

# Agenda

## Cabinet

Date: **Thursday 13 February 2025**

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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**

[committees@gedling.gov.uk](mailto:committees@gedling.gov.uk)

0115 901 3906

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# Cabinet

## Membership

**Chair** Councillor John Clarke

### **Vice-Chair**

Councillor David Ellis  
Councillor Kathryn Fox  
Councillor Jenny Hollingsworth  
Councillor Viv McCrossen  
Councillor Marje Paling  
Councillor Lynda Pearson  
Councillor Henry Wheeler

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### **Responsibility of committee:**

Cabinet is the meeting of all executive members. The Executive will carry out all of the local authority's functions which are not the responsibility of any other part of the local authority, whether by law or under the Constitution. Cabinet Portfolios are detailed within Section 6, Part 9 of the Council's Constitution.

## AGENDA

Page

- 1 **Apologies for absence**
- 2 **To approve, as a correct record, the minutes of the meeting held on 9 January 2025** 5 - 8
- 3 **Declaration of interests**
- 4 **Forward Plan** 9 - 15  
Report of the Democratic Services Manager
- 5 **Prudential and Treasury Indicators and Treasury Management Strategy Statement 2025/26** 17 - 99  
Report of the Chief Finance Officer
- 6 **Capital Programme and Capital Investment Strategy 2025/26 to 2029/30** 101 - 138  
Report of the Chief Finance Officer
- 7 **General Fund Revenue Budget** To Follow  
Report of the Chief Finance Officer
- 8 **Gedling Plan Quarter 3 performance 2024/25 report** 139 - 224  
Report of the Senior Leadership Team
- 9 **Implications of the revised NPPF for local plan preparation and approval of revised Local Development Scheme** 225 - 243  
Report of the Director of Place
- 10 **Any other items the Chair considers urgent**

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## MINUTES CABINET

Thursday 9 January 2025

Councillor John Clarke (Chair)

Present: Councillor David Ellis                      Councillor Marje Paling  
            Councillor Jenny Hollingsworth        Councillor Lynda Pearson  
            Councillor Viv McCrossen                Councillor Henry Wheeler

Absent: Councillor Kathryn Fox

Officers in Attendance: M Hill, T Adams, M Avery, L Chaplin, B Hopewell, F Whyley,  
                                  L Widdowson and E Wimble

### 152            **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Fox.

### 153            **TO APPROVE, AS A CORRECT RECORD, THE MINUTES OF THE MEETING HELD ON 12 DECEMBER 2024**

#### **RESOLVED:**

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

### 154            **DECLARATION OF INTERESTS**

Councillor Hollingsworth and Pearson declared a non-pecuniary interest in item 7 as Councillors for the Gedling ward.

### 155            **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 four month period.

#### **RESOLVED:**

To note the report.

### 156            **REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) ANNUAL AUDIT**

The Legal Services Manager introduced a report, which had been circulated in advance of the meeting, updating Members as to the use of the Council's use of powers under RIPA from 1 April 2023 to 31 March

2024 in line with the Council's RIPA Policy and to seek approval of minor amendments to the Council's RIPA policy to reflect changes in roles following restructure.

**RESOLVED to:**

- 1) Note the report; and
- 2) Approve the amendments to the Council's Regulation of Investigatory Powers Policy document at Appendix 1 to the report.

**157 COMMUNITY INFRASTRUCTURE LEVY (CIL) NON- PARISH FUNDING – LOCAL INFRASTRUCTURE SCHEDULE, PROJECT ASSESSMENTS AND PROPOSED FUNDING ALLOCATIONS 2024/25**

The Community Infrastructure Levy Officer introduced a report, which had been circulated in advance of the meeting, seeking approval for the commencement of a four-week public consultation on the projects shortlisted to receive CIL Neighbourhood Funding in the 'CIL Non-Parish Funding – Local Infrastructure Schedule, Project Assessments and Proposed Funding Allocations' document.

**RESOLVED to:**

Approve the commencement of a public consultation to commence in early 2025 for a period of 4 weeks on the projects nominated for CIL Non-Parish Funding.

**158 CAR PARK CHARGES CONSULTATION AND MAKING OF A NEW CAR PARK ORDER**

The Property Services Manager introduced a report, which had been circulated in advance of the meeting, seeking approval to commence the procedure to amend the Council's current Civil Enforcement Off Street Parking Places Order 2020.

**RESOLVED to:**

- 1) Approve the commencement of the statutory procedure to amend the Gedling Borough Council (Civil Enforcement Off Street Parking Places) Order 2020 in order to:
  - i. Introduce parking charges at Gedling Country Park between 8am and 6pm daily.
  - ii. Introduce a cashless payment option across all Gedling Borough Council's Car Parks.

- 2) Approve a permitting system for a fee, for regular users of the park, the fee and administration of the scheme to be agreed by the Chief Executive in consultation with the relevant Portfolio Holder.

**159 BUDGET MONITORING AND VIREMENT REPORT – APRIL TO NOVEMBER 2024**

The Chief Financial and Section 151 Officer introduced a report, which had been circulated in advance of the meeting, updating Cabinet on the forecast outturn for Revenues and Capital Budgets for 2024/25 and to request approval from Cabinet for the changes to the budget as set out in the report.

**RESOLVED to:**

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

**160 PRUDENTIAL CODE INDICATOR MONITORING 2024/25 AND TREASURY ACTIVITY REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2024**

The Chief Financial and Section 151 Officer introduced a report, which had been circulated in advance of the meeting, informing Members of the performance of the 2024/25 Prudential Code Indicators, and to advise Members of the Treasury activity as required by the Treasury Management Strategy.

**RESOLVED to:**

- 1) Note the report, together with the Treasury Activity Report 2024/25 for the period ended 30 November 2024 (Appendix 1); and
- 2) Note the Prudential and Treasury Indicator Monitoring 2024/25 for the period ended 30 November 2024 (Appendix 2).

**161 ANY OTHER ITEMS THE CHAIR CONSIDERS URGENT**

The Leader highlighted the government's plans for Local Government Reform as part of the devolution proposals and suggested it should be included as an item for a future meeting of Cabinet.

**RESOLVED:**

Members agreed that they would like the Council to seek the views of the public on the upcoming plans, and after considering their feedback, would like to debate the issue and submit their views on the proposals to government.

The meeting finished at 2.47 pm

Signed by Chair:  
Date:





## Report to Cabinet

**Subject:** Forward Plan

**Date:** 13 February 2025

**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:**

05/02/2025 (report content)

**Approved by:**

Monitoring Officer

05/02/2025 (report content)

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# Gedling Borough Council

## FORWARD PLAN

### FOR THE PERIOD 1 MARCH 2025 TO 30 SEPTEMBER 2025

This Forward Plan sets out the details of the key and non-key decisions which the Executive Cabinet expect to take during the next six months.

The current members of the Executive Cabinet are:

- Councillor John Clarke – Leader of the Council and Portfolio Holder for Resources and Reputation
- Councillor Jenny Hollingsworth – Deputy Leader and Portfolio Holder for Sustainable Growth and Economy
- Councillor David Ellis – Portfolio Holder for Public Protection
- Councillor Kathryn Fox – Portfolio Holder for Life Chances and Vulnerability
- Councillor Marje Paling – Portfolio Holder for Environmental Services (Operations)
- Councillor Lynda Pearson – Portfolio Holder for Communities and Place
- Councillor Viv McCrossen – Portfolio Holder for Climate Change and Natural Habitat
- 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?
<p><b>General Fund Revenue Budget</b> This report sets out the revenue budget which aligns to the Gedling Plan priorities, objectives and priority actions for the Council for the forthcoming year.</p>	<p><b>13 Feb 2025 Cabinet</b>  <b>5 Mar 2025 Council</b></p>	<p>Tina Adams, Chief Finance Officer &amp; S151 Officer</p>	<p>Officer Report</p>	<p>Portfolio Holder for Corporate Resources and Performance</p>	<p>Open  Yes</p>
<p><b>Capital Programme and Capital Investment Strategy 2025/26 to 2029/30</b> This report presents: a. The Capital Investment Strategy for 2025/26 to 2029/30. b. The proposed Capital Programme for 2025/26 through to 2027/28 for approval, the indicative capital programme for 2028/29 and 2029/30, 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 5 March 2025 for final approval.</p>	<p><b>13 Feb 2025 Cabinet</b>  <b>5 Mar 2025 Council</b></p>	<p>Tina Adams, Chief Finance Officer &amp; S151 Officer</p>	<p>Officer Report</p>	<p>Portfolio Holder for Corporate Resources and Performance</p>	<p>Open  Yes</p>
<p><b>Prudential and Treasury Indicators and Treasury Management Strategy Statement 2025/26</b> To present for Members' approval the Council's Prudential Code Indicators and Treasury Strategy for 2022/26, for referral to Full Council on 5 March 2025</p>	<p><b>13 Feb 2025 Cabinet</b>  <b>5 Mar 2025 Council</b></p>	<p>Tina Adams, Chief Finance Officer &amp; S151 Officer</p>	<p>Officer Report</p>	<p>Portfolio Holder for Corporate Resources and Performance</p>	<p>Open  Yes</p>
<p><b>Implications of the revised NPPF for local plan preparation and approval of revised Local Development Scheme</b> To consider the implications of the NPPF published on 12th December 2024 for local plan preparation and to ask members to approve an updated Local Development Scheme.</p>	<p><b>13 Feb 2025 Cabinet</b>  <b>5 Mar 2025 Council</b></p>	<p>Jo Gray, Planning Policy Manager</p>	<p>Officer Report</p>	<p>Portfolio Holder for Sustainable Growth and Economy</p>	<p>Open  Yes</p>

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>Procurement strategy</b> This report seeks approval of the new procurement strategy to align us with the new procurement act rules which come into force in October 2024	<b>19 Mar 2025 Cabinet</b>	Francesca Whyley, Deputy Chief Executive & Monitoring Officer	Officer Report	Leader of the Council	Open  Yes
<b>Adoption of Revised Local Requirements List for Planning Related Applications</b> To seek Cabinet approval to adopt the revised Local Requirements List for Planning Related Applications	<b>19 Mar 2025 Cabinet</b>	John Krawczyk, Assistant Director - Development	Officer Report	Portfolio Holder for Sustainable Growth and Economy	Open  Yes
<b>Temporary Maintenance Policy</b> To approve the Temporary Maintenance Policy	<b>19 Mar 2025 Cabinet</b>	Paul Whitworth, Assistant Director - Housing and Resettlement	Officer Report	Portfolio Holder for Communities and Place	Open  Yes
<b>Carlton Town Plan</b> To update members on the Carlton Town plan	<b>22 May 2025 Cabinet</b>	Nathan Wall, Assistant Director - Economic Growth and Regeneration	Officer Report	Leader of the Council	Open  Yes
<b>Adoption of Local Labour Agreement SPD</b> To adopt Local Labour Agreement SPD	<b>22 May 2025 Cabinet</b>	Jo Gray, Planning Policy 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) 2025/26

**Date:** 13 February 2025

**Author:** Chief Finance & S151 Officer

### Wards Affected

All

### Purpose

To present for Members' approval the Council's Prudential Code Indicators and Treasury Strategy for 2025/26, for referral to Full Council on 5 March 2025.

### 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) 2025/26, which includes the key elements below, and refer it to Full Council on 5 March 2024 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 2025/26 through to 2027/28 (Appendix 1).
  - e. Treasury Indicators including affordability limits to borrowing for 2025/26 through to 2027/28 (Appendix 1).
2. Note the indicative Prudential Indicators for 2028/29 and 2029/30 (Appendix 1).
3. Approve the Treasury Management Policy Statement and Treasury Management Practices (Combined Principles & Schedules) as set out

in Appendix 5.

## 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, i.e.. 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 on 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 2025/26.

The Ministry of Housing, Communities and Local Government (MHCLG) (formerly the Department for Levelling Up, Housing and Communities) has tightened up regulations around local authorities financing capital expenditure on investments in commercial projects for yield and has closed access to all Public Works Loan Board (PWLB) borrowing if such schemes are included in an authority's capital programme. The 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, i.e 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 periodic Treasury Management progress reports to Members (either three or four monthly), 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, further reports will be reported to Cabinet periodically throughout the year in line with the Revenue budget monitoring reporting cycles.

**1.3 Treasury Management Strategy for 2025/26**

The treasury management strategy for 2025/26 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*, *MHCLG Investment Guidance*, *MHCLG 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, MUFG Corporate Markets (Formerly Link Asset Services), also provide more detailed training sessions for Members as appropriate, and it is currently intended that such training will be arranged during 2025/26.

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 MUFG Corporate Markets (Previously Link Asset Services) 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 2025/26 to 2027/28**

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 2025/26 through to 2027/28 are attached at Appendix 1 and these must be referred to Full Council for approval in accordance with the regulations.



Indicative indicators for 2028/29 and 2029/30 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 2025/26 through to 2027/28, including 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>2025/26 Estimate £000s</b>	<b>2026/27 Estimate £000s</b>	<b>2027/28 Estimate £000s</b>
Service Investment	6,413.4	3,765.4	2,460.0
<b>Total Capital Expenditure</b>	<b>6,413.4</b>	<b>3,765.4</b>	<b>2,460.0</b>

The table below analyses the capital expenditure plans by portfolio.

<b>Portfolio Capital Expenditure:</b>	<b>2025/26 Estimate £000s</b>	<b>2026/27 Estimate £000s</b>	<b>2027/28 Estimate £000s</b>
Lifestyles, Health & Well-being	270.0	280.0	380.0
Public Protection	1,200.0	1,200.0	1,200.0
Environment	2,145.5	1,378.1	213.0
Life Chances and Vulnerability	1,100.0	0	0
Climate Change and Natural Habitat	367.0	222.0	222.0
Corporate Resources and Performance	1,330.9	685.3	445.0
<b>Total Capital Expenditure</b>	<b>6,413.4</b>	<b>3,765.4</b>	<b>2,460.0</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>2025/26 Estimate £000s</b>	<b>2026/27 Estimate £000s</b>	<b>2027/28 Estimate £000s</b>
<b>Capital Expenditure (above):</b>	<b>6,413.4</b>	<b>3,765.4</b>	<b>2,460.0</b>
<b>Financed by:</b>			
Capital Receipts	944.7	365.3	125.0
Capital Grants & Contributions	1,526.2	2,013.8	1,400.0
Direct Revenue Financing	170.0	22.0	22.0
<b>Net Borrowing Need</b>	<b>3,772.5</b>	<b>1,364.3</b>	<b>913.0</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>2025/26 Estimate £000s</b>	<b>2026/27 Estimate £000s</b>	<b>2027/28 Estimate £000s</b>
<b>Closing CFR:</b>	21,226.0	21,208.4	20,649.2
<b>Movement in CFR within the year</b>	<b>+2,652.4</b>	<b>-17.6</b>	<b>-559.2</b>
<b>Represented by:</b>			
Net financing need	+3,772.5	+1,364.3	+913.0
MRP	-1,120.1	-1,381.9	-1,472.2
<b>Movement in CFR within the year</b>	<b>+2,652.4</b>	<b>-17.6</b>	<b>-559.2</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, MUFG Corporate Markets, 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. The gearing levels are estimated to reduce even closer to the average by 2027/28, as the long term assets increase and CFR reduces.

<b>Gearing:</b>	<b>2025/26 Estimate £000s</b>	<b>2026/27 Estimate £000s</b>	<b>2027/28 Estimate £000s</b>
Estimated closing Long Term Assets: (Property, Plant, Equipment & Investment Assets)	49,689	52,254	53,514
Closing CFR (above)	21,226.0	21,208.4	20,649.2
<b>Gearing Ratio</b>	<b>43%</b>	<b>41%</b>	<b>39%</b>

### 2.1.3 Liability Benchmark

A fourth prudential indicator 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:

	<b>2025/26</b> £	<b>2026/27</b> £	<b>2027/28</b> £
Liability Benchmark	-809,070	-2,190,940	-3,663,156

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 General Fund Revenue Budget report elsewhere on this agenda.

<b>Financing costs and the net revenue stream:</b>	<b>2025/26 Estimate £000s</b>	<b>2026/27 Estimate £000s</b>	<b>2027/28 Estimate £000s</b>
Net revenue stream	15,574.8	16,206.6	16,753.6
Financing costs (net)	393.1	754.9	945.8
<b>Ratio to net revenue stream</b>	<b>2.52%</b>	<b>4.66%</b>	<b>5.65%</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 2025/26 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 General Fund Revenue Budget report.

<b>Maximum Gross Debt:</b>	<b>2025/26 Estimate £000s</b>	<b>2026/27 Estimate £000s</b>	<b>2027/28 Estimate £000s</b>
Opening CFR (ie. closing CFR in preceding year)	18,573.5	21,226.0	21,208.4
Additions (only) in-year + following 2 years	2,652.4	-17.6	-559.2
<b>Maximum Gross Debt</b>	<b>21,226.0</b>	<b>21,208.4</b>	<b>20,649.2</b>
Estimated total GBC debt outstanding at 31 March	10,811.6	10,811.6	10,811.6
<b>Under/(over) borrowing</b>	<b>10,414.4</b>	<b>10,396.8</b>	<b>9,837.6</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).

MHCLG 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 MHCLG guidance, but it is not prescriptive.

The Council is recommended to approve the following Statement for 2025/26:

MRP Statement 2025/26

- 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. MHCLG 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 2025/26, and neither has it done so in previous years.

- f. Based on the above policy, the net MRP charge for 2025/26 has been calculated as **£1,120,070** as detailed below, and this sum has been included in the Council's 2025/26 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>2025/26 £s</b>
CFR Method - up to 31 March 2008	173,044
Asset Life Method (annuity approach) - from 1 April 2008	947,026
<b>Total MRP</b>	<b>1,120,070</b>

MHCLG conducted a consultation on amending MRP regulations and guidance for England. These changes will come into force from April 2025.

## 2.3 Treasury Strategy 2025/26 - 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>2025/26 Estimate £000s</b>	<b>2026/27 Estimate £000s</b>	<b>2027/28 Estimate £000s</b>
Estimated Debt 1 April	10,811.6	10,811.6	10,811.6
Estimated change in debt	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0
<b>Estimated Gross Debt 31 March</b>	<b>10,811.6</b>	<b>10,811.6</b>	<b>10,811.6</b>
Estimated Closing CFR	21,226.0	21,208.4	20,649.2
<b>Under/Internal / (Over) borrowing</b>	<b>10,414.4</b>	<b>10,396.8</b>	<b>9,837.6</b>
<b>Internal borrowing as % of estimated closing CFR</b>	<b>49%</b>	<b>49%</b>	<b>48%</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 MUFG have established that the average level of internal borrowing is around 20%. The table above shows that Gedling's ratio is estimated to be between 48% and 49% over the next three years, which benefits the Council as it lessens the risk of interest rate 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 2025/26 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, 2024/25, 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) now formerly known as

MUFG Corporate Markets 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 MUFG forecast at 11 November 2024 and reflect PWLB “certainty rates” for which the Council qualifies. Further information on interest rates can be found at Appendix 2.

MUFG Corporate Markets Interest Rate View 11.11.24													
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27
BANK RATE	4.75	4.50	4.25	4.00	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50
3 month ave earnings	4.70	4.50	4.30	4.00	4.00	4.00	3.80	3.80	3.80	3.50	3.50	3.50	3.50
6 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
12 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
5 yr PWLB	5.00	4.90	4.80	4.60	4.50	4.50	4.40	4.30	4.20	4.10	4.00	4.00	3.90
10 yr PWLB	5.30	5.10	5.00	4.80	4.80	4.70	4.50	4.50	4.40	4.30	4.20	4.20	4.10
25 yr PWLB	5.60	5.50	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.50
50 yr PWLB	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.40	4.30	4.30

MUFG’s forecast for interest rates show that the Bank Rate has peaked at 4.75% and is expected to fall to 3.5% in December 2026 and remaining at that level.

Significant downside risks to the forecasts include:

- Labour and supply shortages proving more enduring and disruptive and depressing economic activity;
- The MPC acting against the forecast and freezing or increasing the Bank Rate, causing United Kingdom economic growth to be weaker than 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 acting against the forecast and decreasing the Bank Rate, thereby enabling faster economic growth;
- 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.

2.3.4 Borrowing Strategy 2025/26



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.

As always, against this background and the risks within the economic forecast outlined above, and the potential cost of carrying debt, caution will be adopted with the 2025/26 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 lower than they are projected to be in the next few years.

Any new borrowing will be discussed with MUFG, and any decisions will be reported to Cabinet at the next available opportunity. The Council is currently not budgeting to take any additional new borrowing in 2025/26 and future years.

### 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.

MUFG 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 would be subject to comparison at the appropriate time. The Council may make use of these sources of borrowing if appropriate, but only following advice from MUFG.

#### 2.3.8 Annual Investment Strategy 2025/26

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

MHCLG and CIPFA have extended the meaning of “investments” to include both financial (placement of surplus cash) and non-financial (primarily for financial return, i.e.. 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:

- MHCLG's *Guidance on Local Government Investments* ("the Guidance");
- CIPFA *Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021* ("the 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 MHCLG 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 MUFG 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, i.e.. those with a lower credit quality, for periods in excess of one year (365 days), or more complex instruments, e.g. 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, i.e. 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 2025/26 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 MUFG 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 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.

Regarding 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 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 ending on 31 March 2023. This has been extended to 31 March 2025 and has the effect of allowing any unrealised capital gains or losses arising from qualifying investments to be held on the balance sheet until 31 March 2025.

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 past 31 March 2025, then 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 initial value of the Council's £1m investment in the CCLA Property Fund in December 2017 was £0.937m. The latest value as at 31 December 2024 is £0.886m. However, this investment is regarded as a long-term commitment and fluctuations are expected. It must be noted that the Council still receives dividend payments of circa £45k per year into revenue from this investment.

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 MUFG 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 MUFG 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 MUFG 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 MUFG 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, the Council is also alerted to interim changes via its use of the MUFG creditworthiness online service. If a downgrade deems counterparties no longer acceptable, their use for new investments will be withdrawn immediately.

Ratings under the MUFG 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 MUFG 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 MUFG 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 they see 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, the Bank Rate was 4.75% in November 2024. MUFG forecast that it will remain at 4.75% until March 2025, falling to 4.5% and then and then continue to fall to 3.5% by December 2026. MUFG consider that it is prudent to assume investment earnings from market-related instruments up to around 3 months will be approximately 4.70% for 2025/26 before falling to 3.5% for 2026/27. The Council's investment interest estimate for 2025/26 is currently based on an assumption of 4.5% on the property fund and an equated rate of 3.0% 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 3 February 2025 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 2025/26, 2026/27 and 2027/28 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 now uses 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 official rates. MUFG provides 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 MUFG 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."*

MUFG view is that the most important issue is ensuring that there is a clear understanding of what "environmental, social and governance (ESG)" investment considerations **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, i.e.. 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 MUFG 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 receives 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.

MUFG 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.

MUFG 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. MUFG's advice is therefore that it is not practicable to include ESG into its TMSS template for 2025/26 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 Finance 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**

As set out throughout this report.

### **5. Legal Implications**

To comply with the requirements of the *Local Government Act 2003*, the CIPFA *Prudential Code*, MHCLG *MRP guidance*, the CIPFA *Treasury Management*

*Code* and the MHCLG *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

These are set out in paragraph 2.3.8 under the heading “Environmental, Social and Governance (ESG) considerations.

## 8. Appendices

1. Prudential and Treasury Indicators 2025/26 through to 2027/28 for approval, and Indicative Indicators for 2028/29 and 2029/30.
2. Interest rate forecasts.
3. Specified and non-specified investments.
4. Approved countries for investment.
5. Treasury Management Principles (TMPs)

## 9. Background Papers

None identified.

## 10. Reasons for Recommendations

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

### **Statutory Officer approval:**

**Approved by:** Chief Financial Officer

**Date:** 4 February 2025

**Approved by:** Monitoring Officer

**Date:** X February 2025

	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Indicative	2029/30 Indicative
<b><u>Prudential Indicators</u></b>					
a) Capital Expenditure:	£ 6,413,400	£ 3,765,400	£ 2,460,000	£ 2,551,000	£ 3,014,000
b) Capital Financing Requirement: (closing)	£ 21,226,000	£ 21,208,400	£ 20,649,200	£ 20,099,441	£ 19,841,928
c) Gearing	43%	41%	39%	37%	36%
d) Liability Benchmark	-£ 809,070	-£ 2,190,940	-£ 3,663,156	-£ 5,356,733	-£ 6,486,248
e) <u>Ratio of Financing Costs to Net Revenue Stream</u> Service activity	2.55%	4.66%	5.63%	6.83%	8.02%
f) Maximum Gross Debt	£ 21,226,000	£ 21,226,000	£ 21,208,400	£ 20,649,200	£ 20,099,400
g) Ratio of Internal Borrowing to CFR	49%	49%	48%	46%	46%
<b><u>Treasury Indicators</u></b>					
a) Operational Boundary for External Debt:					
Borrowing	£ 22,200,000	£ 22,200,000	£ 22,200,000		
Other Long Term Liabilities	£ 1,500,000	£ 1,500,000	£ 1,500,000		
Total Operational Boundary	£ 23,700,000	£ 23,700,000	£ 23,700,000		
b) Authorised Limit for External Debt:					
Borrowing	£ 23,200,000	£ 23,200,000	£ 23,200,000		
Other Long Term Liabilities	£ 1,500,000	£ 1,500,000	£ 1,500,000		
Total Authorised Limit	£ 24,700,000	£ 24,700,000	£ 24,700,000		
c) Upper limits for the maturity structure of o/s Borrowing during 2024/25 (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 Forecast 11 November 2024

# LINK GROUP INTEREST RATE FORECAST

## Updating of our forecasts 11 November 2024

Comparison of forecasts for Bank Rate today v. previous forecast													
Bank Rate	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27
11.11.24	4.75	4.50	4.25	4.00	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50
28.05.24	4.50	4.00	3.50	3.25	3.25	3.25	3.25	3.00	3.00	3.00	-	-	-
Change	0.25	0.50	0.75	0.75	0.75	0.50	0.50	0.75	0.50	0.50	-	-	-

- Following the 30 October Budget, the outcome of the US Presidential election on 6 November, and the 25bps Bank Rate cut undertaken by the Monetary Policy Committee (MPC) on 7 November, we have significantly revised our central forecasts for the first time since May. In summary, our Bank Rate forecast is now 50bps – 75bps higher than was previously the case, whilst our PWLB forecasts have been materially lifted to not only reflect our increased concerns around the future path of inflation, but also the increased level of government borrowing over the term of the current Parliament.
- If we reflect on the 30 October Budget, our central case is that those policy announcements will be inflationary, at least in the near-term. The Office for Budgetary Responsibility and the Bank of England concur with that view. The latter have the CPI measure of inflation hitting 2.5% y/y by the end of 2024 and staying sticky until at least 2026. The Bank forecasts CPI to be 2.7% y/y (Q4 2025) and 2.2% (Q4 2026) before dropping back in 2027 to 1.8% y/y.
- The anticipated major investment in the public sector, according to the Bank, is expected to lift UK real GDP to 1.7% in 2025 before growth moderates in 2026 and 2027. The debate around whether the Government's policies lead to a material uptick in growth primarily focus on the logistics of fast-tracking planning permissions, identifying sufficient skilled labour to undertake a resurgence in building, and an increase in the employee participation rate within the economy.
- There are inherent risks to all the above. The worst-case scenario would see systemic blockages of planning permissions and the inability to identify and resource the additional workforce required to deliver large-scale IT, housing and infrastructure projects. This would lead to upside risks to inflation, an increased prospect of further government borrowing & tax rises, and a tepid GDP performance.
- Our central view is that monetary policy is sufficiently tight at present to cater for some further moderate loosening, the extent of which, however, will continue to be data dependent. We forecast the next reduction in Bank Rate to be made in February and for a pattern to evolve whereby rate cuts are made quarterly and in keeping with the release of the Bank's Quarterly Monetary Policy Reports (February, May, August and November).
- Any movement below a 4% Bank Rate will, nonetheless, be very much dependent on inflation data in the second half of 2025. The fact that the November MPC rate cut decision saw a split vote of 8-1 confirms that there are already some concerns around inflation's stickiness, and with recent public sector wage increases beginning to funnel their way into headline average earnings data, the market will be looking very closely at those releases.
- Regarding our PWLB forecast, the short to medium part of the curve is forecast to remain elevated over the course of the next year, and the degree to which rates moderate will be tied to the arguments for further Bank Rate loosening or otherwise. The longer part of the curve will also be impacted by inflation factors, but there is also the additional concern that with other major developed economies such as the US and France looking to run large budget deficits there could be a glut of government debt issuance that investors will only agree to digest if the interest rates paid provide sufficient reward for that scenario.
- So far, we have made little mention of the US President election last week. Nonetheless, Donald Trump's victory paves the way for the introduction/extension of tariffs that could prove inflationary whilst the same could be said of further tax cuts and an expansion of the current US budget deficit. Invariably the direction of US Treasury yields in reaction to his core policies will, in all probability, impact UK gilt yields. So, there are domestic and international factors that could impact PWLB rates whilst, as a general comment, geo-political risks abound in Europe, the Middle East and Asia.

- Our revised PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012. Please note, the lower Housing Revenue Account (HRA) PWLB rate started on 15 June 2023 for those authorities with an HRA (standard rate minus 60 bps).

Link Group Interest Rate View	11.11.24												
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27
<b>BANK RATE</b>	<b>4.75</b>	<b>4.50</b>	<b>4.25</b>	<b>4.00</b>	<b>4.00</b>	<b>3.75</b>	<b>3.75</b>	<b>3.75</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>
3 month ave earnings	4.70	4.50	4.30	4.00	4.00	4.00	3.80	3.80	3.80	3.50	3.50	3.50	3.50
6 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
12 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
5 yr PWLB	5.00	4.90	4.80	4.60	4.50	4.50	4.40	4.30	4.20	4.10	4.00	4.00	3.90
10 yr PWLB	5.30	5.10	5.00	4.80	4.80	4.70	4.50	4.50	4.40	4.30	4.20	4.20	4.10
25 yr PWLB	5.60	5.50	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.50
50 yr PWLB	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.40	4.30	4.30

## Gilt yields and PWLB rates

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, but the risks to our forecasts are to the upsides. Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

PWLB debt	Current borrowing rate as at 11.11.24 p.m.	Target borrowing rate now (end of Q3 2026)	Target borrowing rate previous (end of Q3 2026)
5 years	5.02%	4.30%	3.90%
10 years	5.23%	4.50%	4.10%
25 years	5.66%	4.90%	4.40%
50 years	5.42%	4.70%	4.20%

**Borrowing advice:** Our long-term (beyond 10 years) forecast for Bank Rate has been increased to 3.25% (from 3%). As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should also be considered. Temporary borrowing rates will, generally, fall in line with Bank Rate cuts.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are set out below.

Average earnings in each year	Now	Previously
2024/25 (residual)	4.60%	4.25%
2025/26	4.10%	3.35%
2026/27	3.70%	3.10%
2027/28	3.50%	3.25%
2028/29	3.50%	3.25%
Years 6 to 10	3.50%	3.25%
Years 10+	3.50%	3.50%

We will continue to monitor economic and market developments as they unfold. Typically, we formally review our forecasts following the quarterly release of the Bank of England's Monetary Policy Report but will consider our position on an ad hoc basis as required.

Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

## **Interest Rate Strategy Group**

This report is intended for the use and assistance of customers of Link Group. It should not be regarded as a substitute for the exercise by the recipient of its own judgement. Link Group exists to provide its clients with advice primarily on borrowing and investment. We are not legal experts and we have not obtained legal advice in giving our opinions and interpretations in this paper. Clients are advised to seek expert legal advice before taking action as a result of any advice given in this paper. Whilst Link Group makes every effort to ensure that all information provided by it is accurate and complete, it does not guarantee the correctness or the due receipt of such information and will not be held responsible for any errors therein or omissions arising there from. Furthermore, Link Group shall not be held liable in contract, tort or otherwise for any loss or damage (whether direct, or indirect or consequential) resulting from negligence, delay or failure on the part of Link Group or its officers, employees or agents in procuring, presenting, communicating or otherwise providing information or advice whether sustained by Link Group customer or any third party directly or indirectly making use of such information or advice, including but not limited to any loss or damage resulting as a consequence of inaccuracy or errors in such information or advice. All information supplied by Link Group should only be used as a factor to assist in the making of a business decision and should not be used as a sole basis for any decision. Treasury services are provided by Link Treasury Services Limited (registered in England and Wales No. 2652033).

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**SPECIFIED INVESTMENTS 2025/26**

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 MUFG 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 MUFG creditworthiness methodology to assess usage, and duration of investments	No	To be used in-house after consultation/advice from Link Asset Services (MUFG)	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 MUFG	365 days

LOCAL GOVERNMENT INVESTMENTS (England) page 2

**SPECIFIED INVESTMENTS 2025/26 (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 MUFG</p> <p>New rules strengthen the requirements for portfolio diversification and transparency for all MMFs. Advice will be taken from MUFG 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 MUFG	365 days

**SPECIFIED INVESTMENTS 2025/26 (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>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></p>	No	Yes	AAA	No	Buy and hold to maturity. To be used in-house after consultation/advice from MUFG	365 days

LOCAL GOVERNMENT INVESTMENT (England) page 4

**NON-SPECIFIED INVESTMENTS 2025/26**

***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><u>Investment</u></b>	<b><u>(A) Why use it?</u> <u>(B) Associated risks?</u></b>	<b><u>Share/ Loan Capital?</u></b>	<b><u>Repayable/ Redeemable within 12 months?</u></b>	<b><u>Security / Minimum credit rating</u></b>	<b><u>Capital Exp?</u></b>	<b><u>Circumstance of use</u></b>	<b><u>Maximum Investment</u></b>	<b><u>Maximum maturity of investment</u></b>
<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 MUFG 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 MUFG creditworthiness methodology to assess usage, and duration of investments	No	To be used in-house after consultation/ advice from MUFG	£3m	3 years



LOCAL GOVERNMENT INVESTMENT (England) page 5

**NON-SPECIFIED INVESTMENTS 2025/26 (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 MUFG creditworthiness methodology to assess usage, and duration of investments	No	To be used in-house after consultation/ advice from MUFG	£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 MUFG	£3m	Maturity limit 5 years

LOCAL GOVERNMENT INVESTMENT (England) page 6

**NON-SPECIFIED INVESTMENTS 2025/26 (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 MUFG	£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 MUFG	£3m	5 years

LOCAL GOVERNMENT INVESTMENT (England) page 7

**NON-SPECIFIED INVESTMENTS 2025/26 (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 MUFG	£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 MUFG 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 2025/26 (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 MUFG Corporate Markets 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
- U.S.A.

### AA

- Abu Dhabi (UAE)
- Qatar

### AA-

- Belgium
- France
- **U.K.**

This list was provided by Link Asset Services as at 25 November 2024 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 MUFG Corporate Markets credit worthiness service.

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**TREASURY MANAGEMENT  
POLICY STATEMENT**

**&**

**TREASURY MANAGEMENT  
PRACTICES**

**(Combined Principles & Schedules)**

**February 2025**

## **TREASURY MANAGEMENT POLICY STATEMENT**

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

The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council.

The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.



## **TREASURY MANAGEMENT PRACTICES (TMPs)** **FOR TREASURY INVESTMENTS**

Treasury Management Practices (TMPs) set out the manner in which Gedling Borough Council will seek to achieve its treasury management policies and objectives, and how it will manage and control those activities.

	<b>Page</b>
<b>TMP 1 - Treasury Risk Management</b>	4
<b>TMP 2 - Performance Measurement</b>	13
<b>TMP 3 - Decision–Making and Analysis</b>	15
<b>TMP 4 - Approved Instruments, Methods and Techniques</b>	17
<b>TMP 5 - Organisation, Clarity, Segregation of Responsibilities and Dealing Arrangements</b>	19
<b>TMP 6 - Reporting Requirements and Management Information Arrangements</b>	24
<b>TMP 7 - Budgeting, Accounting and Audit Arrangements</b>	27
<b>TMP 8 - Cash and Cash Flow Management</b>	28
<b>TMP 9 - Money Laundering</b>	29
<b>TMP 10 - Training and Qualifications</b>	33
<b>TMP 11 - Use of External Service Providers</b>	34
<b>TMP 12 - Corporate Governance</b>	35
<b>TMP 13 – Treasury Management Practices for Non–Treasury Investments</b>	36

## **TMP 1 - TREASURY RISK MANAGEMENT**

The Council regards a key objective of its treasury management and other investment activities to be the security of the principal sums it invests. Accordingly, it will ensure that robust due diligence procedures covering all external investment, including investment properties, are in place.

The responsible officer will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy and suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the Council's objectives in this respect, all in accordance with the procedures set out in TMP6 (reporting requirements and management information arrangements).

### **1.1 Credit and counterparty risk management**

1.1.1 This is the risk of failure by counterparty to meet its contractual obligations to the Council under an investment, borrowing, capital project or partnership financing, particularly because of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the Council's capital or revenue resources.

The Council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with which funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 (approved instruments, methods and techniques, and listed at Appendix 1. The Council also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

#### **1.1.2 Policy on the use of credit risk analysis techniques:**

- a) The Chief Financial Officer (CFO) will maintain a "counterparty list" and this will be monitored constantly. The CFO has delegated authority to amend the minimum criteria as he/she sees fit and will report any such amendments to Cabinet for information as necessary.
- b) The Council will use the Link Asset Services (LAS) creditworthiness methodology, a sophisticated modelling approach combining credit ratings from the three main rating agencies (Fitch, Moody's and Standard & Poors) with overlays for credit watches and outlooks, credit default swaps, and sovereign ratings into a weighted scoring system for the selection of investment counterparties and maturity limits, as per the following colour coded bands:
  - Yellow 5 years (UK government debt or its equivalent);
  - 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.
- c) The Council will use approved UK counterparties subject to their individual credit ratings under the LAS methodology. The Council may also use approved counterparties from countries with a minimum sovereign credit rating of AA-. Approved countries will be listed annually in an appendix to the Treasury Management Strategy Statement (TMSS) however the CFO has delegated authority to amend the minimum criteria as he/she sees fit and will report any such amendments to Cabinet for information as necessary.
- d) The Council will avoid concentrations of lending and borrowing by adopting a policy of diversification. The maximum amounts to be placed with any one institution or in any one classification of instrument will be listed annually in an appendix to the TMSS, however the CFO has delegated authority to amend limits as he/she sees fit, and will report any such amendments to Cabinet for information as necessary.
- e) Credit ratings for individual counterparties can change at any time. LAS will provide regular updates of changes to all ratings relevant to the Council and treasury staff will add or delete counterparties to/from the approved counterparty list as appropriate.
- f) Ratings under the LAS methodology will not necessarily be the sole determinant for the use of a counterparty. Other information sources used will include the quality financial press, market data, information on government support for banks and the credit ratings of that government support, together with any other information pertaining to the banking sector. This aims to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- g) The ultimate decision on what is prudent and manageable for the Council will be taken by the CFO under the approved scheme of delegation.

## **1.2 Liquidity risk management**

- 1.2.1 This is the risk that cash will not be available when it is needed, that ineffective management of liquidity creates additional unbudgeted costs, and that the Council's business and service objectives will thereby be compromised.

The Council will ensure it has adequate, though not excessive, cash resources, borrowing arrangements, overdraft or standby facilities to always enable it to have the level of funds available to it which are necessary for the achievement of its business and service objectives. The Council will only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme or to finance future debt maturities.

### 1.2.2 Amounts of minimum cash balances and short term investments

Treasury management staff will seek to minimise the net overall balance held in the Council's suite of accounts at the close of each working day. Lending and borrowing will be arranged in order to achieve this aim. Short term investments will be maintained at sufficient levels to meet the Council's needs over a three-month period.

### 1.2.3 Bank overdraft facilities

An overdraft facility of £50,000 is currently in place as part of the banking contract. Any overdraft is assessed on the overall net position on the Council's suite of bank accounts.

### 1.2.3 Short term borrowing facilities

The Council accesses temporary loans as needed through approved brokers on the London Money Market.

### 1.2.4 Insurance/guarantee facilities

There are no specific insurance or guarantee facilities as the above arrangements are regarded as adequate to cover all unforeseen occurrences.

### 1.2.5 Special payments

Directors and Assistant Directors will be asked to give treasury management staff advance notice of any significant payments that may affect liquidity and therefore lending and borrowing decisions.

## 1.3 Interest rate risk management

1.3.1 This is the risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the Council's finances, against which the organisation has failed to protect itself adequately.

1.3.2 The Council will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements as amended in accordance with TMP6 (reporting requirement and management information arrangements).

1.3.3 The Council will achieve these objectives by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous, changes in the level or structure of interest rates. This will always be subject to the consideration and, if required, approval of any policy or budgetary implications.

1.3.4 A statement of how interest rate exposure is managed and monitored will be given annually in the TMSS.

#### **1.4 Exchange rate risk management**

1.4.1 This is the risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the Council's finances, against which the Council has failed to protect itself adequately.

The Council will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income and expenditure levels.

##### **1.4.2 Approved criteria for managing changes in exchange rate levels**

- a) From time to time the Council may have an exposure to exchange rate risk arising from the receipt of income, or the incurring of expenditure, in a currency other than sterling. In general, the Council will adopt a hedging strategy to add certainty to the sterling value of such transactions, ie. it will seek to eliminate the foreign exchange exposure as soon as it is identified.
- b) Where there is a contractual obligation to receive income or make a payment in a currency other than sterling at a date in the future, forward foreign exchange transactions will be considered, with professional advice, to comply with this hedging policy.
- c) Unexpected receipt of foreign currency income will be converted to sterling at the earliest opportunity unless the Council has a contractual obligation to make a payment in the same currency at a date in the future. In this instance the currency will be held on deposit to meet this expenditure commitment.
- d) In the event the Council may receive any European grant funding, and making subsequent payments in Euros, the Council will operate an account with its bankers denominated in Euros.

#### **1.5 Refinancing risk management**

1.5.1 This is the risk that maturing borrowings, capital, project or partnership financing cannot be refinanced on terms that reflect the provisions made by the Council for that refinancing, both capital and revenue, and/or that the terms are inconsistent with prevailing market conditions at the time.

The Council will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised is managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favorable to the Council as can reasonably be achieved in the light of market conditions prevailing at the time.

The Council will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid over-reliance on any one source of funding if this might jeopardise achievement of the above.

#### 1.5.2 Debt/other capital financing, maturity profiling, policies and practices

The Council will establish through its Prudential and Treasury indicators the maximum amount of debt maturing in any year.

Debt rescheduling will be considered, in conjunction with the Council's treasury advisers, when the difference between the refinancing rate and the redemption rate is most advantageous and the situation will be continually monitored in order to take advantage of any perceived anomalies in the yield curve. The reasons for rescheduling to take place will include:

- a) The generation of cash savings at minimum risk;
- b) To reduce the average interest rate;
- c) To amend the maturity profile and/or the balance of volatility of the debt portfolio.

Rescheduling will be reported to Cabinet at the meeting immediately following its action.

#### 1.5.3 Projected capital investment requirements

The CFO will produce a three year plan for capital expenditure and this will be used to prepare revenue budgets for all forms of financing charges. In Addition, the CFO will draw up a capital strategy report which will give a longer term view.

The definition of capital expenditure and long term liabilities will follow recommended accounting practice as per the Code of Practice on Local Authority Accounting.

#### 1.5.4 Policy concerning limits on affordability and the revenue consequences of capital financing

In considering the affordability of its capital plans, the Council will consider all the resources currently available or estimated for the future, together with the totality of its capital plans, revenue income and expenditure forecasts for the forthcoming year and the following two years, and the impact these will have on council tax. It will also take into account affordability in the longer term beyond the three year period.

The Council will use the definitions provided in the Prudential Code for borrowing, capital expenditure, capital financing requirement, debt, financing costs, investments, net borrowing, net revenue stream and other long term liabilities.

## **1.6 Legal and regulatory risk management**

- 1.6.1 This is the risk that the Council itself, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the Council suffers losses accordingly.

The Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP1.1 (credit and counterparty risk management), it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may effect with the Council, particularly with regard to duty of care and fees charged.

The Council recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the Council.

### **1.6.2 Compliance with statutes and legislation**

The treasury management activities of the Council will fully comply with legal statute, guidance, Codes of Practice and the regulations of the Council (ie. its standing orders and financial regulations).

### **1.6.3 Evidencing the Council's powers and authorities to counterparties**

The Council's powers to borrow and invest are contained within legislation:

Investment - Local Government Act 2003 section 12;  
Borrowing – Local Government act 2003 section 1.

Lending will only be made to counterparties on the approved list, in accordance with 1.1.1 above.

### **1.6.4 Statement on the Council's political risks and the management of these**

The Chief Executive and the Leader of the Council will respond to and manage appropriately political risks such as a change of majority group, leadership of the Council, or a change of government etc.

Treasury management policies and practices are designed to have maximum delegation to officer level to minimise political impact in such a technical area of finance. Action will always be taken in line with best professional practice and is subject to internal and external scrutiny.

### 1.6.5 Monitoring Officer

The Monitoring Officer is the Deputy Chief Executive and Monitoring Officer. The duty of this officer is to ensure that the Council's treasury management activities are lawful.

### 1.6.6 Chief Financial Officer

The CFO is the Chief Finance and Section S151 Officer. The duty of this officer is to ensure that the financial affairs of the Council are conducted in a prudent manner and to make a report to the Council if he has concerns as to the financial prudence of its actions or its expected financial position.

## 1.7 **Fraud, error and corruption, and contingency management**

1.7.1 The Council will ensure that it has identified "operational risk", ie. the circumstances which may expose it to risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures and will maintain effective contingency management arrangements.

The Council will therefore:

- a) Seek to ensure an adequate division of responsibilities and maintenance at all times of an adequate level of internal check, which minimises such risks.
- b) Fully document all its treasury management activities so that there can be no possible confusion as to what proper procedures are.
- c) Staff will not be allowed to take up treasury management until they have had proper training in procedures and are then subject to an adequate and appropriate level of supervision.
- d) Records will be maintained of all treasury management transactions so that there is a full audit trail and evidence of appropriate checks being carried out.

### 1.7.2 Details of systems and procedures to be followed

#### Authority:

- The scheme of delegation to officers sets out the delegation of duties to officers.
- All loans and investments are negotiated by an authorised person.
- Loan procedures are defined in the Council's financial regulations.

#### Procedures:

- The HSBCnet electronic banking system is used for all payments. Access is restricted to specified officers.
- All loan payments are made by CHAPS and are created and authorized by separate officers.

#### Investment and borrowing transactions:



- A detailed register of all loans and investments is maintained by the use of a spreadsheet. For reconciliation purposes, an extract is taken of this register at the end of each month.
- Written and/or electronic confirmations of all loans arranged are checked, and all discrepancies are immediately reported for resolution.
- Any transactions placed through a broker are confirmed by a broker note showing details of the loan arranged, and all discrepancies are immediately reported for resolution.

Regularity and security:

- Lending is only made to institutions on the approved counterparty list.
- All loans raised and repayments made go directly to and from the bank account of approved counterparties.
- Counterparty limits are set for every institution.
- There is separation of duties as far as is reasonably practicable.
- There is adequate insurance cover for officers involved in loans management and accounting.

Calculations and checks:

- Every calculation of interest notified by a lender or borrower will be checked to the dealer's records.
- Full bank reconciliation is carried out monthly.
- Reconciliation of lending and borrowing transactions from the financial management system to the treasury management records is completed at least quarterly.

1.7.3 Emergency and contingency planning arrangements

Business continuity arrangements are as detailed within the Council's Business Continuity Plan, a copy of which will be maintained by the CFO.

1.7.4 Insurance cover details

The Council has Fidelity Guarantee insurance of £5m which provides cover for seven designated treasury management officers for the loss of cash resulting from fraud or dishonesty. There is no excess on this policy.

- Chief Financial Officer.
- Financial service Manager.
- Principal Accountant/Finance Business Partner.
- Senior Assistant Accountant.
- Assistant Accountant.

Official's Indemnity cover of £5m is also in place, which covers the Council for losses arising from the actions of, and advice given by, its officers where no charge is made for that advice. There is no excess on this policy. Professional

Indemnity insurance is in place only for specific services such as Planning, where a charge is made for advice

The Council has Business Interruption cover for the loss of revenue and additional expenses that may be incurred as a result of it not being able to function for a period of time.

## **1.8 Market risk management**

- 1.8.1 The Council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests and will accordingly seek to protect itself from the effects of such fluctuations.
- 1.8.2 The Council will not engage in stock market and futures transactions in order to minimise the risk to the value of the principal sums it invests.

## **TMP 2 - PERFORMANCE MEASUREMENT**

The Council is committed to the pursuit of value in its treasury management activity, and to the measurement of the value it adds in support of the Council's stated business or service objectives.

### **2.1 Evaluation and review of treasury management decisions**

The Council has several approaches to the evaluation and review of its treasury management decisions to determine their impact on its finances.

#### **2.1.1 Periodic reviews during the financial year**

Weekly reviews of actual and forecast activity will be carried out by the treasury management team and the CFO or the designated Financial Services Manager.

#### **2.1.2 Reviews with treasury advisers**

All material treasury management decisions will be discussed with the Council's treasury advisers, and a formal review meeting with the advisers will be held at least annually.

#### **2.1.3 Review reports on treasury management**

Prior to the commencement of each financial year, a Treasury Management Strategy Statement (TMSS) will be presented to Cabinet and referred to Full Council for approval. This report includes:

- The Council's capital plans (including its Prudential Indicators);
- The minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
- The treasury management strategy for the year (how investments and borrowings are to be organised), including treasury indicators;
- The investment strategy (the parameters on how investments are to be managed).

Following the end of the financial year, an Annual Treasury Management report will be presented to Cabinet and referred to Full Council for approval. This report includes:

- Total debt and investment at the beginning and close of the year.
- Average interest rates.
- Borrowing strategy for the year compared to actual strategy.
- Investment strategy compared to actual strategy.
- Explanations for variance between original and actual strategies.
- Debt rescheduling done in the year.
- Actual borrowing and investment rates available through the year.
- Comparison of return on investment to the investment benchmark.
- Compliance with Prudential and Treasury indicators.

- Any other items.

In addition, periodic update reports will be presented to Cabinet each year (which include a mid-year review), and periodic scrutiny and value for money reviews will be undertaken.

## **2.2 Benchmark and calculation methodology**

### **2.2.1 Debt management**

- Average rate on all external debt.
- Average rate on all external debt borrowed in previous financial year.
- Average rate on internal borrowing.
- Average period to maturity of external debt.
- Average period to maturity of new loans in previous year.

### **2.2.2 Investment**

The performance of investment earnings will be measured against the following benchmarks:

- Sterling Overnight Indexed Average (SONIA) 3 Month
- Sterling Overnight Indexed Average (SONIA) 6 month backward looking

## **2.3 Policy concerning methods for testing value for money in treasury management**

### **2.3.1 Banking services**

The Council's banking arrangements will be retendered or renegotiated at least every three years to ensure that the level of prices reflects current market rates. If full tendering is not considered appropriate, soft market testing will be undertaken, or a specialist banking company appointed to ensure that the terms offered represent value for money. The process for advertising and awarding contracts will be in line with the Council's standing orders.

### **2.3.2 Money broking services**

The Council will use money broking services in order to make deposits or to borrow and will establish charges for all services before using them. Such use is generally infrequent and is currently conducted via ICAP Europe Ltd on an ad-hoc basis only.

### **2.3.3 Consultants'/advisers' services**

The Council's policy is to appoint full time professional treasury management advisers.

### **2.3.4 Policy on external managers**

The Council's policy is not to appoint external investment fund managers.

## **TMP 3 - DECISION-MAKING AND ANALYSIS**

The Council will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purpose of learning from the past, and for demonstrating that all issues relevant to those decisions have been taken into account.

### **3.1 Funding, borrowing lending and new instruments/techniques**

#### **3.1.1 Records to be kept**

- Daily cash balance forecasts from the electronic banking system (HSBCnet);
- Investment rate notifications including Money Market Funds.
- Investment counterparty confirmations.
- Brokers' confirmations.
- PWLB loan confirmations and portfolio schedules.

#### **3.1.2 Processes to be pursued**

- Cashflow analysis.
- Debt and investment maturity analysis.
- Ledger reconciliation to treasury management records.
- Review of opportunities for debt restructuring (with treasury advisers).
- Review of borrowing requirement to finance capital expenditure.
- Performance information (budget against actual for interest paid and earned).

#### **3.1.3 Issues to be addressed**

In respect of every treasury management decision made, the Council will:

- Be clear about the nature and extent of the risks to which it may become exposed.
- Be certain about the legality of the decision reached, and the nature of the transaction, and that all authorities to proceed have been obtained.
- Be content that documentation is adequate to deliver the Council's objectives and protect the Council's interests, and to deliver good housekeeping.
- Ensure that all third parties are judged satisfactory in the context of the Council's creditworthiness policies, and that limits have not been exceeded.
- Be content that the terms of any transaction have been fully checked against the market and have been found to be competitive.

In respect of borrowing and other funding decisions, the Council will:

- Consider the ongoing revenue liabilities created, and the implications for the Council's future plans and budgets.

- Evaluate the economic and market factors that might influence the manner and timing of any decision to fund.
- Consider the merits and disadvantages of alternative forms of funding, including funding from revenue, leasing and private partnerships.
- Consider the alternative interest rates available, the most appropriate periods over which to fund.

In respect of investment decisions, the Council will:

- Consider the optimum period in the light of cashflow availability and the prevailing market conditions:
- Consider the alternative investment products and techniques available, especially the implications of using any which may expose the Council to changes in the value of its capital.

## **TMP 4 - APPROVED INSTRUMENTS, METHODS AND TECHNIQUES**

The Council will undertake its treasury management activities by using only approved instruments, methods and techniques, and within the limits and parameters defined in TMP1, Risk Management.

### **4.1 Approved activities of the treasury management operation:**

- Borrowing.
- Lending.
- Debt repayment and rescheduling.
- Consideration, approval, and use of new financial instruments and treasury management techniques.
- Managing the underlying risk associated with the Council's capital financing and surplus funds activity.
- Managing cashflow.
- Banking activities.
- Leasing.

### **4.2 Approved instruments for investment**

Full details of all approved instruments for investment are given annually in the Treasury Management Strategy Statement (TMSS).

#### **4.2.1 Implementation of MIFID11 requirements**

Since 3 January 2018, UK public sector bodies have defaulted to “retail status” under the requirements of MIFID 11. However, for each counterparty it is looking to transact with there remains the option to opt up to “professional status”, subject to meeting certain requirements and having in place the appropriate levels of knowledge, experience, and decision-making processes in order to use regulated investment products.

MIFID 11 does not cover term deposits so local authorities should not be required to opt up to professional status. However, some non-UK banks do not have the necessary regulatory permissions to deal with retail clients, therefore opting up would be required.

Where necessary the Council will opt up to professional status in order to be able to deal with a particular counterparty.

### **4.3 Approved techniques (only with guidance from treasury advisers)**

- Forward dealing up to 364 days.
- LOBOs – lenders option, borrowers option borrowing instrument.
- Use of callable deposits.

#### **4.4 Approved methods and sources of raising capital finance**

4.4.1 Finance will only be raised in accordance with the Local Government Act 2003. Within this limit the Council has a number of approved methods and courses of raising capital finance (F = fixed, V = variable):

##### On balance sheet:

• PWLB	F	V
• Municipal Bond Agency (but generally only lend to upper tier)	F	V
• European Investment Bank (EIB)	F	V
• Market (long-term)	F	V
• Market (temporary)	F	V
• Market (LOBOs)	F	V
• Stock issues	F	V
• Local (temporary)	F	V
• Local bonds	F	
• Overdraft		V
• Negotiable bonds	F	V
• Internal (capital receipts and revenue balances)	F	V
• Commercial paper	F	
• Medium term notes	F	
• Leasing (not operating leases)	F	V
• Deferred purchase	F	V

##### Other methods of financing:

- Government and EC capital grants.
- Lottery monies.
- PFI/PPP.
- Operating leases.

4.4.2 All forms of funding will be considered, dependent upon the prevailing economic climate, regulations and local factors. The CFO has delegated powers in accordance with Standing Orders, Financial Regulations, and the Scheme of Delegation to Officers, and the Treasury Management Strategy is to take the most appropriate form of borrowing from the approved sources.

4.4.3 Borrowing will only be done in sterling.

#### **4.5 Investment Limits**

The Annual Investment Strategy forms part of the Treasury Management Strategy Statement (TMSS) and this sets out the limits and guidelines for use of each type of investment instrument.

#### **4.6 Borrowing Limits**

The annual TMSS sets out borrowing limits.



## **TMP 5 - ORGANISATION, CLARITY, SEGREGATION OF RESPONSIBILITIES, AND DEALING ARRANGEMENTS**

The Council considers it essential that there is clarity with regard to treasury management responsibilities, and that treasury management activities are managed in a fully integrated manner. This is for the purpose of effective control and monitoring of treasury management activities, for reducing the risk of fraud or error, and for the pursuit of optimum performance.

A clear distinction will be made between those charged with setting treasury management policies and strategies, and those charged with implementing and controlling them, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management function.

If the Council intends, as a result of lack of resources or other circumstances, to depart from its approved treasury management practices, the Chief Financial Officer will ensure that the reasons are properly reported in accordance with TMP6 (reporting requirements and management information arrangements), and the implications properly considered and evaluated.

The Chief Financial Officer will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management, and the arrangement for absence cover. The Chief Financial Officer will also ensure that there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds.

The Chief Financial Officer will fulfill all responsibilities in accordance with the Council's Treasury Management Policy Statement and its Treasury Management Practices (TMPs).

### **5.1 Allocation of responsibilities - the Council's scheme of delegation**

#### **5.1.1 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.

#### **5.1.2 Cabinet is responsible for:**

- Approval of, and amendments to, the Council's adopted clauses, treasury management policy statement and treasury management practices (TMPs)
- 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

### 5.1.3 Audit Committee is responsible for:

- Reviewing the treasury management policy and procedures and making recommendations to the responsible body through the internal audit process.

### 5.1.4 The Chief Financial Officer (S151 Officer) is responsible for:

- Recommending clauses, treasury management policy/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.
- The appointment of external service providers.
- Approving the selection of external service providers and agreeing terms of appointment.

Implicit in the December 2017 changes to the Prudential and Treasury Management Codes was a major extension of the function of the S151 role, especially in respect of non-financial investments (which CIPFA has defined as being part of treasury management). The S151 officer role is also now responsible for:

## 5.2 **Principles and practices concerning segregation of duties**

The segregation of duties will be determined by the Chief Finance and section 151 Officer. Treasury management duties will be segregated as far as is practicable in a small section. In particular, the posting of bank statement transactions in respect of treasury management to the Financial Management System will, whenever possible, be undertaken by an officer independent of the dealing process, and reconciliation of lending and borrowing transactions to the financial management ledger will be carried out by an officer not routinely involved with daily dealing transactions.

## 5.3 **Treasury Management organisation chart**

- Chief Finance and S151 Officer – the “responsible officer”;
- Financial Services Manager.
- Principal Finance Business Partners.
- Assistant Accountant.

## 5.4 **Statement of the treasury management duties and responsibilities**

#### 5.4.1 The Responsible Officer:

The responsible officer is the person charged with professional responsibility for the treasury management function and at Gedling this is the Chief Finance and S151 Officer.

The strategic responsibilities of the responsible officer are:

- a) Recommending clauses, treasury management policies and practices for approval, reviewing these regularly, and monitoring compliance.
- b) Submitting regular treasury management policy reports.
- c) Submitting budgets and budget variations;
- d) Receiving and reviewing management information reports
- e) Reviewing the performance of the treasury management function.
- f) Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function.
- g) Ensuring the adequacy of internal audit, and liaising with external audit.
- h) Recommending the appointment of external service providers.
- i) The responsible officer has delegated powers through the Treasury Management Policy to take the most effective form of borrowing from the approved sources, and to make the most appropriate form of investments in approved instruments.
- j) The responsible officer may delegate his power to borrow and invest to members of his staff. The Financial Services Manager, Principal Accountant and Assistant Accountant (or staff authorised by the responsible officer to act as temporary cover for leave or sickness) must conduct all dealing transactions. All transactions must be authorised.
- k) The responsible officer will ensure that the Treasury Management Policy is adhered to, and if it is not, will bring the matter to the attention of Elected Members as soon as possible.
- l) Prior to entering into any capital financing, lending or investment transaction it is the responsibility of the responsible officer to be satisfied by reference to the Monitoring Officer, the Council's legal team and external advisers, as appropriate, that the proposed transaction does not breach any statute, external regulation or the Council's financial regulations.
- m) It is also the responsibility of the responsible officer to ensure that the Council complies with the Non-Investment Products Code (formerly known as the London Code Of Conduct) for principals and broking firms in the wholesale markets.

The operational responsibilities of the responsible officer are:

- a) Execution of transactions.
- b) Adherence to agreed policies and practices on a day-to-day basis.
- c) Maintaining relationships with counterparties and external service providers.
- d) Supervising treasury management staff.
- e) Monitoring performance on a day-to-day basis.
- f) Submitting management information reports to Cabinet.
- g) Identifying and recommending opportunities for improved practices.

These operational responsibilities may also be delegated to the Financial Services Manager and to other members of the treasury management team.

#### 5.4.2 The Head of the Paid Service:

The responsibilities of this post will be:

- a) Ensuring that the system is specified and implemented.
- b) Ensuring that the responsible officer reports regularly to Cabinet and Full Council on treasury policy, activity and performance.

#### 5.4.3 The Monitoring Officer:

The responsibilities of this post will be:

- a) Ensuring compliance by the responsible officer with the Treasury Management Policy Statement and Treasury Management Practices, and that they comply with the law.
- b) Being satisfied that any proposal to vary treasury policy or practices complies with the law and any Code of Practice.
- c) Giving advice to the responsible officer when advice is sought.

#### 5.4.4 Internal Audit:

The responsibilities of Internal Audit will be:

- a) Reviewing compliance with approved policy and treasury management practices.
- b) Reviewing division of duties and operational practice.
- c) Assessing value for money from treasury activities.
- d) Undertaking probity audit of the treasury function.

### 5.5 Dealing limits

Assistant Accountant - up to £1m per counterparty (cumulative);  
Financial Services Manager – Deal up to the money market limits (£4m  
Aberdeen & Black Rock  
Responsible officer – is the only officer that can authorise dealings of over  
£5m.

### 5.6 Absence cover arrangements

Three officers are trained for day-to-day dealing transactions to ensure cover for leave and sickness. Similarly, two Principal Accountants are able to authorise transactions, in addition to the Financial Services Manager and the Chief Financial Officer. Dealing limits apply to cover arrangements as per 5.5 above.

### 5.7 Direct dealing practices

In general, the Council deals directly with its counterparties for investments. Rates are obtained daily from creditworthy counterparties selected via the Link Asset Services methodology (see 1.1.1 above). The most favourable will be selected, following consideration of cashflow requirements and CHAPS transmission fees (Clearing House Automated Payments System).

#### **5.8 Brokers services**

Brokers will be used when cost effective compared with direct dealing, and for temporary borrowing. (Also see 11.1.2, external service providers). It is not the Council's policy to record brokers' conversations.

#### **5.9 Settlement transmission procedures**

All counterparties are to be given instructions as early as possible on the day of maturity (on occasion it may be possible to give the instruction prior to the date of maturity for planning purposes). All Council investments are to be returned by CHAPS direct to the Council's nominated bank account, and all repayments of borrowing by CHAPS to the lender's nominated bank account.

#### **5.10 Documentation requirements for deals arranged**

For each deal arranged, record will be kept, and these should include:

- Counterparty.
- Amount.
- Start date.
- Maturity date.
- Rate.
- Amount of interest due.
- Counterparty confirmation (direct dealing);
- Broker confirmation (where appropriate).

#### **5.11 Arrangements concerning the management of third-party funds**

Any third-party funds held will be treated as if they were part of the Council's cash management arrangements, unless specific exceptions are required.

## **TMP 6 - REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS**

The Council will ensure that regular reports are prepared and considered on the implementation of its treasury management policies, on the effects of decisions taken and the transactions executed in pursuit of those policies, on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities, and on the performance of the treasury management function.

### **6.1 Annual Programme of reporting**

- a) Prior to the start of each financial year:
  - A review of the approved clauses, treasury management policy statement and practices will be undertaken.
  - The Treasury Management Strategy Statement (TMSS) will be prepared for approval by Full Council. This report will include the proposed treasury management activities for the year and will include the Annual Investment Strategy and the Minimum Revenue Provision Policy Statement (see 6.2 below);
  - A Capital Strategy report will be prepared to give a longer-term view of the capital programme and the treasury management implications thereof, beyond the three year time horizon for detailed planning.
- b) Quarterly Treasury Activity reports will be prepared. This exceeds the minimum requirement for a mid-year review (see 6.3 below).
- c) An Annual Review report will be prepared after the year-end (see 6.4 below).

### **6.2 Treasury Management Strategy Statement (TMSS)**

- a) The TMSS sets out the specific expected treasury activities for the forthcoming year. It will be submitted to Cabinet for referral to Full Council for approval before the commencement of the financial year. The formulation of the TMSS involves determining the appropriate borrowing and investment decisions in the light of the anticipated movement in both fixed and shorter-term variable interest rates. For example, the Council may postpone borrowing if fixed rate interest rates are expected to fall, or to borrow early if they are expected to rise.

The TMSS will cover the following elements:

- Prudential and Treasury indicators.
- Current treasury portfolio position.
- Borrowing requirement.
- Prospects for interest rates.

- Borrowing strategy.
- Policy on borrowing in advance of need.
- Debt rescheduling.
- Investment strategy.
- Creditworthiness policy.
- Policy on the use of external service providers.
- Any other treasury issues.
- The MRP policy statement.

The TMSS will establish the expected move in interest rates against alternatives and highlight sensitivities to different scenarios.

b) The Annual Investment Strategy, included in the TMSS, will set out the following:

- The Council's risk appetite in respect of security, liquidity and optimum performance.
- The determination of what are specified investments, as distinct from non-specified investments and which specified and non-specified instruments the Council will use.
- Investment limits.
- Creditworthiness policy.
- The investment strategy for the forthcoming year.
- Investments defined as capital expenditure.
- Provision for credit related loss.
- Policy on the use of external service providers.

c) The Minimum Revenue Provision policy statement, included in the TMSS, will set out how the Council will make revenue provision for the repayment of its borrowing using the four options for so doing.

d) A number of treasury limits are set through the Prudential and Treasury Indicators, and these will be incorporated into the TMSS for approval by Full Council.

### **6.3 Periodic reporting of treasury management activity**

Periodic reports of treasury management activity will be considered by Cabinet and referred to Full Council for approval. This exceeds the minimum requirement for a mid-year review, and each report will include:

- Treasury management activity undertaken.
- Variations from agreed policies and practices.
- Performance reporting.
- Monitoring of treasury indicators.

### **6.4 Annual review of treasury management activity**

An Annual Report of treasury management activity will be considered by Cabinet and referred to Full Council for approval at the earliest practicable meeting after the end of the financial year. This report will include:

- Transactions executed and their revenue effects.
- Reporting on the risk implications of decisions taken and transactions executed.
- Reporting on compliance with agreed policies and practices, statutory and regulatory requirements and Codes of Practice.
- Performance reporting.
- Monitoring of treasury indicators.

#### **6.5 Management information reports**

In addition to the formal reporting above, management information will be prepared daily and summarised weekly in such format as directed by the Chief Financial Officer.



## **TMP 7 – BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS**

### **7.1 Statutory and regulatory requirements**

The Council's accounts are drawn up in accordance with the Code of Practice on Local Authority Accounting in Great Britain, which is represented by statute as representing proper accounting practices, The Council has also adopted in full the principles set out in CIPFA's Treasury Management in the Public Services- Code of Practice (the CIPFA Code), together with those of its specific recommendations that are relevant to the Council's treasury management activities.

### **7.2 Budgets, accounts, Prudential and Treasury indicators**

The responsible officer will prepare a five-year medium term financial plan which will bring include the costs of running the treasury management function, together with associated income. Effective control will be exercised, with budget monitoring reports considered by Cabinet on a periodic basis (either 3 monthly or 4 monthly). The responsible officer will also prepare Prudential and Treasury indicators for treasury management for the forthcoming financial year, and provisional estimates for the following two years. The responsible officer will monitor performance against Prudential and Treasury indicators and report upon them, and recommend any changes required, in accordance with TMP6.

### **7.3 Information requirements of external auditors**

Treasury management information required by the external auditors will include:

- Reconciliation of loans outstanding in the financial ledger to treasury management records.
- Maturity analysis of loans outstanding.
- Certificates for new long-term loans taken out in the year.
- Reconciliation of loan interest, discounts received, and premiums paid.
- Calculation of the consolidated interest rate and debt management rate.
- Interest accruals calculation.
- Calculation of loans debtors and creditors.
- Treasury Management Strategy Statement (TMSS).
- Quarterly reviews of treasury management activity and Prudential Code indicators.
- Annual Treasury Report.
- Calculation of the Minimum Revenue Provision.

## **TMP 8 - CASH AND CASH FLOW MANAGEMENT**

Unless statutory or regulatory requirements demand otherwise, all monies in the hands of Gedling Borough Council will be under the control of the responsible officer, and will be aggregated for cash flow and investment management purposes.

### **8.1 Arrangements for preparing cashflow statements**

Cashflow projections are prepared annually, monthly and daily, based on previous years' records adjusted for known changes in levels of income and expenditure and changes in payments and receipts dates. These projections are supplemented on an ongoing basis as additional information is received.

### **8.2 Bank statement procedures**

Bank statements are available daily online and income and expenditure is analysed using source data from creditors and payroll etc. Reconciliation of cheques and BACS outstanding is undertaken daily and formal bank reconciliation is done monthly.

### **8.3 Payment scheduling and agreed terms of trade with creditors**

The Creditors team manages the terms of trade and provides the treasury management team with details of the amount and timing of BACS payments. The value of cheques due to be cleared in the forthcoming two days is available from the Council's electronic banking system.

### **8.4 Procedures for the banking of funds**

All money received by officers on behalf of the Council will be deposited without delay into the Council's bank account. A security carrier is used to collect income from the Civic Centre and the leisure centres, and income is also transferred electronically via direct debits, standing orders, telephone payments and internet payments.

## **TMP 9 - MONEY LAUNDERING**

Money laundering is the term used for a number of offences involving the integration of the proceeds of crime into the mainstream economy. TMP 9 forms the basis of the Council's overall policy on money laundering.

The Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that staff involved in this are properly trained.

The purpose of the Money Laundering Policy is to:

- Establish internal procedures to help forestall and prevent money laundering.
- Make those staff most likely to be exposed to, or suspicious of, money laundering situations aware of any requirements and obligations placed on the authority, and on them personally by the Proceeds of Crime Act and the Terrorism Act.
- To give targeted training to those staff considered to be the most likely to encounter money laundering.
- To make arrangements to receive and manage the concerns of staff about money laundering and their suspicion of it, to make enquiries, and to make reports where necessary.

### **9.1 Proceeds of Crime Act 2002**

Money laundering has the objective of concealing the origin of money generated through criminal activity. Legislation has given a higher profile to the need to report suspicions of money laundering. The Proceeds of Crime Act (POCA) 2002 established the main offences relating to money laundering. In summary, these are:

- a) Concealing, disguising, converting, transferring or removing criminal property from England and Wales, from Scotland or from Northern Ireland.
- b) Being concerned in an arrangement which a person knows, or suspects facilitates the acquisition, retention, use or control of criminal property;
- c) Acquiring, using or possessing criminal property.

These apply to all persons in the UK in a personal and professional capacity. Any person involved in any known or suspected money-laundering activity in the UK risks a criminal conviction. Other offences under the POCA include:

- a) Failure to disclose money-laundering offences.
- b) Tipping off a suspect, either directly or indirectly.
- c) Doing something that might prejudice an investigation – for example, falsifying a document.

## **9.2 The Terrorism Act 2000**

This act made it an offence of money laundering to become concerned in an arrangement relating to the retention or control of property likely to be used for the purposes of terrorism or resulting from acts of terrorism. All individuals and businesses in the UK have an obligation to report knowledge, reasonable grounds for belief or suspicion about the proceeds from, or finance likely to be used for, terrorism or its laundering, where it relates to information that comes to them in the course of their business or employment.

## **9.3 The Money Laundering Regulations 2007, 2012 and 2015**

Organisations pursuing relevant business (especially those in the financial services industry regulated by the FCA) are required to:

- a) Appoint a nominated officer.
- b) Implement internal reporting procedures.
- c) Train relevant staff in the subject.
- d) Establish internal procedures with respect to money laundering.
- e) Obtain, verify and maintain evidence and records of the identity of new clients and transactions undertaken and report their suspicions.

In December 2007 the UK Government published the Money Laundering Regulations 2007, which replaced the Money Laundering Regulations 2003.

## **9.4 Local authorities**

Public service organisations and their staff are subject to the full provisions of the Terrorism Act 2000 and may commit most of the principal offences under POCA but are not legally obliged to apply the provisions of the Money Laundering Regulations 2007, 2012 and 2015. However, as responsible public bodies, they should employ policies and procedures which reflect the essence of the UK's anti-terrorist financing, and anti-money laundering, regimes. Accordingly, the Council will do the following:

- a) Evaluate the prospect of laundered monies being handled by it;
- b) Determine the appropriate safeguards to be put in place. A flag will be set on cash payments of £1,000 or more will not be receipted without Council staff intervention. A record will be kept of all cash transactions of £1,000 or more, and procedures will be implemented to ensure that the retention of records is in compliance with the Council's document retention policy.
- c) Require staff engaged in treasury management, and any other staff handling money received by the Council, to make themselves aware of their personal and legal responsibilities for money laundering awareness. Furthermore, all staff will be made aware of the Council's Whistle-Blowing policy, and the provisions within it. Appropriate training will be provided where necessary.
- d) Make all its staff aware of their responsibility under the Proceeds of Crime Act.
- e) Appoint an Officer to whom all staff may report any suspicions. This officer will be the "Money Laundering Reporting Officer" (MRLO), and at Gedling Borough Council is the Chief Finance Officer. If any suspicious transactions are reported to the MLRO, he will request the Financial Services Manager to investigate the case and to make a disclosure to the Serious Organised Crime Agency (SOCA) if appropriate.
- f) Ensure compliance with money laundering regulations is appropriately managed. The Council will require senior management to give appropriate oversight, analysis and assessment of the risks of clients and work or product types, systems for monitoring compliance with procedures, and methods of communicating procedures and other information to personnel.
- g) Appoint an officer to be responsible for the creation and monitoring of the implementation of a corporate anti-money laundering policy and procedures. At Gedling Borough Council, this is the Chief Finance Officer, and it shall be a requirement that all Services and Departments implement these corporate policies and procedures.

## **9.5 Procedures for Establishing Identity / Authenticity of Lenders**

It is not a requirement under POCA for local authorities to require identification from every person or organisation it deals with. However, in respect of treasury management transactions, there is a need for due diligence, and this will be effected by following the procedures below:

- a) It is not the Council's policy to accept loans from individuals.
- b) All loans are obtained from the PWLB, other local authorities or from authorised institutions under the Financial Services and Markets Act 2000. This register can be accessed through the FCA website at [www.fca.gov.uk](http://www.fca.gov.uk).

- c) When repaying loans, the procedures in 9.6 will be followed to check the bank details of the recipient.

## **9.6 Methodologies for Identifying Deposit Takers**

In the course of its treasury activities, the Council will only lend money to, or invest with, those counterparties that are on its approved lending list. These will be local authorities, the PWLB, Bank of England and authorised deposit takers under the Financial Services and Markets Act 2000. The FCA register can be accessed through their website on [www.fca.gov.uk](http://www.fca.gov.uk). All transactions for making deposits or repaying loans will be carried out by CHAPS.

## **TMP 10 - STAFF TRAINING AND QUALIFICATIONS**

The Council recognises that treasury management staff, and Members charged with governance of the treasury management function, will need appropriate levels of training in treasury management due to its increasing complexity. Treasury management staff will receive training relevant to the requirements of their duties, at the appropriate time. This may be by way of approved training courses or by on-the-job training. It is the responsibility of the Deputy Chief Executive and the Chief Finance Officer to ensure that all treasury management staff receive the appropriate level of training, and this will also apply to those staff who cover absences of the treasury management team.

### **10.1 Details of approved training courses**

Treasury management staff will attend an Introduction to Treasury Management course provided by the Council's treasury advisers, and will update this, as a minimum, every 5 years.

### **10.2 Records of training received by treasury staff**

Records of the training received by treasury management staff will be kept by the S151 Officer).

### **10.3 Career development and succession arrangements**

Career development will be identified by use of the Council's Personal Development Review (PDR) scheme. Career succession arrangements will follow the Council's recruitment policy.

### **10.4 Approved qualifications for treasury management staff**

CCAB, AAT, or equivalent.

### **10.5 Statement of professional practice (SOPP)**

Where the Chief Financial Officer is a member of CIPFA, there is a professional need for this officer to be seen to be committed to professional responsibilities through both personal compliance and by ensuring that relevant staff are appropriately trained.

Other staff involved in treasury management activities who are members of CIPFA must also comply with the SOPP.

### **10.6 Member training records**

Records will be kept of all training in treasury management provided to Members. Members charged with diligence also have a personal responsibility to ensure that they have the appropriate skills and training for their role.

## **TMP 11 - USE OF EXTERNAL SERVICE PROVIDERS**

The Council will employ the services of other organisations to assist it in the field of treasury management. In particular, external advisers will be used to provide specialist advice in this ever more complex area. The Council will however ensure that it fully understands what services being provided, and that they meet the Council's needs, especially in terms of being objective and free from conflicts of interest. Evaluation of the costs and benefits of services provided will be undertaken, and the terms of appointment and the methods by which value is to be assessed will be agreed and documented and will be subject to regular review. Where services are subject to formal tender or re-tender arrangements, legislative requirements will be observed.

The Council will also ensure that the skills of the in-house treasury management team are maintained to a high enough level whereby they can provide appropriate challenge to external advice and can avoid undue reliance on such advice.

### **11.1 Banking services**

- a) The current supplier is HSBC.
- b) The account is based at the Arnold Branch, 104 Front Street, Arnold Nottingham NG5 7EG.
- c) The regulatory status is a banking institution authorised to undertake banking activities by the Financial Conduct Authority (FCA).
- d) The current contract commenced on 1 April 2019 and runs to 31 March 2025.
- e) The cost of service is based on a schedule of tariffs and is therefore dependent upon on volumes. The estimated cost is £14,200 per annum.
- f) Payments for services are generally due monthly.
- g) The Council may terminate the contract at any time by giving one month's notice.

### **11.2 Money-broking services**

Where necessary the Council will use money brokers for the purpose of arranging temporary borrowing, however such use is infrequent and is currently conducted via ICAP Europe Ltd on an ad-hoc basis only.

### **11.3 Treasury management consultancy services**

- a) The current supplier is MUFG Corporate Markets (previously Link).
- b) The address is 65 Gresham Street, London EC2V 7NQ.
- c) The regulatory status is an investment adviser authorised by the FCA.
- d) The current contract commenced on 5 January 2025 and runs to 4 January 2028.
- e) The estimated cost of the service is £11,500 per annum



#### **11.4 Credit rating agency**

The Council receives a credit rating service through its treasury management consultants, the cost of which is included in the consultant's fees (above).

### **TMP 12 – CORPORATE GOVERNANCE**

The Council is committed to the principle of openness and transparency in its treasury management function and in all of its functions.

The Council has adopted the CIPFA Code of Practice on Treasury Management and has implemented key recommendations on developing Treasury Management Practices (TMPs), formulating a Treasury Management Policy Statement and implementing other principles of the Code.

The following documents available for public inspection:

- a) The Treasury Management Policy Statement.
- b) The Treasury Management Strategy Statement (TMSS) incorporating the Annual Investment Strategy and the Minimum Revenue Provision policy statement.
- c) Quarterly treasury management monitoring reports.
- d) Annual treasury outturn report:
- e) Statement of Accounts and financial instruments disclosure notes.
- f) Annual budget
- g) Three-year capital plan and Capital Strategy.
- h) Minutes of Council and Cabinet meetings

## **TMP 13 - TREASURY MANAGEMENT PRACTICES FOR NON-TREASURY INVESTMENTS**

The Prudential Code and the CIPFA Treasury Management Code of Practice, CIPFA indicate that non-treasury investments will not be managed by the treasury management team, but that their function will be to collate summary information to include in the Annual Treasury Management report.

The Council recognises that investments taken for non-treasury management purposes require careful investment management. Such investments include loans supporting service outcomes, investments in subsidiaries, and those in investment property portfolios.

The Council's annual Treasury Management Strategy Statement (TMSS) will cover all its investments, and will set out, where relevant, specific policies and arrangements for non-treasury investments. It will include, where appropriate, a summary of existing material investments, subsidiaries, joint ventures, and liabilities including financial guarantees and contingent liabilities, and the Council's risk exposure. It will be recognised that the risk appetite for non-treasury activities may differ from that for treasury management.

CIPFA suggests that the Council should replicate, for non-treasury investments, TMPs1-12 above (for treasury investments) under TMP13 "as far as is relevant, practical and applicable", in particular TMPs 1,2,5,6 and 10. TMP13 will accordingly be expanded if exposure to non-treasury investments is planned in the future.

Commercial investment has been deemed unviable following HMT's confirmation that PWLB borrowing cannot be used for debt-for-yield investments.

Should it become appropriate, with regard to TMP1.1, treasury risk management, the Council will be clear as to the nature of each non-treasury investment and will record:

- a) Service investments.
- b) Commercial investments taken for mainly financial reasons, eg.
  - Property inside the borough area
  - Property outside the borough area
  - Investments in subsidiaries
  - Investments local authority owned companies
  - Council owned commercial or industrial estates
- c) Loans to other bodies.
- d) Loan guarantees.

The Council will also be clear as to the powers used for each non-treasury investment and will record the following information:

- a) Name of investment.
- b) Date the investment made.
- c) Any costs associated with the investment.
- d) Expected income.
- e) Approval details.
- f) Legal powers used.
- g) Purpose (eg. Income generation).
- h) Service (where relevant).

The following will also be documented:

- a) The extent to which the capital is placed at risk.
- b) The impact of any potential losses on the financial sustainability of the Council.
- c) Dates for periodic review, to take account of changes in market or other conditions.
- d) The name of the officer responsible for each non-treasury investment and its periodic monitoring.

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## Report to Cabinet

**Subject:** Capital Programme and Capital Investment Strategy 2025/26 to 2029/30

**Date:** 13 February 2025

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

### Wards Affected

All

### Purpose

This report summarises:

- a) The proposed Capital Investment Strategy for 2025/26 to 2029/30.
- b) The proposed Capital Programme for 2025/26 through to 2027/28 for approval, and the indicative Capital Programme for 2028/29 and 2029/30, in light of the Council's priorities and the resources available; and
- c) The Flexible Use of Capital Receipts Strategy 2025/26.

The Capital Investment Strategy, the Capital Programme and the Flexible Use of Capital Receipts Strategy determined by Cabinet at this meeting will be referred to Full Council on 5 March 2025 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. Agree the estimated capital financing available for 2025/26 through to 2029/30.
2. Agree the Capital Investment Strategy 2025/26 through to 2029/30 detailed at Appendix 1 and refer it to Full Council for approval on 5 March 2025.
3. Agree the Capital Programme for 2025/26 through to 2027/28 detailed at Appendix 2 and refer it to Full Council for approval on 5 March 2025.
4. Note the indicative Capital Programme for 2028/29 and 2029/30.

5. Agree the Flexible Use of Capital Receipt Strategy in Appendix 3 and refer to Full Council for approval on 5 March 2025.

## 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. The Capital Investment Strategy 2025/26, contained as an appendix to this report complies in full with the 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.
- 1.6 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), 2025/26 through

to 2029/30, 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.

- 1.7 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.
- 1.8 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.
- 1.9 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.
- 1.10 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 2025/26 through to 2029/30 is attached at Appendix 1.

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

- 3.1 The following table presents the proposed three-year Capital Programme for 2025/26 through to 2027/28 for approval, together with the indicative programme for a further two years to match the period of the MTFP as detailed in paragraph 1.6 above. The full programme of schemes is presented in Appendix 2.

Portfolio	Proposed Programme for Approval			Indicative Programme	
	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £
Lifestyles, Health & Well-being	270,000	280,000	380,000	0	60,000
Public Protection	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Environment	2,145,500	1,378,100	213,000	684,000	1,087,000
Life Chances and Vulnerability	1,100,000	0	0	0	0
Climate Change and Natural Habitat	367,000	222,000	222,000	222,000	222,000
Corporate Resources and Performance	1,330,900	685,300	445,000	445,000	445,000
<b>Total Capital Programme</b>	<b>6,413,400</b>	<b>3,765,400</b>	<b>2,460,000</b>	<b>2,551,000</b>	<b>3,014,000</b>

3.2 The proposed capital programme is derived from the following:

a) **Update of the Councils Digital Data & Technology Strategy**

Gedling's Digital, Data and Technology Strategy is central to the Council's transformation efforts and a critical enabler of more customer-centric, efficient ways of working. It sets the direction for how we will deliver better services for customers and how we will organise ourselves more efficiently, enabled by Council wide standards and approaches to service design, underpinned by joined up data and technology solutions.

The costs of the strategy and delivery of the roadmap was included in the budget for 2024/25 and was subsequently approved by Cabinet. The roadmap is progressing well and has been updated to reflect progress and changes to the plan. During 2024/25.

A Customer Relationship Management system (CRM) has been purchased in 2024/25, and the capital implementation costs up to 2026/27 are included in the table below. Once implementation is complete any remaining on-going costs will revert to being revenue costs.

In addition, a Waste Management System was included in the delivery programme in 2024/25 following the removal of the previous system. The system is to be purchased during 2024/25, however system implementation costs will follow in 2025/26 and 2026/27. These implementation costs include staff costs that will be capitalised under the Flexible Use of Capital Receipts Strategy (Appendix 3).

The table below has been refreshed to include the Capital implementation costs of the Waste Management System 2025/26-2026/27, and approval for the amendments is requested as part of this report. The programme will be funded by a mixture of Capital receipts, earmarked reserves, revenue budget contributions and prudential borrowing.

There is likely to be some further movement on this project due to the



onboarding of staff, this will be addressed as part of the Capital Outturn Report for 2024/25.

<b>Cost</b>	<b>2025/26 £</b>	<b>2026/27 £</b>	<b>Total £</b>
System Implementation Costs	576,800	179,600	756,400
Waste Management System	156,500	18,300	174,800
Project Implementation Costs (including Capitalisation of Appropriate Salaries)	242,900	60,700	303,600
<b>Total Capital</b>	<b>976,200</b>	<b>258,600</b>	<b>1,234,800</b>

b) **Schemes re-profiled from 2024/25**

Up to 30 November 2024 Schemes totalling **£748,200** have been approved for deferral in year by Cabinet to 2025/26, the deferred amounts are included in the capital programme set out in Appendix 2.

<b>Schemes Re-profiled from 2024/25</b>	<b>2025/26 £</b>
Vehicle Replacement Programme	537,000
Depot Works	130,000
Bestwood Country Park car park extension	36,200
Flood Alleviation Works	30,000
Carlton Cemetery Expansion - final phase	15,000
<b>Total</b>	<b>748,200</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 2026/27 through to 2029/30.
- Temporary Accommodation **£1,100,000**, final year of two-year programme, for the purchase of twelve additional temporary accommodation properties (over two years) due to increase in demand for the service, the 2025/26 allocation was to purchase six family homes, however, we are currently working on options to maximise the number of units we could purchase for this amount.

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

The table below shows the rolling programmes for replacement assets and maintenance to ensure continuation of existing service, this includes three new additions to the rolling programme

- Flood Alleviation programme

- Gym equipment replacement:
- Play area refurbishment

Programme	Proposed Programme			Indicative Programme	
	2025/26	2026/27	2027/28	2028/29	2029/30
	£	£	£	£	£
Vehicle Replacement Programme	1,919,000	1,309,800	163,000	634,000	1,037,000
IT Microsoft Licences	125,000	125,000	125,000	125,000	125,000
Asset Management Fund	220,000	220,000	220,000	220,000	220,000
Flood Alleviation Programme	50,000	50,000	50,000	50,000	50,000
Gym equipment replacement	270,000	280,000	380,000	0	60,000
Play area refurbishments	222,000	222,000	222,000	222,000	222,000
<b>Total</b>	<b>2,806,000</b>	<b>1,926,800</b>	<b>1,160,000</b>	<b>1,251,000</b>	<b>1,714,000</b>

Further details of these schemes are as follows:

- The Equipment Replacement budget of £70,000 has been merged with the Asset Management budget to form a combined budget of £220,000. This is due to historic underspending on the equipment budget and increased demand on Asset Management.
- Flood Alleviation, due to unprecedented rain fall and occasions of flooding over the past few years the Council has deemed it to be prudent to make provision for a rolling programme of works in the capital programme to alleviate flooding. Whilst some schemes have already been identified, the rolling programme will enable a pot of funding for schemes to be identified in year and funding drawn down as necessary.
- A rolling programme for the replacement of gym equipment. Replacement of equipment at Redhill Leisure Centre is scheduled in 2025/26. The partial replacement of Carlton Forum £100,000 and full replacement at Calverton Leisure Centre £180,000 is scheduled for 2026/27. These will require in year business cases and are to be funded through Prudential Borrowing. Any new gym equipment purchased will be to protect current income levels and will be considered in line with the Leisure Transformation Programme. Therefore, scheduled replacements may change as the transformation programme progresses.
- The rolling programmes includes the refurbishment of two play areas per annum. These will be 89% funded by FCC Community Foundation with 11% match funding through the Asset Management Reserve.
- The proposed Vehicle Replacement Programme for 2025/26 is shown in appendix 2 and this includes 2024/25 deferrals approved as part of budget monitoring report of £537,000. Changes to Waste regulations and current service delivery may result in the replacement programme changing, a full review will be carried out in year and reported to Cabinet as part of the budget monitoring process.

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

Bids for Play Area refurbishments and replacement of Gym Equipment were received however as they are essential for continuation of service they have been included as additions to the Replacement equipment/vehicles and asset maintenance programme 3.2 (d).

f) **Leisure Transformation**

The Council is currently undertaking a review to Transform its leisure provision, a project is current underway to consider plans for a new leisure Centre in the Carlton area. This project is in the early stages and a full business case will be prepared in order to ensure the viability of such a scheme including extensive financial modelling to ensure affordability and financial sustainability in the long term. Whilst we envisage that there may be some Capital expenditure in 2025/26, we do not currently have sufficient details to include this in the capital programme at this point. A separate report will be presented to Cabinet in due course with full financial details for consideration, request for budget approved in line with Financial Regulations and potential inclusion in the capital programme during 2025/26 financial year.

#### 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. In addition, the direction of flexible use of capital receipts as set out in the *Local Government Act 2003 sections 16(2)(b) and 20: Treatment of Costs as Capital Expenditure*, allows the use of capital receipts to fund the revenue costs of projects that provide future efficiencies to the Council and improve service delivery. This Capital Direction has been extended to continue until 2030.

The estimated annual capital receipt generation for 2025/26 to 2029/30 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. The amounts included under 'land sales' represent the use of capital receipts to fund the digital transformation programme.

There is a significant capital receipt expected from the sale of land in 2025/26, (the exact amount remains to be confirmed once costs of sale have been fully agreed). A proportion of this has been earmarked to contribute towards the cost of Digital Transformation as shown in the table below, with the remainder being set aside as a contribution to fund the Leisure Transformation Programme. The amount in the table below only sets out those Capital Receipts that will fund approved capital investment, so does not include any potential capital receipt to be set aside for Leisure Transformation, this will be presented with the Leisure Transformation Business case during 2025/26.

	Proposed Programme			Indicative Programme	
	2025/26	2026/27	2027/28	2028/29	2029/30
	£	£	£	£	£
Land Sales	894,700	345,300	105,000	105,000	105,000
General Capital Receipts	50,000	20,000	20,000	20,000	20,000
<b>Total Capital Receipt Estimate</b>	<b>944,700</b>	<b>365,300</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>

#### 4.2 Direct Revenue Financing

The use of earmarked revenue reserves and revenue equipment budgets as contributions to specific capital schemes totalling **£170,000** in 2025/26 are proposed as follows:

- a) £100,000 contribution from the Asset Management Reserve to meet the deferral of the Depot Works project
- b) £10,000 contribution from the Asset Management Reserve to meet the deferral of the Jackie Bell's play area refurbishment.
- c) £22,000 contribution from the Asset Management Reserve to meet the cost of Play area refurbishment rolling programme
- d) £38,000 contribution from Efficiency & Innovation Reserve to fund the implementation of Waste Management System

#### 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:

Capital Grants and Contribution	2025/26
	£
Disabled Facilities/Better Care Fund Grant (assumed £1.2m per annum ongoing 2025/26-2029/30)	1,200,000
FCC Community Foundation for play park investment	290,000
S106 contribution to Bestwood Country Park car park extension	36,200
<b>Total Grants and Contributions</b>	<b>1,536,200</b>

Disabled Facilities/Better Care Fund grant funding is paid by the Department for Levelling Up, Housing and Communities to Nottinghamshire County Council for distribution. The actual allocations to each District/Borough Council are agreed by the Nottinghamshire Health and Wellbeing Board. The budget in the table above is based on last year's allocations and will be updated to reflect actual grant once funding confirmation has been received.

#### 4.4 Prudential Borrowing

The total borrowing that is required to finance the proposed 2025/26 - 2027/28 capital programme is £6,089,900. It is currently estimated that a further £2,471,000 of borrowing will be required to finance the indicative capital programme for 2028/29 - 2029/30. The proposed borrowing amounts are detailed in paragraph 4.5 below.

The Council's Prudential Indicators in respect of both the proposed programme 2025/26 through to 2027/28 and the indicative programme for 2028/29 and 2029/30 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 2025/26 through to 2027/28 programme is summarised below:

Capital Resources	Proposed Programme			Indicative Programme	
	2025/26	2026/27	2027/28	2028/29	2029/30
	£	£	£	£	£
Use of Capital Receipts	944,700	365,300	125,000	125,000	125,000
Direct Revenue Financing	170,000	22,000	22,000	22,000	22,000
Grants and Contributions	1,526,200	2,013,800	1,400,000	1,400,000	1,400,000
<b>Total Cash Resource</b>	<b>2,640,900</b>	<b>2,401,100</b>	<b>1,547,000</b>	<b>1,547,000</b>	<b>1,547,000</b>
Prudential Borrowing	3,772,500	1,364,300	913,000	1,004,000	1,467,000
<b>Total Financing</b>	<b>6,413,400</b>	<b>3,765,400</b>	<b>2,460,000</b>	<b>2,551,000</b>	<b>3,014,000</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 2025/26 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 2025/26 – 2029/30

Appendix 2 - Proposed Capital Programme 2025/26 – 2027/28 (including Indicative Programme 2028/29 and 2029/30)

Appendix 3 – Flexible Use of Capital Receipts Strategy 2025/26

## **10. Background Papers**

- Prudential and Treasury Indicators and Treasury Management Strategy Statement 2025/26
- Gedling Plan 2023-27

## **11. Reasons for Recommendations**

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

**Statutory Officer approval:**

**Approved by:** Chief Financial Officer

**Date:** 4 February 2025

**Approved by:** Monitoring Officer

**Date:** 4 February 2025



**CAPITAL INVESTMENT  
STRATEGY  
2025/26 to 2029/30**

# CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30

## 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;



## CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30

- 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 Councils 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	
	2025/26	2026/27	2027/28	2028/29	2029/30
	£	£	£	£	£
<b>Expenditure:</b>					
Gedling Assets	5,213,400	2,565,400	1,260,000	1,351,000	1,814,000
Disabled Facilities Grant	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
<b>Total Programme</b>	<b>6,413,400</b>	<b>3,765,400</b>	<b>2,460,000</b>	<b>2,551,000</b>	<b>3,014,000</b>
<b>Financed by:</b>					
Capital Receipts	944,700	365,300	125,000	125,000	125,000
Direct Revenue Financing	170,000	0	0	0	0
Grants and Contributions	1,526,200	2,013,800	1,400,000	1,400,000	1,400,000
Borrowing Requirement	3,772,500	1,364,300	913,000	1,004,000	1,467,000
<b>Total Financing</b>	<b>6,413,400</b>	<b>3,765,400</b>	<b>2,460,000</b>	<b>2,551,000</b>	<b>3,014,000</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.

# CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30

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.

## **CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30**

- A process of declaring property assets as surplus will be led by the Director of Operations 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 2025/26 to 2029/30

- 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 2025/26 to 2029/30

## 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**

## CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30

The final settlement figures for 2025/26 were announced by the Ministry of Housing, Communities and Local Government (MHCLG) on 3 February 2025, which is a single year settlement. The final settlement followed a consultation on the provisional settlement, which closed on 15 January 2025. 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 3 February 2025 related only to 2025/26 and is a one-year settlement and there was no multi-year settlement that many local authorities were hoping for. The announcement of Local Government Reorganisation now puts limited chance of future multi-year settlements, and the long-awaited fair funding review. Both the Funding Guarantee and the Services Grant have been removed for 2025/26 and replaced with a new Funding Floor grant and a Recovery Grant, however for Gedling the introduction of these two new grants has had a detrimental effect with a reduction of £118k or 48%.

In the Autumn Statement the Government announced they would fund the increase in National Insurance Contributions for Councils, however, the final settlement revealed that Gedling's allocation is only £114k against a pressure of almost £400k. New Homes Bonus has been continued for 2025/26. Core settlement funding was uplifted with Revenue Support Grant increasing by CPI, and an increase in baseline funding levels. Despite the Government's statement that Core Spending Power will increase by 6.8% in real terms Gedling's Core Spending Power is an increase of 0.92%. An increase in baseline funding levels but only by grants rolled to the settlement agreement.

The one-year settlement means that there is still no clarity over funding levels after March 2026. This continues to hamper meaningful financial planning at a time when demand for services is still high. This resulting level of uncertainty means in practice that local authorities will find it much harder to plan and fund not only capital expenditure, but also its core services, this will be further hampered until a decision around the future structure of Local Government is decided.

In light of the significant pressures, local authorities must now explore alternative sources of funding capital expenditure over the new few years. 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

## CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30

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 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.

# CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30

## **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.



## CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30

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.

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.

In addition, given the current Direction from the Government to enable the flexible use of capital receipts to fund the revenue costs of projects that reduce costs and improve efficiency, the Council may choose to divert these resources to suitable appropriate projects once the required level of approval has been granted in line with the latest Government Direction.

**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 2025/26 to 2029/30

## 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 2025/26 to 2029/30

## The Capital Budgeting Process

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

- Assistant Directors and Budget Holders 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.

Assistant Directors and Budget Holders submit proposed capital schemes on development bid pro-formas. 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 Assistant Directors and Budget Holders 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 Chief Finance Officer.

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.

## CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30

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

### 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 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 2025/26 to 2029/30 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 71 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 2025/26 to 2029/30 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 30 points	Automatic Proposal
Less than 30 but are a satisfactory Requirement or an Health & Safety issue	Automatic Proposal
Between 15 and 30 points	Include with Cabinet Support
Less than 15 points	Disregard or second consideration if compelling circumstances i.e. vital for continuation of service delivery of statutory functions etc.

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.

# CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30

## 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 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.
- Quarterly capital monitoring meetings will form part of the “Making Meetings Matter” agenda and will be part of the Budget & Performance Board meeting. The Board will 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.
- Assistant Directors and Budget Holders 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 periodic basis (either every three or four months), 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.

# CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30

## 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.

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. Economy</b>			
i SKILLS AND EMPLOYMENT	0 – 1		
ii BUSINESS	0 – 1		
iii TOWN AND LOCAL CENTRES	0 – 1		
iv VISITORS	0 – 1		
<b>Total for 1a:</b>	<b>Maximum points =</b>	<b>4</b>	<b>0</b>
<b>Weighting due to performance indicator:</b>		<b>1</b>	<b>1</b>
<b>b. Community</b>			
i POVERTY AND THE VULNERABLE	0 – 1		
ii CHILDREN AND YOUNG PEOPLE	0 – 1		
iii EQUALITY, DIVERSITY AND SOCIAL INCLUSION	0 – 1		
iv HEALTH AND WELLBEING	0 – 1		
<b>Total for 1b:</b>	<b>Maximum points =</b>	<b>4</b>	<b>0</b>
<b>Weighting due to performance indicator:</b>		<b>1</b>	<b>1</b>
<b>c. Place</b>			
i CLEANLINESS, ENVIRONMENT AND CLIMATE CHANGE	0 – 1		
ii PRIDE OF PLACE	0 – 1		
iii COMMUNITY PROTECTION	0 – 1		
iv HOUSING	0 – 1		
<b>Total for 1c:</b>	<b>Maximum points =</b>	<b>4</b>	<b>0</b>
<b>Weighting due to performance indicator:</b>		<b>1</b>	<b>1</b>
<b>d. Carbon Net Zero</b>			
i Does the proposal contribute to reducing energy and or meet the Zero net Carbon agenda	0 - 4		
<b>Total for 1d:</b>	<b>Maximum points =</b>	<b>4</b>	<b>0</b>
<b>Weighting due to performance indicator:</b>		<b>1</b>	<b>1</b>

## CAPITAL INVESTMENT STRATEGY 2025/26 to 2029/30

<b>2. Other</b>			
a. Statutory Implications incl urgent Health & Safety - Must Fund	<b>25 pts</b>		
b. Business Continuity (don't score if scored under Statutory)	<b>20 pts</b>		
<b>Total for 2:</b>	<b>Maximum Points = 25</b>	<b>0</b>	<b>0</b>
<b>3. Measure of Finance Impact</b>			
a. External Funding	<b>0 - 10</b>		
b. Income Generation	<b>0 - 10</b>		
c. Cost neutral	<b>0 - 10</b>		
d. VFM	<b>0 - 10</b>		
e. Risk	<b>0 - 10</b>		
f. Capital Receipt Generation	<b>0 - 10</b>		
<b>Total for :</b>	<b>Maximum points = 20</b>	<b>0</b>	<b>0</b>
<b>4. Total points</b>	<b>Maximum points possible = 71</b>	<b>0</b>	<b>0</b>



**Proposed Capital Programme 2025/26 - 2027/28 and Indicative Programme 2028/29 to 2029/30**

	Capital Programme for Approval			Indicative programme	
	2025/26	2026/27	2027/28	2028/29	2029/30
<b><u>Lifestyles, Health &amp; Well-being</u></b>					
Gym Equipment Replacement	270,000	280,000	380,000	0	60,000
<b>Lifestyles, Health &amp; Well-being Total</b>	<b>270,000</b>	<b>280,000</b>	<b>380,000</b>	<b>-</b>	<b>60,000</b>
<b><u>Public Protection</u></b>					
Disabled Facilities Grant	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
<b>Public Protection Total</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>1,200,000</b>
<b><u>Environmental Services</u></b>					
Vehicle Replacement Programme	1,919,000	1,309,800	163,000	634,000	1,037,000
Waste Management System	156,500	18,300	0	0	0
Flood alleviation works - Rolling Programme	50,000	50,000	50,000	50,000	50,000
Waste Management System - Replacement De	20,000	0	0	0	0
<b>Environmental Services Total</b>	<b>2,145,500</b>	<b>1,378,100</b>	<b>213,000</b>	<b>684,000</b>	<b>1,087,000</b>
<b><u>Climate Change and Natural Habitat</u></b>					
Play Area refurbishment - Rolling Programme	222,000	222,000	222,000	222,000	222,000
Jackie Bells Play Area	100,000	0	0	0	0
Flood Alleviation Works	30,000	0	0	0	0
Carlton Cemetery Expansion	15,000	0	0	0	0
<b>Climate Change and Natural Habitat Total</b>	<b>367,000</b>	<b>222,000</b>	<b>222,000</b>	<b>222,000</b>	<b>222,000</b>
<b><u>Life Chances and Vulnerability</u></b>					
Temporary Accommodation	1,100,000	0	0	0	0
<b>Life Chances and Vulnerability Total</b>	<b>1,100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Corporate Resources &amp; Performance</u></b>					
Digital Transformation	819,700	240,300	0	0	0
Asset Management Fund	220,000	220,000	220,000	220,000	220,000
IT Licences	125,000	125,000	125,000	125,000	125,000
Depot Works	130,000	0	0	0	0
Bestwood Country Park CP Extension	36,200	0	0	0	0
Future Resource Development Bids	0	100,000	100,000	100,000	100,000
<b>Corporate Resources &amp; Performance Total</b>	<b>1,330,900</b>	<b>685,300</b>	<b>445,000</b>	<b>445,000</b>	<b>445,000</b>
<b>Total Capital Budget</b>	<b>6,413,400</b>	<b>3,765,400</b>	<b>2,460,000</b>	<b>2,551,000</b>	<b>3,014,000</b>

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# Flexible Use of Capital Receipts Strategy 2025/26

## February 2025



## **Contents**

1. Introduction
2. Background
3. Proposed Investments
4. Historic use of Capital Receipts up to 2023/24
5. Impact on Prudential Indicators
6. Monitoring the Strategy

## 1. Introduction

To support local authorities to deliver more efficient and sustainable services, a time limited flexibility is currently available to use capital receipts from the disposal of property, plant and equipment assets to fund the revenue cost of service reform.

Under normal rules, capital receipts can only be used to fund capital expenditure such as the purchase of capital assets or improvements to existing assets.

The Department for Levelling Up, Housing & Communities have issued an extension to a Direction and published guidance that enables Councils to use income from the sale of certain assets to fund the short-term revenue costs that support Transformation, Invest-to-save and efficiency projects in order to provide revenue savings in the future.

This strategy sets out the intended use of this flexibility and applies to the financial year 2024/25 and for each subsequent financial year to which the flexible use of capital receipts direction applies (currently 2029/30 is the last year). The Strategy will be updated as part of the annual budget process in subsequent years.

The flexibilities fit well with the Council's Medium Term Financial Plan for achieving financial sustainability through transformation projects, including efficiency measures and invest-to-save projects. Given the level of savings required over the medium-term and the number and scope of projects within the plan, it will be important to provide funding for these projects. The use of capital receipts means that these essential projects can be progressed without putting additional pressure on revenue resources.

## **2. Background**

Capital receipts can only be used for specific purposes, and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under Section 11 of the Local Government Act 2003. The main permitted purpose is to fund capital expenditure, and the use of capital receipts to support revenue expenditure is not allowed by the regulations. The Secretary of State is empowered to issue Directions allowing revenue expenditure incurred by local authorities to be treated as capital expenditure and therefore funded by capital receipts.

In the Spending Review 2015, the Chancellor of the Exchequer announced the Government would allow local authorities to spend up to 100% of their capital receipts on the revenue costs of transformation projects, to support local authorities to deliver more efficient and sustainable services.

The Secretary of State for Communities and Local Government issued a Direction in March 2016, giving local authorities greater freedoms to use capital receipts to finance expenditure, up until 2018/19. Allowing local authorities to treat qualifying expenditure on transformation projects as capital expenditure and to fund it from capital receipts received after April 2016. Qualifying expenditure was defined as: “Expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.”

This was extended in 2018/19 as part of the Local Government Finance Settlement for a further three years until 2021/22. Then, in the 2022/23 Provisional Local Government Finance Settlement it was announced “a 3-year extension from 2022-23 onwards of the existing flexibility for councils to use capital receipts to fund transformation projects that produce long-term savings or reduce the costs of service delivery”. On 4 April 2022, the Department of Levelling Up, Housing, and Communities confirmed this extension to 2024/25 and published Guidance and a Direction.

It was announced by Government alongside the Provisional Settlement on 18 December 2023 that the current scheme, which currently applies to expenditure and receipts incurred between 1 April 2022 and 31 March 2025, has been extended to 31 March 2030. Therefore, to make eligible use of the scheme the capital receipts, and any qualifying revenue expenditure, need to be incurred between 1 April 2022 and 31 March 2030.

## **3. Proposed Investments**

The Revenue and Capital Budget reports for 2025/26 will be presented for approval by Full Council on 5<sup>th</sup> March 2025 and set out the Councils proposed investment for in its Digital, Data & Technology Strategy.

This Strategy is central to the Council's transformation efforts and a critical enabler of more customer-centric, efficient ways of working. It sets the direction for how we will deliver better services for customers and how we will organise ourselves more efficiently, enabled by Council wide standards and approaches to service design, underpinned by joined up data and technology solutions.

The purpose of this strategy is to provide a clear vision and direction for Digital, Data and Technology within Gedling over the next three years. It sets out our ambitions for improving our ways of working by making better use of technology, with the aim of helping us to become more efficient and customer focused on how we deliver our services.

The strategy is a significant investment which will enable the Council to deliver long term financial efficiencies which are expected to start to be realised in 2025/26 and will increase over the next few years as the strategy and associated roadmap progresses. The initial costs of implementation will be a mixture of both revenue costs and capital costs, which are eligible for flexible use of capital receipts. Any on-going revenue costs have been factored into the medium-term financial plan and will be funded by future efficiencies arising from this transformation or the general fund revenue budget.

The Digital, Data and technology Strategy is part of an overall two to three-year transformation programme.

This transformation programme is supported by a staffing restructure which put additional resource into the council in order to deliver transformation projects (particularly around Digital Transformation). It is currently envisaged that between 60-80% of these posts will be delivering one-off transformation projects to the Council, therefore only this element will be subject to funding by flexible use of capital receipts over a two-year period, the remainder of the posts will be delivering business as usual activities and funded through the general fund revenue account.

At its meeting on 6<sup>th</sup> March 2024 Full Council approved the authority to use the powers under the Governments Statutory Guidance to the flexible use of capital receipts to fund **£1.987m** of qualifying between transformation expenditure in order to support projects over the course of 2024/25 to 2026/27 as summarised in **Tables 1 and 2** below.

system. The system was purchased in 2024/25 table 1a below sets out the project implementation costs -over 2025/26 and 2026/27. The total revised estimate for flexible use of Capital Receipts is now **£2.122m**.

There may be some deferral of expenditure from 2024/25 into 2025/26 due to onboarding of staff, these will be considered as part of the outturn report and the annual Flexible Capital Receipts return which is made to the Government, any revision to this strategy will then be made and brought forward for approval as part of the budget monitoring process (including outturn).

<b>Table 1: Digital Data &amp; Technology Implementations Costs</b>			
<b>Project</b>	<b>Lead Officer</b>	<b>Value £</b>	<b>Use of Capital Receipts</b>
Customer Relationship Management System and Software	Director of Transformation	215,000	2024/25
		20,000	2025/26
Integration Capability- Web service enablement/orchestration layer	Director of Transformation	150,000	2024/25
ICT service Management solution software and implementation	Director of Transformation	45,000	2024/25
ICT Staffing Implementation Costs (2 years fixed term Contracts)	Director of Transformation	395,200	2024/25
		556,800	2025/26
		179,600	2026/27
<b>Total</b>		<b>1,561,600</b>	

<b>Table 1a Inclusion of Waste Management System</b>			
<b>Post</b>	<b>Lead Officer</b>	<b>Value £</b>	<b>Use of Capital Receipts</b>
Project Manager	Director of Transformation	58,400	2025/26
		7,300	2026/27
Senior Business Analysis (50%)	Director of Transformation	29,200	2025/26
		10,200	2026/27
Business Analysis (50%)	Director of Transformation	20,400	2026/27
		10,200	2027/28
<b>Total Additions</b>		<b>135,700</b>	



<b>Position</b>	<b>Lead officer</b>	<b>Value £</b>	<b>Use of Capital Receipts</b>
Director of Transformation (80%)	Deputy Chief Executive	70,950	2024/25
		94,600	2025/26
		23,650	2026/27
Assistant Director Digital Data & Technology (80%)	Director of Transformation	53,550	2024/25
		71,400	2025/26
		17,850	2026/27
Assistant Director of Customer Engagement (60%)	Deputy Chief Executive	34,950	2024/25
		46,600	2025/26
		11,650	2026/27
<b>Total</b>		<b>425,200</b>	

#### **4. Historic use of Capital receipts up to 2023/24**

The Council first exercised to use its option to use the capital receipts flexibility direction in 2024/25. Each year this option will be exercised a revised strategy will be presented to Full Council as part of the annual budget reports and submitted to the Secretary of State following approval by Full Council.

#### **5. Impact on Prudential Indicators**

The Council has due regard to the requirements of the Prudential Code and the impact on its prudential indicators from the application of this Flexible Use of Capital Receipts Strategy.

Any capital receipts which are received and not allocated will be used to fund revenue costs incurred to support the Council's Transformation Programme and delivery of savings and efficiencies. These receipts have not been earmarked as funding for any other proposed capital expenditure and therefore there is no anticipated additional impact on the Council's prudential indicators as set out in the Council's Treasury Management Strategy.

The prudential indicators show that this strategy is affordable and will not affect the Council's operational boundary and authorised borrowing limit.

The Council will also have due regard to the Local Authority Accounting Code of Practice when determining and including the entries required from undertaking and funding this scheme within the 2024/25 Statement of Accounts.

#### **6. Monitoring the Strategy**

Implementation of this Strategy will be monitored as part of regular financial reporting arrangements.





## Report to Cabinet

**Subject:** Gedling Plan Quarter 3 2024/25 Report

**Date:** 13 February 2025

**Author:** Senior Leadership Team

### Wards Affected

Borough-wide

### Purpose

To inform Cabinet in summary of the position against Improvement Actions and Performance Indicators in the 2023-27 Gedling Plan at the end of Quarter 3 of 2024/25.

### Key Decision

This is not a key decision.

### Recommendation

#### THAT:

The progress against the Improvement Actions and Performance Indicators in the 2023-27 Gedling Plan for the end of Quarter 3 of 2024/25 be noted.

## 1 Background

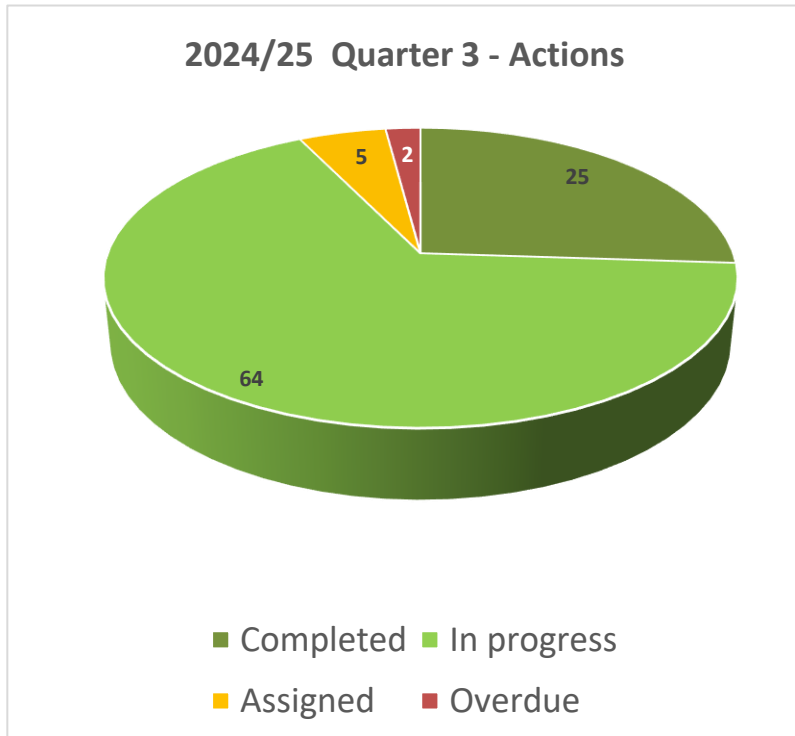
- 1.1 The Council has made a commitment to closely monitor its performance. This is in line with accepted good practice. To deliver this commitment, systems to monitor performance against improvement activity and performance indicators are put in place and next year the council will align more closely its performance management with the budget for more robust monitoring.
- 1.2 In addition, performance reports now focus more directly on the Council's priorities and offer an "early warning" system of instances where targets may not be secured.
- 1.3 The assessment criteria used for actions and indicators is based on red, amber and green traffic light symbols. To be assessed as green, performance indicators must be in line with their expected performance at this stage of the year, whilst actions must be on target against the "completed" or "in progress" milestones determined within the performance management system, Ideagen Risk (formally known as Pentana).

## 2 Proposal

2.1 It is proposed that Cabinet note the performance information for the Gedling Plan 2023-27 at the end of Quarter 3 of 2024/25 as set out below.

### 2.2 Actions

At this stage, of the 96 actions currently active in the Gedling Plan 2023-27, 25 are complete, 64 in progress, 5 assigned and 2 are overdue. Please see **Appendix A** for more details.



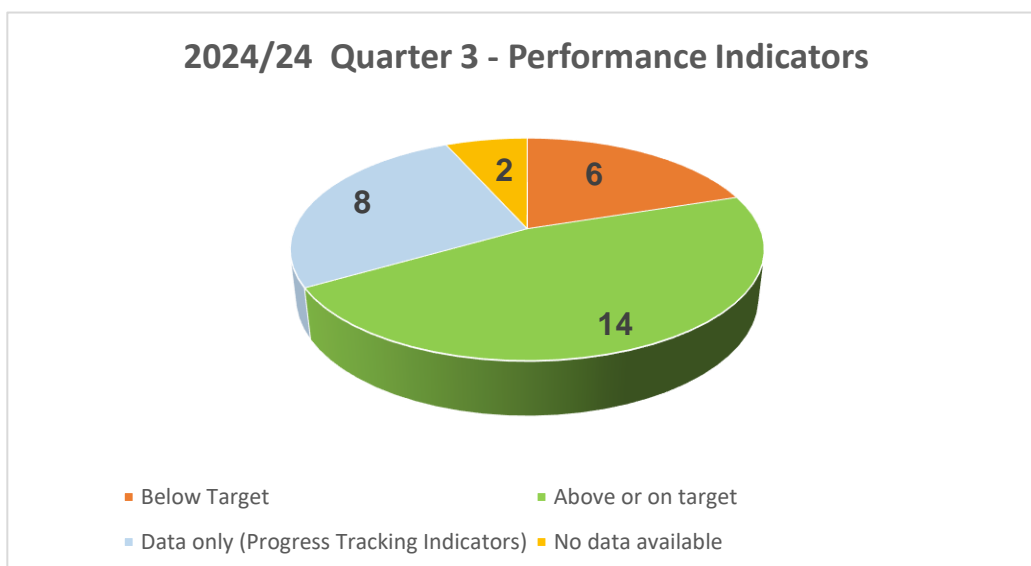
There are 25 completed actions as follows:

- Produce annual report – this was reported to Cabinet on 17 July 2024.
- Ensure continued compliance with Election Act changes through updates to staff and Members on changes to impact elections in 2024.
- Implementation of revised induction process (all employees) to include both departmental and corporate material.
- Produce Council Productivity Plan - Report presented to Cabinet on 17 July 2024 and sent to government and uploaded to the council website.
- Invest in new and upgrade CCTV in priority hot spots.
- Ensure recruitment and Selection Training includes training to avoid bias.
- Review content of Learning carousel and deliver bi-monthly training workshops to improve management skills (to include process training e.g. casual recruitment).
- Develop recruitment processes to improve opportunity and access for areas that are under-represented.
- Designated Resettlement Officer to work directly with refugees and asylum seekers.

- Establish a corporate Health and safety Training Plan across the Council
- Coordinate a manageable number of work experience placements (school age and working age placements)
- Coordinate the supported internship programme.
- Support and coordinate ongoing compact with Nottingham Trent University.
- Develop and implement plans to support improvements to the borough's town and rural Centres.
- Install a bird hide on the lower lagoons as part of the 10-year development strategy for the improvement of Gedling Country Park.
- Celebrate our local achievements (Pride of Gedling awards)
- Put in place a design code for the Borough.
- Identify and implement a method (interim or permanent) to record (and report on) completion compliance for mandatory training.
- Establish and deliver an annual calendar of Stakeholder Group meetings.
- Deliver a communications plan to stakeholder groups, including community, parish council, commissioned partners.
- Enable and maximise targeted resources to those most vulnerable in Gedling and wider residents as appropriate.
- Enable the Gedling Youth Council to scrutinise, advise upon and champion services to young people and ensure ongoing promotion of initiatives and support offers for young people i.e. 'Nottalone' website.
- Complete the development and market the AMP Enterprise Centre funded by UKSPF grant.
- Continue to work with partners and stakeholder to join up services.
- Roll out new Risk Management Framework to Officers and Members

### 2.3 Indicators

Overall indicator performance at the end of Quarter 3 shows that out of a total of 30 indicators 14 were on or above target, 6 were below target, 8 indicators are for data tracking purposes only and for 2 indicators data is not available. Please see **Appendix B** for more details.



2.4 Examples of particularly positive performance for Quarter 3 include:

<b>Performance Indicator</b>	<b>Figure reported</b>	<b>Target</b>	<b>Period covered</b>
Number of visits to leisure centres	302,207	262,750	October to December
Current number of DNA members	4,495	4,500	October to December
Number of attendances - Bonington Theatre	14,026	13,943	October to December
Percentage of Council Tax collected	80.85%	73.88%	October to December
Percentage of Business Rates Collected	81.82%	74.17%	October to December
Percentage of invoices paid within 30 days	99.02%	99.00%	October to December
Percentage of calls to the contact centre answered (or call back made) - 12 month rolling total	98.3%	94.0%	12 months rolling total
Percentage of food premises scoring 4 or 5 in the national food hygiene rating scheme	95%	95%	October to December
Percentage of Major planning applications processed within 13 weeks	100%	100%	October to December
Percentage of Minor planning applications processed within 8 weeks	89.47%	86.00%	October to December
Percentage of other planning applications processed within 8 weeks	85.06	80.00	October to December
Working Days Lost Due to Sickness Absence (rolling 12-month total)	9	9	October to December
Percentage of fly tipping incidents removed within 10 working days	97.52%	98%	Year to date
Net additional homes provided	150	116	October to December

2.5 The following performance indicators missed their target at the end of Quarter 3:

**LI074 Average time to process new Housing Benefit claims -**

Performance: 24 days against the target 15 days and **LI075 Average time to process Housing Benefit change in circumstances (in calendar days) –**  
Performance: 11.3 days against the target 5 days.

The Department has experienced several long-term sicknesses which has resulted in a backlog of work which is now being cleared which should result in a reduction in processing times in the oncoming months.

**LI379 Average number of Swim School Members (12 month rolling period)-**

Performance: 4,039 against target 4,200.

December had a drop off in swim lesson members which is typical at this time of the year. Despite the lower figure in December, October and November were above the end of year target of 4200. There is a planned marketing and communication plan for Q4 which will provide us with the opportunity to recover the lost members.

**NI155 Number of affordable homes delivered (gross) –** Performance 39 against target 57.

The target has been missed as the completion of affordable housing units at Rolleston Drive has been slower than anticipated. Higher completion rates at this site and across the Borough are expected in the next quarter, but the end of year target may not be achieved.

**LI 314 Number of rented households with health and safety hazards that fall below the minimum legal standard that have been remediated following the council's intervention –** Performance: 8 against target 13.

The service has improved less properties this quarter than the projected target. Resources this quarter have been focussed on the launch of the new phase 1A selective licensing scheme in Netherfield and raising awareness supporting landlords to apply.

**LI118 Number of long term (over 6 months) empty homes in the Borough returned to use as a result of Gedling Borough Council intervention -**  
Performance: 17 against target 18.

17 properties returned to use out of a target of 18. Have previously exceeded the targeted in earlier quarters.

## 2.6 Compliments and Complaints

In Quarter 3, the Council received 42% more compliments and 15% fewer complaints than in quarter 2 2024/25. 29% of all complaints that the Council received in Quarter 3 were upheld.

The complaints continue to be reviewed by the Senior Leadership Team and any lessons learnt are shared across the relevant team(s).

- 2.7 A separate report has been produced highlighting additional key achievements, corporate activities and projects delivered during quarter 3. Please see **Appendix C** for more details.

The following achievements and corporate activities are identified for particular attention:

**Ambition Arnold masterplan approved** - Following the Ambition Arnold public consultation, a Cabinet report was produced and presented to Members in December, where the Ambition Arnold Masterplan was approved. The Visionary Masterplan provides a strategic framework designed to revitalise Arnold town centre and address its long-term sustainability.

**Carlton Long Term Plan for Towns** - the Council continued to develop the initial 3-year investment plan and 10-year vision through to completion at end of October 2024. Within quarter 3, the government has positively confirmed that it will honour the 20m funding award as part of a repurposed program with revised guidelines.

**Challenge Poverty Event** – As part of Challenge Poverty Week, the council held a free event during October at the Civic Centre. The council and the DWP worked alongside a range of external organisations that attended this event to provide advice and support to residents struggling financially. The event well-attended.

**Sports Clubs funding** – Gedling Borough Council received funding from the UK Shared Prosperity Fund to support improvements to local sports facilities across the borough, making them more accessible and helping to enhance the community's access to high-quality sporting opportunities.

**Pride of Gedling Awards** - Gedling Borough Council hosted the 9th annual Pride of Gedling Awards in November. Over 120 nominations were received over the six categories. The event was held in the Civic Council Chamber and was attended by local residents, businesses, community leaders and Cabinet members. The event was fully funded by external sponsors and showcased the best of the borough's local community.



### **3 Alternative Options**

- 3.1 Not to present an update on quarterly performance, in which case Cabinet members will not be aware of performance against the Gedling Plan 2023-27.

### **4 Financial Implications**

- 4.1 There are no financial implications arising out of this report.

### **5 Legal Implications**

- 5.1 There are no legal implications arising out of this report.

### **6 Equalities Implications**

- 6.1 There are no equalities implications arising out of this report.

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

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

### **8 Appendices**

- 8.1 Appendix A – Quarter 3 Actions Report

Appendix B – Quarter 3 Performance Indicator Report

Appendix C – Examples of achievements, projects and corporate activities during Quarter 3 of 2024/25.

### **9 Background Papers**

- 9.1 None identified.

### **10 Reasons for Recommendations**

- 10.1 To ensure Members are informed of the performance against the Gedling Plan 2023-27.



# Quarter 3 Action Report



Status	
Overdue	2
In Progress	64
Assigned	5
Completed	25

## Theme COMMUNITY

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
COMM11.01 Continue to work with partners and stakeholder to join up services	Customer engagement	Deputy Leader Resources and Performance		31-Mar-2025	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%	Partnership network at hubs is established and functioning well. Regular hub partner meetings taking place weekly.  Quarterly meetings with all building partners (police, DWP) alongside estates taking place on a quarterly basis.

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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Wider partnership network meetings are established and run by communities with representation and feedback to customer services.

**Stakeholder Partnerships**

**The Gedling Seniors Council met on Friday 12th April (AGM) and 14th June** respectively to agree this year's theme of **Staying Active (April)**, and of **Staying Active Socially (June)**. Members shared and discussed examples of groups and activities available in the Borough, opportunities and challenges involved in staying active, including travel, amenities, learning, dancing, crafts and social connection. JA gave updates on the Carlton Towns Fund, and members made plans for the Arnold Summer Fair, at which the Seniors Council, in partnership with the Gedling Caribbean Elders, would be hosting the stage with a Hidden Heritage themed poetry reading, and commemorating a memorial tree for recently deceased active SC Member and Elders Member Mrs Anderson.

COMM11.02  
Establish and deliver an annual calendar of Stakeholder Group meetings

Communities, Leisure and wellbeing

Communities and Place





31-Mar-2025









Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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**Gedling Parish Clerks meeting**

A meeting of the Gedling Parish Clerks was held on **Weds 24th April**. Clerks were advised of upcoming opportunities to apply for UKSPF Strength In Community and Town Centre Grants, updated on the UKSPF Strength In Community VCS Support model commissioned work, the Carlton Towns Fund and plans for this year's Parish Conference. There was interest in engaging on Local Neighbourhood 10-year plans, which are imminently up for renewal, and members requested a link to the Parks and Open Spaces Strategy/Playing Pitch Strategy for that purpose. A further meeting of the Parish Clerks took place on **Weds 17th July**, at which Clerks engaged with Planning Policy officers on the Greater Nottingham Strategic Plan, and the Council's proposed Design Code, some new interactive guidance to assist with planning applications in terms of design requirements.

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p><b>Gedling Community Hubs and Partners meeting</b></p> <p>A meeting of the above group was held on <b>Thursday 27th June</b>. Members were similarly updated on the last chance to apply to the SIC VCS Support Grant, the upcoming Carlton Towns Fund and their imminent opportunity to submit project proposals where eligible. Feedback was received on successful UKSPF Futures Grants to two local organisations present at the meeting, and others across the Borough not in attendance. JA advised on progress with the UKSPF VCS Support modelling NCVS Commission, and a date and format was agreed for the Community Voices Event at RHC on Thursday 5th September, which will bring VCS groups and organisations together in a relaxed conference with food to 'workshop', further shape and achieve buy in to the model.</p>
COMM11.03 Deliver a communications plan to stakeholder	Communities, Leisure and wellbeing	Communities and Place		31-Mar-2025		An annual calendar of Communities Team led stakeholder group meetings was considered by CMT in early Spring 2024 and approved for circulation to all

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
groups, including community, parish council, commissioned partners, Gedling Seniors and Youth Councils.						departments for engagement and consultation planning purposes. This has already resulted in timely consultation by the Deputy Chief Executive with the Youth Council on the Council's Equality and Diversity policy, GBC Planning Policy and Communities Team engagement with the Parish Clerks group on the Greater Nottingham Strategic Plan, Carlton Towns Fund and new Design Code to assist with Planning Applications. Clerks also worked with RCAN to plan and design the Parish Conference 2024/25. Additionally, the Assistant Director for Regeneration will attend the Gedling Youth Council meeting on Monday 22nd July to discuss consultation with and representation on the Carlton Towns Fund Board.
COMM11.04 Enable and maximise targeted resources to those most vulnerable in Gedling and wider residents as appropriate	Communities, Leisure and wellbeing	Life Chances and Vulnerability		31-Mar-2025		

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
COMM12.01 Deliver the Gedling Employability Programme to schools across the Borough	Housing, growth and regeneration	Sustainable Growth and Economy		31-Mar-2025		<p>Our employability programme has been successfully delivered across schools with the added inclusion of working with the Festival of Science this year.</p>
						<p>Communities Team are working alongside partners preparing for the launch of the second Family Hub in Gedling (Arnbrook). This will take place in January 2025.</p>
COMM12.02 Engage with the NCC Children and Families Service	Communities, Leisure and wellbeing	Life Chances and Vulnerability		31-Mar-2025		<p>Communities Team are supporting the Family Hubs to create a Gedling Children and Young People network; to support the role out and co-ordination of the Family Hub offer in the Borough.</p> <p>The Community Connector network meeting coordinated by the Council is providing an opportunity for local partners to share updates on their current work programmes.</p> <p>Conversations focused on the future of the Carlton Community Connector role and the rise in scam/fraud cases in the local community.</p>



Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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The Family Hubs have been promoted through the Council's Health and Wellbeing e-newsletter.

Successful engagement by Gedling BC with the Countywide Family Hubs Partnership over the last two years has resulted in a Netherfield Family Hub pilot, growth and integration with other Children's Centres, i.e. Killisick, and the emergence of a Gedling Children and Families Hub Stakeholder Network comprising of Lead VCS organisations and commissioned partners delivering family support and activities in the Borough from January 2025 onwards.

COMM12.03  
 Enable the Gedling Youth Council to scrutinise, advise upon and champion services to young people and ensure ongoing promotion of initiatives and support offers for young people i.e. 'Nottalone' website.

Communities, Leisure and wellbeing


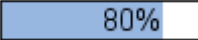


Life Chances and Vulnerability



31-Mar-2025



A new Gedling Youth Council has been successfully inducted to the Council, already undertaking Scrutiny of Activities for Young People, Violence against Women and Girls, YP Leisure Facilities, Carlton Towns Programme and Ambition Arnold, YP Mental Health Support, Children and Families Services and Social Mobility.




Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
<p>COMM12.04 Work with the NCC Young People's Mental Health Strategic Group and Youth Service, Gedling Youth Council and other relevant partners to develop and improve access for local young people to mental health support.</p>	<p>Communities, Leisure and wellbeing</p>	<p>Life Chances and Vulnerability</p>	<p></p>	<p>31-Mar-2025</p>	<p></p>	<p>Successful implementation of the Gedling Young People Mental Health Engagement and evaluation has been undertaken in 2024, with feedback given to partners, stakeholders, and the Gedling Youth Council. Sustainability of the work is under discussion with the Police and Crime Commissioner and NCC Youth Service. This work has been funded and facilitated by the Council's Communities Team in collaboration with its partners.</p>
<p>COMM13.01 Support the Implementation of Integrated Neighbourhood Working in Arnold</p>	<p>Communities, Leisure and wellbeing</p>	<p>Life Chances and Vulnerability</p>	<p></p>	<p>31-Mar-2025</p>	<p></p>	<p><u>Carlton Community Connector Role</u></p> <p>Funding to support the Carlton Community Connector for another 12 months has been secured through the Jigsaw Foundation. Active Notts will continue to host the post.</p> <p><u>Ambition Arnold</u></p> <p>The next phase of engagement with the Arnold Local Design Team will be to input into the consultation on design plans for regeneration of the north end</p>



Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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of Arnold Town Centre. Health and wellbeing partners have an interest in the opportunities that new leisure and cultural facilities can offer for residents regarding their long-term health and wellbeing.

Events and Integrated Working to Support Council Priorities

All events delivered in the Borough by the Council, or by the Voluntary and Community Sector and other organisations that were enabled by the Council, have been shaped in an integrated way with the Council's Health and Wellbeing, Economic Growth, Equalities, Sustainability and other key principles and partnerships. For example, GP practices and the Integrated Care Board have participated in local events, engaging with the community and enabling access to key services. This work has helped pioneer the development of the exercise pathway at the Council leisure centres for residents at risk of cardiovascular disease.

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
COMM13.02 Implement a series of actions to digitally upskill customers	Customer engagement	Life Chances and Vulnerability		31-Mar-2025	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #e0e0e0; position: relative;"><div style="position: absolute; left: 0; top: 0; bottom: 0; right: 0; background-color: #4f81bd; width: 10%;"></div></div> 10%	Investigation into current provision and future support needed to move the customers onto digital channels with the introduction of the new CRM, CMS and Booking system in ongoing.
COMM13.03 Implement and monitor delivery of Equality and Diversity Action Plans for 2024/25	Deputy Chief Executive	Life Chances and Vulnerability		31-Mar-2025	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #e0e0e0; position: relative;"><div style="position: absolute; left: 0; top: 0; bottom: 0; right: 0; background-color: #4f81bd; width: 33%;"></div></div> 33%	
COMM13.04 Continue to facilitate the Gedling Social Mobility Commission (carried over)	Communities, Leisure and wellbeing	Life Chances and Vulnerability		31-Mar-2025	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #e0e0e0; position: relative;"><div style="position: absolute; left: 0; top: 0; bottom: 0; right: 0; background-color: #4f81bd; width: 75%;"></div></div> 75%	<p>The Gedling Social Mobility Commission met on 04/12/24. The Commission considered the latest State of the Nation findings from the national Commission's work and the emerging policy context affecting Gedling including the East Midlands Combined Authority, Jobs and Business insight, progress with the UK Shared Prosperity Fund delivery and the Government's intentions for addressing child poverty.</p> <p>The Commission welcomed both a Youth Council representative and a local secondary headteacher to the meeting. Their input and insight and their differing perspectives on the</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p>issues affecting local young people added great value to the Commission's focus on its action plan delivery, particularly regarding the emotional health and wellbeing of young people and support for those with Special Educational Needs. Feedback on the local engagement with young people across the Borough in 2024 regarding their mental health was presented at the meeting and this evaluation will be shared across partners to consider how future services can be shaped to support their needs.</p> <p>The key action from December's meeting is to build the resources to understand data, insight and research of the Gedling community to inform best value work programmes and decision making. The Council is engaging with both Nottingham Trent University and the University of Nottingham to explore options for joint work in this area.</p>
COMM14.01 Delivery of the Leisure and	Communities, Leisure and wellbeing	Health and Wellbeing Lifestyles		31-Mar-2025		<u>UK Shared Prosperity Fund Sports Facilities Programme</u>


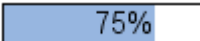
Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
Communities Strategy						<p>Grants have been awarded to Calverton Miners Welfare FC (£100,000), Mellish Rugby Club (£31,500) and Paviers Rugby Club (£31,500) to improve local football and rugby facilities in line with recommendations in the Gedling Playing Pitch and Outdoor Sport Strategy. Work on Conway Road Tennis courts is due to start January 2025. UK Shared Prosperity Fund has match funded close to £1m of external funding, from sources such as the Football Foundation and Lawn Tennis Association, to enable these improvements in local facilities.</p> <p><u><a href="#">Playing Pitch and Outdoor Sport Strategy Annual Review</a></u></p> <p>The review of the Strategy Action Plan has commenced. Some engagement was undertaken with local stakeholders about their use and management of facilities during Q3 and this will be used to update the action plan. Engagement with national governing bodies for football, cricket, rugby and tennis has been ongoing and their involvement will</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p>be sought to sign off the final review. Engagement with Sport England takes place in Q4.</p> <p><u>Review of Strategic Outcomes Planning Model - new Arnold Leisure Centre</u></p> <p>Updated data and insight have been applied to the Strategic Outcomes Planning Modelling that previously recommended a new Arnold leisure centre as a long-term ambition for the Council. This updated assessment will support the more detailed design work for what new facilities might look like for Arnold and the development of an outline business case to support that. This work will be further developed during quarter 4.</p> <p><u>Leisure and Wellbeing Transformation Programme Manager</u></p> <p>The new Leisure and Wellbeing Transformation Programme Manager has been appointed and will start in Quarter 4. Early work will involve project planning and assessing</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p>procurement options for the feasibility work on a new facility for Carlton, as well as planning the wider transformation of leisure services in terms of Ambition Arnold, operational business development, workforce development and stakeholder engagement to shape future services.</p> <p><u>Partnership Working at Joint Use Leisure and Education Sites</u></p> <p>Engagement has commenced with both Redhill Academy Trust and Nottinghamshire County Council regarding the ongoing partnership working relating to the joint use leisure/education sites in the borough at Carlton Forum, Redhill and Calverton.</p> <p><u>The Role of Housing in Supporting Community Health and Wellbeing</u></p> <p>The December Gedling Health and Wellbeing Co-production partnership meeting was themed around Housing and included a presentation from the Better Housing Better Health service</p>



Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p>and the Nottinghamshire Observatory (data and insight). Partners also had an opportunity to share updates and good practice along with future ideas/ambitions around partnership working.</p> <p><u>A New Bonington Theatre</u></p> <p>An independent report into options for a new Bonington Theatre has been completed. The findings of this will inform the ongoing Ambition Arnold regeneration programme, in particular design options and business case development for new leisure and cultural facilities in the north of the town centre. This work will be progressing during Quarter 4.</p>
<p>COMM14.02 Undertake a strategic review and condition survey of council-owned community centres and pavilions.</p>	<p>Assets and facilities manager</p>	<p>Sustainable Growth and Economy</p>	<p></p>	<p>31-Mar-2025</p>	<p></p>	<p>Condition surveys in place for most of these properties. The wider strategic review needs to tie in with the Asset Management Strategy which is being considered.</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
<p>COMM14.03 Work with VCS, Health and others represented on the H&amp;WB Coproduction Group to create optimum growth in services for and in communities and extend the reach of Health and Wellbeing services and support promotion</p>	<p>Communities, Leisure and wellbeing</p>	<p>Health and Wellbeing Lifestyles</p>	<p></p>	<p>31-Mar-2025</p>	<p></p>	<p><u><a href="#">Gedling Health and Wellbeing Newsletter</a></u></p> <p>The monthly Health and Wellbeing e-newsletter has covered the following topics over the last 3 months: World Mental Health Day, pre and post-natal fitness class, Stoptober, 6 short walks in Carlton, Nottalone, Family Hubs, Armed forces breakfast club, Winter Vaccinations, NHS Talking Therapies, National Energy Action and Nottinghamshire Best Start for Life offer.</p> <p><u><a href="#">The Gedling Guide</a></u></p> <p>The 2024 Gedling Guide was produced in November and hard copies have been shared through community networks to ensure they are available in the local community. The Guide has been produced by the Council and co-produced with local health and wellbeing partners and the local voluntary and community sector. The Council website has also been updated and the links to the support in Gedling</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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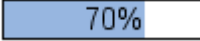

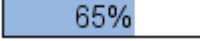
page shared in the Health and Wellbeing e-newsletter.

Addressing Health Inequalities in Local Neighbourhoods






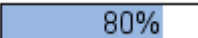
The Arnold Integrated Neighbourhood Working programme has seen a community engagement session around the building blocks of health take place in Arnold, where a range of community partners came together to explore the building blocks in further detail. The Mental Health subgroup have been working on 3 health and wellbeing events that will take place in January (Arnold, Mapperley and Killisick).



Driving Growth in Integrated Service Delivery Across Commissioned Partners





The Council has been working in partnership with A Better Life (Public Health commissioned wellbeing service), the Carlton Community Connector and the School Games organiser for Gedling to identify and




Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						target primary schools in the Carlton area where high levels of obesity in reception/year 6 children are currently prevalent. Over the next 12 months A Better Life will deliver a 6-week programme around healthy eating in the schools.
<p>COMM14.04</p> <p>Promote the uptake of active travel by encourage our own staff, local schools and businesses within our borough to consider travel by public transport, walking, cycling and car sharing.</p>	<p>Food, health and safety manager</p>	<p>Climate Change and Natural Habitat</p>	<p></p>	<p>31-Mar-2025</p>	<p></p>	<p>Updated information on our website on active travel. Promoted at all events that have been organised via the Innovate Uk (fast Followers project). Discussed in the last Parish Council Conference to delegates in the carousel talks. Discussed opportunities with the town centre managers. Also promote active travel through the Green Rewards app.</p>
<p>COMM14.05</p> <p>Promote active travel – reducing travel by diesel or petrol cars within the borough’s boundaries</p>	<p>Housing, growth and regeneration</p>	<p>Climate Change and Natural Habitat</p>	<p></p>	<p>31-Mar-2025</p>	<p></p>	<p>There is a meeting in place in January between EGR, Leisure and the County Bus Operator Strategy Group to share approach and seek opportunities for collaboration. Update will be provided within this quarter.</p>

## Theme COUNCIL










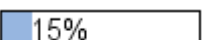
Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
COUN11.01 Establish a programme of customer engagement to support transformation	Customer engagement	Deputy Leader Resources and Performance		31-Mar-2025		The new consultation strategy has been developed and is currently with the customer and communities board for review. The project plans for the implementation of the new systems which will support transformation are currently being developed by the team and customer consultation will be mapped onto these.
COUN11.02 Provide training and support across Services to improve complaint responses in relation to equality related complaints	Customer engagement	Deputy Leader Resources and Performance		31-Mar-2025		The complaints policy has been updated and signed off by Cabinet. Complaints training will be developed in line with this policy for rolling out in 2025/26 to staff.
COUN11.03 Improve customer experience at leisure centres through the ongoing development of the Gladstone leisure	Communities, Leisure and wellbeing	Deputy Leader Resources and Performance		31-Mar-2025		During Q3 online joining for swim lessons was launched, providing additional opportunities for customers to self-serve. The introduction of SMS messaging to customer who failed to make a direct debit payment has streamlined communications with customers and also improved back-







Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
management system						office functions. A new health management system has been purchased to support the delivery of health sessions which will re-launch in Q4. This system integrates with Gladstone leisure system which means a more efficient way of managing patients on the health scheme as well as electronic self-serve options.
<b>Portfolio</b> COUN12.01 Implement year 1 of the Digital Strategy and associated Road Map (Finance, Revenues & ICT Specific)	Digital, Data and Technology	Deputy Leader Resources and Performance	▶	31-Mar-2025		Year 1 of digital Strategy implementation progressing with CRM, Booking Facilities and Waste Management System procured. Plans in place for next steps.
COUN12.02 Continue to Invest in Digital Infrastructure	Financial Services	Deputy Leader Resources and Performance	▶	31-Mar-2025		Along with the Investment as part of transformation, other digital tools both new and those already existing as part of our infrastructure are being assessed and deployed.







Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
COUN12.03 Support acquisition and implementation of Council wide CRM	Digital, Data and Technology	Deputy Leader Resources and Performance		31-Mar-2025	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #e0e0e0; position: relative;"><div style="position: absolute; left: 0; top: 0; bottom: 0; width: 5%; background-color: #4f81bd;"></div></div> 5%	CRM procurement exercise has happened, and the CRM provider has been chosen and awarded. Implementation will now be planned in tandem with providers.
COUN12.04 Integrate customer facing processes across CS and Environmental Services	Customer engagement	Deputy Leader Resources and Performance		31-Mar-2025	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #e0e0e0; position: relative;"><div style="position: absolute; left: 0; top: 0; bottom: 0; width: 13%; background-color: #4f81bd;"></div></div> 13%	Waste management system has been acquired and work is ongoing to plan for the build and implementation.
COUN12.05 Review and acquisition of new web platform	Customer engagement; Digital, Data and Technology	Deputy Leader Resources and Performance		31-Mar-2025	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #e0e0e0; position: relative;"><div style="position: absolute; left: 0; top: 0; bottom: 0; width: 10%; background-color: #4f81bd;"></div></div> 10%	Procurement work has been undertaken and a decision made not to award the website contract following the combined procurement activity. The specification will be used to inform selection of a preferred supplier via a compliant framework - this is in progress.
COUN13.01 Review funding strategy for external funding bids and grants	Financial Services	Deputy Leader Resources and Performance		31-Mar-2025	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #e0e0e0; position: relative;"><div style="position: absolute; left: 0; top: 0; bottom: 0; width: 0%; background-color: #4f81bd;"></div></div> 0%	





Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
COUN13.02 Review Members Pot scheme	Governance and Democracy	Deputy Leader Resources and Performance		31-Mar-2025	<input type="text" value="0%"/>	
COUN13.03 Ensure continued compliance with Election Act changes through updates to staff and Members on changes to impact elections in 2024	Governance and Democracy	Deputy Leader Resources and Performance		31-Jul-2024	<input type="text" value="100%"/>	
COUN13.04 Review arrangements for provision of procurement support to Council and other authorities ensuring that Procurement Act 2023 requirements are embedded in appropriate rules and processes	Financial Services	Deputy Leader Resources and Performance		31-Mar-2025	<input type="text" value="83%"/>	The newly drafted Contract and Procurement Rules will be approved by full Council on 22nd January 2025 for implementation into the Constitution on 24th February 2025.







Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
COUN13.05 Produce Annual Report (Draft, coordinate production and release)	Workforce	Deputy Leader Resources and Performance		31-Jul-2024		Document finished and going to Cabinet for approval 17th July 2024
COUN13.06 Corporate Asset Management Plan to be developed	Assets and facilities manager	Deputy Leader Resources and Performance		31-Mar-2025		Work has begun on compiling information to feed into the Corporate Asset Management Plan. This work is due to continue through until end of March 2026.
COUN13.07 Review Community Asset Transfer Policy	Assets and facilities manager	Deputy Leader Resources and Performance		31-Mar-2025		Work has begun on reviewing the CAT policy, this will tie in with the Corporate Asset Management Plan.
COUN13.08 Car Park Strategy to be developed	Assets and facilities manager	Deputy Leader Resources and Performance		31-Mar-2025		From 1st April 2025, all car parks will be operating the new tariff as well as having a new cashless payment option. Car Park charges at Gedling Country Park will also go live on this date.
COUN13.09 Depot Transformation programme planning and implementation	Assets and facilities manager	Deputy Leader Resources and Performance		31-Mar-2025		Phase 1 (Demolition of Large Garage) will begin in Spring 2025. The spec and contract are drafted, and work is ongoing on site to ensure the large garage is cleared prior to demolition.


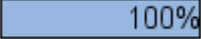




Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
COUN13.10 Produce Council Productivity Plan	Director of Transformation	Deputy Leader Resources and Performance		31-Mar-2025	 100%	Report presented to Cabinet on 17 July 2024 and sent to government and uploaded to the council website.
COUN14.01 Develop a new efficiency programme for 2024/25 – 2030/31 Enable a balanced Budget in the Medium Term	Financial Services	Deputy Leader Resources and Performance		31-Mar-2025	 90%	A number of efficiencies have been agreed for this budget round, however we will need to undertake a further piece of work in the new year to identify and agree a new round of efficiencies, as we have not successfully identified sufficient required to ensure a balanced budget in the medium term.
COUN14.02 Develop and implement a Corporate Charging Strategy to maximise and identify new income streams	Financial Services	Deputy Leader Resources and Performance		30-Sep-2025	 87%	The charging policy has been produced and will be going to Cabinet for approval in March 2025.  The fees and charges booklet for 25/26 has been produced and revised fees are currently being worked through. This is expected to go to Cabinet in March 25 for approval and implementation of fees in April 25, with the exception of licencing which is subject to additional legislative processes and presentation to a licencing committee, implementation of licencing fees is expected in May 25.





Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
COUN14.03 Roll out new Risk Management Framework to Officers and Members	Financial Services	Deputy Leader Resources and Performance		31-Mar-2025	 100%	The new risk management framework has been produced, approved and adopted by Cabinet. Training to all risk holder has taken place, and the new process rolled out. A further piece of work to enable changes to the risk management system is currently being undertaken which will improve reporting from the system.
COUN14.04 As part of ongoing strategy to be data driven and performance focused, implement new Risk Register module in Pentana	Financial Services	Deputy Leader Resources and Performance		31-Mar-2025	 95%	The new system is up and running and training with staff has been undertaken. A further piece of work to introduce changes to the system which will result in improved reporting from the system is currently being undertaken.
COUN15.01 Implementation of revised induction process (all employees) to include both departmental and corporate material (inc. carbon reduction material)	Workforce	Deputy Leader Resources and Performance		30-Jun-2024	 100%	Induction process has been revised (not taking into account transformation programme agenda) and Corporate Induction sessions have been re-established and successfully carried out. These Corporate Induction sessions are on the Events Calendar for new staff to enter and are delivered by the CEO and a representative from HR. A wider review of induction is taking place with the appointment of the

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						new Assistant Director of Workforce and will feature in the HR plan for 2025/2026.
COUN15.02 Ensure recruitment and Selection Training includes training to avoid bias	Workforce	Deputy Leader Resources and Performance		31-Mar-2025		Current training programme does reference UB. This will be delivered through normal processes identified in teams and for new starters. In addition, the HR Manager has personally delivered group training to Members during 2024 on unconscious bias and how that relates to recruitment and selection. More widely, the Carousel of Learning Modules R&S (x4) have been updated to include this subject matter.
COUN15.03 Develop recruitment processes to improve opportunity and access for areas that are under-represented	Workforce	Deputy Leader Resources and Performance		31-Mar-2025		Processes identified in Environment and Leisure. ADs and senior managers have confirmed processes and the training for existing employees will be delivered during 2024-25. It was recognised that some employees in Environment and Leisure might not have access to the usual online platforms to apply for jobs. HR have periodically provided 1-2-1 support for

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p>individuals in this case. In addition, the EMF (establishment management form) process was modified from a delegation of authority point of view to allow ADs to authorise the recruitment of frontline workers to their teams. HR have supported this where possible via ring-fencing Agency Workers with 2 or more years' service to apply for roles on an internal basis (again with support from HR during the application process).</p>
<p>COUN15.04 Assess under-representation in the work force and produce improvement action plan</p>	Workforce	Deputy Leader Resources and Performance	▶	31-Mar-2025		<p>In progress with the appointment of the new Assistant Director of Workforce.</p>
<p>COUN15.05 Review content of Learning carousel and deliver bi-monthly training workshops to improve management skills</p>	Workforce	Deputy Leader Resources and Performance	✔	31-Mar-2025		<p>HR have also delivered 1-2-1 training sessions for new managers who have missed the bi-monthly training sessions.</p> <p>Full suite of Carousel of Learning training modules have been delivered by HR (as promised) for 2024 and are showing on Events Calendar. The</p>




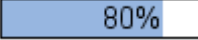
Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
(to include process training e.g. casual recruitment)						<p>newly appointed AD of Workforce will conduct a full training needs analysis in line with transformation programme and changes to legislation for 2025/2026 with support of team.</p> <p>In relation to Casual recruitment process the HR Manager conducted process-mapping workshop with Leisure Managers to determine what changes needed to occur. At this moment Leisure Managers have opted to keep processes as they are until the digital transformation programme comes in and the current process is "fit for purpose".</p>
COUN15.06 Identify and implement a method (interim or permanent) to record (and report on) completion compliance for mandatory training as defined by CMT	Workforce	Deputy Leader Resources and Performance		31-Mar-2025		Temporary interim measure now implemented (to be publicised through Comms)- spreadsheet with self-serve functionality or for manager completion in teams where employees do not have access to PC. Medium/ longer-term solution identified through utilisation of current training module in ResourceLink (with self-serve through employee and manager views and with reporting functionality through HR)


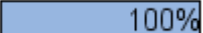





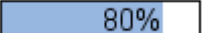
Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
COUN15.07 Establish a corporate Health and safety Training Plan across the Council	Governance and Democracy	Deputy Leader Resources and Performance		31-Mar-2025		A Corporate training plan has been designed. This will be reviewed annually as part of business as usual. This does not consider job specific H&S training which remains the responsibility of managers.
COUN15.08 Review Employee Protection register Guidance and integrate with unacceptable Customer Behaviour Policy	Governance and Democracy	Deputy Leader Resources and Performance		31-Mar-2025		There is no progress to report on this at the current time. The EPR inclusion process has been simplified but further work is required to integrate with UBP.
COUN15.09 Review Emergency Plan	Governance and Democracy	Deputy Leader Resources and Performance		31-Mar-2025		Some consideration given to content and some operational guidance gaps have been identified. A paper is required to SLT to change current on call arrangements in line with Grenfell recommendations. Sample plans have been requested from other LAs to benchmark against. Work has been done to progress a casual post to recruit existing employees as emergency volunteers.





Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
COUN15.10 Establish a programme of BCP testing	Governance and Democracy	Deputy Leader Resources and Performance		31-Mar-2025	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: white; display: flex; align-items: center; justify-content: center;"><span>0%</span></div>	Before a system of testing can be progressed, each team needs to complete a BCP. A Strategic Business Continuity plan needs to be approved. A Business Continuity Policy needs to be approved. A report is due to go to SLT.
COUN15.11 Review Lone Worker device provision	Governance and Democracy	Deputy Leader Resources and Performance		31-Dec-2024	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #a0c0ff; display: flex; align-items: center; justify-content: center;"><span>52%</span></div>	This remains firmly on the H&S radar but has been sidelined due to ongoing operation issues that required time to investigate. All information has been gathered from relevant parties and a report is currently being drafted for SLT to approve the numbers identified for lone worker devices.
COUN15.12 Improve access to mental health support for employees	Workforce	Deputy Leader Resources and Performance		31-Mar-2025	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #a0c0ff; display: flex; align-items: center; justify-content: center;"><span>50%</span></div>	Work commenced to set out implementation of new Mental Health First Aider programme. Currently drafting proposals for payment of additional allowance to match other first aid allowance payments.
COUN15.13 Review the delivery of the annual health fair for staff	Communities, Leisure and wellbeing	Deputy Leader Resources and Performance		31-Dec-2024	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #a0c0ff; display: flex; align-items: center; justify-content: center;"><span>75%</span></div>	A staff survey has now been conducted to understand the needs/views of staff on the staff health fair and workplace wellbeing. These results now need to be analysed.


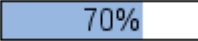

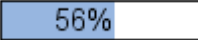

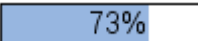





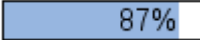
**Theme ECONOMY**

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
ECON11.01 To manage the delivery of the UKSPF Transform Your Future project with the Futures Group	Housing, growth and regeneration	Sustainable Growth and Economy		31-Mar-2025		<p>The TyF has seen good progress in delivering its aims of supporting economically inactive residents and community organisations across the Borough.</p> <p>At the most recent quarterly review in October 24, it was forecasted that all aims would be achieved, as expected by the close of the programme on the 31st of March 25.</p>
ECON11.02 Promote and encourage participation with apprenticeship opportunities for residents across the Borough	Housing, growth and regeneration	Life Chances and Vulnerability		31-Mar-2025		<p>We are continuing to promote apprenticeship opportunities through a number of interventions within EGR to good success. We will be holding our annual Apprenticeship Fair in Feb 25 where we anticipate 30 exhibitors to attend to promote opportunities to our residents. We are also growing our relationship with FE providers such as NTU and Nottm College to develop strategies in promoting apprenticeships to residents and businesses through other collaborative channels.</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
ECON11.03 Coordinate a manageable number of work experience placements (school age and working age placements)	Workforce	Life Chances and Vulnerability		31-Mar-2025		We have provided 9 placements during the year which has been very successful in providing valuable working experience across a number of departments this year.
ECON11.04 Coordinate the supported internship programme	Workforce	Life Chances and Vulnerability		31-Mar-2025		We have had 4 supported internships, and we will continue to promote this opportunity with teams in the Council to support social value and assist in our future recruitment campaigns.
ECON11.05 Support and Coordinate ongoing compact with NTU	Workforce	Sustainable Growth and Economy		31-Mar-2025		We have provided 3 supported internships from NTU, which has been very successful in providing valuable working experience across a number of departments this year.
ECON12.01 Ensure effective management and oversight of UKSPF	Housing, growth and regeneration	Sustainable Growth and Economy		31-Mar-2025		Performance across each of our business support services has been managed and monitored through weekly and monthly reviews which has helped us to identify positive trends and

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
Business Support contracts						implement developmental actions for areas requiring improvement. The services have all seen positive performance with success stories being collated to celebrate our impact in supporting local businesses.
ECON12.02 Identify the opportunities to drive investment in the Borough and new business opportunities	Housing, growth and regeneration	Sustainable Growth and Economy		31-Mar-2025		We have recently launched consultations for new strategies covering Visitor Economy, a Heritage Plan and Economic Growth Framework. The three documents are set for completion by the 31st of March 25 and will create a legacy from UKSP funding and provide an opportunity to grow inward investment to the Borough from partners and stakeholders. Following the completion of the three strategies, an action plan will be designed to ensure we are acting on the proposals and exploring opportunities for further inward investment.
ECON12.03 Complete the development and market the AMP Enterprise Centre funded by UKSPF grant	Housing, growth and regeneration	Sustainable Growth and Economy		31-Mar-2025		The Amp development was successfully completed in the Autumn of 24 to schedule with its new first floor properties currently being marketed by a partnering letting agent.

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
ECON12.04 Complete the development and market 4 additional industrial units at Hill Crest Business Park	Housing, growth and regeneration	Sustainable Growth and Economy		31-Mar-2025		Construction is continuing well at Hill Crest Business Park with steels and brickwork now in place for the 4 new industrial units. Estimated completion of works still on target for April / May 2025.
ECON13.01 To develop a viable Masterplan and Scheme for Arnold North.	Housing, growth and regeneration	Sustainable Growth and Economy		31-Mar-2025		Ambition Arnold's Visionary Masterplan was approved by Cabinet on the 12th of December 2024. Work is underway to develop a viable business case for the north of Arnold Town Centre that is to be completed in Q4
ECON13.02 Identify and implement measures to improve the viability and sustainability of the Arnold Market	Housing, growth and regeneration	Sustainable Growth and Economy		31-Mar-2025		<p>On December the 12th 2024 Cabinet approved plans for the permanent relocation of the Arnold Market to Eagle Square pending planning permission which will be expected to be approved within Jan 2025.</p> <p>A Market review is to be conducted within Q4 where a new policy will be shaped and requirements for a new Market Organiser will be identified before taking next steps.</p>





Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
ECON13.03 Develop and implement plans to support improvements to the Borough's Town and rural Centres	Housing, growth and regeneration	Sustainable Growth and Economy		30-Sep-2024		<p>Ambition Arnold Vision to be submitted to Cabinet in December 2024, with proposals under development for the north of the town including potential interventions to improve accessibility to the town, public realm and connectivity of green spaces. Greater Carlton LTPFT Vision and investment plan to be agreed by the Board subject to change upon the release of the revised guidance. UKSPF programme delivery of improvements to increase footfall and support businesses across the Borough's town and highstreets including rural areas.</p>
ECON13.04 Showcase Town and Parish centres as part of the delivery of the Council's Events Programme 2024/25	Communities, Leisure and wellbeing	Communities and Place		31-Mar-2025		<p><u>Arnold Christmas Lights Switch On</u></p> <p>UK Shared Prosperity Funding has been used to support the delivery of the Arnold Christmas Lights Switch On which took place in Arnold Town Centre outside the AMP.</p> <p>Around 2500 people attended the event to watch festive performances from local schools and choirs. A Christmas Market was organised along Front Street to compliment the event by AMP</p>


Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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Live in partnership with the Council, and Arnold Methodist Church held their successful Christmas Craft market again alongside the outdoor activities with excellent attendance on Friday 22nd and Saturday 23rd. Arnold retailers were invited to open late for the event and the switch on was enhanced with festive street theatre and performers from Dice and Balls and Can Samba. Arnold and Mapperley Rotary attended with Santa on his sleigh to raise money for local charities. The community of St Paul's Church Daybrook worked with Gedling Play Forum to create festive lanterns which paraded along Front St to close the event.

Wider Events Programming and Support

2024/25 has seen a significant increase in externally led events, which have benefitted from the Council's new Events Guidance toolkit and dedicated webpage and the Council's "Enabling" focus this year. This resulted in a higher

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
<p>ECON13.05</p> <p>Identify opportunities to draw visitors to the Borough to support the local economy and encourage pride in the Borough</p>	<p>Housing, growth and regeneration</p>	<p>Sustainable Growth and Economy</p>		<p>31-Mar-2025</p>		<p>number of safe, approved and highly successful external events in the Borough in 2024/2025.</p> <p>Consultants have been commissioned to develop new strategies for our Visitor Economy, Heritage and Economic Growth Frameworks. Consultations commenced in Dec 24 and will run through to March 25 as part of the UKSPF funding guidelines. The revised strategies will identify proposals and opportunities for Gedling to drive local economic growth and attract partnerships and funding to the Borough. Action plans will be produced following the completion of the strategies to ensure the continuation of the work and development of its opportunities.</p>
<p>ECON14.01 Create a new network of walkways and cycleways around the borough (to include a path extension to link the Green Lung Cycle and Walkway</p>	<p>Development Services</p>	<p>Climate Change and Natural Habitat</p>		<p>31-Mar-2025</p>		

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
<p>into Gedling Country Park)</p> <p>Heritage CON14.02 Establish a new short- medium- and long-term Heritage Strategy, creating connectivity between walking and cycling routes, parks, open spaces, and other heritage assets.</p>	Communities, Leisure and wellbeing	Climate Change and Natural Habitat	▶	31-Mar-2025		<p><u>UK Shared Prosperity Fund Allocation 2022-25</u></p> <p>The UK Shared Prosperity Fund events, culture and heritage project is now fully committed.</p> <p><u>Heritage Strategy</u></p> <p>The Heritage Strategy development has been included in plans for UK Shared Prosperity Fund Bridging funding for 2025/26. Additionally, a large-scale expression of interest was submitted for VCS Development and Resilience to the Carton Towns consultation process for 10-year funding consideration.</p> <p>Focus and Haley Sharpe consultants have been commissioned to produce a new Heritage Strategy, Visitor Economy Destination Management Plan and Economic Growth Framework for Gedling. These documents will enable the Council to prioritise projects, and the consultants will identify relevant</p>



Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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funding streams which may support these.

Carlton Arts Week

Following the success of the first Carlton Arts week in October 2024, City Arts have submitted a further bid to support future creative activity in Carlton to Awards for All.

Heritage Way

Commissioned consultants Focus are working on a communications plan, feasibility study and implementation approach for the Heritage Way concept. This is the development of a cycling and walking route to connect heritage assets, community facilities and local hospitality across the borough.

The Heritage Way plans will be considered as part of the development of the new Heritage Strategy for the Council with new recommendations included as part of the strategy action plan.

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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Stakeholder Engagement on Heritage

A programme and methodology have been agreed and implemented for engagement in the shaping of the Heritage Strategy. This incorporates businesses, 'Friends Of' Heritage asset groups, Heritage Asset owners/managers, Voluntary and Community Sector and Equalities Act Protected Characteristic Groups, all of whom are advising on the Heritage Strategy.

Engagement by Haley Sharpe consultants will include members of the previous Heritage Forum and key heritage contacts around the borough. The recommendations of the completed strategy will dictate how future engagement with these stakeholders continues as part of the new Heritage Strategy action plan.

Consultation and engagement with Heritage, Voluntary and Community Sector, Protected Characteristics

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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Groups and stakeholder partnership groups has been initiated in December 2024 - February 2025.

**Theme PLACE**

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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Page 187

PLAC11.01 Review Carbon Management Action Plan

Development Services

Climate Change and Natural Habitat



31-Mar-2025



The Carbon Management Action Plan will be reviewed & updated as soon as all the directors are in post. Note, for now all the original actions have been uploaded. Each Director will be responsible for actions within their service area once confirmed. In August, an internal audit was undertaken on the action plan recommendations will be taken forward when reviewing the action plan.

PLAC11.02 Delivery of Biodiversity Net

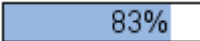
Development Services




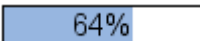
Climate Change and Natural Habitat



31-Mar-2025



Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
Gain for qualifying new developments by at least 10%. Promote Natural Climate Solutions for Gedling in partnership with landowners/managers						
<p>Page 188</p> <p>PLAC11.03 Offset residual emissions from hard to reduce sources / Plant 500 UK native trees across the borough to mark the lead up to the 50th Anniversary of the creation of Gedling Borough</p>	Parks and Street Care	Climate Change and Natural Habitat	▶	31-Mar-2025		<p>Increase biodiversity using Tree planting. There are plans to plant trees during the months of November through to March 2025. The majority of those will be carried during Q3.</p> <p>Deliver woodland trust &amp; Other Grant based initiatives. As for PLAC11.03.01 There are plans to plant trees during Q3. Planting will begin in November 2024 and be completed by March 2025</p> <p>500 tree planting targets. As for PLAC11.03.01 and 02 Plans and developments are in place and ongoing to plant trees between November 2024 and March 2025. The target is set to be exceeded as in previous years.</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
PLAC11.04 Minimise the borough's waste and its impact on the environment	Transport and Waste Services	Environmental Services (Operations)		31-Mar-2025		
						<p>Play Areas.</p> <p>Valley Road redevelopment is due to begin in Jan/Feb 2025</p> <p>St Marys - no progress</p>
<span data-bbox="98 730 138 1078" style="writing-mode: vertical-rl; transform: rotate(180deg);">Parks and Open Spaces</span> PLAC11.05 Deliver the investment plan to enhance existing parks and open spaces and seek external funding for our development projects	Parks and Street Care	Climate Change and Natural Habitat		31-Mar-2025		<p>Jackie Bells currently going through procurement. Funding bid to be submitted February 2025</p> <p>Trees for Climate – Digby Park.</p> <p>External funding secured. Currently going through the second procurement exercise as no RFQ received during the first exercise. Deadline is 29th November. Planting to take place between December and March 2025 subject to receiving a minimum of 3</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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quotations as required by the funding provider.

The ground works have been completed prior to planting.

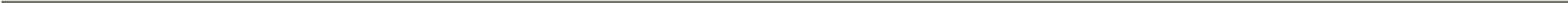
Neaton Close Path Works

Contract signed and awarded. Meeting on site - pre contract meeting. Sorting availability of parts. Once sourced will revisit with a dated program for the works. Start Jan 25 - end Feb 25.


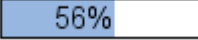
Bee Pollinator wildflower actions 2024.

Ongoing maintenance of the sites across the borough's parks.





New development at Arno Vale Park for 2024


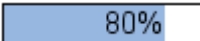


Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p>Work alongside Parks FoG's &amp; Green Flag</p> <p>4 Green Flag awarded parks retained the Green Flag status in 2024.</p> <p>Continued partnership working with 16 friends of groups for GBC parks. Many developments have been proposed for the Carlton Towns Fund subject to funds being available. The Friends of groups within this geographic area have put forward proposals for many development projects.</p> <p>Lambley Lane Sports</p> <p>The pavilion on Lambley Lane installed. Sewer, water, electric all connected and commissioned. Sanitary ware in place. Minor snagging works taking place and new signs are to be installed on 4th Dec 24 Still require the completion certificate off Building Control formally confirming there are no issues with the development, and everything is safe.</p>



Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p>With football ending for the Christmas period, plan a formal opening the first full week of Jan 2025 [w/c 6th] when the facility is not left unused for 2/3 weeks. Complete Feb 2025.</p> <p>Retaining wall AHP Park View car park.</p> <p>Temporarily fenced, ground survey required to inform design. Start to specify and obtain quotes, Budget Bid Approved £22K Timescale: Design and tender Jan 2025</p>
<p>PLAC11.06 Develop and implement a plan to raise awareness of and maximise usage of our local parks, play areas and open spaces</p>	<p>Parks and Street Care</p>	<p>Climate Change and Natural Habitat</p>	<p></p>	<p>31-Mar-2025</p>	<p></p>	<p>Promotion of Park, play areas taking place with events advertised on Facebook and via parks FoG. Events taking place throughout the year.</p> <p>Parks Byelaws Draft Byelaws have been produced. Awaiting to be included on the agenda for a Council meeting for approval to run wider consultation on the draft Byelaws. January date provisionally set.</p>



Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
PLAC11.07 Install a bird hide on the lower lagoons as part of the 10-year development strategy for the improvement of Gedling Country Park	Parks and Street Care	Climate Change and Natural Habitat		31-Mar-2025		
<p>Page 199</p> PLAC11.08 Promote and support community based 'clean up' initiatives including the seasonal big clean events	Parks and Street Care	Environmental Services (Operations)		31-Mar-2025		<p>We continue to promote the page related to parks and green spaces volunteering that can be found on our website at:<a href="https://www.gedling.gov.uk/resident/parksandgreenspaces/volunteering/">https://www.gedling.gov.uk/resident/parksandgreenspaces/volunteering/</a></p> <p>In terms of litter picking on our roads and streets and urban open space areas, this has not been something we have formally advertised, but our 'Communications' team have been asked to prepare a further link that will enable community groups and individuals to volunteer to litter pick of our streets and urban open spaces. This takes place currently but developed informally, in that individuals or groups email: parks</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p>@gedling.gov.uk asking to organise a cleansing event or to litter pick individually. Our Cleansing Supervisor picks up on any requests and works to facilitate them.</p> <p>We provide litter pickers and fluorescent vests and blue bags and need to be kept informed of when and where the bags need collection following an event or litter picking activity.</p> <p>This work is ongoing throughout the year in the lead up to the Big Spring Clean event to be held in March 2025 to key in with Keep Britain Tidy's national campaign.</p>
PLAC12.01 Implement Strength in Community programme	Communities, Leisure and wellbeing	Communities and Place		31-Mar-2025		<p><u>Support Infrastructure for Voluntary Sector</u></p> <p>Our UK Shared Prosperity Fund (UKSPF) Voluntary and Community Sector (VCS) Support model commission has yielded commitment from over 70 Gedling VCS</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p>organisations and a Customer Relationship Management (CRM) system is in development ready for launch in March 2025. A programme of taster sessions at local community hubs is planned in Q4 2024/25.</p> <p><u>Voluntary Sector Capacity Building</u></p> <p>Round 1 UKSPF VCS Grant Monitoring Returns demonstrate a 50 percent increase in community support offers and significant increase in volunteering opportunities.</p> <p>The Council securing £100,000 in UKSPF and Nottinghamshire County Council Social Recovery Funds has ensured VCS Grant Funds have been successfully defrayed to over 30 VCS Groups over two grant rounds in 2024/2025.</p> <p>All VCS Services are promoted via the Annual Gedling Guide 2024/2025 and in the Council's Health and Wellbeing and Community E- Newsletters from July - December 2024.</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
LAC12.02 Minimise the borough's exposure to flood related events	Parks and Street Care	Climate Change and Natural Habitat		31-Mar-2025		<p>Refurbish and Re-wire the Colwick Meadows Pumping Station</p> <p>Due to staff resilience issues, work slightly delayed. To be arranged Dec 2024.</p> <p>Bentwell Lagoon</p> <p>GBC are project managing the re profiling of the concrete channel and the base of the lagoon area. Starting from top end at water access point and including cutting back of greenery. The arisings dug out on site will be temporarily stored to drain the water for a short period before removal. By letting it drain we directly decrease our disposal costs (dry silt weighs less) keeping the program within budget. Dispose of arisings. Budget approx. £90K for total works. During the cooler winter/early spring weather, any odours in this instance should not be an issue. Results of the sampling have come back as contaminated with petro-</p>




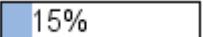

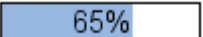
Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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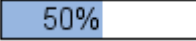
chemicals. Timescale: JCT Tender form being discussed with Legal prior to drawing up the specification, tender and using the ST drawings in the spec. Completion: Autumn 2025.


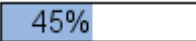


Repair Dyke 85 Conway Road Ouse Dyke

Sought Framework price. Let it to Alliance to sign. Legal sorted signing of the contract - Now signed. Alliance to speak to Env Agency about consent for temporary works first part of the contract. As part of contract award, a program will be produced which will give us the completion date. Pre contracts start meeting with the contractor. In contact with E.A and are producing the info for the temporary worker works. Also producing a schedule with timeline for completion.


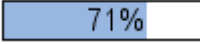


Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						Timescale: Timeline: Start Jan 25 with completion date of 31 Mar 25.
PLAC12.03 Celebrate our local achievements (Pride of Gedling awards)	Customer engagement	Communities and Place		31-Dec-2024		Pride of Gedling award ceremony successfully held on 6th November 2024
PLAC13.01 Seek to improve our domestic abuse response through the introduction and adoption of an established set of standards and an accreditation process. - Domestic Abuse Housing Alliance (DAHA) accreditation	Housing, growth and regeneration	Life Chances and Vulnerability		31-Mar-2025		The Health Check is underway, and progress overall is approximately 15%
PLAC13.02 Work with the Police and other agencies to identify, understand and prevent Domestic Violence,	Community Protection	Life Chances and Vulnerability		31-Mar-2025		

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
and to disrupt and dismantle Modern Slavery Groups. To make GBC & Nottinghamshire a risk location for traffickers						
PLAC13.03 Work in a targeted way with partnership agencies including the OPCC and the Police to put activities and community engagement in place to deliver a reduction in Crime, Youth Offending and a reduction in the fear of crime	Community Protection	Public Protection		31-Mar-2025		
PLAC13.04 Invest in new and upgrade CCTV in priority hot spots	Community Protection	Public Protection		31-Mar-2025		
PLAC13.05 Seek successful	Community Protection	Public Protection		31-Mar-2025		A review is being undertaken on the Councils Approach to Environmental

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
prosecutions and enforcement action for dog fouling, anti-social behaviour and against those that fly-tip waste						<p>Enforcement, and this work is ongoing. Until a new business model can be determined figures in this area of business have been reduced. with regards to ASB, officers have been proactive and CPNs have been issued.</p> <p>The Council has in place a PSPO along the Trent Valley and the GAR, to deal with car cruisers, and in total 16 FPNs have been issues, and currently the Council is maintaining 100 percent payment rate. This is an excellent piece of joined up working through the community safety team and Gedling south neighbourhood policing team.</p>
PLAC13.06 Review arrangements for resourcing enforcement function	Community Protection	Public Protection		31-Mar-2025		A tender specification has been produced, with an operational document, and officers in both Public Protection and Legal are reviewing it.
PLAC13.07 Develop the Council's approach to licensing regulation and enforcement	Community Protection	Public Protection		31-Mar-2025		



Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
PLAC13.08 Streamline the Environmental Permitting Burden in relation to the Environmental Permitting Regulations	Community Protection	Public Protection	▶	31-Mar-2025		
LAC14.01 Progress the Greater Nottingham Strategic Plan in partnership with Broxtowe and Rushcliffe Borough Councils and Nottingham City.	Development Services	Sustainable Growth and Economy	▶	31-Mar-2025		<p>A report which appears elsewhere on the agenda seeks to inform Members of the revised National Planning Policy Framework (NPPF) published on 12th December 2024 and seek approval to withdraw from the preparation of the Greater Nottingham Strategic Plan and instead commence the preparation of the Gedling Local Development Plan, to replace the Aligned Core Strategy which was adopted in September 2014 and the Local Planning Document which was adopted in July 2018. The report also seeks approval from Cabinet to approve the revised Local Development Scheme which includes a timeframe for the delivery of key milestones.</p>

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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In partnership with Broxtowe and Rushcliffe Borough Councils along with Nottingham City Council we are developing a Strategic Plan, which sets out the policies which will help guide future development across our combined areas. Once adopted, the Strategic Plan will replace the Aligned Core Strategy and comprise part 1 of the Council's Local plan.

The Strategic Plan will look at how Greater Nottingham's longer-term development needs can be met up to 2041 supported by more detailed policies which will be developed in each Council's own individual Part 2 Local Plan. The Strategic Plan will cover key strategic issues such as climate change; improving access to homes and jobs; infrastructure; and conservation and enhancement of the natural, built and historic environment. An important role of the Strategic Plan is to outline the approach to meeting housing need and include housing targets for each Council area.

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p>The Growth Options Consultation took place between the 6th of July -14th September 2020 with an extension between 10th February and 24th March 2021.</p>
						<p>The 'Preferred Approach' document was considered by Cabinet on 8 December 2022. Members resolved to approve the Greater Nottingham Strategic Plan Preferred Approach document and Sustainability Appraisal in so far as it relates to Gedling Borough with the exception of proposals to release Green Belt land at Teal Close, in light of the Ministerial Statement made on 6th December 2022 and to be made clear in an updated National Planning Policy Framework, to allow a period of public representations.</p>
						<p>The consultation was launched on 3 January 2023 for a period of 6 weeks. There has been a press release, and a briefing note has been issued to all members.</p>

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Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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The document does not include the full range of topics that will form the Strategic Plan but focusses on the vision and strategy for meeting longer term development needs, including the approach to housing provision and employment need as well as the strategic sites required to meet requirements.

For Gedling Borough, the strategy for meeting longer term development needs is: -

- firstly, to accommodate growth in and adjacent to the main built-up area of Nottingham.
- secondly adjacent to the sub regional centre of Hucknall; and
- thirdly in or adjacent to Key Settlements at Bestwood Village, Calverton and Ravenshead.

The housing target for each borough is set by national government and for Gedling Borough the target is 7,950 homes up to 2041 plus a buffer of around 800 homes. Much of the target is already met by sites that are






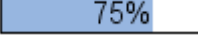
Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
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allocated for development or have planning permission, such as: -


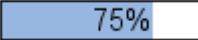

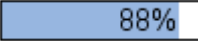
- the strategic sites at Gedling Colliery/Chase Farm and Teal Close (both on the edge of the urban area); and the strategic sites at Top Wighay Farm and North of Papplewick Lane (both on the edge of Hucknall)

The Preferred Approach proposes an extension to the existing allocation at Top Wighay Farm of 640 homes.

A further discrete consultation was undertaken in Q3 2023/24 for a preferred approach to logistics sites. None of the preferred sites are located within Gedling. The consultation on the draft Greater Nottingham Strategic Plan began on Monday 4th November and ends Monday 16th December. The extension to the existing allocation at Top Wighay Farm has been increased to 710 homes.

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
PLAC14.02 Undertake a review of the Infrastructure List as part of the review the Community Infrastructure Levy Policy.	Development Services	Sustainable Growth and Economy		31-Mar-2025		Reported to Cabinet on 12 December 2024 to seek approval for to commence a 6-week public consultation on revised Strategic Infrastructure Projects to be funded through the Strategic receipts of the Community Infrastructure Levy (CIL). Public consultation commenced in January 2025.
PLAC14.03 Put in place a design code for the Borough	Development Services	Sustainable Growth and Economy		30-Sep-2024		
PLAC14.04 Create and implement Housing Strategy to include consideration of the needs of vulnerable groups including those with physical/learning disabilities and older people who may need adaptations to remain in their accommodation.	Housing, growth and regeneration	Sustainable Growth and Economy		31-Mar-2025		A Housing Strategy has been drafted. It is in its final draft stages and then will be put out to consultation. The aim to get the strategy live asap

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
PLAC14.05 Identify and deliver key interventions to prevent homelessness and rough sleeping.	Housing, growth and regeneration	Life Chances and Vulnerability		31-Mar-2025	<div style="width: 32%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 32%	Work is ongoing to identify new prevention measures. Additional TA units are being purchased.
PLAC14.06 Initiate a project to extend the supply of temporary accommodation in the Borough to reduce reliance and spend on B&B as part of works to ensure that the Borough has suitable temporary accommodation to reduce reliance on B&B	Housing, growth and regeneration	Life Chances and Vulnerability		31-Mar-2025	<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 50%	3 bids on properties on the open market have been accepted and working is ongoing to secure a further 3 units. Additional work is underway to explore modular accommodation such as pods and tiny homes (similar to 2 storey caravans) as well as converted shipping containers as a cheaper TA option. This will maximise the TA purchasing budget and mean more units are available to the Housing Options team and help reduce the B&B expenditure.
PLAC14.07 Designated Resettlement Officer to work directly with refugees and asylum seekers	Housing, growth and regeneration	Life Chances and Vulnerability		31-Mar-2025	<div style="width: 100%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 100%	Resettlement Officer appointed and in post.

Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
PLAC14.08 Promote the Uptake of Energy Efficiency Measures in Domestic Properties	Public Protection	Climate Change and Natural Habitat		31-Mar-2025		<p>HUG2 scheme progressing in partnership with Nottinghamshire County Council.</p> <p>30 active homes engaged with scheme. 3 installs complete, 14 installs in progress, 8 awaiting Government batch approval and 5 properties at survey and design stage. Aiming to maximise use of funding.</p> <p>Devolution funding retrofit scheme nearing conclusion. installs complete. reporting, lodgements and funding claims to be completed in q4.</p>
PLAC14.09 Address private landlords and managing agents who intentionally let sub-standard accommodation and do not comply with the law and where necessary take appropriate enforcement action	Public Protection	Public Protection Portfolio		31-Mar-2025		<p>The selective licensing team have been busy in quarter 3 preparing for the launch of the new scheme from 5th January 2025. A number of internal procedures and templates have been updated together with the website and to date in advance of the official launch date for the scheme 131 licence applications have been received for phase 1A.</p> <p>At the end of quarter 3 and since the phase 2 selective licensing scheme</p>



Code & Title	Responsible OUs	Portfolio Owners	Status	Target Completion Date	Progress Bar	Notes
						<p>started 501 licence applications have been received and so far, 380 licences have been issued. For quarter 3 specifically 69 licence applications were received and 52 licences issued for the phase 2 selective licensing scheme.</p> <p>18 new service requests relating to damp and mould in rented accommodation were received by the team in quarter 3 and are under the process of investigation to protect tenants' health from the potential hazard of damp and mould.</p> <p>Damp and mould advice and guidance were sent to in the region of 100 lettings and managing agents in quarter 3 to provide information on dealing with damp and mould and condensation.</p>

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# Quarter 3 indicator report

## COMMUNITY

PI Code & Short Name	Managed by	Ownership Portfolio Owners	Q3 2024/25			Annual 2024/25	Trend compared to previous quarter	Quarterly Status	Latest Note
			Value	Target	Year to Date				
LI027f Number of visits leisure centres	Communities, Leisure and wellbeing	Health and Wellbeing Lifestyles	302,207	262,750	939,976	1,165,000	↓	✔	Q3 attendances are above target, after a good turnout for the live shows and cinema showings at the Bonington. Year to date the attendances are below target, and this was due to earlier challenges in Q1 and Q2 when there were fewer big blockbuster films being released. There are plenty of
LI027f Number of attendances - Bonington Theatre	Communities, Leisure and wellbeing	Health and Wellbeing Lifestyles	14,026	13,943	32,392	48,000	↑	✔	



PI Code & Short Name	Managed by	Ownership Portfolio Owners	Q3 2024/25			Annual 2024/25	Trend compared to previous quarter	Quarterly Status	Latest Note
			Value	Target	Year to Date				
									Oscar nominated films due to be shown in Q4 and this may give a push on attendance figures and make up for the drop in Q1/Q2
P0074 Average time to process new Housing Benefit claims (in calendar days)	Regeneration and Welfare	Life Chances and Vulnerability	24 days	15 days	18.6 days	15 days	↓	🛑	The Department has experienced several long-term sickness which has resulted in a backlog of work which is now being cleared which should result in a reduction in processing times in the oncoming months.
LI075 Average time to process Housing Benefit change in circumstances (in calendar days)	Regeneration and Welfare	Life Chances and Vulnerability	11.3 days	5 days	7.7 days	5 days	↓	🛑	The Department has experienced several long-term sickness which has resulted in a backlog of work which is now being cleared which should result in a reduction in processing times in the oncoming months.

PI Code & Short Name	Managed by	Ownership Portfolio Owners	Q3 2024/25			Annual 2024/25	Trend compared to previous quarter	Quarterly Status	Latest Note
			Value	Target	Year to Date				
LI085 Current number of DNA members	Communities, Leisure and wellbeing	Health and Wellbeing Lifestyles	4,495	4,500		4,500	↓	✅	
LI086 Average length of time spent in temporary accommodation (in weeks)	Regeneration and Welfare	Life Chances and Vulnerability	24 wks		24.4 wks		↑	📊	
LI379 Average number of Swim School Members (12 month rolling period)	Communities, Leisure and wellbeing	Health and Wellbeing Lifestyles	4,039	4,200		4,200	↓	⚠️	December had a drop off in swim lesson members which is typical at this time of the year, Despite the lower figure in December, October and November were above the end of year target of 4200 There is a planned marketing and communication plan for Q4 which will provide us with the opportunity to recover the lost members

PI Code & Short Name	Managed by	Ownership Portfolio Owners	Q3 2024/25			Annual 2024/25	Trend compared to previous quarter	Quarterly Status	Latest Note
			Value	Target	Year to Date				
Li410 Total number of family households in B&B at the end of the month	Regeneration and Welfare	Life Chances and Vulnerability	7.3		12.8		↑		
P1155 Number of affordable homes delivered (gross)	Development and Place	Sustainable Growth and Economy	39	57	82	75	↑	⬮	The target has been missed as the completion of affordable housing units at Rolleston Drive has been slower than anticipated. Higher completion rates at this site and across the Borough are expected in the next quarter, but the end of year target may not be achieved.





## COUNCIL

PI Code & Short Name	Managed by	Ownership Portfolio Owners	Q3 2024/25			Annual 2024/25	Trend compared to previous quarter	Quarterly Status	Latest Note
			Value	Target	Year to Date				
LI006 Working Days Lost Due to Sickness Absence (rolling 12-month total)	Workforce	Deputy Leader Resources and Performance	9.04 days	9.00 days		9.00 days	↑	✅	
LI016 Percentage of Council Tax collected	Finance and ICT	Deputy Leader Resources and Performance	80.85%	73.88%		98.50%	↑	✅	
LI017 Percentage of Business Rates Collected	Finance and ICT	Deputy Leader Resources and Performance	81.82%	74.17%		98.90%	↑	✅	
LI018 Percentage of invoices paid within 30 days	Finance and ICT	Deputy Leader Resources and Performance	99.02%	99.00%	97.93%		↑	✅	Much improvement from previous quarterly performance.
LI052 Percentage of calls to the contact centre answered (or call back made) - 12 month rolling total	Customer engagement	Deputy Leader Resources and Performance	98.3%	94.0%			↓	✅	
LI411 Number of customers attending outreach hubs	Customer engagement	Deputy Leader Resources and Performance	187		600		↑	📈	

PI Code & Short Name	Managed by	Ownership Portfolio Owners	Q3 2024/25			Annual 2024/25	Trend compared to previous quarter	Quarterly Status	Latest Note
			Value	Target	Year to Date				
LI420 Number of customers contacting through webchat	Customer engagement	Deputy Leader Resources and Performance	1,315		4,726		↓		
LI421 Average call waiting times (Seconds)	Customer engagement	Deputy Leader Resources and Performance	32				↓		





**PLACE**

PI Code & Short Name	Managed by	Ownership Portfolio Owners	Q3 2024/25			Annual 2024/25	Trend compared to previous quarter	Quarterly Status	Latest Note
			Value	Target	Year to Date				
LI 314 Number of rented households with health and safety hazards that fall below the minimum legal standard that have been remediated following the council's intervention	Public Protection	Public Protection Portfolio	8	13	35	50			The service has improved less properties this quarter than the projected target. Resources this quarter have been focussed on the launch of the new phase 1A selective licensing scheme in Netherfield and raising awareness supporting landlords to apply.
LI107 Number of litter and dog fouling Fixed Penalty Notices (FPN) served	Community Protection	Public Protection Portfolio	4		13				Numbers have been reduced to reflect the numbers of Neighbourhood Wardens however the Council is working to establish a new business model which is likely to see and increase moving forward

PI Code & Short Name	Managed by	Ownership Portfolio Owners	Q3 2024/25			Annual 2024/25	Trend compared to previous quarter	Quarterly Status	Latest Note
			Value	Target	Year to Date				
LI118 Number of long term (over 6 months) empty homes in the Borough returned to use as a result of Gedling Borough Council intervention	Public Protection	Sustainable Growth and Economy	17	18	83	70	↑	🛑	17 properties returned to use out of a target of 18. Have previously exceeded the targeted in earlier quarters.
LI133 Number of fly tipping incidents reported to Gedling Borough Council	Community Protection	Public Protection Portfolio	281		967		↓	📊	
LI276 Percentage of food premises scoring 4 or 5 in the national food hygiene rating scheme	Public Protection	Public Protection Portfolio	95%	95%		95%	↓	✅	
LI346 Percentage of fly tipping incidents removed within 10 working days	Community Protection	Public Protection Portfolio	96.8%	98%	97.52%	98%	↓	✅	
LI419 Number of anti-social incidents reported to Council	Community Relations	Public Protection Portfolio	61				↑	📊	
NI154 Net additional homes provided	Development and Place	Sustainable Growth and Economy	150	116	382	463	↑	✅	Housing commencement had been low in Q2 of this

PI Code & Short Name	Managed by	Ownership Portfolio Owners	Q3 2024/25			Annual 2024/25	Trend compared to previous quarter	Quarterly Status	Latest Note
			Value	Target	Year to Date				
NI157a Percentage of Major planning applications processed within 13 weeks	Development and Place	Sustainable Growth and Economy	100.00 %	92.00%	100.00 %		✓	year but are starting to pick up again. Also, Rolleston Drive has been dormant for over a year but has recently resumed activity. We expect numbers to increase and meet target for later part of this financial year.	
NI157b Percentage of Minor planning applications processed within 8 weeks	Development and Place	Sustainable Growth and Economy	89.47%	86.00%	87.01%	↑	✓		
NI157c Percentage of other planning applications processed within 8 weeks	Development and Place	Sustainable Growth and Economy	85.06%	80.00%	89.55%	↓	✓		
NI191 Residual household waste per household in Kg	Transport and Waste Services	Environmental Services (Operations)				580kg	↑		✓

PI Code & Short Name	Managed by	Ownership Portfolio Owners	Q3 2024/25			Annual 2024/25	Trend compared to previous quarter	Quarterly Status	Latest Note
			Value	Target	Year to Date				
NI192 Percentage of household waste sent for reuse, recycling and composting	Transport and Waste Services	Environmental Services (Operations)				34.00%			

# **GEDLING**

## **PLAN**

**2023-2027**

**Examples of achievements, corporate  
activities and projects during**

**Quarter 3 - 2024/25**

## **Skills and Employment**

Transform Your Future – Joint Commission – The 'Transform Your Future Programme' continues, with 83 Gedling residents now engaged with the programme. This offers personalised support to help individuals improve their skills, confidence, employability, and wellbeing.

## **Business**

The AMP Enterprise Centre – The AMP First Floor works were complete on 21st October. The 4 new office units are now available to let and are being marketed by New West.

## **Town and Local Centres**

Ambition Arnold masterplan approved - Following the Ambition Arnold public consultation, a Cabinet report was produced and presented to Members in December, where the Ambition Arnold Masterplan was approved. The Visionary Masterplan provides a strategic framework designed to revitalise Arnold town centre and address its long-term sustainability.

Carlton Long Term Plan for Towns - the Council continued to develop the initial 3-year investment plan and 10-year vision through to completion at end of October 2024. Within quarter 3, the government has positively confirmed that it will honour the 20m funding award as part of a repurposed program with revised guidelines.

Arnold Christmas Lights Switch On – the event, which included a Christmas Markets, live performances and street theatre, took place in Arnold Town Centre with around 2500 people attending. Businesses staying open later reported an increase in customers, especially in and around the AMP.

## **Poverty and the Vulnerable**

Challenge Poverty Event – As part of Challenge Poverty Week, the council held a free event during October at the Civic Centre. The council and the DWP worked alongside a range of external organisations attended to provide advice and support to residents struggling financially. The day was a success and well-attended.

Food and clothing drives – the council's customer service team organised a warm clothing drive for the homeless and a food drive to help local foodbanks.

White Ribbon Event – Gedling Borough Council worked with Phenomenal Futures to hold an event at the Civic Centre which had a host of speakers talking about the impact of violence against women. This event, along with a number of other events, supported White Ribbon Day, a day to raise awareness and challenge violence against women and girls.

## **Children and Young People**

Mental health support for young people – Gedling Borough Council, in partnership with Positively Empowered Kids CIC, NottAlone and Be U Notts, has launched a pioneering initiative to enhance

mental health support for young people across the borough as part of its commitment to improve the life chances and opportunities for children and young people.

Gedling Swim Stars Gala and Fun Days - As a celebration the Council's swim school and to give learners a fun and interactive day to try and keep our learners engaged before the end of the calendar year Arnold, Calverton and Carlton Forum hosted swim galas and fun days which were again a huge success this year. 182 children took part in the gala at Arnold and 95 at Carlton Forum, with a further 51 taking part in the fun day at Calverton.

## **Health and Wellbeing**

Sports Clubs funding – Gedling Borough Council received funding from the UK Shared Prosperity Fund to support improvements to local sports facilities across the borough, making them more accessible and helping to enhance the community's access to high-quality sporting opportunities.

Health Management System - The leisure centres have successfully procured a new health management system which will improve the use of resources used to deliver the health schemes. This new system will provide a digital solution to the tracking of customer using the health programmes and provide more detailed reporting which can be used to assess the impact of the health programme for participants.

## **Cleanliness, Environment and Climate Change**

Gedling Country Park (GCP) memorial – During National Tree Week in November, a project began to develop a memorial to Queen Elizabeth II in GCP, which will include two bespoke commemorative benches, an interpretation board and the planting of trees by volunteers and council officers. Altogether during quarter 3, the park rangers along with friends of parks have planted 1127 trees in various locations throughout the borough.

Litter Picking - In November, our Parks team facilitated and supported 30 Children from Killisick Junior School who litter picked the Hobbucks in Arnold. In total they collected many items of fly tipping and 26 full black bags of litter. This is now a regular activity at the Hobbucks.

Climate Clever - In November, our Climate Change Officer partnered with 'Kids Against Plastic' to launch Climate Clever [CCB Home – Climate Clever](#) to businesses. and to also promote energy audits & support offered through the East Midlands Chamber. Our Environment Health Officers are promoting the scheme when inspecting/ visiting businesses.

## **Pride of Place**

Pride of Gedling Awards - Gedling Borough Council hosted the 9<sup>th</sup> annual Pride of Gedling Awards in November. Over 120 nominations were received over the six categories. The event was held in the Civic Council Chamber and was attended by local residents, businesses, community leaders and Cabinet members. The event was fully funded by external sponsors and showcased the best of the borough's local community.

Annual Remembrance Events - The Council led a successful Arnold Remembrance Event in November, with a record attendance of circa 2,500 - 3000 members of the public and strong representation from uniformed organisations. Support was also provided to Gedling and

Mapperley Remembrance Events in terms of the provision of road closures along with guidance, assistance in event planning and liaison with Countywide Safety Advisory Group colleagues. Feedback from event leads, participants and the wider public was extremely positive for all three events.

## **Housing**

Funding award for disabled adaptations - Gedling Borough Council has received funding from Government to provide grants for residents which can cover the costs of property adaptations. The grants will help those with disabilities remain living independently at home and give financial support to make this possible.

## **Innovation and Improvement**

Transformation projects this quarter included:

- Support to Waste and Parks colleagues to specify and procure a new waste and environmental management system to be rolled out from 2025.
- Leading the specification and selection process for a new council website, customer relationship management system, with a phased roll out due to start in the first quarter of 2025.
- Establishment of the new transformation team, with the first service discoveries underway, with the aim of making services to customers more responsive and reliable and delivering financial savings.
- Participation in the new national Cyber Assessment Framework pilot.





## **Report to Cabinet**

**Subject:** Implications of the revised National Planning Policy Framework (NPPF) for local plan preparation and approval of revised Local Development Scheme (LDS)

**Date:** 13<sup>th</sup> February 2025

**Author:** Director of Place

### **Wards Affected**

All

### **Purpose**

The purpose of this report is to inform members of the revised NPPF published on 12<sup>th</sup> December 2024 and seek approval to withdraw from the preparation of the Greater Nottingham Strategic Plan and instead commence the preparation of the Gedling Local Development Plan, to replace the Aligned Core Strategy which was adopted in September 2014 and the Local Planning Document which was adopted in July 2018.

### **Key Decision**

The Aligned Core Strategy and Local Planning Document comprise the development plan for Gedling Borough and affects all wards. Reviewing these plans with the intention of ultimately replacing them with the Gedling Local Development Plan and withdrawing from the Greater Nottingham Strategic Plan (GNSP) is a key decision as it is likely to have a significant impact on those living and working in two or more wards.

### **Recommendation(s)**

**THAT:**

- 1) That Cabinet notes the summary of changes to the NPPF arising from the publication of the revised NPPF on 12<sup>th</sup> December 2024 appended to this report as Appendix 1.**
- 2) That Cabinet recommends that Council approves withdrawal from the**

**preparation of the Greater Nottingham Strategic Plan and to commence the preparation of the Gedling Local Development Plan which will cover strategic and non-strategic matters.**

**3) That Cabinet recommends that Council approves the revised Local Development Scheme (LDS) appended to this report as Appendix 2.**

**1 Background**

- 1.1 On 10<sup>th</sup> January 2019 members were asked to note the intention to commence a review of the Local Plan, commencing with the review of the Core Strategy. Subsequent reports to Cabinet have sought approval to consult on the Growth Options, Preferred Approach documents and the Publication Draft document.
- 1.2 Strategic policies for the Greater Nottingham area are currently set out in the adopted Core Strategies for the Greater Nottingham authorities (Broxtowe Borough, Gedling Borough and Nottingham City Councils, adopted in September 2014; the adopted Core Strategy for Erewash Borough Council, adopted in March 2014; and the adopted Core Strategy for Rushcliffe Borough Council, adopted in December 2014). Collectively these are referred to as the Aligned Core Strategies, as the policy framework within them is consistent, they are based on a common evidence base, collectively they meet the full objectively assessed need for housing and other development, and they cover the same plan period. Together they provide a consistent and coherent strategic spatial planning framework for the Nottingham Core (Greater Nottingham) Housing Market Area.
- 1.3 The Aligned Core Strategy was adopted in September 2014 and forms Part 1 of the Gedling Local Plan, providing the strategic context for the Part 2 Local Planning Document (adopted in 2018). It sets out the strategic policy direction for future development in the Borough up to 2028. There is, however, a legal requirement to review local plans every five years. Gedling Borough Council has been preparing the Greater Nottingham Strategic Plan (GNSP) in conjunction with Broxtowe Borough, Nottingham City and Rushcliffe Borough Councils. Several consultation exercises have been undertaken to date, on the Growth Options document (in July 2020 and February 2021), the Preferred Approach (January/February 2023 and Autumn 2023) and the full Publication Draft plan (November/December 2024).
- 1.4 Preparation of the GNSP has taken place in the context of the NPPF, which sets out the government's planning policies for England and how these are expected to be applied. A draft revised NPPF was consulted on in 2024 and comments were submitted in advance of the deadline of 24<sup>th</sup> September

2024. The consultation proposed a wide range of changes with the aim of ensuring the planning system delivers sustained economic growth. Amongst these changes were making the standard method for assessing housing needs mandatory in order to deliver the Government's commitment to build 1.5 million new homes. In relation to plan making, draft transitional arrangements allowed for local plans that were published within one month of the publication of the new NPPF and where the emerging annual housing requirement was 200 dwellings or fewer below the published relevant Local Housing Need figure (derived from a draft new methodology), to be examined under the 2023 NPPF. The publication draft GNSP was progressed on the basis of meeting these draft transitional arrangements.

- 1.5 The revised NPPF was published on 12<sup>th</sup> December 2024. The policy changes continue to reflect the government's commitment to radically boosting the supply of housing, while delivering homes and places that are high quality and genuinely affordable. The plan-led approach continues to be the cornerstone of the planning system. The changes are wide ranging and far reaching and are summarised in the note attached as **Appendix 1**.
- 1.6 However, other changes include revisions to the transitional arrangements which increased the number of homes needed to be identified on non-strategic sites which mean that the approach taken by the Publication Draft GNSP no longer complies and further work would need to be undertaken. The certainty provided by the publication of the revised NPPF has provided an opportunity to review the Council's approach to plan preparation before committing to the cost of the examination stage.
- 1.7 Continuing to progress the GNSP would achieve only 80% of the Council's housing need, calculated using the new standard method, which equates to 478 dwellings per annum. The draft plan identifies additional land at the strategic allocation at Top Wighay Farm but would require further non-strategic allocations to be identified through future plan preparation to meet the housing target set by the revised standard method. It is estimated that the full suite of allocations would not be confirmed until 2029/2030 through this route.
- 1.8 The Council now has an opportunity to review its approach to plan preparation and produce a single local plan for the Council which meets the standard method in full (609 dwellings per annum). Whilst the plan preparation process would need to recommence, only one plan would be prepared which would identify both strategic and non-strategic sites to meet the Council's housing need in full. To accord with the NPPF, this plan would need to be submitted for examination by 12<sup>th</sup> December 2026, with adoption anticipated by late 2027.

## 2 **Proposal**

- 2.1 Progressing a single local plan for Gedling Borough enables the new standard method housing figure to be met in full at an earlier opportunity than would be achieved by progressing the GNSP and a subsequent plan. This approach will therefore have the benefit of delivering more housing more quickly, thereby meeting the needs of residents including those in need of affordable housing. It is acknowledged that timescales are extremely challenging, given the need to prepare additional evidence and identify sites to meet the housing target. However, the advanced stage of preparation of the GNSP provides a good starting point for the new local plan and the additional work required would be needed in any event through a review of the part 2 local plan.
- 2.2 A collaborative approach with the Greater Nottingham Planning Partnership will continue, through attendance at Joint Planning Advisory Board meetings and continued use of the shared evidence base in agreement with the Greater Nottingham Partnership as well as the consistent policies that have been agreed through the preparation of the GNSP.
- 2.3 The Council is required to prepare and maintain a Local Development Scheme to set out the timetable for preparing the Council's Local Plan. The existing Local Development Scheme was prepared in January 2024 and covers the preparation of the Greater Nottingham Strategic Plan and also refers to the separate review of the part 2 local plan. Previous Local Development Schemes related to the preparation of the Aligned Core Strategy and Local Planning Document.
- 2.4 Given the intention to now prepare a single local plan for Gedling Borough, the Local Development Scheme has been updated and is attached as **Appendix 2**. The timetable and milestones for the preparation of the local plan enable the plan to be submitted for examination by 12th December 2026, being the deadline set by the NPPF. The revised Local Development Scheme will be made available on the Council's website. It is noted that there is an opportunity to apply for grant funding to support local authorities to implement the required policy changes arising from the revised NPPF. One of the funding requirements is the council's in receipt of funding should ensure that their Local Development Scheme is updated and shared with MHCLG within 12 weeks of the publication of the revised NPPF, i.e. by 6<sup>th</sup> March 2025.

### **3 Alternative Options**

- 3.1 One alternative option would be not to review the Aligned Core Strategy and Local Planning Document, but there is a statutory requirement to prepare a Local Plan and to review it every five years. An out-of-date plan and policies would make the Council vulnerable to speculative planning applications as applications would be determined in accordance with the National Planning

Policy Framework and its default presumption in favour of sustainable development

- 3.2 Another alternative would be to continue with the Greater Nottingham Strategic Plan. Whilst it is recognised that there are significant advantages of a comprehensive approach to strategic planning across the whole of the Greater Nottingham area, ensuring a consistent planning policy approach across the wider area, plan preparation can progress more quickly through preparing a single local plan for Gedling Borough enabling sites to be identified to meet the standard method housing figure in full with an adopted plan including both strategic and non strategic sites anticipated by late 2027.
- 3.3 A further alternative is to pause progress on the Greater Nottingham Strategic Plan and for a Spatial Development Strategy to be prepared by the Combined Authority. However, for Spatial Development Strategies, paragraph 23 of the NPPF states that allocations and land use designations can only be included where the power to make allocations has been conferred which does not apply to the East Midlands Combined County Authority. As such, preparation of a Spatial Development Strategy would not enable Gedling Borough Council to allocate land to meet its housing target.
- 3.4 One alternative option in relation to the Local Development Scheme is not to specify a date upon which the revised document will come into effect. The production and bringing into effect of a Local Development Scheme is a statutory requirement and the existing document is out of date as it relates to the Greater Nottingham Strategic Plan.

#### **4 Financial Implications**

- 4.1 The cost of the preparation of a single local plan for Gedling Borough will be met from existing resources. Evidence studies which have been commissioned jointly with the Greater Nottingham Partnership will continue to inform the drafting of the Gedling Local Development Plan. Any additional evidence studies to support the GLDP will have arisen due to the requirements of the NPPF and will be undertaken either jointly with the Greater Nottingham Partnership or individually by the Council dependent on the nature of the study. This would have been the case regardless of whether the Council had continued with the GNSP. There is an opportunity to apply for funding to support local plan delivery and Green Belt reviews. There will be costs associated with subsequent stages of preparation including the examination stage. However, there will only be the requirement for one local plan inquiry as there will be no need to progress a further plan to meet the Council's development needs for this plan period.

Additional costs will be incurred through the need to amend the current licence contract that the Council has with the other partner Councils and Inovem in respect to the licence for use of the Inovem Consult software and to

collect store and process consultation responses. The partner Councils have accepted and agree to the change to the partnership agreement. The current licence expires in March 2026 and the Council will require a new licence in advance of the Issues and Options consultation which is anticipated July 2025. The total cost excluding VAT is £16,412. Funding for this has been set aside in the Local Plan Reserve. There are no financial implications relating to the approval of the Local Development Scheme.

## **5 Legal Implications**

- 5.1 It is a legal requirement of local planning authorities that they exercise their plan making functions (under s.39(2) of the Planning and Compulsory Purchase Act 2004). There is also a legal requirement to review local plans every five years (Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012) and this is reflected in the National Planning Policy Framework (NPPF).
- 5.2 The Council is required by S.15 of the Planning and Compulsory Purchase Act to prepare and maintain a Local Development Scheme to set out the timetable for preparing the Council's local plan. Revisions to the transitional arrangements in the NPPF in December 2024 resulted in the approach within the GNSP no longer complying and further work needed to be undertaken. The revised Local Development Scheme subject to approval by Cabinet reflects this new approach of progressing a single local plan.

## **6 Equalities Implications**

- 6.1 The preparation of a local plan is subject to consultation with a wide range of stakeholders and the Council will consult with groups representing people with protected characteristics. An Equalities Impact Assessment will be progressed in tandem with the emerging local plan as part of an iterative process that assesses more comprehensive and detailed policies and recommends changes through the Plan's preparation.
- 6.2 Consultation on the local plan will be undertaken in accordance with the Council's Statement of Community Involvement. Appendix 1 of the Statement of Community Involvement sets out stages of preparation of a development plan document and states that the Council will engage with stakeholders and the community through the pre-submission stage using a variety of methods. A key factor is ensuring that the consultation is accessible to all and that equalities implications are given full consideration.

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

- 7.1 Sustainability Appraisal is a legal requirement of plan preparation in order to consider economic, social and environmental objectives. A Sustainability Appraisal Report will be prepared to fulfil the requirements of the Planning and Compulsory Purchase Act (2004), and the requirements of the EU

Strategic Environmental Assessment Directive transposed in the UK by the Environmental Assessment of Plans and Programmes Regulations 2004.

## **8 Climate Impact Assessment**

- 8.1 A Climate Impact Assessment will be prepared to consider each stage of the emerging local plan to consider the impact of the draft plan on addressing climate change issues and in support of the Council having taken the ambitious path of becoming net zero by 2030.

## **9 Health Impact Assessment**

- 9.1 A Health Impact Assessment will be prepared to consider each stage of the emerging draft plan to identify and consider the potential health and equality impacts. Health impacts of the Plan are also considered through the Sustainability Appraisal process, Equality Impact Assessment and Climate Impact Assessment.

## **10 Appendices**

**Appendix 1** Summary of changes to the NPPF

**Appendix 2** Revised Local Development Scheme

## **11 Background Papers**

**Background Paper 1** – [revised NPPF](#) (12<sup>th</sup> December 2024)

The following documents are available at

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

:-

- Aligned Core Strategy (September 2014)
- Gedling Borough Council Local Planning Document, July 2018
- Statement of Community Involvement, September 2019

## **12 Reasons for Recommendations**

- 12.1 To inform members of the Government's changes to the NPPF.
- 12.2 To seek agreement to withdraw from the GNSP.

- 12.3 The production of the Local Plan is a statutory requirement for the Borough Council and must be reviewed every five years. The Gedling Local Development Plan will, when adopted, replace the Aligned Core Strategy and Local Planning Document.
- 12.4 An up to date Local Development Scheme is required to set out the timetable for the preparation of the review of the local plan.

**Statutory Officer approval**

**Approved by:**

**Date:**

**On behalf of the Chief Financial Officer**

**Approved by:**

**Date:**

**On behalf of the Monitoring Officer**



## Appendix 1

### Summary of revised NPPF – published 12<sup>th</sup> December 2024

On 12<sup>th</sup> December 2024, the Government published an updated version of the National Planning Policy Framework (NPPF) applicable in England. Many of the changes were carried forward from the draft consulted on in August/September 2024. Gedling Borough Council's comments on the draft NPPF can be viewed [here](#).

The key points to note are: -

- The Standard Method for assessing housing needs is mandatory and the revised methodology increases housing need by circa 20% in England;
- A six-year housing land supply requirement comes into effect for local authorities with a local plan housing requirement over five years old, where it is 80% or less of the level set by the new Standard Method;
- The introduction of Grey Belt and clarification on circumstances through which Green Belt land can be released for development;
- The level of affordable housing required on housing sites removed from the Grey / Green Belt;
- The approach to the sequential test for assessing Flood Risk; and
- The transitional arrangements for the application of the new NPPF for decision taking and plan making.

#### Standard Method

The revised Standard Method has been published, which defines the minimum local housing need for all local authorities in England and aggregates to a national total of 371,541 per annum. It calculates the minimum annual local housing need figure following a two-step process. Firstly, the method will use 0.8% of existing stock as the baseline, as over the last 10 years housing stock has grown nationally by around 0.89%. Additional uplifts are then applied to respond to areas with poor housing affordability. For Gedling, the new standard method has resulted in a 32% increase in annual housing requirement from 460 to 609 dwellings. Local authorities will now have to plan for the new requirement which is applicable with immediate effect for decision making in areas without an up-to-date local plan. In such areas, this may mean that many local authorities can no longer demonstrate a five-year housing land supply. Gedling's Local Plan is older than five years, therefore the new housing requirement applies. Local authorities without an up-to-date local plan, will likely see an increase in planning applications for housing to increase local levels of land supply. The role of neighbourhood plans continue to be of importance, with the protections retained for five-years where these are up to date and make allocate land for the delivery of new homes.

#### Green Belt

The new NPPF introduces the concept of Grey Belt land, and it is defined as “*land in the Green Belt comprising previously developed land and/or any other land that, in either case, does not strongly contribute to any of purposes (a), (b), or (d) in paragraph 143. ‘Grey belt’ excludes land where the application of the policies relating to the areas or assets in footnote 7 (other than Green Belt) would provide a strong reason for refusing or restricting development.*” Land that qualifies as Grey Belt will be suitable for new housing where certain conditions are met, including an absence of a five-year housing land supply. The key test is for the land to not strongly contribute to some of the purposes of Green Belt, including urban sprawl and the merging of built development. Additional detail has also been included to specify the importance of Chapter 9 of the NPPF in assessing the sustainability of locations for development.

Of particular note is a change to paragraph 154(g) of the NPPF such that the test for allowing the redevelopment of previously developed land is to “not cause substantial harm to the openness of the Green Belt” instead of resulting in a “greater impact on openness”. This results in a lower benchmark for infill and redevelopment applications to meet and it will be harder to justify refusal.

“Golden Rules” have been introduced for land released from the Green Belt through plan making or decision making, which include:-

- Housing schemes should deliver affordable housing, at a higher level than would otherwise apply, up to a maximum of 50%
- Improvements to local or national infrastructure (including new schools, GP surgeries, transport links, care homes and nursery places)
- Improvements to local green spaces that are accessible to the public

With regards to plan-making most Green-Belt authorities are going to have to review their Green Belt boundaries, as meeting housing needs is now an ‘exceptional circumstance’. Further guidance for local authorities will be released in January 2025 to ensure a consistent methodology for undertaking Green Belt reviews.

### Other Matters

In respect of design, whilst the word ‘beautiful’ has been removed from the published version of the NPPF, the goal of planning policy remains to ensure ‘high quality’ design.

There has been a helpful change to the requirement for a sequential test for flooding in a new Paragraph 175 which clarifies that only where development itself (as opposed to open space or land for BNG etc) falls within the land at risk of flooding will a sequential test be required.

The requirement to deliver at least 10% of the total number of homes on major sites as affordable home ownership and also the requirement that a minimum of 25% of

affordable housing units should be First Homes have been removed. Instead, the Government considers that local planning authorities are in the best position to determine the mix and tenure of affordable housing by setting policies in local plans.

#### Plan making & transitional arrangements

For decision taking, the NPPF applies with immediate effect. In respect of local plan making, transitional arrangements apply. The NPPF modifies the draft transitional arrangements, so that local authorities have until 12<sup>th</sup> March 2025 to prepare and publish a Regulation 19 Local Plan in order to use the 2023 version of the NPPF, provided the emerging plan seeks at least 80% of the new Standard Method requirement).

After this date, there are a variety of routes which apply depending on the stage of the draft Local Plan. Paragraph 237 allows local plans that reach Regulation 19 stage on or before 12<sup>th</sup> March 2025 and whose draft housing requirement meets less than 80% of local housing need should proceed to examination within a maximum of 24 months of that date if the plan has to return to the Regulation 18 stage. This is the proposed plan making route for Gedling Borough, with the consequence that the Council is required to go back to Regulation 18 and 19 stages before submitting the draft plan for examination by 12<sup>th</sup> December 2026.

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## **GEDLING BOROUGH COUNCIL**

### **GEDLING BOROUGH LOCAL DEVELOPMENT SCHEME 2025 - 2028**

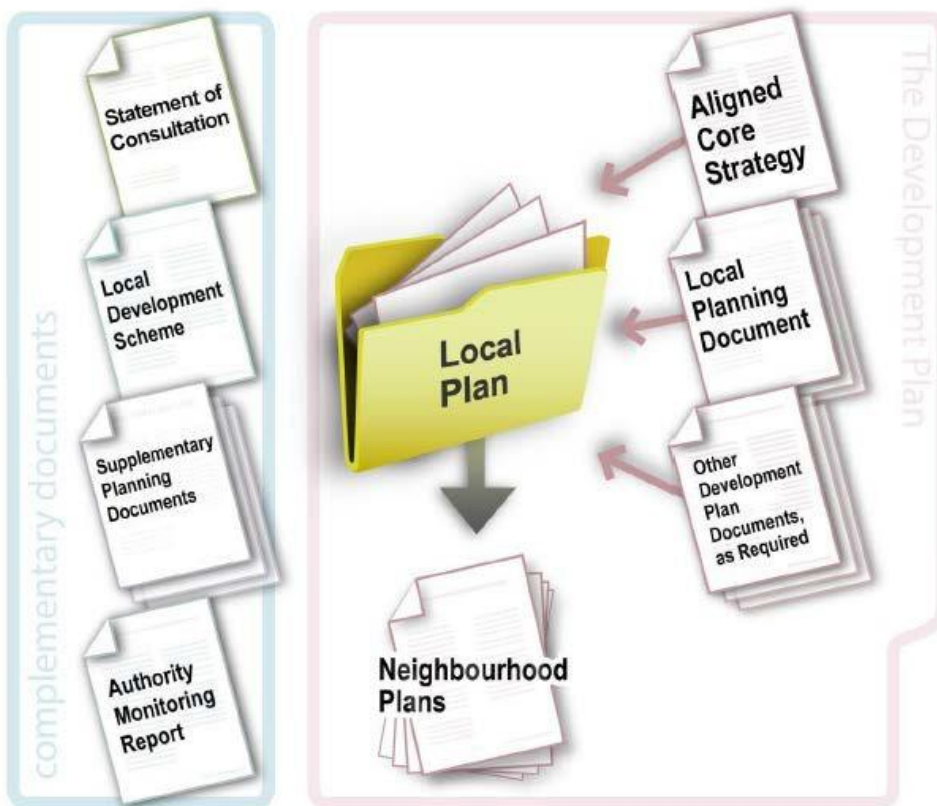
**February 2025**

## INTRODUCTION

- 1 Legislation set out in the Planning and Compulsory Purchase Act 2004 requires the Council to prepare and maintain a Local Development Scheme (LDS). This document is the revised LDS for Gedling Borough Council which will replace the existing Gedling Borough LDS approved in January 2024. The National Planning Policy Framework requires local planning authorities to review their local plans at least once every five years. This new LDS covers the period 2025/26 – 2028/29 to incorporate the review of the Gedling Borough Aligned Core Strategy which forms Part 1 of the Local Plan.
- 2 This new LDS also refers to the review of the Part 2 Local Plan namely the Local Planning Document which was adopted in 2018.
- 3 The Local Plan consists of: development plan documents and may include a core strategy, development management policies and other site specific development plan documents. Development proposals should be determined in accordance with the Local Plan unless there are material considerations that indicate otherwise.
- 4 Neighbourhood Plans introduced in 2011 also form part of the Local Plan for the area they cover once they have been subject to a positive result at a referendum. To date the following neighbourhood plans have become part of the Local Plan:
  - Calverton Neighbourhood Plan (Nov 2017);
  - Papplewick Neighbourhood Plan July 2018);
  - Burton Joyce Neighbourhood Plan (Nov 2018); and
  - Linby Neighbourhood Plan (May 2019).
- 5 As of January 2025 the Local Plan comprises:
  - Aligned Core Strategy 2014 (Part 1 Local Plan)
  - Local Planning Document 2018 (Part 2 Local Plan)
  - Burton Joyce Neighbourhood Plan
  - Calverton Neighbourhood Plan
  - Linby Neighbourhood Plan
  - Papplewick Neighbourhood Plan
- 6 Documents which support the Local Plan include:
  - Local Development Scheme – the timetable for the preparation of local development plans;
  - Statement of Community Involvement– sets out the Council’s approach to engaging with local communities during plan preparation and when consulting on planning applications; and

- Authority Monitoring Report – sets out the progress in terms of producing development plan documents and implementing policies.
- 7 The Local Plan will also include a Policies Map which illustrates the geographic extent of policies and proposals on a map base.
- 8 The individual documents making up the Local Plan are shown diagrammatically below:

**Figure 1 Local Plan** (note that following adoption of the Gedling Local Development Plan, this will replace the Aligned Core Strategy and the Local Planning Document).



## The Review of the Part 1 Local Plan

- 9 Gedling Borough along with Broxtowe Borough and Nottingham City Councils adopted the Aligned Core Strategies in 2014. Erewash Borough and Rushcliffe Borough adopted separate but aligned Core Strategies in 2014.
- 10 Preparation of the Greater Nottingham Strategic Plan was underway with the aim being for Broxtowe Borough, Gedling Borough, Nottingham City and Rushcliffe Borough Councils to prepare aligned core strategies covering the period 2022 – 2041. In the summer of 2020 and early 2021 the Councils consulted on the Greater Nottingham Strategic Plan Growth Options document under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations. The Greater Nottingham Strategic Plan: Preferred Approach was subject to consultation in early 2023 and a further specific consultation on the Distribution and Logistics Preferred Approach in autumn 2023. In November 2024 the Councils consulted on the Greater Nottingham Strategic Plan Public Draft document under Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations for a six week period closing on 16th December 2024. However, on 12<sup>th</sup> December 2024 the revised National Planning Policy Framework document which introduced a higher housing need was published. The Borough Council have consequently decided to prepare a single local plan for the Borough to meet this higher housing need. The subject matter to be contained in the Gedling Borough Local Development Plan is set out in **Appendix 1** below together with a timetable.
- 11 Once adopted the Gedling Borough Local Development Plan will replace the adopted Aligned Core Strategy 2014 which forms Part 1 of the Local Plan and also the Gedling Borough Local Planning Document which forms Part 2 of the Local Plan.

## Statement of Consultation

- 13 Gedling Borough Council adopted its Statement of Community Involvement in September 2019 to coincide with the preparation of the Greater Nottingham Strategic Plan. The Borough Council is committed to engaging with the local community on planning issues and this document sets out how and when the community will be consulted in the preparation of planning policy documents and also on planning applications.

## Supplementary Planning Documents

- 14 Councils may also produce Supplementary Planning Documents to give further guidance on their adopted policies. Supplementary Planning Documents may cover a range of issues, which may be either thematic (e.g. affordable housing or open space provision) or site specific (e.g. development briefs for allocations). It is not necessary for Supplementary Planning Documents to be covered in the LDS. However, these documents are subject to Member approval and will also be subject to consultation as set out in the Statement of Community Involvement.



## **The Proposals Map**

- 15 As the Local Plan is adopted, the coverage of new policies and site-specific proposals will be included on a new composite Adopted Proposals Map.

## **Sustainability Appraisal and Strategic Environmental Assessment**

- 16 The emerging Gedling Borough Local Development Plan is subject to an ongoing process of Sustainability Appraisal, which will incorporate the requirements for Strategic Environmental Assessment. This will inform the direction and content of each stage of the plan preparation process. The information used and the outcome of the appraisal process will be set out in an 'environmental report', which will accompany each development plan document. The timetable for this work will therefore run in parallel with each of the stages of plan preparation.

## **Equality Impact Assessment**

- 17 Councils are also required by legislation to prepare an Equality Impact Assessment to make sure policies in the Local Plan do not discriminate against certain groups and that opportunities are taken to promote equality.

## **FURTHER INFORMATION**

- 18 For further information on this Local Development Scheme please contact the Council at the address shown below. Information on adopted and emerging Local Development Plan is also available on the Council's website.

By post: Gedling Borough Council  
Planning Policy  
Civic Centre  
Arnot Hill Park  
Arnold  
Nottingham  
NG5 6LU

By E-mail: [planningpolicy@gedling.gov.uk](mailto:planningpolicy@gedling.gov.uk)

Website: [www.gedling.gov.uk](http://www.gedling.gov.uk)

## APPENDIX 1

<b>Title</b>	<b><i>Gedling Borough Local Development Plan</i></b>
Role and content	The Gedling Borough Local Development Plan will contain strategic and non strategic planning policies covering the following: <ul style="list-style-type: none"> <li>• Climate change and design</li> <li>• Spatial strategy</li> <li>• Housing strategy and target</li> <li>• Green Belt</li> <li>• Employment strategy and target</li> <li>• Town and local centres</li> <li>• Historic environment</li> <li>• Local services and culture</li> <li>• Transport strategy</li> <li>• Blue and green infrastructure and open space</li> <li>• Infrastructure and developer contributions</li> <li>• Strategic and non strategic site allocations</li> </ul>
Status	Development Plan Document
Conformity with	Consistent with national planning policy
Geographic coverage	Gedling Borough.

<b>Stage</b>	<b>Dates</b>
Starting Evidence Base	January 2025
<b><i>Consultation on SA scoping report</i></b>	March 2025
Consultation on Regulation 18	July 2025
Consultation on Regulation 19	March 2026
<b><i>Publication of Submission Document</i></b>	Dec 2026
Independent Examination Hearings (if required).	Jan 2027
Receipt of Inspector's Report	Dec 2027
<b><i>Adoption</i></b>	Spring 2028
Post production (monitoring and review mechanisms)	Ongoing

Organisational Lead	Planning Policy Manager
Political Management	Executive and Full Council
Internal Resources	Planning Policy Section, with technical, legal and administrative support from other teams as needed (including Development Management)
External Resources	Legal advice if required, outsource hardcopy printing
Community and Stakeholder involvement	Informal and formal public consultation as set out in the Statement of Community Involvement.

## THE PROPOSALS MAP AND INSET PLANS

<b>Title</b>	<b><i>The Proposals Map and Inset Plans</i></b>
Role and content	To map development plan policies
Status	Development Plan Document
Conformity with	The proposals map will conform to the adopted Local Plan.
Geographic coverage	Whole borough with detailed Inset Plan coverage of those parts of the borough affected by specific policies or proposals.

### Timetable

<b>Stage</b> (Revised where necessary as each DPD adopted. Submission proposals map submitted with DPD to identify how the adopted proposals map will be amended or added to)	<b>Dates</b>
Gedling Borough Local Development Plan	Ongoing

### Arrangements for production

Organisational Lead	Planning Policy Manager
Political Management	Executive and Full Council
Internal Resources	Planning Policy Section, with technical, legal and administrative support from other teams as needed.
External Resources	Legal advice if required.
Community and Stakeholder involvement	Previous involvement in site specific consultations.

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