in the approach to the validation of planning and related applications.

### Consultation

- 2.1 The amended Local Requirements List, reproduced in appendix 1 has, where possible, taken on board comments received during the public consultation period. This involved a targeted consultation with a number of regular agents, including those that attend the Developers Forum, along with the document being advertised on the Councils web-page. The consultation period ran for a period of 6-weeks between 07th November and 19th December 2022.
- 2.2 Two comments were received, as outlined in appendix 2. In short, one raised concern about the usability of the document and some of the requirements relating to the application of Sunlight/Daylight assessments, the provision of plans for change of use applications and the requirement for flood risk assessments in some instances. The second requested that additional information to be inserted into it. These are addressed in more detail in appendix 2.

### Next Steps

- 2.3 The comments made during the consultation period have been carefully considered and changes have been made in respect of drawing attention to the Minerals Plan and clarifying the application of the Sunlight/Daylight

assessment for householder developments. In all other aspects, the document remains as originally proposed. Once adopted, the document will provide a clear framework to set out the Council's requirements to validate planning and related applications.

### **3 Alternative Options**

- 3.1 To continue relying on the national requirements for validation; however, the local list will allow greater consistency in terms of validation and more timely decisions and greater continuity for applicants and their agents.

### **4 Financial Implications**

- 4.1 None. The preparation of the document has been met from existing budgets.

### **5 Legal Implications**

- 5.1 The National Planning Policy Framework (2021), paragraph 44, supports the creation of a local list for applications for planning permission, which should be reviewed every two years. The Town and Country Planning Act 1990 s.62 (3) provides that a local planning authority may require an application for planning permission to include such particulars as they think necessary and such evidence in support of anything in or relating to the application as they think necessary. Such requirements cannot be contrary to national requirements but are in addition to them. The Act also indicates that any additional requirements under s.62(3) must be reasonable having regard to the nature and scale of development and an authority may only require particulars of evidence about a matter if it is reasonable to think the matter will be a material consideration in the determination of the application.

The Town and Country Planning Development Management Procedure (England) Order 2015 provides that where an authority has requested additional information under the Act, the authority must publish a list of such requirements on their website.

### **6 Equalities Implications**

- 6.1 None.

### **7 Carbon Reduction/Environmental Sustainability Implications**

- 7.1 The document will be electronically available to deter paper copies as well as encourage planning applications to be submitted electronically rather than by paper. The proposed new validation requirement for major applications, those of which are for the erection of 10 or more dwellings and commercial developments of more than 1,000sqm, will require an

assessment to be submitted to consider the Low Carbon Planning Guidance for Gedling.

**8 Appendices**

8.1 Appendix 1: Local Requirements List (Final, as amended).

8.2 Appendix 2: Report of Responses

**9 Background Papers**

9.1 None.

**10 Reasons for Recommendations**

10.1 The reasons for the recommendations are:

- a) To provide a clear framework to set out the Council's requirements to validate planning and related applications.
- b) To comply with statutory requirements and to publish the approved document
- c) For the purpose of efficiently rectifying minor errors as appropriate.

**Statutory Officer approval**

**Approved by:**

**Date:**

**On behalf of the Chief Financial Officer**

**Approved by:**

**Date:**

**On behalf of the Monitoring Officer**

# **Local Requirements List**

**January 2023**

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## **Introduction**

This Local Requirements List was adopted by Gedling Borough Council on XXX following public consultation.

### **What is a Local Requirements List?**

When making a planning application it is vital that it is supported by adequate and accurate information to enable the council, members of the public and other statutory bodies to understand the proposals, and allow a proper assessment of the potential impact of the development. This List identifies which documents (in addition to the statutory national requirements) it is considered are reasonable for the Council to request in order to fully assess a planning application.

Planning applications which are not submitted with the correct information as stated within these pages may be treated as invalid and will not be processed until such time as the required information has been submitted. This makes it clear at the start of the application process what information is required to support different types of planning applications.

### **What's included in the Gedling Local Requirements List?**

This document begins with a list of all of Gedling Borough Council's Local Requirements.

This document then continues with a list of National and Local Requirements by application type. When making a planning application, simply click on the application type that you want to know more about.

The documents then provides further details as to what information is required for each Local Requirement.

### **Useful web links**

This document makes reference to planning policy documents. Please click on the web links below for further information regarding these policy documents.

#### **National Planning Policy Framework (NPPF)**

<https://www.gov.uk/government/publications/national-planning-policy-framework--2>

#### **Aligned Core Strategy (ACS)**

<https://www.gedling.gov.uk/acs/>

#### **Local Planning Document (LPD)**

<https://www.gedling.gov.uk/lpd/>



Supplementary Planning Documents (SPDs) and Guidance

<https://www.gedling.gov.uk/resident/planningandbuildingcontrol/planningpolicy/adoptedlocalplanandpolicydocuments/supplementaryplanningdocumentsandguidance/>

Adopted Minerals Local Plan

<https://www.nottinghamshire.gov.uk/planning-and-environment/minerals-local-plan/adopted-minerals-local-plan>

## **List of Gedling Borough Council's Local Requirements**

- Agricultural justification
- Biodiversity survey and report
- Community Infrastructure Levy (CIL) forms
- Daylight/Sunlight assessment
- Drainage - Foul sewage and utilities assessment
- Drainage – Surface water drainage (including SuDS)
- Environmental statement (including contamination)
- Flood risk assessment
- Green Belt calculations
- Heritage Statement (including Historical, archaeological features and Scheduled Ancient Monuments)
- Joinery Details
- Landscaping details
- Lighting assessment
- Low Carbon Planning Guidance – statement of compliance
- Noise assessment
- Open Space Assessment
- Parking Provision
- Planning Obligations – Draft Head(s) of Terms
- Planning Statement
- Retail Impact Assessment
- Site Waste Management Plan
- Statement of Community Involvement
- Structural Survey
- Transport assessment
- Travel Plan
- Tree survey/Arboricultural implications
- Ventilation/Extraction statement
- Viability statement

## **Lists of Local Requirements by Application Type**

### **1a. Householder application for planning permission for works or extension to a dwelling**

#### **National Requirements:**

The National Requirements for a Householder Planning Application are:-

- Application form.
- Certificates (at end of application forms).
- Site location plan:-
  - The application site must outlined in red (this is usually the boundaries to the site) and any land adjoining or close by owned by the applicant should be outlined in blue.
  - The plan must be to an identified scale (this is usually 1:1250) and show a north arrow.
  - The location plan should include adjacent road names.
- Site layout plan / block plan. The site plan should be at a standard scale e.g. 1:200 or 1:500. The site plan shall include the following:-
  - The direction north.
  - The proposed development in relation to the site boundaries and other existing buildings on the site, with written dimensions including those to the boundaries.
- Detailed existing and proposed elevation and floorplan drawings at a standard scale e.g. 1:100 or 1:50. These need to be accurate and it is advised to employ a professional architect or plan drawer.
- Design and access statement (where the property is within a Conservation Area and floor area proposed is 100m<sup>2</sup> or more. See LPD Policy 28.)
- Application fee.

#### **Local Requirements (depending on site constraints):**

- CIL forms -if floor area exceeds 100 sqm or results in the creation of a new residential dwelling / annex.
- Daylight/Sunlight assessment – For a householder planning application this is a “45 degree line” shown on a block plan where the site adjoins existing development. This is a line drawn from neighbouring windows at a 45 degree angle towards any proposed extension. This provides an indication as to whether the proposed extension will cause unacceptable issues of massing / overshadowing or overbearing onto neighbouring occupiers. The line should be drawn from the centre of the neighbouring window for single storey extensions and the nearest edge of the window for 2-storey extensions.
- Flood Risk Standing Advice - applications where the site is located in flood zones 2 or 3 and the footprint is less than 250 square metres.
- Green Belt calculations - if the site is in the Green Belt. See LPD Policy 13.
- Heritage Statement – if property is within the setting of a listed building, is within a conservation area, is within the setting of a scheduled ancient monument, is a local interest building. See LPD Policies 26, 27, 28 and 31.

- Parking Provision – where existing parking or garage facilities are affected by the proposed development. See LPD Policy 57.
- Tree Survey/Arboricultural Implications – if any trees or hedges need to be removed or pruned as part of the proposed development.

**Please see page 36 for detailed guidance as to what information is required for each of the above Local Requirements.**

## **1b. Prior Notification - Enlargement, improvement or other alteration of a dwellinghouse**

### **National Requirements:**

- Application form including:-
  - how far the enlarged part of the dwellinghouse extends beyond the rear wall of the original dwellinghouse.
  - the maximum height of the enlarged part of the dwellinghouse and the height of the eaves of the enlarged part of the dwellinghouse.
  - the addresses of any adjoining premises.
  - the developer's contact details.
- Location plan showing the proposed site:-
  - The application site must outlined in red (this is usually the boundaries to the site) and any land adjoining or close by owned by the applicant should be outlined in blue.
  - The plan must be to an identified scale (this is usually 1:1250) and show a north arrow.
  - The location plan should adjacent road names.
- Plans showing the proposed development (for example an aerial plan showing outline of extension relative to dwelling)
- Appropriate fee

## 2. Application for Full Planning Permission

### National Requirements (for all applications for full planning permission):

Please click the link below for the current national information requirements:-

<https://www.gov.uk/guidance/making-an-application#National-information-requirements>

### Local Requirements (by application type):

#### Residential New Build

- Agricultural justification – for applications for agricultural workers' dwellings. See LPD Policy 17.
- Biodiversity survey and report – where protected species are likely to be impacted by a development proposal, for example, where development is within or adjacent to an area of natural open space, where development is within a designated site (Site of Special Scientific Interest, Local Nature Reserves, Local Wildlife Site, Local Geological Sites), a Greenfield site, works involving trees known to house protected species. See LPD Policy 18.
- Community Infrastructure Levy (CIL) forms:-
  - Additional Information Form 1, and
  - Assumption of Liability Form 2.
- Community Infrastructure Levy (CIL) forms.
- Daylight/Sunlight assessment – where proposals could impact on residential amenity. See LPD Policy 32.
- Drainage - Foul sewage and utilities assessment – all major applications.
- Drainage – Surface water drainage (including SuDS) – all major applications, applications in and adjacent to areas at risk of flooding. See Policy LPD Policy 4.
- Environmental Statement, including Land Contamination assessment where there may be the potential for contamination due to the former use of the land. See LPD Policy 7.
- Flood risk assessment – all new housing development in flood zone 2 or 3, housing development on more than 1 hectare or 10 or more houses in flood zone 1. See LPD Policy 3.
- Green Belt calculations – for new housing development on previously developed land. See LPD Policies 14 and 15.
- Heritage Statement (including Historical, archaeological features and Scheduled Ancient Monuments) – any new residential development affecting a heritage asset. See LPD Policy 26.
- Landscaping details – any new residential development that is particularly sensitive from either an ecological or visual point of view. See LPD Policy 18.
- Low Carbon Planning Guidance – statement of compliance – for housing developments of 10 units or more. See Low Carbon Planning Guidance for Gedling Borough.

- Open Space Assessment – where the proposed development relates to an existing area of Protected Open Space or Important Open Areas within a conservation area. See LPD Policies 20, 22 and 28.
- Planning Obligations – Draft Head(s) of Terms – when a Section 106 legal agreement is required to secure developer contributions. This can be because of set triggers (for example housing developments of 15 or more dwellings require an affordable housing contribution) or this can be at the request of a planning officer or statutory consultee. See LPD Policy 36.
- Planning Statement - major planning applications, applications that are not in accordance with the development plan, proposals that require detailed policy consideration.
- Site Waste Management Plan – all new residential development
- Statement of Community Involvement - all applications where pre-application consultation has taken place with the local community.
- Transport assessment – where development generates a significant amount of transport movements (see Appendix 1 for requirement thresholds)
- Travel Plan – for any developments in excess of 50 units. See ASC Policy 14.
- Tree survey/Arboricultural implications - all applications where trees may be affected by the proposed development.
- Viability statement - Where applicants do not consider that development schemes would be viable in relation to the policy requirements and/or planning obligations made of them.

## **Residential Conversions**

- Agricultural justification - for applications for agricultural workers' dwellings. See LPD Policy 17.
- Biodiversity survey and report - where protected species are likely to be impacted by a development proposal, for example, conversions involving a rural building, where development is within or adjacent to an area of natural open space, where development is within a designated site (Site of Special Scientific Interest, Local Nature Reserves, Local Wildlife Site, Local Geological Sites), works involving trees known to house protected species. See LPD Policy 18.
- Community Infrastructure Levy (CIL) forms:-
  - Additional Information Form 1, and
  - Assumption of Liability Form 2.
- Daylight/Sunlight assessment - where proposals could impact on residential amenity. See LPD Policy 32.
- Drainage – Foul sewage and utilities assessment - all major applications.
- Drainage – Surface water drainage (including SuDS) - all major applications, applications in and adjacent to areas at risk of flooding. See LPD Policy 4.
- Environmental Statement, including Land Contamination assessment where there may be the potential for contamination due to the former use of the land. See LPD Policy 7.
- Flood risk assessment – If in flood zone 2 or 3. See LPD Policy 3.
- Green Belt calculations – if any elements of new buildings are proposed. See LPD Policies 12 and 13

- Heritage Statement (including Historical, archaeological features and Scheduled Ancient Monuments) - any residential conversions affecting a heritage asset. See LPD Policy 26.
- Landscaping details - any residential conversion that is particularly sensitive from either an ecological or visual point of view. See LPD Policy 18.
- Low Carbon Planning Guidance – statement of compliance – for housing developments of 10 units or more. See Low Carbon Planning Guidance for Gedling Borough.
- Planning Obligations – Draft Head(s) of Terms - when a Section 106 legal agreement is required to secure developer contributions, at the request of the Local Planning Authority or statutory consultee.
- Planning Statement - major planning applications, applications that are not in accordance with the development plan, proposals that require detailed policy consideration.
- Site Waste Management Plan - all new residential development.
- Statement of Community Involvement - all applications where pre-application consultation has taken place with the local community.
- Structural Survey – proposals involving the conversion of heritage assets. See LPD Policy 26.
- Transport assessment - where development generates a significant amount of transport movements (see Appendix 1 for requirement thresholds)
- Travel Plan – for any developments in excess of 50 units. See ASC Policy 14.
- Tree survey/Arboricultural implications - all applications where trees may be affected by the proposed development.
- Viability statement - Where applicants do not consider that development schemes would be viable in relation to the policy requirements and/or planning obligations made of them.

### **Commercial, industrial and non-residential**

- Biodiversity survey and report - where protected species are likely to be impacted by a development proposal, for example, where development is within or adjacent to an area of natural open space, where development is within a designated site (Site of Special Scientific Interest, Local Nature Reserves, Local Wildlife Site, Local Geological Sites), a Greenfield site, works involving trees known to house protected species. See LPD Policy 18.
- Community Infrastructure Levy (CIL) forms:-
  - Additional Information Form 1, and
  - Assumption of Liability Form 2.
- Daylight/Sunlight assessment - where proposals could impact on residential amenity. See LPD Policy 32.
- Drainage – Foul sewage and utilities assessment - all major applications.
- Drainage – Surface water drainage (including SuDS) - all major applications, applications in and adjacent to areas at risk of flooding. See LPD Policy 4.
- Environmental Statement, including Land Contamination assessment where there may be the potential for contamination due to the former use of the land. See LPD Policy 7.



- Flood risk assessment - all new development in flood zone 2 or 3, development on more than 1 hectare or 10,000 square metres in flood zone 1. See LPD Policy 3.
- Green Belt calculations - for new development on previously developed land or where existing buildings are being extended. See LPD Policies 14 and 15.
- Heritage Statement (including Historical, archaeological features and Scheduled Ancient Monuments) - any development affecting a heritage asset. See LPD Policy 26.
- Landscaping details – any new development that is particularly sensitive from either an ecological or visual point of view. See LPD Policy 18.
- Lighting assessment – Where floodlighting is proposed. See LPD Policy 32
- Low Carbon Planning Guidance – statement of compliance – for commercial development of 1ha or more or 1,000sqm and above. See Low Carbon Planning Guidance for Gedling Borough.
- Noise assessment – Where proposals are likely to generate significant noise or be affected by a nearby source of noise. See LPD Policy 32.
- Open Space Assessment - where the proposed development relates to an existing area of Protected Open Space or Important Open Areas within a conservation area. See LPD Policies 20, 22 and 28.
- Parking Provision – where existing parking arrangements are being altered. See LPD Policy 57.
- Planning Obligations – Draft Head(s) of Terms – when a Section 106 legal agreement is required to secure developer contributions.
- Planning Statement – major planning applications, applications that are not in accordance with the development plan, proposals that require detailed policy consideration.
- Retail Impact Assessment – a Retail Impact Assessment is required for development proposals for retail uses of 500sqm or more (gross) and not within a defined Town or Local Centre. See LPD Policy 52.
- Site Waste Management Plan – all developments where additional waste will be generated.
- Statement of Community Involvement - all applications where pre-application consultation has taken place with the local community.
- Structural Survey - proposals involving the conversion of heritage assets. See LPD Policy 26.
- Transport assessment - All developments that generate significant amounts of transport movement (see Appendix 1) for requirement thresholds).
- Travel Plan - for any developments in excess of 50 units. See ASC policy 14.
- Tree survey/Arboricultural implications - all applications where trees may be affected by the proposed development.
- Ventilation/Extraction statement – where new ventilation / extraction is proposed.
- Viability statement - Where applicants do not consider that development schemes would be viable in relation to the policy requirements and/or planning obligations made of them.

## **Change of use**

- Biodiversity survey and report - where protected species are likely to be impacted by a development proposal, for example, where development is within or adjacent to an area of natural open space, where development is within a designated site (Site of Special Scientific Interest, Local Nature Reserves, Local Wildlife Site, Local Geological Sites), a Greenfield site, works involving trees known to house protected species. See LPD Policy 18.
- Community Infrastructure Levy (CIL) forms:-
  - Additional Information Form 1, and
  - Assumption of Liability Form 2.
- Daylight/Sunlight assessment - where proposals could impact on residential amenity. See LPD Policy 32.
- Drainage – Foul sewage and utilities assessment – where requested by the Local Planning Authority.
- Drainage – Surface water drainage (including SuDS) - where requested by the Local Planning Authority.
- Environmental Statement, including Land Contamination assessment where there may be the potential for contamination due to the former use of the land. See LPD Policy 7.
- Flood risk assessment – when a use is changing to a more vulnerable flood use. See LPD Policy 3.
- Green Belt calculations – applications in the Green belt where new floorspace is proposed. See LPD Policy 13.
- Heritage Statement (including Historical, archaeological features and Scheduled Ancient Monuments) - any development affecting a heritage asset. See LPD Policy 26.
- Landscaping details - any new development that is particularly sensitive from either an ecological or visual point of view. See LPD Policy 18.
- Lighting assessment – where floodlighting is proposed. See LPD Policy 32
- Low Carbon Planning Guidance – statement of compliance – for commercial development of 1ha or more or 1,000sqm and above. See Low Carbon Planning Guidance for Gedling Borough.
- Noise assessment – where proposals are likely to generate significant noise or be affected by a nearby source of noise. See LPD Policy 32.
- Parking Provision – where existing parking arrangements are being altered. See LPD Policy 57.
- Planning Obligations – Draft Head(s) of Terms - when a Section 106 legal agreement is required to secure developer contributions.
- Planning Statement – major planning applications, applications that are not in accordance with the development plan, proposals that require detailed policy consideration.
- Retail Impact Assessment – a Retail Impact Assessment is required for development proposals for retail uses of 500sqm or more (gross) and not within a defined Town or Local Centre. See LP Policy 52. A Sequential Assessment is required for all proposed main town centre uses and retail development, not in an existing centre (area defined on a LPA proposal map).
- Site Waste Management Plan – all developments where additional waste will be generated.
- Statement of Community Involvement – all applications where pre-application consultation has taken place with the local community.

- Street scene plans – as requested by the Local Planning Authority.
- Structural Survey – proposals involving the conversion of heritage assets. See LPD Policy 26.
- Transport assessment – all developments that generate significant amounts of transport movement (see page 55 for requirement thresholds)
- Travel Plan – for any developments in excess of 50 units. See ASC policy 14.
- Tree survey/Arboricultural implications - all applications where trees may be affected by the proposed development.
- Ventilation/Extraction statement – where new ventilation / extraction is proposed.
- Viability statement – where applicants do not consider that development schemes would be viable in relation to the policy requirements and/or planning obligations made of them.

### **Agricultural Development (e.g. new buildings, engineering works etc.)**

- Agricultural justification – for applications for agricultural workers' dwellings. See LPD Policy 17.
- Biodiversity survey and report – where protected species are likely to be impacted by a development proposal, for example, conversions involving a rural building, where development is within or adjacent to an area of natural open space, where development is within a designated site (Site of Special Scientific Interest, Local Nature Reserves, Local Wildlife Site, Local Geological Sites), works involving trees known to house protected species. See LPD Policy 18.
- Daylight/Sunlight assessment – where proposals could impact on residential amenity. See LPD Policy 32.
- Drainage – Foul sewage and utilities assessment – all major applications.
- Drainage – Surface water drainage (including SuDS) – all major applications, applications in and adjacent to areas at risk of flooding. See LPD Policy 4.
- Environmental Statement, including Land Contamination assessment where there may be the potential for contamination due to the former use of the land. See LPD Policy 7.
- Flood risk assessment – all new development in flood zone 2 or 3, development on more than 1 hectare or 10,000 square metres in flood zone 1. See LPD Policy 3.
- Green Belt calculations – for new development on previously developed land or where existing buildings are being extended. See LPD Policy 14 and 15.
- Heritage Statement (including Historical, archaeological features and Scheduled Ancient Monuments) – any development affecting a heritage asset. See LPD Policy 26.
- Landscaping details – any new development that is particularly sensitive from either an ecological or visual point of view. See LPD Policy 18.
- Lighting assessment – where floodlighting is proposed. See LPD Policy 32
- Low Carbon Planning Guidance – statement of compliance – for commercial development of 1ha or more or 1,000sqm and above. See Low Carbon Planning Guidance for Gedling Borough.
- Noise assessment – where proposals are likely to generate significant noise or be affected by a nearby source of noise. See LPD Policy 32.

- Parking Provision – where existing parking arrangements are being altered. See LPD Policy 57.
- Planning Obligations – Draft Head(s) of Terms – when a Section 106 legal agreement is required to secure developer contributions.
- Planning Statement – major planning applications, applications that are not in accordance with the development plan, proposals that require detailed policy consideration.
- Site Waste Management Plan – all developments where additional waste will be generated.
- Statement of Community Involvement – all applications where pre-application consultation has taken place with the local community.
- Street scene plans – as requested by the Local Planning Authority.
- Structural Survey – proposals involving the conversion of heritage assets. See LPD Policy 26.
- Transport assessment – all developments that generate significant amounts of transport movement (see page 55 for requirement thresholds)
- Travel Plan – for any developments in excess of 50 units. See ASC policy 14.
- Tree survey/Arboricultural implications – all applications where trees may be affected by the proposed development.
- Ventilation/Extraction statement – where new ventilation / extraction is proposed.
- Viability statement - where applicants do not consider that development schemes would be viable in relation to the policy requirements and/or planning obligations made of them.

### 3. Application for Outline Planning Permission with some / all matters reserved

#### National Requirements:

Please click the link below for the current national information requirements:-

<https://www.gov.uk/guidance/making-an-application#National-information-requirements>

#### Local Requirements:

- Agricultural justification – for applications for agricultural workers' dwellings. See LPD Policy 17.
- Biodiversity survey and report – where protected species are likely to be impacted by a development proposal, for example, where development is within or adjacent to an area of natural open space, where development is within a designated site (Site of Special Scientific Interest, Local Nature Reserves, Local Wildlife Site, Local Geological Sites), a Greenfield site, works involving trees known to house protected species. See LPD Policy 18.
- Daylight/Sunlight assessment – where proposals could impact on residential amenity. See LPD Policy 32.
- Drainage – Foul sewage and utilities assessment – all major applications.
- Drainage – Surface water drainage (including SuDS) – all major applications, applications in and adjacent to areas at risk of flooding. See LPD Policy 4
- Environmental Statement, including Land Contamination assessment where there may be the potential for contamination due to the former use of the land. See LPD Policy 7
- Flood risk assessment – all new development in flood zone 2 or 3, development on more than 1 hectare or 10,000 square metres or 10 or more dwellings in flood zone 1. See LPD Policy 3.
- Green Belt calculations – for new development on previously developed land or where existing buildings are being extended. See LPD Policies 14 and 15.
- Heritage Statement (including Historical, archaeological features and Scheduled Ancient Monuments) – any development affecting a heritage asset. See LPD Policy 26.
- Landscaping details – any new development that is particularly sensitive from either an ecological or visual point of view. See LPD Policy 18.
- Lighting assessment – where floodlighting is proposed. See LPD Policy 32
- Low Carbon Planning Guidance – statement of compliance – for housing developments of 10 units or more. See Low Carbon Planning Guidance for Gedling Borough.
- Noise assessment – where proposals are likely to generate significant noise or be affected by a nearby source of noise. See LPD Policy 32.
- Open Space Assessment – where the proposed development relates to an existing area of Protected Open Space or Important Open Areas within a conservation area. See LPD Policies 20, 22 and 28.
- Parking Provision – where existing parking arrangements are being altered. See LPD Policy 57.

- Planning Obligations – Draft Head(s) of Terms – when a Section 106 legal agreement is required to secure developer contributions.
- Planning Statement – major planning applications, applications that are not in accordance with the development plan, proposals that require detailed policy consideration.
- Retail Impact Assessment – A Retail Impact Assessment is required for development proposals for retail uses of 500sqm or more (gross) and not within a defined Town or Local Centre. See LPD Policy 52. A Sequential Assessment is required for all proposed main town centre uses and retail development, not in an existing centre (area defined on a LPA proposal map).
- Site Waste Management Plan – all developments where additional waste will be generated.
- Statement of Community Involvement – all applications where pre-application consultation has taken place with the local community.
- Street scene plans – as requested by the Local Planning Authority.
- Structural Survey – proposals involving the conversion of heritage assets. See LPD Policy 26.
- Transport assessment – all developments that generate significant amounts of transport movement (see Appendix 1 for requirement thresholds)
- Travel Plan – for any developments in excess of 50 units. See ASC policy 14.
- Tree survey/Arboricultural implications – all applications where trees may be affected by the proposed development.
- Viability statement – where applicants do not consider that development schemes would be viable in relation to the policy requirements and/or planning obligations made of them.

#### **4. Application for Approval of Reserved Matters following outline approval**

##### **National Requirements:**

Please click the link below for the current national information requirements:-

<https://www.gov.uk/guidance/making-an-application#National-information-requirements>

##### **Local Requirements:**

- Community Infrastructure Levy (CIL) forms:-
  - Additional Information Form 1, and
  - Assumption of Liability Form 2.
- Landscaping details – any new development that is particularly sensitive from either an ecological or visual point of view. See LPD Policy 18.
- Lighting assessment – where floodlighting is proposed. See LPD Policy 32
- Low Carbon Planning Guidance – statement of compliance – for housing developments of 10 units or more. See Low Carbon Planning Guidance for Gedling Borough.
- Parking Provision – where existing parking arrangements are being altered or layout has not previously been approved. See LPD Policy 57.
- Statement of Community Involvement – all applications where pre-application consultation has taken place with the local community.

## **5. Listed Building consent for alterations, extension or demolition of a listed building**

### **National Requirements:**

- Application form.
- Ownership certificate.
- Heritage impact assessment.
- Listed Building Design and Access Statement.
- Location plan.
- Site plan.
- Plans, elevations and sections of the building, as existing relevant to the proposed alteration.
- Plans, elevations and sections of the building to show the alterations proposed (as relevant to the proposal).

### **Local Requirements (depending on proposal):**

- Joinery Details – for new or replacement windows, doors, mouldings or shop fronts. See LPD Policy 27.
- Structural Survey – where the structural condition of the building requires it or on some occasions where the building is to be converted to a new use. See LPD Policy 27.



## **6. Application for Advertisement consent**

### **National Requirements:**

Please click the link below for the current national information requirements:-

<https://www.legislation.gov.uk/uksi/2007/783/regulation/9/made>

### **Local Requirements:**

- Scaled existing and proposed elevations.
- Site block plan if the sign is not located on an existing building.

## **7. Application for a Lawful Development Certificate for an existing use or operation or activity including those in breach of a planning condition**

### **National Requirements:**

- Application form.
- Fee.
- Location plan.
- Supporting evidence e.g. affidavits, historic photos, utility bills/official documents.

### **Local Requirements:**

None.

## **8. Application for a Lawful Development Certificate for a proposed use or development**

### **National Requirements:**

- Application form.
- Fee.
- Location plan.
- Site block plan.
- Existing and proposed elevations.
- Existing and proposed floor plans.

### **Local Requirements:**

None.

## **9. Prior notifications**

### **Agricultural buildings to dwellinghouses**

The application must be accompanied by:-

- a written description of the proposed development or application form, which must include any building or other operations proposed.
- plan indicating the site and showing the proposed development.
- statement specifying the net increase in dwellinghouses proposed by the development.
- a statement specifying (i) the number of smaller dwellings proposed; (ii) the number of larger dwellings proposed; (iii) whether previous development has taken place under Class Q within the established.
- agricultural unit, and if so the number of smaller and larger dwellinghouses development under Class Q.
- a floor plan indicating the dimensions and proposed use of each room, the position and dimensions of windows, doors and walls, and the elevations of the dwellinghouses.
- a site specific flood risk assessment when the site is in Flood Zone 2 or 3.
- the developer's contact address
- developer's email address if content to receive communication electronically.
- any fee required to be paid.

### **Agricultural buildings to state-funded school or registered nursery**

### **Agricultural buildings to a flexible commercial use**

The application must be accompanied by:-

- a written description of the proposed development or application form, which must include any building or other operations proposed.
- plan indicating the site and showing the proposed development.
- a site specific flood risk assessment when the site is in Flood Zone 2 or 3.
- the developer's contact details.
- developer's email address if content to receive communication electronically.
- any fee required to be paid.

### **Agricultural development on units of 5 hectares or more and forestry development**

The application must be accompanied by:-

- a written description of the proposed development or application form.
- plan indicating the site.
- the materials to be used.
- any fee required to be paid.

**Retail or betting office or pay day loan shop to assembly and leisure  
Retail, takeaway, betting office, pay day loan shop, and launderette uses to  
offices  
Business, hotels etc. to state-funded schools or registered nursery  
Installation or alteration etc. of stand-alone wind turbine on domestic premises  
Renewable Energy**

The application must be accompanied by:-

- a written description of the proposed development or application form.
- plan indicating the site and showing the proposed development.
- the developer's contact address.
- developer's email address if content to receive communication electronically.
- any fee required to be paid.

**Specified sui generis uses to dwellinghouses  
Retail, takeaways and specified sui generis uses to dwellinghouses**

The application must be accompanied by:-

- a written description of the proposed development or application form, which must include any building or other operations proposed.
- plan indicating the site and showing the proposed development.
- a site specific flood risk assessment when the site is in Flood Zone 2 or 3.
- statement specifying the net increase in dwellinghouses proposed by the development.
- a floor plan indicating the dimensions and proposed use of each room, the position and dimensions of windows, doors and walls, and the elevations of the dwellinghouses.
- the developer's contact address.
- developer's email address if content to receive communication electronically.
- any fee required to be paid.

**Offices to dwellinghouses  
Premises in light industrial use to dwellinghouses  
Temporary use of buildings or land for film making purposes**

These application must be accompanied by:-

- a written description of the proposed development or application form.
- plan indicating the site and showing the proposed development.
- a floor plan indicating the dimensions and proposed use of each room, the position and dimensions of windows, doors and walls, and the elevations of the dwellinghouses.
- statement specifying the net increase in dwellinghouses proposed by the development.
- a site specific flood risk assessment when the site is in Flood Zone 2 or 3.
- the developer's contact details.
- developer's email address if content to receive communication electronically.

- any fee required to be paid.

**Storage or distribution centre to dwellinghouses  
Provision of a temporary state-funded school on previously vacant commercial land**

The application must be accompanied by:-

- a written description of the proposed development or application form.
- plan indicating the site and showing the proposed development.
- statement specifying the net increase in dwellinghouses proposed by the development.
- a site specific flood risk assessment when the site is in Flood Zone 2 or 3.
- the developer's contact details.
- developer's email address if content to receive communication electronically.
- any fee required to be paid.

**Communications**

The application must be accompanied by:-

- a written description of the proposed development.
- plan indicating the proposed location.
- any fee required to be paid.
- the developer's contact details.
- developer's email address if content to receive communication electronically.
- a notice of development (The developer must give notice of the proposed development to any person (other than the developer) who is an owner of the land to which the development relates, or a tenant, before making the application.
- a notification of the proposal (Where the proposed development consists of the installation of a mast within 3 kilometres of the perimeter of an aerodrome, the developer must notify the Civil Aviation Authority, the Secretary of State for Defence or the aerodrome operator, as appropriate, before making the application.
- where the development is within 3km of the perimeter of an aerodrome, evidence must be provided of notification with the Civil Aviation Authority, the Secretary of Defence or the aerodrome operator as appropriate.

**New dwellinghouses on detached blocks of flats  
New dwellinghouses on detached buildings in commercial or mixed use  
New dwellinghouses on terrace buildings in commercial or mixed use  
New dwellinghouses on terrace buildings in use as dwellinghouses  
New dwellinghouses on detached buildings in use as dwellinghouses**

These application must be accompanied by:-

- a written description of the proposed development, which must include details of any dwellinghouse and other works proposed under these Classes comprising:-
  - i. engineering operations reasonably necessary to construct the additional storeys and new dwellinghouses;
  - ii. works for the replacement of existing plant or installation of additional plant on the roof of the extended building reasonably necessary to service the new dwellinghouses;
  - iii. works for the construction of appropriate and safe access and egress to access to and egress from the new and existing dwellinghouses, including means of escape from fire, via additional external doors or external staircases;
  - iv. works for the construction of storage, waste or other ancillary facilities reasonably necessary to support the new dwellinghouses.
- a plan which is drawn to an identified scale and shows the direction of North indicating the site and showing the proposed development.
- floor plans which are drawn to an identified scale and show the direction of North indicating the dimensions and proposed use of each room, the position and dimensions of windows, doors and walls, and the existing and proposed elevations of the building.
- a written statement specifying the number of new dwellinghouses proposed by the development that is additional to the number of dwellinghouses in the building immediately prior to development (that is, additional to any dwellinghouses in the existing building).
- a list of all addresses of the flats within the existing block of flats any flats and any other premises in the existing building.
- the developer's contact address.
- the developer's email address if the developer is content to receive communications electronically.
- a site specific flood risk assessment when the site is in Flood Zone 2 or 3.
- a report from a chartered engineer or other competent professional confirming that the external wall construction of the existing building complies with paragraph B4(1) of Schedule 1 to the Building Regulations 2010
- any fee required to be paid.

### **Demolition of building(s)**

The application must be accompanied by:-

- a written description of the proposed development or application form.
- a statement that a notice has been posted (The application requires the applicant or agent to erect a site notice for no less than 21 days in the period of 28 days beginning with the date on which the application was submitted to the Local Planning Authority. Following this, a statement will need to be submitted to the Local Planning Authority with a description of where the site notice was put and date it was displayed.).
- any fee required to be paid.

## **10. Planning Permission for Relevant Demolition in Conservation Area**

### **National Requirements:**

- Application form.
- Site location plan.
- Block plan.
- Heritage Impact Assessment.
- Existing floor plans.
- Existing elevations plans.

### **Local Requirements:**

None.



## **11. Application for Hedgerow Removal Notice**

### **National Requirements:**

- Site location plan identifying the hedgerow(s) to be removed.
- Application form (preferably) or a written notification in the form as set out in Schedule 4 to the Hedgerow Regulations.
- Statement of reasons for the works, confirming whether the applicant is the owner, tenant or manager of the hedgerow, or the relevant utility company eligible to remove it.
- Evidence that the hedge is less than 30 years old or is not of archaeological or ecological importance.

### **Local Requirements (depending on site constraints):**

- Biodiversity Survey and Report – where there is a reasonable likelihood of protected or priority species being affected adversely.
- Tree survey/Arboricultural Implications – required where mature trees are located within the hedgerow. See LPD Policy 18.

**12. Application for removal or variation of a condition following grant of planning permission (Section 73 of the Town and Country Planning Act 1990)**

**National Requirements:**

- Application form.
- Fee.
- Details required by condition.

**Local Requirements:**

None.

### **13. Application for Approval of Details Reserved by Condition**

#### **National Requirements:**

- Application form.
- Fee.
- Details required by condition.

#### **Local Requirements:**

None.

## **14. Application for Tree Works: Works to Trees Subject to a Tree Preservation Order (TPO)**

### **National Requirements:**

- Application form.
- Site location plan – does not have to be ordnance survey but must clearly show the location of the tree/s.
- Tree assessment – species, spread, roots and position of trees; details of the works you propose; why the works are necessary and any proposed replacement trees. Details can also be found within BS 5837:2012.
- Tree felling – be accompanied, as applicable, by appropriate evidence describing any structural damage to property or in relation to tree health or safety (to be provided by a relevant engineer, building/drainage surveyor or other appropriate expert).
- Replanting information.

### **Local Requirements:**

None

## **15. Notification of Proposed Works to Trees in a Conservation Areas**

### **National Requirements:**

- Application Form – whilst not legally required we recommend the form available on the Planning Portal. If you chose not to use the application form, the following minimum information will be required:
  - Your contact details.
  - Owners details.
  - Site address (location of tree/s).
- Information on the works to proposed, including species e.g. felling of 2 Silver Birch trees (T1 and T2).
- Site Location Plan – does not have to be ordnance survey but must clearly show the location of the tree(s) relative to surrounding buildings/roads.

### **Local Requirements:**

None.

## **16. Non-material amendment**

### **National Requirements:**

- Application form.
- Fee.

### **Local Requirements (depending on the proposal):**

- Existing and proposed elevations.
- Existing and proposed floor plans.
- Site block plan.

## **17. Permission in Principle**

### **National Requirements:**

- Application form.
- Fee.
- Location plan.
- Site block plan.

### **Technical Details Consent (in relation to Permission in Principle):**

Validation requirements are the same as for a planning application – so please refer to the relevant development type.

## **Information required for each Local Requirement**

<p><b>Information Required</b></p> <p><u>Agricultural justification</u></p> <p><u>For dwellings to serve new businesses, or new activities within established businesses, proposals will need to be accompanied by a business plan that demonstrates the following:</u></p> <ol style="list-style-type: none"><li>i. Clear evidence of a firm intention and ability to develop the enterprise concerned;</li><li>ii. A functional need is demonstrated by showing a dwelling is essential for the proper functioning of the enterprise for one or more workers to be readily available at most times;</li><li>iii. Clear evidence that the proposed enterprise has been planned on a sound financial basis; and</li><li>iv. The functional need described at ii) could not be fulfilled by another existing dwelling on the unit, or any other existing accommodation in the area which is suitable and available for occupation by the workers concerned.</li></ol> <p><u>For dwellings to serve existing businesses on well-established units, applications will need to be accompanied by the preceding 3 years audited accounts.</u></p> <p>Proposals will also need to demonstrate:-</p> <ol style="list-style-type: none"><li>i. There is a clearly established existing functional need showing a dwelling is essential for the proper functioning of the enterprise for one or more workers to be readily available at most times;</li><li>ii. The need relates to a full-time worker and does not relate to a part-time requirement;</li><li>iii. The unit and activity concerned have been established for at least three years, have been profitable for at least one of them, are currently financially sound, and have a clear prospect of remaining so; and</li><li>iv. The functional need could not be fulfilled by another existing dwelling on the unit, or any other existing accommodation in the area which is suitable and available for occupation by the workers concerned.</li></ol>
<p><u>Biodiversity survey and report</u></p> <p>Surveys must be carried out by a suitably qualified ecologist (a member of the Chartered Institute of Ecology and Environmental Management or similar) at the correct time of year, using methods that are appropriate for the species and the area. Surveys should be up to date and ideally from the most recent survey season. Surveys should include:-</p>



## **Information Required**

- Identification of natural features, habitats, flora and fauna.
- An assessment of the implications of the proposed development upon the wildlife habitats or features present, including any measures for mitigating the impact of development – accompanying plans should indicate such mitigation and / or compensation measures.
- Applications for development in the countryside that will affect areas designated for their biodiversity interests are likely to need to include assessments of impacts and proposals for long term maintenance and management.
- Particular consideration must be given to the presence of protected species such as badgers, bats, barn owls, great crested newts, reptiles and water voles.
- Where appropriate accompanying plans should indicate the location of any significant wildlife habitats or features.

## Community Infrastructure Levy (CIL) forms

Where development would result in a net increase in residential or retail floor area exceeding 100 sqm, or would result in the creation of a new residential dwelling / annex, a completed Additional Information CIL Form 1 and Assumption of Liability CIL Form 2 should be submitted with the proposal. Blank copies of the CIL forms can be obtained from the Planning Portal:-

<https://www.planningportal.co.uk/planning/policy-and-legislation/CIL/download-the-forms>

## Daylight/Sunlight assessment

In most cases A “45 degree line” drawn on a block plan may be sufficient to assess issues of overshadowing onto a neighbouring property. This is a line drawn from neighbouring windows at a 45 degree angle towards any proposed development. The line should be drawn from the centre of the neighbouring window for single storey development and the nearest edge of the window for 2-storey development.

In some cases, a daylight, vertical sky component, sunlight availability and shadow study should be undertaken. It is recommended guidance from the BRE is used. The information should be sufficient to determine the existing and expected levels of daylight, sunlight and overshadowing on neighbouring properties.

## Drainage - Foul sewage and utilities assessment

For development incorporating foul drainage into the public sewer details of the impact of the development on the public sewer infrastructure are required. Early discussions with Severn Trent water are key in order to determine whether or not a load or flow assessment should be submitted with the planning application.

## **Information Required**

If a proposal incorporates a non-mains foul drainage system than a Foul Drainage Assessment Form should be completed. This can be found at:

[www.gov.uk/government/publications/foul-drainage-assessment-form-fda1](http://www.gov.uk/government/publications/foul-drainage-assessment-form-fda1)

### Drainage – Surface water drainage (including SuDS)

#### Sustainable Drainage Systems (SuDS)

SuDS are an approach to managing rainwater falling on roofs and other surfaces through a sequence of actions. The key objectives are to manage the flow rate and volume of surface runoff to reduce the risk of flooding and water pollution. SuDS also reduce pressure on the sewerage network and can improve biodiversity and local amenity.

Sustainable drainage is a departure from the traditional approach to draining sites. There are some key principles that influence the planning and design process enabling SuDS to mimic natural drainage by:-

- storing runoff and releasing it slowly (attenuation).
- allowing water to soak into the ground (infiltration).
- slowly transporting (conveying) water on the surface.
- filtering out pollutants.
- allowing sediments to settle out by controlling the flow of the water.

#### Surface Water

A surface water drainage scheme should include the following information:-

- A metric scaled plan of the existing site.
- A metric scaled topographical level survey of the area to metres above ordnance datum (MAOD).
- Metric scaled plans and drawings of the proposed site layout identifying the footprint of the area being drained (including all buildings, access roads and car parks).
- The existing and proposed controlled discharge rate for a 1 in 1 year event and a 1 in 100 year event (with an allowance for climate change), this should be based on the estimated green-field runoff rate.
- The proposed storage volume (attenuation).
- Information on proposed SuDS measures with a design statement describing how the proposed measures manage surface water as close to its source as possible.
- Geological information including borehole logs, depth to water table and/or infiltration test results.
- Details of overland flow routes for exceedance events.
- A management plan for future maintenance and adoption of drainage system for the lifetime of the development.

### Environmental statement (including contamination)

#### Phase I — Desktop Study

## Information Required

The desktop study is the collation of site specific information in order that a conceptual site model can be established. This conceptual model considers all potential contaminant sources, pathways and receptors, defined as a pollutant linkage. The desktop study should document the site history and identify all potentially contaminative land uses back to when the site was Greenfield. The conclusions of the report should contain recommendations for any progression to Phase II, if required.

A Phase I - Desktop Study Report should include:-

- Purpose of aims and study.
- Site location and layout plans (appropriately scaled and annotated).
- Appraisal of site history.
- Appraisal of site walkover study.
- Assessment of environmental setting, to include:-
  - Geology, Hydrogeology, Hydrology.
  - Information on mining/quarrying activity.
  - Information from EA on abstraction, pollution incidents, water quality and landfill sites.
- Assessment of current/proposed site use and surrounding land uses.
- Review any previous site contamination studies (desk based/intrusive) remediation works.
- Preliminary risk assessment, based on proposed development and to include:-
  - Appraisal of potential/actual contaminant sources, pathways and receptors.
  - (pollutant linkages).
  - Conceptual site model (diagrammatic and written).
- Recommendation for intrusive contamination investigation (if necessary) to include:-
  - Identification of target areas for more detailed investigation.
  - Rationale behind design of detailed investigation.

### Phase II — Detailed Investigation

The Detailed Investigation phase is the on-site validation of the conceptual model. Through intrusive investigation, chemical testing and quantitative risk assessment, the Phase II study can confirm pollutant linkages and therefore, should also provide appropriate remediation options, if required.

A Phase II – Detailed Investigation should include:-

- Review previous site investigation contamination studies (desk-based or intrusive) or remediation works.
- Site investigation methodology, to include:-
  - Justification of exploration locations.
  - Locations of on-site structures, above/below ground storage tanks etc.
  - Sampling and analytical strategies.
  - Borehole/trial pit logs.
  - Borehole / trial pit log locations.

### **Information Required**

- Results and findings of investigation, to include:-
  - Ground conditions (soil and groundwater regimes, including made ground).
  - Discussion of soil/groundwater/surface water contamination (visual, olfactory, analytical).
- Conceptual site model.
- Risk assessment – based on source-pathway-receptor.
- Details of the site specific risk assessment model selected and justification in its selection.
- Recommendations for remediation – based on proposed land use.
- Recommendations for further investigation if necessary.

### Phase III — Remediation Strategy / Validation Report

The remediation phase of the process is split into two sections. Firstly the Remediation Statement is a document detailing the objectives, methodology and procedures of the proposed remediation works. This must be submitted for approval by the Council before any works commence. Secondly, following completion of the works, a Validation Report must be submitted demonstrating that the works have been carried out satisfactorily and remediation targets have been achieved.

Phase III – Remediation Statements should include:-

- Objectives of the remediation works.
- Details of the remedial works to be carried out, to include:-
  - Description of ground conditions (soil and groundwater).
  - Type, form and scale of contamination to be remediated.
  - Remediation methodology.
  - Site plans/drawings.
  - Phasing of works and approximate timescales.
  - Consents and licenses e.g. (Discharge consents, waste management licenses etc.).
  - Site management measures to protect neighbours.
- Details on how works will be validated; ensuring remediation objectives are met, to include:-
  - Sampling strategy.
  - Use of on-site observations, visual/olfactory evidence.
  - Chemical analysis.
- Proposed clean-up standards (i.e. contaminant concentration).

### Flood risk assessment

#### Flood risk assessment

All flood risk assessments must be written by a suitably qualified person and should include their name and qualifications.

#### Flood risk assessment in flood zone 1 and critical drainage areas

## **Information Required**

### Plans

You need to provide a location plan showing:-

- street names.
- any rivers, streams, ponds, wetlands or other bodies of water.
- other geographical features, eg railway lines or local landmarks such as schools or churches.

You also need to provide a site plan showing:-

- the existing site.
- your development proposal.
- any structures that could affect water flow, eg bridges, embankments.

### Surveys

You need to provide a survey showing:-

- existing site levels.
- the levels of your proposed development.
- your site in relation to its surroundings.

You may be able to find Ordnance Datum information from the Ordnance Survey. If not, you'll need to pay for a land survey carried out by a qualified surveyor.

### Assessments

Assess what the risk would be to your development if there was a flood. Consider flooding from other sources (eg surface water drains, a canal) as well as from rivers and the sea. You should also consider climate change in your assessment.

### Surface Water Drainage

You also need to assess surface water runoff on the site and provide:-

- an estimate of how much surface water runoff your development will generate.
- details of existing methods for managing surface water runoff e.g. drainage to a sewer.
- your plans for managing surface water and for making sure there's no increase in the volume of surface water and rate of surface water runoff.

Surface water runoff describes flooding from sewers, drains, groundwater, and runoff from land, small water courses and ditches that occurs as a result of heavy rainfall.

### Developments on or near main rivers

State in your assessment if you need Environment Agency flood defence consent and if you've applied for it if so.

### Flood risk assessment in flood zones 2 and 3

#### Check if you need to do a sequential test

Before you start a flood risk assessment, check if you need to carry out a sequential test. A sequential test compares your proposed site with other available sites to show which one has the lowest flood risk.

## **Information Required**

You need to carry out a sequential test if one hasn't already been done for the type of development you plan for your proposed site

If the sequential test shows there aren't suitable alternative sites, you may need to carry out an exception test. The exception test shows how you'll manage flood risk on and off the site.

You'll need to carry out an exception test if your development is:-

- highly vulnerable and in flood zone 2.
- essential infrastructure in flood zone 3a or 3b.
- more vulnerable in flood zone 3a.

In your exception test, you need to show that the sustainability benefits of the development to the community outweigh the flood risk.

You also need to show that the development will be safe for its lifetime taking into account the vulnerability of its users and that it won't increase flood risk elsewhere. You need to refer to your flood risk assessment and your local authority's strategic flood risk assessment in your response.

### Plans

You need to provide a location plan showing:-

- street names.
- any rivers, streams, ponds, wetlands or other bodies of water.
- other geographical features, eg railway lines or local landmarks such as schools or churches.

You also need to provide a site plan showing:-

- the existing site.
- your development proposal.
- any structures that could affect water flow, eg bridges, embankments.

### Surveys

You need to provide surveys showing:-

- the existing site levels and the levels of your proposed development.
- a cross-section of the site showing finished floor or road levels and any other levels that inform the flood risk, eg existing raised banks and flood defence walls.
- your site in relation to its surroundings.

Site levels need to be stated in relation to the Ordnance Datum (the height above average sea level).

### Assessments

You should consider the following aspects of flood risk in your assessment.

### Assess flood risk

### **Information Required**

Assess what the risk would be to your development if there was a flood. Consider flooding from other sources (eg surface water drains, a canal) as well as from rivers and the sea and include an allowance for climate change.

State in your assessment the estimated level for your site, ie the 1 in 100 year river flood level or the 1 in 200 year tidal flood level.

You need to include an estimate of the:-

- duration of a flood.
- rate of surface water runoff.
- order in which areas of the site would be flooded.
- consequences for people living on or using the site.
- details of past floods where this information is available.

#### Assess surface water runoff

You need to assess surface water runoff from the site and provide:-

- an estimate of how much surface water runoff (excess water that flows over surfaces) your development will generate - both the volume and the rate of the runoff.
- details of the existing methods for managing surface water runoff, eg drainage to a sewer.
- your plans for managing surface water and for making sure there's no increase in the level of surface water runoff.
- Surface water runoff describes flooding from sewers, drains, groundwater, and runoff from land, small water courses and ditches that occurs as a result of heavy rainfall.

#### Managing the flood risk

You need to state in your assessment:-

- details of existing flood resistance and resilience measures on your site - ask the Environment Agency or your lead local flood authority about these.
- the capacity of drains or sewers (existing and proposed) on your site - ask your local water company about this.
- State how your proposed design will reduce flood risk. Include details of how people will leave buildings during a flood and an explanation of how raised flood embankments or changes to ground levels could affect water flow your development could affect rivers and their floodplain or coastal areas.

Also explain what the residual risks will be to your site after any necessary flood defences have been built and how you plan to manage these risks.

Check if you need to carry out extra flood resistance and resilience measures to reduce flood risk and state this in your assessment if so (see below).

#### Developments on or near main rivers

State in your assessment if you need Environment Agency flood defence consent and if you've applied for it if so.

## **Information Required**

### Sites within the functional flood plain

If your site falls within the functional flood plain (land where water has to flow or be stored in times of flood), you need to state this.

Only water compatible developments or essential infrastructure developments that have met the requirements of the exception test are allowed in the functional floodplain.

Show that any water compatible or essential infrastructure developments have been designed to:-

- stay safe and operational during a flood.
- avoid blocking water flows or increasing flood risk elsewhere.
- avoid loss of floodplain storage (ie loss of land where flood waters used to collect).

### Extra flood resistance and resilience measures

Areas at little or no risk of flooding from any source should always be developed in preference to areas at higher risk. You must make every effort to locate your development in an area that has little or no risk of flooding.

When developments can't be located in a lower flood risk area, you need to consider flood resistance and resilience measures if you can't raise your development's ground floor levels above the estimated flood level for the site.

Which flood resistance and resilience measures you need to take depends on the estimated depth in metres (m) that flood water will reach in your building.

State that you have met the necessary requirements in your flood risk assessment.

### Water depth up to 0.3m

Design your building or development to keep water out as much as possible. Do this by using materials that have low permeability (ie materials that water can't pass through such as impermeable concrete).

### Water depth from 0.3m to 0.6m

Design your building or development to keep water out (unless there are structural concerns) by:-

- using materials with low permeability to at least 0.3m.
- using flood resilient materials (e.g. lime plaster) and design (raised electrical sockets).
- making sure there's access to all spaces to enable drying and cleaning.

### Water depth above 0.6m

Design your building or development to allow water to pass through the property to avoid structural damage by:-

- using materials with low permeability to at least 0.3m.
- making it easy for water to drain away after flooding.



## **Information Required**

- making sure there's access to all spaces to enable drying and cleaning.

### Flood Risk Standing Advice

#### Minor extensions standing advice

You need to provide a plan showing the finished floor levels and the estimated flood levels.

Make sure that floor levels are either no lower than existing floor levels or 300 millimetres (mm) above the estimated flood level. If your floor levels aren't going to be 300mm above existing flood levels, you need to check with your local planning authority if you also need to take flood resistance and resilience measures.

State in your assessment all levels in relation to Ordnance Datum (the height above average sea level). You may be able to get this information from the Ordnance Survey. If not, you'll need to get a land survey carried out by a qualified surveyor.

Your plans need to show how you've made efforts to ensure the development won't be flooded by surface water runoff e.g. by diverting surface water away from the property or by using flood gates.

If your minor extension is in an area with increased flood risk as a result of multiple minor extensions in the area, you need to include an assessment of the off-site flood risk. Check with your local planning authority if this applies to your development.

Make sure your flood resistance and resilience plans are in line with the guidance on improving the flood performance of new buildings.

[www.gov.uk/government/publications/flood-resilient-construction-of-new-buildings](http://www.gov.uk/government/publications/flood-resilient-construction-of-new-buildings)  
Vulnerable developments standing advice:

For all relevant vulnerable developments (ie more vulnerable, less vulnerable and water compatible), you must follow the advice for:-

- surface water management.
- access and evacuation.
- floor levels.

#### Surface water management

Your plans for the management of surface water need to meet the requirements set out in either your local authority's strategic flood risk assessment.

They also need to meet the requirements of the approved building regulations Part H: drainage and water disposal. Read section H3 rainwater drainage.

You need to get planning permission to use a material that can't absorb water (eg impermeable concrete) in a front garden larger than 5 square metres.

## Information Required

### Access and evacuation

You need to provide details of your emergency escape plans for any parts of a building that are below the estimated flood level.

Make sure that your plans show:

- single storey buildings or ground floors that don't have access to higher floors can access a space above the estimated flood level e.g. higher ground nearby.
- basement rooms have clear internal access to an upper level e.g. a staircase.
- occupants can leave the building if there's a flood and there's enough time for them to leave after flood warnings

### Floor levels

You need to provide both the:-

- average ground level of your building.
- finished floor level of the lowest habitable room in your building.

Ground floor levels should be a minimum of whichever is higher of:-

- 300millimetres (mm) above the general ground level of the site.
- 600mm above the estimated river or sea flood level.

State in your assessment all levels in relation to Ordnance Datum (also known as height above average sea level). You may be able to get this information from the Ordnance Survey. If not, you'll need to get a land survey carried out by a qualified surveyor.

If you can't raise floor levels above the estimated flood level, you need to consider extra flood resistance and resilience.

## Green Belt calculations

Plans and volume, external footprint and floorspace calculations for the following:-

- The original building (a building existing on 01/07/1948 or a building as originally constructed on or after that date).
- All existing extensions and outbuildings to the original building.
- Any demolition of the original building proposed.
- Any demolition of an existing extension(s) and outbuildings proposed.
- Any proposed extensions.
- Any proposed new buildings.

Volume, external footprint and floorspace percentage increase calculations for the following;

- Original building to existing building.
- Original building to proposed building.
- Existing building to proposed building.

## Heritage Statement (including Historical, archaeological features and Scheduled Ancient Monuments)

## Information Required

A heritage statement should set out and identify the special significance of the listed building affected. A staged approach will best address the impact of the proposed development. This should:-

- Identify the special architectural and historic significance of the listed building/s and its setting including any other listed buildings or heritage assets affected. It may for example be located within the setting of a conservation area, Registered Park and Garden or Scheduled Monument. Information relating to heritage assets may be obtained from the Heritage Environment Record held at Nottinghamshire County Council

### [HeritageGateway - Historic Environment Record Details](#)

Listing descriptions can be found on the National Heritage List for England (see above). The special architectural or historic significance of the parts of a listed building to be affected should be highlighted with reference to submitted plans and any supporting documentation including historic maps or texts for example:-

- A description of the proposed works as set out in the application.
- The impact of the proposed works upon the significance of the building/s identified.
- Where there is likely harm to be caused, proposed mitigation measures to reduce the harm that would be caused should be identified. Where there is enhancement or the significance of a listed building is better revealed this should be highlighted.
- Heritage Impact Assessment will need to cover any archaeological issues at the site.

## Joinery Details

A scale to a minimum of 1:20 to provide a general view is required. Where architectural details form the main focus of an application large scale drawings of individual architectural details will be required such as joinery at 1:5 elevations with 1:2 sections. Where new doors, windows or features such as a fireplace or panelling are proposed detailed scale drawings showing sections, mouldings, profiles and materials are required where alterations are proposed to them.

For proposed alterations to shop fronts, existing and proposed elevations and section details of proposed plans to a minimum of 1:10 will be required and should be annotated to indicate detailing and materials.

## Landscaping details

- Metric scale 1:500 (Layout plans) and 1:200 or 1:100 (Planting schemes).
- Topographical site survey showing spot levels, contours, structures, walls, fences, existing trees (Root protection Areas), significant shrubs and

### **Information Required**

vegetation; service runs and easements; buildings on site and building edges off-site.

- Planting plan should include positions, species/variety, density of planting, maximum size at maturity, grille and guard specifications, weed control measures, slope stabilisation methods, protective measures (from vehicle and pedestrian movements, grazing animals, vandalism etc.).
- Implementation and Management plans, including objectives and after care maintenance.

### Lighting assessment

A report written by a suitably qualified person must include:-

- Details of the survey of the surrounding night environment.
- Identification of critical view points.
- Establishment and calculation of existing lighting conditions.
- Summary of baseline measurements and/or calculations.
- Analysis of task lighting level recommendations.
- Establishment of environmental light control limits.
- Statement of new lighting design quality objectives.
- Calculated measurement of task working areas.
- Calculated measurement of overspill areas.
- Obtrusive light calculation of property intrusion.
- Viewed source intensities including nominal glare assessment.
- Direct upward light ratio.
- Comparison of design achievement with baseline values.
- Designers critique of final design constraints.
- View point visualisation.
- Virtual walkthrough of illuminated site.
- Schedule of model reflection factors.
- Schedule of luminaire mounting heights and aiming angles.
- Layout plan with beam orientation indication.

### Low Carbon Planning Guidance – statement of compliance

A written statement outlining how a development complies with the Council's Low Carbon Planning Guidance. This document can be viewed at:-

<https://www.gedling.gov.uk/media/gedlingboroughcouncil/documents/planningpolicy/supplementaryplanningdocuments/Low%20carbon%20planning%20guidance%20for%20GBC%20-%20FINAL.pdf>

### Noise assessment

A noise impact assessment should include the following information:-

- Existing background noise levels measured over a 24-hour period (including the cumulative noise.
- levels of all existing units).

### **Information Required**

- Proposed noise levels (including the cumulative noise levels of all proposed units).
- Any proposed measures to reduce noise from the proposed development.
- The system manufacturer's specification of any proposed equipment to be installed, altered or replaced.
- Details of the method used to compile the report and examples of the calculations and assumptions made.

Please note that you cannot carry out a noise impact and sound insulation assessment yourself. It must be completed by a qualified acoustician.

### **Open Space Assessment**

an assessment which clearly shows the open space, buildings or land to be surplus to requirements and can no longer contribute as an open space (in its present form or as an alternative open space use) to meeting a local or wider need.

### **Parking Provision**

Details of existing and proposed car parking spaces for a proposed development. This should be set out on a scaled block plan. For further information please see:-

<https://www.gedling.gov.uk/media/gedlingboroughcouncil/documents/planningpolicy/supplementaryplanningdocuments/Parking%20Standards%20SPD%202022%20Final.pdf>

### **Planning Obligations – Draft Head(s) of Terms**

- Confirmation as to who is drafting the S106 Agreement (i.e. – if you wish this LPA to draft this, you will need to confirm that you are prepared to pay our reasonable costs).
- Names, addresses and contact details of the solicitor being used.
- Proof of Title /Land Registry Information.
- Details of the Proposal.
- Details of what the Obligation(s) is/are for.
- Details of who the interested parties.

### **Planning Statement**

A written statement that further explains the planning proposal and how this complies with relevant planning policies.

### **Retail Impact Assessment**

Sequential Test – this should demonstrate that there are no other more suitable, viable and available sites in town centres, then in edge of centre locations and only if suitable sites are not available should out of centre sites be considered.

## **Information Required**

Impact Assessment – this should include an assessment of:-

- the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and
- The impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area.

### Site Waste Management Plan

Details of bin storage areas as well as where the bins will be placed on collection day (this may be different to their storage areas). These should be shown on a scaled site plan.

### Statement of Community Involvement

A statement explaining how the developer has consulted with the local community. This should be submitted to describe how, when and where consultation has taken place; a summary of the level and content of responses; and, any changes that have been made to the proposed scheme to take account of those responses.

### Structural Survey

This survey must be carried out by a suitably qualified person (such as a chartered member of the Institution of Structural Engineers or equivalent). Each survey must contain the author's name and qualifications.

For proposals involving the demolition of heritage asset, a full external and internal structural survey is required to explore the structural condition of the building and demonstrate that the building is not structurally capable of repair and/or conversion.

For proposals involving the conversion of a heritage asset or a rural building, a full external and internal structural survey is required to demonstrate that the building is capable of conversion without the need for substantial re-building works. This should be accompanied annotated plans to show the extent of any repair or re-build works as appropriate.

### Transport assessment

The scope and level of detail in a Transport Assessment or Statement will vary from site to site but the following should be considered when settling the scope of the proposed assessment:-

- information about the proposed development, site layout, (particularly proposed transport access and layout across all modes of transport);
- information about neighbouring uses, amenity and character, existing functional classification of the nearby road network;
- data about existing public transport provision, including provision/ frequency of services and proposed public transport changes;

### **Information Required**

- a qualitative and quantitative description of the travel characteristics of the proposed development, including movements across all modes of transport that would result from the development and in the vicinity of the site;
- an assessment of trips from all directly relevant committed development in the area (i.e. development that there is a reasonable degree of certainty will proceed within the next 3 years);
- data about current traffic flows on links and at junctions (including by different modes of transport and the volume and type of vehicles) within the study area and identification of critical links and junctions on the highways network;
- an analysis of the injury accident records on the public highway in the vicinity of the site access for the most recent 3-year period, or 5-year period if the proposed site has been identified as within a high accident area;
- an assessment of the likely associated environmental impacts of transport related to the development, particularly in relation to proximity to environmentally sensitive areas (such as air quality management areas or noise sensitive areas);
- measures to improve the accessibility of the location (such as provision/enhancement of nearby footpath and cycle path linkages) where these are necessary to make the development acceptable in planning terms;
- a description of parking facilities in the area and the parking strategy of the development;
- ways of encouraging environmental sustainability by reducing the need to travel; and
- measures to mitigate the residual impacts of development (such as improvements to the public transport network, introducing walking and cycling facilities, physical improvements to existing roads).

In general, assessments should be based on normal traffic flow and usage conditions (eg non-school holiday periods, typical weather conditions) but it may be necessary to consider the implications for any regular peak traffic and usage periods (such as rush hours). Projections should use local traffic forecasts such as TEMPRO drawing where necessary on National Road Traffic Forecasts for traffic data.

The timeframe that the assessment covers should be agreed with the local planning authority in consultation with the relevant transport network operators and service providers. However, in circumstances where there will be an impact on a national transport network, this period will be set out in the relevant government policy.

### **Travel Plan**

Travel Plans should identify the specific required outcomes, targets and measures, and set out clear future monitoring and management arrangements all of which should be proportionate. They should also consider what additional measures may be required to offset unacceptable impacts if the targets should not be met.

### **Information Required**

Travel Plans should set explicit outcomes rather than just identify processes to be followed (such as encouraging active travel or supporting the use of low emission vehicles). They should address all journeys resulting from a proposed development by anyone who may need to visit or stay and they should seek to fit in with wider strategies for transport in the area.

They should evaluate and consider:-

- benchmark travel data including trip generation databases;
- Information concerning the nature of the proposed development and the forecast level of trips by all modes of transport likely to be associated with the development;
- relevant information about existing travel habits in the surrounding area;
- proposals to reduce the need for travel to and from the site via all modes of transport; and
- provision of improved public transport services.

They may also include:-

- parking strategy options (if appropriate – and having regard to national policy on parking standards and the need to avoid unfairly penalising motorists); and
- proposals to enhance the use of existing, new and improved public transport services and facilities for cycling and walking both by users of the development and by the wider community (including possible financial incentives).

These active measures may assist in creating new capacity within the local network that can be utilised to accommodate the residual trip demand of the site(s) under consideration.

It is often best to retain the ability to establish certain elements of the Travel Plan or review outcomes after the development has started operating so that it can be based upon the occupational and operational characteristics of the development.

Any sanctions (for example financial sanctions on breaching outcomes/processes) need to be reasonable and proportionate, with careful attention paid to the viability of the development. It may often be more appropriate to use non-financial sanctions where outcomes/processes are not adhered to (such as more active or different marketing of sustainable transport modes or additional traffic management measures). Relevant implications for planning permission must be set out clearly, including (for example) whether the Travel Plan is secured by a condition or planning obligation.

Travel Plans can only impose such requirements where these are consistent with government policy on planning obligations.

### **Tree survey/Arboricultural implications**

Tree surveys shall include all the information required as per the specification of BS 5837: 2012, or by any subsequent updates to this standard.

This includes:-



### Information Required

- Location of all existing trees (reference number to be recorded on the tree survey plan) over 75mm in diameter measured at 1.5m above ground level which are:-
  - Within the site-
  - Overhanging the site-
  - Within a distance of the boundary of the site which is less than half the height of the tree; or
  - Located on land adjacent to the development site that might influence the site or might be important as part of the local landscape character.
- Trees which are less than 75mm diameter at 1.5m above ground need not be accurately surveyed but should be indicated;
- Existing buildings/structures;
- Hard surfaces;
- Water courses;
- Overhead cables;
- Underground services including their routes and depths;
- Ground levels throughout the site;
- Location of all existing hedges, a list of the woody species that they contain and details of any features within the hedge, e.g. banks or supporting walls
- Soil type(s);
- Wildlife features (e.g. birds, nests, bat roosts - see Wildlife and Countryside Act 1981);
- Historical features; and
- Any other hard features.

A Tree Survey shall include a Tree Constraints Plan, a Tree Protection Plan and an Arboricultural Impact Assessment. The tree survey must also include the following information about the trees (that have a diameter greater than 75mm) which are indicated on the plan:-

- Species (common and scientific name, where possible).
- Height.
- Diameter of the stem measured at 1.5m above ground level.
- Root Protection Area (RPA).
- Canopy spread of each tree for all four compass points.
- Age Class (e.g. young, semi-mature, mature, over-mature, etc).
- Assessment of the condition including trunk, crown, roots.
- Life expectancy (e.g. very long, long, medium, short, very short).
- A full schedule of tree works including those to be removed and those remaining that require remedial works to ensure acceptable levels of risk and management in the context of the proposed development. The method of disposal of all arisings should also be included along with the precautions to be taken to avoid damage to Root Protection Areas and trees to be retained.
- Amenity value- both existing amenity value and proposed amenity value.
- British Standard status - colour coded system identifying suitability for retention.
- A schedule to the survey should list all the trees or groups of trees.

In assessing the amenity value of trees, regard should be given to three criteria:-

### **Information Required**

- Visibility: The extent to which the trees or woodlands can be seen from a public viewpoint (e.g. a footpath or road);
- Size and Form: Taking into account factors such as the rarity of trees, their potential growth, and their value as a screen; and
- Wider Impact: The significance of the trees in their local surroundings taking into account how suitable they are to their particular setting, as well as the presence of other trees in the vicinity.

All trees that are surveyed must be clearly tagged on site to enable their identification when considering the tree survey.

### Ventilation/Extraction statement

A suitably qualified and experienced person with specialist knowledge of ventilation schemes should undertake the design and installation of a ventilation system. In circumstances where the end user of the premises is unknown, or where the specific type of food to be cooked is unknown, the installation should be designed to achieve the highest level of odour control in order to cater for a worst case scenario.

### Viability statement

Where the developer considers that it is not financially viable to enter into an agreement, or that they can make reduced payments, then a clear and robust financial viability assessment must be submitted. This should include the following information:-

- Schedule of both gross and net internal floor areas;
- Land purchase price (with proof), and the estimated market value of the site;
- Date of land purchase;
- Schedule of development costs (normals);
- Schedule of development costs (abnormals);
- Proof of development costs (abnormals);
- Reasons why full costs (including abnormals) were not reflected in the purchase price;
- Expected sale price of dwellings/buildings (including at what date/s); and
- Intended profit level/s (including profit type).

In relation to affordable housing the assessment should include all the above and details of the amount of affordable housing (%) that could be provided against a diminishing scale of profit levels, to the level of full affordable housing provision.

Known costs such as site clearance, preparation, retaining walls, piling, infrastructure provision and or diversion, highways works, servicing, flood mitigation measures, archaeology, decontamination/remediation will not be considered as abnormals. Where abnormal costs can clearly be demonstrated, a reduction in the contribution may be agreed on a site by site basis.

**Information Required**

For proposals involving the loss of employment or community use and for the removal of a rural worker occupancy condition.

Applications should be accompanied by evidence of actively and appropriately marketing the site at an appropriate price for a period appropriate to market conditions at the time.

Please note there is a separate fee, payable in addition to the standard planning fee, for applications requiring a viability assessment. The fee is to cover the Council's costs in appointing an independent professional to evaluate the assessment submitted.

## **Appendix 1 – Transport Statement Thresholds**

### Transport Statement

#### Threshold/Trigger

All developments that generate significant amounts of transport movement should be supported by a Transport Statement or Transport Assessment. This includes:-

- Food retail development with gross floor area (GFA) of 250 sq m or more (if floor space exceeds 800 sq m you will also need to provide a Travel Plan).
- Non-food retail development (A1) with GFA of 800 sq m or more (if floor space exceeds 1500 sq m you will also need to provide a Travel Plan).
- Financial and professional services development (A2) with GFA of 1000 sq m or more (if floor space exceeds 2500 sq m you will also need to provide a Travel Plan).
- Restaurant and cafes development(A3) with GFA of 300 sq m or more (if floor space exceeds 2500 sq m you will also need to provide a Travel Plan).
- Drinking establishments (A4) with GFA of 300 sq m or more (if floor space exceeds 600 sq m you will also need to provide a Travel Plan).
- Hot food takeaway (A5) with GFA of 250 sq m or more (if floor space exceeds 500 sq m you will also need to provide a Travel Plan).
- Offices and light industry (B1) with GFA of 1500 sq m or more (if floor space exceeds 2500 sq m you will also need to provide a Travel Plan).
- General industry development (B2) with GFA of 2500 sq m or more (if floor space exceeds 4000 sq m you will also need to provide a Travel Plan).
- Storage and distribution (B8) with GFA of 3000 sq m or more (if floor space exceeds 5000 sq m you will also need to provide a Travel Plan).
- Hotels, guest and boarding houses (C1) where number of bedrooms exceeds 75 (if no. of bedrooms exceeds 100 you will also need to provide a Travel Plan).
- Residential institutions (C2) hospitals, nursing homes etc. with over 30 beds.
- Residential institutions (C2) in the case of educational institutions where no. of students exceeds 50 (if no. of students exceeds 150 you will also need to provide a Travel Plan) or for other institutions where no. of residents exceed 250 (over 400 will trigger the need for a Travel Plan).
- Residential development (C3) of 50 or more dwellings (over 80 will trigger the need for a Travel Plan).
- Non-residential institutions (D1) with GFA of 500 sq m or more (if floor space exceeds 1000 sq m you will also need to provide a Travel Plan).
- Assembly and leisure development (D2) with GFA of 500 sq m or more (if floor space exceeds 1500 sq m you will also need to provide a Travel Plan).
- For other forms of development not listed, please seek advice direct from Nottinghamshire County Council Highways Authority.

## Appendix 2: Report of Responses

Organisation	Comment Received	Response/Action
<p>Developer</p>	<p>The 56 page document is too long. Front loading of applications is expensive and the proposals will be off putting for developers and purchasers of property, who are regular submitters of planning applications.</p> <p>Anything which legally and with some common sense can be reasonably over looked should be considered. For example, is a Daylight/Sunlight assessment required on a plot of say one acre with one house on? Are working drawings and elevations required for a change of use application to convert an existing shop to a nail bar? Is a flood report needed to change the use of a first floor to a flat?</p>	<p>The observations are noted. However, the document is as user friendly as possible in that, whilst 56 pages long, hyperlinks are provided to each application type on pages 2 and 3 to negate the need to read the whole document. Furthermore, the document will only be used to request information that is relevant and necessary.</p> <p>In relation to the requirement for a Daylight/Sunlight assessment, a 45 degree line shown on a block plan from neighbouring widows towards any proposed extension would only be required for householder extensions where the site adjoins existing development. This has been clarified in the ninth bullet point on page 7, relating to the householder planning applications.</p> <p>In relation to the requirement for “working drawings” for a change of use, elevations would not be required, unless external alterations are proposed. No changes have therefore been made to the document in relation to this comment.</p> <p>In relation to flood risk assessments, guidance provided in the Planning Practice Guidance (PPG) and the National Planning Policy Framework (NPPF) dictates that an assessment is provided, prior to the determination of planning applications in areas at risk of flooding. The proposed local level requirement to provide this upfront will negate the need for officers to request the information post validation. No changes have therefore been made to the document.</p>

Organisation	Comment Received	Response/Action
	<p>Information should be conditioned</p> <p>Parties may not wish to bother commenting at this time.</p>	<p>Planning conditions can only be used to grant planning permission where it would otherwise been necessary to refuse planning permission, by mitigating the adverse effects. Conditions may not be imposed to seek information needed, prior to determining an application for planning permission or related consent. No changes have therefore been made to the document.</p> <p>The public consultation was open for a period of 6 weeks between 07 November and 19 December and was targeted to regular agents who use the planning service.</p>
<p>Nottinghamshire County Council</p> <p>Page 174</p>	<p>Our principal comment is to draw reference to the fact that both the Mineral Local Plan and Waste LP/Core Strategy are part of the Development Plan within Gedling Borough. It may be helpful to provide links to these documents within the Requirements List.</p> <p>We also welcome references to Site Waste Management Plans within the document.</p> <p>There are relevant safeguarding policies for both minerals and waste facilities within the adopted mineral and waste plans and consultation with the County Council would be expected were development to be proposed in areas and on sites subject to these policies.</p> <p>Policy SP7 of the Minerals Local Plan expects that proposals for non-minerals development in Mineral Safeguarding Areas (MSAs) will demonstrate that mineral resources will not needlessly be sterilised and supports prior extraction where feasible. Mineral</p>	<p>The observations are noted and a link has been provided to the Mineral Local Plan on page 5.</p>

Organisation	Comment Received	Response/Action
	<p>Safeguarding Areas and Mineral Consultation Areas (MCAs) are generally identical in Nottinghamshire so the County Council will be consulted when applications are made within MCAs and will offer further advice through pre application consultations when requested. Policy WCS10 of the adopted Waste Core Strategy seeks to similarly safeguard existing waste management sites.</p> <p>Whilst these matters may not be relevant for the local requirements list, it is adopted development plan policy and if advised in any pre-application response, we would expect appropriate further information to be submitted by an applicant in any subsequent planning application.</p>	

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## Report to Cabinet

**Subject:** Update on the Work of the Policy Advisors

**Date:** 16 February 2023

**Author:** Chief Executive

### Wards Affected

Borough-wide

### Purpose

To update Cabinet on the actions and activities that the Policy Advisors have undertaken since the last report to Cabinet in February 2021.

### Key Decision

This is not a key decision.

### Recommendation(s)

Members are recommended to note the content of the report, and the actions and activities undertaken by the Policy Advisors since February 2021.

#### 1. Background

1.1 At the Annual General Meeting on 22 May 2019 the Leader of the Council notified the Council of the composition of the Cabinet and resulting Portfolio Holders.

1.2 The Leader also announced that the Cabinet would be supported by five Policy Advisors:

Policy Advisor for Growth and Regeneration - Councillor Julie Najuk  
Policy Advisor for Young People and Equalities – Councillor Kathryn Fox  
Policy Advisor for Environment – Councillor Ron McCrossen  
Policy Advisor for Health and Well-being – Councillor Rosa Keneally  
Policy Advisor for Housing and Homelessness – Councillor Des Gibbons

1.3 At the Annual General Meeting in May 2022 the number of Policy Advisors was reduced to four and the areas of focus were changed as follows:

Policy Advisor for Regeneration, Recovery and Rural Affairs - Councillor Julie Najuk  
Policy Advisor for Equalities, Diversity and Young People – Councillor Kathryn Fox  
Policy Advisor for Environment and Climate Change – Councillor Sandra Barnes  
Policy Advisor for Heritage and Homelessness – Councillor Des Gibbons

- 1.4 In July 2022, a report made under the Leaders delegated authority - *Changes to the appointment of Portfolio Holders and Policy Advisors* – the number of Policy Advisors was reduced to two:

Policy Advisor for Environment – Councillor Sandra Barnes  
Policy Advisor for Heritage and Homelessness – Councillor Des Gibbons

- 1.5 Policy Advisors do not hold delegated responsibility but support their respective Cabinet member on development and progression of specific Gedling Plan actions as appropriate. The precise focus for the work of each Policy Advisor is agreed by the Leader, Deputy Leader and relevant Cabinet member in discussion with the Policy Advisor.
- 1.6 The work of each Policy Advisor has been reported to the Leader on a regular basis since May 2019, and this report provides a summary of work undertaken by the Policy Advisors since February 2021.
- 1.7 In general terms the work undertaken by Policy Advisors has been agreed by the Leader, Deputy Leader and relevant Cabinet member as follows:

#### **Work Applicable to all Policy Advisors**

- Initially the roles involved fact finding and understanding how decisions are made in each applicable directorate/service area.
- Attending regular meetings held between the Portfolio Holder, relevant Director, and Heads of Service (formerly Service Managers) to discuss delivery of actions and initiatives as approved within the Gedling Plan.
- These meetings also involve discussion of operational matters that are of significance to the Portfolio Holder and Policy Advisor.
- Attending individual meetings with Service Managers and officers as appropriate to deliver specific actions as allocated by the Leadership.
- Feeding back updates, ideas and concerns to the Portfolio Holder and officers at the regular meetings on the work undertaken.
- Keeping up to date with business held at Cabinet, Scrutiny, Licensing and Planning meetings as appropriate.

#### **1.8 Work undertaken by individual Policy Advisors**

The following actions and activities have built upon the above actions and activities in furtherance of the specific projects allocated to each Policy Advisor.

Policy Advisor for Growth and Regeneration (renamed Regeneration, Recovery and Rural Affairs) - Councillor Julie Najuk until July 2022

- Engaged with local groups on the use of the Town Centre and new AMP building and public space.
- Attended the Gedling Business Partnership meetings and built relationships (this engagement was particularly important during Covid-19 as many businesses were significantly impacted).
- Supported the delivery of school based employability events.
- Engaged with discussions and plans for the Christmas activities programme.
- Worked with officers on the Economic Bounce-back Plan which covered initiatives that restored business confidence, and delivery on regeneration projects.

Policy Advisor for Young People and Equalities (renamed Equalities, Diversity and Young People) – Councillor Kathryn Fox until July 2022

- Worked on the creation of the Young Persons Survey, devised its questions and objectives, and worked on its outcomes with the portfolio holder and officers.
- After scoping all UK councils for best practice, as tasked by the portfolio holder, worked on the creation of the Equalities framework and creation of its action plan and priorities.
- Worked on the creation of the Strategic Equalities & Diversity Group, its terms of reference, objectives and actions.
- Made the vice chair of the Strategic Equalities & Diversity Group and attended all meetings continuing to work with on all its objectives with the portfolio holder, SLT, cabinet, councillors and partners.
- Worked on the scoping of a Young Persons social media 'platform'.
- Worked on a calendar of Young Persons events for school holidays and other special events.
- Worked on the creation of the Bonington Theatre Young Persons cinema club with social media promotion.
- Attended portfolio scrutiny meetings and the Youth Council meetings.

Policy Advisor for Environment – Councillor Ron McCrossen until May 2022

- Held discussions around walkways and cycle routes across the borough. These include rights of way and improving public access, the Minor to Major project, promoting good health through walking and Park Runs, linkages to heritage sites, and the development of the two former Mineral lines.
- Continued to be the Strategic lead for the 'Big Clean' initiative, working alongside community groups to improve their locality environments. This includes being the Chair of the Steering Group and directing council resources in support of those community activities.

- Gained a wider understanding of how our waste is recycled, and the detrimental impact that bin contamination has on our recycling targets, and continued to represent the council at the Joint Waste Management Group meetings.
- Participated in the review of the Green Space Strategy and Play Areas.
- Worked with the team in the production of the Carbon Management Strategy and Action Plan.

#### Policy Advisor for Environment – Councillor Sandra Barnes since May 2022

- Attended the depot on numerous occasions and thanked the staff for their hard work and dedication to the council and borough.
- Gained an understanding of the issues affecting the service under the new Environment Act, in particular the collection of food waste.
- Discussed how we would cope with the introduction of new services such as food waste, and what changes would be needed to our vehicle fleet and depot provision.
- Welcomed the introduction of new 'Friends of'...groups at Lambley Lane and Valley Road.
- Pleased to see progress in the 'Green Lung' work at Digby Park, including the new information QR codes and further tree planting initiatives.
- Urged the need for more electric charging points in the borough, including the completion of installations at Gedling Country Park and the Civic Centre.
- Welcomed the Shared Prosperity Funding earmarked for the Lambley Lane changing rooms, and the opportunities to develop further wild flower meadows in the borough.
- Been briefed on the air quality control issues facing the borough, how the council measures pollutants, and what enforcement measures the council can employ where necessary.

#### Policy Advisor for Health and Well-being – Councillor Rosa Keneally until February 2022

- Attended We R Here open days, events and Annual General Meeting to learn about the work that staff and volunteers do to support children and families impacted by trauma.
- Attended Nottinghamshire Women's Aid briefings and meetings which both explored the holistic support needs for families who have experienced trauma whilst going through legal family court proceedings, and how disabled women and those with long-term illness find it harder to access the support they need.
- Attended seminars on Working with Children and Young People impacted by domestic violence.
- Continued engagement with the University of Nottingham on the current provision of therapeutic and restorative service provision for survivors of domestic abuse.

Policy Advisor for Housing and Homelessness (renamed Heritage and Homelessness) – Councillor Des Gibbons

- Worked on the refresh of the Homeless Rough Sleeper Strategy.
- Promoted homeless prevention initiatives including school engagement, advertising strategies and use of social media.
- Worked with the officers to develop a Temporary Accommodation Strategy and Housing Allocations Policy.
- Worked with two community kitchens in Bestwood village and St Albans.
- Listened to residents' concerns and issues around potential homelessness and signposted these to the relevant support services within the Council.

**2. Proposal**

- 2.1 It is proposed that Members note the summary of work undertaken by Policy Advisers, and the actions and activities undertaken by the Policy Advisors since the last update report to Cabinet in February 2021.

**3. Alternative Options**

- 3.1 An alternative option is to not to update Members on the work undertaken. Whilst Portfolio Holders will be fully aware of the work the Policy Advisor is undertaking within their specific portfolio, this provides an update of work undertaken across all portfolios.

**4. Financial Implications**

- 4.1 Each Policy Advisor receives a Special Responsibility Allowance as approved annually by full Council as part of the Independent Remuneration Panel report (usually in March). There are no other costs associated with these positions.

**5. Legal Implications**

- 5.1 There are no legal implications arising from this report.

**6 Equalities Implications**

- 6.1 It is the duty of all representatives of the Council to be fully aware of the equality legislation. Also as set out in this report, the Leader of the Council previously nominated a Policy Advisor to be specifically responsible for equalities, namely the Policy Advisor for Young People and Equalities. However, since the reduction in the number of Policy Advisors, this responsibility now rests jointly with the Portfolio Holders for Young People and Equalities, and Diverse Communities and Life Changes.

**7 Carbon Reduction/Environmental Sustainability Implications**

- 7.1 There are no carbon reduction/environmental sustainability implications arising from this report. However, the Leader of the Council has nominated

a Policy Advisor to be specifically responsible for the environment, namely the Policy Advisor for Environment.

**8. Appendices**

None.

**9. Background Papers**

None.

**10. Reasons for Recommendations**

To share with Members the good work that the Policy Advisors have been undertaking since May 2019 across all portfolios, in particular the actions and activities undertaken by the Policy Advisors since they were last reported to Cabinet in February 2021.

**Statutory Officer Approval**

**Approved by: Chief Financial Officer**  
**Date: 8 February 2023**

**Approved by: Monitoring Officer**  
**Date: 30 January 2023**



## **Report to Cabinet**

**Subject:** Update on Council Surveillance Systems and Policy Document

**Date:** 16 February 2020

**Author:** Head of Governance and Customer Services

### **Wards Affected**

All

### **Purpose**

To update members on work undertaken and planned, to ensure good governance and compliance with the law in respect of the Council's surveillance systems.

To seek approval of amendments to the Council's Policy and Code of Practice for Surveillance Cameras at Appendix 1 of this report.

To further promote good governance in the future acquisition of any surveillance cameras by giving the Director authority to approve all new acquisitions of surveillance cameras.

### **Key Decision**

This is not a key decision.

### **Recommendations**

#### **THAT Cabinet:**

- 1) Notes the work that has been undertaken and continues to be done to ensure lawful compliance and good governance systems and efficacy in the operation and use of the Council's surveillance systems.
- 2) Approves the amended Council Policy and Code of Practice for Surveillance Cameras at Appendix 1 to this report.
- 3) Designates the Director of Corporate Resources, as Senior Responsible Officer, with authority to approve any additional CCTV equipment acquired by the Council in consultation with the Portfolio Holder responsible for Crime and Prevention, including, where

necessary, authority to submit an application for planning permission in respect of CCTV equipment.

## **1 Background**

- 1.1 In March 2020, Cabinet approved the Council's Policy and Code of Practice for Surveillance Cameras. Under this policy the Senior Responsible Officer for Surveillance Cameras is required to report to Members on the auditing of CCTV systems and review of the policy document on an annual basis. Members also agreed an approval system for the introduction of new CCTV cameras in the Borough to ensure good governance and solid justification for the introduction of new cameras.
- 1.2 Since March 2020, the Covid-19 pandemic as well as changes in Council structure has meant that the annual CCTV report was not presented to Members in 2021/22. The previous Senior Responsible Officer for CCTV (SRO) left the organisation in November 2020, and the role of SRO has not formally been re-designated, although the approval of new cameras have been considered by the Monitoring Officer as well as Directors in consultation with Portfolio Holder. The Single Point of Contact (SPOC) for CCTV, has continued to effectively operate the Council's CCTV systems and ensure compliance with the approval process for the introduction of new cameras.
- 1.3 In January 2022 the Office of Biometrics and Surveillance Camera Commissioner announced amendments to the Surveillance Camera Code of Practice issued under sections 29-31 of the Protection of Freedoms Act 2012. As part of a review of the Council's Policy and Code of Practice, the Council have had regard to the amended Code of Practice.
- 1.4 The review of the Council's Policy and Code of Practice has led to some proposed amendments to the document. In terms of responsibilities, the SRO is now proposed as the Director of Corporate Resources and s.151 officer, who also holds the roll of Senior Information Risk Owner (SIRO). As is referenced in the policy, this officer is responsible for overall compliance with the document and is authorised to approve additional surveillance cameras in consultation with the Executive.
- 1.5 Other amendments to the policy reflect updates to the Code of Practice, in particular reference to considering equality impacts on the installation and use of surveillance systems, ensuring that the ongoing technical capability of the systems and the images captured is kept under review, and placing greater emphasis on the consideration of Human Rights implications on the utilisation of surveillance camera systems. The addition of the CCTV system at Arnold Market Place is also included in the policy.



- 1.6 Since the last report to Cabinet, audits have been undertaken on all the Council's leisure CCTV systems as well as a further audit of the Council's Town Centre CCTV system, reception CCTV system and the system recently installed at the AMP.
- 1.7 The audit of Leisure Centres has revealed that not all cameras are operating effectively at all sites and that the quality of imaging from the systems is not consistently high. Further work is being undertaken with Leisure Centre Managers to ensure consistency of imaging and to remove any cameras that are no longer required. Further work is required to assess any equality implications in relation to leisure centre cameras.
- 1.8 The Council's Town centre CCTV which at the last time of reporting included 76 cameras over 14 sites has now expanded with an additional 4 cameras installed around the Borough since March 2020. The Town Centre System remains fit for purpose with clear justification provided for additional cameras and an established internal approval process. The clarification of the role of SRO will ensure a clear process for consideration of new cameras moving forward.
- 1.9 The audit of the CCTV system at Arnold Market Place, a newly installed system, which is currently independent of the Town Centre System has resulted in recommendations made to Property Services to ensure controlled access to the plant room where the CCTV monitors are housed and for further security to install lockable cabinetry around the monitoring equipment to prevent unauthorised access. Further options are being explored to try and centralise the output from the AMP system to the Town centre system, rather than it being monitored separately.
- 1.10 The audits checked the operation of the cameras, and also looked at the processes for storing, handling and accessing data recorded from the cameras to our CCTV control room or other control locations. The Council work very closely with the Police and frequently get requests for access to CCTV footage by police officers as part of criminal investigations. The processes and powers to release this data to the police is managed well in the control room and we need to ensure that the same process is adopted in respect of all our surveillance cameras.
- 1.11 In order to support all those officers with oversight of CCTV systems the SPOC is establishing a CCTV officer working group for officers to support in the implementation of recommendations following audit, and to ensure compliance with the Council's Policy and Code of Practice.
- 1.12 Further scrutiny of our surveillance systems not included in our Town centre System is needed to ensure sufficient justification for the volume of cameras, particularly at leisure sites. This work will be undertaken

through the CCTV working group in 2023/24.

- 1.13 Further work will also be undertaken by the working group in 2023/24 to review Data Protection impact Assessments for surveillance systems and to ensure inclusion of an assessment of equality impacts where this has not been undertaken.
- 1.14 Any Council operation of surveillance systems must not be undertaken covertly unless this is in line with the Regulation of Investigatory Powers Act 2000 (RIPA) and the necessary authorisations under that legislation are obtained. Training in respect of RIPA powers has recently been delivered to those who monitor CCTV by the RIPA Co-ordinating Officer. Wider training on the Council's CCTV Policy and Code of Practice will be rolled out in 2023/24 to those involved in the monitoring or control of CCTV systems.
- 1.15 In 2022, there were 25 incidents recorded by the CCTV control room where CCTV was used to prevent and detect crime, including assaults, possession of a bladed article, a number of public disorder incidents, shoplifting, drink driving and fly-tipping. In addition, CCTV evidence was used to find 6 missing people, and 89 evidential discs were produced for the police or the Council to use in enforcement proceedings/prosecutions.

## **2 Proposal**

- 2.1 It is proposed that Members note the work that has been undertaken and the ongoing work being carried out in relation to the Council's surveillance cameras. It is also proposed that members be updated annually in relation to this work, including reports on audits and any policy updates needed.
- 2.2 It is proposed that Members approve the amendments to the Council's Surveillance Camera Policy and Code of Practice document at Appendix 1 to this report to ensure that the Council maintains good governance and control over its CCTV and camera systems and to ensure its Policy and Code of Practice remains fit for purpose and up to date.
- 2.3 It is proposed that the Director of Corporate Resources be designated as the Council's senior responsible officer for Surveillance Systems and be given authority to approve additional CCTV installations in consultation with the Portfolio Holder responsible for Crime and Prevention.

## **3 Alternative Options**

- 3.1 Members may decide not to approve the changes to the policy document or recommend alternative amendments. This document has been

reviewed having regard to all relevant legislation and the updated Surveillance Commissioners Code of Practice for Surveillance Cameras. It is considered to be fit for purpose and is considered essential in ensuring good governance and ongoing lawfulness of the Council's surveillance cameras. The document also provides key operational guidance to ensure those responsible for managing surveillance camera systems do so in a cohesive way.

- 3.2 Members could determine not to delegate authority to the SRO to consider all new acquisitions of surveillance cameras, however, ensuring there is a central point for considering new cameras will ensure that thorough consideration and justification is given to the Council's policy and the relevant legislation prior to any new devices being acquired.

#### **4 Financial Implications**

- 4.1 The work to ensure compliance with the relevant legislation will be undertaken within existing resource. Surveillance cameras are already part of agreed budgets for relevant service areas.

#### **5 Legal Implications**

- 5.1 The Council are required to have due regard to the Government's Surveillance Camera Code of Practice issued under s.29-31 of the Protection of Freedoms Act 2012 when exercising any functions to which the Code relates. The Council should take into account this Code when reviewing its own policy documents.
- 5.2 Surveillance systems must be conducted in accordance with other legislation including RIPA, Human Rights Act 1998, Equality Act 2010 and Data Protection Act 2018. Other legislative requirements are referenced within the Council's Policy document.

#### **6 Equality Implications**

- 6.1 Equality Impact Assessments should be completed in relation to the installation of CCTV systems as well as continued review of the impacts of the operation of those functions on any of the protected characteristics.

#### **7 Carbon Reduction/Environmental Sustainability Implications**

- 7.1 There are no carbon reduction/sustainability implications arising directly from this report.

#### **5 Appendices**

Appendix 1 - Gedling Borough Council's Surveillance Camera Policy and

**6 Background Papers**

6.1 [Surveillance Camera Code of Practice \(publishing.service.gov.uk\)](http://publishing.service.gov.uk)

**7 Reasons for Recommendations**

- 7.1 To ensure Members are up to date in relation to recommendations from the Surveillance Commissioner and the resulting work undertaken.
- 7.2 To ensure the governance arrangements around surveillance cameras are lawful and to ensure transparency in the use of such cameras.
- 7.3 To ensure ongoing monitoring and control of the Council's surveillance cameras and to ensure compliance with relevant legislation, the Code of Practice and the Council's policy by evidencing sound justification for the acquisition of any new surveillance cameras.

# **Surveillance Camera Systems Policy and Code of Practice**

### ***At a glance ...***

- The use of overt surveillance cameras such as town centre CCTV systems can be particularly intrusive to the privacy of individuals. Their use must be necessary, proportionate and adequate for the specified purpose they are there to address.
- The Council will have regard to relevant Codes of Practice and this policy document in its use of surveillance cameras.
- There must be a clear and lawful justification for the use of surveillance cameras. Other options for achieving the same ends must be considered.
- A surveillance camera system specific Data Protection Impact Assessment (DPIA) must be completed for all new systems before they become operational. DPIAs will also be completed for existing systems.
- There must be appropriate information and signage and privacy information to advise of the use of overt surveillance cameras.
- The Council's Regulation of Investigatory Powers Act 2000 Policy and guidance document applies to the use of covert surveillance cameras.
- All suppliers of surveillance cameras systems will have a contract with the Council that has appropriate data protection clauses.
- All surveillance camera systems will have a designated owner responsible for compliance with this procedure. The owner may appoint system operators.
- Request for surveillance camera images by people asking for their own data, or by third parties (i.e. a Subject Access Request) under the Data Protection Act 2018 or as part of Freedom of Information request should only be dealt with in accordance with this policy.
- The Council's Director of ~~Organisational Development and Democratic Corporate Resources Services~~ is the Senior Responsible Officer for overt surveillance camera systems and will be the Council's point of contact with the Surveillance Camera Commissioner.
- The Community Protection Manager is the single point of contact (SPOC) in respect of all operational issues and questions in relation to surveillance camera systems.
- A corporate register of all surveillance camera systems will be maintained by the Senior Responsible Officer for overt surveillance camera systems.

## 1.0 Introduction

- 1.1 Gedling Borough Council (the Council) operates surveillance cameras including Closed Circuit Television (CCTV) cameras for a number of purposes. This includes the security of Council premises and car parks; security of personnel (bodycams), the monitoring of accidents and employee safety (for example cameras on refuse vehicles).
- 1.2 The Council recognises that the use of surveillance cameras can be intrusive and is committed to ensuring that the relevant codes of practice inform its use of surveillance cameras.
- 1.3 The role of the Surveillance Camera Commissioner (SCC) is to encourage compliance with the [Surveillance Camera Code of Practice](#). The Protection of Freedoms Act 2012 requires all local authorities operating surveillance cameras to pay due regard to this Code of Practice.
- 1.4 The role of the Information Commissioner's Office (ICO) is to oversee implementation of data protection laws including the Data Protection Act 2018. The ICO [CCTV Code of Practice](#) provides guidance for use of surveillance systems and is designed to explain the legal requirements operators of surveillance cameras are required to meet to comply with data protection law.
- 1.5 In setting this policy the Council has had regard to the following legislation:
  - The Data Protection Act (DPA) 2018;
  - The ~~EU~~[UK](#) -General Data Protection Regulation (GDPR) and laws implementing or supplementing the GDPR;
  - The Human Rights Act ([HRA](#)) 1998;
  - The Regulation of Investigatory Powers Act 2000;
  - The Freedom of Information Act (FoIA) 2000;
  - The Protection of Freedoms Act (PoFA) 2012.

## 2.0 Scope and Definitions

- 2.1 This policy forms part of the suite of documents that comprise the Council's Information Governance Framework and should be read in conjunction with these other documents:
  - Data Protection Policy and Appropriate Policy Document
  - Information Security Policy
  - Records Retention and Disposal Policy
  - Detailed Employee Guidance on Access to Information
  - Information Asset Registers
  - Any Data Processing or Information Sharing Agreements
  - Any system specific Data Protection Impact Assessments

- 2.2 This policy applies to all overt surveillance cameras operated by the Council, regardless of whether mobile or fixed or the means by which they are put in place (ie on bodies; in cars or other vehicles; on or in buildings; on drones etc.)
- 2.3 This policy does not apply to covert surveillance. There are strict rules on covert surveillance. Please refer to the Council's Regulation of Investigatory Powers Act 2000 Policy and guidance and seek advice from the Council's Legal Services team if covert surveillance is being considered.
- 2.4 A surveillance camera system is defined as the cameras and all the related hardware and software for transmitting, processing and storing the data which is captured.
- 2.5 Information in this procedure is used as a collective term primarily to describe personal data collected through the use of surveillance camera systems.
- 2.6 Recorded material is defined as a DVD, CD or still image (including audio and electronic files) or digital storage device (hard drive/usb) and contains data from the CCTV systems.
- 2.7 A data controller is defined as an organisation that determines how and why personal data is collected and used. The Council is a data controller.
- 2.8 A data processor acts under the instruction of a data controller and may collect, store and use personal data on the controller's behalf. Surveillance camera system suppliers are data processors.
- 2.9 A data subject is defined as an identified or identifiable individual to whom personal data relates.

### **3.0 Purpose of the system**

3.1 The Council will ensure that its surveillance camera systems will only be: used for legitimate purposes in pursuit of a legitimate aim; necessary to meet a pressing need; proportionate; effective and compliant with any relevant legal obligations, and always used in accordance with this policy. The following are relevant lawful purposes:

- To prevent crime and protect buildings and assets from damage, disruption, vandalism and other crime;
- For the personal safety of staff, visitors and other members of the public and to act as a deterrent against crime;
- To support law enforcement bodies in the prevention, detection and prosecution of disorder or crime;



- To assist in day-to-day management, including ensuring the health and safety of staff and others;
- To assist in the effective resolution of disputes which arise in the course of customer complaints or internal disciplinary or grievance proceedings;
- To assist in the defence of any civil litigation, including but not limited to insurance claims or employment tribunal proceedings.

3.2 The above list is not exhaustive and other lawful purposes may be considered or become relevant.

3.3 Any data captured by any surveillance camera system may be used for other legitimate purposes where it is reasonable, justified and proportionate to do so with the relevant authorisation in place and where permitted by relevant legislation.

3.4 This policy will be supplemented by operational/procedural manuals for authorised officers and system operators.

#### **4.0 The systems**

4.1 The Council owns and operates overt CCTV surveillance systems which cover key public spaces including town centres and council offices. The current CCTV systems are:

- Fixed CCTV system across public spaces and town centres in the borough.
- Council Office CCTV system covering internal and external public spaces around council buildings.
- Body Worn Video Cameras (BWVC).
- Vehicle mounted video camera systems (VMVC).
- Leisure Centres CCTV system covering internal and external public spaces.
- CCTV system covering Arnold Market Place

4.2 The cameras, as part of the systems noted above will not be hidden (they will be overt systems) and signs saying that cameras are operating in and around the surveillance areas are displayed in visible locations.

4.3 A central register of all surveillance camera systems will be maintained by the Senior Responsible Officer (SRO). All Services will need to ensure that they provide information necessary to ensure that the register is complete and up-to-date.

#### **5.0 Monitoring and Recording Facilities (excluding VMVC and BWVC)**

- 5.1 A staffed monitoring room for the Council's town centre and public open spaces cameras is located within a secure Council owned and controlled building and is known as the 'CCTV Control Room'. The CCTV Control Room is staffed by specially selected and trained operators and access to the CCTV Control Room is limited to authorised personnel only. The CCTV Control room is managed by the Community Protection Manager who is the Single Point of Contact (SPOC) in respect of surveillance systems.
- 5.2 For all other Council surveillance camera systems a secure Council controlled monitoring room is used. Access to these controlled rooms is limited to authorised personnel who have been specifically selected and trained in respect of the system and the monitoring of the system and handling of data. .
- 5.3 For the purpose of this policy, a control room is any area or room (including the CCTV Control Room) which contains equipment that forms part of a surveillance system which stores the recorded material captured.
- 5.4 No equipment, other than that housed within a control room shall be capable of recording images from any of the surveillance cameras.
- 5.5 All viewing and recording equipment shall only be operated by trained and authorised users with other access limited to those who require it for a specific legitimate reason and where permission has been given by the Single Point of Contact for surveillance cameras.
- 5.6 CCTV operators are able to record images from selected cameras in real-time, produce hard copies of recorded images, replay or copy any pre-recorded data in accordance with this Policy (para 8), relevant Codes of Practice and where necessary in accordance with the law.
- 5.7 All operators shall receive training relevant to their role in the requirements of the relevant legislation and the Codes of Practice and this policy. Ongoing training will be provided as necessary, refresher training will also be provided periodically to remind operators of the relevant legislation.

## **6.0 Monitoring and Recording facilities – VMVC and BWVC**

- 6.1 All footage and images recorded on VMVC and BWVC are recorded to an internal memory within each individual device. The operation of these cameras will be in accordance with the operational guidance for those camera systems and those cameras will only be operated by those authorised officers who have been trained in the operation of the cameras.
- 6.2 Any recording or monitoring of images captured from VMVC and BWVC will be undertaken by authorised personnel within the relevant service areas and the images will only be viewed for a legitimate purpose in accordance with this policy and the Codes of Practice.

## **7.0 Security and retention of recorded material**

- 7.1 All surveillance camera material shall be stored securely and protected by appropriate security measures to safeguard against unauthorised access and use.
- 7.2 Images and information obtained from the surveillance camera system shall be stored no longer than that which is strictly required for the stated purpose of the system's use. **This will ordinarily be no longer than 28 days.**
- 7.3 The Council's corporate Records and Retention Policy indicates that CCTV footage will be retained until overwritten unless required for use in legal proceedings, in which case the CCTV footage will become part of the case file and stored in accordance with the Records and Retention Policy.
- 7.4 Information must be securely destroyed once its purpose has been discharged and at the end of its retention period unless there is a documented reason to retain it (e.g. to support legal proceedings).
- 7.5 Deleted information shall not be capable of being recovered. ICT shall be consulted on the appropriate method of deletion.

## **8.0 Access to Information**

- 8.1 Any request for images or information from the Council's surveillance camera systems by individuals through a subject access request or by a third party organisation under the Data Protection Act 2018 should be requested in writing and forwarded to Legal Services to consider whether the release of information is lawful.
- 8.2 Any request for information from the Council's surveillance camera systems made under the Freedom of Information Act 2000 should be in writing and should be forwarded to Legal Services to consider whether the release of information is lawful.
- 8.3 From time to time the Council receive requests for access to information from surveillance cameras from the police. Such information will often fall under an exemption to the Data Protection Act 2018 as it is required for the prevention or detection of crime or the apprehension or prosecution of offenders. Where the police request information from the CCTV Control Room, the SPOC can authorise release of footage where necessary and in compliance with the law. For all other control rooms where requests for CCTV are made by the Police, the relevant system manager should forward the request to Legal Services.
- 8.4 No surveillance camera information should be disclosed to a third party unless in accordance with this policy and the Data Protection Act 2018.

- 8.5 Records of all disclosures of surveillance camera information disclosed to third parties should be maintained.
- 8.6 Whenever disclosure of information from surveillance camera systems is undertaken, steps should be taken to ensure that the method of disclosure is secure, and information is only seen by the intended recipient. Consideration should also be given as to whether images or parts of images need to be obscured to prevent unwarranted identification and limit unfair intrusion into the privacy of individuals.

## 9.0 Privacy

- 9.1 All overt surveillance camera systems should be included in the Council's Information Asset Registers and referred to in the Council's registration with the Information Commissioner under the Gedling Borough Council Registration.
- 9.2 Each system identified within 4.1 has appropriate restrictions on the data it captures and is in accordance with the purpose of the system. This includes regular auditing of the images each camera captures in all of the systems the Council owns to ensure privacy, compliance and appropriateness.
- 9.3 ~~Every consideration will be given to the right of the general public and staff to go about their daily business without fear of their loss of privacy. It is recognised that the use of surveillance cameras in public places could have the potential to impact on human rights, in particular the Article 8 right to respect for private and family life. Every consideration will be given to the right of the general public and staff to go about their daily business without fear of their loss of privacy~~
- 9.4 Data Protection Impact Assessments should be completed whenever the development or addition of a surveillance camera system is being considered to ensure sound decisions are reached on implementation and on any necessary measures to safeguard against disproportionate interference with privacy.
- 9.45 Cameras will not be used to look into private residential property. Where the equipment permits it 'Privacy zones' will be programmed into the system as required in order to ensure that the interior of any private residential property, within range of the system, is not surveyed by the system. If such 'zones' cannot be programmed the operators will abide by the appropriate legislation with regards to privacy issues.
- 9.56 Appropriate signage must be in place in respect of all surveillance systems to ensure that the public are aware that such systems are in operation. The operation of such systems will also be referenced in the Council's privacy notices.

9.7 Surveillance camera systems should not produce unacceptable bias on any relevant ground or characteristic of the individuals whose images might reasonably be expected to be captured by it and consideration of equality impacts should be completed when auditing or implementing surveillance camera systems.

## **10.0 System evaluation**

10.1 As stipulated in the Surveillance Commissioner's Code of Practice, an annual review and audit of the surveillance camera systems will be completed and published to ensure that the purpose of the systems and objectives are being complied with and achieved. The report will include:

- An assessment of the impact upon crime and anti-social behaviour of the system;
- An audit of the compliance with this policy including whether any footage viewed and/or downloaded was in line with the system aims and objectives; and,
- Any operational changes made over 12 months, including the addition or removal of cameras.
- An assessment of the technical capability of the systems to ensure they remain fit for purpose.
- An assessment of the effectiveness and quality of images captured to ensure the images are adequate to support the legal purpose for which the camera is used.

10.2 The production of the Annual Review will be the responsibility of the System Manager/s to organise and may include independent undertakings by an appropriate third party organisation e.g. another local authority.

10.3 The SRO will report annually to Members on the outcome of audits and reviews and any amendments required to this policy document.

10.4 Operational changes to the systems will be approved by the SRO in consultation with the Executive. This will include any additional cameras, or removal of cameras. Considerations of these changes will include:

- Whether the changes would meet all legal requirements necessary; and,
- A review of other tools and powers used to address the issue or concern.

## **11.0 Complaints**

11.1 The Council's complaints procedure will apply to the handling of complaints related to surveillance camera operation. Complaints of this nature should be referred to the SPOC who will, where necessary, liaise with the Data Protection Officer in relation to data protection issues that are raised. Departments operating surveillance cameras may be asked to provide information to the SPOC or the SRO.

- 11.2 Complaints may be handled as a data protection complaint if the complaint relates to the use of personal information. Such complaints should be notified as soon as possible to the Data Protection Officer and within 24 hours at the latest.
- 11.3 Where complaints cannot be resolved through the internal complaints process they may be referred to the Information Commissioner's Office or the Local Government and Social Care Ombudsman as appropriate.
- 11.4 Any data breach arising out of the processing of personal information captured through the Council's surveillance camera systems should be reported immediately to the Council's Data Protection Officer and in any event within 24 hours of the breach occurring. Officers should have regard to the Council's breach reporting process as set out in the Council's Information Security Policy.

## **12.0 Roles and Responsibilities**

- 12.1 The Senior Responsible Officer for surveillance cameras is the Director of ~~Organisational Development and Democratic Services~~ Corporate Resources and s.151 Officer.
- 12.2 The Legal Services Manager is the Data Protection Officer and is responsible for ensuring compliance with the relevant legislation and conducting audits of the system.
- 12.3 The Community Protection Manager is the Single Point of Contact for all operational and monitoring queries in respect of surveillance cameras systems and is responsible for day to day operational management of the CCTV control room.
- 12.4 Information Asset Owners (Service Managers) are accountable for ensuring that surveillance camera systems operating as part of their service's business, do so in accordance with the provisions of this policy. Specifically, they will:
- Ensure that planning for any new Surveillance camera systems is informed by a DPIA and that the DPIA is approved before the system becomes operational.
  - Ensure that equality impacts are considered as part of the planning for any surveillance camera systems.
  - Approval is obtained from the SRO for any new surveillance cameras or systems.
  - Assign a Surveillance Camera System Owner to be responsible for the oversight of all new and existing systems. This may be, but is not required

to be, the Information Asset Owner for the business area undertaking the surveillance.

- Conduct an annual review and audit of surveillance camera systems.

12.5 Responsibility for the implementation of this and associated procedures and for reporting performance issues related to surveillance camera systems rests with all employees who have involvement in the management of the surveillance camera equipment.

12.6 Staff who use the CCTV system have the following responsibilities:

- To uphold the arrangements of this policy and associated Codes of Practice.
- To handle images and data securely and responsibly, within the aims of this Policy.
- To be aware that they could be committing a criminal offence if they misuse surveillance camera images.
- To uphold the corporate procedure for subject access requests.
- To report any breach of procedure to the Data Protection Officer using the Council's data breach process
- To attend training / refresher sessions as required.
- To assist and co-operate any surveillance system audits and reviews.

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