



Civic Centre,
Arnot Hill Park,
Arnold,
Nottinghamshire,
NG5 6LU

Agenda

Cabinet

Date: **Thursday 8 August 2013**

Time: **12.30 pm**

Place: **Reception Room**

For any further information please contact:

Lyndsey Parnell

Members' Services Officer

0115 901 3910

Cabinet

Membership

Chair Councillor John Clarke

Vice-Chair Councillor Michael Payne

Councillor Peter Barnes
Councillor Kathryn Fox
Councillor Jenny Hollingsworth
Councillor Darrell Pulk
Councillor Chris Barnfather
Councillor Paul Hughes

AGENDA

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- 2 **To approve, as a correct record, the minutes of the meeting held on 6 June 2013** 1 - 6
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- 14 Any other items the Chair considers urgent.**

CABINET MEETING
Thursday, 6th June, 2013

Councillor W. J. Clarke (Chair)

Councillors: P.G. Barnes
K. Fox
J. Hollingsworth
M.R. Payne
D.E. Pulk
C. P. Barnfather (Observer) (a)
P.A. Hughes (Observer)

Officers in Attendance: J. Robinson, H. Barrington, S. Bray, P. Darlington, M. Kimberley,
D. Wakelin, P. Baguley, J. Mann, L. Parnell, A. Dubberley

1 APOLOGIES FOR ABSENCE.

Apologies for absence were received from Councillor Barnfather (Observer).

2 TO APPROVE, AS A CORRECT RECORD, THE MINUTES OF THE MEETING HELD ON 4 APRIL 2013.

RESOLVED:

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

Councillor Clarke left the meeting and Councillor Payne took the Chair.

3 DECLARATION OF INTERESTS.

None.

4 EMPLOYMENT AND SKILLS PRESENTATION

Corporate Director, Paula Darlington, introduced Economic Development Officer, James Mann, and partners from Central College Nottingham and Job Centre Plus, who gave a presentation on the Gedling Employment and Skills Partnership action plan.

Members thanked officers and representatives for their work with the Partnership and asked that their thanks be extended to those who could not be present at the meeting.

5 LOCAL DEVELOPMENT SCHEME

The Service Manager, Planning and Economic Development presented a report, which had been circulated prior to the meeting, seeking Cabinet approval to bring the revised Local Development Scheme attached to the report into effect from 7th June 2013.

RESOLVED:

To approve the revised Local Development Scheme and agree that it shall come into effect on 7th June 2013.

6 SHARED ACCOMMODATION (DEPARTMENT FOR WORK AND PENSIONS)

Corporate Director, Mark Kimberley, presented a report, which had been circulated prior to the meeting, setting out proposals to share accommodation at the Civic Centre, Arnold with the Department of Work and Pensions.

RESOLVED to:

1. Authorise Officers to progress arrangements to allow the DWP (Arnold Job Centre Plus) to share accommodation at the Civic Centre;
2. Note the potential for a net reduction in net expenditure arising from these proposals;
3. Note that, subject to satisfactory progress, changes to both Capital and Revenue Budgets will be subject to further decisions of the Council; and
4. Note that the approval of the lease will be subject to a separate report to the Portfolio Holder in due course.

7 COUNCIL PLAN AND BUDGET OUTTURN AND BUDGET CARRY FORWARDS 2012/13

Corporate Director, Mark Kimberley, presented a report, which had been circulated prior to the meeting, informing Members of the Council Plan and Budget Outturn and Budget Carry Forwards for 2012/13.

RESOLVED:

1. To note the Council Plan Performance and Budget Outturn figures for

2012/13;

2. To note the revenue carry forwards approved by the Chief Financial Officer of £24,300 included in Appendix 2, being amounts not in excess of £10,000;

3. To note the capital carry forwards approved by the Chief Financial Officer of £735,500 included in Appendix 2, being amounts not in excess of £50,000 and committed schemes above £50,000;

4. To agree the proposed changes to Improvement Actions as set out in Section 4;

5. To refer to Council for approval:

i) The revenue carry forward of £90,000 for the Superfast Broadband Scheme being a non-committed scheme in excess of £10,000;

ii) The capital carry forward of £103,300 for the Disabled Facilities Grants Scheme being a non-committed scheme in excess of £50,000;

iii) The overall method of financing of the 2012/13 capital expenditure as set out in Appendix 7 of the report;

iv) The capital determinations in Section 3.4.

8 ANNUAL TREASURY ACTIVITY REPORT 2012/13

Corporate Director, Mark Kimberley, presented a report, which had been circulated prior to the meeting, informing Members of the outturn in respect of the 2012/13 Prudential Code Indicators, and advising Members of the outturn on treasury activity, both as required by the Treasury Management Strategy.

RESOLVED:

To note the Annual Treasury Activity Report for 2012/13 together with the appendices, and refer it to Council for approval.

9 PEER CHALLENGE 2013

Corporate Director, Stephen Bray, presented a report, which had been circulated prior to the meeting, updating Members on the progress towards a Peer Challenge review of the Council later this year and seeking views of Members on the scope of the review.

RESOLVED:

To note the latest position in progressing towards a Peer Challenge for Gedling Borough Council.

**10 LOCAL GOVERNMENT BOUNDARY COMMISSION FOR ENGLAND
REVIEW OF ELECTORAL ARRANGEMENTS – FINAL
RECOMMENDATIONS**

Corporate Director, Stephen Bray, presented a report, which had been circulated prior to the meeting, informing Members of the final recommendations made by the Local Government Boundary Commission for England (LGBCE) on future electoral arrangements for the Gedling Borough Council.

RESOLVED:

To note the LGBCE's final recommendations on the new electoral arrangements for Gedling Borough Council.

11 INDIVIDUAL ELECTORAL REGISTRATION

Corporate Director, Stephen Bray, presented a report, which had been circulated prior to the meeting, outlining the upcoming changes to Electoral Registration that will be introduced by 2015.

RESOLVED:

To note the report.

12 FORWARD PLAN

Consideration was given to a report of the Service Manager, Elections and Members' Services, which has been circulated prior to the meeting, presenting the Executive's Draft Forward Plan for the next four month period.

RESOLVED:

To note the Forward Plan.

13 PROGRESS REPORTS FROM PORTFOLIO HOLDERS

Councillor Hollingsworth (Health and Wellbeing)

- A Private Landlord's Forum was recently held and well received

- The Housing Needs service had recently seen a fall in applications for accommodation. There had also been further improvements in case management times for benefits applications.
- There had been a number of discretionary housing benefit payments made as a result of national welfare reforms.
- Age UK's Campaign To End Loneliness continues as does support from the Council.
- Gedling Homes would shortly be installing cavity wall insulation to a number of their properties in the Borough.

Councillor Fox (Community Development)

- Arnold Carnival will take place on 15 and 16 June.
- National Armed Forces week will take place at the end of June with an event at the Civic Centre on the 24th.
- Netherfield Rail Heritage group had been receiving support from other local groups.
- Newstead Parish Plan was recently published at a successful launch event.

Councillor Pulk (Leisure and Development)

- Arnold Leisure Centre will completely close on 18 August until the end of September to allow work on a new reception area. Between November and February the pool will be closed to allow maintenance and new changing facilities to be built.
- Express Yourself art project for children with learning difficulties will launch very soon.
- A small grant has been awarded to allow an art exhibition to take place in Arnold Bowls Pavilion. Art work (available for sale) from local artists also continues to be displayed in the Reception Room at the Civic Centre.
- The contract for bar provision at the Richard Herrod Centre has been extended recently. Officers are looking at how they might increase income from the centre.

Councillor Barnes (Environment)

- Work on the Country Park is progressing nicely.
- The Council's first electric car has recently arrived.
- Approved acquisition of a small parcel of land to extend the car park on the former Druid's Tavern site.
- A young apprentice has recently started work at Direct Services.

Councillor Payne (Public Protection and Communication)

- There has been a 16% reduction in reported crime across Gedling. This is positive news although some types of crime have not reduced.
- There have been a number of incidents of graffiti across Gedling in the wake of the recent terror attack in London. Staff from the Parks and Street Care Team were thanked for dealing with the incidents quickly.
- An inauguration event for special constables was recently held at the Civic Centre.
- The troubled families initiative is now working in the Council area.
- The Communications Department has recently published a new look contact magazine and redesigned intranet. Both have been well received.

14 MEMBERS' QUESTIONS TO PORTFOLIO HOLDERS

None.

15 ANY OTHER ITEMS WHICH THE CHAIRMAN CONSIDERS URGENT.

None.

Report to Cabinet

Subject: Quarterly Budget Monitoring, Performance Digest & Virement Report

Date: 8 August 2013

Author: Senior Leadership Team

Wards Affected

Borough-wide

Purpose

- To inform Cabinet of the position against Improvement Actions and Performance Indicators in the 2013/2014 Council Plan.
- To seek Cabinet approval for changes to targets as set out in Section 2.1.
- To update Cabinet on the likely outturn of the Revenue and Capital Budgets for the 2013/2014 financial year. The budgets include all carried forward amounts from the 2012/2013 financial year.
- To seek Cabinet approval for budget changes outlined in this report.

Key Decision

This is a Key Decision

Background

- 1.1 The Council has made a commitment to closely align budget and performance management. This is in line with accepted good practice.
- 1.2 To deliver this commitment, systems to monitor performance against revenue and capital budgets, improvement activity and performance indicators have been brought together and are now embedded in the way the Council works.
- 1.3 In addition, performance reports now focus more directly on the Council's priorities and offer an "early warning" system of instance where targets may not be secured.

Proposal

2. Quarterly Progress Report

2.1 Performance Information

- 2.1.1 The Council continues to manage its performance using the Covalent Performance Management system.
- 2.1.2 Against the backdrop of a continuing move away from paper based information towards use of more electronic means, and the government's aspiration for local authorities to be more open and transparent, performance information is now accessible publicly on line on the Council's website.
- 2.1.3 As a result, hard copy performance documents are no longer being routinely produced nor attached to Cabinet agendas – they can, however, be accessed at <http://www.gedling.gov.uk/aboutus/howwework/prioritiesplansperformance/performance/> . Hard copies will only be made available to members upon request.
- 2.1.4 For members and the public accessing performance information through this link, the previous criteria for performance assessment continue to apply. Red, amber and green traffic light symbols continue to be used to show progress for both actions and performance indicators. To be assessed as green, performance indicators must be in line with their profiled performance at this stage of the year, while actions must be on target against milestones set out in Covalent to be assessed as “completed” or “assigned; in progress”. Where Cabinet has agreed to an amended target, progress is assessed against that amended target rather than the original target.
- 2.1.5 Pdf reports for both performance indicators and actions continue to be made available on the website, in the previously agreed format. These documents contain explanations of variances and proposed target changes as previously, along with trend arrows for performance indicators (note that an upward arrow indicates improved performance, irrespective of whether improvement is represented by a higher or lower value) and progress bars for actions showing progress made against project milestones. Hard copies of both reports are available in the Members Room for information.
- 2.1.6 Overall performance at the end of quarter 1 is largely positive. 10 of the 27 performance indicators suitable for quarterly monitoring are on target – of the remainder, 7 are at amber status, 7 are red and for a further three data is still awaited. It is of course early in the financial year and in general terms it is expected that performance targets set will be reached. 52 of 53 actions are either on target or completed.
- 2.1.7 Target changes are requested for one action and for one performance indicator.

Portfolio Area	Action/indicator	Original Target	Proposed Target	Reason for change
Public Protection and Communications	Action - Review and update the Customer Services Charter	30 June 2013	31 Mar 2014	Work is underway to put together the updated Customer Services Charter, but due to officer capacity the original target date has not been met. Requested amended target date of 31 March 2014.
Leisure and Development	Indicator - Number of visits to Leisure Centres	1,028,800	963,800	To reflect planned closure of Arnold Leisure Centre for reception and changing room refurbishment.

2.1.8 It is also proposed that a further performance indicator is added to the Council Plan for 2013/14. The proposed additional indicator is “percentage of residents satisfied with the overall service provided by the authority” and the proposed target for the indicator is for at least 75% to be satisfied. If achieved, this would represent an improvement compared with performance in 2012/13 (74.6% satisfied). The data will be gathered as part of consultations carried out during the 2013 Gedling Conversation in the Autumn.

2.2 Financial Information

2.2.1 Appendices 1 and 2 set out details of the current financial position on the Council’s General Fund Revenue Budget and the Capital Programme 2013/14.

2.2.2 General Fund Revenue Budget

Appendix 1 outlines how the General Fund Revenue budget is divided between the Portfolio areas of the Council and includes a detailed variance analysis identifying the current proposed changes for the year against the approved budget for each Portfolio area. Cabinet is recommended to approve these changes.

When the budget was approved by Full Council on Monday 4th March 2013, a provision of £40,000 was provided for savings against “historically under spent budgets” which have now been identified during closedown of the 2012/13 accounts. The recommended savings included in Appendix 1 total £37,000. A further £10,900 of savings relating to a Council wide review of mileage payments has resulted in minor savings in numerous service areas. These mileage budgets have been adjusted prior to quarterly monitoring under virement authorised by the Chief Finance Officer.

Therefore total savings of £47,900 have been identified against a £40,000 budget, giving £7,900 in excess of the target.

Included in Appendix 3 is a list of all the virements carried out in Quarter 1 following approval from Portfolio holders.

The following table summarises the overall financial position of the General Fund Revenue Budget and the expected total spend for the year. This information has been compiled using the best information made available to Financial Services by the relevant spending officers as at 30 June 2013. The overall resource implication for the Council's General Fund is a predicted under-spend of £109,900.

General Fund Revenue Budget 2013/2014 – Change Analysis

	£
The original 2013/14 budget approved by Council on 4 March 2013	12,842,500
Revenue Carry Forwards from 2012/13 approved under delegation arrangements by the Chief Finance Officer	24,300
Revenue Carry Forwards from 2012/13 approved by Council on 10 July 2013	90,000
The current total approved budget for 2013/2014 and Cabinet's Maximum Budget is:	12,956,800
Up to the end of June 2013 expenditure less income totalled	2,869,344
In the remaining 9 months of year we expect net expenditure less income to be	9,994,156
Total net revenue spend for the year is currently expected to be	12,846,900
Projected Revenue Underspend 2013/14	(109,900)

It should also be noted that the Council has received an additional grant from CLG of £22,300, Returned Funding New Homes Bonus which is a redistribution of the unallocated element of the central pot of funds held for New Homes Bonus. This will increase the balance on the General Fund improving the Council's financial position, but is not recognised through Revenue monitoring due to New Homes Bonus being classed as part of external resourcing being a non-ring fenced general Government grant.

2.2.3 Capital Programme

Appendix 2 details the current projected position on the Capital Programme and its' financing for 2013/14, analysed by Portfolio, and this is summarised in the table below. Cabinet is recommended to approve these changes.

Specific proposed amendments to note include:

Civic Centre Alteration – DWP Accommodation

A supplementary estimate of £74,100 is proposed to enable the Civic Centre alterations in readiness for DWP occupation in 2014/15 as reported to Cabinet on 6 June 2013. The full cost of the scheme is estimated at £222,300 with the remaining expenditure of £148,500 to be incurred in 2014/15. The alterations will allow us to enter into a lease agreement with the DWP, specifically to relocate Arnold Job Centre Plus. From 2014/15 there will be revenue implications in relation to the borrowing costs to finance the capital expenditure which will be in the region of £18,000, however it is anticipated that the annual rental income from the DWP will be in the region of £80,000 which will offset the cost of borrowing and the day to day running costs. The revenue implications will be fully reflected in the 2014/15 budget proposals.

Office Accommodation Joint Working

The current budget of £450,000 is no longer required due to alternative options being pursued. Revenue budgets for the office accommodation have also been amended in Appendix 1, giving a net cost to the authority in 2013/14 of £1,900. Anticipated annual borrowing costs of £36,000 will now not be required from 2014/15.

Capital Budget 2013/2014 - Change Analysis

	£
Original 2013/14 budget approved by Council on 4 March 2013	4,396,700
Capital Carry Forwards from 2012/13 approved under delegation arrangements by the Chief Finance Officer	735,500
Capital Carry Forwards from 2012/13 approved by Council on 10 July 2013	103,300
Additional Arnold Leisure Centre expenditure approved by Council 10 July 2013	320,000
The current total approved budget for 2013/2014	5,555,500

Proposed Quarter 1 Amendments to the 2013/14 Programme:

(a) Additional budget requirement funded by External Grant

Disabled Facilities Grant funded by Government Grant	4,700
Arnold Leisure Centre Refurbishment funded by Sport England grant	42,000
Fuel Poverty/Green Deal funded by Government Grant	10,800

(b) Supplementary Estimate

Civic Centre Alterations funded by borrowing	74,100
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(c) Budget Reduction

Office Accommodation Joint Working scheme withdrawn	(450,000)
Affordable Housing Scheme funded by S106 Commuted Sum, completed ahead of schedule in 12/13	(139,000)

Total Proposed Amendments To Capital Programme	(457,400)
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Proposed Revised Capital Programme 2013/14	5,098,100
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Actual Expenditure to Quarter 1 2013/14	1,320,316
Estimated Expenditure Quarter 2-4 2013/14	3,777,784

Projected Outturn 2013/14	5,098,100
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Projected Capital Programme Variance 2013/14	0
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There is currently sufficient funding available in 2013/2014 to finance the Capital Programme as outlined above.

Alternative Options

- 3 Option – Not to amend the original Council approved budgets during the year to reflect the latest projected outturn position.

Advantages:

- The final outturn position of the Council can be easily compared to its original intentions when the budget was set and areas of budget risk identified.

Disadvantages:

- Budgets not aligned to current budget pressures resulting in increased likelihood of budget overspend and emerging Council priorities not being addressed.
- Restrict the effectiveness of medium term planning process and preparation of the forward budget if pressures and areas of efficiency are not readily identifiable during budget preparation.
- Budget not reflective of latest performance information.

Reason for rejection – Not likely to result in the best outcomes in financial management or support delivery of priorities.

Financial Implications

- 4 The nature of the report is such that it has significant resource implications across the Council. The report itself demonstrates how resources are being managed.

Appendices

- 5 Appendix 1 – General Fund Revenue Budget 2013/14 – Budgetary Control Report
Appendix 2 - Capital Programme 2013/14 – Budgetary Control Report
Appendix 3 – Virements approved by Portfolio Holders

Background Papers

- 6 Detailed Quarterly Budgetary Control Exception Reports

Recommendation

Members are **recommended**:

- a) To approve the changes to Performance Indicator and Action targets as detailed in paragraph 2.1.7 of the report, as an amendment to the agreed Council Plan;
- b) To approve the General Fund Revenue Budget virements included within Appendix 1;
- c) To approve the additions to the Capital Programme as virements funded from external grant funding:
 - Additional Disabled Facilities Grant £4,700
 - Additional Arnold Leisure Centre Refurbishment Lottery Grant £42,000
 - Additional Fuel Poverty/Green Deal Grant £10,800
- d) Refer to Council for approval the following amendments to the capital programme:
 - A supplementary estimate of £74,100 for Civic Centre Alterations
 - The removal of the Office Accommodation Joint Working Scheme (£450,000)
 - The removal of the Affordable Housing Scheme (£139,000) which was completed ahead of schedule in 2012/13;
- e) To include details of budget and performance monitoring in a quarterly performance digest, to be published on the Council's website and Intranet in line with the recommendations of Performance Review Scrutiny Committee.

Reasons for Recommendations

- 7 To align the budgets to the current pressures and priorities and ensure the delivery of Council objectives is supported.

FINANCE & PERFORMANCE PORTFOLIO

BUDGETARY CONTROL REPORT - 2013

REVENUE ITEMS TO BE REPORTED

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable £'000	Adverse £'000	
<u>Organisational Development</u>	£'000	£'000			
Supplies & Services	44.1	40.1	4.0		Saving identified on Employee Conference contributing to the efficiency target in Finance & Performance Portfolio.
<u>Audit, Risk Management</u>					
Employees	167.5	166.5	1.0		Saving identified on training expenses contributing to the efficiency target in Finance & Performance Portfolio.
Supplies & Services	47.4	45.6	1.8		Saving identified on Occupational Health contributing to the efficiency target in Finance & Performance Portfolio.
<u>Corporate Management</u>					
Employees	609.8	596.6	13.2		Officer not joining the pension scheme.
<u>Postages</u>					
Supplies & Services	56.9	55.9	1.0		Saving identified on postages contributing to the efficiency target in Finance & Performance Portfolio.

FINANCE & PERFORMANCE PORTFOLIO

BUDGETARY CONTROL REPORT - 2013

REVENUE ITEMS TO BE REPORTED

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable	Adverse	
	£'000	£'000	£'000	£'000	
<u>Registration of Electors</u>					
Employee Expenses	72.9	74.9		2.0	One off Cabinet office funding for the implementation of Individual Electoral Registration.
Transport Expenses	0.0	0.5		0.5	
Supplies & Services	24.2	28.6		4.4	
Income	(1.9)	(8.8)	6.9		
<u>Revenues-Local Taxation</u>					
Employee Expenses	391.9	377.9	14.0		Savings identified on several vacant posts. Additional one off expenditure arising due to the implementation of Localisation of Council Tax, funded from New Burdens Grant.
Supplies & Services	199.3	274.4		75.1	
Income	(400.1)	(475.2)	75.1		
<u>Central Provisions</u>					
Supplies & Services	(4.1)	25.0		29.1	This is the reversal of the efficiency target provision offset by savings across all portfolios.

FINANCE & PERFORMANCE PORTFOLIO

BUDGETARY CONTROL REPORT - 2013

REVENUE ITEMS TO BE REPORTED

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable £'000	Adverse £'000	
<u>Corporate Income & Expenditure</u>	£'000	£'000			
Income	(241.0)	(276.3)	35.3		Non ring-fenced grants for Assets of Community Value (£7.9K), Community Right to Challenge (£8.5K) and Council Tax Transition Grant (£18.9K).
<u>Movement in Reserves</u>					
Capital Financing Charges	606.6	538.4	68.2		Reduced MRP due to slippage in the Capital Programme, reductions in vehicle fleet and additional capital receipts available to finance the 12/13 Capital Programme.
<u>All other budget heads</u> (including items previously reported)	(558.8)	(558.8)			
PORTFOLIO TOTAL	1,014.7	905.3	220.5	111.1	Net Portfolio Total £109,400 Favourable

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Outcomes achieved

During

Quarter 1 2013/14

Homes

Provide more homes of the right type and in the right place

Submission of The Aligned Core Strategy – this was submitted to the Planning Inspectorate in June, following extensive public consultation. Developed through an innovative partnership with Broxtowe Borough and Nottingham City Councils, the Core Strategy will be the subject of a public hearing which is likely to be held in October.

On-going support for first time buyers - The first tranche of the Local Authority Mortgage scheme was successfully completed in May 2013. Working with our partner, Lloyds TSB, it supported 49 first time buyers in obtaining an affordable mortgage, contributing to the Council's Economic Development and Housing priorities. A second tranche of the scheme to support a further £1m of mortgage indemnities was successfully launched in June 2013.

Jobs

Ensure local people are well prepared and able to compete for jobs

Apprenticeship success - An Accountancy apprentice at Gedling Borough Council recently visited Westminster. Danny Flint, 19, who is nearing the end of his second year of three in his role attended an awards ceremony at the House of Lords along with 29 other apprentices.

He is studying for his AAT qualification with West Nottinghamshire College, and received the invite from the college in recognition of his success to date.

Danny, who works in budget management, said: "I never thought I would be sitting in the House of Lords. It's good to be recognised for what you do, but really I'm lucky enough to be in my position as an apprentice." Mandy Mayle from West Nottinghamshire College said: "This is a prestigious event that enables Vision West Nottinghamshire College to recognise the hard work our apprentices carry out.

Supporting local people to improve skills – the recent Employment and Skills meeting identified that 20 apprenticeship positions had been supported, 30 Recruit Local face to face appointments had been made. The group also identified that 20 apprenticeship vacancies have been created and 20 employers have signed up to support a learner on work experience.

People

Reduce anti-social behaviour, crime and the fear of crime

Reduced levels of crime – the level of recorded crimes across Gedling Borough for quarter 1 is 6.1% less compared to the same period in 2012/13. Recorded incidents of ASB across the Borough has also shown a reduction of 32.7% compared to the same period in 2012/13.

Zumba, Martial Arts and Photography for Young People in Newstead - Earlier in the year the Council worked with Newstead Youth Centre and City Arts to provide some new activities for young people in Newstead. These included weekly Zumba and Martial Arts sessions and a 10 week Express Yourself arts programme based on photography. These have proven to be such a success with the young people that the Youth Centre has agreed to continue the sessions and include them as part of their on-going programme of activities.

Improve Health and Wellbeing

Community Covenant signed - The Armed Forces have teamed up with Gedling Borough Council by signing a Community Covenant during April 2013. The covenant is a voluntary statement of mutual support between a community and its local Armed Forces.

The covenant supports Armed Forces personnel by helping with healthcare, housing and employment, while they are serving and after they leave. It complements the Armed Forces Covenant, published by the Government in 2011 as a moral obligation between the nation, Government and Armed Forces. Lieutenant Colonel Kaine Price signed on behalf of the Armed Forces, the Royal Navy and Royal Naval Reserve.

He said: "By agreeing, via this covenant, to work with partners and local business communities as well as serving Armed Forces personnel, Gedling Borough Council is demonstrating a real commitment to improving the lives of Armed Forces Personnel."

Arnold Carnival success - the event took place on the 15th and 16th June and was a resounding success, with estimated attendance figures of 28,000 people throughout the weekend. A new Leisure and Culture promotional area adjacent to the Beer Tent worked very well in engaging children, young people and their families in activities and raising the profile of Gedling's fitness and sporting facilities around the borough. The community centres team were also out and about promoting the centres.

The stage programme was extremely well received with full audiences for all performances which ranged from local primary schools to internationally recognised acts like 'The Beautiful Sound' and 'Illegal Eagles'. The event continues to provide a superb showcase opportunity for local talent and this was particularly in evidence with the range and quality of performances from young people.

The Play Forum provided a free play area in the large marquee with support from Debz4coffee who offered a range of activities for children with Special Educational Needs. The craft tent, charities, dog show, fairground rides and young people's activities were as popular as ever. The look of the site was improved with new flags in vibrant colours designed to brand the event definitively as Gedling Borough Council.

Armed Forces Day Event - Year 5 children from Good Shepherd School performed "We'd like to remind you" to a packed audience in the Council Chamber on Monday 24th June as an addition to this year's Flag Raising Ceremony to celebrate Armed Forces Day coming to

Nottingham. The piece was then performed again to an audience of over 200 people at the Armed Forces Day event on the Bandstand Stage at the Victoria Embankment on Saturday 29th June and was listed in the official programme. Gedling Borough Council are the only Nottinghamshire Local Authority who have contributed a specially commissioned performance to the event.

Art at the HeART - The art sessions for older people at Gedling Homes' St Andrews House have been running as part of our campaign to reduce loneliness and social isolation amongst older people in Gedling. The residents have been doing silk painting, linking in with a tea party theme, making banners and bunting and doing some reminiscence. The success of this pilot project between Arts Development and Gedling Homes has been recognised at most recent Nottinghamshire Health and Well-being Board meeting.

Flying Birds in Civic Centre An official unveiling of sculptures produced by young people working on the Express Yourself emotional health and well-being arts programme took place on 2nd July. The sculptures installed in the Civic Centre Reception are inspired by bird life in Arnot Hill Park and will become part of an arts trail for the Park which will be launch later this year. Young people are referred on to the programme to use arts to enhance their emotional health and wellbeing. Participants work with professional artists ensuring that high quality arts experiences are explored and demonstrated in the art work that is produced and shared with the local community.

Healthy Futures - The Council has funded the Healthy Futures pilot with Netherfield Primary School which ran from April to July with the aim to encourage families to enjoy healthier lifestyles. The programme where every member of a family can learn about healthy eating and the benefits and opportunities of increased exercise has been run in partnership between the GBC Exercise Promotion team, Nottingham Forest in the Community and NHS County Health Partnerships. Families took part in practical cooking and exercise sessions, an introduction to Carlton Forum's fitness suite and a celebration event at Nottingham Forest's City Ground.

Evaluation has identified that some of children have gained more confidence to socially bond and interact with others during the course of the programme. Families also reported an increase in the amount of medium to vigorous physical activity they participate in by the end of the programme. The evaluation will be used to develop a model for a healthy lifestyle programme in local primary schools.

Ley Street Choir The Council's has worked with Ley Street Day Centre in Netherfield to establish a choir for local adults with learning disabilities. The initial 6 weeks programme funded by the Council has proved to be a great success, as the adults worked with a singing artist to learn breathing exercises and practice songs. The Council is now supporting them to rehearse their very own rap song with lyrics inspired by them to be performed on 25th July at Richard Herrod Centre. This will be part of an event to raise the awareness amongst local GPs of the needs of adults with learning disabilities. The project will be used to assess the physical and emotional benefits singing can bring to the well-being of those attending the Day Centre. Research shows the great benefits singing can bring to respiratory system.

Adult Positive Moves

Our GP exercise referral programme has been re-designing what it offers to its participants by introducing nutrition and weight management to the exercise opportunities on offer. As part of the nutrition programme one participant lost nearly 2 stone in 6 weeks.

Go For It! Sports Camps for Young People with Disabilities The Council has secured £9, 536 of Nottinghamshire County Council Short Breaks Funding to deliver these camps this year. The programme has developed in response to a lack of holiday activities for children with disabilities in Gedling and the need for respite time for parents and carers.

57 places were taken up on the first two Go For It! camps during Easter and Half-term with the young people enjoying activities such as boccia, kwik cricket, dodgeball, sitting volleyball, tag, hockey and a variety of fun warm up games. Days are also scheduled throughout the summer holidays. Feedback from parents and coaches has been very positive and children are growing in confidence with each session they attend.

Feedback from a coach – “Wow, what an end to the camp! 2 kids crying because it finished, parents couldn't thank us enough for a perfect week. Well done! A brilliant project and well worth the funding.”

Reduce poverty and disadvantage

Supporting Priority Areas - Leisure and Culture have put in place targeted activities for children and young people being delivered across Borough, but mostly targeting Newstead and Netherfield. Partners are Supporting Families, Family Intervention Project, Gedling Homes, Youth Service, Netherfield Primary School, Newstead Primary School, YMCA, Notts County Football in the Community and Nottingham Forest Football in the Community.

Performance

Mitigate the impact of budget reductions by maximising efficiency and effectiveness

Value for Money Payroll Service – Mansfield District Council recently asked other authorities for information regarding their payroll services and have provided the results to those taking part. The information shows that Gedling Borough Council's cost per employee equivalent is the second lowest out of the 11 authorities responding, and significantly lower than the average.

Place

Reduce the volume of waste generated

Volume of waste reduced - Residents have reduced the amount of waste thrown away in their black bins by another 5kg per household last year. In the past 10 years it has reduced the amount of waste thrown away per year by a whopping 320kg! Since the kerbside battery collection started in December the Council has collected over three tonnes of batteries. As well as this, our small electrical banks have collected over six tonnes since we put them in last May.

Provide an attractive local environment that local people can enjoy and appreciate

New Park in Carlton Hill - Albert Avenue, off Carlton Hill in Carlton, has a new park helped designed by schoolchildren in the area, thanks to a project funded by Gedling Homes. The play area was finished at the end of March when the children visited the new park to see their ideas come to life.

Schools involved in the design of the new park were Standhill Infants, Porchester Juniors, Carlton Hill Playgroup and Lowater Street play and pre-school groups. They worked with the Council's Parks Development team and tree sculptor Simon Kent to help refurbish the park, which will provide a safe and stimulating environment for children for years to come.

Arnot Hill Mural - Teenagers in the borough have designed and painted a bridge at Arnold's Arnot Hill Park with a colourful, woodland-inspired mural that brightens up the area and is a unique piece of artwork in itself.

The mural is part of a Nature Trail project for the park and reflects the woodland surroundings with paintings of leaves, berries and owls. It was designed by young people working with local artist Anthony Donnelly from Urban Canvas, a group that delivers creative projects across the UK. The mural was funded by Nottinghamshire County Council's Local Improvement Scheme.

Netherfield market - Netherfield holds a monthly food and drink market showcasing a range of locally produced food and drink as well as offerings from further afield. It takes place on the third Saturday of every month and is part of The Council's improvement plans for the area.

Reduce the Council's and Borough's energy usage

Improving driving standards for Council Staff - Drivers of council vans have taken part in a special one-off training course to drive better, help improve fuel efficiency and reduce our carbon footprint. The simple techniques taught to drivers on the course can reduce fuel consumption by up to 15% and include tips on reducing speed, using gears more efficiently and planning journeys better.

Boiler Give Away – Residents have benefited from a free supply and installation of new boilers and central heating in their homes as part of the Gedling Boiler Giveaway. The Council was awarded a fuel poverty grant from the Department for Energy and Climate Change to help eligible residents who had old G-rated boilers get new, more efficient A-rated boilers. There was a great response to the scheme - one of the recipients of a new boiler was Mr Pearson from Daybrook. He applied after hearing about the scheme at his

local Neighbourhood Watch meeting, and says, "I'm currently unemployed and my health isn't great, so there was no way I could have afforded to get a new boiler. With the recent cold weather, I was very worried that my old boiler was going to go pack up any day, and I wouldn't have been able to get a replacement. The new boiler was installed quickly and efficiently, the council has been great, and I'm really pleased with my new boiler." Mr Pearson was one of the 78 householders in the borough who benefited from the scheme.

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Report to Cabinet

Subject: Prudential Code Indicator Monitoring 2013/14 and Quarterly Treasury Activity Report for Quarter ended 30 June 2013

Date: 8 August 2013

Author: Corporate Director (Chief Financial Officer)

Wards Affected

Not applicable

Purpose

To inform Members of the performance monitoring of the 2013/14 Prudential Code Indicators, and to advise Members of the quarterly treasury activity as required by the Treasury Management Strategy.

Key Decision

This is not a Key Decision

Background

- 1.1 The Council is required by regulations issued under the Local Government Act 2003 to report on its Prudential Code indicators and treasury activity. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 For 2013/14 the minimum reporting requirements are that the Full Council should receive the following reports:
 - An annual treasury strategy in advance of the year (TMSS).
 - A mid-year treasury update report
 - An annual review following the end of the year describing the activity compared to the strategy.

In accordance with best practice, quarterly monitoring reports for treasury activity are provided to members, and that this exceeds the minimum requirements.

- 1.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report provides details of the position at 30 June and highlights compliance with the Council's policies.
-

Proposal

2.1 Economic Update

Recession was avoided in the first quarter of 2013, with a 0.3% quarterly expansion. On past evidence, business surveys for April and May indicate 0.5% quarterly growth in Q2. The service sector expanded by 0.8%, and while output in the construction sector in April was 1% lower than a year ago, it was the smallest annual fall since the end of 2011, suggesting that the sector supported the recovery in Q2.

There have been encouraging signs in household spending in Q2 of 2013, with May's 2.1% monthly rise in retail sales overturning April's 1.1% fall. Non high-street spending also looks to have been robust, with for example, new car registrations up by 20% in the year to May.

The pick-up in economic growth has supported the labour market, with employment rising by 24,000 in the three months to April. Meanwhile, pay growth rebounded strongly in April, though this was mostly driven by high earners delaying bonuses until after April's cut in the additional rate of income tax.

The Bank of England extended its Funding for Lending Scheme into 2015 and sharpened the incentives for banks to extend more business funding, however to date, the mortgage market still appears to have been the biggest beneficiary from the scheme. Alongside the Government's Help to Buy scheme, which provides equity loans to credit-constrained borrowers, this is helping to boost demand in the housing market. This rise in demand has helped to push up house prices, with both the Halifax and Nationwide measures reporting a 0.4% monthly gain in May

The 2013 Spending Review, covering only 2015/16, made no changes to the headline Government spending plans. Total expenditure was still forecast to be broadly flat in real terms in 2015/16 and the £50bn planned capital expenditure announced for that fiscal year was identical to the amount already outlined in March's Budget.

June's MPC meeting was the last chaired by the outgoing Governor Mervyn King, ahead of the arrival of Mark Carney. The Committee voted 6-3 to keep the level of asset purchases (quantitative easing) unchanged at £375bn, with the majority judging that the current stimulus and Funding for Lending Scheme would be sufficient to support growth in the context of price stability.

CPI inflation rose to 2.7% in May, having fallen from 2.8% to 2.4% in April. This mostly reflected price changes due to the earlier timing of Easter, which depressed inflation in April. Inflation is likely to have risen further in June with last year's fuel price falls providing an unfavourable annual comparison. However, underlying price pressures seem to be easing, with wages and producer prices both growing at subdued rates.

In the US, the statement from the Federal Reserve sparked a sharp sell-off in the Treasury market. The Fed move was a response to the improving economic outlook in the US, with payroll figures showing that the US added 175,000 new jobs in May, helping to pull the unemployment rate down to 7.6%, from 8.2% a year ago. In the housing market, house prices rose by 12% in the year to April, which helped to bring more households out of negative equity.

Meanwhile, tensions in the Eurozone eased but there remained a number of triggers for a potential flare-up. For example, the Democratic Left party left the Greek governing coalition in June, causing 10 year Greek government bond yields to surge to 11.5% from around 8% a month ago. And while the economic survey data improved consistently over the first half of the year, data from the Eurozone is still pointing to a further contraction in output in Q2 of 2013. If this materialises, it would be the seventh quarter of Eurozone recession, the longest on record

2.2 Interest Rate Forecasts

Sector undertook a review of its interest rate forecasts following the issue of the latest Bank of England Inflation Report in May 2013. The forecast for a first increase in Bank Rate in March 2015 was left unchanged, however, forecasts for PWLB rates have been increased as a result of the marked recovery in confidence in equity markets, anticipating stronger economic recovery in America, supported by growth in the Far East. The rise in equity prices slowed towards the end of the quarter on comments from Ben Bernanke, chairman of the Federal Reserve, that QE could be tapered off in the not too distant future. This caught the financial markets by surprise and generated a movement out of bonds and equities, and the sharp selloff in bonds caused ten year bond yields to jump up nearly 90 bps between the low and high for the quarter.

The Council's treasury advisor, Sector, has provided the following forecast:

	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15
Bank rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%
5yr PWLB rate	1.80%	1.80%	1.90%	2.00%	2.10%	2.20%	2.40%
10yr PWLB rate	2.90%	2.90%	3.00%	3.10%	3.20%	3.30%	3.50%
25yr PWLB rate	4.10%	4.10%	4.20%	4.20%	4.30%	4.40%	4.60%
50yr PWLB rate	4.20%	4.20%	4.40%	4.40%	4.50%	4.60%	4.70%

Mark Carney started his tenure as the new Governor of the Bank of England on 1 July. His appointment could lead to some changes to the way the MPC operates and makes decisions and announcements. It is possible there could be "forward guidance", eg. that Bank Rate will not go up until some target rate, perhaps unemployment, had fallen to a specified level. Some commentators predict that this could effectively delay any increase in Bank Rate until sometime during 2016.

Economic forecasting remains problematic with so many external influences weighing on the UK. Major volatility in bond yields is likely during 2013/14 as investor fears and confidence ebb and flow. Key areas of uncertainty include:

- The potential for a significant negative reactions in Eurozone countries against austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.

- The Italian political situation is frail and unstable.
- Problems in other Eurozone heavily indebted countries could also generate safe haven flows into UK gilts.
- Monetary policy action failing to stimulate growth in western economies, especially the Eurozone and Japan.
- The potential for weak growth or recession in the UK's main trading partners - the EU and US.
- The impact of the UK Government's austerity plan in dampening confidence and growth.
- Geopolitical risks e.g. Syria, Iran, North Korea

However, there is particular potential for upside risks to UK gilt yields and PWLB rates, especially for longer term PWLB rates, as follows:

- UK inflation being significantly higher than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.
- A renewed increase in investor confidence that robust world economic growth is firmly expected, together with a reduction or end of QE operations in the US, causing a flow of funds out of bonds into equities.
- A reversal of Sterling's safe-haven status on an improvement in financial stresses in the Eurozone.
- In the longer term, a reversal of QE - this could initially be implemented by allowing gilts held by the Bank to mature without reinvesting in new purchases, followed later by outright sale of gilts currently held.
- Further downgrading by credit rating agencies of the creditworthiness and credit rating of UK Government debt, consequent upon repeated failure to achieve fiscal correction targets and recovery of economic growth.

The overall balance of risks to economic recovery in the UK is now evenly weighted. Sector believes that the longer run trend is for gilt yields and PWLB rates to rise, due to the high volume of gilt issuance in the UK, and of bond issuance in other major western countries. Near-term, the prospect of further QE has diminished but measures other than QE may be more favoured by Governor Carney if additional support is viewed as being required.

Given the generally weak outlook for economic growth, Sector sees the prospects for any increase in Bank Rate before 2015 as limited, indeed the first increase could be even further delayed if the tentative signs of growth failed to be maintained.

2.3 Investment Strategy

The Council's investment priorities remain the security of capital and good liquidity. Whilst the Council will always seek to obtain the optimum return (yield) on its investments, this will be commensurate with proper levels of security and liquidity. In the current economic climate and with heightened credit concerns, it is considered

appropriate either to keep investments short-term, or to extend the period to one year or more with selected government-backed counterparties.

During the April to June period, significant use has been made of call account facilities paying around 0.70%, and of a Money Market Fund achieving around 0.38%. This fund is an AAA rated investment vehicle which allows the pooling of many billions of pounds worth of funds into a highly diversified fund. Whilst the rate of return is not spectacular, it is well in excess of overnight treasury deposit rates.

The Treasury Activity Report for the quarter ended 30 June 2013 is attached at Appendix 1, in accordance with the Treasury Management Strategy. For reference, definitions of LIBOR and LIBID are given at Appendix 2.

Members will note that an equated rate of 1.73% has been achieved for the period to 30 June 2013, which outperforms both the 7 day and 3 month LIBID rates of 0.39% and 0.56% by 1.34% and 1.17% respectively. However, rates in the market remain very poor, and as loans with very favourable rates mature it is becoming increasingly difficult to replace them. Accordingly, the equated rate is expected to drop sharply over the remainder of the year, since security and liquidity will remain the overriding factors in the Council's treasury management. This fall was anticipated in the preparation of the budget for 2013/14, and interest earned remains broadly in line with expectations at this early stage.

Credit ratings advice continues to be taken from Sector, however the ultimate decision on what is prudent and manageable for the Council is taken by the Chief Financial Officer under the approved scheme of delegation.

2.4 New Borrowing

No new long-term borrowing was undertaken during the quarter ended 30 June 2013.

The council's Capital Financing Requirement (CFR) represents its "underlying" need to borrow to finance capital investment. Due to favourable interest rates, borrowing in advance of need is sometimes desirable, with the result that the CFR can differ to the actual borrowing planned in the year.

The latest projection of the requirement for borrowing in 2013/14 is £3,246,000, however in view of borrowing previously undertaken in advance of need it is not currently anticipated that all of this will be undertaken during the current year.

Interest rates remain low, and the PWLB certainty rate, available to all authorities providing relevant information to CLG, allows the Council to take advantage of a discount of 20 basis points. Advice will be taken from Sector with regard to the amount and timing of any additional borrowing, and should conditions be advantageous, some further borrowing in advance of need will also be considered by the Chief Financial Officer.

2.5 Debt Rescheduling

Debt rescheduling opportunities are limited in the current economic climate, and due to the structure of interest rates. Advice in this regard will continue to be taken from Sector.

No debt rescheduling was undertaken during the three months to 30 June 2013.

2.6 Compliance with Prudential and Treasury Indicators

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limit. The Council's approved Prudential and Treasury Indicators (affordability limits) are included in the Treasury Management Strategy Statement (TMSS) approved by Council on 4 March 2013.

During the financial year to date the Council has at all times operated within the treasury limits and Prudential Indicators set out in the council's TMSS, and in compliance with the Council's Treasury Management Practices. The Prudential and Treasury Indicators as at 30 June 2013 are shown at Appendix 3.

These indicators are based on estimates of expected outcomes, and are key indicators of "affordability". They are monitored on a quarterly basis, and Appendix 3 compares the approved indicators with the projected outturn for 2013/14, and shows variances on some of the indicators, as described below:

a) Prudential Indicators

i) Capital Expenditure

The latest projected outturn shows that capital expenditure is expected to be £5,098,100. This differs to the original estimate of £4,396,700 due both to the inclusion of approved carry-forward requests from 2012/13, and to amendments to the capital programme currently proposed for 2013/14. These are mainly the deletion of the budget for office accommodation joint working, offset by additional investment in Arnold Leisure Centre and Civic Centre alterations.

ii) Capital Financing Requirement (CFR)

The projected closing CFR for 2013/14 is £14,187,800. This is lower than the approved indicator of £14,440,200 due to the above amendments to the capital programme.

iii) Ratio of Financing Costs to Net Revenue Stream

The projected outturn of 5.84% shows a reduction from the approved indicator of 6.37%. This is due to a reduction in MRP as a result of slippage on the capital programme in 2012/13.

iv) Maximum gross debt

The Council must ensure that its gross debt does not, except in the short term, exceed the opening capital financing requirement, plus estimates of any additional CFR for 2013/14 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. Gross debt at 30 June was £10.812m.

Treasury Management Indicators

These indicators are based on limits, beyond which activities should not pass without

management action. They include two key indicators of “affordability” and four key indicators of “prudence”.

“Affordability”

- i) Operational boundary for external debt.
- ii) Authorised limit for external debt.

“Prudence”

- iii) Upper limit for fixed interest exposure – represented by the maximum permitted net outstanding principal sum borrowed at fixed rates. Please note that a negative indicator represents net investment.
- iv) Upper limit for variable interest rate exposure – represented by the maximum permitted net outstanding principal sum borrowed at variable rates. Please note that a negative indicator represents net investment.
- v) Maximum new principal sums to be invested during 2013/14 for periods in excess of 364 days - such investments are classified as a “non specified”. This indicator is subject to the overall limit for non-specified investments set in the TMSS.
- vi) Upper limits for the maturity structure of borrowing - set to reduce the Council’s exposure to large fixed rate sums falling due for refinancing.

Appendix 3 shows the actual position as at 30 June 2013, and demonstrates that all activities are contained within the currently approved limits.

Alternative Options

- 3. There are no Alternative Options, this report being a requirement of the Council’s Treasury Management Strategy Statement (TMSS).

Financial Implications

- 4. No specific financial implications are attributable to this report.

Appendices

- 5. Appendix 1 - Treasury Activity Report 2013/14 for Quarter ended 30 June 2013.
Appendix 2 - Definitions of LIBOR and LIBID
Appendix 3 - The Prudential and Treasury Indicators as at 30 June 2013.

Background Papers

- 6. None identified.

Recommendation

THAT: Members note the report, together with the Treasury Activity Report for Quarter 1 at Appendix 1, and the Prudential and Treasury Indicator Monitoring for Quarter 1 at Appendix 3.

Reasons for Recommendations

7. To comply with the requirements of the Treasury Management Strategy Statement

Treasury Activity Report 2013/14

For the quarter ended 30 June 2013

	Position @ 1 April 2013	Loans Made during Q1	Loans Repaid during Q1	Position @ 30 June 2013
	£	£	£	£
<u>Long Term Borrowing</u>				
PWLB	10,811,577	0	0	10,811,577
<u>Temporary Borrowing</u>				
Local Authorities	600,000	1,000,000	(1,600,000)	0
Central Government	0	0	0	0
Banks and other Institutions	0	0	0	0
Total Temporary Borrowing	600,000	1,000,000	(1,600,000)	0
TOTAL BORROWING	11,411,577	1,000,000	(1,600,000)	10,811,577
<u>Temporary Investment</u>				
Bank of Scotland	(8,000,000)	(0)	1,000,000	(7,000,000)
Barclays	(0)	(0)	0	0
HSBC Treasury	(0)	(1,290,000)	1,290,000	0
Ignis Money Market Fund	(0)	(6,580,000)	6,580,000	0
Royal Bank of Scotland	(260,000)	(19,860,000)	12,730,000	(7,390,000)
Santander	(0)	(0)	0	0
Total Banks	(8,260,000)	(27,730,000)	21,600,000	(14,390,000)
Building Societies	(0)	0	0	0
Debt Management Office	(0)	0	0	0
Local Authorities and Others	(0)	0	0	0
TOTAL INVESTMENT	(8,260,000)	(27,730,000)	21,600,000	(14,390,000)
NET BORROWING / (INVESTMENT)	3,151,577	(26,730,000)	20,000,000	(3,578,423)

Investment

Fixed Rate	(8,000,000)	(1,290,000)	2,290,000	(7,000,000)
Variable Rate	(260,000)	(26,440,000)	19,310,000	(7,390,000)
TOTAL INVESTMENT	(8,260,000)	(27,730,000)	21,600,000	(14,390,000)

Temporary Investment and Borrowing Statistics at 30 June 2013:

Proportion of Fixed Rate Investment	48.645%
Proportion of Variable Rate investment	51.36%
Temporary Investment Interest Receivable	£48,537
Equated Temporary Investment	£2,803,565
Weighted Average Interest Rate Received	1.73%
7 Day LIBID (Benchmark) 28 June 2013	0.39%
3 Month LIBID 28 June 2013	0.56%

Borrowing

Temporary Borrowing Interest Payable	£58
Equated Temporary Borrowing	£20,822
Weighted Average Interest Rate Paid	0.28%
7 Day LIBOR (Benchmark) 28 June 2013	0.52%

LIBOR - the London Interbank Offered Rate

LIBOR is the interest rate at which the London banks are willing to offer funds in the inter-bank market. It is the average of rates which five major London banks are willing to lend £10 million for a period of three or six months, and is the benchmark rate for setting interest rates for adjustable-rate loans and financial instruments.

ie. the London banks are LENDING to each other, which affects the rate at which the banks will lend to other parties eg. local authorities, ie. Gedling are BORROWING money

LIBID - the Interbank BID (LIBID) rate

LIBID is the interest rate at which London banks are willing to borrow from one another in the inter-bank market. It is the average of rates which five major London banks willing to bid for a £10 million deposit for a period of three or six months.

ie. the London banks are BORROWING from each other, which affects the rates at which they will borrow from other parties eg. local authorities, ie. Gedling are LENDING money.

Prudential and Treasury Indicators for 2013-14**Prudential Indicators:**

	2013-14 Approved Indicator	Projected Outturn at 30 June 2013
a) Capital Expenditure	£4,396,700	5,098,100
b) Capital Financing Requirement (CFR)	£14,440,200	£14,187,800
c) Ratio of Financ'g Costs to Net Revenue Stream	6.37%	5.84%
d) Incremental impact of new 2012/13 capital investment decisions	£5.65	Not Applicable
e) Maximum Gross Debt	£15,524,500	£10,811,577

Treasury Management Indicators:

	2013-14 Approved Indicator	Actual Position at 30 June 2013
a) <u>Operational Boundary for External Debt:</u>		
Borrowing	£16,500,000	£10,811,577
Other Long Term Liabilities	£1,500,000	-
Total Operational Boundary	£18,000,000	£10,811,577
b) <u>Authorised Limit for External Debt:</u>		
Borrowing	£17,500,000	£10,811,577
Other Long Term Liabilities	£1,500,000	-
Total Authorised Limit	£19,000,000	£10,811,577
c) <u>Upper limit for fixed interest exposure (Max o/s net Borrowing)</u>	£15,500,000	£3,811,577
Local indicator-Investment only	100%	48.64%
Local indicator-Borrowing only	100%	100.00%
d) <u>Upper limit for variable interest exposure (Max o/s net Borrowing)</u>	£2,000,000	(£260,000) Nb. net investment
Local indicator-Investment only	100%	51.36%
Local indicator-Borrowing only	50%	0.00%
e) <u>Upper limits for maturity structure of outstanding borrowing during 2012/13 (Lower limits 0%)</u>		
Under 1 year	20%	0.00%
1-2 years	35%	9.25%
2-5 years	50%	27.75%
5-10 years	50%	0.00%
Over 10 years	100%	63.00%
f) <u>Investment Treasury Indicator and limit</u>		
Maximum NEW principal sums invested for periods over 364 days, during 2013/14 (new non-specified investments)	£3,000,000	£0
TOTAL non-specified Limit per TMSS	£5,000,000	£2,000,000

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Report to Cabinet

Subject: Request from Gedling Homes to amend its Articles of Association to dispense with the formality of an AGM

Date: 8 August 2013

Author: Council Solicitor and Monitoring Officer

Wards Affected

Not applicable.

Purpose

To seek Members views on the request from Gedling Homes to dispense with the formality of an Annual General Meeting.

Key Decision

This is not a Key Decision

Background

- 1.1 The Council transferred its housing stock to Gedling Homes in November 2008 and remains involved in the Company both at Board level and as a Member.
- 1.2 The New Charter Group (parent company of Gedling Homes) has recently been considering proposals to dispense with Annual General Meetings, which is now allowed under the Companies Act 2006. The business conducted at an AGM is as follows:
 - To receive the Directors' Annual Report and Accounts;
 - To appoint auditors;
 - To elect independent board members; and
 - To confirm the election of any tenant board members.

Gedling Homes proposes to dispense with AGM's on the basis that:

- the work and cost involved in arranging an AGM far outweighs the return;
- business will be conducted in a more efficient way; and

- it demonstrates the company's commitment to ensure Value for Money is delivered.
- 1.3 Gedling Homes is of the view that the items normally considered at an AGM can be passed by written resolution or the Members can call a General Meeting at any time during the year to consider those issues which are not able to be passed by written resolution (namely removal of a director or auditor before the expiration of his term of office). Gedling Homes indicates that the terms of office/retirements by rotation of board members, usually considered at the AGM in September, be revised to tie in with the financial year end.
- 1.4 This change can only take effect by amending Gedling Homes' Articles of Association. The proposed changes are set out in the draft Special Written Resolution attached at Appendix 1. The written resolution also contains a couple of additional minor changes to reflect the addition of another company to the Group and updates references to legislation and names of organisations.
- 1.5 In order to amend the Articles of Association, approval is required from:
- New Charter (as parent company)
 - The Board (comprising 4 Borough Council Board Members, 4 Tenant Board Members, the Parent Board Member and 3 Independent Board Members)
 - The Members (comprising the Council, Tenant Members, Independent Members and the Parent)

The first 2 approvals have been given and the Council is being asked to approve the changes in its role as the Local Authority Member of the Company. Instead of calling a meeting of the Members, the approval process is being dealt with by way of written resolution, which is specifically permitted in the Articles of Association as follows:

"A written resolution signed by or on behalf of each Member who would have been entitled to vote on the resolution if it had been proposed at a meeting, shall be deemed to have been passed at a general meeting and may consist of several documents in like form, each signed by or on behalf on or more Member."

- 1.6 In the event that the Council (as Local Authority Member) or another Member refuses to agree to the proposed changes, they cannot be implemented at the present time.

Proposal

- 2 It is proposed that Cabinet approves the request from Gedling Homes to amend the Articles of Association as set out in Appendix 1 in order to dispense with the AGM.

Alternative Options

- 3 Not to agree to the request to amend the Articles of Association and allow Gedling Homes to dispense with an AGM.

Financial Implications

- 4 None arising from this report.

Appendices

- 5 Appendix 1 – Draft Special Written Resolution.

Background Papers

- 6 Gedling Homes Articles of Association.

Recommendation(s)

THAT Cabinet:

- I. Approves the amendments to the Gedling Homes Articles of Association as set out in the draft Special Written Resolution which has the effect of dispensing with an AGM: and
- II. Authorises the Council Solicitor and Monitoring Officer to sign the Written Resolution on behalf of the Council

Reasons for Recommendations

- 7.1 As a Member of Gedling Homes, the Council has voting rights and should exercise those rights.
- 7.2 To enable Gedling Homes to conduct its business in a more efficient way and ensure Value for Money.

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Companies Act 2006

**SPECIAL WRITTEN RESOLUTION
OF THE MEMBERS OF
GEDLING HOMES
(‘the Company’)**

As permitted by the Companies Act 2006, the Members of Gedling Homes hereby resolve to dispense with the requirement to hold an Annual General Meeting.

In doing so the Members authorise:

- (1) the amendment of the Articles of Association, specifically the removal of Article 6 and 7 which refer to Annual General Meetings but also the amendment of Articles 8.2, 8.3, 18.2, 19.2, 19.3, 21.1, 21.3, 21.4, 33.1 and the subsequent renumbering of the Articles of Association to reflect these changes.
- (2) the inclusion of the following definitions “financial year” commences from 1st April to 31st March and “general meeting” a meeting of the Members of the Company;
- (3) the inclusion of the additional subsidiaries within the Group (Threshold Housing Project Ltd, Great Neighbourhoods, Cavendish Property Development Ltd and Family Support charity)
- (4) the revision of the following references within the Articles

New Charter Housing North Ltd	<i>change to</i>	New Charter Homes Ltd
Housing Corporation	<i>change to</i>	Homes and Communities Agency (HCA)
Schedule 1, Housing Act 1996	<i>change to</i>	s122, Housing & Regeneration Act 2008
RSL	<i>change to</i>	Registered Provider
Companies Act 1985 or 1989	<i>add</i>	Companies Act 2006

- (3) the proposal to tie in terms of office and retirements by rotation to the financial year end (31st March).

Members Signature:

Print Name:.....

Date:.....

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Report to Cabinet

Subject: Changes to Outside Body Representation

Date: 8 August 2013

Author: Stephen Bray, Corporate Director

1. Purpose of the Report

To inform Members of a request from the Conservative Business Manager to make a change to the representatives on the Arnold Local Area Forum.

2. Proposal

At the request of the Conservative Business Manager, the following change to representation on outside bodies is proposed:

- To replace Councillor John Parr with Councillor Carol Pepper on the Arnold Local Area Forum.

3. Recommendation

That Cabinet approves the change to Outside Body representation and that Councillor Pepper replace Councillor Parr as a representative on the Arnold Local Area Forum.

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Report to: Cabinet

Subject: Overview and Scrutiny Committee Report

Date: 8 August 2013

Author: Councillor M. Hope

1. PURPOSE OF THE REPORT

To inform Cabinet Members of the conclusions and recommendations of four Scrutiny reviews completed as part of the 2012/13 work programme.

2. SCRUTINY WORK PROGRAMME 2012/13

The next meeting of the Overview Scrutiny Committee is winding up the 2012/13 work programme and agreeing the work programme going forward.

Four of the remaining five reviews in the 2012/13 Scrutiny work programme have now been completed. The final conclusions and recommendations arising from the reviews listed below are now available for consideration by Cabinet.

- **Hackney Carriages** (Portfolio: Public Protection and Communications)
- **Inclusion and Equality** (Portfolio: Community Development)
- **The Council's Engagement with the Voluntary Sector** (Portfolio: Community Development)
- **Covert Surveillance** (Portfolio: Public Protection and Communications)

A written response to the recommendations of each review is respectfully requested from the responsible Cabinet Member within 28 days of this Cabinet meeting. Portfolio Holder responses will be tabled at the Overview Committee on 7th October 2013.

Final reports and recommendations: Appendices 1 – 4

One outstanding review, **Localism, Planning and Housing**, has a final working group meeting in September. The final report will also be tabled at the 7th October Overview Scrutiny Committee and the conclusions and recommendations referred to Cabinet on 17th October for a response.

3. RECOMMENDATIONS

It is recommended that Cabinet Members consider the final conclusions and recommendations appended to this report as set out below and respond back to the Chair of Overview and Scrutiny Committee within 28 working days.

4. APPENDICES

Appendix 1: Hackney Carriages Policy

Appendix 2: Inclusion and Equality

Appendix 3: The Council's Engagement with the Voluntary Sector

Appendix 4: Covert Surveillance (follow up)

The full reports can be viewed on the Council's website at:

Councillors and Meetings / meeting dates, minutes and agendas / Overview Scrutiny Committee Agenda 5th August 2013.

Conclusions and Recommendations

Scrutiny Working Groups 2012/13

1. Hackney Carriages Policy Review working group

Working group members: Councillors Paling (Chair), Prew–Smith, Miller, B. Andrews, Hughes, and Brooks. (Councillor Hope joined the group in the latter stages of the review.)

1.1 Findings and Recommendations

In summing up the review Members noted and were very pleased with the cooperation of the Portfolio Holder, Public Protection and Communications in giving evidence and also with the comprehensive research and feedback provided by officers of the Public Protection and Legal teams.

1.2 Key findings

On reviewing all evidence Members were satisfied in the main that the Gedling Borough Council Taxi Licensing Policy is robust and effective in steering both the licensing service and Environment and Licencing Committee process, reinforced by the fact that the policy is currently being standardised to align more closely with the policies of authorities across the County.

Members were also assured that the application process, whilst previously having been perceived as complex and onerous, is now kept under regular review and also subject to benchmarking with other authorities. Following the most recent review and a move to a 'passport office' type approach led by Customer Services, whereby a checklist of inclusions guides the applicant through the process, Members are anticipating better quality applications and information referred to the committee from July 2013 onwards.

Notwithstanding the above, it had been clear to both Members and officers that some parameters applied by Gedling are less restrictive in comparison with other authorities. Along with possible differences in charging and the 'knock on' impact of new filtering processes coming into operation in neighbouring authorities, i.e. NVQ s and topography tests, the compound effect has been an excessive demand for licences in Gedling, and a disproportionate number of drivers operating with limited geographical knowledge of the area. This is also known to be a primary concern of local Taxi firms.

Members had expressed some concern over levels of customer care and communication skills amongst drivers, and were also keen to ensure that the Licensing Service contributes to the Environmental Sustainability agenda; a key priority for Gedling Borough Council.

1.3 Recommendations

The Hackney Carriage Licensing Scrutiny Working group makes the following recommendations to the Portfolio Holder for Public Protection and Communications:

1. That the planned benchmarking exercise and further standardisation of Gedling Borough Council's Licensing Policy against those of neighbouring authorities is progressed in consultation with the Licensing Committee as stated in the officer responses at **appendix 1**.
2. That subject to rigorous Equalities Impact Assessment the Council and Environment and Licensing Team progress the implementation of a topography test as part of the taxi licensing process with immediate effect.
3. That the Council and Licensing Team seek to encourage and promote amongst fleet operators the introduction of an NVQ for taxi drivers, to incorporate customer care and communication skills, health and safety and awareness when assisting people with disabilities.
4. That the Environment and Licensing Team seeks to include taxi fleets in the DEFRA Transport Plan as part of the 'Eco Stars' initiative, giving consideration to the use of the 'fleet age' procedures as an opportunity to influence fleet operators to participate in the scheme.
5. That a cost comparison exercise on the licensing fees is carried out with those of other authorities, to establish whether this is a contributing factor to the increased demand experienced at Gedling Borough Council.
6. That the September 2013 Environment and Licencing Committee takes the opportunity to reflect upon and review the level of positive impact of the new application process and improved forms and guidance.
7. That all of the above measures form a 5 year improvement plan which is assessed at an appropriate point in the future and reported to the Overview Scrutiny Committee.

2. Inclusion and Equalities Scrutiny Review.

Working Group Members: Councillors M Weisz (Chair), M Paling, P Hughes, M Lawrence, H Wheeler, B Andrews, N Brookes, S Ainley, S Tomlinson.

2.1 Conclusions and Recommendations

Recommendations

- 1. Simplify and standardise the format for the Equality Objectives published on the Council website.**
- 2. An annual review of the progress of the Equality Objectives should be undertaken as part of a monitoring process.**

Members acknowledged that the publication of the Equality Objectives met the requirements of the Equality Duty but considered the layout to be confusing, untidy and unclear for members of the public who were not used to information presented in this format. The inclusion of a named accountable manager and lead director was seen as unnecessary. Some of the objectives include both a target and action, others do not. Where targets are identified baselines are not always identified. The inclusion of tables and graphs of differing sizes and design, although containing interesting and pertinent information further complicated the presentation. Members concluded a much simpler clearer, format which standardises the different objectives and clearly demonstrates the action and target with a time line would be much more meaningful.

Members were also concerned that information about progress towards achieving the objectives should be available to demonstrate compliance with the Equality Duty. As new objectives can be published at any point during the following four years it was important to regularly monitor those objectives that had been originally published to meet the April 2012 deadline. Publication of the objectives should enable members of the public and staff to assess the performance and progress of the authority towards meeting the objectives and a concise performance report summarising work undertaken should be published at least annually, if not six monthly.

Recommendation

- 3. Develop a process to indicate how equality and inclusion considerations/implications are taken into account when new policies are being developed.**

Members felt that the lack of an Equality Impact Assessment could lead to unforeseen detrimental consequences for some groups. They felt that it was important to ensure that the impact on all the people with protected characteristics was assessed and this should be undertaken during the decision making process. Whilst Members appreciated that where impact assessment is undertaken as part of service design this not always visible to members of the public due to sensitivities, they concluded that a clear indication that protected groups had been considered during the decision making process should be available. The method used when undertaking this assessment should be standardised across all departments, be transparent, documented and explain any necessary adjustments that have been made to moderate any possible outcomes.

Recommendations

- 4. Ensure the cultural breakdown of the borough identified through the census data is considered when identifying service need.**
- 5. Develop mechanisms to target applications from minority groups by broadening the list of agencies that receive notification of vacancies.**

After considering the current list of cultural organisations that receive information Members concluded that the list was very City based and needed to be refreshed. The use of internet employment sites could be considered to increase dissemination and reach individuals and groups not currently included.

Recommendation

- 6. Consider how job adverts and application forms can be improved to make potential applicants aware of the Council's policy that jobs are open to job share.**

Members were concerned that applicants may not be aware that job applications can be made on a job share basis and this should be made much clearer particularly in job adverts.

Recommendation

- 7. Revise the Equality and Diversity basic awareness training for new employees and develop a process to refresh this information for existing employees on a regular basis. Techniques for delivering this could include briefings or the use of interactive soft wear.**

- 8. Undertake initiatives to promote awareness and understanding of diverse groups for existing employees by the use of themed displays and events.**
- 9. Remind staff of the need to use clear English on any printed material that is in the public domain.**

Members considered it essential that members of staff understand equality legislation and that it was important for the authority to demonstrate that they work to prevent discrimination, victimisation and harassment both in the community and within the workforce. Members were concerned about the poor return rate of the Equalities workbook. They agreed that should this method of training be continued, in services where completion rates are low, managers should be reminded that it is a requirement for new staff to complete the workbook. Members felt that other methods of informing staff about equality issues should be considered to determine if they would be more effective and that equalities awareness should not be a one off event but should be on-going. Consideration should be given to using interactive software which may yield more participation in the training and a higher level of completion.

Recommendation

- 10 Proactively work to counter negative perceptions about diverse groups in the community.**
- 11 Promote positive examples of community/multicultural action by publishing news stories/photo opportunities via the Gedling Borough web pages, Staff Intranet and Contact magazine.**
- 12 Consider what can be done at the Arnold and Gedling Shows to celebrate our diversity.**

It was considered important that all residents of Gedling feel they belong whether they have lived in the borough for many years, recently moved in or fell within the groups included in the protected categories. Members considered it important to support and advance community cohesion, work to promote different groups of people to get on together and celebrate diversity amongst residents. They felt the authority has a role in promoting tolerance and good relationships and this could be strengthened further to include develop strong positive relationships in the community between people from different backgrounds.

Recommendation

- 13 Create a link from the GBC web pages to the database the Council for Voluntary Services is currently developing which will catalogue voluntary and community groups.**

Members felt that by linking to this database the authority would be able disseminate information more widely to groups and individuals to enable them to engage with and have access to other voluntary organisations. This may possibly remove duplication and possibly negate the need for travel to other areas.

Recommendation

- 14 Evidence of applicants meeting equality criteria should be requested when applications for grant aid funding are considered. Monitoring should be undertaken to ensure that grant aid funding is allocated to a wide range of diverse groups.**

Members considered that equality and diversity issues should be built into criteria when grant aid applications are considered, not only the equality policies of the applicant, but it should also ensure that the grant aid application process is accessible and funding is allocated more fairly across a range of groups.

Grant aid could be used to support and encourage groups to be started in Gedling for individuals who have previously had to travel into the City for the service, and also to build the capacity of those organisations that currently exist to develop their services further.

3. The Council's Engagement with the Voluntary Sector

Working Group Members: Councillors P Allan (Chair), K Blair, B Andrews, G Gregory, M Paling, C Powell, M Weisz, H Wheeler.

3.1 Conclusions and Recommendations

Members concluded there were many benefits from working closely with the voluntary sector and that this relationship should not just involve the funding of community and voluntary organisations but should be a partnership relationship whereby both parties are able to enhance the support they provide within the community. The voluntary sector could have a greater role in supporting service provision and Members felt there was a necessity to develop a framework whereby grant aid could be utilised to enhance current service provision. Members considered it was important to establish what the authority is trying to achieve with its grant aid funding and to be confident that grant funding decisions are made in a systematic, consistent and transparent way, and a new grant aid strategy needed to be developed to reflect this.

3.2 Service Level Agreements

Members found it difficult to access basic performance information relating to the effectiveness of the Service Level Agreements and acknowledged that the nature of the way that RCAN and Gedling CVS operate as umbrella organisations makes it difficult to establish how effectively grant aid has been utilised. The Committee is aware that these organisations could well be providing effective, valuable and worthwhile support to smaller associated organisations but considered that it was not currently possible to demonstrate whether expectations were being met and whether the funding provided was meeting objectives and providing value for money.

Members were concerned about transparency, value for money, lack of defined targets and weakness of the systems currently available to monitor compliance with the SLAs. They felt that the vague aims and objectives, lack of specification, absence of defined outcomes or outputs and a monitoring process were all weaknesses that needed addressing. In addition they concluded that this lack of clarity as to how funding was being used could lead to the duplication of funding from multiple organisations for similar work and that an arrangement with tighter specified objectives is required and the monitoring of performance and quality standards needs to be developed to remove this concern.

Recommendation 1

Service Level Agreements should be replaced by contract arrangements for specified services increasing transparency of what the funding is used for and what it achieves.

When designing the contract it should:

- identify a set of objectives and what actions are required
- define what outcomes/outputs the contract should deliver
- establish targets that are SMART, specific, achievable, measurable, achievable, realistic and timely
- include a formalised set of monitoring arrangements to ensure the objectives and targets are met
- ensure value for money
- be phased in to avoid destabilising the finances of the recipient organisations.

3.3 Grant Aid

Members concluded that as there is little finance available to support the voluntary sector what is available should be used as effectively as possible, and that any arrangement for the allocation of grant aid funding should be fair and made in a systematic, consistent and transparent way. They considered that the current arrangements did not meet this criteria and that there was a need to develop a voluntary sector grant aid strategy that not only aligns with Council priorities and sets out what the authority is hoping to achieve but should also be open and accessible by all organisations. Members felt the introduction of three year funding awards replacing the need to apply annually would provide certainty for groups receiving small awards and remove a yearly administrative burden. The three year awards could be monitored annually before funding is released. The lack of a single point of contact within the authority for voluntary sector funding was seen as a weakness. Currently grant aid funding is only a small part of a number of different job roles and Members felt that if all grant aid distribution was consolidated into one job role the process would be more transparent and accessible, duplication would be avoided the post holder would be able to support the voluntary sector more effectively.

Recommendation 2

A new voluntary sector grant aid strategy should be developed that aligns with the Council priorities and sets out what the authority is hoping to achieve.

It should:

- identify which services the authority would like the voluntary sector to provide and how the Council can help them to do this
- be publicised and available to all organisations
- advertise and invite applications as widely as possible through the Gedling Borough Web pages, Contacts magazine and the Funders Fair

- use an application process that is available and accessible to all organisations, providing clear written guidance on how to complete the application, include an explanation of allocation process, possibly through the provision of an online form
- ensure that grant aid funding is available to a wide range of diverse groups
- have no automatic renewal
- include all grant aid funding streams
- record all grant aid funding by the authority, including the Member's Pots, to prevent duplication
- be necessary for organisations to disclose all funding streams to prevent duplication
- incorporate a mechanism to monitor outputs and outcomes. Monitoring should be undertaken but it should be proportional to the amount of funding allocated, not time consuming or onerous and could possibly include self-assessment against agreed criteria
- explore the possibility of awarding some of smaller grants on a three year arrangement
- consider aligning all grant aid within one directorate
- inform organisations well in advance of any changes that will be made to the grant aid strategy, giving them time to seek alternative funding streams.

Members concluded that Gedling as a borough was underperforming in attracting external grant aid funding. They considered that funding streams from national trusts, funds and organisations like the Lottery should be accessed to maximise funding for voluntary groups. The authority should determine the reasons for this failure to attract funding and develop arrangements to support and assist organisations to access external funding streams that would enable additional income to be drawn into the borough. This could be done either by the authority assuming the role or by contracting one of the umbrella organisations currently funded through a service level agreement to undertake this work.

Recommendation 3

A scheme to support voluntary organisations maximise funding from national sources is established.

Members considered that the authority should seek non - monetary ways to support voluntary groups that benefit the community. Expertise and knowledge, space to advertise, subsidised rates for use of facilities are among some of the possibilities that could be explored.

Recommendation 4

Non-cash ways that the Council can support voluntary groups should be determined and publicised.

Members were concerned about the role that Members on outside bodies were expected to undertake particularly when this involved inclusion on a management committee. Clarification is needed as to why are Members are on some of the outside bodies, what their role is and what their responsibility is to the group. They considered that particular issues arose when funding requested or received from the authority were discussed by the organisation.

Recommendation 5

Define the purpose and role of Members who are appointed as representatives on outside bodies.

4. Covert Surveillance follow up review

Working Group Members: Councillors Miller, Ainley, Tomlinson, Parr, Paling and Barnfather.

4.1 Conclusions

In conclusion, Members understood the impact of the changes to mean that the Council will continue to use its' powers in the pursuance of benefit fraud cases and in specific, targeted cases of fly tipping.

In cases of ASB, use of covert surveillance is now likely to be very rare, however Members were satisfied that the Council will continue to advise victims to report incidents to the Police in cases of criminal damage, and also to encourage individuals to record ASB on diary sheets, as there needs to be evidence of considerable harm and distress to activate an Anti - Social Behaviour Order. Members are aware that if there is a breach of an ASB order this is a criminal offence, therefore covert surveillance could be applied at that point.

Members were also satisfied that the Council's RIPA Policy and procedures are heavily scrutinised in line with statutory requirements. This includes an annual internal inspection, the outcomes of which must be reported to Cabinet along with any changes to the policy, and the assurance that the Legal department see and advise on all authorisations for the use of Covert Surveillance. There is also a 3 yearly inspection of the Council's use of RIPA by the Office of the Surveillance Commissioner. The last inspection was in September 2012.

Members were informed that a RIPA authorisation once approved by a JP has a three month lifespan, and that any reviews are done by Corporate Directors internally. An investigation can be cancelled by a Corporate Director or extended for up to three months. Any extension would require further approval from a JP

The working group was assured that the process of authorising and implementing RIPA procedures has not changed, the only difference being that the approval form now goes to the Magistrates Court rather than to a Corporate Director; therefore Members' earlier concerns that the process may become too time consuming were addressed.

Members were pleased to hear that the Council has been leading the way in enabling the Magistrates Courts to get up to speed with their new role by delivering training to the Nottingham and Mansfield Magistrates Courts' legal advisers, and that further training has been rolled out to Council officers and partners including CCTV operators and other relevant bodies.

The group was however keen to establish further clarification of the cost of such surveillance against the benefits achieved, particularly with reference to CCTV; to include equipment provision and maintenance, the scope of CCTV monitoring and associated manpower costs.

4.2 Recommendations

The Covert Surveillance Scrutiny working group would like to thank the Service Manager, Public Protection and Senior Solicitor for their input to both stages of the review, and now makes the following recommendations to the Portfolio Holder for Public Protection and Communications

- i. That the Council continues to apply its' powers to undertake covert directed surveillance in appropriate cases where a 6 month custodial sentence is the likely outcome.
- ii. That a report is submitted to the Overview Scrutiny Committee in due course providing details of the cost/benefits of undertaking such surveillance.



Report to Cabinet

Subject: Regulation of Investigatory Powers Act 2000 (RIPA) Annual Audit

Date: 8 August 2013

Author: Council Solicitor and Monitoring Officer

Wards Affected

None

Purpose of the Report

To inform Members of the annual audit of RIPA authorisations from April 2012 – March 2013, in accordance with the current policy and to update Cabinet on the implications of the changes to the RIPA regime since 1st November 2012.

Key Decision

This is not a Key Decision.

Background

- 1.1 Under the Regulation of Investigatory Powers Act 2000 (RIPA) local authorities have the power to authorise directed surveillance (usually covert cameras or covert observations by officers) and the use of Covert Human Intelligence Sources (CHIS – essentially undercover officers conducting surveillance) if the authorisation is necessary for the prevention and detection of crime or preventing disorder and if the surveillance is proportionate to the aims it seeks to achieve. In respect of directed surveillance, save for a small number of licensing offences, any crime or disorder being prevented or detected by RIPA must be a criminal offence which attracts a minimum of 6 months in custody, the so-called “serious crime” threshold. The authorisations under RIPA can only be given by Corporate Directors or the Chief Executive and the entire process is overseen by the Council Solicitor and Monitoring Officer as the Senior Responsible Officer for RIPA (SRO) with assistance from the RIPA Co-

ordinating Officer. Since 1st November 2012, any RIPA authorisations or renewals must also have Judicial approval from a Justice of the Peace.

1.2 The Council's RIPA process is subject to intense scrutiny and every three years the Council is inspected by the Office of the Surveillance Commissioner. The Council was last inspected on 6th September 2012. The Inspector produced a very favourable report and commended the Council on its "sound RIPA structure, good policies and procedures and high standard of authorisation paperwork." The outcome of this inspection was reported to Cabinet in November 2012.

1.3 The current RIPA Policy and Procedure document was approved by Cabinet, on 8th November 2012. The Policy states;

Elected members of the Council will review the authority's use of the 2000 Act and the Authority's Policy and Guidance documents at least once a year. They will also consider internal reports on the use of the 2000 Act on at least a quarterly basis to ensure that it is being used consistently with the local authority's policy and that the policy is fit for purpose. The members will not however be involved in making decisions on specific authorisations.

In line with this clause, annual reports on RIPA are produced to Cabinet and quarterly reports are also made to the Portfolio Holder for Communications and Public Protection as the majority of RIPA usage historically fell under the remit of this Portfolio.

1.4 The RIPA process is also audited internally every year by the SRO. A full internal audit of the Council's use of RIPA between April 2012 and March 2013 at the financial year end has been undertaken and the findings are summarised within the Proposal section of this report.

1.5 Members will recall that there were significant changes to the RIPA legislation which came into force on 1st November 2012. These changes were reported to Cabinet in November 2012 and amendments to the Council's RIPA Policy and procedures were agreed. Since the introduction of the "serious crime threshold" in November 2012 there has been a drop in the number of RIPA authorisations for anti-social behaviour surveillance. Only one application has come forward to be taken to the Magistrates Court for approval. This was in relation to surveillance in a benefit fraud investigation which did pass the serious crime threshold. This application was successfully taken to the Magistrates' Court for approval.

1.6 In order to ensure officers operate within the legislation and Policy framework for RIPA, training has been given to officers of the Council on 2 occasions in the financial year 2012-2013, in July 2012 and March 2013.

Proposal

It is proposed that Members consider the findings outlined below following the internal audit of the RIPA process for the year 2012-2013:

- 2.1 There have been 5 authorisations granted under RIPA between April 2012 and March 2013. Two of these applications were for directed surveillance involving the use of covert cameras to investigate/gather evidence of anti-social behaviour and one was to gather information in respect of allegations of theft. These applications were from Public Protection and all applications were made following consultation with the Police. Two applications authorised were for directed surveillance in the form of officer observations to gather evidence to support proceedings for benefit fraud, namely cases where suspects are living with partners who have not been declared for the purposes of Housing Benefit and Council Tax Benefit claims. These applications came from Revenues Services. The final authorisation for a benefit fraud matter was approved by the Nottingham Magistrates on 15th November 2012 and is the only authorisation that has been taken to the Magistrates' Court for approval. This authorisation was cancelled on 20th December 2012 and there have been no applications made or authorisations given under RIPA since this time.
- 2.2 All authorisations, reviews and cancellations have been completed by Mark Kimberley or David Wakelin, as Corporate Directors. All authorisations last for a period of three months from Judicial approval or (prior to 1st November 2012), from authorisation by the Corporate Director. All authorisations should be regularly reviewed, but at least on a monthly basis. Any authorisations should be cancelled when surveillance is no longer considered necessary or proportionate and a clear record should be made of the reasons for cancellation and what product has been obtained (e.g. details of camera footage recorded).
- 2.3 There has been a drop in the number of authorisations this last financial year. There were 7 authorisations given between April 2011 and March 2012 and the previous year there were 11. There have been no authorisations coming forward from Public Protection in respect of anti-social behaviour since the legislative changes on 1st November 2012. The "serious crime threshold" has restricted the Council's ability to utilise RIPA in cases involving anti-social behaviour and historically this type of application has formed the bulk of the authorisations given.
- 2.4 In terms of the authorisation paperwork, the standard is generally very high, as observed by the Office of the Surveillance Commissioner. There have been occasions when an inaccurate expiry date has been given by an authorising officer but this has been addressed through training in the

last year. The detail in the authorisations in respect of necessity and proportionality is of a high standard.

- 2.5 There was one occasion when the wrong cancellation form was used, this has been discussed with officers and again was covered in the training sessions.
- 2.6 Any minor errors uncovered through this audit process have been satisfactorily addressed in the two detailed training sessions given to officers in the last financial year.

Alternative Options

3. The alternative option is that Members do not receive and consider feedback in respect of the RIPA Policies and Procedures. This would go against the Council's current RIPA Policy which requires annual review of the Council's Policy and procedure by Members. This process of annual review by Members came into being as a result of recommendations in the Home Office Codes of Practice for RIPA which suggested greater input from Members in terms of the RIPA process and procedures (not the authorisation of surveillance) and more of a consultative approach with Members.

Financial Implications

4. None arising from this report. Applications to the Magistrates' Court for RIPA authorisation do not attract a fee, the only cost considerations are officer time but as the numbers of applications have reduced, this is minimal.

Appendices

5. None.

Background Papers

6. None identified.

Recommendation

THAT Cabinet notes the contents of the report.

Reasons for Recommendations

7. To ensure the Executive is updated in respect of the Council's use of RIPA and any changes to Policy and Procedure in line with the Council's current RIPA Policy document.



Report to Cabinet

Subject: Review of complaints received by the Council and Annual Review Letter – Local Government Ombudsman

Date: 8 August 2013

Author: Council Solicitor and Monitoring Officer & Corporate Director (Chief Financial Officer)

Wards Affected

Not applicable.

Purpose

To inform Members of the receipt of the Annual Review letter from the Office of the Local Government Ombudsman and the complaints dealt with by the Council through the internal Complaints Procedure during the year 2012-13.

Key Decision

This is not a Key Decision

Background

1.1 Members will be aware of the Council's arrangements for dealing with formal complaints full details of which are available on the website. The departmental analysis of complaints by Service Manager appears below. Members are to note that some of the columns will not add up because some complaints have not been dealt with entirely within the year and therefore fall outside the monitoring period.

1.2 Between 1 April 2012 and 31 March 2013, the Council received 287 complaints which are broken down into individual service areas as follows:

Service	Number of complaints received	Upheld/partially upheld at Stage 1	Not Upheld at Stage 1
Customer Services and IT	24	19	5
Elections and Member Services	1	0	0
Housing and Localities	14	0	13

Service	Number of complaints received	Upheld/partially upheld at Stage 1	Not Upheld at Stage 1
Legal Services	0	0	0
Leisure and Culture	54	41	9
Parks and Street Care	17	16	1
Planning & Economic	8	1	4
Public Protection	14	2	11
Revenue Services	82	24	47
Sustainability and Assets	5	3	1
Waste Services	68	63	0
Totals	287	169	91

- 1.3 Where a complaint is not upheld in full or in part, the complainant may ask for it to be considered further under Stage 2 of the complaints procedure. 18 complaints were considered under Stage 2 between 1 April 2012 and 31 March 2013 as follows:

Service	Number of complaints considered at Stage 2	Upheld/partially upheld at Stage 2	Not Upheld at Stage 2
Customer Services and IT	0	0	0
Elections and Member Services	0	0	0
Housing and Localities	1	0	1
Legal Services	0	0	0
Leisure and Culture	1	0	1
Parks and Street Care	0	0	0
Planning & Economic	1	0	1
Public Protection	1	0	1
Revenue Services	7	3	4
Sustainability and Assets	1	1	0
Waste Services	6	3	2
Totals	18	7	10

- 1.4 If the complainant is not happy with the response at Stage 2 he or she is entitled to refer the complaint to the Local Government Ombudsman. Between 1 April 2012 and 31 March 2013, 4 complaints were made to the Ombudsman, only 2 of which were referred to the Council as part of a formal investigation. In relation to those 2 complaints, there were no findings of maladministration against the Council.

Service	Days taken to respond to LGO	Decision of LGO
Public Protection	28	To discontinue investigation – injustice remedied
Housing and	25	To discontinue

Localities		investigation
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1.5 The Annual Review letter for the year ended 31 March 2013 is attached at Appendix 1. The Ombudsman has notified the Council that they will not be producing annual letters for individual councils, about complaints received against them, in the same way as in previous years. This is because they have changed the way they handle complaints part way through the year, and therefore any statistics will not provide a comparable picture throughout the year. However the Ombudsman has confirmed that annual letters next year will provide more detailed statistics. The letter at Appendix 1 appears in the new format and the Ombudsman is asking for contributions on what annual letters should look like in the future to better meet our needs.

1.6 The Ombudsman has also announced that they will be publishing all decisions on complaints they receive after 1 April 2013. The reasons given for this are:

- So that the public and bodies in their jurisdiction see the full range of decisions and can feel reassured that they are fair, thorough and impartial.
- Publishing decisions also recognises the key role they play in helping to ensure that public services are accountable to the public, who use and fund those services.
- Greater transparency of decision making means greater transparency of public services.

Decision statements will be published on the Ombudsman website at www.lgo.org.uk no earlier than three months after the date of the final decision. The information published will not name the complainant or any individual involved with the complaint. The Ombudsman also retains discretion not to publish a decision, for example where it would not be in the interests of the person complaining to publish or where there's a reason in law not to.

Proposal

2 It is proposed that Cabinet note the report.

Alternative Options

3 There are no Alternative Options.

Financial Implications

4 None arising from this report.

Appendices

5 Appendix 1 – Local Government Ombudsman Annual Review Letter.

Background Papers

6 None identified.

Recommendation

THAT Cabinet notes the contents of the report.

Reasons for Recommendations

7 To alert the Executive to the contents of the Local Government Ombudsman Annual Review Letter and raise awareness of the complaints received by the Council during 2012-13.

16 July 2013

By email

Mr John Robinson
Chief Executive
Gedling Borough Council

Dear Mr Robinson

Annual Review Letter

I am writing with our annual summary of statistics on the complaints made to the Local Government Ombudsman (LGO) about your authority for the year ended 31 March 2013. This year we have only presented the total number of complaints received and will not be providing the more detailed information that we have offered in previous years.

The reason for this is that we changed our business processes during the course of 2012/13 and therefore would not be able to provide you with a consistent set of data for the entire year.

In 2012/13 we received 4 complaints about your local authority. This compares to the following average number (recognising considerable population variations between authorities of a similar type):

District/Borough Councils-	10 complaints
Unitary Authorities-	36 complaints
Metropolitan Councils-	49 complaints
County Councils-	54 complaints
London Boroughs-	79 complaints

Future development of annual review letters

We remain committed to sharing information about your council's performance and will be providing more detailed information in next year's letters. We want to ensure that the data we provide is relevant and helps local authorities to continuously improve the way they handle complaints from the public and have today launched a consultation on the future format of our annual letters.

I encourage you to respond and highlight how you think our data can best support local accountability and service improvements. The consultation can be found by going to www.surveymonkey.com/s/annualletters

LGO governance arrangements

As part of the work to prepare LGO for the challenges of the future we have refreshed our governance arrangements and have a new executive team structure made up of Heather Lees, the Commission Operating Officer, and our two Executive Directors Nigel Ellis and Michael King. The Executive team are responsible for the day to day management of LGO.

Since November 2012 Anne Seex, my fellow Local Government Ombudsman, has been on sick leave. We have quickly adapted to working with a single Ombudsman and we have formally taken the view that this is the appropriate structure with which to operate in the future. Our sponsor department is conducting a review to enable us to develop our future governance arrangements. Our delegations have been amended so that investigators are able to make decisions on my behalf on all local authority and adult social care complaints in England.

Publishing decisions

Last year we wrote to explain that we would be publishing the final decision on all complaints on our website. We consider this to be an important step in increasing our transparency and accountability and we are the first public sector ombudsman to do this. Publication will apply to all complaints received after the 1 April 2013 with the first decisions appearing on our website over the coming weeks. I hope that your authority will also find this development to be useful and use the decisions on complaints about all local authorities as a tool to identify potential improvement to your own service.

Assessment Code

Earlier in the year we introduced an assessment code that helps us to determine the circumstances where we will investigate a complaint. We apply this code during our initial assessment of all new complaints. Details of the code can be found at:

www.lgo.org.uk/making-a-complaint/how-we-will-deal-with-your-complaint/assessment-code

Annual Report and Accounts

Today we have also published *Raising the Standards*, our Annual Report and Accounts for 2012/13. It details what we have done over the last 12 months to improve our own performance, to drive up standards in the complaints system and to improve the performance of public services. The report can be found on our website at www.lgo.org.uk

Yours sincerely

A handwritten signature in black ink that reads "Jane Martin". The signature is written in a cursive style with a long horizontal flourish at the end.

Dr Jane Martin
Local Government Ombudsman
Chair, Commission for Local Administration in England



Report to Cabinet

Subject: Forward Plan

Date: 8 August 2013

Author: Service Manager, Elections and Members' Services

Wards Affected

Borough-wide.

Purpose

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

Key Decision

This is not a Key Decision.

Background

- 1 The Council is required by law to give to give notice of key decisions that are scheduled to be taken by the Executive.

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.

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

Proposal

- 2 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.

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

Financial Implications

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

Appendices

- 5 Appendix 1 – Forward Plan

Background Papers

- 6 None identified.

Recommendation(s)

It is recommended THAT Cabinet note the contents of the draft Forward Plan making comments where appropriate.

Reasons for Recommendations

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

Issue	Key Decision or Council Decision?	Who will decide and date of decision	Documents to be considered (only applicable to executive Key decisions)	Who will be consulted?	From whom can further information be obtained and representations made?
Creation of Gedling Country Park and Associated Expenditure	Key	Cabinet 12 September 2013	Officer report Officer's PowerPoint Presentation Gedling Country Park PID inc. Maps Project Grant Chart Finance Schedule	Internal departments Portfolio Holder	Melvyn Cryer, Service Manager, Parks and Street Care melvyn.cryer@gedling.gov.uk
Gedling Borough Council's Local Planning Document (Issues and Options stage)	Key	Cabinet 12 September 2013	Local Planning Document (Issues and Options stage) – for consultation purposes Sustainability Appraisal Scoping Report Statement of Community involvement	Consultation with key partners, other Councils, business, developers and the local community.	Alison Gibson, Planning Policy Manager, Jo Gray, Planning Policy Manager Alison.Gibson@gedling.gov.uk, joanna.gray@gedling.gov.uk
Gedling Borough Council Prospectus for Growth	Not Key	Cabinet 12 September 2013		N/A	Paula Darlington, Corporate Director Paula.darlington@gedling.gov.uk

Issue	Key Decision or Council Decision?	Who will decide and date of decision	Documents to be considered (only applicable to executive Key decisions)	Who will be consulted?	From whom can further information be obtained and representations made?
Community Infrastructure Levy - Consultation on Draft Charging Schedules	Key	Cabinet 12 September 2013	Gedling Borough Council Community Infrastructure Levy Draft Charging Schedule	Consultation with key partners, other Councils, business, developers and the local community	Alison Gibson, Planning Policy Manager, Jo Gray, Planning Policy Manager Alison.Gibson@gedling.gov.uk, joanna.gray@gedling.gov.uk
Health Suite Hire Charges	Not Key	Portfolio Holder for Leisure and Development September 2013		N/A	Kate Morris, Leisure Business Strategy Manager kate.morris@gedling.gov.uk
Adoption of the Locality Plans for Newstead and Netherfield	Not Key	Cabinet 17 October 2013	N/A	Consultation with partners and residents along with surveys have all been completed. The outcomes are fed into the locality action plan for the approval of Cabinet.	Alison Bennett, Service Manager, Housing and Localities alison.bennett@gedling.gov.uk

Issue	Key Decision or Council Decision?	Who will decide and date of decision	Documents to be considered (only applicable to executive Key decisions)	Who will be consulted?	From whom can further information be obtained and representations made?
Christmas Opening for Community and Leisure Centres	Not Key	Portfolio Holder for Community Development, Portfolio Holder for Leisure and Development October 2013		N/A	Jayne Cox, Service Manager, Leisure and Culture jayne.cox@gedling.gov.uk
Quarterly Budget Monitoring, Performance Digest and Virement Report	Key	Cabinet 14 November 2013	Officer report	N/A	Alison Ball, Service Manager Finance alison.ball@gedling.gov.uk
Community Centres Pricing Report	Not Key	Portfolio Holder for Community Development January 2014		N/A	Kate Morris, Leisure Business Strategy Manager kate.morris@gedling.gov.uk
Leisure Centre Pricing	Not Key	Portfolio Holder for Leisure and Development January 2014		N/A	Kate Morris, Leisure Business Strategy Manager kate.morris@gedling.gov.uk
Quarterly Budget Monitoring, Performance Digest and Virement Report	Key	Cabinet 13 February 2014	Officer report	N/A	Alison Ball, Service Manager Finance alison.ball@gedling.gov.uk

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