



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

Agenda

Cabinet

Date: **Thursday 14 November 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

Observers: Councillor Chris Barnfather
Councillor Paul Hughes

AGENDA

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- 1 **Apologies for Absence.**
- 2 **To approve, as a correct record, the minutes of the meeting held on 17 October 2013** 1 - 4
- 3 **Declaration of Interests.**
- 4 **Quarterly Budget Monitoring, Performance Digest and Virement Report** 5 - 28
- 5 **Prudential Code Indicator Monitoring 2013/14 and Quarterly Treasury Activity Report for Quarter ended 30 September 2013** 29 - 42

Report of Corporate Director (Chief Financial Officer)
- 6 **Community Right To Bid** 43 - 62

Report of Estates Technical Officer.
- 7 **Recommendations of the Localism, Planning and Housing Scrutiny Working Group.** 63 - 68

Report of Councillor Bob Collis, Working Group Chair.
- 8 **Forward Plan** 69 - 72

Report of the Service Manager Elections and Members' Services.
- 9 **Progress Reports from Portfolio Holders.**
- 10 **Member's Questions to Portfolio Holders.**
- 11 **Any other items the Chair considers urgent.**

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MINUTES CABINET

Thursday 17 October 2013

Councillor John Clarke (Chair)

Councillor Michael Payne
Councillor Peter Barnes

Councillor Kathryn Fox
Councillor Jenny Hollingsworth

Observers: Councillor Paul Hughes

Absent: Councillor Darrell Pulk and Councillor Chris
Barnfather

Officers in Attendance: J Robinson, H Barrington, M Kimberley, D Wakelin,
S Bray, P Baguley, A Bennett and L Parnell

45 APOLOGIES FOR ABSENCE.

Apologies for absence were received from Councillors Pulk and Barnfather.

46 TO APPROVE, AS A CORRECT RECORD, THE MINUTES OF THE MEETING HELD ON 12 SEPTEMBER 2013.

RESOLVED:

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

47 DECLARATION OF INTERESTS.

None.

48 LOCALITY WORKING

Councillor Fox and the Service Manager, Housing and Localities presented a report, which had been circulated prior to the meeting, detailing the locality plans created for the Netherfield and Newstead areas an extension to locality working to include Killisick ward.

RESOLVED:

- (a) To endorse the two Locality Plans for Netherfield and Newstead;
- (b) To approve an extension of locality working to include Killisick; and

- (c) To endorse the proposal that the locality co-ordinator for Newstead becomes the locality co-ordinator for Newstead and Killisick.

49 UPDATE OF FIVE YEAR HOUSING LAND SUPPLY ASSESMENT (AGAINST THE EMERGING ALIGNED CORE STRATEGY TO INFORM THE EXAMINATION) AS AT 31 MARCH 2013

The Service Manager, Planning and Economic Development presented a report, which had been circulated prior to the meeting, informing Members of the update of the Five Year Housing Land Supply Assessment against the emerging Aligned Core Strategy to inform the hearing sessions as part of the examination of the Aligned Core Strategy.

The Service Manager, Planning and Economic Development, also provided Members with an update as to the process of the current Aligned Core Strategy examination.

RESOLVED:

To note the content of the Update of Five Year Housing Land Supply Assessment (against the emerging Aligned Core Strategy to inform the examination) as at 31 March 2013.

50 FORWARD PLAN

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

RESOLVED:

To note the report.

51 PROGRESS REPORTS FROM PORTFOLIO HOLDERS.

Councillor Michael Payne (Public Protection and Communication)

- Crime continues to reduce in the Gedling Borough Council area, however concerns were expressed regarding the increase in certain serious crimes and a number of recent high profile major crimes that had taken place in the Nottinghamshire/Derbyshire area.

Councillor Payne left the meeting at 12.55pm.

Councillor Jenny Hollingsworth (Health and Housing)

- New software for choice based lettings is due to go live in November. Information for applicants and Councillors will be reissued.
- Work is progressing on reviewing the suitability of temporary accommodation.
- Congratulations to staff member, Cathy Evans, who recently received an award from Nottinghamshire Police.
- The 3rd Landlord's Forum will be held on the 7th of November and Nottingham Credit Union will be attending.
- The "Sharing is Caring" initiative, part of the campaign to end loneliness, has been very successful, helping around 1450 people.
- The Council is working hard on "Alzheimer/dementia friendly" processes, with the hope of becoming a "Dementia Friendly Council" by 2015.
- A Health and Wellbeing Delivery consultation meeting will be held on the 4th of November.

Councillor Kathryn Fox (Community Development)

- On the 26th of October a Halloween event, big draw and guided walk will take place at Arnot Hill Park.
- The Council have been successful in bidding for £20,000 funding from the Community Covenant, to support World War 1 commemoration.
- Locality Plans for Newstead and Netherfield have been produced and endorsed.
- Netherfield Community Safety Week has taken place with partners from the Police, Neighbourhood Wardens, Fire Service, Citizen's Advice Bureau, Nottingham Credit Union and energy providers.
- Netherfield "Keep Tidy" week has taken place, and Netherfield Primary School children who took part in the activities will be rewarded for their involvement.

Councillor Peter Barnes (Environment)

- Gedling Recycling Centre is the busiest in the County.
- An update was provided on the progress with the Druid's Car Park.
- A cross party Members' Focus Group is being created over the coming weeks and will be extended to include local groups and members of the public.

Councillor John Clarke (Finance and Performance)

- Attended a number of Gedling Conversation events with Officers and Members of the Council.
- Consideration is being given to the Council's budget for next financial year. A report will be brought to Cabinet in February for referral to Council.
- Happy to see that local churches are getting involved in investing in Nottingham Credit Union.
- Will be meeting soon to look at how we can work with partners to make local food banks sustainable.
- Bonington Theatre is now open and the new frontage will soon be installed.

Councillor Clarke invited the Policy Advisors for Young People and Older People to provide an update on their work.

Councillor Roxanne Ellis (Policy Advisor for Older People)

- Thanks to Councillors Weisz and Hollingsworth for their support and the work that they have done previously in the area.
- Took part in the Gedling Conversation with older people and noted that the wider Gedling Conversation events were attended by large numbers of older people.
- Looking at concerns over the digitalisation of services and how this might exclude older people.
- Spent time over the course of the year talking to current older person's service providers and intention to contact remaining groups.
- Intention to revamp the Council's "Fit over 50's" leaflet.
- Intention to set up a resources network for older people in the Borough.

Councillor Henry Wheeler (Policy Advisor for Young People)

- Spent time over the past few months visiting schools across the Borough, promoting involvement in the Youth Council and elections will be held in February 2014.
- Brought some young people to the Gedling Conversation event at the Bonington Theatre, who were very positive and engaged. Will aim to hold three "Gedling Conversation" style events just for youth in the near future.
- Unfortunately a recent "Saturday Skateboarding Jam" was cancelled due to bad weather.
- Warren Hill now has a youth services provision on Friday's but attendance is low so far. Gedling Village is still lacking provision.
- Looking at ways to democratise the Scrutiny Advisory Board to allow young people to question Councillors and get involved in budget setting.

52 MEMBER'S QUESTIONS TO PORTFOLIO HOLDERS.

None.

53 ANY OTHER ITEMS THE CHAIR CONSIDERS URGENT.

None.

The meeting finished at 1.35 pm

Signed by Chair:
Date:



Report to Cabinet

Subject: Quarterly Budget Monitoring, Performance Digest & Virement Report

Date: 14 November 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 has improved compared with the position at the end of quarter 1. 16 of the 28 performance indicators suitable for quarterly monitoring are on target – of the remainder, 3 are at amber status and 9 are red. This does however understate performance in a number of areas – for example, with regard to new homes completed, the 107

completions in the quarter, though just shy of the 110 target, represents the best quarterly result for four years. All actions in the Council Plan are completed or on target.

2.1.7 Target changes are requested for two performance indicators.

Portfolio Area	Action/ indicator	Original Target	Proposed Target	Reason for change
Leisure and Development	Indicator – Percentage of “Other” planning applications determined within 8 weeks	92%	83%	To reflect priority being attached to attracting growth to the Borough, allowing the planning service to prioritise major planning applications within available resource.
Leisure and Development	Indicator - Number of visits to Leisure Centres	963,800	940,800	To reflect extended closure of Arnold Leisure Centre for reception and changing room refurbishment.

2.1.8 Members are also asked to support a change to a Service Plan action, originally included in an earlier year’s Council Plan. In 2010, Council supported a proposal to secure Member Development Charter status, and actions were included in subsequent Council Plans, with a view to securing accreditation in 2014. Significant progress has been made during that time to improve member development and training. However, closer examination of actions outstanding to formally secure Charter status has made clear that those remaining actions are largely process based and would add little value to what has already been achieved, while taking up significant amounts of officer time to deliver them. Therefore, following discussions with the Leader of the Council and the Portfolio Holder for Community Development, it has been agreed that this task is deleted from the Elections and Members’ Services Service Plan for 2013/14.

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.

Included in Appendix 3 is a list of all the virements carried out in Quarter 2 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 September 2013. The overall resource implication for the Council's General Fund is a predicted under-spend of £41,300.

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:	<u>12,956,800</u>
Up to the end of September 2013 expenditure less income totalled	4,997,300
In the remaining 6 months of year we expect net expenditure less income to be	7,918,200
Total net revenue spend for the year is currently expected to be	<u>12,915,500</u>
Projected Revenue Underspend 2013/14	<u>(41,300)</u>

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:

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
Changes approved at Quarter 1	(457,400)
The current total approved budget for 2013/2014	<u>5,098,100</u>

Proposed Quarter 2 Amendments to the 2013/14 Programme:

(a) Additional budget requirement funded by External Grant

Daybrook Water Course funded by Groundworks.	45,000
Additional Fuel Poverty Grant funded by Dept for Climate and Energy Change	20,000

(b) Budget Reductions

Efficiency reduction of 3 vehicles as no longer required within the Parks and Street Cleansing Service.	(44,000)
Removal of the Safety Surface scheme as programme now complete.	(26,000)

(c) Schemes identified for deferral

Exhaust fans in workshop will not require replacing until 2016/17.	(20,000)
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(d) Additional Budget Requirement

Additional costs on 3 vehicles in the fleet programme due to price increases.	11,000
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Bartech Grounds Maintenance & Street Cleaning Software funded by revenue contribution.	4,000
Total Proposed Amendments To Capital Programme	<u>(10,000)</u>
Proposed Revised Capital Programme 2013/14	<u>5,088,100</u>
Actual Expenditure to Quarter 2 2013/14	1,708,311
Estimated Expenditure Quarter 3-4 2013/14	3,379,789
Projected Outturn 2013/14	<u>5,088,100</u>
Projected Capital Programme Variance 2013/14	<u>0</u>

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

- 3 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(s)

Members are recommended:

- a) To approve the changes to Performance Indicator targets and Actions as detailed in paragraphs 2.1.7 and 2.1.8 of the report;
- b) To approve the General Fund Revenue Budget virements included within Appendix 1;
- c) To approve the changes to the Capital Programme of £50,000 and below included in paragraph 2.2.3;
- d) 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.

**For more information, please contact:
Alison Ball, Financial Services Manager**

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Grand Summary

Revenue Quarterly Budgetary Control Report **Period 201306**

	Current Approved Budget	Profiled Budget	Actual to date	Variance	%	Projected Outturn	Projected Annual Variance
	£	£	£	£		£	£
Community Development	1,373,500	529,792	505,365	-24,427	-5	1,366,200	-7,300
Health & Housing	1,040,100	231,800	-794,004	-1,025,804	-443	1,016,200	-23,900
Public Protection & Communication	1,584,100	1,206,950	1,174,106	-32,844	-3	1,548,000	-36,100
Environment	5,063,000	1,637,917	1,617,197	-20,720	-1	5,104,600	41,600
Leisure & Development	2,895,700	823,442	806,948	-16,494	-2	2,991,100	95,400
Finance & Performance	905,300	1,669,225	1,687,690	18,465	1	889,400	-15,900
Total General Fund	12,861,700	6,099,125	4,997,300	-1,101,825	-18	12,915,500	53,800
Cabinets General Fund Maximum Budget	12,956,800					12,915,500	-41,300

COMMUNITY DEVELOPMENT PORTFOLIO

BUDGETARY CONTROL REPORT - SEPTEMBER 2013

REVENUE ITEMS TO BE REPORTED

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Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable	Adverse	
	£'000	£'000	£'000	£'000	
<u>Democratic Management & Representation</u>					
Supplies and Services	357.1	354.7	3.1		APTC pay award removed as Member Allowances linked to lower (0%) Chief Officer's pay awards.
				0.7	Connectivity for mobile devices.
<u>Committee Services</u>					
Employees	141.0	128.6	12.4		Savings due to Electoral registration Assistant part time vacancy being covered by a Members Services Officer.
<u>Localities</u>					
Employees	76.8	74.6	2.2		Officers not in superannuation scheme
<u>Community Centres</u>					
Employee Expenses	144.9	143.9	1.0		Reduction to Indoor Bowls instructors fees.
Premises	69.1	80.1		11.0	Replacement boilers at Pond Hills Lane Community Centre.
Income	(95.6)	(95.9)	6.8		Increased room hire bookings.
				1.0	Decrease in indoor bowls and aerobics classes income.
				5.5	Decrease in Surestart rent.
<u>All other budget heads</u>	680.2	680.2			
Including items previously reported					
PORTFOLIO TOTAL	1,373.5	1,366.2	25.5	18.2	Net Portfolio Total £7,300 Favourable

HEALTH & HOUSING PORTFOLIO

BUDGETARY CONTROL REPORT - SEPTEMBER 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	
	£'000	£'000			
<u>Housing Needs</u>					
Employee Expenses	249.7	244.5	5.2		Full year projected saving following the Housing Needs restructure, offset by an allowance for short term overtime in respect of the development of the new Housing Allocations software. Floating support service has not been delivered for April - September 2013. 5.0 Reduced Homelessness cases have caused an increase in void periods in Council managed temporary accomodation mainly due to ongoing prevention work.
Supplies & Services	116.9	111.9	5.0		
Income	(110.6)	(105.6)		5.0	
<u>Housing Strategy</u>					
Supplies & Services	0.5	1.5		1.0	Housing Information for East Midlands subscription to provide improved management information on the regional housing status.

HEALTH & HOUSING PORTFOLIO

BUDGETARY CONTROL REPORT - SEPTEMBER 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>Housing Benefits Admin</u>	£'000	£'000			
Employee Expenses	685.6	677.0	8.6		Savings identified on several vacant posts.
Supplies & Services	90.4	98.8		8.4	Additional expenditure for Housing Benefit reform transitional funding offset by corresponding income received from DWP. DWP Grant for HB Reform transitional funding, also grant for changes in Local Authority Data Sharing Programme and DWP grant for Civica software changes.
Income	(749.9)	(769.4)	19.5		
<u>All other budget heads</u> Including items previously reported	757.5	757.5			
PORTFOLIO TOTAL	1,040.1	1,016.2	38.3	14.4	Net Portfolio Total £23,900 Favourable

PUBLIC PROTECTION & COMMUNICATION PORTFOLIO

BUDGETARY CONTROL REPORT - SEPTEMBER 2013

REVENUE ITEMS TO BE REPORTED

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Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable £'000	Adverse £'000	
<u>Licencing & Hackney</u>	£'000	£'000			
Supplies & Services	34.4	41.9		7.5	Increase in Taxi Licencing CRB volumes has led to additional expenditure, offset by additional income below.
Income	(389.8)	(420.7)	30.9		Increased income in Driver Licencing, Vehicle Licencing and CRB fees due to continued rise in volumes.
<u>Information Technology</u>					
Supplies & Services	574.5	577.5		3.0	Purchase of Suite Database licence for the Estates Service.
<u>Customer Services</u>					
Employee Expenses	595.3	579.6	15.7		Savings identified on several vacant posts.
<u>All other budget heads</u>	769.7	769.7			
Including items previously reported					
PORTFOLIO TOTAL	1,584.1	1,548.0	46.6	10.5	Net Portfolio Total £36,100 Favourable

ENVIRONMENT PORTFOLIO

BUDGETARY CONTROL REPORT - SEPTEMBER 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>Estates & Valuation</u>					
Employee Expenses	54.6	56.7		2.1	Honorarium payment for providing cover for the vacant Assets & Sustainability Managers post.
<u>Public Conveniences</u>					
Premises	12.6	16.6		4.0	Additional expenditure on demolition of public toilet, part funded by Contribution from the Asset management Reserve.
Income	-	(2.5)	2.5		Contribution from Reserves for public toilet demolition.
<u>Building Services</u>					
Income	(26.0)	(19.0)		7.0	Lower than budgeted fees for work for third parties.
<u>Waste Management</u>					
Employee Expenses	1,377.6	1,401.0		23.4	Projected increase in Agency Staff expenditure due to vacancies, long term sickness and disciplinary case cover.
<u>Fleet Management</u>					
Supplies & Services	49.9	85.0		35.1	Insurance claim for fuel transferred to the Risk Management Reserve.
Income	(61.8)	(96.9)	35.1		

ENVIRONMENT PORTFOLIO

BUDGETARY CONTROL REPORT - SEPTEMBER 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>Public Offices</u>	£'000	£'000			
Premises	334.9	321.9	13.0		Reduced NNDR for Civic Centre partly offset by contribution to demolition of public toilet.
<u>Assets and Sustainability</u>					
Employee Expenses	21.2	13.3	7.9		Vacant Assets and Sustainability Service Manager post.
<u>Parks</u>					
Employee Expenses	757.6	759.1		1.5	Additional expenditure on overtime, offset by additional income from third parties and saving on vacant post.
Premises	136.4	141.4		5.0	Safety Surface Repair works
Supplies & Services	170.2	166.2	4.0		Revenue contribution to Capital for Bartec Grounds Maintenance Software
Third Party Payments	63.5	61.5	2.0		Lower than anticipated expenditure on park maintenance works by external contractor.
Capital Financing Charges	465.4	469.4		4.0	Revenue contribution to Capital for Bartec Grounds Maintenance Software

ENVIRONMENT PORTFOLIO

BUDGETARY CONTROL REPORT - SEPTEMBER 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	
Income	(263.3)	(269.3)	6.0		Additional Tree Works for third parties.
<u>Cemeteries</u> Income	(422.8)	(392.8)		30.0	Reduction in the number of burials.
<u>All other budget heads</u> (including items previously reported)	2,393.0	2,393.0			
PORTFOLIO TOTAL	5,063.0	5,104.6	70.5	112.1	Net Portfolio Total £41,600 Adverse

LEISURE & DEVELOPMENT PORTFOLIO

BUDGETARY CONTROL REPORT - SEPTEMBER 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	
	£'000	£'000			
<u>Development Control</u>					
Employees	365.1	358.4	6.7		Tree Preservation Officer post is currently vacant. Out of court settlement for the award of costs relating to planning application at Glebe Farm, Lambley Lane.
Supplies & Services	40.1	50.3		10.2	
Income	(343.4)	(345.2)	10.0		An increase in Planning Application fees based upon income to date, historical trends and current predictions of the market and timing of anticipated major applications.
				8.2	Continued delay in introducing Development Advice and planning questionnaires due to increased activity relating to planning applications.
<u>Planning Policy</u>					
Employees	243.0	236.1	6.9		CIL Officer post is currently vacant. Aligned Core Strategy hearing, funded from the LDF Reserve as below.
Supplies and Services	62.0	177.0		60.0	
				25.0	CIL hearing, funded from Efficiency & Innovation Reserve as below.
				30.0	Masterplanning, funded from Growth Point and Earmarked Reserve (Neighbourhood Planning Frontrunner Grant)
Income	(40.1)	(155.1)	95.0		Funding from Reserves as above.
			20.0		External contribution from Growth Point as above.

LEISURE & DEVELOPMENT PORTFOLIO

BUDGETARY CONTROL REPORT - SEPTEMBER 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	
	£'000	£'000			
<u>Building Control - Fee Earning Account</u>					
Income	(187.2)	(157.4)		29.8	Reduction in anticipated Building Regulations Fee earning income, based upon income to date and current projections. A review of admin expenses and pricing is under way to mitigate this.
<u>Economic Development</u>					
Employees	53.9	44.9	9.0		Economic Development Officer has been vacant during Q2.
Supplies and Services	34.6	40.6		6.0	Feasibility Study for the proposed new Trent Bridge Crossing.
<u>Calverton Leisure Centre</u>					
Employee Expenses	266.0	274.6		8.6	Operations Manager over two sites, saving on Arnold Leisure Centre Assistant Manager post to fund the additional duty officer hours.
Supplies and Services	61.4	98.0		25.0 11.6	Funding received from NCC Short Breaks to fund works on the disabled changing facilities. Joint Use Maintenance work carried out on pool and plant room funded from maintenance reserves (NCC).
Income	(282.8)	(319.4)	25.0 11.6		

LEISURE & DEVELOPMENT PORTFOLIO

BUDGETARY CONTROL REPORT - SEPTEMBER 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>Carlton Forum Leisure Centre</u>	£'000	£'000			
Employee Expenses	693.6	675.6	18.0		Further savings on identified on vacant posts, Operations Manager, Asst. Manager and Swim Development Officer. Joint Use Maintenance work carried out on pool and lift funded from maintenance reserves (NCC). All Weather Pitch regular teams have not rebooked for the new season. Public Swimming is still in decline, reflecting National trends.
Supplies and Services	244.7	264.5		19.8	
Income	(1,136.4)	(1,136.0)	19.8		
<u>Redhill Leisure Centre</u>					
Supplies and Services	78.8	84.3		5.5	Joint Use Maintenance work carried out on alarms and electrical work funded from maintenance reserves (NCC).
Income	(514.5)	(520.0)	5.5		
<u>Arnold Leisure Centre</u>					
Employee Expenses	417.1	408.5	8.6		Assistant Manager post vacancy being used to fund the additional duty officer hours at Calverton Leisure Centre. Savings on gas charges identified as heating not in use due to refurbishment works being carried out. Savings on licence fees to Performing Rights Society due to closure of theatre in first half of year.
Premises Related Expenses	200.7	197.7	3.0		
Supplies and Services	65.0	64.0	1.0		

LEISURE & DEVELOPMENT PORTFOLIO

BUDGETARY CONTROL REPORT - SEPTEMBER 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	
	£'000	£'000			
<u>Arnold Leisure Centre continued</u>					
Income	(272.3)	(207.0)		65.3	Loss of income due to closure for refurbishment. This is in addition to the £65,000 reported at Qtr 1. Centre expected to open at the beginning of March 2014.
<u>Richard Herrod Centre</u>					
Employee Expenses	288.6	285.4	3.2		Temporary management cover provided by Operations Manager at Redhill extended, backfilling is being covered by a lower band Duty Manager. Reduced casual staffing cover required in Millennium Suite due to fewer bookings. Daytime bar usage has reduced along with fewer bookings in the Millenium Suite and reduced snooker income due to local competition.
Income	(330.5)	(317.0)		13.5	
<u>Leisure Development</u>					
Supplies and Services	135.6	161.3		25.7	Additional external funding received for Young Persons Positive Moves (CCG and PCT), NCC Short Breaks and Youth and Diversity projects (Sport England).
Income	(176.9)	(202.6)	25.7		
<u>All other budget heads</u> (including items previously reported)	2,929.6	2,929.6			
PORTFOLIO TOTAL	2,895.7	2,991.1	269.0	364.4	Net Portfolio Total £95,400 Adverse

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 Management</u>	£'000	£'000			
Supplies & Services	157.8	160.0		2.2	Increase in banking costs due to an increase in the number of card payments and an increase in the transaction fee.
<u>Elections</u>					
Employee Expenses	58.6	90.7			
Premises Related Expenses	8.5	16.6			
Supplies and Services	55.3	97.4			Final settlement received for Police Commissioners election. Final re-imburement from Nottinghamshire County Council for the County Election cost.
Income	(123.0)	(205.3)	5.4		
				1.3	Additional expenditure incurred due to the Kingswell By-election.
				6.7	
<u>Revenues-Local Taxation</u>					
Employee Expenses	377.9	361.7	16.2		Savings identified on several vacant posts.

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>Central Provisions</u>	£'000	£'000			
Employees	19.0	0.0	24.0	5.0	Removal of the contingency budget for anticipated redundancy costs arising from the Revenues restructure in 2012/13 not now required. Removal of unallocated vacancy provision now achieved across the portfolios.
<u>Corporate Income & Expenditure</u>					
Capital Interest	436.1	394.7	38.0	3.4	Reduction in PWLB interest based on expected borrowing profiles. Reduction in other Local Authority serviced debt and transferred debt.
Income	(748.0)	(689.5)		58.5	Reduction in investment income due to a reduction in the investment rate partly offset by an increase in LAMS interest.
<u>All other budget heads</u> (including items previously reported)	663.1	663.1			
PORTFOLIO TOTAL	905.3	889.4	88.3	72.4	Net Portfolio Total £15,900 Favourable

FINANCIAL MANAGEMENT REPORT - CAPITAL BUDGET MONITORING

	Original Capital Programme	Carry Forwards	Quarter 1 Cabinet	Virements/ Supplements	Revised Cap Prog inc c/f & supp	Quarter 2 Proposals to Cabinet	Revised Cap Prog inc Qtr 2 Proposals	Actual To Date	Estimate for Qtr 3-4	Latest Projected Outturn
EXPENDITURE	£000's	£000's	£000's		£000's	£000's	£000's	£000's	£000's	£000's
Community Development	0.0	19.4	0.0	0.0	19.4		19.4	0.6	18.8	19.4
Health Housing	229.7	0.0	-139.0	0.0	90.7		90.7	0.0	90.7	90.7
Public Protection & Communication	610.9	220.0	15.5	0.0	846.4	20.0	866.4	353.3	513.1	866.4
Environment	1820.0	405.1	-375.9	0.0	1849.2	-30.0	1819.2	277.3	1541.9	1819.2
Leisure & Development	700.1	188.0	42.0	320.0	1250.1		1250.1	61.2	1188.9	1250.1
Finance & Performance	1036.0	6.3	0.0	0.0	1042.3		1042.3	1015.9	26.4	1042.3
TOTAL EXPENDITURE	4396.7	838.8	-457.4	320.0	5098.1	-10.0	5088.1	1708.3	3379.8	5088.1
RESOURCES										
Specific Capital Grant - Disabled Facilities Grant	353.0		4.7		357.7		357.7	357.7	0.0	357.7
Borrowing	3090.0	259.3	-375.9	320.0	3293.4	-188.0	3105.4		3105.4	3105.4
Growth Point Grant		438.0			438.0		438.0		438.0	438.0
Capital Receipts	156.0				156.0	109.0	265.0	117.1	147.9	265.0
Revenue Contribution	200.0				200.0	4.0	204.0	204.0	0.0	204.0
Performance Reward Grant	100.0				100.0		100.0	100.0	0.0	100.0
NIEP funding Waste Mgmt System		8.1			8.1		8.1	8.1	0.0	8.1
S106 Funding	68.0	6.4			74.4		74.4		74.4	74.4
S106 Commuted Sum	229.7		-139.0		90.7		90.7		90.7	90.7
NCC Grant KGV		10.3			10.3		10.3	10.3	0.0	10.3
Lottery Funding	200.0		42.0		242.0		242.0		242.0	242.0
Groundworks					0.0	45.0	45.0		45.0	45.0
Dept for Energy and Climate Change		116.7	10.8		127.5	20.0	147.5	127.5	20.0	147.5
TOTAL RESOURCES	4396.7	838.8	-457.4	320.0	5098.1	-10.0	5088.1	924.7	4163.4	5088.1
UNDER/(OVER RESOURCED)	0.0	0.0	0.0	0.0	0.0	0.0	0.0			0.0

NOTES :-

1. All budgets are grossed up with any contribution from outside bodies shown as income in the Resources section.

CABINET

List Of Virements Approved By Portfolio Holders For The
Quarter Ended September 2013

REVENUE

£

ENVIRONMENT

Savings xfrd from vacant Asset & Sustainability Mgr post to fund	
Consultancy costs for Teal Close	(20,000)
Savings xfrd from vacant Asset & Sustainability Mgr post to fund	
Consultancy costs for Teal Close	20,000

General Fund Total

0

CAPITAL

£

NIL

General Fund Capital Total

0



Report to Cabinet

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

Date: 14 November 2013

Author: Corporate Director (Chief Financial Officer)

Wards Affected

All

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 September and highlights compliance with the Council's policies.

Proposal

2.1 Economic update

Indicators at 30 September 2013 suggest that economic recovery has accelerated. Following expansion of 0.3% during Q1, the economy grew by 0.7% in Q2. Growth in household spending remained robust, with improvement in retail sales, mortgages, house prices and new car registrations.

Strengthening economic growth has supported the labour market, with employment rising at a modest pace, and unemployment reducing further. Pay growth has rebounded, however this has been largely driven by high earners delaying bonuses until after April's cut in the top rate of income tax. Excluding bonuses, earnings rose by just 1.3%, well below the rate of inflation, causing continuing pressure on household's disposable income.

The Bank of England extended its Funding for Lending Scheme (FLS) into 2015 and sharpened incentives for banks to extend more business funding, especially to small and medium size enterprises. To date however, the mortgage market still appears to have been the biggest beneficiary from FLS, with mortgage rates falling further. Demand in the housing market continues to grow, and mortgage approvals and house prices have both risen.

On an underlying basis, public borrowing in Q2 looked to be broadly in line with last year's figures, highlighting the Government's difficulty in reducing borrowing while economic growth was relatively lacklustre. The 2013 Spending Review, covering only 2015/16, made no changes to the headline Government spending plan, and monetary policy was unchanged in advance of the arrival of the new Bank of England Governor. Bank Rate remained at 0.5%, and quantitative easing stayed at £375bn. In August, the MPC provided "forward guidance" that Bank Rate is unlikely to change until unemployment falls to 7%, which is not expected until mid to late 2016. The three month to July average rate was 7.7%.

CPI inflation fell from a 2013 peak of 2.9% in June to 2.7% in August, due primarily to a fall in petrol prices. The Bank of England expects inflation to fall back to the MPC target of 2.0% in 2015.

Financial markets reacted sharply following a Federal Reserve (Fed) statement suggesting that it may 'taper' its asset purchases earlier than

anticipated. The statement was a response to the improving economic outlook in the US. However, the Fed surprised markets on 18 September by deferring tapering, and emphasising that it would continue its extraordinary efforts to prop up the nation's recovery with billions of dollars in stimulus. During its post meeting news conference, Chairman of the Fed, Ben Bernanke, warned that the approaching showdowns over the federal budget and the debt ceiling could have dreadful consequences for the economy. He also cautioned that higher mortgage rates could choke the housing recovery. And although he cited "meaningful progress" in getting Americans back to work, he recognised that much of the decline in the unemployment rate was the result of people giving up looking for jobs, rather than a pickup in hiring.

Tensions in the Eurozone eased over the second quarter, but there remained a number of triggers for a renewed flare-up. Economic survey data improved consistently over the first half of the year, pointing to a return to moderate growth in Q2, so ending six quarters of Eurozone recession.

2.2 Interest rate forecasts

Economic forecasting remains problematic with so many external influences weighing upon the UK. The overall balance of risk to economic recovery in the UK is now weighted to the upside, after five months of increasingly good news on the economy. However, the recovery is still fragile and exposed to vulnerabilities in a number of key areas. Near-term, the prospect of further quantitative easing (QE) is evenly balanced as the MPC weighs whether to take action to combat the market's expectations of an early first increase in Bank Rate.

Expectations for the first change in Bank Rate in the UK are now dependent on "how to forecast" when unemployment is likely to fall to 7%. Financial markets have taken a contrary view to the MPC, and have aggressively raised short term interest rates and gilt yields due to their view that the strength of economic recovery is now so rapid that unemployment will fall much faster than the Bank of England forecasts. Markets therefore expect the first increase in Bank Rate to be around Q3 of 2014. However, an opposing view is based on the fact that the economic downturn since 2008 has been remarkable for the way in which unemployment did not rise to anywhere near the extent thought likely, as in previous recessions. This meant that labour was retained, productivity fell, and now, as the MPC expects, there is major potential for a "near jobless recovery" as existing labour levels are worked more intensively and productivity rises back up again. With this view, the prospects for any increase in Bank Rate before 2016 are seen as being limited. Some forecasters even express a view that the Bank of England is too optimistic as to when the 7% level will be reached, so do not expect the first increase in Bank Rate until spring 2017.

In the light of the views above, the Council's treasury advisers, Capita Asset Services (re-branding of Sector in September 2013), have provided the following forecast:

	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
Bank rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%
5yr PWLB rate	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.20%	3.30%	3.50%	3.60%	3.70%
10yr PWLB rate	3.70%	3.70%	3.70%	3.80%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%
25yr PWLB rate	4.40%	4.40%	4.40%	4.50%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.10%	5.10%	5.20%
50yr PWLB rate	4.40%	4.40%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.20%	5.20%	5.30%

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 July to September 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 hardly spectacular, it is well in excess of overnight treasury deposit rates.

The Treasury Activity Report for the quarter ended 30 September 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 1.39% has been achieved for the period to 30 September 2013, which outperforms both the 7 day and 3 month LIBID rates of 0.36% and 0.38% by 1.03% and 1.01% respectively. This has been achieved as a result of prudent investments made in 2012/13 however rates in the market are currently very poor, and as loans with favourable rates mature, it is becoming increasingly difficult to replace them. Accordingly, members are advised that the equated rate will inevitably drop further over the remainder of the year, since security and liquidity will always remain the overriding factors in the Council's treasury management.

Whilst a fall in investment rates was anticipated during the preparation of the budget for 2013/14, a reduction in the budget for investment income of £58,100 is now necessary due to rates remaining unfavourable. This is partly offset by a reduction of £38,000 in the budget for interest payable on borrowing, due to the internal borrowing strategy adopted in the current economic climate. Accordingly, the net interest cost to the General Fund increases by £20,100 from £168,800 to £188,900.

Credit ratings advice continues to be taken from Capita Asset Services, 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 September 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.

In view of borrowing previously undertaken in advance of need, it is not currently anticipated that any new borrowing will be undertaken during 2013/14.

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 Capita Asset Services with regard to the amount and timing of any additional borrowing, and should conditions become 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 Capita Asset Services.

No debt rescheduling was undertaken during the six months to 30 September 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 September 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 £5,088,100. 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 for 2013/14.

ii) Capital Financing Requirement (CFR)

The projected closing CFR for 2013/14 is £13,999,800. This is lower than the approved indicator of £14,440,200 due to the above amendments to the capital programme and additional capital receipts becoming available.

iii) Ratio of Financing Costs to Net Revenue Stream

The projected outturn of 5.97% shows a reduction from the approved indicator of 6.37%. This is largely 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

September 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 a position of 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 a position of 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 September 2013, and demonstrates that all activities are contained within the currently approved limits.

Alternative Options

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

Financial Implications

No specific financial implications are attributable to this report, adjustments to budgets for investment income and PWLB interest payable being dealt with in the revenue budget monitoring report elsewhere on this agenda.

Appendices

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

Background Papers

None identified.

Recommendation

That:

Members note the report, together with the Treasury Activity Report for Quarter 2 at Appendix 1, and the Prudential and Treasury Indicator Monitoring for Quarter 2 at Appendix 3.

Reasons for Recommendations

To comply with the requirements of the Council's Treasury Management Strategy Statement.

For more information, please contact:

Alison Ball, Financial Services Manager, on 0115 901 3980 or Sue Healey, Principal Accountant, on 0115 901 3856.

TREASURY ACTIVITY REPORT 2013/14

For Quarter ended 30 September 2013

	Position @ 1 July 2013	Loans Made During Q2	Loans Repaid During Q2	Position @ 30 Sept 2013
	£	£	£	£
<u>Long Term Borrowing</u>				
PWLB	10,811,577	0	0	10,811,577
Total Long Term Borrowing	10,811,577	0	0	10,811,577
<u>Temporary Borrowing</u>				
Local Authorities	0	0	0	0
Public Corporations	0	0	0	0
Central Government	0	0	0	0
Banks & Other Institutions	0	0	0	0
Total Temporary Borrowing	0	0	0	0
TOTAL BORROWING	10,811,577	0	0	10,811,577
<u>Temporary Investment</u>				
Bank of Scotland	(7,000,000)	(3,000,000)	3,500,000	(6,500,000)
Barclays	0	0	0	0
HSBC Treasury	0	(2,485,000)	2,485,000	0
Ignis Money Market Fund	0	0	0	0
Royal Bank of Scotland	(7,390,000)	(22,815,000)	25,275,000	(4,930,000)
Santander (Abbey)	0	0	0	0
Total Banks	(14,390,000)	(28,300,000)	31,260,000	(11,430,000)
Building Societies	0	(1,500,000)	0	(1,500,000)
Debt Management Office	0	0	0	0
Local Authorities & Other	0	0	0	0
TOTAL INVESTMENT (See below)	(14,390,000)	(29,800,000)	31,260,000	(12,930,000)
NET BORROWING / (INVESTMENT)	(3,578,423)	(29,800,000)	31,260,000	(2,118,423)

Temporary Borrowing & Investment Statistics at 30 September 2013**Investment:**

Fixed Rate Investment	(7,000,000)	(6,985,000)	5,985,000	(8,000,000)
Variable Rate Investment	(7,390,000)	(22,815,000)	25,275,000	(4,930,000)
TOTAL INVESTMENT	(14,390,000)	(29,800,000)	31,260,000	(12,930,000)

Proportion of Fixed Rate Investment	61.87%
Proportion of Variable Rate Investment	38.13%
Temporary Investment Interest Receivable	£ 79,215
Equated Temporary Investment	£ 5,707,817
Weighted Average Interest Rate Received (Interest Receivable / Equated Investment)	1.39%
7 Day LIBID (Benchmark)	0.36%
3 Month LIBID	0.38%

Borrowing:

Temporary Borrowing Interest Payable	£ 58
Equated Temporary Borrowing	£ 20,822
Weighted Average Interest Rate Paid (Interest Payable / Equated Borrowing)	0.28%
7 Day LIBOR (Benchmark)	0.49%

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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.

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Report to Cabinet

Subject: Community Right to Bid
Date: 14 November 2013
Author: Sue Wass – Estates Technical Officer

Wards Affected

Borough-wide

Purpose

To determine the procedure the Council will adopt for dealing with nominations for buildings or land to be considered as assets of community value in Gedling Borough under the provision of the Localism Act 2011 and delegate certain functions to officers.

Key Decision

This is not a Key Decision

Background

1.1 The Localism Act became law in November 2011 and the Community Right to Bid provisions came into force on 21 September 2012. The Community Right to Bid gives the local community the opportunity to nominate public and private assets to be part of a register of 'assets of a community value' held by the local authority. The Government is concerned about the loss to communities of local facilities such as shops, pubs, libraries and open spaces which have been closing or sold and developed for private, non-community use. The aim of the Community Right to Bid (CRB) is to help to reverse this trend, enabling communities to keep local facilities open as buildings or land which further the social wellbeing of those who live or work there.

1.2 Nominations

Nominations can only be made by community groups e.g. Parish Councils, Registered Charities, or a voluntary or community body with a local connection. A local authority, other than a Parish or Town Council cannot itself make a nomination, nor can individuals.

1.3 Assets of Community Value

A building or land can be nominated as an 'asset of community value' if the current use of the building or land 'furthers the social well being or social interests of the local community'; or there was a time in the recent past when its use matched that criterion and it is realistic to think that there is a time in the next five years when the criterion will be satisfied again. In this context, 'social interest' includes each of the following:

Further information on the subject of this report is available from
Sue Wass - Estates Technical Officer on (0115) 9013891

- Cultural interests
- Recreational interests
- Sporting interests

1.4 Procedure for listing

A property can only be listed as an asset of community value in response to a 'community nomination', which the Localism Act defines as one made by:

- A parish council in respect of land in the parish
- A voluntary or community body with a local connection. This expression is further defined in regulations but, in broad terms, means a social enterprise (whether incorporated or not) or charity.

The Council will have 8 weeks to make a judgement as to whether the property meets the definition in the Act or whether it falls within one of the excluded categories. If the property is properly nominated, is in the borough and is not excluded the Council must list it on its List of Assets of Community Value. If the Council does not agree that the property meets the definition or it is in one of the excluded categories, it must also list these unsuccessful nominations on a separate schedule.

Review of a listing

If the owner objects to their property being listed they will have a right to an internal review of the decision to list. If they are still not happy, the owner will have a right to appeal to an independent Tribunal.

1.5 Triggering the Moratorium

Once an asset has been listed nothing further will happen unless and until the owner decides to sell, either through a freehold sale, or the grant or assignment of a qualifying lease. The owner will only be able to dispose of the property after a specified window has expired. The first part of the window is a six week interim period which will apply in all cases from the point the owner notifies the local authority of his intention to dispose. This will allow community interest groups to make a written request to be treated as a potential bidder. If none do so in this period, the owner is free to sell their asset at the end of the six weeks.

If a community interest group does make a request during this interim period, then the full six month moratorium will operate. During this period the owner may continue to market and negotiate sales, but may not exchange contracts, or enter into a binding contract to do so later. There is one exception – the owner may sell to a community interest group during the moratorium period. After the moratorium period either six weeks or the full six months, the owner is free to sell to whomever they choose at whatever price, and no further moratorium will apply for the remainder of a protected period (18 months from the date the owner notified the Council of the intention to dispose).

Certain types of disposal will be exempt from the scheme, such as disposals made in connection with a divorce settlement between spouses or civil partners; or a disposal made by a mortgagee exercising its power of sale.

1.6 Compensation

All owners, other than public authorities, will be entitled to claim compensation for loss or expense incurred as a result of listing and complying with any of the procedures required by the scheme. The council will be responsible for assessing such claims and, if the relevant criteria are met, paying the appropriate amount of compensation.

1.7 Review of compensation decision

Where an asset owner has made a claim for compensation and is not satisfied with the outcome it can request the Council to review either both of its decisions in relation to:- whether compensation should be paid to that person, and if compensation is to be paid, the amount of that compensation. The Council must complete the review within eight weeks from receiving the written request for the review or such longer period to be agreed with the owner/representative in writing.

1.8 Enforcement

Where an asset had been listed the Council will enter on the Local Land Charges Register the fact that it has been listed. In addition, the Council will apply to the Land Registry for a restriction to be registered against the title. Where an asset is removed from the list the Council will apply to cancel these restrictions.

Proposal

- 2.1 Appendix 3 to this report contains a draft procedure detailing how the Council will deal with nominations under the legislation. The draft procedure proposes that the initial nominations should be considered by the Service Manager with responsibility for the estates function. The legislation provides that an owner who does not agree with the decision to list their land can request a review. This process may involve a hearing and the draft procedure proposes that the review is undertaken by the Corporate Director.
- 2.2 With regard to claims for compensation, the draft procedure proposes that the Service Manager with responsibility for the estates function is responsible for determining compensation claims in consultation with the Chief Financial Officer. The provisions for compensation review are the same as those for a listing review and it is proposed that compensation reviews are also conducted by the Corporate Director.
- 2.3 The Council intends to publish two lists on its web site:
 - One for nominations received for assets of a community value
 - One for nominations received for assets not of a community value, stating the reasons why the nomination has been refused.

Other than publishing the two lists of successful and unsuccessful nominations, there is no statutory requirement on the council to promote the scheme. It is recommended that the council provides basic information on its website about CRB and how a community nomination may be submitted.

Alternative Options

- 3 There are relatively few alternative options for the Council to consider, given that the legislation defines what action the Council is obliged to take and many of the criteria for assessment. However, the Council needs to consider what procedure it adopts in order to comply with the Act. Alternative options include delegating responsibility to different officers in the Council. However it is considered that the proposals in the report will enable the most effective and efficient decision making.

Financial Implications

- 4 There are cost implications to the Council in setting up, publicising and administering a list of assets of community value, handling requests for a review of the listing decision, communicating with interested parties when an owner wishes to sell a listed asset, and dealing with compensation claims from asset owners.

The Government has estimated that for a typical council, the scheme will require 19 days (FTE) of officer input in year one, and between one and twelve days for each subsequent year the scheme exists.

The scheme recognises that these provisions may have some financial impact on owners and provides a compensation scheme for private property owners. This will not be available to public bodies. The local authority will be responsible for administering the compensation scheme, including assessing and determining compensation awards. Owners and former owners will have rights of review and appeal regarding the authority's compensation

The cost incurred by the council in operating the scheme during the first three years of operation can be recovered from the Government. Thereafter, all operating costs and compensation pay outs will have to be met by the council directly and provision for funding this will need to be reflected in the Medium Term Financial Strategy. The financial support will officially finish in March 2015 with a review taking place in September 2015 by which time Local Authorities will have an idea of how much financial responsibility they have to bear.

Private owners may claim compensation for loss and expense incurred through the asset being listed or previously listed. The Regulations specifically provide that this will include a claim arising from a period of delay in entering into a binding agreement to sell which is wholly caused by the interim or full moratorium; or for legal expenses incurred in a successful appeal to the Tribunal.

In addition to the amount included within the new burdens assessment, the Government will meet costs of compensation payments over £20,000.00 of

compensation costs in a financial year. This could occur through a local authority paying out over £20,000.00 in one financial year either on one large claim or as a combined total on a number of smaller claims. Claims under £20K will be borne by the Local Authority

Appendices

- 5 Appendix 1 - An example of the successful and unsuccessful lists referred to above
Appendix 2 - The Nomination Form
Appendix 3 - Community Right to Bid Procedure

Background Papers

- 6 Community Right to Bid: Non-statutory advice note for local authorities.

Recommendation(s)

THAT:

- (a) **Authority for the determination of whether or not assets are listed as Assets of Community Value be delegated to the Service Manager with responsibility for the estates function;**
- (b) **Authority be given for the determination of reviews against listing of an asset by the owner be delegated to the Corporate Director;**
- (c) **Authority for the determination of whether or not compensation is payable to an owner of an asset and if so what amount be delegated to the Service Manager with responsibility for the estates function in consultation with the Chief Financial Officer;**
- (d) **Authority for the determination of reviews against the level of compensation awarded or refusal to award compensation be delegated to the Corporate Director.**
- (e) **The Community Right to Bid Procedure at Appendix 3 be approved.**

Reasons for Recommendations

- 7.1 To enable the Council to comply with the Localism Act 2011 which is a statutory requirement.
- 7.2 To ensure efficient decision making and prevent the Executive from being overwhelmed by a large number of operational matters.

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Date listed	Road	City	Postcode	Disposal date	End of initial Moritorium	End of full Moritorium	End of protected period	End date (5 years from entry)	Land or property
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The council doesn't currently have any Nominations

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Please use your tab button  if you are completing this form electronically or click each section with the mouse

Section 1 About the land/property to be nominated

Name of land/property : _____
 Address of land/property : _____

 Postcode : _____

 Current occupiers name : _____

Please provide names and the current or last known contact details for all those holding a freehold or leasehold estate in the property and also the current occupier if they are neither the freeholder nor leaseholder. (Continue on a separate sheet if necessary).

Freeholder's name : _____
 Address : _____

 Postcode : _____ Tel: _____

 Leaseholder's name : _____
 Address : _____
 (If applicable) : _____

 Postcode : _____ Tel: _____

 Current occupiers name : _____
 Address : _____
 (If different from above) : _____

 Postcode : _____ Tel: _____

Section 2 About your community organisation

Name of organisation	:	_____	
Title	:	_____ First Name: _____	
Surname	:	_____	
Position in organisation	:	_____	
Email address	:	_____	
Address	:	_____ _____ _____	
Postcode	:	Tel: _____	Mobile: _____
Registered Charity No. (if applicable)	:	_____	

Organisation type:

- Unincorporated Community / Voluntary Group
- Neighbourhood Forum
- Parish Council/Neighbouring Parish Council *(if the Parish Council borders an unparished area, then they may nominate an asset within that neighbouring local authority)*
- Charity (Please provide your registered number):
- Company Limited by Guarantee *(that is non profit distributing)*
- Community Interest Company
- Industrial & Provident Society *(that is non profit distributing)*

How many members does your organisation have? *(This is particularly important for unincorporated groups)*

In what ways does your organisation have a local connection with the Gedling Borough Council area?

Section 3 Supporting information for nomination

Why do you consider the land/property is an asset of community value? Please give as much information as possible.

In what way(s) does the current use of the property further the social well-being or social interests of the local community? (Continue on a separate sheet if necessary)

Section 4 Description of nominated land/property including its proposed boundaries

IMPORTANT: AN UP TO DATE LAND REGISTRY SEARCH MUST BE ATTACHED TO THIS NOMINATION FORM GIVING OWNERSHIP DETAILS AND A PLAN SHOWING THE LAND OR PROPERTY YOUR ARE NOMINATING EDGED IN RED

What are the boundaries of the land/property if different from the Land registry search? Please give as much detail / be as descriptive as you can. Boundaries do not have to be the same as the ownership boundaries, nor is it necessary for all parts of the site to be in the same ownership.

Section 5 Attachment checklist

- Names & home addresses of 21 members registered to vote in the nomination area or with a neighbouring local authority (if you are an unincorporated group)
- Land Registry search result
- Evidence of your organisations eligibility to nominate (as appropriate to the organisation)

Examples of suitable evidence are:

- Articles of Association
- Memorandum of Association
- Companies House return
- Constitution / Terms of Reference
- Interest Statement for Community Interest Company
- Standing Orders
- Trust Deed

Section 6 Declaration

I declare that to the best of my knowledge the information contained in this nomination form is complete and accurate. (Please type your name if completing electronically).

Signed: _____

Dated: _____

Please note:

1. To enable Gedling Borough Council to make a decision on whether or not to accept your nomination it needs to have sufficient information. Please complete the nomination form as fully and accurately as you can, as inadequate or inaccurate information may lead to your nomination being declined.

2. Please attach any additional information or supplementary documents to your form. Please refer to attached documents in the relevant answer(s) on the form, to make it clear which part of the form your document(s) apply to.

Please return the completed form to:-

Estates Services
Civic Centre
Arnot Hill Park
Arnold
Nottingham
NG5 6LU

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Community Right to Bid

Procedure / Process

Introduction

Below is set out the Council's procedure with regards to the Community Right to Bid. The aim of this Act is to give local groups/people a right to nominate a building or other land for listing by the Local Authority as an asset of community value.

An asset is of community value if:

- It is at least partly within the local authority area
- Its main use (not ancillary) has recently been or is currently still being used to further the social wellbeing or social interests of the local community and could reasonably do so in the future.

The Council must maintain and publish two lists:

- A list of Assets of Community Value
- A list of Assets not of a Community Value (unsuccessful nominations)

These two lists will be published on the Council's website.

The designated officer for the purposes of listing and compensation is the Service Manager responsible for the estates function.

The designated officer for the purposes of reviews in relation to listing and compensation decisions is the Corporate Director

Who can Nominate

The Borough and the County Council are not able to list land of their own accord, it must be nominated by either a Parish Council or a voluntary or community group (the Nominating Body). The Nominating Body has to demonstrate that its activities are wholly or partly concerned with the local authority in which the asset sits or with a neighbouring authority (an authority which shares a boundary with the authority in which the asset is located).

Only voluntary and community organisations with a local connection based in the Borough of Gedling or a neighbouring authority can nominate an asset for inclusion in the list. The bodies who are able to nominate are:-

- Neighbourhood Forums
- Parish Councils
- Unincorporated bodies of at least 21 named members
- A Charity
- Company Limited by Guarantee
- Industrial or Provident Society
- Community Interest Company

Listing:

Nominations to list an asset must be made in writing to the Council's designated officer.

- Nominations must describe the nominated asset and its proposed boundaries
- Names of current occupants of the asset and the names and current or last known address of those holding freehold or leasehold estate in the asset
- Reasons why it qualifies as an asset of community value
- Evidence that the nominator is eligible

The Council takes the view that any Nominating Body is able to undertake a search at the Land Registry in order to identify the legal owners of the asset. The Council would expect the results of such a search to be included with any nomination in order to fulfil the requirement to identify the freehold or leasehold owner.

If the nomination does not provide the information set out above, it will be treated as invalid and returned to the nominating body with an explanation as to what information is missing.

Consideration:

Once the nomination has been received the designated officer will check the contents of the nomination as to whether firstly it is a valid nomination made by the nominating body. If it fits the criteria then the nomination will be acknowledged and notifications will be sent to all interested parties:

- The relevant parish council
- The owner of the asset
- Where the owner is not the owner of the freehold, the owner of the leasehold or
- any lawful occupant of the asset.

To confirm that all relevant ownership details are available to enable the Council to make an informed decision the Council will serve a Section 16 Local Government (Miscellaneous Provisions) Act Notice on the owner of the asset unless the nominating body is also the owner.

Decision:

The Council has eight weeks to decide whether or not the nominated land is going to be included in the list. If the nominated asset is properly nominated, is in the borough, meets the definition of an asset of community value and is not excluded, it must be listed on the list of community assets. The designated officer will write to the nominating organisation and property owner outlining the decision.

Listing:

The Council will list all successful and successful bids, including a short explanation of why a bid was unsuccessful, in the register.

The Council will maintain the list and add the following where necessary:

- That a notification has been received by the owner of intention to dispose of the asset and the date this was received
- Where relevant the full moratorium has been triggered
- Where the above applies the identity of the community interest group that triggered the full moratorium

The Council will remove an asset from the list as soon as practicable

- After a relevant disposal
- When an appeal against a listing has been successful
- If and when the Council form an opinion that the asset is no longer of community value
- Or no later than five years from the date of entry in the list.

Enforcement:

Where an asset had been listed the Council will ensure the asset has been listed on the Local Land Charges Register. A memo will be sent to the Land Charges Officer with the relevant details and the entry will be listed in the register.

Where the Council has successfully listed an asset on the list and the asset/land is registered the Council will apply to the Land Registry to place the following restriction on the title 'No transfer or lease is to be registered without a certificate signed by a conveyancer that the transfer or lease did not contravene section 95 (1) of the Localism Act 2011'

Where an asset is removed from the list the Council will apply to cancel the restriction by completing form RX3 and submit it to Land Registry.

Sale / Moratorium:

Once an asset has been listed nothing further will happen unless and until the asset owner decides to dispose of it.

When the owner decides he wants to sell the asset he must notify the designated officer of the Council in writing.

Once the Council are in receipt of notification of a relevant disposal this will trigger a six week interim moratorium period. The Council will write to the nominating body and publish on its website the owner's intention to sell the asset. In this time the community interest group should decide whether they wish to prepare a bid to purchase the asset. The Council will also make an entry in the list detailing:

- That a notice has been received from an asset owner of a relevant disposal
- The date when the Council received the notice
- The end of the interim moratorium, full moratorium period and the protected period apply.

The Council will also publicise this information in the neighbourhood of the asset in question.

The community interest group must in writing request the Council to be treated as a potential bidder. When the six weeks have passed and the relevant community interest group want to place an offer the full moratorium period is triggered.

This give the group six months (from date of notification) to develop and put an offer in. During this time any sale of the asset is barred and the interested community group are able to prepare a bid for the asset. The Council will, as soon as practicable, inform the owner that a request has been received. The owner is under no obligation to accept the bid and is free to dispose of their asset as they wish. If a bid is not received during the six months moratorium period then the owner is free to dispose of their asset as they wish and no further moratorium period can be triggered for a protected period of eighteen months from the date that the Council receives notification of a relevant disposal. This provides the asset owner with twelve months in which to dispose of the asset as they wish without any restriction. This is called the protected period.

Review and Appeals:

Where an asset has been included in the list, the owner has the right to request the Council to review its decision by writing to the designated officer of the Council. The owner of the asset may appoint any representative to act on his behalf.

Procedure for review:

Once the Council is in receipt of a request for review it shall, within two weeks (or as soon as practicable) notify the owner of the procedure to be followed in connection with the review. The owner may make representations orally and/or in writing.

In the review the designated Council Officer (the reviewer) will look at the decision made by the first officer and consider the relevant representations made by the asset owner and/or their representatives. The main points the reviewer will look at are:

- Whether or not the asset is eligible to be listed
- Whether or not the asset was nominated by a eligible group
- Any new factors which may have come to light since the original nomination was made
- If the decision was made improperly

If the Reviewer finds in favour of the owner then the asset will be removed from the list. If the Reviewer finds in favour of the original listing decision then the owner has the option to take their appeal to the First Tier Tribunal. The appeal must be made to the General Regulatory Chamber of the First Tier Tribunal. The deadline for appealing as specified in the procedural rules of the chamber is twenty eight days from the date in which the notice of the decision appealed against was sent to the owner. The asset will remain listed during the appeals process.

The Council must complete the review within eight weeks from receiving the written request for the review or such longer period to be agreed with the owner/representative in writing. The Reviewer will write to the owner with his decision.

If the asset owner is successful in their appeal to the First Tier Tribunal then they may apply to the Council for reasonable costs. (Please see Compensation procedure).

Compensation:

The following types of claim may be made:

- For any loss arising from any period of delay in the owner entering into a binding agreement to sell the asset which was caused by either the interim or full moratorium periods
- A claim for reasonable legal expenses incurred in a successful appeal to the First Tier Tribunal against the Council's decision
 - To list the land
 - To refuse to pay compensation or
 - With regard to the amount if compensation offered or paid

A claim for compensation must

- Be made in writing to the designated Officer of the Council
- Be made before the thirteenth week (90 days) after the loss of expenses was incurred
- State the amount of compensation sought for each part of the claim
- Must be accompanied by supporting evidence for each part of the claim

The burden of proving the claim falls on the owner; the Council will look at the evidence and base its decision on the facts of the case. It will then give the asset owner written reasons for its decisions with respect to a request for compensation. There is no time limit for this but it will be done as soon as practicable.

Review by Council of compensation decision:

Where an asset owner has made a claim for compensation and is not satisfied with the outcome they can request the Council to review either or both of its decisions in relation to:

- Whether compensation should be paid to that person
- If compensation is to be paid, the amount of that compensation

The asset owner has eight weeks from the date they received the decision to request a review. The Council has 8 weeks from the request for review to make the decision.

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Report to Cabinet

Subject: Recommendations of the Localism, Planning and Housing Scrutiny Working Group.

Date: 14 November 2013

Author: Councillor B. Collis

Wards Affected

All

Purpose

To inform Cabinet Members of the summary conclusions and recommendations of the Localism, Planning and Housing Scrutiny Working Group.

Key Decision

No

Background

The Localism, Planning and Housing scrutiny working group was appointed to consider the implications of the Localism Act 2011 upon the Planning and Housing policies of Gedling Borough Council. The working group held its first meeting on 16 April 2012 and its final meeting on 17 September 2013.

The full final report and recommendations were circulated to all Scrutiny Committee members as well as members of the original working group for comments and approval prior to its referral to Cabinet for consideration.

In scoping the review, members identified two clear lines of enquiry:

1. To seek clarification of details contained in the legislation in relation to the National Planning Policy Framework, the Aligned Core Strategy, specifically Neighbourhood Planning and other ways in which Councillors and residents might influence development in their areas; what new opportunities might exist for local ownership and what new constraints and incentives might be applied to developers when considering planning applications.

2. To gain an understanding of the effect that the Localism Act might have upon existing Housing Strategies and Welfare reform.

Conclusions

Members concluded that the advent of the Localism Act 2011 has had a significant impact upon both Planning and Housing Strategies, in the case of Housing and Welfare reform requiring a wholesale review of policies and in the case of Planning bringing into sharp focus the role of communities and other stakeholders in helping to determine the allocation of physical development both strategically and locally.

Members took the view that at the end of this process, they would like to see some clear triggers in place in our policies and protocols so that when a planning application comes in, Members can be involved in pre application discussions, and a clear process for establishing when it is appropriate for pre application discussions to take place.

Members were therefore pleased to note the closer working relationship between Planning and Housing Strategy teams and the advent of new draft protocols for the reestablishment of pre application discussions involving Elected Members when appropriate. Whilst the working group had been unable to observe a Neighbourhood Planning process during the timeframe of this review, they were nevertheless given the opportunity to observe the site specific consultation on the Aligned Core Strategy, which is going forward at the time of writing this report.

Members recognise that the Localism Act represents a general trend towards greater engagement between local authorities, other public bodies, communities, businesses and developers on planning issues and that the challenge going forward will be balancing local concerns with strategic opportunities in order to achieve growth that is proportional to identified need.

In terms of Housing Strategy, Members recognise that the Localism Act more effectively tightens up and targets social housing provision on a number of recognised beneficiaries, and more effectively prioritises help for those with a local connection. Whilst it has not been wholesale, Members were pleased with the advent of joint policies between neighbouring authorities, as it is felt that a standardised approach will help control migration of demand and better ensure equality of access to provision across the conurbation. Members noted that whilst there are increased powers for Housing Providers to choose the type of tenancies they can offer, these correspond with new and complimentary powers for Local Authorities which encourage partnership working to enable a wider range of housing options to be made available to the client.

Proposal

It is proposed that Cabinet considers the following recommendations of the Localism Planning and Housing Scrutiny Working Group and that the Portfolio Holders for Leisure and Development and Health and Housing respond back to the Overview and Scrutiny Committee within 28 days:

Recommendations

The working group makes the following recommendations to the Portfolio Holders for Health and Housing and Leisure and Development:

Strand 1 recommendations: Neighbourhood Planning, Site Specific Consultation on the Aligned Core Strategy, risk assessment of new powers for communities, member involvement in the National Planning Policy Framework

1. In the light of provisions in the Localism Act 2011 to free councillors to make their views known and act upon them, specifying that predetermination is no longer a valid charge in Council businesses, Members to be provided with further clarification of the difference between pre determination, pre disposition and bias as well as an explanation of the Impact Survey process (economic survey).
2. Gedling Borough Council to publish some design guidance to mitigate the issue of resident's 'farmac-ing' and paving over gardens.
3. Identify and progress a route to develop long term and more ambitious aspirations, i.e. road development and Light Rapid Transport systems. There are obvious benefits in working with neighbouring authorities, which enables the Council to maximise transport planning.
4. Transport links are going to be crucial to the Council's growth policy – the Council should actively pursue opportunities to extend transport services along the old railway lines in the Borough.
5. **National Planning Policy Framework Policy Area: 'Requires good design'**: involves improving/retaining the character of an area. As the Council now has an Urban Design officer in place, there is capacity to do more in this policy area. The site specific consultation on the Aligned Core Strategy will address some issues of characterisation which should be further developed in the long term in a supplementary planning policy statement on characterisation.
6. **ACS Policy 3 Green belt**: Members observed that the policy must be robust enough to halt 'leapfrog' development if necessary. It is recommended that after the ACS has been to the inspectorate, at the

point where the Green Belt Policy has to be reviewed, the Council should take the opportunity at the same time to review the deleted environmental policies that were raised by Scrutiny as an area of concern during formal consultation on the ACS.

7. **ACS Policy 4 Growth:** Further investigate innovative approaches that could address the need for employment sites, i.e. economic development/sustainability initiatives that engage businesses, landowners and developers and bring in schools and apprenticeship schemes to establish incubation units.
8. **ACS Policy 4 Growth / Policy 8 Housing:** The Council should investigate opportunities through the Local Enterprise Partnership to access Structural Funds 2014 - 20 for the provision of affordable housing and the development of rural economic growth.
9. **ACS Policy 8 Housing:** Members recommended that an article is placed in Contacts highlighting the rights of tenants and responsibilities of landlords.
10. **ACS Policy 17 Biodiversity:** The policy should include flexibility to encompass new environmental scenarios, backed up by more specific policies around the impact of paved gardens. This would require a generic development policy stating a minimum area of a garden to be left grassed. Through the same policy, encourage developers to include planting schemes in their plans.
11. Continue to strengthen the working links between the Planning and Housing Strategy teams that have developed as a result of Localism Act.
12. Further progress mechanisms for the Council and other public bodies to work together on planning matters, in line with the duty to cooperate on planning issues introduced by the Localism Act.
13. Proactively view land allocation strategically across authority borders, whilst still making determinations at the local level.
14. To whatever extent possible, establish individual diversity policies for each of the town centres in order to support their economic renewal. Investigate and if possible replicate approaches taken in other cities on to limit the setting up of loan companies in local town centres.
15. The Council should seek to establish clear mechanisms to encourage the involvement of Ward Members and local interest groups in the development of detailed local plans.

16. Ward Members should be involved in local plans as soon the Council is approached.

17. The Authority should establish a protocol and on-going process by which planning officers will work with Elected Members and the community.

Strand 2 recommendations: Housing Strategy and Welfare Reform

18. Include in the Housing Allocations Policy the proviso that wherever possible, and if preferred, that priority is given to rehousing within their host community those tenants that are required to downsize.

19. The Housing Needs Team to investigate, support and promote the 'Homeswap' scheme – a national scheme which provides a standard for providers of housing who assist tenants with mutual exchanges.

20. Homelessness Strategy: It is recommended that Framework's Street Sleeping initiative and the Freephone number be promoted in the winter edition of Contacts, and that the wider referral options and services provided by the Housing Needs Team available are also widely publicised.

Alternative Options

An alternative option would be not to consider the recommendations, but this would clearly not be in accordance with our Constitution and the legislation.

Financial Implications

Not applicable

Appendices

None

Background Papers

The full final Report of the Localism, Planning and Housing Scrutiny Working Group.

Recommendations

It is recommended that

1. Cabinet considers the conclusions and recommendations of the Localism, Planning and Housing Scrutiny Working Group as set out in this report, and

2. That the Portfolio Holders for Health and Housing and Leisure and Development respond back to the Overview and Scrutiny Committee within 28 days.

Reasons for Recommendations

To enable Cabinet members to respond to the recommendations of Scrutiny in accordance with the Council's Constitution.



Report to Cabinet

Subject: Forward Plan

Date: 14 November 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?
Public Realm Works - Project report	Not Key	Cabinet 19 December 2013	Public Realm Works - Project report	N/A	Alison Bennett, Service Manager, Housing and Localities alison.bennett@gedling.gov.uk
Gedling Country Park - Variation to Capital Programme	Key	Cabinet 19 December 2013 Council 22 January 2014	Officer report	N/A	Melvyn Cryer, Service Manager, Parks and Street Care melvyn.cryer@gedling.gov.uk
Waste Collection Charges 2014/15	Not Key	Portfolio Holder for Environment January 2014	Officer report	Local residents	Caroline Mckenzie, Waste Services Manager caroline.mckenzie@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

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?
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
Council Plan (Including Budget)	Key	Cabinet 20 February 2014	Officer report and Council Plan	TBA	Alison Ball, Service Manager Finance alison.ball@gedling.gov.uk
Leisure Centre Pricing	Not Key	Portfolio Holder for Leisure and Development February 2014		N/A	Kate Morris, Leisure Business Strategy Manager kate.morris@gedling.gov.uk