

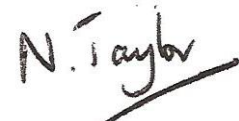
## **COUNCIL MEETING**

### **SUMMONS**

You are hereby summoned to attend  
a meeting of Bassetlaw District Council  
to be held on Thursday 4<sup>th</sup> March 2021 at 6.30pm  
virtually through Microsoft Teams  
for the purpose of transacting the business  
on the agenda.

**(This virtual meeting will be livestreamed to YouTube and  
recorded, the meeting can be accessed at  
[www.bassetlaw.gov.uk/councillive](http://www.bassetlaw.gov.uk/councillive). The video archive can be  
accessed on the Council's website)**

Queen's Buildings,  
Worksop, S80 2AH



N Taylor  
Chief Executive

Dated 24<sup>th</sup> February 2021

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# AGENDA

1. **APOLOGIES**
2. **DECLARATIONS** To receive Declarations of Interest by Members and Officers

Members are also reminded of the requirements of Section 106 of the Local Government Finance Act 1992 that they should declare and not vote on specified matters if they are two months or more in arrears with their Council Tax payments.

3. **MINUTES** To approve as a correct record the Minutes of the Meetings held on 10<sup>th</sup> December 2020 and 28<sup>th</sup> January 2021 (pages 5–16)
4. **COMMUNICATIONS** To receive such communications as the Chairman and Chief Executive desire to lay before the Council.
5. **QUESTIONS BY THE PUBLIC** To answer questions of which notice has been given in accordance with Rules of Procedure Number 10.

None.

6. **QUESTIONS BY MEMBERS** To answer questions of which notice has been given in accordance with Procedure Rule Number 11.

From Councillor A K Coultate:

“How much income does the leadership of the Council foresee generated (as stated in the Medium Term Financial Plan) in 2021-2022 onwards from:

- (i) The S80 Partnership
- (ii) Bersahill Developments

and can it be confirmed no Council officer or Member receives any additional benefit/expense in relation to these companies?”

From Councillor A K Coultate

“What are BDC’s plans to ensure that our high streets thrive economically once the current COVID restrictions are lifted?”

7. **MOTIONS** To consider motions of which notice has been given in accordance with Procedure Rule Number 12.

Proposed by Councillor N J Sanders and seconded by Councillor M R Charlesworth

“This Council notes:

That the UK has one of the lowest levels of statutory sick pay (SSP) in Europe. Moreover, the value of this payment has eroded, and it now equates to around a fifth of median earnings. In April 2020, the SSP rate was £95.85 per week.

According to the 2020, Vivaldi Study 77% of care home workers received SSP only and a further 7% did not receive any sick pay coverage.

Full sick pay is now widely accepted as an effective infection control measure, and there is growing evidence that the main reason for failure to self-isolate during this Pandemic is the financial pressure caused by the loss of earnings due to being off sick.

A GMB Survey of nearly 1000 social care workers found that 77% said they would be inclined to return to work before they were ready if they were on SSP and 80% of respondents said they would be forced to borrow off family and friends to make ends meet if they were on SSP only.

Further, this Council believes that over recent months, companies have taken advantage of the pandemic have used "Fire and Rehire" to lower the terms and conditions of their workers. Some companies have also seen fit to propose changes in their policies on sick pay without proper consultation, this at a time when there is growing concern that the lack of proper support during periods of sickness or self-isolation is forcing workers to return to work before they should.

This Council believes that there needs to be a greater understanding of these concerns and resolves to write to Mims Davies MP, Minister for Employment and to Rt Hon Stephen Timms, Chair of The Work and Pensions Select Committee requesting that they are investigated in order to help defend and protect the employment rights and health of local people in Bassetlaw."

Proposed by Councillor S A Greaves and seconded by Councillor H M Brand

"This Council is concerned and alarmed by the proposals contained in the Health and Social Care White Paper which if enacted will have profound implications for the future of the local NHS in Bassetlaw.

Bassetlaw is part of the Doncaster and Bassetlaw Hospital Trust, and the South Yorkshire and Bassetlaw Integrated Care System.

The proposals contained in the White Paper remove Bassetlaw from South Yorkshire and place at risk current NHS services and pathways and once again bring into question the future of Bassetlaw Hospital.

Bassetlaw Council calls upon the Government to ensure that the district remains within the South Yorkshire and Bassetlaw ICS and allow our local NHS to continue its excellent work in the district during this time of national crisis."

Proposed by Councillor S Fielding and seconded by Councillor D R Pressley

"This Council is greatly concerned by the proposed removal of specialist mental health services (Wards B1 and B2) located at Bassetlaw Hospital by Nottinghamshire NHS Foundation Trust.

These proposals amount to a further erosion of specialist clinical provision based in Bassetlaw and another example of the relocation of services outside of the district.

This Council encourages everyone to take part in the present consultation exercise and calls upon Nottinghamshire NHS Foundation Trust to explore every option available to ensure that modern specialist provision remains based in the District with enhanced community based mental health services."

## **8. REFERRALS \***

- (a) Audit and Risk Scrutiny Committee - 9<sup>th</sup> February 2021 - Minute No. 110(c) – Annual Audit Letter 2019/20 (pages 17–39)
- (b) Audit and Risk Scrutiny Committee – 9<sup>th</sup> February 2021 – Minute No.110(d) – Mazars External Audit Strategy Memorandum 2020/21 (pages 41-79)
- (c) Cabinet – 11<sup>th</sup> February 2021 – Minute No. 237(a) - Property Asset Management Plan 2021/22 (Key Decision No. 852) (pages 81-96)

- (d) Cabinet – 11<sup>th</sup> February 2021 – Minute No. 237(b) – Council Tax Reduction Scheme 2021/22 (Key Decision No. 853) (pages 97-105)
- (e) Cabinet - 11<sup>th</sup> February 2021 – Minute No. 237(c) - Treasury Management Strategy 2021/22 to 2023/24 (Key Decision No. 854) (pages 107-156)
- (f) Cabinet – 11<sup>th</sup> February 2021 – Minute No. 237(d) – General Fund Revenue Budget 2021/22 to 2025/26 (Key Decision No. 855) (pages 157-179)
- (g) Cabinet – 11<sup>th</sup> February 2021 – Minute No. 237(e) – Capital Investment Strategy 2021/22 to 2025/26 (Key Decision No. 856) (pages 181-211)

**9. REPORT(S) OF THE CHIEF EXECUTIVE \***

- (a) Pay Policy Statement (pages 213-228)

**10. REPORT(S) OF THE ASSISTANT CHIEF EXECUTIVE \***

- (a) Neighbourhood Planning: Application to Designate a Neighbourhood Area and an Associated Neighbourhood Forum – Retford Town Centre (Key Decision No. 864) (pages 229-263)
- (b) Adoption of the Worksop Town Masterplan (Key Decision No. 865) (pages 265-318)
- (c) Neighbourhood Planning: Minor Material Amendment to the Sutton cum Lound Neighbourhood Plan (pages 319-363)

**11. COUNCIL TAX RESOLUTION \***

- (a) Council Tax Resolution and Budget Headlines 2021/22 (Key Decision No. 857) (pages 365-380)

The Cabinet, at its meetings on 5<sup>th</sup> January and 11<sup>th</sup> February 2021, considered a number of reports relating to the setting of the Council Tax for the 2021/22 financial year. The recommendations from those reports have been referred to Council for resolution – *Agenda Item No's 8(c) to 8(g)*

These referrals ask for approval of the various budget recommendations made by Cabinet at those meetings to allow the Council to determine the level of Council Tax for 2021/22.

The precept figures for Nottinghamshire County Council, Nottinghamshire Police and Crime Commissioner and the Combined Fire Authority are contained in the Council Tax Setting Report.

**This Council is asked to RESOLVE to approve the recommendations as set out in the Tax Setting Report.**

(In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, a recorded vote will be taken).

**12. ANY OTHER BUSINESS WHICH THE CHAIRMAN CONSIDERS TO BE URGENT**

\* Report attached



**BASSETLAW DISTRICT COUNCIL****Minutes of the Virtual Council Meeting held on 10<sup>th</sup> December 2020**

Present: Councillor D Merryweather (Chairman)

Councillors	J R Anderson	G A N Oxby
	R Boeuf	D G Pidwell
	J P Bowker	J C Plevin
	H M Brand	J Potts
	D K Brett	D R Pressley
	R B Carrington-Wilde	M W Quigley MBE
	D Challinor	A Rhodes
	G Clarkson	H M Richards
	A K Coultate	M Richardson
	K Dukes	J Sanger MBE
	T P Eaton BCA	B L Schuller
	C Entwistle	S Scotthorne
	J Evans	S E Shaw
	S Fielding	J C Shephard
	G Freeman	B Sofflet
	K M Greaves	H L Tamblyn-Saville
	S A Greaves	C Tindle
	J Leigh	R J Tomlinson
	J W Naish	C Troop
	J W Ogle	J White

Officers in attendance: D Armiger, S Brown, L Dore, D Hill, J Lavender, N Taylor and S Wormald.

(Meeting opened at 6.30pm).

The Chairman welcomed all to the third virtual Council meeting and explained that councils have been enabled to hold virtual meetings in order to allow business to be conducted while maintaining social distancing due to the outbreak of Covid-19. She then introduced Members and officers by doing a roll call. The Chairman advised that in the event of the livestream failing or Members losing connection the meeting would be adjourned to allow the connection to be re-established. She also reminded participants to take appropriate safety precautions from their place of livestreaming.

**101. APOLOGIES**

Apologies for absence were received from Councillors M R Charlesworth, S Isard, G Jones, P Nicholls, N J Sanders and M G Watson.

**102. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS****(a) Members**

In advance of the meeting, Declarations of Pecuniary Interest had been received from Councillors J R Anderson, A K Coultate, D J Merryweather, M W Quigley MBE, S Scotthorne

and J C Shephard in reference to Agenda Item No. 7. During the meeting, Declarations of Pecuniary Interest were also received regarding the same Agenda Item from Councillors H M Brand, J Evans, J N Naish, J W Ogle and B L Schuller. All councillors advised they would leave the meeting for this agenda item.

(b) Officers

There were no declarations of interest by officers.

103. MINUTES OF THE MEETING HELD ON 24<sup>TH</sup> SEPTEMBER 2020

**RESOLVED** that the Minutes of the meeting held on 24<sup>th</sup> September 2020 be approved.

104. COMMUNICATIONS

Chairman's Communications

The Chairman thanked everyone who had kept things going during Covid-19 working in difficult circumstances and commented that both she and Bassetlaw appreciated this. She also thanked the people who had needed to isolate and had followed Government guidelines to keep Bassetlaw safe. She wished everyone a safe and very merry Christmas and best wishes for 2021.

Chief Executive's Communications

The Chief Executive advised that:

- The Council had taken delivery of the new Bassetlaw Health Bus which will be administered by the Riverside Surgery. It has been funded by the Council's allocation of the Better Care Fund. The Health Bus will be a vital tool to ensure that rural communities and hard to reach residents in Bassetlaw have greater access to healthcare.
- Bassetlaw's new e-newsletters are increasing in reach. Since the end of June there are now 7,400 subscriptions including 3,500 businesses signed up to receive a regular bulletin and over 1,000 tenants have also received Housing news.
- Focus on Young People in Bassetlaw will support the Council's Active Community teams and have secured a £10k grant from Sport England to help young people in Bassetlaw who want to become more physically active but face barriers in doing so. Funding will be used to identify what types of physical activity is available in Bassetlaw and how these activities can be made accessible.
- He asked Members to respond to the Local Plan Consultation as well as the Worksop Masterplan Consultation and encourage their constituents to comment should they have any views. Both consultations had been launched recently.

Leader's Update

The Leader reiterated the opportunity for Members of the Council to encourage residents and others to participate in the Local Plan Consultation which is currently underway and concludes on 20<sup>th</sup> January 2021. He noted that despite the difficulties of current times, the way in which the consultation was taking place to engage businesses and stakeholders enabled full participation, even though this could not be done through the usual face to face conversations.

He thanked officers and others for progressing the Local Plan and added that he looked forward to the next stages.

He also referenced the work undertaken to support local people struggling with homelessness and rough sleeping. As winter approaches, provision had been put in place to support vulnerable people who found themselves in such circumstances and he thanked colleagues and officers for their role in providing support for them.

In regard to Covid-19 Tier arrangements for Nottinghamshire and in particular Bassetlaw, he noted there would be a review by the Government the following week, i.e. a Government meeting on Wednesday 16<sup>th</sup> December would be followed by a public announcement on Thursday 17<sup>th</sup> December. His understanding was that any changes would come into effect on Saturday 19<sup>th</sup> December. He stressed that everyone must remain vigilant and adhere to the guidance to ensure the rate and level of infection was reduced. While noting the concerns of Bassetlaw residents that the infection rate is currently higher than anyone would like it to be, he stressed the importance of working collectively to reduce this and adhering to the guidelines was the best course of action. If there were no changes to Covid-19 Tier arrangements the following week, the Leader anticipated the next opportunity for change would be in the New Year. Also that public health officials would be watchful over any impact on the rates of infection over the Christmas period during which rules were briefly being relaxed to enable families to celebrate together.

In reference to vaccine deployment, the Leader commented that information would be made available by public health officials in the near future and that work was underway locally.

#### 105. PUBLIC QUESTION TIME

There were no questions from members of the public.

#### 106. QUESTIONS BY MEMBERS

From Councillor H M Richards:

“Following the United Nations International Day to eliminate violence against women and girls held on 25<sup>th</sup> November 2020, what action has this Council taken as part of the sixteen days of activism to eliminate violence against women which runs from 25<sup>th</sup> November until today, 10<sup>th</sup> December?”

Response from Councillor S E Shaw:

“I would like to thank the Member for this question and for drawing attention to this important issue. The direct answer is that the Council has not undertaken any specific activity linked to the International Day to eliminate violence against women and girls and the associated sixteen days of activism. We have had an annual programme of activities linked to a number of international days that the Council, through its Members, has previously identified as those which it wished to directly link to. Although the International Day against violence towards women and girls was initiated in 1991, it has not been previously submitted for specific action, however, this is not because anyone considers it irrelevant, far from it, but more in the recognition of the significant direct work this Council does around the subject.

There are over 170 international days identified by the United Nations providing a focus on a huge range of important issues. The sixteen day period itself includes other significant dates, like: International Human Rights Defender Day on 29<sup>th</sup> November, World Aids Day on 1<sup>st</sup> December, International Day for the Abolition of Slavery on 2<sup>nd</sup> December and the UN International Day for Persons with Disabilities on 3<sup>rd</sup> December. It is therefore simply not possible for the Council to participate in all these events. We do, however, have our own annual programme linked to a number of International Days, e.g. Holocaust Remembrance

Day, International Women's Day, that the Council has previously agreed to support. These are detailed in our Annual Equalities report. It has always been the case that should a Member of the Council feel that we should be participating in a specific event, then there is the opportunity for them to submit the matter for consideration.

This particular International Day is used as an organising strategy by individuals and organisations around the world to call for eliminating violence against women and girls and the campaign spans the sixteen days in order to highlight the links between violence against women and human rights. Today, women and girls are subject to many forms of human rights violations solely on the basis of their gender. I am sure Councillor Richards would agree that while promoting and publicising is important in helping changing minds and creating a culture in which violence and misogyny is not tolerated, actions and outcomes are equally important. The Council, in partnership with Newark & Sherwood Council, employs a Domestic Violence Co-ordinator. This is not the case in many authorities of our size. It is also the case that Bassetlaw is the only District to have its own Sexual Violence Strategy with a number of partners. Members will know of the excellent relationship with Nottinghamshire Women's Aid and the multiagency Risk Assessment Victim Focus conference meets fortnightly and our Community Safety and Safeguarding Co-ordinator is the co-Chair. He has also been asked to Deputy Chair the Assurance and Learning Group for domestic homicide reviews.

The Council provides financial support and assistance through housing and a sanctuary scheme, which enables victims to remain in their own homes and it helps to be able to provide more local capacity. The International Day is about encouraging attitude change. The Council is also involved in marking International Women's Day and the White Ribbon campaign. This year's campaign was impacted by Covid demands on the Community Safety team. The Deputy Police and Crime Commissioner is also launching a campaign along these lines and we will be promoting that locally. The Covid-19 pandemic and subsequent restrictions have presented challenges for domestic violence abuse services with lock-down measures widely perceived to have exacerbated and escalated the risk of domestic abuse. Domestic abuse demands on the Nottinghamshire Police dipped during lock-down but then rose as restrictions were eased. The PCC officer has reported demands on the Police in the County to be continuously higher than expected. The Council's Chief Executive took steps to raise concerns with the Police about this in the early days of the lockdown to ensure it was a suitable priority.

There is an open invitation to meet the Community Safety team and Domestic Violence Co-ordinator. They would be delighted for Councillor Richards or any Member to contact them and find out more about their work as other Members have previously done. So whilst the Council may not for the reasons stated have marked this particular International Day, there has never the less been a focused range across activities and outcomes in regard to awareness-raising, challenging behaviours and supporting victims and I thank you for the opportunity to highlight all our achievements in this area."

#### Supplementary Question from Councillor H M Richards:

"I would like to thank Councillor Shaw for her full and comprehensive answer and I commend all the work undertaken by BDC, both alone and with partners, on this very, very important issue. However, according to the Office of National Statistics data gathered between March 2019 and March 2020, 262 sexual offences occurred or were reported to have occurred in Bassetlaw and in a neighbouring local authority, five women were killed during lockdown in the space of just seven weeks. I think we can all agree that this is a big issue and something that we all need to promote and highlight. My second question is will BDC commit to raising the profile of this specific issue which has the potential to affect 50% of our residents."

#### Response from Councillor S E Shaw:

“In addition to the evidence previously advised, there is also some new work being undertaken around domestic abuse by Nottinghamshire County Council which BDC will be involved in. The funding for this will be available in April 2021 but we will ensure that this issue remains a high priority. Thank you for highlighting this issue at Full Council.”

Prior to the Motion being proposed, the Chairman invited Members to discuss, confirm and advise whether any further Declarations of Interest needed to be made

(Councillors J R Anderson, H M Brand, A K Coultate, J Evans, D J Merryweather, J N Naish, J W Ogle, M W Quigley MBE, B L Schuller, S Scotthorne and J C Shephard left the meeting having each previously declared a pecuniary interest).

(Vice Chairman J P Bowker in the Chair).

## 107. MOTIONS

The Agenda contained one motion, notice of which had been given in accordance with Rules of Procedure Number 12.

(a) Proposed by Councillor D G Pidwell and seconded by Councillor S Fielding:

“This Council calls upon the Government not to bring in its planned public sector pay freeze. Public sector workers have done the country proud during the Covid-19 crisis and have all too often gone beyond the call of duty. During these difficult times, it is the same public sector workers that are working to keep us all safe through the second wave and beyond.

From our NHS workers through to Police, Fire and Ambulance and keeping our streets clean and tidy, the public sector has truly worked to keep us all safe and the public sector truly deserve a rise in pay and not a pay freeze during these difficult times.”

Councillors Challinor, Carrington-Wilde, Leigh, Shaw, Dukes, Richards, K Greaves, Fielding, S Greaves, Richardson, Sanger, Boeuf, Tindall, Pressley and Pidwell spoke to the motion.

A recorded vote was requested by in excess of the required seven Members.

FOR: Councillors R Boeuf, J P Bowker, D K Brett, R B Carrington-Wilde, D Challinor, G Clarkson, K Dukes, T P Eaton BCA, C Entwistle, S Fielding, G Freeman, K M Greaves, S A Greaves, J Leigh, G A N Oxby, D G Pidwell, J C Plevin, J Potts, D R Pressley, H M Richards, M Richardson, J Sanger MBE, S E Shaw, B Sofflet, H L Tamblyn-Saville, C Tindle, R J Tomlinson, C Troop, J White.

AGAINST: None.

ABSTAINED: None.

**RESOLVED** that the motion be supported.

(Councillor A Rhodes did not participate in, or vote on, this agenda item).

(The Chairman, Councillor D J Merryweather returned to Chair the meeting. The meeting was paused while other councillors re-joined).

(Councillors J R Anderson, A K Coultate, J Evans, J N Naish, M W Quigley MBE, B J Schuller, S Scotthorne and J C Shephard re-joined the meeting. Councillor J W Ogle had connectivity issues and was unable to re-join the meeting).

(The meeting recommenced at 7.55pm).

#### 108. REFERRALS

- (a) Audit and Risk Scrutiny Committee – 10<sup>th</sup> September 2020 – Minute No. 91(c) – Risk Management Strategy and Framework

Members were presented with a referral from Audit and Risk Scrutiny Committee which sought approval of an updated Risk Management Strategy and Framework document and provided assurance that risks are being managed appropriately through the Council.

**RESOLVED** that the updated Risk Management Strategy and Framework be approved.

- (b) Audit and Risk Scrutiny Committee – 10<sup>th</sup> September 2020 – Minute No. 92(a) – Local Code of Corporate Governance 2020/21

Members received a referral from Audit and Risk Scrutiny Committee for approval of the updated Local Code of Corporate Governance.

**RESOLVED** that the Local Code of Corporate Governance 2020/21 be approved and the procedures as set out in the report be implemented.

(Following connectivity issues, Councillor H M Brand re-joined the meeting).

#### 109. REPORT(S) OF THE CHIEF EXECUTIVE

- (a) Temporary Appointments to Town and Parish Councils

Members were asked to consider a procedure to enable a temporary appointment to South Leverton Parish Council and any future appointments to town and parish councils in accordance with Section 91(1) of the Local Government Act 1972.

**RESOLVED** that:

1. Councillor A K Coultate be appointed as temporary member of South Leverton Parish Council under Section 91(1) of the Local Government Act 1972. The appointment to be held until appointments can be made following the by-election in May 2021.
2. In accordance with Section 91(3), copies of the Order be forwarded to the Secretary of State.
3. The Chief Executive and the Head of Corporate Services be authorised to make any future Orders appointing persons to parish and town councils in accordance with the process outlined in the report.

#### 110. REPORT(S) OF THE COUNCIL SOLICITOR

- (a) Appointments to Council Committees and Outside Organisations 2020/21 Municipal Year

The meeting was presented with a report which advised a proposed amendment to a councillor appointed to Licensing Committee and Audit and Risk Scrutiny Committee for the remainder of the 2020/21 Municipal Year.

**RESOLVED** that Councillor N J Sanders to replace Councillor P Nicholls on the Licensing Committee; Councillor D R Pressley to replace Councillor P Nicholls on the Audit and Risk

Scrutiny Committee; Councillor M W Quigley MBE to replace Councillor K H Isard on both the Chief Officers' Investigating Committee and the Health and Safety Committee for the remainder of the 2020/21 Municipal year, (or continue as all other appointments in accordance with the Regulations if no AGM were held).

111. REPORT(S) OF THE HEAD OF CORPORATE SERVICES

(a) Proposal from Bassetlaw Youth Council for a District Youth Mayor

Council was asked to consider the appointment of a Youth Mayor for the District. Members welcomed the report and looked forward to the appointment being made.

**RESOLVED** that:

1. The principle of appointing of a Bassetlaw Youth Mayor be supported and agreed.
2. The Youth Mayor Protocol and Declaration of Agreement at Appendix 1 of the report be approved.
3. The appointment of the Youth Mayor to commence in April 2021.

112. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT

As there was no other urgent business to be discussed, the Chairman closed the meeting.

(Meeting closed at 8.09pm).





## **BASSETLAW DISTRICT COUNCIL**

### **Minutes of the Extraordinary Meeting held virtually via MS Teams on 28<sup>th</sup> January 2021**

Present:	Councillor D Merryweather (Chairman)	
Councillors	J R Anderson	G A N Oxby
	R Boeuf	D Pidwell
	H M Brand	J Potts
	D K Brett	D R Pressley
	D Challinor	M W Quigley MBE
	M Charlesworth	A Rhodes
	G Clarkson	H M Richards
	A Coultate	M Richardson
	K Dukes	N J Sanders
	T Eaton BCA	B L Schuller
	C Entwistle	S Scotthorne
	J Evans	S E Shaw
	S Fielding	J C Shephard
	G Freeman	B Sofflet
	K M Greaves	C Tindle
	S A Greaves	C Troop
	S Isard	M Watson
	J Leigh	J White
	J Naish	
	J W Ogle	

Officers in attendance: D Armiger, L Dore, D Hill, J Lavender, N Taylor and S Wormald.

(Meeting opened at 6.30pm).

The Chairman welcomed all to the virtual Extraordinary Council meeting and explained that councils have been enabled to hold virtual meetings in order to allow business to be conducted while maintaining social distancing due to the outbreak of Covid-19. She then introduced Members and officers by doing a roll call. The Chairman advised that in the event of the livestream failing or Members losing connection the meeting would be adjourned to allow the connection to be re-established. She also reminded participants to take appropriate safety precautions from their place of livestreaming.

#### **113. APOLOGIES**

Apologies for absence were received from Councillors R B Carrington-Wilde, G Jones, P Nicholls, C Plevin, H L Tamblyn-Saville and B Tomlinson. Councillor J Sanger MBE encountered connection issues throughout the meeting and in being unable to fully participate in decision making, her apologies for absence were added post meeting.

#### **114. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS**

##### **(a) Members**

There were no declarations of interest by Members.

(b) Officers

There were no declarations of interest by officers.

115. REFERRALS FROM THE EXTRAORDINARY MEETING OF CABINET HELD ON 5<sup>TH</sup> JANUARY 2021

(a) Minute No. 228(a) – Housing Capital Programme 2021/22 – 2025/26 (Key Decision No. 794)

Members' approval was sought for the Housing Capital Programme for 2021/22 to 2025/26. The report outlined:

- Decent Homes Standard and Future Major Improvements
- Contingence and Miscellaneous Major Works
- Environmental Works and Related Assets
- Disabled Adaptations
- New Build and Refurbishment
- Funding
- Capital Receipts and the Right to Buy Scheme
- Affordability

Members welcomed and commented on the report which detailed a five year plan to support the investment and improvement of existing Council housing and the building of new homes to increase the Council's housing stock. The Cabinet Members for both Housing and Finance, lead officers and staff were commended on the exciting programme presented within the report as was the positive commitment of staff within the in-house Housing Service.

**RESOLVED** that:

1. The 2020/21 proposed Housing Capital Programme 2021/22 to 2025/26 as set out in Appendix 1 of the report be approved.
2. The indicative programmes for 2022/23 to 2025/26 in Appendix 1 of the report be approved.

(Councillors Boeuf and Watson joined the meeting during consideration of the above agenda item).

(b) Minute No. 228(b) – Housing Revenue Account Budget 2021/22 and Future Years to 2025/26 - (Key Decision No. 842)

Members were presented with a report which sought approval for the Housing Revenue Account (HRA) budget for 2021/22 and provided indicative figures for 2022/23 to 2025/26. It also made recommendations to set the budget and rent levels for 2021/22.

The report considered:

- Rents
- Repairs and maintenance
- Depreciation
- Value for money
- Provision for bad debts
- Treasury Management
- Reserves

**RESOLVED** that:

1. The Housing Revenue Account budget for 2021/22 as set out in Appendix 1 of the report be approved.
2. The indicative Housing Revenue Account budgets as set out in Appendix 1 of the report for 2022/23 to 2025/26 be approved.
3. The approved rent charges for 2021/22 shown in paragraph 3.10 of the report be noted.
4. The minimum level of HRA reserves to remain at £1.3m in recognition of the overall funding value of the HRA be approved.

(c) Minute No. 228(c) – General Fund Capital Programme 2021/22 to 2025/26 (Key Decision No. 849)

Members' approval was sought for the General Fund Capital Programme for 2021/22 to 2025/26.

The report outlined:

- Capital expenditure
- Capital funding of new schemes
- New General Fund Capital Schemes
- New capital bids
- Further new proposals to be included in the General Fund Capital Budget
- External grants
- Prudential Borrowing
- A summary of Capital Programme 2020/21 to 2025/26

**RESOLVED** that:

1. The Capital Programme for 2020/21 of £1.723m as shown at Appendix A of the report be approved.
2. The indicative Capital Programme for 2022/23 to 2025/26 of £5.447m as set out in Appendix A of the report be approved.

(d) Minute No. 228(e) – Calculation of Council Tax Base 2021/22 (Key Decision No. 851)

Members were presented with a report which set out and sought approval for the calculation of the Council's 2021/22 tax base as required by The Local Government Finance Act 1992 in accordance with The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

**RESOLVED** that:

1. The Council tax base for the year 2021/22 be agreed to be 35,371.49 band D properties, subject to the Council Tax Reduction Scheme being agreed as proposed.
2. The Council tax base calculation for the District for 2021/22 as set out in Appendix 1 of the report be agreed, and officers be instructed to notify this figure to the major precepting authorities.
3. The calculations set out in Appendix 2 figures, which are tax bases for parts of the area be agreed, and officers be instructed to notify the 2021/22 tax base to Town and Parish Councils, Parish Meetings and Charter Trustees as soon as is practicable.

116. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT

As there was no other urgent business to be discussed, the Chairman closed the meeting.

(Meeting closed at 6.58pm).

**R E F E R R A L**

**From**

**AUDIT AND RISK SCRUTINY COMMITTEE**  
**HELD ON**  
**9<sup>TH</sup> FEBRUARY 2021**

**To**

**COUNCIL**  
**ON 4<sup>TH</sup> MARCH 2021**

**Public Interest Test**

The author of this referral, Ellen Hinsley, Democratic and Electoral Services Assistant, has determined that it is considered to be of a non-confidential nature.

**Minute no. 110(c) ANNUAL AUDIT LETTER 2019/20**

**RESOLVED** that the Audit and Risk Scrutiny Committee note the Annual Audit Letter for 2019/20 and recommend the report to full Council on 4<sup>th</sup> March 2021.

Copies to: Chief Executive  
Interim Director of Corporate Resources  
Committee Administrator



**BASSETLAW DISTRICT COUNCIL**  
**AUDIT & RISK SCRUTINY COMMITTEE**

**9 FEBRUARY 2021**

**REPORT OF THE INTERIM DIRECTOR OF CORPORATE RESOURCES**

**ANNUAL AUDIT LETTER 2019/20**

Cabinet Member: Finance  
Contact: David Hill

**1. Public Interest Test**

1.1 The author of this report, David Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

2.1 To present the Annual Audit Letter, which summarises the outcome from the 2019/20 audit work carried out by MAZARS LLP.

**3. Background and Discussion**

3.1 MAZARS, as the Council's appointed external auditor, issued an unqualified audit opinion and audit certificate on the 9 December 2020. On the same date, Mazars also issued an unqualified conclusion of the Council's arrangements for securing value for money as required by the National Audit Office's Code of Audit Practice. This means that the financial statements give a true and fair view of the Council's financial position and of its expenditure and income for the year ended 31 March 2020.

3.2 The auditor's report was modified to include an emphasis of matters paragraph, drawing attention to the financial statement disclosure explaining that COVID-19 had contributed to "material valuation uncertainty" in the valuation of the Council's land and buildings and in the Council's share of Nottinghamshire Pension Fund's property assets.

3.3 Members will note from the annual audit letter that the auditors:

- Identified one material error, which related to the value of the Council's Housing Stock. It was determined that indexation was not correctly applied in the valuation work, leading to the material amendment of £15.3m to the 2019/20 accounts. The Council corrected this in the final version of its 2019/20 accounts. There was no impact on the value of the funds available as a result of this correction.

## **Changes to the Code of Audit Practice**

- 3.4 On 1 April 2020 a new Code came into force and will apply to the audits of 2020/21 onwards. The Audit Code has not introduced any changes to the scope of the audit of the financial statements and the auditors will continue to give their opinion on those statements in their independent auditors report. However, there are significant changes to the work on value for money arrangements and the way the outcomes are reported to the Council. The Audit will focus on three criteria, specified in the Audit Code:

- Financial sustainability
- Governance, and
- Improving economy, efficiency and effectiveness

From 2020/21 the Annual Audit Letter will be replaced by the Auditor's Annual Report. The new Audit Code will result in additional officer time and auditor time and fees.

- 3.5 The full Annual Audit Letter is attached to this report as an Appendix for Members attention.

## **4. Implications**

- a) For service users -  
External verification is important to Bassetlaw as it provides an independent assessment of progress and the standard of service provided for the Council Tax levied.
- b) Strategic & Policy -  
The Council's financial statements and annual governance statement are important as the Council can demonstrate its good stewardship of public funds.
- c) Financial - Ref: 21-187  
The planned audit fee for 2019/20 was £44,063.  
Fee variations in relation to additional costs associated with the 2019/20 audit of £12,099 are subject to confirmation from the PSAA. If confirmed will result in a final audit fee of £56,162.
- A further £3,000 charge was made for the independent assurance report on the Pooling of Housing Capital Receipts Return.
- d) Legal – 184/02/2021  
The legal implications are as contained within the report.
- e) Human Resources -  
None arising directly from the report.
- f) Community Safety, Equalities, Environmental -  
None are being brought to Members attention by the external Auditor.
- g) GDPR –  
There are no GDPR implications within this report.
- h) This is not a key decision.



**5. Options, Risks and Reasons for Recommendations**

- 5.1 The Council is obliged to receive the Auditor's report, but Members have the discretion to respond to any points made in the Annual Audit Letter.

**6. Recommendations**

- 6.1 That the Audit & Risk Scrutiny Committee note the Annual Audit Letter for 2019/20 and recommends the report to full Council on 4 March 2021.

Background Papers:  
Audited Statement of Accounts 2019/20

Location:  
Finance Manager Officer



# Annual Audit Letter

## Bassetlaw District Council

Year ending 31 March 2020





## Contents

- 01** Executive summary
- 02** Audit of the financial statements
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- 04** Other reporting responsibilities
- 05** Our fees
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Our reports are prepared in the context of the 'Statement of responsibilities of auditors and audited bodies' issued by Public Sector Audit Appointments Ltd. Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the Council. No responsibility is accepted to any member or officer in their individual capacity or to any third party. Our written consent must first be obtained before this document, or any part of it, is disclosed to a third party.

Mazars LLP is the UK firm of Mazars, an international advisory and accountancy group. Mazars LLP is registered by the Institute of Chartered Accountants in England and Wales.

# 1. EXECUTIVE SUMMARY

## Purpose of the Annual Audit Letter

Our Annual Audit Letter summarises the work we have undertaken as the auditor for Bassetlaw District Council (the Council) for the year ended 31 March 2020. Although this letter is addressed to the Council, it is designed to be read by a wider audience including members of the public and other external stakeholders.

Our responsibilities are defined by the Local Audit and Accountability Act 2014 (the 2014 Act) and the Code of Audit Practice issued by the National Audit Office (the NAO). The detailed sections of this letter provide details on those responsibilities, the work we have done to discharge them, and the key findings arising from our work. These are summarised below.

Area of responsibility	Assessment	Summary
Audit of the financial statements	● [Green]	Our auditor's report issued on 9 December 2020 included our opinion that the financial statements: <ul style="list-style-type: none"> <li>• give a true and fair view of the Council's financial position as at 31 March 2020 and of its expenditure and income for the year then ended; and</li> <li>• have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2019/20</li> </ul>
Other information published alongside the audited financial statements	● [Green]	Our auditor's report included our opinion that: <ul style="list-style-type: none"> <li>• the other information in the Statement of Accounts is consistent with the audited financial statements.</li> </ul>
Value for money conclusion	● [Green]	Our auditor's report concluded that we are satisfied that in all significant respects, the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020
Reporting to the group auditor	● [Green]	In line with group audit instructions, issued by the NAO on 4 <sup>th</sup> November 2020, we reported to the group auditor in line with the requirements applicable to the Council's Whole of Government Accounts return.
Statutory reporting	● [Green]	Our auditor's report confirmed that we did not use our powers under s24 of the 2014 Act to issue a report in the public interest or to make written recommendations to the Council.



## 2. AUDIT OF THE FINANCIAL STATEMENTS

Opinion on the financial statements

Unqualified

### The scope of our audit and the results of our work

The purpose of our audit is to provide reasonable assurance to users that the financial statements are free from material error. We do this by expressing an opinion on whether the statements are prepared, in all material respects, in line with the financial reporting framework applicable to the Council and whether they give a true and fair view of the Council's financial position as at 31 March 2020 and of its financial performance for the year then ended.

Our audit was conducted in accordance with the requirements of the Code of Audit Practice issued by the National Audit Office and International Standards on Auditing. These require us to consider whether:

- the accounting policies are appropriate to the Council's circumstances and have been consistently applied and adequately disclosed;
- the significant accounting estimates made by management in the preparation of the financial statements are reasonable; and
- the overall presentation of the financial statements provides a true and fair view.

Our auditor's report, stated that in our view, the financial statements give a true and fair view of the Council's financial position as at 31 March 2020 and of its financial performance for the year then ended.

Our auditor's report was modified to include an emphasis of matters paragraph, drawing attention to the financial statement disclosure explaining that Covid19 had contributed to 'material valuation uncertainty' in the valuation of the Council's land & buildings and in the Council's share of Nottinghamshire Pension Fund's property assets.



## 2. AUDIT OF THE FINANCIAL STATEMENTS

### Our approach to materiality

We apply the concept of materiality when planning and performing our audit, and when evaluating the effect of misstatements identified as part of our work. We consider the concept of materiality at numerous stages throughout the audit process, in particular when determining the nature, timing and extent of our audit procedures, and when evaluating the effect of uncorrected misstatements. An item is considered material if its misstatement or omission could reasonably be expected to influence the economic decisions of users of the financial statements.

Judgements about materiality are made in the light of surrounding circumstances and are affected by both qualitative and quantitative factors. We set materiality for the financial statements as a whole (financial statement materiality) and set a lower level of materiality for specific items of account (specific materiality) due to the nature of these items or because they attract public interest. We also set a threshold for reporting identified misstatements to the Audit and Risk Scrutiny Committee. We call this our trivial threshold.

The table below provides details of the materiality levels applied in the audit of the financial statements for the year ended 31 March 2020:

Financial statement materiality	Our financial statement materiality is based on 2% of Gross Operating Expenditure.	£2.1m
Trivial threshold	Our trivial threshold is based on 3% of financial statement materiality.	£64k
Specific materiality	We have applied a lower level of materiality to the following areas of the accounts: <ul style="list-style-type: none"><li>• Senior Officer Remuneration</li><li>• Termination payments</li><li>• Members Allowances</li><li>• External Audit Fee</li></ul>	£5k £34k £50k £7k





## 2. AUDIT OF THE FINANCIAL STATEMENTS

### Our response to significant audit risks

As part of our continuous planning procedures we considered whether there were risks of material misstatement in the Council's financial statements that required special audit consideration. We reported significant risks identified at the planning stage to the Audit & Risk Scrutiny Committee within our Audit Strategy Memorandum and provided details of how we responded to those risks in our Audit Completion Report. The table below outlines the identified significant risks, the work we carried out on those risks and our conclusions.

Identified significant risk	Our response	Our findings and conclusions
<p><b>Management override of controls</b></p> <p>In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Because of the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits</p>	<p>We addressed this risk through performing audit work over accounting estimates and financial journal entries.</p>	<p>Our audit procedures did not identify any material errors or uncertainties in the financial statements, or other matters that we wish to bring to Members' attention.</p>
<p><b>Valuation of Property, Plant and Equipment and Investment Properties</b></p> <p>The Council's accounts contain material balances and disclosures relating to its holding of Property, Plant and Equipment, and Investment Properties with the majority of these assets required to be carried at valuation.</p>	<p>We performed a range of audit tests, including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Reviewing the valuer's qualifications, objectivity and independence to carry out the required programme of revaluations.</li> <li>• Testing a sample of valuations to ensure the correct methodology had been applied and were supported by appropriate evidence.</li> <li>• Considering the impact of assets not revalued in 2019/20 to ensure these remained materially correct at the balance sheet date.</li> </ul>	<p>The Council's valuer declared that the valuation of the Council's property assets were subject to 'material valuation uncertainty' as a result of Covid19 and this was disclosed in Note 4 of the financial statements and referred to in the 'emphasis of matter' paragraph in our audit report.</p> <p>A 'material valuation uncertainty' declaration does not mean that the valuation cannot be relied upon, only that, because of the extraordinary circumstances arising from Covid19, less certainty can be attached to the valuation.</p> <p>The procedures we have undertaken to date have highlighted certain material errors or uncertainties in the financial statements.</p>



## 2. AUDIT OF THE FINANCIAL STATEMENTS

### Our response to significant audit risks

Identified significant risk	Our response	Our findings and conclusions
<p><b>Valuation of the Net Pension Liability</b></p> <p>The financial statements contain material pension entries in respect of retirement benefits. The calculation of these pension figures, both assets and liabilities, can be subject to significant volatility and includes estimates based upon a complex interaction of actuarial assumptions. This results in an increased risk of material misstatement.</p>	<p>We performed a range of audit tests, including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Liaising with the auditor of the Nottinghamshire Pension Fund to obtain direct assurance over the controls surrounding membership, contributions and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements.</li> <li>• Reviewing the appropriateness of the Pension Asset and Liability valuation methodologies applied by the Pension Fund Actuary, and the key assumptions included within the valuation.</li> <li>• critically assessed the competency, objectivity and independence of the Nottinghamshire Pension Fund's Actuary, Barnet Waddingham.</li> </ul>	<p>'Material valuation uncertainty' was disclosed on the Pension Fund's property assets. As the Council's share of those assets in its own balance sheet is material, the Council has disclosed this in Note 4 of the financial statements and we have reflected this in the 'emphasis of matters' paragraph in our Audit Report.</p>



## 2. AUDIT OF THE FINANCIAL STATEMENTS

### Internal control recommendations

As part of our audit we considered the internal controls in place that are relevant to the preparation of the financial statements. We did this to design audit procedures that allow us to express our opinion on the financial statements, but this did not extend to us expressing an opinion on the effectiveness of internal controls. We identified the following deficiencies in internal control as part of our audit.

<b>Description of deficiency</b>	<p><b>Controls in place in regard to the completeness of valuation information</b></p> <p>During our testing we experienced difficulty in obtaining supporting information relating to a number of the asset valuations undertaken. These were resolved through discussion with the Council's internal valuer, however our expectation is that supporting information relating to asset values will be readily available and this was not the case.</p>
<b>Potential effects</b>	Delays in completing the audit work and issuing our audit opinion
<b>Recommendation</b>	Information supporting all asset valuations should be held by the Council and readily available.
<b>Management response</b>	Accepted - The majority of the valuer's documents are paper based and have been difficult to obtain due to remote

<b>Description of deficiency</b>	<p><b>Indexation of revalued and non-revalued assets</b></p> <p>It was noted throughout the testing of revalued and non-revalued assets that the council had not undertaken work on indexation to estimate the movement in value from the last revaluation date of the asset to 31/03/2020.</p>
<b>Potential effects</b>	There was potential for a financial error. It is however recognised that the indexation information required to make the required adjustment is not available until after the end of the financial year.
<b>Recommendation</b>	We recommend that valuations which are not conducted at the year end are appropriately indexed up to the relevant year end value.
<b>Management response</b>	Accepted - A review of all asset valuations will be undertaken by the valuer as at 31 March each year to ensure there are no significant variations.



## 2. AUDIT OF THE FINANCIAL STATEMENTS

### Internal control recommendations (continued)

<b>Description of deficiency</b>	<p><b>Controls in place in regard to the calculation of depreciation</b></p> <p>During our testing we concluded that the depreciation charge in year on assets was calculated based on the net book value (NBV) brought forward and remaining economic life rather than the straight line using the revised cost and revised UEL provided by the valuer.</p> <p>Furthermore, the depreciation had been calculated using a different method to that stated within the accounting policies. The Council's Real Asset Management system calculated depreciation on a reducing balance basis based on the remaining useful life, whereas the Council's policy is straight line depreciation over the useful economic life (UEL).</p> <p>This has highlighted that the Council's Real Asset Management system (RAM) was not being updated to reflect the current UEL and is incorrectly set up to calculate the depreciation on assets in line with the accounting policy. After further investigation by the Council, it was identified that this fault had occurred over the past three financial periods.</p> <p>It was also noted that the 2019/20 depreciation charge was written-off as part of the revaluation adjustments for the valuation on 1 April 2019. This means that, even though the valuation was on the first day of the financial year, that these assets had not been accurately depreciated for the 12 months in 2019/20.</p>
<b>Potential effects</b>	Risk of error in relation to the calculations and disclosures made.
<b>Recommendation</b>	Management should review and strengthen its controls relating to the calculation of depreciation.
<b>Management response</b>	Accepted - all the points above have been noted and a full review of the depreciation process is being undertaken. All assets will have re-lives updated annually and this will then correctly calculate depreciation on a straight line basis, in accordance with our policy.



## 2. AUDIT OF THE FINANCIAL STATEMENTS

### Internal control recommendations (continued)

<b>Description of deficiency</b>	<p><b>Controls in place in regard to the accuracy of remuneration information</b></p> <p>During our testing we identified that the pay banding for remuneration bands £65,000 - £69,999 and £70,000 - £74,999 were incorrectly disclosed.</p>
<b>Potential effects</b>	Risk of error in relation to the disclosure made.
<b>Recommendation</b>	Management should review and strengthen its controls relating to the preparation of the remuneration note.
<b>Management response</b>	Accepted - Additional control checks will be put in place for future years.
<b>Description of deficiency</b>	<p><b>Controls in place in regard to the preparation of the leases note</b></p> <p>During our testing we concluded there were classification issues relating to the preparation of the leases note. Commitments for cancellable leases/contracts had been incorrectly included. Some of the lease contracts had ended and the tenants are now on rolling contracts with 1 or 3 month notice periods, therefore it is incorrect to include this income within the note as it is not committed.</p>
<b>Potential effects</b>	Risk of error in relation to the disclosure made.
<b>Recommendation</b>	Management should review and strengthen its controls relating to the preparation of the leases note.
<b>Management response</b>	Accepted - Additional control checks will be put in place for future years.
<b>Description of deficiency</b>	<p><b>Controls in place in regard to the preparation of the provisions note</b></p> <p>The Business Rate provision was not accurately presented within the unaudited financial statements as it incorrectly reflected 100% of the appeals value rather than the Council's proportion.</p>
<b>Potential effects</b>	Risk of error in relation to the disclosure made.
<b>Recommendation</b>	Management should review and strengthen its controls relating to the preparation of the provisions note.
<b>Management response</b>	Accepted - Accepted - Additional control checks will be put in place for future years.



## 2. AUDIT OF THE FINANCIAL STATEMENTS

### Internal control recommendations – outstanding prior year deficiencies

<b>Description of deficiency</b>	<p><b>Council Dwelling Valuation and Indexation</b></p> <p>The Council Dwellings valuation was undertaken as at 31 December 2018, however the indexation from December to March 2019 was not recognised in the unaudited statement of accounts, resulting in a £12.9m adjustment.</p>
<b>Potential effects</b>	<p>There was potential for a financial error. It is however recognised that the indexation information required to make the required adjustment is not available until after the end of the financial year.</p>
<b>Recommendation</b>	<p>We recommend that valuations which are not conducted at the year end are appropriately indexed up to the relevant year end value.</p>
<b>Management response 2018/29</b>	<p>In future years we are looking to carry out valuations without using indexation, which should address the issue.</p>
<b>Position and recommendation for 2019/20</b>	<p>It was noted throughout the testing of council dwelling valuations that the council had not undertaken work on indexation to estimate the value as at 31/03/2020. Therefore the value shown within the unaudited accounts reflected the value as at 01/04/2019 (date of valuation). The council dwellings value appeared materially wrong and a £15.3m adjustment has been proposed and agreed by the Council. We are reiterating our recommendation that valuations which are not conducted at the year end are appropriately indexed up to the relevant year end value.</p>
<b>Management response for 2019/20</b>	<p>Accepted - The valuation process will be reviewed thoroughly, and the valuations at 31 March will be reviewed and any significant variations will be adjusted in the accounts.</p>



### 3. VALUE FOR MONEY CONCLUSION

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Value for money conclusion

Unqualified

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#### Our audit approach

We are required to consider whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out in order to form our conclusion, and sets out the criterion and sub-criteria that we are required to consider.

The overall criterion is that, ‘in all significant respects, the Council had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.’ To assist auditors in reaching a conclusion on this overall criterion, the following sub-criteria are set out by the NAO:

- informed decision making;
- sustainable resource deployment; and
- working with partners and other third parties.

#### Significant audit risks

The NAO’s guidance requires us to carry out work to identify whether or not a risk to our conclusion exists. Risk, in the context of our work, is the risk that we come to an incorrect conclusion rather than the risk of the arrangements in place at the Council being inadequate.

When we perform our work, we consider whether there are any areas requiring additional audit attention as a “Significant Audit Risk”, which we report to the Audit Committee prior to finalising our conclusion. For 2019/20, we did not identify any significant audit risks.

#### Overall Conclusion

Our auditor’s report stated that that, in all significant respects, the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31<sup>st</sup> March 2020.



## 4. OTHER REPORTING RESPONSIBILITIES

Exercise of statutory reporting powers	No matters to report
Other information published alongside the audited financial statements	Consistent

The Code of Audit Practice and the 2014 Act place wider reporting responsibilities on us, as the Council's external auditor. We set out below, the context of these reporting responsibilities and our findings for each.

### Matters on which we report by exception

The 2014 Act provides us with specific powers where matters come to our attention that, in our judgement, require reporting action to be taken. We have the power to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to law; and
- issue an advisory notice under schedule 8 of the 2014 Act.

We have not exercised any of these statutory reporting powers.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. We did not receive any such objections or questions.

### Reporting to the NAO in respect of Whole of Government Accounts consolidation data

The National Audit Office, as group auditor, requires us to complete a Whole of Government Accounts Assurance Statement in respect of financial consolidation data produced by the Council. We submitted this information to the NAO on 09 December 2020.

### Other information published alongside the financial statements

The Code of Audit Practice requires us to consider whether information published alongside the financial statements is consistent with those statements and our knowledge and understanding of the Council. In our opinion, the other information in the Statement of Accounts is consistent with the audited financial statements.



## 5. OUR FEES

### Fees for work as the Council's auditor

We reported our proposed fees for the delivery of our work in the Audit Strategy Memorandum.

Having completed our work for the 2019/20 financial year, we can confirm that our final fees are as follows:

Area of work	2019/20 proposed fee	2019/20 final fee
Delivery of audit work under the NAO Code of Audit Practice	£44,063	
Fee Variations*:		
• Additional Testing on Property, Plant & Equipment and Defined Benefit Pensions Schemes		£7,067
• Additional costs associated with 2019/20, including, but not limited to:		£5,032
• Impact of 'Material Valuation Uncertainty' in Council's Assets and its share of Pension Fund Assets		
• Updating audit risk assessments, including the value for money conclusion		
• Additional considerations of estimation uncertainty in going concern,		
• Changes impacting pension liabilities through McCloud & Goodwin		
<b>Final audit fee</b>		<b>£56,162</b>
Assurance**:		
• Pooling of Housing Capital Receipts Return	£3,000	
Other non-Code work	Nil	Nil

\*Fee variations subject to confirmation from PSAA.

\*\*Work is ongoing

### Fees for other work

We confirm that we have not undertaken any other non-audit services for the Council in the year.





## 6. FORWARD LOOK: AUDIT CHANGES 2020/21

### Changes to the Code of Audit Practice

The Code of Audit Practice (the Audit Code), issued by the Comptroller and Auditor General, prescribes the way we carry out our responsibilities as your auditors. On 1<sup>st</sup> April 2020 a new Code came in to force and will apply to our work from 2020/21 onwards.

The new Audit Code continues to apply the requirements of International Standards on Auditing (ISAs) to our audit of the financial statements. While there are changes to the ISAs that are effective from 2020/21 the Audit Code has not introduced any changes to the scope of our audit of the financial statements. We will continue to give our opinion on the financial statements in our independent auditor's report.

There are however significant changes to the work on value for money arrangements, and the way we report the outcomes of our work to you.

#### The auditor's work on value for money arrangements

From 2020/21 we are still required to satisfy ourselves that you have made proper arrangements for securing the economy, efficiency and effectiveness in your use of resources, however unlike under the 2015 Audit Code, we will no longer report in the form of a conclusion on arrangements. Instead, where our work identifies significant weaknesses in arrangements, we are required to report those weaknesses to you, along with the actions that need to be taken to address those weaknesses.

Our work will focus on three criteria specified in the revised Audit Code:

- Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the body ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.

Under the new Audit Code, we will be expected to report and make recommendations as soon as we identify a significant weakness in arrangements, as opposed to reporting our conclusion on arrangements at the end of the audit cycle as has previously been the case.

#### Reporting the results of the auditor's work

We currently issue you with an Annual Audit Letter which provides a summary of our work across all aspects of our audit. From 2020/21 the Annual Audit Letter will be replaced by the Auditor's Annual Report. This will continue to provide a summary of our work over the year of audit but will also include a detailed commentary on your arrangements in place to achieve economy, efficiency and effectiveness. This commentary replaces the conclusion on arrangements that was previously provided and will include details of any significant weakness identified and reported to you, follow up of any previous recommendations made, and the our view as to whether recommendations have been implemented satisfactorily.

The new Audit Code will result in additional officer time and auditor time and fees.



## 6. FORWARD LOOK: AUDIT CHANGES 2020/21

### Redmond Review

In September 2020, Sir Tony Redmond published the findings of his independent review into the oversight of local audit and the transparency of local authority financial reporting. The report makes several recommendations that, if implemented, could affect both the financial statements that local authorities are required to prepare and the work that we as auditors are required to do.

The report and recommendations are wide-ranging, and includes:

- the creation of the Office of Local Audit and Regulation (OLAR), be created to manage, oversee and regulate local audit;
- reviewing reporting deadlines;
- reviewing governance arrangements in local authorities, including the membership of the Audit Committee; and
- increasing transparency and reducing the complexity of local authority financial statements.

The recommendations and findings will now be considered by the Ministry of Housing, Communities and Local Government and we look forward to working with all stakeholders to implement changes to ensure the development and sustainability of local audit.

The full report is available here: <https://www.gov.uk/government/publications/local-authority-financial-reporting-and-external-audit-independent-review>



## CONTACT

### **David Hoose**

Partner

Email: [david.hoose@mazars.co.uk](mailto:david.hoose@mazars.co.uk)

### **John Pressley**

Manager

Email: [john.pressley@mazars.co.uk](mailto:john.pressley@mazars.co.uk)

Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services\*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

\*where permitted under applicable country laws

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**R E F E R R A L**

**From**

**AUDIT AND RISK SCRUTINY COMMITTEE**  
**HELD ON**  
**9<sup>TH</sup> FEBRUARY 2021**

**To**

**COUNCIL**  
**ON 4<sup>TH</sup> MARCH 2021**

**Public Interest Test**

The author of this referral, Ellen Hinsley, Democratic and Electoral Services Assistant, has determined that it is considered to be of a non-confidential nature.

**Minute no. 110(d) EXTERNAL AUDIT STRATEGY MEMORANDUM 2020/21**

**RESOLVED** that the Audit and Risk Scrutiny Committee receive and accept the Mazars Audit Strategy Memorandum for the year ending 31<sup>st</sup> March 2021 and recommend the report to full Council on 4<sup>th</sup> March 2021.

Copies to: Chief Executive  
Interim Director of Corporate Resources  
Committee Administrator



**BASSETLAW DISTRICT COUNCIL**  
**AUDIT & RISK SCRUTINY COMMITTEE**  
**9 FEBRUARY 2021**

**REPORT OF THE INTERIM DIRECTOR OF CORPORATE RESOURCES**

**MAZARS EXTERNAL AUDIT STRATEGY MEMORANDUM 2020/21**

Cabinet Member: Finance  
Contact: Dave Hill

**1. Public Interest Test**

1.1 The author of this report, Dave Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

2.1 To present Mazars' Audit Strategy Memorandum for the year ending 31 March 2021. This strategy summarises the audit approach and highlights significant audit risks and areas of key judgements.

**3. Background and Discussion**

3.1 The statutory responsibilities and powers of appointed auditors are set out in the Local Audit and Accountability Act 2014. In discharging these specific statutory responsibilities and powers, auditors are required to carry out their work in accordance with the National Audit Office's Code of Audit Practice. As a statutory body, the Council is externally audited and in addition to this Audit Strategy Memorandum, the Audit Completion report and the Auditors Annual Report will be submitted at the conclusion of the final accounts process by Mazars Engagement Lead.

3.2 The Audit Strategy Memorandum is in accordance with the National Audit Office's framework and a programme, including regular meetings between officers and the Audit Team has been put in place to ensure an effective closedown process this year. Bassetlaw has been awarded unqualified audit opinions in successive years and need to ensure that this outcome continues.

3.3 Any changes to the accounts in respect of reporting formats, plus any internal service or financial system changes, means that the accounting and auditing requirements do not remain constant between years. This is reflected in the Council's approach to the final accounts process, and the response by Mazars.

3.4 Mazars have identified three areas of potential significant risk for 2020/21. These are:-  
i). Management override of Controls  
ii). Valuation of property, plant and equipment  
iii). Valuation of net defined benefit pension liability

3.5 The Audit Strategy Memorandum is set out in the Appendix to this report.

#### **4. Implications**

- a) For service users  
External verification is important to Bassetlaw as it provides an independent assessment of progress and the standard of service provided for the council tax levied.
- b) Strategic & Policy  
Mazars' work programme supports the Council's corporate governance arrangements.
- c) Financial - Ref: 21-288  
Bassetlaw's External Audit fee for 2020/21 includes work on the Accounting Statements, reporting on the Whole of Government Accounts return and the Value for Money conclusion. The agreed fee for 2020/21 external audit is £44,063, which is the same fee advised for 2019/20. However, due to regulatory changes in audit requirements since the fees were agreed by PSAA, the fees for 2019/20 and 2020/21 are likely to increase. A minimum increase of £20k has been proposed by Mazars. Please refer to section 6 in the Audit Strategy Memorandum attached for further details on the proposed fee increases. In 2020/21 there is a £45,500 budget for external audit fees.
- d) Legal – Ref: is 201/02/2021  
As contained within the report.
- e) Human Resources  
None arising from this report.
- f) Community Safety, Equalities, Environmental  
None arising from this report.
- g) G.D.P.R.  
There are no issues arising in this report
- h) Whether this is a key decision, and if so the reference number.  
This is not a key decision.

#### **5. Options, Risks and Reasons for Recommendations**

5.1 This report is provided to Members for information and consideration.

#### **6. Recommendations**

6.1 That the Audit & Risk Scrutiny Committee receive and accept the Mazars Audit Strategy Memorandum for the year ending 31 March 2021 and recommends the report to full Council on 4 March 2021.

**Background Papers**  
Audit Plan 2020/21

**Location**  
Head of Finance & Property's office



# Audit Strategy Memorandum

Bassetlaw District Council

Year ending 31 March 2021



# Contents

- 01** Engagement and responsibilities summary
- 02** Your audit engagement team
- 03** Audit scope, approach and timeline
- 04** Significant risks and other key judgement areas
- 05** Value for Money
- 06** Fees for audit and other services
- 07** Our commitment to independence
- 08** Materiality and misstatements

Appendix – Key communication points

This document is to be regarded as confidential to Bassetlaw District Council. It has been prepared for the sole use of the Audit and Risk Scrutiny Committee as the appropriate sub-committee charged with governance. No responsibility is accepted to any other person in respect of the whole or part of its contents. Our written consent must first be obtained before this document, or any part of it, is disclosed to a third party.

Audit and Risk Scrutiny Committee Members  
Bassetlaw District Council  
Queens Buildings,  
Potter Street,  
Worksop,  
Nottinghamshire  
S80 2AH

25 January 2021

Dear Sirs / Madams

## Audit Strategy Memorandum – Year ending 31 March 2021

We are pleased to present our Audit Strategy Memorandum for Bassetlaw District Council for the year ending 31 March 2021. The purpose of this document is to summarise our audit approach, highlight significant audit risks and areas of key judgements and provide you with the details of our audit team. As it is a fundamental requirement that an auditor is, and is seen to be, independent of its clients, section 7 of this document also summarises our considerations and conclusions on our independence as auditors. We consider two-way communication with you to be key to a successful audit and important in:

- reaching a mutual understanding of the scope of the audit and the responsibilities of each of us;
- sharing information to assist each of us to fulfil our respective responsibilities;
- providing you with constructive observations arising from the audit process; and
- ensuring that we, as external auditors, gain an understanding of your attitude and views in respect of the internal and external operational, financial, compliance and other risks facing Bassetlaw District Council which may affect the audit, including the likelihood of those risks materialising and how they are monitored and managed.

With that in mind, we see this document, which has been prepared following our initial planning discussions with management, as being the basis for a discussion around our audit approach, any questions, concerns or input you may have on our approach or role as auditor. This document also contains an appendix that outlines our key communications with you during the course of the audit,

Client service is extremely important to us and we strive to provide technical excellence with the highest level of service quality, together with continuous improvement to exceed your expectations so, if you have any concerns or comments about this document or audit approach, please contact me on 0115 964 4779.

Yours faithfully

Signed: 

David Hoose

Mazars LLP

Mazars LLP – Park View House, 58 Ropewalk, Nottingham, NG1 5DW  
Tel: {+44 (0) 115 964 4744} – Fax: {+44 (0) 115 964 4755} – [www.mazars.co.uk](http://www.mazars.co.uk)

Mazars LLP is the UK firm of Mazars, an integrated international advisory and accountancy organisation. Mazars LLP is a limited liability partnership registered in England and Wales with registered number OC308299 and with its registered office at Tower Bridge House, St Katharine's Way, London E1W 1DD.

We are registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. Details about our audit registration can be viewed at [www.auditregister.org.uk](http://www.auditregister.org.uk) under reference number C001139861. VAT number: 839 8356 73

Mazars LLP  
Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW

# 01

Section 01:

## **Engagement and responsibilities summary**

# 1. Engagement and responsibilities summary

## Overview of engagement

We are appointed to perform the external audit of Bassetlaw District Council (the Council) for the year to 31 March 2021. The scope of our engagement is set out in the Statement of Responsibilities of Auditors and Audited Bodies, issued by Public Sector Audit Appointments Ltd (PSAA) available from the PSAA website: <https://www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/>. Our responsibilities are principally derived from the Local Audit and Accountability Act 2014 (the 2014 Act) and the Code of Audit Practice issued by the National Audit Office (NAO), as outlined below.



### Audit opinion

We are responsible for forming and expressing an opinion on the financial statements. Our audit does not relieve management or the Audit and Risk Scrutiny Committee, as those charged with governance, of their responsibilities.



### Fraud

The responsibility for safeguarding assets and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with both those charged with governance and management. This includes establishing and maintaining internal controls over reliability of financial reporting.

As part of our audit procedures in relation to fraud we are required to enquire of those charged with governance, including key management and the internal audit function, as to their knowledge of instances of fraud, the risk of fraud and their views on internal controls that mitigate the fraud risks. In accordance with International Standards on Auditing (UK), we plan and perform our audit so as to obtain reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error. However, our audit should not be relied upon to identify all such misstatements.



### Going concern

The Council is required to prepare its financial statements on a going concern basis by the Code of Practice on Local Authority Accounting. The S151 officer is responsible for the assessment of whether it is appropriate for the Council to prepare its accounts on a going concern basis. As auditors, we are required to obtain sufficient appropriate audit evidence regarding, and conclude on the appropriateness of the S151 officer's use of the going concern basis of accounting in the preparation of the financial statements and the adequacy of disclosures made.



### Value for money

We are also responsible for reaching a conclusion on the arrangements that the Council has in place to secure economy, efficiency and effectiveness in its use of resources. We discuss our approach to Value for Money work further in section 5 of this report.



### Reporting to the NAO

We report to the NAO on the consistency of the Council's financial statements with its Whole of Government Accounts (WGA) submission.



### Electors' rights

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the Council and consider any objection made to the accounts. We also have a broad range of reporting responsibilities and powers that are unique to the audit of local authorities in the United Kingdom.

Engagement and responsibilities summary

Your audit engagement team

Audit scope, approach and timeline

Significant risks and key judgement areas

Value for money

Fees for audit and other services

Our commitment to independence

Materiality and misstatements

Appendices

# 02

Section 02:

**Your audit engagement team**



# 2. Your audit engagement team

Your external audit service continues to be led by David Hoose.

Who	Role	E-mail
David Hoose	Engagement Lead	<a href="mailto:david.hoose@mazars.co.uk">david.hoose@mazars.co.uk</a>
John Pressley	Engagement Manager	<a href="mailto:john.pressley@mazars.co.uk">john.pressley@mazars.co.uk</a>
Luke Hussey	Engagement Assistant Manager	<a href="mailto:luke.hussey@mazars.co.uk">luke.hussey@mazars.co.uk</a>



Engagement and responsibilities summary	<b>Your audit engagement team</b>	Audit scope, approach and timeline	Significant risks and key judgement areas	Value for money	Fees for audit and other services	Our commitment to independence	Materiality and misstatements	Appendices
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# 03

Section 03:

**Audit scope, approach and timeline**



# 3. Audit scope, approach and timeline

## Audit scope

Our audit approach is designed to provide an audit that complies with all professional requirements.

Our audit of the financial statements will be conducted in accordance with International Standards on Auditing (UK), relevant ethical and professional standards, our own audit approach and in accordance with the terms of our engagement. Our work is focused on those aspects of your business which we consider to have a higher risk of material misstatement, such as those impacted by management judgement and estimation, application of new accounting standards, changes of accounting policy, changes to operations or areas which have been found to contain material errors in the past.

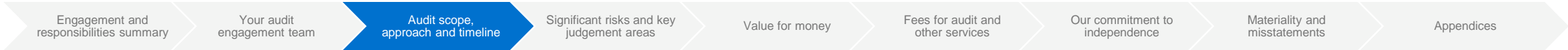
## Audit approach

Our audit approach is a risk based approach primarily driven by the risks we consider to result in a higher risk of material misstatement of the financial statements. Once we have completed our risk assessment, we develop our audit strategy and design audit procedures in response to this assessment.

If we conclude that appropriately designed controls are in place, then we may plan to test and rely upon these controls. If we decide controls are not appropriately designed, or we decide it would be more efficient to do so, we may take a wholly substantive approach to our audit testing. Substantive procedures are audit procedures designed to detect material misstatements at the assertion level and comprise: tests of details (of classes of transactions, account balances, and disclosures); and substantive analytical procedures. Irrespective of the assessed risks of material misstatement, which take into account our evaluation of the operating effectiveness of controls, we are required to design and perform substantive procedures for each material class of transactions, account balance, and disclosure.

Our audit will be planned and performed so as to provide reasonable assurance that the financial statements are free from material misstatement and give a true and fair view. The concept of materiality and how we define a misstatement is explained in more detail in section 8.

The diagram on the next page outlines the procedures we perform at the different stages of the audit.



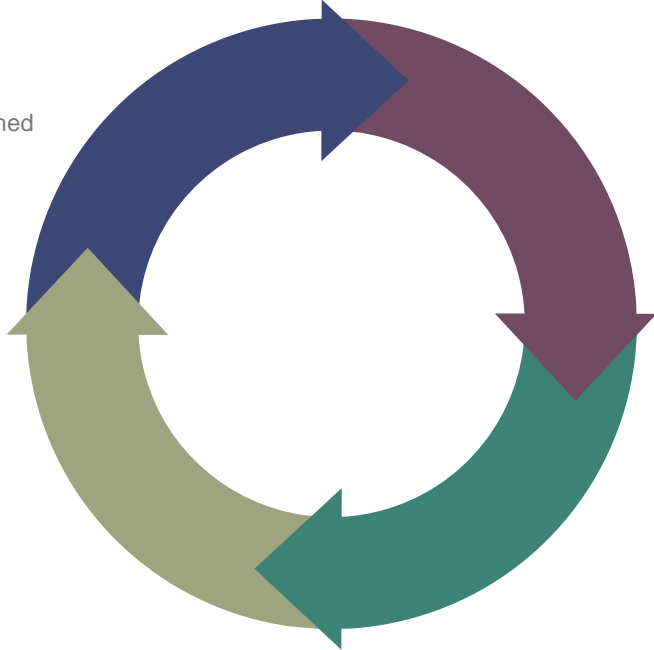
# 3. Audit scope, approach and timeline

## Planning January 2021

- Updating our understanding of the Council
- Initial opinion and value for money risk assessments
- Considering proposed accounting treatments and accounting policies
- Developing the audit strategy and planning the audit work to be performed
- Agreeing timetable and deadlines
- Preliminary analytical review

## Completion August – September 2021

- Final review and disclosure checklist of financial statements
- Final partner review
- Agreeing content of letter of representation
- Reporting to the Audit and Risk Scrutiny Committee
- Reviewing subsequent events
- Signing the auditor’s report

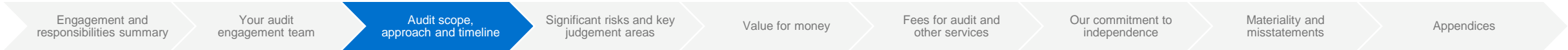


## Interim March 2021

- Documenting systems and controls
- Performing walkthroughs
- Interim controls testing including tests of IT general controls
- Early substantive testing of transactions
- Reassessment of audit plan and revision if necessary

## Fieldwork August 2021

- Receiving and reviewing draft financial statements
- Reassessment of audit plan and revision if necessary
- Executing the strategy starting with significant risks and high risk areas
- Communicating progress and issues
- Clearance meeting



# 3. Audit scope, approach and timeline

## Reliance on internal audit

Where possible we will seek to utilise the work performed by internal audit to modify the nature, extent and timing of our audit procedures. We will liaise with internal audit to discuss the progress and findings of their work prior to the commencement of our controls evaluation procedures.

Where we intend to rely on the work on internal audit, we will evaluate the work performed by your internal audit team and perform our own audit procedures to determine its adequacy for our audit.

## Management’s and our experts

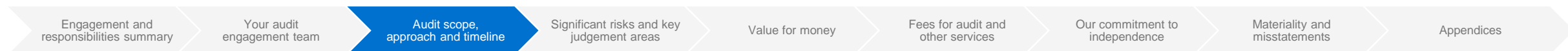
Management makes use of experts in specific areas when preparing the Council’s financial statements. We also use experts to assist us to obtain sufficient appropriate audit evidence on specific items of account.

Item of account	Management’s expert	Our expert
Pensions liability	Barnett Waddingham LLP <i>Actuary for Lincolnshire Pension Fund</i>	PwC LLP <i>Consulting actuary appointed by the NAO</i>
Property, plant and equipment valuation	John Unstead <i>The Council’s internal valuer</i>	Not applicable
Financial instrument disclosures	Link Asset Service <i>Treasury management advisors</i>	Not applicable

## Service organisations

International Auditing Standards (UK) (ISAs) define service organisations as third party organisations that provide services to the Council that are part of its information systems relevant to financial reporting. We are required to obtain an understanding of the services provided by service organisations as well as evaluating the design and implementation of controls over those services. The table below summarises the service organisations used by the Council and our planned audit approach.

Items of account	Service organisation	Audit approach
Pensions liability	Nottinghamshire Pension Fund <i>The IAS 19 pension entries that form part of the Council’s financial statements are material and are derived from actuarial valuations. The process of obtaining these is coordinated by and uses information held and processed by the service organization.</i>	We will review the controls operating at the Council over these transactions to gain an understanding of the services provided by the service organisation.  Where we conclude that we do not have a sufficient understanding of the services provided by the service organisation we will seek to obtain assurance by using another auditor to perform procedures that will provide the necessary information about the relevant controls at the service organisation.



# 04

Section 04:

**Significant risks and other key judgement areas**

# 4. Significant risks and other key judgement areas

Following the risk assessment approach discussed in section 3 of this document, we have identified relevant risks to the audit of financial statements. The risks that we identify are categorised as significant, enhanced or standard. The definitions of the level of risk rating are given below:

## Significant risk

A significant risk is an identified and assessed risk of material misstatement that, in the auditor’s judgment, requires special audit consideration. For any significant risk, the auditor shall obtain an understanding of the entity’s controls, including control activities relevant to that risk.

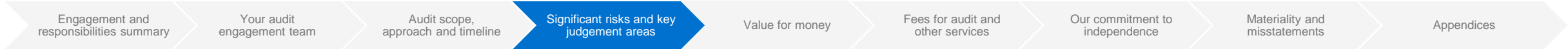
## Enhanced risk

An enhanced risk is an area of higher assessed risk of material misstatement (‘RMM’) at audit assertion level other than a significant risk. Enhanced risks require additional consideration but does not rise to the level of a significant risk, these include but may not be limited to:

- key areas of management judgement, including accounting estimates which are material but are not considered to give rise to a significant risk of material misstatement; and
- other audit assertion risks arising from significant events or transactions that occurred during the period.

## Standard risk

This is related to relatively routine, non-complex transactions that tend to be subject to systematic processing and require little management judgement. Although it is considered that there is a risk of material misstatement (RMM), there are no elevated or special factors related to the nature, the likely magnitude of the potential misstatements or the likelihood of the risk occurring.

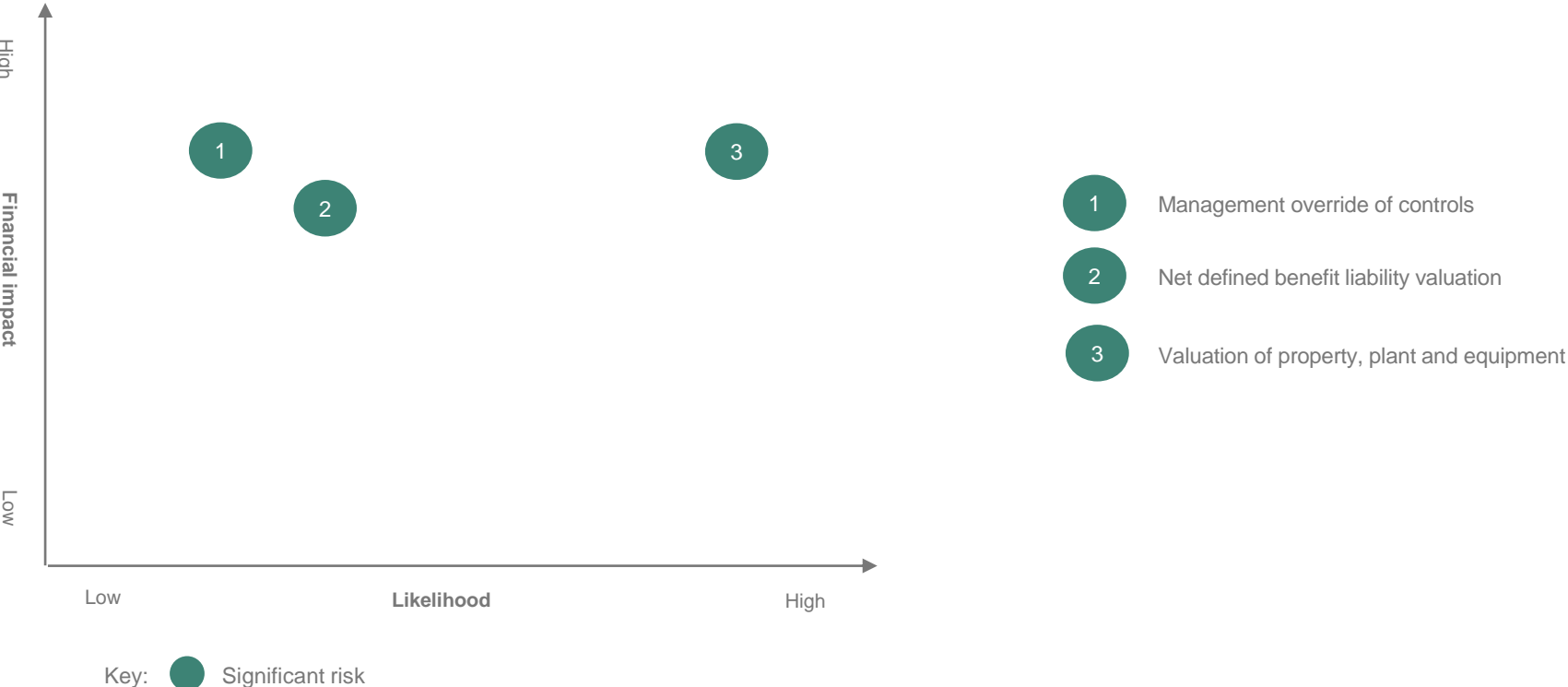


# 4. Significant risks and other key judgement areas

## Summary risk assessment

The summary risk assessment, illustrated in the table below, highlights those risks which we deem to be significant and other enhanced risks in respect of the Council. We have summarised our audit response to these risks on the next page.

At the time of writing this memorandum we are yet to complete our detailed risk assessment over the Council's key financial systems and general IT controls. We aim to complete this work as part of our visit in March and will update the Audit and Risk Scrutiny Committee where we subsequently identify any additional risks.



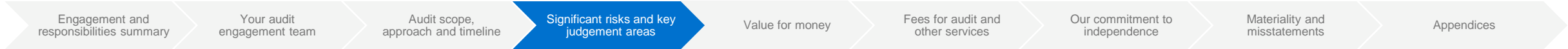
# 4. Significant risks and other key judgement areas

## Specific identified audit risks and planned testing strategy

We have presented below in more detail the reasons for the risk assessment highlighted above, and also our testing approach with respect to significant risks. An audit is a dynamic process, should we change our view of risk or approach to address the identified risks during the course of our audit, we will report this to the Audit and Risk Scrutiny Committee.

## Significant risks

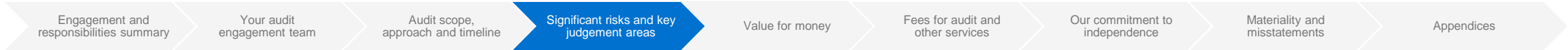
	Description	Fraud	Error	Judgement	Planned response
1	<p><b>Management override of controls</b> This is a mandatory significant risk on all audits due to the unpredictable way in which such override could occur.</p> <p>Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits.</p>	●	○	○	We plan to address the management override of controls risk through performing audit work over accounting estimates, journal entries and significant transactions outside the normal course of business or otherwise unusual.



# 4. Significant risks and other key judgement areas

## Significant risks

	Description	Fraud	Error	Judgement	Planned response
2	<p><b>Net defined benefit liability valuation</b></p> <p>The Council's accounts contain material liabilities relating to the local government pension scheme. The council uses an actuary to provide an annual valuation of these liabilities in line with the requirements of IAS 19 Employee Benefits. Due to the high degree of estimation uncertainty associated with this valuation, we have determined there is a significant risk in this area.</p>	○	●	●	<p>In relation to the valuation of the Council's pension liability we will:</p> <ul style="list-style-type: none"> <li>• Critically assess the competency, objectivity and independence of the Nottinghamshire Pension Fund's Actuary, Barnett Waddingham LLP;</li> <li>• Liaise with the auditors of the Nottinghamshire Pension Fund to gain assurance that the controls in place at the Pension Fund are operating effectively. This will include the processes and controls in place to ensure data provided to the Actuary by the Pension Fund for the purposes of the IAS 19 valuation to complete and accurate;</li> <li>• Review the appropriateness of the Pension Asset and Liability valuation methodologies applied by the Pension Fund Actuary, and the key assumptions included within the valuation. This will include comparing them to expected ranges, utilising information provided by PwC, the consulting actuary engaged by the National Audit Office (NAO); and</li> <li>• Agree the data in the IAS 19 valuation report provided by the Fund Actuary for accounting purposes to the pension accounting entries and disclosures in the Council's financial statements.</li> </ul>

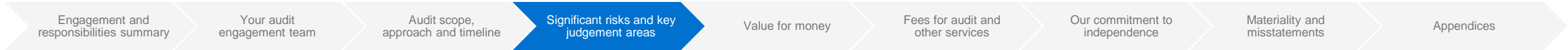




# 4. Significant risks and other key judgement areas

## Significant risks

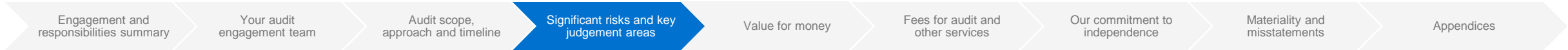
	Description	Fraud	Error	Judgement	Planned response
3	<p><b>Valuation of property, plant and equipment</b>                      The Council's accounts contain material balances and disclosures relating to its holding of property, plant and equipment and assets held for sale, with the majority of land and building assets required to be carried at valuation. Due to high degree of estimation uncertainty associated with those held at valuation, we have determined there is significant risk in this area.</p>	○	●	●	<p>In relation to the valuation of property, plant and equipment and assets held for sale we will:</p> <ul style="list-style-type: none"> <li>• Critically assess the Council's valuers scope of work, qualifications, objectivity and independence to carry out the required programme of revaluations;</li> <li>• Consider whether the overall revaluation methodology used by the Council's valuer is in line with industry practice, the CIPFA Code of Practice and the Council's accounting policies;</li> <li>• Assess whether valuation movement are in line with market expectations by reference to alternative sources of valuation data to provide information on regional valuation trends;</li> <li>• Critically assess the treatment of the upward and downward revaluations in the Council's financial statements with regards to the requirements of the CIPFA Code of Practice; and</li> <li>• Critically assess the approach that the Council adopts to ensure that assets not subject to revaluation in 2020/21 are materially correct, including considering the robustness of that approach in light of the valuation information reported by the Council's valuer.</li> </ul>



# 4. Significant risks and other key judgement areas

## Consideration of other mandatory risks

	Description	Fraud	Error	Judgement	Planned response
1	<p><b>Fraudulent revenue recognition</b></p> <p>Our audit methodology incorporates this risk as a significant risk at all audits, although based on the circumstances of each audit, it is rebuttable.</p>	●	○	○	<p>We do not consider this to be a significant risk for Bassetlaw District Council as:</p> <ul style="list-style-type: none"> <li>• there is an overall low risk for local authorities, and particularly this Council;</li> <li>• there are no particular incentives or opportunities to commit material fraudulent revenue recognition; and</li> <li>• the level of income that does not derive from either grant or taxation sources is low relative to the Council’s overall income streams, and generally represents a number of low value, high volume transactions.</li> </ul> <p>We therefore rebut this risk and do not incorporate specific risk procedures over and above our standard fraud procedures to address the management override of controls risk.</p>



# 05

## Section 05: **Value for Money**

# 6. Value for Money

## The framework for Value for Money work

We are required to form a view as to whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out in order to form our view, and sets out the overall criterion and sub-criteria that we are required to consider.

The new Code of Audit Practice (the Code) has changed the way in which we report our findings in relation to Value for Money (VFM) arrangements from 2020/21. Whilst we are still required to be satisfied that the Council has proper arrangements in place, we will now report by exception in our auditor's report where we have identified significant weakness in those arrangements. This is a significant change to the requirements under the previous Code which required us to give a conclusion on the Council's arrangements as part of our auditor's report.

Under the new Code, the key output of our work on VFM arrangements will be a commentary on those arrangements which will form part of the Auditor's Annual Report.

## Specified reporting criteria

The Code requires us to structure our commentary to report under three specified criteria:

1. **Financial sustainability** – how the Council plans and manages its resources to ensure it can continue to deliver its services
2. **Governance** – how the Council ensures that it makes informed decisions and properly manages its risks
3. **Improving economy, efficiency and effectiveness** – how the Council uses information about its costs and performance to improve the way it manages and delivers its services

## Our approach

Our work falls into three primary phases as outlined opposite. We need to gather sufficient evidence to support our commentary on the Council's arrangements and to identify and report on any significant weaknesses in arrangements. Where significant weaknesses are identified we are required to report these to the Council and make recommendations for improvement. Such recommendations can be made at any point during the audit cycle and we are not expected to wait until issuing our overall commentary to do so.

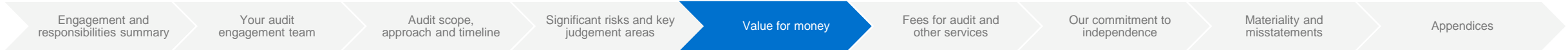


# 5. Value for Money

The NAO’s guidance requires us to carry out work at the planning stage to understand the Council’s arrangements and to identify risks that significant weaknesses in arrangements may exist.

Due to the late release of the NAO’s Auditor Guidance Note and supporting information to auditors, we have not yet fully completed our Value for Money planning and risk assessment work. On completion of our risk assessment, we will report any risks of significant weaknesses in arrangements identified to the Audit and Risk Scrutiny Committee. For the 2020/21 financial year, we have however identified the issue detailed in the table below that relates to our VFM work and particularly the financial sustainability reporting criteria..

	Area of focus	Planned response
1	<p><b>Financial sustainability</b></p> <p>At month 6 the Council was forecasting a £0.745m overspend on its General Fund Revenue budgets. If this materialises the impact would be to decrease the Council’s balances at 31st March 2020 from £3.569m to £2.824m.</p> <p>The Council needs to demonstrate it can manage emerging issues, like those seen in this month 6 budget monitoring report, and can also maintain its declared level of minimum reserves, which are an important measure of sound financial management. Therefore, the Minimum General Fund Working Balance needs to be maintained at £1.0m for the future.</p>	<p>To evaluate the Council's arrangements to secure financial sustainability we will:</p> <ul style="list-style-type: none"> <li>• review the arrangements for managing the funding and expenditure issues faced and delivering savings; and</li> <li>• challenge the underlying assumptions and rationale supporting the Council's 2021/22 financial plan.</li> </ul>



# 06

Section 06:

**Fees for audit and other services**

## 6. Fees for audit and other services

### Fees for work as the Council's appointed auditor

Details of the 2019/20 actual and planned 2020/21 fees are set out below:

Area of work	2020/21 Fees	2019/20 Actual Fee
Scale audit fee	£44,063	£44,063
<i>Fee variations:</i>		
Additional Testing on Property, Plant & Equipment and Defined Benefit Pensions Schemes as a result of changes in regulatory expectations	£7,067 <sup>1</sup>	£7,067
Additional testing as a result of the implementation of new auditing standards: ISA 220 (Revised): Quality control of an audit of financial statements; ISA 540 (Revised): Auditing accounting estimates and related disclosures; ISA570 (Revised) Going Concern; and ISA 600 (Revised): Specific considerations – audit of group financial statements	£2,000 <sup>2</sup>	-
Other additional costs	TBC	£5,032 <sup>3</sup>
<b>Sub-total</b>	<b>£53,130</b>	<b>£56,162</b>
Additional work arising from the change in the Code of Audit Practice	Expected to be at least £10,000 or 20% of the revised fee <sup>4</sup>	-
<b>Total</b>	<b>£63,756 <sup>5</sup></b>	<b>£56,162</b>

<sup>1</sup> As previously reported to you, the scale fee has been adjusted to take into account the additional work required as a result of increased regulatory expectations in these areas.

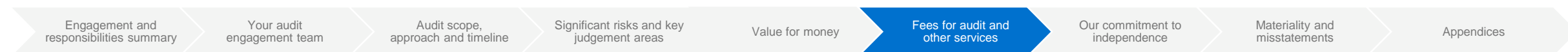
<sup>2</sup> For 2020/21, new auditing standards have been introduced which will lead to additional audit work not reflected in the scale fee. The implementation of IFRS 16 Leases is deferred to the financial year 2021/22.

<sup>3</sup> The additional audit cost in 2019/20 has been disclosed within our Annual Audit Letter and presented at the January 2021 Committee. This mainly relates to additional testing and reporting of uncertainties in key estimates as a result of Covid-19.

<sup>4</sup> As explained in section 5, the revised Code of Audit Practice will lead to a substantial amount of additional audit work to support the new value for money conclusion and the changes in reporting requirements. Our review of the Code and supporting guidance notes shows that the additional fee impact at all public sector entities is expected to be at least £10,000 or 20% of the post fee variation 2020/21 fee. The final fee will take into account the extent and complexity of any significant weaknesses in arrangements we identify.

<sup>5</sup> This is a proposed fee for 2020/21 at the point of the issue of our ASM. This figure is subject to change and additional costs will be discussed with management.

PSAA have issued a consultation on the 2021/22 audit fee scale. We will revisit our fee proposal in line with the outcome of this consultation to ensure we are consistent with sector wide changes.

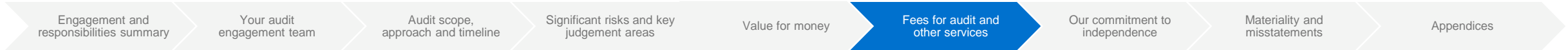


# 6. Fees for audit and other services

## Fees for non-PSAA work

In addition to the fees outlined on the previous page in relation to our appointment by PSAA, we have been separately engaged by the Council to carry out additional work as set out in the table below. Before agreeing to undertake any additional work we consider whether there are any actual, potential or perceived threats to our independence. Further information about our responsibilities in relation to independence is provided in section 7.

Area of work	2020/21 Proposed Fee	2019/20 Actual Fee
Assurance services - Housing Pooling Return	To be confirmed	3,000





# 07

Section 07:

**Our commitment to independence**

# 7. Our commitment to independence

We are committed to independence and are required by the Financial Reporting Council to confirm to you at least annually in writing that we comply with the FRC's Ethical Standard. In addition, we communicate any matters or relationship which we believe may have a bearing on our independence or the objectivity of the audit team.

Based on the information provided by you and our own internal procedures to safeguard our independence as auditors, we confirm that in our professional judgement there are no relationships between us and any of our related or subsidiary entities, and you and your related entities creating any unacceptable threats to our independence within the regulatory or professional requirements governing us as your auditors.

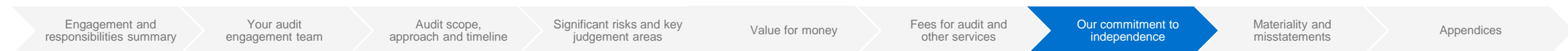
We have policies and procedures in place which are designed to ensure that we carry out our work with integrity, objectivity and independence. These policies include:

- All partners and staff are required to complete an annual independence declaration;
- All new partners and staff are required to complete an independence confirmation and also complete computer based ethical training;
- Rotation policies covering audit engagement partners and other key members of the audit team; and
- Use by managers and partners of our client and engagement acceptance system which requires all non-audit services to be approved in advance by the audit engagement partner.

We confirm, as at the date of this document, that the engagement team and others in the firm as appropriate, Mazars LLP are independent and comply with relevant ethical requirements. However, if at any time you have concerns or questions about our integrity, objectivity or independence please discuss these with David Hoose in the first instance.

Prior to the provision of any non-audit services David Hoose will undertake appropriate procedures to consider and fully assess the impact that providing the service may have on our auditor independence. Principal threats to our independence and identified associated safeguards are set out in the table opposite.

Service	Consideration
<b>Assurance services:</b>  Housing Pooling Return	We have considered threats and safeguards as follows: <ul style="list-style-type: none"> <li>• Self Review: The work does not involve the preparation of information that has a material impact upon the financial statements subject to audit by Mazars;</li> <li>• Self Interest: The total fee level is not deemed to be material to the Council or Mazars. The work undertaken is not paid on a contingency basis;</li> <li>• Management: The work does not involve Mazars making any decisions on behalf of management;</li> <li>• Advocacy: The work does not involve Mazars advocating the Council to third parties;</li> <li>• Familiarity: Work is not deemed to give rise to a familiarity threat given this piece of assurance work used to fall under the Audit Commission / PSAA certification regimes and was the responsibility of the Council's appointed auditor; and</li> <li>• Intimidation: The nature of the work does not give rise to any intimidation threat from management to Mazars.</li> </ul>



# 08

Section 08:

**Materiality and other misstatements**

# 8. Materiality and misstatements

## Summary of initial materiality thresholds

Threshold	Initial threshold £'000s
Overall materiality	2,133
Performance materiality	1,600
Trivial threshold for errors to be reported to the Audit and Risk Scrutiny Committee	64
Specific Materiality (Officer remuneration banding)	5
Specific Materiality (Members' allowance and expenses)	49
Specific Materiality (External audit costs)	7
Specific Materiality (Termination payments)	21

## Materiality

Materiality is an expression of the relative significance or importance of a particular matter in the context of financial statements as a whole.

Misstatements in financial statements are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgements on materiality are made in light of surrounding circumstances and are affected by the size and nature of a misstatement, or a combination of both. Judgements about materiality are based on consideration of the common financial information needs of users as a group and not on specific individual users.

The assessment of what is material is a matter of professional judgement and is affected by our perception of the financial information needs of the users of the financial statements. In making our assessment we assume that users:

- Have a reasonable knowledge of business, economic activities and accounts;
- Have a willingness to study the information in the financial statements with reasonable diligence;
- Understand that financial statements are prepared, presented and audited to levels of materiality;
- Recognise the uncertainties inherent in the measurement of amounts based on the use of estimates, judgement and the consideration of future events; and
- Will make reasonable economic decisions on the basis of the information in the financial statements.

We consider materiality whilst planning and performing our audit based on quantitative and qualitative factors.

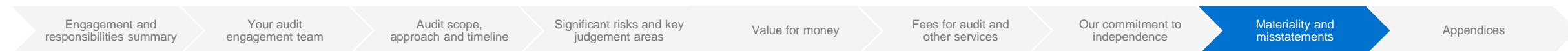
Whilst planning, we make judgements about the size of misstatements which we consider to be material and which provides a basis for determining the nature, timing and extent of risk assessment procedures, identifying and assessing the risk of material misstatement and determining the nature, timing and extent of further audit procedures.

The materiality determined at the planning stage does not necessarily establish an amount below which uncorrected misstatements, either individually or in aggregate, will be considered as immaterial.

We revise materiality for the financial statements as our audit progresses should we become aware of information that would have caused us to determine a different amount had we been aware of that information at the planning stage.

Our provisional materiality is set based on a benchmark of total gross expenditure. We will identify a figure for materiality but identify separate levels for procedures design to detect individual errors, and also a level above which all identified errors will be reported to the Audit and Risk Scrutiny Committee.

We consider that the total gross expenditure remains the key focus of users of the financial statements and, as such, we base our materiality levels around this benchmark.



# 8. Materiality and misstatements

## Materiality (continued)

We expect to set a materiality threshold at 2% of total gross expenditure. Based on 2019/20 audited financial statements we anticipate the overall materiality for the year ending 31 March 2021 to be in the region of £2.133m ( £2.133m in the prior year).

After setting initial materiality, we continue to monitor materiality throughout the audit to ensure that it is set at an appropriate level.

## Performance Materiality

Performance materiality is the amount or amounts set by the auditor at less than materiality for the financial statements as a whole to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. In setting performance materiality, we have taken into account that this is our third year of audit, we have cumulative knowledge about the Council's financial statements, and that we identified a number of non-complex errors in the prior years. We have therefore set our performance materiality at 75% (consistent with last year) of our overall materiality being £1.600m.

As with overall materiality, we will remain aware of the need to change this performance materiality level through the audit to ensure it remains to be set at an appropriate level.

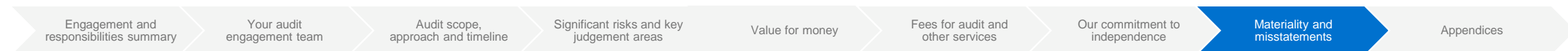
## Misstatements

We accumulate misstatements identified during the audit that are other than clearly trivial. We set a level of triviality for individual errors identified (a reporting threshold) for reporting to the Audit and Risk Scrutiny Committee that is consistent with the level of triviality that we consider would not need to be accumulated because we expect that the accumulation of such amounts would not have a material effect on the financial statements. Based on our preliminary assessment of overall materiality, our proposed triviality threshold is £64,000 based on 3% of overall materiality. If you have any queries about this please do not hesitate to raise these with David Hoose.

## Reporting to the Audit and Risk Scrutiny Committee

The following three types of audit differences will be presented to the Audit and Risk Scrutiny Committee:

- summary of adjusted audit differences;
- summary of unadjusted audit differences; and
- summary of disclosure differences (adjusted and unadjusted).





## Appendix: Key communication points

# Appendix: Key communication points

We value communication with Those Charged With Governance as a two way feedback process at the heart of our client service commitment. ISA 260 (UK) 'Communication with Those Charged with Governance' and ISA 265 (UK) 'Communicating Deficiencies In Internal Control To Those Charged With Governance And Management' specifically require us to communicate a number of points with you.

Relevant points that need to be communicated with you at each stage of the audit are outlined below.

## Form, timing and content of our communications

We will present the following reports:

- Our Audit Strategy Memorandum;
- Our Audit Completion Report; and
- Auditor's Annual Report

These documents will be discussed with management prior to being presented to yourselves and their comments will be incorporated as appropriate.

## Key communication points at the planning stage as included in this Audit Strategy Memorandum

- Our responsibilities in relation to the audit of the financial statements;
- The planned scope and timing of the audit;
- Significant audit risks and areas of management judgement;

- Our commitment to independence;
- Responsibilities for preventing and detecting errors;
- Materiality and misstatements; and
- Fees for audit and other services.

## Key communication points at the completion stage to be included in our Audit Completion Report

- Significant deficiencies in internal control;
- Significant findings from the audit;
- Significant matters discussed with management;
- Our conclusions on the significant audit risks and areas of management judgement;
- Summary of misstatements;
- Management representation letter;
- Our proposed draft audit report; and
- Independence.

Engagement and responsibilities summary

Your audit engagement team

Audit scope, approach and timeline

Significant risks and key judgement areas

Value for money

Fees for audit and other services

Our commitment to independence

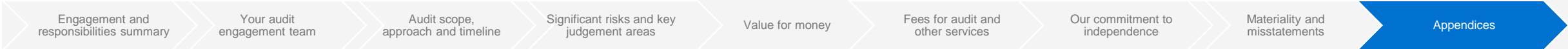
Materiality and misstatements

Appendices

# Appendix: Key communication points

ISA (UK) 260 'Communication with Those Charged with Governance', ISA (UK) 265 'Communicating Deficiencies In Internal Control To Those Charged With Governance And Management' and other ISAs (UK) specifically require us to communicate the following:

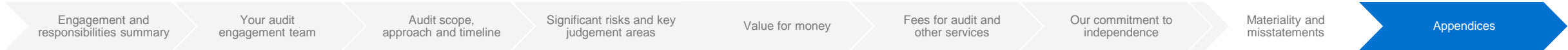
Required communication	Where addressed
Our responsibilities in relation to the financial statement audit and those of management and those charged with governance.	Audit Strategy Memorandum
The planned scope and timing of the audit including any limitations, specifically including with respect to significant risks.	Audit Strategy Memorandum
With respect to misstatements: <ul style="list-style-type: none"> <li>• Uncorrected misstatements and their effect on our audit opinion;</li> <li>• The effect of uncorrected misstatements related to prior periods;</li> <li>• A request that any uncorrected misstatement is corrected; and</li> <li>• In writing, corrected misstatements that are significant.</li> </ul>	Audit Completion Report
With respect to fraud communications: <ul style="list-style-type: none"> <li>• Enquiries of the Audit and Risk Scrutiny Committee to determine whether they have a knowledge of any actual, suspected or alleged fraud affecting the entity;</li> <li>• Any fraud that we have identified or information we have obtained that indicates that fraud may exist; and</li> <li>• A discussion of any other matters related to fraud.</li> </ul>	Audit Completion Report and discussion at the Audit and Risk Scrutiny Committee, Audit Planning and Clearance meetings





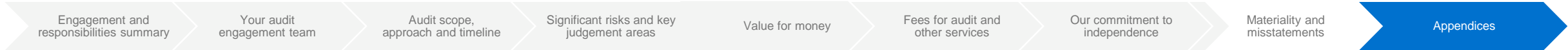
# Appendix: Key communication points

Required communication	Where addressed
<p>Significant matters arising during the audit in connection with the entity’s related parties including, when applicable:</p> <ul style="list-style-type: none"> <li>• Non-disclosure by management;</li> <li>• Inappropriate authorisation and approval of transactions;</li> <li>• Disagreement over disclosures;</li> <li>• Non-compliance with laws and regulations; and</li> <li>• Difficulty in identifying the party that ultimately controls the entity.</li> </ul>	<p>Audit Completion Report</p>
<p>Significant findings from the audit including:</p> <ul style="list-style-type: none"> <li>• Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures;</li> <li>• Significant difficulties, if any, encountered during the audit;</li> <li>• Significant matters, if any, arising from the audit that were discussed with management or were the subject of correspondence with management;</li> <li>• Written representations that we are seeking;</li> <li>• Expected modifications to the audit report; and</li> <li>• Other matters, if any, significant to the oversight of the financial reporting process or otherwise identified in the course of the audit that we believe will be relevant to the Audit and Risk Scrutiny Committee in the context of fulfilling their responsibilities.</li> </ul>	<p>Audit Completion Report</p>
<p>Significant deficiencies in internal controls identified during the audit.</p>	<p>Audit Completion Report</p>
<p>Where relevant, any issues identified with respect to authority to obtain external confirmations or inability to obtain relevant and reliable audit evidence from other procedures.</p>	<p>Audit Completion Report</p>



# Appendix: Key communication points

Required communication	Where addressed
Audit findings regarding non-compliance with laws and regulations where the non-compliance is material and believed to be intentional (subject to compliance with legislation on tipping off) and enquiry of Audit and Risk Scrutiny Committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that Audit and Risk Scrutiny Committee may be aware of.	Audit Completion Report and Audit and Risk Scrutiny Committee meetings
With respect to going concern, events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including: <ul style="list-style-type: none"> <li>• Whether the events or conditions constitute a material uncertainty;</li> <li>• Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements; and</li> <li>• The adequacy of related disclosures in the financial statements.</li> </ul>	Audit Completion Report
Reporting on the valuation methods applied to the various items in the annual financial statements including any impact of changes of such methods	Audit Completion Report
Indication of whether all requested explanations and documents were provided by the entity	Audit Completion Report



David Hoose  
0115 964 4744

## **Mazars**

Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW

Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services\*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

\*where permitted under applicable country laws.



**R E F E R R A L**

from  
**CABINET**  
**HELD ON 11<sup>TH</sup> FEBRUARY 2021**

to  
**COUNCIL**  
**ON 4<sup>TH</sup> MARCH 2021**

**Public Interest Test**

The author of this referral, Linda Dore, Democratic and Electoral Services Officer, has determined that it is considered to be of a non-confidential nature.

**MINUTE NO. 237 (A) - PROPERTY ASSET MANAGEMENT PLAN 2021/22 (KEY DECISION NO. 852)**

**RESOLVED** that the Property Asset Management Plan 2020/21 update is recommended to Council on 4<sup>th</sup> March 2021 for approval.

*Referred Reports will be submitted in their original form unless the Responsible Officer indicates otherwise.*

Copies to:           Chief Executive  
                          Interim Director of Corporate Resources  
                          Committee Administrator



**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**11<sup>th</sup> FEBRUARY 2021**

**REPORT OF THE INTERIM DIRECTOR OF CORPORATE RESOURCES**

**PROPERTY ASSET MANAGEMENT PLAN 2021/22**

Cabinet Member: Finance  
Contact: Dave Hill

**1. Public Interest Test**

1.1 The author of this report, David Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

2.1 For Members to approve the 2021/22 annual update to the Property Asset Management Plan.

**3. Background and Discussion**

3.1 In order to ensure that the Council is managing its assets more effectively, an up to date Asset Management Plan is essential.

3.2 This Asset Management Plan sets out how the Council's Property Portfolio will contribute to the Council's main aims/key priorities identified in the Council Plan.

3.3 The appendix provides an update to the Property Asset Management Plan with regard to :

- Co-location of services;
- Maintaining assets (including condition surveys);
- Investment portfolio review;
- Property disposals.

3.4 A comprehensive review of the Council's Property and Assets is underway and will shortly be complete. The initial findings of the review have been published but more work is needed before a complete 5-year plan is developed. The 2021/22 Property and Asset Management Plan is, therefore, a refresh of the current plan whilst the review is completed.

#### **4. Implications**

a) For Service Users

By adopting the Property Asset Management Plan the service delivery to customers of the authority will be enhanced.

b) Strategic and Policy

The 2021/22 plan extends the current plan into a sixth year whilst the new plan is developed.

c) Financial 21/280

There are no direct financial implications arising from this report. However, over the next financial year, there may be acquisitions or disposals of assets. Further reports will be presented to Cabinet with the full financial implications outlined.

d) Legal 198/02/2021

The legal implications are as contained within the report.

e) Human Resources

None contained in this report.

f) Community Safety, Equalities, Environmental

Any implications are outlined in the Asset Management Plan. The Council's non-operational assets are occupied by a variety of organisations on a contractual basis. The Council seeks to eliminate access discrimination in accordance with the Equality Act 2010

g) GDPR

None contained in this report

h) This is key decision number 852.

#### **5. Options, Risks and Reasons for Recommendations**

- 5.1 The Property Asset Management Plan is a key document that sets out how assets are effectively managed to support the efficient delivery of its priorities.

#### **6. Recommendations**

- 6.1 That the Cabinet recommends approval of the Property Asset Management Plan 2021/22 update to the Extraordinary Council on 4<sup>th</sup> March 2020.



**Background Papers**

Property Asset Management Plan  
2015/16 to 2019/20

**Location**

QB Estates Unit - Floor 2



**BASSETLAW  
DISTRICT COUNCIL**

**PROPERTY ASSET MANAGEMENT  
PLAN**

**2021/22 UPDATE**



# **PROPERTY ASSET MANAGEMENT PLAN - 2021/22 UPDATE**

## **1. FORWARD**

The purpose of the plan is to ensure that the Council's property holdings are aligned to meet strategic priorities and service needs to ensure that the right property is available in the right place, and at the right time.

The goal is to get the most from our assets as they support the provision of Council services and the delivery of our priorities. The Council will be judged on the quality of the services it delivers not the quality of its buildings, but those land and property assets do support the on-going provision of the services provided to businesses and residents in the District. Property remains the second highest cost incurred by most public authorities after expenditure on staff, and its effective and efficient management is key to being able to deliver value for money and quality services.

The Property Asset Management Plan for 2015/16 to 2019/20 detailed an effective strategy and robust operational plan for the management of Bassetlaw District Council's significant land and building assets over a 5 year period. This Plan has been extended on an annual basis into 2021/22 to allow for a fully comprehensive Plan to be developed.

Bassetlaw District Council operates a substantial property portfolio comprising of approximately 378 Operational Properties with a total combined asset value of just over £60.6 million.

## **2. Bassetlaw District Council Plan 2019-23**

The Council identified the following key themes in the Council Plan 2019 - 2023:

- *Investing in Place*
- *Investing in Housing*
- *Investing in Communities*

The Council's land and property assets provide a key to the delivery of its services to residents of the District and delivery of these Corporate Priorities. The Asset Management Plan provides a summary of how the Council uses its land and property assets to contribute towards ambitions, whilst at the same time:-

- Supports improvements to service delivery;
- Continues to provide a significant income through property rents and capital receipts;
- Identifies and drives out efficiencies, such as co-location of services.

The Asset Management Plan is also prepared alongside the Capital Investment Strategy in order to ensure that our plans are financially sustainable.

The focus of the Strategy is towards optimising the use of the Council's land and buildings in terms of service benefit, affordability and best value for money.

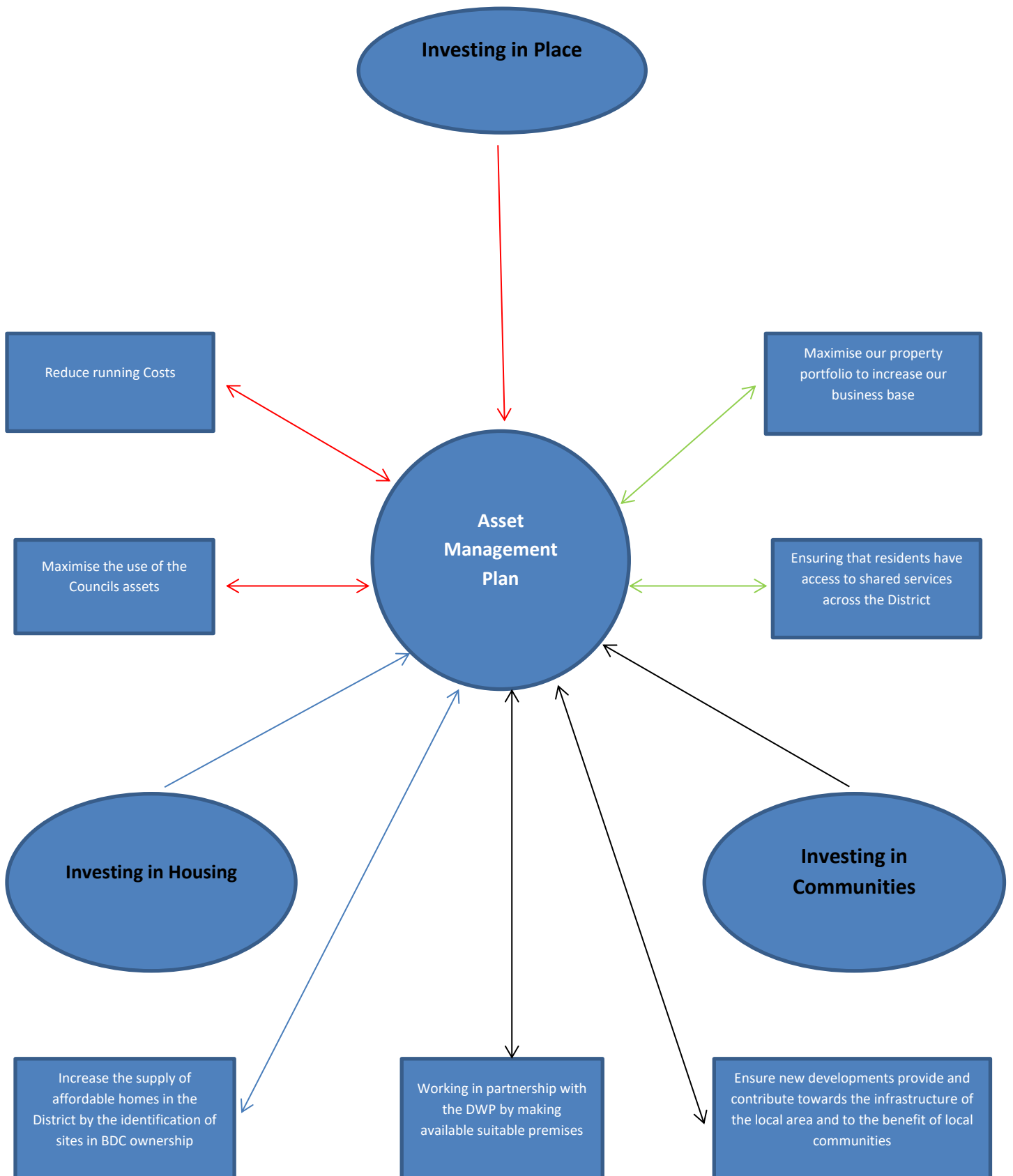
The intention is to create an improved and well planned property portfolio, that is fit for purpose and able to meet changing requirements whilst at the same time is also one that costs less to run, and able to release funds to invest in improved delivery of front line services for the benefit of the community.

Specifically, the objectives are:

- To have sufficient, fit for purpose, well-maintained and managed property in the right locations to meet the need of services, including community facilities in district and local centres.
- To identify opportunities for "Total Place Initiatives" in order to reduce the number of administrative office buildings in the outlying district and to identify co-location opportunities to share with public sector partners where this benefits the parties in supporting improved service delivery or efficiency.
- To make investment in property that is prioritised corporately according to strategic need and to enhance the Council's commitment to the environment.
- To continue to support and promote regeneration and economic development and employment opportunities within the district.
- To support transformation of service delivery and community infrastructure using strategic property solutions.
- To have an estate that is fit for purpose for the delivery of all Council Services.
- To only retain investment property that generates strong income streams to help fund asset maintenance and support service delivery.
- To identify development opportunities that will encourage business into the district and with this create employment opportunities.
- To use Council land holdings to support affordable housing.

## 2.1 Asset Management

### Linkages with the Council Plan



### **3. CO-LOCATION OF SERVICES**

Since the last update of the plan the co-location of services is substantially complete.

The move of the County Council Registrars Service into 17b The Square Retford is complete. Work is currently being undertaken towards moving the existing leisure services staff to vacant offices at Hundred Acre Lane depot. Notts Police have indicated they would require further space in 17b The Square and would like to take the vacated space. This will see 17b fully occupied along with Queens Buildings.

There is a project being undertaken to review the available space at Hundred Acre Lane Depot, although given the nature of the depot this work may amount to formalising office space arrangements for external contractors undertaking work for the council's Housing Department and moving some existing staff as referred to above.

### **4. MAINTAINING ASSETS**

An essential part of Asset Management is for an effective Planned Maintenance Policy and a thorough understanding of the condition of the property portfolio in order that strategic decisions can be made with full information.

Condition surveys need to be undertaken of individual properties at 5 yearly intervals. The last report is now out of date and a new stock condition report is required. Physical condition surveys are required on around 66 properties and sites. That survey will divided the buildings or sites up into a number of elements, which is then allocated a condition category from A to D. Each element also has a "repair budget required" allocated to it as well as an identified life expectancy until that element requires repair or replacement

Where only a repair is identified for an element the budgeted sum reflects an upgrade to condition B (which is defined as "*satisfactory - performing as intended but exhibiting minor deterioration*"). There may be circumstances where a different standard is appropriate for example a short life building used for a temporary purpose. In all cases, however the asset must comply with statutory requirements such as health and safety, disabled access, food hygiene.

A new condition survey of all properties (excluding housing assets managed) has been completed and the extent of the backlog maintenance costs identified from this work are currently being considered. From this work a new five-year planned maintenance programme is identified for each property taking into account repairs and maintenance, fire risk recommendations, access improvements and essential health and safety work. The surveys will be carried out for properties where the Council has a direct repairing obligation.

The aim of the programme is to ensure that the Council's assets remain fit for purpose and to shift the focus of maintenance closer to the RICS best practice ratio of 60% (planned) – 40% (responsive) where sufficient funds exist. Overall, this approach should reduce the cost of maintenance over the life of the programme.

The five-year planned maintenance programme is monitored annually to assess the true maintenance backlog for Council properties. The identified backlog for each property will be the difference in work carried out in year against the identified programme.



When possible, the opportunity to dispose of vacant and underused properties will continue to be considered with a view to further reduce backlog maintenance and generate capital receipts. The most recent of these being the sale of the Ebenezer Terrace garage site off Potter Street.

## **5. INVESTMENT PORTFOLIO REVIEW**

The current portfolio continues to be reviewed. There are concerns that with changes in legislation (Minimum Energy performance requirements also known as MEES) will result in units falling vacant within old industrial estates such Carlton Phoenix and Leverton Road becoming unlettable. Prior to being able to legally let a unit, an energy certificate is required. Where the energy efficiency is determined classification D or below, it cannot be legally re let unless the landlord carries out identified energy improvements. Where the cost of upgrading units in order to comply become prohibitive this may ultimately support a business case for demolition and replacement with new units. This is referred to in more detail in section 5.1 below

The Leverton Road Industrial Estate Retford remains under review with the intention of preparing a business case for its demolition and replacement with new units.

The 4 newly built units at Harrison Drive will shortly be handed over to the council from the builders. There has been advance advertising of the units resulting a very significant number of enquiries from businesses who currently do not have premises from the Council. Due to demand it is unlikely that there will be much need to offer rent free periods to new tenants.

### **5.1 Key Strengths**

- The portfolio voids remain at around a 2% vacancy rate. Those voids being in the main properties that are unlettable due to their condition and have been identified for replacement.

### **5.2 Areas for Improvement**

- Due to staff changes there are a wide variety of lease and tenancy agreements that have been adopted and a standard approach is required.
- The stock has remained static over the last five years and there is significant potential through ring fencing to adopt a disposal/re-investment strategy to increase income and provide new assets.
- In view of the implication of the MEES regulations, consideration will need to be given to producing an energy efficiency plan to identify energy efficiency improvements that can be costed against individual properties and industrial estates.
- Ongoing Programmed Property Maintenance (PPM) is required in order to ensure that investment assets are fit for purpose.
- The new Property Management software needs to be fully populated with data, potentially using the iDox system used elsewhere in the Council, however external consultants are currently reviewing Property and FM processes and will report on management systems the council may like to consider.

- More effective management of tenant rent arrears through early contact and use of bailiff action where necessary.

### 5.3 Threats

- Market volatility/demand for properties held in portfolio due to business uncertainty
- Property condition and changes in legislation that will impact on the ability to let poorer quality properties. The RICS website reports the following:

*“As from the 1<sup>st</sup> April 2018 there will be a requirement for any properties rented out in the private rented sector to normally have a minimum energy performance rating of E and in some cases D on an Energy EPC. The regulations which come into force for new lets and renewals of tenancies with effect from 1<sup>st</sup> April 2018 and for all existing tenancies on 1<sup>st</sup> April 2020. It is now unlawful to rent a property which breaches the requirement for a minimum E rating, unless there is an applicable exemption. A civil penalty of up to £4,000 will be imposed for breaches. There are separate regulations effective from 1<sup>st</sup> April 2016 under which a tenant can apply for consent to carry out energy efficiency improvements in privately rented properties.”*

*From 2023 MEES will also apply existing tenancies rather than just new lets and renewals.*

- Tenant default (failure to pay rent and comply with repair covenants).
- Property voids - Covid 19. Despite concerns over the impact on the Council investment portfolio in terms of property voids, this has not proved to be the case, probably due to the make up of the income producing estate being predominantly industrial units and lettings to public sector organisations.

### 5.4 Key Objectives

- Property management to maximise investment return in line with market conditions.
- Debt management through liaison with tenants and if necessary, bailiff action to recover arrears
- Minimise letting voids through pro-active property management
- Performance is challenged continuously and poorly performing properties are identified through benchmarking/performance measures. Assessments are to be made in respect of further investment or disposal
- Undertake maintenance on a planned basis to maintain asset life, repairs to take into account whole life costing
- To seek to acquire new properties where possible which can generate a financial return for the Council greater than that obtained for alternative non-property investments held by the Council in order to enhance the income streams outlined above.

- The disposal of underperforming assets as identified in the employment land review in order to reduce the Council's costs in terms of management and day to day maintenance and to provide a source of income to reinvest in replacement income producing assets.

## **6. PROPERTY DISPOSALS**

### **6.1 Key Objectives**

- To generate capital receipts that can be reinvested in services or other assets that meet the needs of the organisation.
- To focus on the sale of non-income generating assets to minimise income loss as far as possible in the early stages of the programme and then through a robust property review exercise.
- As the supply of surplus property and development land comes to an end, future disposals will be prioritised based on investment performance as identified in the performance management framework.
- Investment and disposal decisions are based on thorough option appraisal and whole life costs.
- Achieve efficiency savings through disposal of surplus operational property.
- Strategic Service Priorities.
- Regeneration.
- Identification of joint service delivery and partnership working.
- Co-location.
- Property rationalisation.
- Sustainability

### **6.2 Disposal Work plan**

A work plan has been developed which details priority actions under this Strategy. The disposal of surplus property assets provides funding that will help deliver priorities. Increasingly the identification, marketing and subsequent disposal of surplus, under-utilised or under-performing property has become a priority for the Council. However, the timing of these disposals must have regard to the prevailing market conditions in order to ensure that the maximum benefit to the Council is achieved. The work plan for 2021/22 includes the following:

- Sale of electricity sub-station sites across the district;
- Land off Kingston Road, Worksop (in conjunction with the County Council);
- The sale of 10/14 Newgate Street, Worksop
- A significant number of garage site sales subject to the outcome of a cabinet report

During 2020/21, the Estates section placed only 1 property for sale by auction that sale generated a capital receipt of £167,000.

The disposals work plan outlines the processes to be followed in terms of initial consultations to confirm that surplus premises are not required elsewhere within the authority, through to marketing and final disposal of the property interest. The Capital Programme remains dependent upon the generation of capital receipts from the sale of assets.

There will be ongoing opportunities to dispose of land and buildings to Bersahill Ltd; the Council Joint Venture Company (JVC) with Robert Woodhead Ltd. Agreed sales to the JVC will be subject to a full business case and cabinet report based on the market value of the land and with the intention of creating quality housing developments.

It is important to understand that this is a finite resource and the capital receipts generated from future disposals which are not linked to future initiatives and can be used as an unfettered receipt is relatively low in both number and value.

The impact of the current economic climate and the remaining significant uncertainty regarding the timescale for economic recovery renders the development of a disposals work plan for a 5-year period that can be relied upon as somewhat problematic. Nevertheless, opportunities to dispose of surplus assets will still be pursued, in particular where these represent an ongoing liability to the Council regardless of the current market conditions.

The property market remains uncertain, there was some uplift in the residential market following the lifting of the first lock down. With the roll out of the Covid 19 vaccine it is anticipated that this will give more confidence to the economy and wider property market. Although, larger businesses that were predominantly office based may continue to review their space requirement and chose to “downsize”.

**R E F E R R A L**

from  
**CABINET**  
**HELD ON 11<sup>TH</sup> FEBRUARY 2021**

to  
**COUNCIL**  
**ON 4<sup>TH</sup> MARCH 2021**

**Public Interest Test**

The author of this referral, Linda Dore, Democratic and Electoral Services Officer, has determined that it is considered to be of a non-confidential nature.

**MINUTE NO. 237 (B) - COUNCIL TAX REDUCTION SCHEME 2021/22 (KEY DECISION NO. 853)**

**RESOLVED** that:

1. The Council Tax Reduction Scheme 2021/22, as set out in the report (income banded scheme) (Income-banded scheme), be approved subject to any further prescribed legislation changes and annual up-ratings notified by the Government prior to 1<sup>st</sup> April 2021.
2. The report be referred to the next appropriate Council meeting for consideration and adoption

*Referred Reports will be submitted in their original form unless the Responsible Officer indicates otherwise.*

Copies to: Chief Executive  
Interim Director of Corporate Resources  
Committee Administrator



**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**11<sup>th</sup> February 2021**

**REPORT OF THE INTERIM DIRECTOR OF CORPORATE RESOURCES**

**Council Tax Reduction Scheme 2021/22**

Cabinet Member: Finance  
Contact: David Hill

**1. Public Interest Test**

1.1 The author of this report, David Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

2.1 To set the Council's scheme for Council Tax Reduction (CTR) for 2021/22. This must be in place, following Council approval by 11<sup>th</sup> March 2021, to come into effect from 1<sup>st</sup> April 2021.

**3. Background and Discussion**

3.1 Amendments to section 10 of the Local Government Finance Act 2012, includes the requirement for each billing authority to set a local scheme, by the 11<sup>th</sup> March each year, for Council Tax Reduction, by way of discounts for residents in "financial need".

**3.2 The current Council Tax Scheme (2020/21)**

3.2.1 Council Tax Reduction for people of Pension age is contained within the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations, as amended. This scheme cannot be amended, except for annual uprating of pensions and allowances set by the DHCLG.

3.2.2 From 1<sup>st</sup> April 2020, the Council resolved that there will be one class of persons who will receive a reduction in line with the adopted income-banded scheme for working age residents. The scheme has a qualifying criteria. In all cases individuals must not be of a prescribed class exempted from reduction within this scheme.

To obtain reduction the individual (or partner) must:

- a. have not attained the qualifying age for state pension credit (be working age).
- b. be liable to pay council tax in respect of a dwelling in which he is solely or Mainly resident.
- c. be liable to pay council tax in respect of a dwelling in which he is solely or Mainly resident.
- d. is not deemed to be absent from the dwelling.
- e. not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 and excluded from the Authority's scheme;

- f. be somebody in respect of whom a maximum Council Tax Reduction amount can be calculated;
- g. not have capital savings above £16,000;
- h. not have income above the levels specified within the scheme;
- i. be a person in respect of whom a day in which s/he is liable to pay council tax falls within a week in respect of which the person's income is within a range of incomes specified within; and
- j. has made a valid application for reduction.

	CTR Scheme 2020/21
Class A	Pensioner-age whose income is less than the applicable amount
Class B	Pensioner-age whose income is greater than the applicable amount
Class C	Pensioner-age - alternative maximum council tax reduction (second adult rebate)
Class D	Working-age who meets the qualifying criteria in paragraph 3.2.2 above.
Class G	Working-age who are protected under this scheme (vulnerable class). The current definition of a person within Class G is where the claimant or partner qualifies for the Severe Disability Premium (SDP) in the calculation of Housing Benefit or other Department for Work and Pensions (DWP) benefits (or transitional protection of the SDP following a claim for Universal Credit).

### 3.2.5 This current scheme has the following additional characteristics:

- An income threshold of £16,600 pa is applied. Households with income above this limit are not entitled to any support. This is the level associated with the cut off limit under the current legacy benefits and is subject to annual uprating.
- The Bassetlaw Scheme also includes a full disregard of War Disablement Benefit, War Widows/Widowers Pension and Armed Forces Independent Payment, agreed under the Council's Housing Benefits and Council Tax Reduction (disregard of income) Local Scheme Policy.
- The liability used in the assessment is limited to that of a band C property if the property were in a higher band.
- Non-dependant charges are based on flat rates of £4 for those not in work or on a passported DWP benefit and £10 for earners per week.
- A backdate provision is included for a period of up to one month where the claimant shows good cause for failing to claim at the appropriate time.
- Income changes would not affect awards unless the change moved them into a different band.



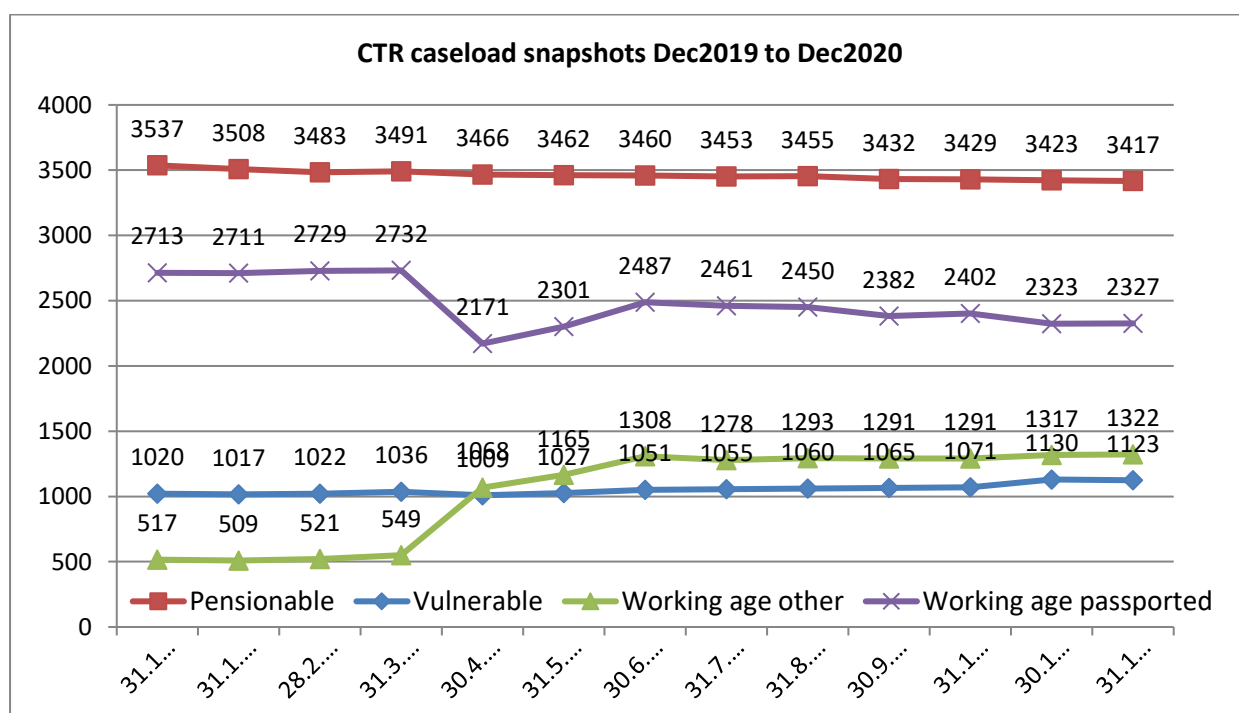
### 3.2 The discount rates and cost of the current scheme estimated for 2020/21

3.3.1 The estimated cost of the current CTR scheme is approximately £7.87m. Assuming a maximum Council Tax increase of 4.99%, this would increase the cost of the current scheme to approximately £8.26m. Bassetlaw's contribution to this (10.38%) would be £0.82m in 2020/21 and £0.86m in 2021/22; an increase of £0.04m).

#### 3.3.2

Band	Claim category for scheme	Discount	Estimated no. in each band	Estimated expenditure 2020/21
Pensioner scheme	Households where one or both have reached Pension age	Means-tested based on 100%	3419	£3.61m
1	Households eligible for a severe disability premium (or SDP transitional protection in UC)	95%	1108	£1.16m
2	Households in receipt of passported benefits or with income less than £80.75 per week	88%	2348	£2.40m
3	Weekly income £80.76 to £181.00	65%	1326	£0.7m
4	Weekly income £181.01 to £240.00	45%		
5	Weekly income £240.01 to £328.00	25%		
	<b>Total at 31.12.20</b>		<b>8201</b>	<b>£7.87m</b>

3.3 The graph below illustrates how the caseload has fluctuated during 2020/21, and rose by approx. 500 cases between March and June ((6.4%) due to the impact of Covid on people's income and circumstances. These were, in the main in the lower bands of support due to new Universal Credit claims or furloughed workers. However the Government grant of £150 per household has mitigated some of the risk to collection and the caseload is gradually starting to level off. In April 2020 7808 and at the end of December it was 8201. At its highest point during the first lockdown it reached 8265.



- 3.5 The new banded scheme which started in April 2020 has been much easier to administer as not all changes in circumstances affect the level of CTR that the household is entitled to. This also reduces the number of repeat bills during the year and confusion about what to pay, due to the CTR being a straight forward discount and not means-tested by way of a reducing income taper.
- 3.6 The same income disregards apply to the weekly income of the claimant or partner as in the Housing Benefit scheme and the prescribed scheme. These should continue to be updated on 1<sup>st</sup> April each year to keep the two schemes aligned. Also as DWP increase allowances and benefits by CPI which would need to be reflected in the income bands.

#### 4. Changes proposed to the scheme for 2021/22

- 4.1 As most benefits increase by the rate of CPI each year, the same increase would have to be made to the income band levels to avoid people moving between bands and the possible “cliff edge” this could result in. The proposed new band rates are shown in the table below. A 0.5% increase has been applied, in line with the increase DWP will apply to state benefits. Should DWP make any further increases to state benefits, it is proposed to ensure the scheme reflects these in future.

Band	Monthly income range	Discount
1	Households eligible for a severe disability premium (or SDP transitional protection in UC)	95%
2	Households in receipt of passported benefits, maximum Universal Credit or with income less than £81.15 per week	88%
3	Weekly income £81.16 to £181.91	65%
4	Weekly income £181.92 to £241.20	45%
5	Weekly income £241.21 to £329.64	25%

- 4.2 The scheme for people of pension age will be updated by DHCLG under the prescribed arrangements

#### 5. Implications

- a) For service users

- 5.1 Working age residents will be required to pay a minimum of 12% of their council tax, as the working age scheme is capped at 88% (unless they fall into the vulnerable category which is capped at 95%). If their property is in a band D or above then a further restriction applies to the level of band C and the difference would also be payable by the council tax payer.
- 5.2 All claimants will continue to have access to a discretionary hardship fund if paying an increase in their Council Tax were causing severe hardship or exceptional circumstances. This fund is set by the Chief Executive and reviewed each year under delegated duty.
- 5.3 The severely disabled would continue to be protected on the highest rate of 95% (paying a minimum of 5% of their Council Tax)

b) Strategic & Policy

5.4 As central Government grant was removed from 2020/21 and beyond, there may be implications on the budget strategy.

c) Financial – Ref: 21/178

### **5.5 Funding Arrangements- estimated cost of the 2021/22 scheme**

5.5.1 These estimates assume that the maximum 4.99% Council tax increase is applied.

<b>Claim Group</b>	<b>Discount</b>	<b>Estimated Caseload 2021/22 (Dec 20)</b>	<b>Estimated Cost 2020/21 £</b>
Pension-age (prescribed scheme)	Max. 100%	3419	£3.79m
Band 1 - Vulnerable (severely disabled)	95%	1108	£1.22m
Band 2 - Households in receipt of passported benefits or with income less than £81.15 per week	88%	2348	£2.52m
Band 3 - Weekly income £81.16 to £181.91	65%	1326	£0.73m
Band 4 - Weekly income £181.92 to £241.20	45%		
Band 5 - Weekly income £241.21 to £329.64	25%		
<b>CTR ESTIMATED EXPENDITUE 2021/22</b>		<b>8201</b>	<b>£8.26m</b>

5.5.2 The funding for Council Tax Reduction is incorporated into the Upper Tier, Lower Tier and Fire funding blocks, which means that it is no longer a separate visible grant. Funding is paid into both Revenue Support Grant (RSG) and the Business Rate Baseline, with 60% funding in the RSG block and 40% funding in the Business Rates Baseline. At the Spending Review 2020.

5.5.3 The cost of the scheme is borne by Bassetlaw DC and its major preceptors in proportion to the Council Tax bill i.e. County 74.54%, Bassetlaw 10.38%, Police 11.14% Fire 3.95%. For Bassetlaw, the estimated total cost of the current scheme is circa £7.87m in 2020/21, of which Bassetlaw's share is circa £0.82m. This would increase to (assuming a maximum 4.99% council tax increase) to £8.26m, Bassetlaw's share being £0.86m, (an increase of £0.04m).

5.5.4 The provisional 2021/22 funding figures are based on the 1 year settlement announcement which rolled forward plus the new Covid funding. The RSG element will therefore remain at £0.23m in 2021/22. The net estimated funding position for 2021/22 is £4.3m.

d) Legal - Ref: 182/02/2021

The Council Tax Reduction (Bassetlaw District Council) Scheme 2021/22 will take effect from 1<sup>st</sup> April 2021.

The Secretary of State has the powers to prescribe by regulations, additional requirements which must or must not be included in a scheme. These are contained within The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 and the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations. These regulations are updated annually and include provision to allow for the annual uprating of allowances, disregards and benefits, without this being classed as a material change to the scheme.

Any amendments, e.g. annual uprating or provisions increased by the C.P I, published before the scheme is implemented, together with the amendments proposed in this report, will be included in the final version to commence 1<sup>st</sup> April 2021.

e) Human Resources

None from this report.

f) Community Safety, Environmental, Equalities

The equalities impact assessment has been reviewed and there remains a positive effect based on age, as the prescribed scheme protects those of Pension age, but does not form part of this local scheme. There are no other issues within the local scheme options.

g) General Data Protection regulations

None arising from this report

h) This is key decision number 853

## **5. Options, Risks and Reasons for Recommendations**

5.1 **Retain the existing scheme** but make the annual uprating amendments and the CPI 0.5% uprate of the levels of income within each income band, described in paragraph 4.1 The principles of the Income-banded scheme would remain the same. This would ensure continuity of the existing scheme at this difficult time and minimise risk of further hardship.

5.2 There is the option to not make any changes to the scheme. This could result in some households moving from one band to a lower band because of a small increase (0.5%) in their benefits. This could happen where their current income is on the cusp of the band and could for example drop from the 65% scheme in band 3 to the 48% scheme in band 4, a loss of 17%. This would put a higher risk on the costs of collection and force people into potential hardship.

## **6. Conclusions**

6.1 Each year the estimated cost of the Council Tax Reduction Scheme is reviewed together with the funds available to ensure that the scheme is affordable, fair and supports the most vulnerable residents. The prescribed scheme for Pensioners must be funded and is increasing year on year.

6.3 Officers would like to propose the option at paragraph 5.1 above, to retain the Income-banded scheme and uprate the levels in line with CPI of 0.5%. The bands would be uprated this way in future years according to the increases applied to the DWP benefits (usually CPI) to ensure that those on DWP benefits get the maximum support.

6.5 For all options it is proposed to keep the restriction of the Council Tax liability used in the CTR calculation, to that of a the equivalent of a band C property.

6.6 For all options, it is proposed that any changes to the income disregards proposed by DWP in the Housing Benefit scheme are reflected within this scheme.

6.7 All relevant changes notified to the council by HDCLG, within the prescribed scheme before 1<sup>st</sup> April 2021 are also incorporated within the scheme.

## 7. **Recommendations**

- 7.1 That members approve the Council Tax Reduction Scheme 2021/22 as set out in this report (Income-banded scheme) and that this is subject to any further prescribed legislation changes and annual up-ratings notified by the Government prior to 1<sup>st</sup> April 2021.
- 7.2 That this report be referred to the next appropriate Council meeting for consideration.

### **Background Papers**

### Location

SRBM

Council Tax Reduction Scheme 2021/22 (Working age) Members' Library/ website  
Council Tax Reduction Scheme Appendix B (Schedules 1-10) Members' Library/website  
Covid-19 funding for Local Government 2021/22 consultative policy paper (Spending Review 2020).



**R E F E R R A L**

from  
**CABINET**  
**HELD ON 11<sup>TH</sup> FEBRUARY 2021**

to  
**COUNCIL**  
**ON 4<sup>TH</sup> MARCH 2021**

**Public Interest Test**

The author of this referral, Linda Dore, Democratic and Electoral Services Officer, has determined that it is considered to be of a non-confidential nature.

**MINUTE NO. 237 (C) - TREASURY MANAGEMENT POLICY AND STRATEGY 2021/22 TO 2023/24 (KEY DECISION NO. 854)**

**RESOLVED** that the following key elements be approved and recommended to Full Council on 4 March 2021:

1. The Treasury Management Strategy 2021/22 to 2023/24, incorporating the Borrowing Strategy and the Annual Investment Strategy (Appendix 1).
2. The Capital Prudential Indicators and Limits for 2021/22 to 20223/24, contained within Section 2.1.
3. The Capital Financing Requirement as detailed in Section 2.2
4. The Affordability prudential indicator's as set out in Section 2.3
5. The Minimum Revenue Provision (MRP) Policy Statement as contained within Section 2.5 which sets out the Council's policy on MRP.
6. The Authorised Limit Prudential Indicator contained within Section 3.2.
7. The maturity structure of borrowing as set out in Section 3.3.

*Referred Reports will be submitted in their original form unless the Responsible Officer indicates otherwise.*

Copies to: Chief Executive  
Interim Director of Corporate Resources  
Committee Administrator





**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**11<sup>th</sup> FEBRUARY 2021**

**REPORT OF THE INTERIM DIRECTOR OF CORPORATE RESOURCES**  
**TREASURY MANAGEMENT POLICY AND STRATEGY 2021/22 TO 2023/24**

Cabinet Member: Finance  
Contact: Dave Hill

**1. Public Interest Test**

- 1.1 The author of this report, Dave Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

- 2.1 This report seeks approval of the Treasury Management Strategy, which incorporates the Borrowing Strategy, Investment Strategy, Minimum Revenue Provision Policy and Prudential Indicators, updated in accordance with latest guidance.

**3. Background and Discussion**

- 3.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) in its 2017 edition of Treasury Management Code of Practice has adopted the following definition of Treasury Management:

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

- 3.2 The Treasury Management Policy was initially approved by Council on 3 March 2009 and became effective on 1 April 2009. This is reviewed each year.

- 3.3 Statutory Requirements:

- It is a statutory requirement under Section 33 of the Local Government Finance Act 1992 for the Council to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level that is affordable for the foreseeable future, after taking into account the following issues:

- Increases in interest payments caused by increased borrowing to finance additional capital expenditure.
- Any increases in running costs from new capital projects.
- The Local Government Act 2003 (the Act) and supporting regulations requires the Council to 'have regard to' the *CIPFA Prudential Code* and the *CIPFA Treasury Management Code of Practice* to set Prudential and Treasury Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable.
- The Act therefore requires the Council to set out its Treasury Strategy for Borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act). This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

#### 3.4 CIPFA Requirements:

The primary requirements of the Code are as follows:

- The creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities – as approved by full Council on 3 March 2009;
- The creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives – as approved by full Council on 3 March 2009;
- Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report (stewardship report) covering activities during the previous year;
- Delegation by the Council of responsibilities for implementing and monitoring Treasury Management Policies and Practices and for the execution and administration of treasury management decisions;
- Delegation by the Council of the role of scrutiny of Treasury Management Strategy and Policies to a specific named body. For this Council the delegated body is the Audit and Risk Scrutiny Committee.

#### 3.5 This report seeks approval for the updated Treasury Management Strategy 2021/22 to 2023/24 (Appendix 1), which encompasses the Prudential Indicators, the Minimum Revenue Provision Statement, the Borrowing Strategy and the Annual Investment Strategy, in accordance with latest guidance as follows:

- The Treasury Management Strategy determines the manner in which the Council's treasury function is managed;
- The Prudential Indicators set out the expected capital activities during the financial year (as required by the *CIPFA Prudential Code for Capital Finance in Local Authorities*). The treasury management prudential

indicators are now included as treasury indicators in the *CIPFA Treasury Management in Public Services Code of Practice*. The key indicators are the Authorised Limit, i.e. total maximum amount the Council considers it can afford to borrow. This is required by paragraph 3 of the *Local Government Act 2003*, and is calculated in accordance with the *CIPFA Treasury Management in Public Services Code of Practice* and the *CIPFA Prudential Code*. A further indicator is the Operational Limit which can be breached on a short term basis but which would not be sustainable in the longer term. The operational boundary is a key management tool for in-year monitoring

- The Borrowing Strategy sets out how the Council's treasury service will support the capital decisions taken; the day to day treasury management activity; and the limitations on activity through treasury prudential indicators;
- The Annual Investment Strategy sets out the Council's criteria for choosing investment counterparties and limiting exposure to the risk of loss. This strategy is in accordance with the MHCLG Investment Guidance.

3.6 The report also seeks approval for the Council's Minimum Revenue Provision (MRP) Policy Statement (Section 2.4), which sets out how the Council will pay for capital assets through revenue each year (as required by MHCLG Regulations).

3.7 Further information is provided in Appendix 1 as follows:

Section 5.1 Interest rate forecasts.

Section 5.2 Economic background.

Section 5.3 Treasury Management Practice (TMP1) Credit & Counterparty Risk Management

Section 5.4 Approved Countries for Investments

Section 5.5 Treasury management Scheme of Delegation.

Section 5.6 The treasury management role of the Section 151 Officer.

#### **4. Implications**

a) For service users

There is an impact on available resources depending upon the Council's ability to fund future borrowing.

b) Strategic & Policy

The Treasury Management Strategy, MRP Policy Statement and Annual Investment Strategy ensure that the Council complies with legislation and recommended good practice in relation to its treasury management function.

c) Financial Ref: 21/347

These are contained within the body of the report and the associated appendices.

- d) Legal Ref: 188/02/2021

Part 2 of the Local Government Act 2003 places duties on local authorities with regard to financial management. This report fulfils those duties.

- e) Human Resources

None from this report.

- f) Community Safety, Equalities, Environmental

The updated Treasury Management Policy has been subject to a partial equalities impact assessment.

- g) General Data Protection Regulations

None from this report

- h) This is key decision number 854.

## **5. Options, Risks and Reasons for Recommendations**

- 5.1 The only option is to accept the recommendations and adopt the Treasury Management Strategy, Borrowing Strategy, Annual Investment Strategy and MRP Statement and to approve the Prudential Indicators. Not to approve these policies would contravene the requirements of both legislation and good practice. In addition, the Council's appointed External Auditors, Mazars LLP may pass comment.

## **6. Recommendations**

That Cabinet approves each of the following key elements and recommends these to Full Council on 4<sup>th</sup> March 2021:

- 6.1 The Treasury Management Strategy 2021/22 to 2023/24, incorporating the Borrowing Strategy and the Annual Investment Strategy (Appendix 1).
- 6.2 The Capital Prudential Indicators and Limits for 2021/22 to 2023/24, contained within Section 2.1.
- 6.3 The Capital Financing Requirement as detailed in Section 2.2
- 6.4 The Affordability prudential indicator's as set out in Section 2.3
- 6.5 The Minimum Revenue Provision (MRP) Policy Statement as contained within Section 2.5 which sets out the Council's policy on MRP.
- 6.6 The Authorised Limit Prudential Indicator contained within Section 3.2.

6.7 The maturity structure of borrowing as set out in Section 3.3.

**Background Papers**

CIPFA Code of Practice on Treasury Management 2017  
CIPFA Prudential Code 2017  
Local Government Act 2003  
CIPFA's Standard of Professional Practice on Treasury  
Management

**Location**

Finance – Floor 2





**Bassetlaw**  
DISTRICT COUNCIL  
— North Nottinghamshire —

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# **Treasury Management Strategy 2021/2022**

Including;  
The Prudential Indicators  
The Minimum Revenue Provision Statement  
The Borrowing Strategy  
The Annual Investment Strategy

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# 1. INTRODUCTION

## 1.1 Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the Council is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

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

This Council has not engaged in any commercial investments and has no non-treasury investments.

## 1.2 Reporting requirements

### Capital Strategy

The CIPFA 2017 Prudential and Treasury Management Codes require all local authorities to prepare a capital strategy report which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

### Treasury Management reporting

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

- a. Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers:
  - the capital plans, (including prudential indicators);
  - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time);
  - the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
  - an investment strategy, (the parameters on how investments are to be managed).
- b. A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, this Council will receive quarterly update reports.
- c. An annual treasury report** – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

### Scrutiny

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Audit and Risk Scrutiny Committee.

### **1.3 Treasury Management Strategy for 2021/22**

The strategy for 2021/22 covers two main areas:

#### **Capital issues**

- the capital expenditure plans and the associated prudential indicators;
- the minimum revenue provision (MRP) policy.

#### **Treasury management issues**

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- the policy on use of external service providers.

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

### **1.4 Training**

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. The following training has been undertaken by members:

Richard Dunlop from Link Group (who are the Council's Treasury Advisors) attended the Audit and Risk Scrutiny Committee in November 2020 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

### **1.5 Treasury management consultants**

The Council uses Link Group, Treasury solutions as its external treasury management advisors.

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

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

## 2. THE CAPITAL PRUDENTIAL INDICATORS 2021/22 – 2023/24

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

### 2.1 Capital Expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle.

**Members are asked to approve the capital expenditure forecasts:**

<b>Capital Expenditure</b> £000's	<b>2019/20</b> Actual	<b>2020/21</b> Estimate	<b>2021/22</b> Estimate	<b>2022/23</b> Estimate	<b>2023/24</b> Estimate
General Fund	4,747	18,478	1,723	1,553	1,374
HRA	11,377	22,379	11,497	21,375	11,710
<b>Total</b>	<b>16,124</b>	<b>40,857</b>	<b>13,220</b>	<b>22,928</b>	<b>13,084</b>

The above financing need excludes other long-term liabilities, such as PFI and leasing arrangements, which already include borrowing instruments.

The table below summarises the above capital expenditure plans and how these plans are being financed, i.e. by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

<b>Financing of Capital Expenditure</b> £000's	<b>2019/20</b> Actual	<b>2020/21</b> Estimate	<b>2021/22</b> Estimate	<b>2022/23</b> Estimate	<b>2023/24</b> Estimate
<b>General Fund Expenditure</b>	<b>4,747</b>	<b>18,478</b>	<b>1,723</b>	<b>1,553</b>	<b>1,374</b>
<b>Financed by:</b>					
Capital receipts	1,282	5,063	494	220	89
Capital grants	3,322	10,997	760	760	760
Capital reserves	0	0	0	0	0
Revenue	143	710	0	0	0
<b>General Fund Net Financing need for the year:</b>	<b>0</b>	<b>1,708</b>	<b>469</b>	<b>573</b>	<b>525</b>
<b>H.R.A. Expenditure</b>	<b>11,377</b>	<b>22,379</b>	<b>11,497</b>	<b>21,375</b>	<b>11,710</b>
<b>Financed by:</b>					
Capital receipts	385	770	846	2,291	1,725
Capital grants	2,700	2,400	0	0	0
Capital reserves	5,235	8,254	6,694	2,903	4,501
Revenue	0	89	0	0	0
<b>H.R.A. Net Financing need for the year:</b>	<b>3,057</b>	<b>10,866</b>	<b>3,957</b>	<b>16,182</b>	<b>5,484</b>
<b>Total Net Financing need for the year:</b>	<b>3,057</b>	<b>12,574</b>	<b>4,426</b>	<b>16,755</b>	<b>6,009</b>

## 2.2 The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge that reduces the borrowing need in line with each assets life.

The CFR includes any other long-term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has no such schemes within the CFR.

**The Council is asked to approve the CFR projections below:**

<b>Capital Financing Requirement</b> £000's	<b>2019/20</b> Actual	<b>2020/21</b> Estimate	<b>2021/22</b> Estimate	<b>2022/23</b> Estimate	<b>2023/24</b> Estimate
CFR – General Fund	24,940	26,669	26,439	26,274	26,013
CFR – housing	95,414	103,896	107,853	119,944	122,155
<b>Total CFR</b>	<b>120,354</b>	<b>130,565</b>	<b>134,292</b>	<b>146,218</b>	<b>148,168</b>
<b>Movement in CFR</b>	<b>2,460</b>	<b>10,211</b>	<b>3,727</b>	<b>11,926</b>	<b>1,950</b>

<b>Movement in CFR represented by</b>					
Net financing need for the year (above)	3,057	12,574	4,426	16,755	6,009
Less MRP/VRP and other financing movements	-597	-2,363	-699	-4,829	-4,059
<b>Movement in CFR</b>	<b>2,460</b>	<b>10,211</b>	<b>3,727</b>	<b>11,926</b>	<b>1,950</b>

## 2.3 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.

**The Council is asked to approve the following indicators:**

### a. Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2019/20 Actual £'000	2020/21 Forecast £'000	2021/22 Budget £'000	2022/23 Indicative £'000	2023/24 Indicative £'000
<b>General Fund:</b>	<b>7%</b>	<b>7%</b>	<b>7%</b>	<b>8%</b>	<b>8%</b>
<b>Housing Revenue Account:</b>	<b>13%</b>	<b>13%</b>	<b>14%</b>	<b>13%</b>	<b>14%</b>

The estimates of financing costs include current commitments and the proposals in this budget report.

### b. HRA ratios b

The following are optional local indicators, which help to assist with understanding the impact of self-financing on the HRA.

#### HRA Revenue as a percentage of Debt

This indicator identifies the total revenues received from Council properties against the total debt from the HRA expressed as a percentage.

	2019/20 Actual £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000
<b>HRA Debt</b>	85,778	97,533	101,490	113,581	115,791
<b>HRA Revenues</b>	<b>-26,853</b>	<b>-27,590</b>	<b>-28,060</b>	<b>-28,846</b>	<b>-29,605</b>
<b>Ratio of Debt to Revenues %</b>	31%	28%	28%	25%	26%

#### HRA Debt per property

This indicator identifies the total debt per property on the HRA per HRA dwelling. This is expressed as an amount per property.

£'000	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
HRA debt	<b>85,778</b>	<b>85,778</b>	<b>90,228</b>	<b>100,074</b>	<b>104,288</b>
Number of HRA dwellings	<b>6,655</b>	<b>6,605</b>	<b>6,555</b>	<b>6,505</b>	<b>6,455</b>
Debt per dwelling	12.89	12.99	13.76	15.38	16.16

## 2.4 Core funds and expected investment balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

<b>Year End Resources</b> £000's	<b>2019/20</b> Actual	<b>2020/21</b> Estimate	<b>2021/22</b> Estimate	<b>2022/23</b> Estimate	<b>2023/24</b> Estimate
Reserves – GF	3,579	3,570	3,570	3,570	3,570
Reserves – HRA	3,107	3,375	4,650	6,273	7,534
Capital Receipts – GF	1,282	4,553	494	220	89
Capital Receipts – HRA	385	385	846	2,291	1,725
Provisions	2,129	2,129	2,129	2,129	2,129
General Fund Earmarked Reserves	9,170	10,183	10,584	9,273	7,814
Major Repair Reserve	3,932	3,930	3,931	8,023	11,297
<b>Total core funds</b>	<b>23,584</b>	<b>28,125</b>	<b>26,203</b>	<b>31,779</b>	<b>34,157</b>
Working capital (GF & HRA)	2,300	2,300	2,300	2,300	2,300
Under/(over) borrowing	21,491	18,218	18,218	19,127	19,854
Expected investments	10,720	10,720	10,720	10,720	10,720
Temporary Borrowing	-10,927	-3,113	-5,035	-368	1,283

## 2.5 Minimum revenue provision (MRP) policy statement

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

MHCLG regulations have been issued which require the full Council to approve an **MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision.

### **The Council is recommended to approve the following MRP Statement:**

For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

- **Existing practice** - MRP will follow the existing practice outlined in former MHCLG regulations (option 1).

These options provide for an approximate 4% reduction in the borrowing need (CFR) each year.

From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be either:

- **Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3);

## 2.5 Cont...

- **Depreciation method** – MRP will follow standard depreciation accounting procedures (option 4);

These options provide for a reduction in the borrowing need over approximately the asset's life.

There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made (although there are transitional arrangements in place).

Repayments included in annual PFI or finance leases are applied as MRP.

**MRP Overpayments** - A change introduced by the revised MHCLG MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

Up until the 31 March 2020 the total VRP overpayments were £0.902m.



### 3. BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

#### 3.1 Current portfolio position

The Council's overall treasury portfolio as at 31 March 2020 and for the position as at 31 December 2020 are shown below for both borrowing and investments.

<b>TREASURY PORTFOLIO</b>				
	actual 31.3.20	actual 31.3.20	current 31.12.20	current 31.12.20
	£000	%	£000	%
<b>Treasury investments</b>				
banks	2,000	16%	2,440	9%
building societies - unrated	0	0%	0	0%
building societies - rated	0	0%	0	0%
local authorities	0	0%	0	0%
DMADF (H.M.Treasury)	0	0%	0	0%
money market funds	10,720	84%	25,220	91%
certificates of deposit	0	0%	0	0%
<b>Total managed in house</b>	<b>12,720</b>	<b>100%</b>	<b>27,660</b>	<b>100%</b>
bond funds	0	0%	0	0%
property funds	0	0%	0	0%
<b>Total managed externally</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Total treasury investments</b>	<b>12,720</b>	<b>100%</b>	<b>27,660</b>	<b>100%</b>
<b>Treasury external borrowing</b>				
local authorities	0	0%	0	0%
PWLB	67,363	68%	67,363	68%
Other Loans	31,500	32%	31,500	32%
<b>Total external borrowing</b>	<b>98,863</b>	<b>100%</b>	<b>98,863</b>	<b>100%</b>
<b>Net treasury investments / (borrowing)</b>	<b>-86,143</b>	<b>0</b>	<b>-71,203</b>	<b>0</b>

### 3.1 cont...

The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement – CFR), highlighting any over or under borrowing.

<b>External Debt £000's</b>	<b>2019/20 Actual</b>	<b>2020/21 Estimate</b>	<b>2021/22 Estimate</b>	<b>2022/23 Estimate</b>	<b>2023/24 Estimate</b>
Debt at 1 April	<b>98,863</b>	98,863	112,347	116,074	127,091
Expected change in Debt	0	13,484	3,727	11,017	1,223
Other long-term liabilities (OLTL)	0	0	0	0	0
Expected change in OLTL	0	0	0	0	0
<b>Actual gross debt at 31 March</b>	<b>98,863</b>	<b>112,347</b>	<b>116,074</b>	<b>127,091</b>	<b>128,314</b>
<b>The Capital Financing Requirement</b>	<b>120,354</b>	<b>130,565</b>	<b>134,292</b>	<b>146,218</b>	<b>148,168</b>
<b>Under / (over) borrowing</b>	<b>21,491</b>	<b>18,218</b>	<b>18,218</b>	<b>19,127</b>	<b>19,854</b>

Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2021/22 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Head of Finance reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

### 3.2 Treasury Indicators: limits to borrowing activity

**The operational boundary.** This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

<b>Operational Boundary</b> £000's	<b>2020/21</b> Estimate	<b>2021/22</b> Estimate	<b>2022/23</b> Estimate	<b>2023/24</b> Estimate	<b>2024/25</b> Estimate
Debt	125,354	135,565	139,292	151,218	153,168
Other long term liabilities	0	0	0	0	0
<b>Total</b>	<b>125,354</b>	<b>135,565</b>	<b>139,292</b>	<b>151,218</b>	<b>153,168</b>

**The authorised limit for external debt.** A further key prudential indicator that represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.

#### 2. The Council is asked to approve the following authorised limit:

<b>Authorised Limit</b> £000's	<b>2020/21</b> Estimate	<b>2021/22</b> Estimate	<b>2022/23</b> Estimate	<b>2023/24</b> Estimate	<b>2024/25</b> Estimate
Debt	130,354	140,565	144,292	156,218	158,168
Other long term liabilities	0	0	0	0	0
<b>Total</b>	<b>130,354</b>	<b>140,565</b>	<b>144,292</b>	<b>156,218</b>	<b>158,168</b>

### IFRS 16 Leases

This standard replaces the current guidance in IAS 17 on leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting remaining substantially unchanged from the IAS 17 approach.

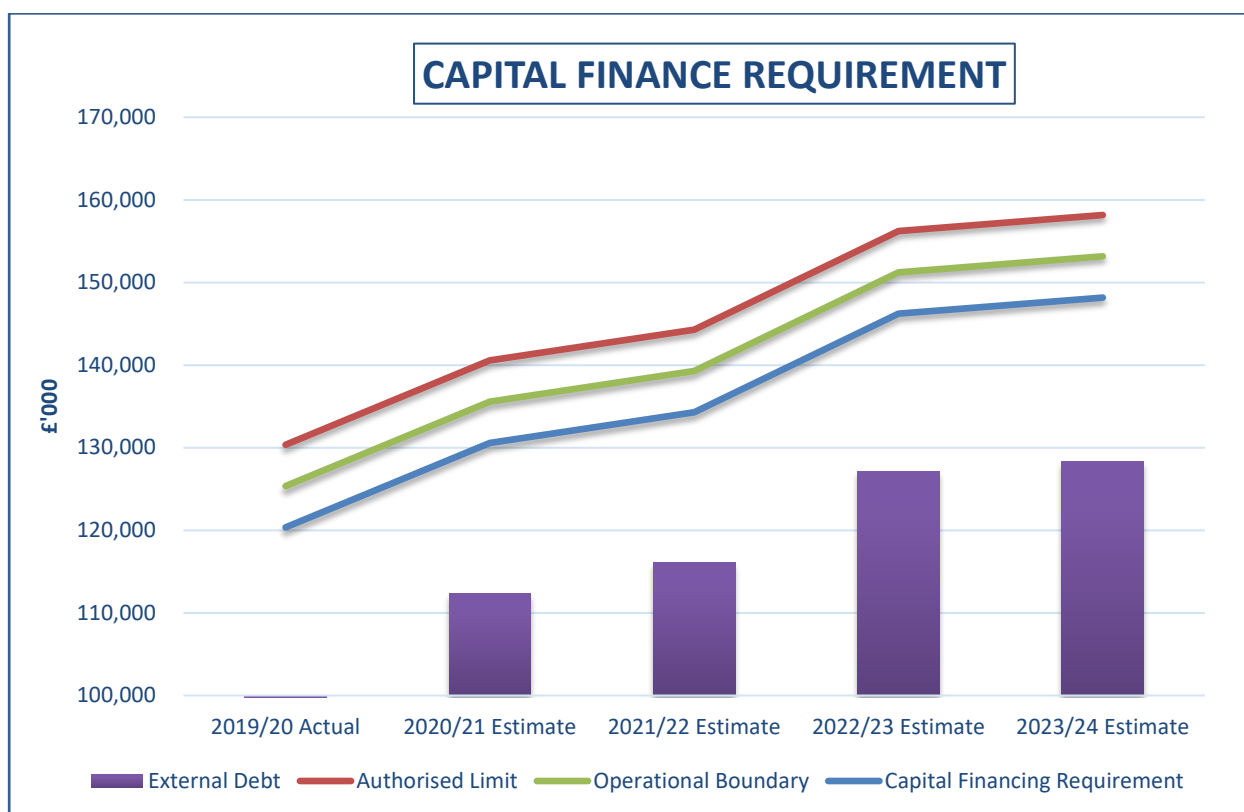
The CIPFA/ LASAAC has agreed to defer the implementation of IFRS 16 Leases in the Code of Practice on Local Authority Accounting until the 2022/23 financial year.

An estimate for the impact of this change on the Authorised Limit and Operational Boundary has not yet been included, but will be subject to change once the full impact has been analysed. There is no net impact on the finances of the Council.

3.2 cont...

The table and graph below show the projections of CFR and borrowing:

Capital Financing Requirement					
	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
	£'000	£'000	£'000	£'000	£'000
Authorised Limit	130,354	140,565	144,292	156,218	158,168
Operational Boundary	125,354	135,565	139,292	151,218	153,168
Capital Financing Requirement	120,354	130,565	134,292	146,218	148,168
External Debt	98,863	112,347	116,074	127,091	128,314



### 3.3 Maturity structure of borrowing.

These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

**The Council is asked to approve the following treasury indicators and limits:**

£m	2021/22	2022/23	2023/24
<b>Interest rate exposures</b>			
	<b>Upper</b>	<b>Upper</b>	<b>Upper</b>
<b>Limits on fixed interest rates:</b>			
• <i>Debt only</i>	100%	100%	100%
• <i>Investments only</i>	50%	50%	50%
<b>Limits on variable interest rates</b>			
• <i>Debt only</i>	20%	20%	20%
• <i>Investments only</i>	100%	100%	100%
<b>Maturity structure of fixed interest rate borrowing 2020/21</b>			
	<b>Lower</b>	<b>Upper</b>	
Under 12 months	0%	50%	
12 months to 2 years	0%	50%	
2 years to 5 years	0%	50%	
5 years to 10 years	0%	50%	
10 years to 50 years	0%	100%	
<b>Maturity structure of variable interest rate borrowing 2020/21</b>			
	<b>Lower</b>	<b>Upper</b>	
Under 12 months	0%	20%	

### 3.4 Prospects for interest rates

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Link provided the following forecasts on 11.8.20. However, following the conclusion of the review of PWLB margins over gilt yields on 25.11.20, all forecasts below have been reduced by 1%. These are forecasts for certainty rates, gilt yields plus 80bps:

Link Group Interest Rate View		9.11.20 (The Capital Economics forecasts were done 11.11.20)											
These Link forecasts have been amended for the reduction in PWLB margins by 1.0% from 26.11.20													
	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
5 yr PWLB	0.80	0.80	0.80	0.80	0.90	0.90	0.90	0.90	0.90	1.00	1.00	1.00	1.00
10 yr PWLB	1.10	1.10	1.10	1.10	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.30	1.30
25 yr PWLB	1.50	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.70	1.80	1.80	1.80	1.80
50 yr PWLB	1.30	1.40	1.40	1.40	1.40	1.50	1.50	1.50	1.50	1.60	1.60	1.60	1.60

The coronavirus outbreak has done huge economic damage to the UK and economies around the world. After the Bank of England took emergency action in March to cut Bank Rate to first 0.25%, and then to 0.10%, it left Bank Rate unchanged at its subsequent meetings to 16<sup>th</sup> December, although some forecasters had suggested that a cut into negative territory could happen. However, the Governor of the Bank of England has made it clear that he currently thinks that such a move would do more damage than good and that more quantitative easing is the favoured tool if further action becomes necessary. As shown in the forecast table above, no increase in Bank Rate is expected in the near-term as economic recovery is expected to be only gradual and, therefore, prolonged. These forecasts were based on an assumption that a Brexit trade deal would be agreed by 31.12.20: as this has now occurred, these forecasts do not need to be revised.

#### Gilt yields / PWLB rates

There was much speculation during the second half of 2019 that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels. The context for that was a heightened expectation that the US could have been heading for a recession in 2020. In addition, there were growing expectations of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China, together with inflation generally at low levels in most countries and expected to remain subdued. Combined, these conditions were conducive to very low bond yields. While inflation targeting by the major central banks has been successful over the last thirty years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers. This means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. The consequence of this has been the gradual lowering of the overall level of interest rates and bond yields in financial markets over the last 30 years. Over the year prior to the coronavirus crisis, this has seen many bond yields up to 10 years turn negative in the Eurozone. In addition, there has, at times, been an inversion of bond yields in the US whereby 10 year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities.

Gilt yields had therefore already been on a generally falling trend up until the coronavirus crisis hit western economies during March 2020. After gilt yields spiked up during the financial crisis in March, we have seen these yields fall sharply to unprecedented lows as investors panicked during March in selling shares in anticipation of impending recessions in western economies, and moved

cash into safe haven assets i.e. government bonds. However, major western central banks took rapid action to deal with excessive stress in financial markets during March, and started massive quantitative easing purchases of government bonds: this also acted to put downward pressure on government bond yields at a time when there has been a huge and quick expansion of government expenditure financed by issuing government bonds. Such unprecedented levels of issuance in “normal” times would have caused bond yields to rise sharply. Gilt yields and PWLB rates have been at remarkably low rates so far during 2020/21.

As the interest forecast table for PWLB certainty rates above shows, there is expected to be little upward movement in PWLB rates over the next two years as it will take economies, including the UK, a prolonged period to recover all the momentum they have lost in the sharp recession caused during the coronavirus shut down period. From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment, (as shown on 9<sup>th</sup> November when the first results of a successful COVID-19 vaccine trial were announced). Such volatility could occur at any time during the forecast period.

### Investment and borrowing rates

- **Investment interest rates** are likely to remain exceptionally low during 2021/22 with little increase in the following two years.
- **Borrowing interest rates** fell to historically very low rates as a result of the COVID crisis and the quantitative easing operations of the Bank of England: indeed, gilt yields up to 6 years were negative during most of the first half of 20/21. The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years. The unexpected increase of 100 bps in PWLB rates on top of the then current margin over gilt yields of 80 bps in October 2019, required an initial major rethink of local authority treasury management strategy and risk management. However, in March 2020, the Government started a consultation process for reviewing the margins over gilt rates for PWLB borrowing for different types of local authority capital expenditure. *(Please note that Link has concerns over this approach, as the fundamental principle of local authority borrowing is that borrowing is a treasury management activity and individual sums that are borrowed are not linked to specific capital projects.)* It also introduced the following rates for borrowing for different types of capital expenditure: -
  - **PWLB Standard Rate** is gilt plus 200 basis points (G+200bps)
  - **PWLB Certainty Rate** is gilt plus 180 basis points (G+180bps)
  - **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
  - **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
  - **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)
  -
- As a consequence of these increases in margins, many local authorities decided to refrain from PWLB borrowing unless it was for HRA or local infrastructure financing, until such time as the review of margins was concluded.
- On 25.11.20, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates; the standard and certainty margins were reduced by 1% but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three year capital programme. The new margins over gilt yields are as follows: -
  - **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
  - **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)
  - **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)

- **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
  - **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)
- **Borrowing for capital expenditure.** As Link's long-term forecast for Bank Rate is 2.00%, and all PWLB rates are under 2.00%, there is now value in borrowing from the PWLB for all types of capital expenditure for all maturity periods, especially as current rates are at historic lows. However, greater value can be obtained in borrowing for shorter maturity periods so the Council will assess its risk appetite in conjunction with budgetary pressures to reduce total interest costs. Longer-term borrowing could also be undertaken for the purpose of certainty, where that is desirable.
  - While the Council will not be able to avoid borrowing to finance new capital expenditure, to replace maturing debt and the rundown of reserves, there will be a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new short or medium-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

### 3.5 Borrowing strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

Against this background and the risks within the economic forecast, caution will be adopted with the 2021/22 treasury operations. The Head of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in borrowing rates*, then borrowing will be postponed.
- *if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast*, perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity, or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

Any decisions will be reported to Council at the next available opportunity.

### 3.6 Policy on borrowing in advance of need

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

Borrowing in advance will be made within the constraints that:

- The authority would not look to borrow more than 12 months in advance of need.

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



### **3.7 Debt rescheduling**

Rescheduling of current borrowing in our debt portfolio is unlikely to occur as the 100 bps increase in PWLB rates only applied to new borrowing rates and not to premature debt repayment rates.

If rescheduling was done, it will be reported to the Council at the earliest meeting following its action.

### **3.8 New Financial Institutions as a source of borrowing**

Currently the PWLB Certainty Rate is set at gilts + 80 basis points for both HRA and non-HRA borrowing. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so – still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years).
- Municipal Bonds Agency (possibly still a viable alternative depending on market circumstances prevailing at the time).

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

### 3.9 Approved Sources of Long and Short Term Borrowing

The Table below shows the various approved sources and types of borrowing available to the Council:

---

<b>On Balance Sheet</b>	<b>Fixed</b>	<b>Variable</b>
PWLB	●	●
Municipal bond agency	●	●
Local authorities	●	●
Banks	●	●
Pension funds	●	●
Insurance companies	●	●
Market (long-term)	●	●
Market (temporary)	●	●
Market (LOBOs)	●	●
Stock issues	●	●
Local temporary	●	●
Local Bonds	●	
Local authority bills	●	●
Overdraft		●
Negotiable Bonds	●	●
Internal (capital receipts & revenue balances)	●	●
Commercial Paper	●	
Medium Term Notes	●	
Finance leases	●	●

## 4 ANNUAL INVESTMENT STRATEGY

### 4.1 Investment policy – management of risk

The Council's investment policy has regard to the following: -

- MHCLG's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")
- CIPFA Treasury Management Guidance Notes 2018

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

The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "**credit default swaps**" and overlay that information on top of the credit ratings.
3. **Other information sources** used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. This Council has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in section 5.3 under the categories of 'specified' and 'non-specified' investments.
  - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year.
  - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
5. **Non-specified investments limit.** The Council has determined that it will limit the maximum total exposure to non-specified investments as being 20% of the total investment portfolio, (see section 4.3).
6. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in section 4.2.
7. **Transaction limits** are set for each type of investment in section 4.2.

8. This Council will set a limit for the amount of its investments which are invested for **longer than 365 days**, (see section 4.4).
9. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see section 4.3).
10. This Council has engaged **external consultants**, (see section 1.5) to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
11. All investments will be denominated in **sterling**.
12. As a result of the change in accounting standards for 2020/21 under **IFRS 9**, this Council will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the Ministry of Housing, Communities and Local Government, [MHCLG], concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31.3.23) This will not impact Bassetlaw District Council, as it does not have any Pooled Investment Funds.

However, this Council will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 4.5). Regular monitoring of investment performance will be carried out during the year.

**Changes in risk management policy from last year.**

The above criteria are unchanged from last year.

## 4.2 Creditworthiness policy

The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

The Head of Finance will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.

Credit rating information is supplied by the Link Group, our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating Watches (notification of a likely change), rating Outlooks (notification of the longer term bias outside the central rating view) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating Watch applying to counterparty at the minimum Council criteria will be suspended from use, with all others being reviewed in light of market conditions.

The criteria for providing a pool of high quality investment counterparties, (both specified and non-specified investments) is:

- Banks 1 - good credit quality – the Council will only use banks which:
  - i. are UK banks; and/or
  - ii. are non-UK and domiciled in a country which has a minimum sovereign Long Term rating of AA

and have, as a minimum, the following Fitch, Moody's and Standard & Poor's credit ratings (where rated):

	Short Term	Long Term
Higher Quality	F1+	A+
Medium Quality	F1	A

- Banks 2 – Part nationalised UK bank – Royal Bank of Scotland ring-fenced operations. This bank can be included provided it continues to be part nationalised or it meets the ratings in Banks 1 above.
- Banks 3 – The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time invested.
- Bank subsidiary and treasury operation - . The Council will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.

- Building societies - The Council will use all societies which:
  - i. Meet the ratings for banks outlined above;
  - ii. Have assets in excess of £5,000 million.
  
- Money Market Funds (MMFs) CNAV – AAA (Moody’s or Fitch)
  - Money Market Funds (MMFs) LNAV – (Moody’s or Fitch)
  - Money Market Funds (MMFs) VNAV – (Moody’s or Fitch)
  - UK Government (including gilts, Treasury Bills and the DMADF)
  - Local authorities, parish councils etc
  - Supranational institutions

A limit of 20% will be applied to the use of non-specified investments

**Use of additional information other than credit ratings.** Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, negative rating Watches/Outlooks) will be applied to compare the relative security of differing investment counterparties.

**Time and monetary limits applying to investments.** The time and monetary limits for institutions on the Council’s counterparty list are as follows (these will cover both specified and non-specified investments):

	<b>Fitch Long term Rating (or equivalent)</b>	<b>Money and/or % Limit</b>	<b>Time Limit</b>
<b>Banks 1 higher quality</b>	<i>F1+/A+</i>	£10m	2 years
<b>Banks 1 medium quality</b>	<i>F1/A</i>	£5m	6 months
<b>Banks 2 – part nationalised</b>	-	£5m	6 months
<b>Limit 3 category – Council’s banker (not meeting Banks 1)</b>	-	£3m	1 day
<b>Other institutions limit</b>	-	£1m	6 months
<b>DMADF</b>	<b>UK sovereign rating</b>	unlimited	1 year
<b>Local authorities</b>	-	£10m	2 years
	<b>Fund rating</b>	<b>Money and/or % Limit</b>	<b>Time Limit</b>
<b>Money market funds CNAV</b>	AAA	£10m	liquid
<b>Money market funds LNAV</b>	AAA	£10m	liquid
<b>Money market funds VNAV</b>	AAA	£10m	liquid

The proposed criteria for specified and non-specified investments are shown in Appendix 5.3 for approval.

4.2 cont...

### **Creditworthiness.**

Although the credit rating agencies changed their outlook on many UK banks from Stable to Negative during the quarter ended 30.6.20 due to upcoming risks to banks' earnings and asset quality during the economic downturn caused by the pandemic, the majority of ratings were affirmed due to the continuing strong credit profiles of major financial institutions, including UK banks. However, during Q1 and Q2 2020, banks made provisions for *expected* credit losses and the rating changes reflected these provisions. As we move into future quarters, more information will emerge on *actual* levels of credit losses. (Quarterly earnings reports are normally announced in the second half of the month following the end of the quarter.) This has the potential to cause rating agencies to revisit their initial rating adjustments earlier in the current year. These adjustments could be negative or positive, although it should also be borne in mind that banks went into this pandemic with strong balance sheets. This is predominantly a result of regulatory changes imposed on banks following the Great Financial Crisis. Indeed, the Financial Policy Committee (FPC) report on 6<sup>th</sup> August revised down their expected credit losses for the UK banking sector to "somewhat less than £80bn". It stated that in its assessment, "banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC's central projection". The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC's projection, with unemployment rising to above 15%.

All three rating agencies have reviewed banks around the world with similar results in many countries of most banks being placed on Negative Outlook, but with a small number of actual downgrades.

### **CDS prices**

Although bank CDS prices (these are market indicators of credit risk) spiked upwards at the end of March / early April 2020 due to the heightened market uncertainty and ensuing liquidity crisis that affected financial markets, they have returned to more average levels since then. Nevertheless, prices are still elevated compared to end-February 2020. Pricing is likely to remain volatile as uncertainty continues. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to local authorities and the Council has access to this information via its Link-provided Passport portal.

### **4.3 Other limits**

Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors.

- a) **Non-specified investment limit.** The Council has determined that it will limit the maximum total exposure to non-specified investments as being 20% of the total investment portfolio.
- b) **Country limit.** The Council has determined that it will only use approved counterparties from the UK and from countries with a **minimum sovereign credit rating of AA (excluding UK)** from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in 5.4. This list will be added to, or deducted from by officers should ratings change in accordance with this policy.

#### 4.4 Investment strategy

**In-house funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

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

#### Investment returns expectations

Bank Rate is unlikely to rise from 0.10% for a considerable period. It is very difficult to say when it may start rising so it may be best to assume that investment earnings from money market-related instruments will be sub 0.50% for the foreseeable future.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows (the long term forecast is for periods over 10 years in the future):

Average earnings in each year	Now	Previously
2020/21	0.10%	0.10%
2021/22	0.10%	0.10%
2022/23	0.10%	0.10%
2023/24	0.25%	0.25%
2024/25	0.75%	0.75%
Long term later years	2.00%	2.00%

- The overall balance of risks to economic growth in the UK is probably relatively even, but is subject to major uncertainty due to the virus. It may also be affected by the deal the UK has agreed as part of Brexit.
- There is relatively little UK domestic risk of increases or decreases in Bank Rate and shorter term PWLB rates until 2023/24 at the earliest.

#### Negative investment rates

While the Bank of England said in August / September 2020 that it is unlikely to introduce a negative Bank Rate, at least in the next 6 -12 months, some deposit accounts are already offering negative rates for shorter periods. As part of the response to the pandemic and lockdown, the Bank and the Government have provided financial markets and businesses with plentiful access to credit, either directly or through commercial banks. In addition, the Government has provided



large sums of grants to local authorities to help deal with the COVID crisis; this has caused some local authorities to have sudden large increases in cash balances searching for an investment home, some of which was only very short term until those sums were able to be passed on.

As for money market funds (MMFs), yields have continued to drift lower. Some managers have already resorted to trimming fee levels to ensure that net yields for investors remain in positive territory where possible and practical. Investor cash flow uncertainty, and the need to maintain liquidity in these unprecedented times, has meant there is a surfeit of money swilling around at the very short end of the market. This has seen a number of market operators, now including the DMADF, offer nil or negative rates for very short term maturities. This is not universal, and MMFs are still offering a marginally positive return, as are a number of financial institutions for investments at the very short end of the yield curve.

Inter-local authority lending and borrowing rates have also declined due to the surge in the levels of cash seeking a short-term home at a time when many local authorities are probably having difficulties over accurately forecasting when disbursements of funds received will occur or when further large receipts will be received from the Government.

**Investment treasury indicator and limit** - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

**The Council is asked to approve the following treasury indicator and limit:**

<b>Upper limit for principal sums invested for longer than 365 days</b>			
<b>£m</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Principal sums invested for longer than 365 days	£5m	£5m	£5m

For its cash flow generated balances, the Council will seek to utilise its money market funds and short-dated deposits, (overnight to 3 months), in order to benefit from the compounding of interest.

#### **4.5 Investment risk benchmarking**

These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or Annual Report.

**Security** - The Council's maximum security risk benchmark for the current portfolio, when compared to these historic default tables, is:

- **0.06% historic risk of default when compared to the whole portfolio.**

**Liquidity** – in respect of this area the Council seeks to maintain:

- Bank overdraft - £0.100m
- Liquid short term deposits of at least £1m available with a week's notice.
- Weighted average life benchmark is expected to be 1 year, with a maximum of 1 years.

**Yield** - local measures of yield benchmarks are:

- Investments – internal returns above the 7 day LIBID rate

And in addition that the security benchmark for each individual year is:

	1 year	2 years	3 years	4 years	5 years
<b>Maximum</b>	<b>0.10%</b>	<b>0.10%</b>	<b>0.10%</b>	<b>0.10%</b>	<b>0.10%</b>

Note: This benchmark is an average risk of default measure, and would not constitute an expectation of loss against a particular investment.

#### **4.6 End of year investment report**

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

## 5. APPENDICES

### 5.1 INTEREST RATE FORECASTS 2021 – 2024

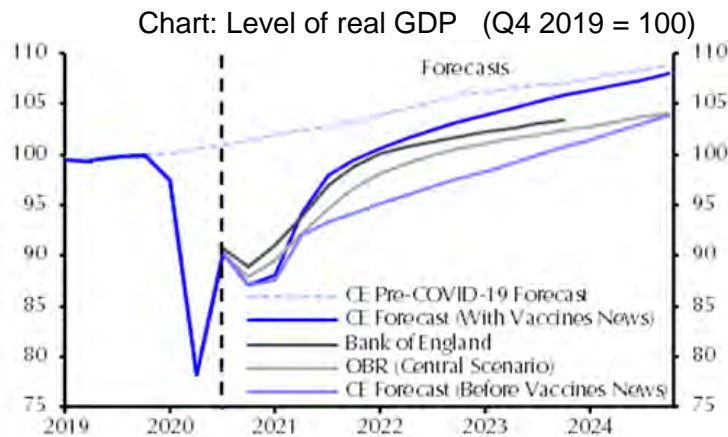
The PWLB rates below are based on the new margins over gilts announced on 26<sup>th</sup> November 2020. PWLB forecasts shown below have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012. There are no changes to these forecasts as at 5.1.21.

Link Group Interest Rate View		9.11.20				(The Capital Economics forecasts were done 11.11.20)								
These Link forecasts have been amended for the reduction in PWLB margins by 1.0% from 26.11.20														
	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	
<b>BANK RATE</b>	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	
5 yr PWLB	0.80	0.80	0.80	0.80	0.90	0.90	0.90	0.90	0.90	1.00	1.00	1.00	1.00	
10 yr PWLB	1.10	1.10	1.10	1.10	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.30	1.30	
25 yr PWLB	1.50	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.70	1.80	1.80	1.80	1.80	
50 yr PWLB	1.30	1.40	1.40	1.40	1.40	1.50	1.50	1.50	1.50	1.60	1.60	1.60	1.60	
<b>Bank Rate</b>														
Link	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
Capital Economics	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	-	-	-	-	-	
<b>5yr PWLB Rate</b>														
Link	0.80	0.80	0.80	0.80	0.90	0.90	0.90	0.90	0.90	1.00	1.00	1.00	1.00	
Capital Economics	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	-	-	-	-	-	
<b>10yr PWLB Rate</b>														
Link	1.10	1.10	1.10	1.10	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.30	1.30	
Capital Economics	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	-	-	-	-	-	
<b>25yr PWLB Rate</b>														
Link	1.50	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.70	1.80	1.80	1.80	1.80	
Capital Economics	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	-	-	-	-	-	
<b>50yr PWLB Rate</b>														
Link	1.30	1.40	1.40	1.40	1.40	1.50	1.50	1.50	1.50	1.60	1.60	1.60	1.60	
Capital Economics	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	-	-	-	-	-	

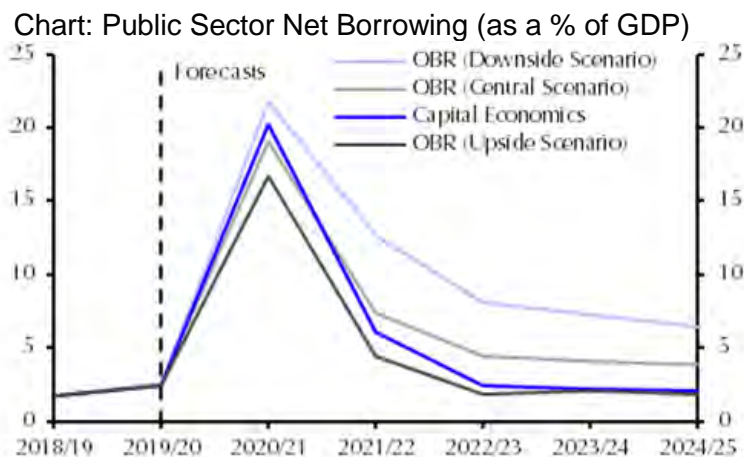
## 5.2 ECONOMIC BACKGROUND

- **UK.** The key quarterly meeting of the Bank of England Monetary Policy Committee kept **Bank Rate** unchanged on 5.11.20. However, it revised its economic forecasts to take account of a second national lockdown from 5.11.20 to 2.12.20 which is obviously going to put back economic recovery and do further damage to the economy. It therefore decided to do a further tranche of **quantitative easing (QE) of £150bn**, to start in January when the current programme of £300bn of QE, announced in March to June, runs out. It did this so that “announcing further asset purchases now should support the economy and help to ensure the unavoidable near-term slowdown in activity was not amplified by a tightening in monetary conditions that could slow the return of inflation to the target”.
- Its forecasts appeared, at that time, to be rather optimistic in terms of three areas:
  - The economy would recover to reach its pre-pandemic level in Q1 2022
  - The Bank also expected there to be excess demand in the economy by Q4 2022.
  - CPI inflation was therefore projected to be a bit above its 2% target by the start of 2023 and the “inflation risks were judged to be balanced”.
- Significantly, there was no mention of **negative interest rates** in the minutes or Monetary Policy Report, suggesting that the MPC remains some way from being persuaded of the case for such a policy, at least for the next 6 -12 months. However, rather than saying that it “stands ready to adjust monetary policy”, the MPC this time said that it will take “whatever additional action was necessary to achieve its remit”. The latter seems stronger and wider and may indicate the Bank’s willingness to embrace new tools.
- One key addition to **the Bank’s forward guidance in August** was a new phrase in the policy statement, namely that “it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and achieving the 2% target sustainably”. That seems designed to say, in effect, that even if inflation rises to 2% in a couple of years’ time, do not expect any action from the MPC to raise Bank Rate – until they can clearly see that level of inflation is going to be persistently above target if it takes no action to raise Bank Rate. Our Bank Rate forecast currently shows no increase, (or decrease), through to quarter 1 2024 but there could well be no increase during the next five years as it will take some years to eliminate spare capacity in the economy, and therefore for inflationary pressures to rise to cause the MPC concern. **Inflation** is expected to briefly peak at just over 2% towards the end of 2021, but this is a temporary short lived factor and so not a concern.
- However, the minutes did contain several references to **downside risks**. The MPC reiterated that the “recovery would take time, and the risks around the GDP projection were judged to be skewed to the downside”. It also said “the risk of a more persistent period of elevated unemployment remained material”. Downside risks could well include severe restrictions remaining in place in some form during the rest of December and most of January too. **Upside risks** included the early roll out of effective vaccines.
- **COVID-19 vaccines.** We had been waiting expectantly for news that various COVID-19 vaccines would be cleared as being safe and effective for administering to the general public. The Pfizer announcement on 9<sup>th</sup> November was very encouraging as its 90% effectiveness was much higher than the 50-60% rate of effectiveness of flu vaccines which might otherwise have been expected. However, this vaccine has demanding cold storage requirements of minus 70c that impairs the speed of application to the general population. It has therefore been particularly welcome that the Oxford University/AstraZeneca vaccine has now also been approved which is much cheaper and only requires fridge temperatures for storage. The Government has 60m doses on order and is aiming to vaccinate at a rate of 2m people per week starting in January, though this rate is currently restricted by a bottleneck on vaccine production; (a new UK production facility is due to be completed in June).

- These announcements, plus expected further announcements that other vaccines could be approved soon, have enormously boosted confidence that **life could largely return to normal during the second half of 2021**, with activity in the still-depressed sectors like restaurants, travel and hotels returning to their pre-pandemic levels; this would help to bring the unemployment rate down. With the household saving rate having been exceptionally high since the first lockdown in March, there is plenty of pent-up demand and purchasing power stored up for these services. A comprehensive roll-out of vaccines might take into late 2021 to fully complete; but if these vaccines prove to be highly effective, then there is a possibility that restrictions could start to be eased, beginning possibly in Q2 2021 once vulnerable people and front-line workers have been vaccinated. At that point, there would be less reason to fear that hospitals could become overwhelmed any more. Effective vaccines would radically improve the economic outlook once they have been widely administered; it may allow GDP to rise to its pre-virus level a year earlier than otherwise and mean that the unemployment rate peaks at 7% in 2021 instead of 9%.
- **Public borrowing** was forecast in November by the Office for Budget Responsibility (the OBR) to reach £394bn in the current financial year, the highest ever peace time deficit and equivalent to 19% of GDP. In normal times, such an increase in total gilt issuance would lead to a rise in gilt yields, and so PWLB rates. However, the QE done by the Bank of England has depressed gilt yields to historic low levels, (as has similarly occurred with QE and debt issued in the US, the EU and Japan). This means that new UK debt being issued, and this is being done across the whole yield curve in all maturities, is locking in those historic low levels through until maturity. In addition, the UK has one of the longest average maturities for its entire debt portfolio, of any country in the world. Overall, this means that the total interest bill paid by the Government is manageable despite the huge increase in the total amount of debt. The OBR was also forecasting that the government will still be running a budget deficit of £102bn (3.9% of GDP) by 2025/26. However, initial impressions are that they have taken a pessimistic view of the impact that vaccines could make in the speed of economic recovery.
- Overall, **the pace of recovery** was not expected to be in the form of a rapid V shape, but a more elongated and prolonged one. The initial recovery was sharp after quarter 1 saw growth at -3.0% followed by -18.8% in quarter 2 and then an upswing of +16.0% in quarter 3; this still left the economy 8.6% smaller than in Q4 2019. It is likely that the one month national lockdown that started on 5<sup>th</sup> November, will have caused a further contraction of 8% m/m in November so the economy may have then been 14% below its pre-crisis level.
- **December 2020 / January 2021.** Since then, there has been rapid back-tracking on easing restrictions due to the spread of a new mutation of the virus, and severe restrictions were imposed across all four nations. These restrictions were changed on 5.1.21 to national lockdowns of various initial lengths in each of the four nations as the NHS was under extreme pressure. It is now likely that wide swathes of the UK will remain under these new restrictions for some months; this means that the near-term outlook for the economy is grim. However, the distribution of vaccines and the expected consequent removal of COVID-19 restrictions, should allow GDP to rebound rapidly in the second half of 2021 so that the economy could climb back to its pre-pandemic peak as soon as late in 2022. Provided that both monetary and fiscal policy are kept loose for a few years yet, then it is still possible that in the second half of this decade, the economy may be no smaller than it would have been if COVID-19 never happened. The significant caveat is if another mutation of COVID-19 appears that defeats the current batch of vaccines. However, now that science and technology have caught up with understanding this virus, new vaccines ought to be able to be developed more quickly to counter such a development and vaccine production facilities are being ramped up around the world.



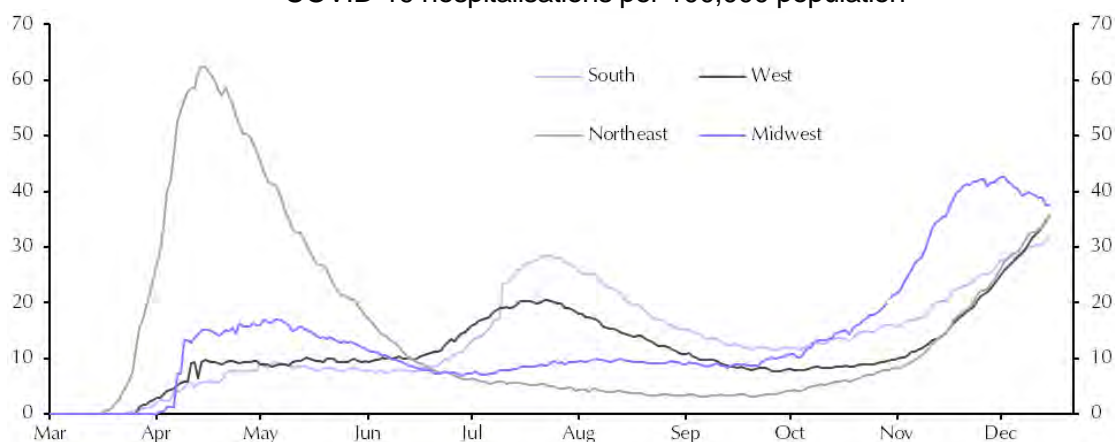
This recovery of growth which eliminates the effects of the pandemic by about the middle of the decade would have major repercussions for public finances as it would be consistent with the government deficit falling to around 2.5% of GDP without any tax increases. This would be in line with the OBR's most optimistic forecast in the graph below, rather than their current central scenario which predicts a 4% deficit due to assuming much slower growth. However, Capital Economics forecasts assumed that there is a reasonable Brexit deal and also that politicians do not raise taxes or embark on major austerity measures and so, (perversely!), depress economic growth and recovery.



- There will still be some **painful longer term adjustments** as e.g. office space and travel by planes, trains and buses may not recover to their previous level of use for several years, or possibly ever, even if vaccines are fully successful in overcoming the current virus. There is also likely to be a reversal of globalisation as this crisis has exposed how vulnerable long-distance supply chains are. On the other hand, digital services are one area that has already seen huge growth.
- **Brexit.** While the UK has been gripped by the long running saga of whether or not a deal would be made by 31.12.20, the final agreement on 24.12.20, followed by ratification by Parliament and all 27 EU countries in the following week, has eliminated a significant downside risk for the UK economy. The initial agreement only covers trade so there is further work to be done on the services sector where temporary equivalence has been granted in both directions between the UK and EU; that now needs to be formalised on a permanent basis. As the forecasts in this report were based on an assumption of a Brexit agreement being reached, there is no need to amend these forecasts.

- **Monetary Policy Committee meeting of 17 December.** All nine Committee members voted to keep interest rates on hold at +0.10% and the Quantitative Easing (QE) target at £895bn. The MPC commented that the successful rollout of vaccines had reduced the downsides risks to the economy that it had highlighted in November. But this was caveated by it saying, “Although all members agreed that this would reduce downside risks, they placed different weights on the degree to which this was also expected to lead to stronger GDP growth in the central case.” So, while the vaccine is a positive development, in the eyes of the MPC at least, the economy is far from out of the woods. As a result of these continued concerns, the MPC voted to extend the availability of the Term Funding Scheme, (cheap borrowing), with additional incentives for small and medium size enterprises for six months from 30.4.21 until 31.10.21. (The MPC had assumed that a Brexit deal would be agreed.)
- **Fiscal policy.** In the same week as the MPC meeting, the Chancellor made a series of announcements to provide further support to the economy: -
  - An extension of the COVID-19 loan schemes from the end of January 2021 to the end of March.
  - The furlough scheme was lengthened from the end of March to the end of April.
  - The Budget on 3.3.21 will lay out the “next phase of the plan to tackle the virus and protect jobs”. This does not sound like tax rises are imminent, (which could hold back the speed of economic recovery).
- The **Financial Policy Committee (FPC)** report on 6.8.20 revised down their expected credit losses for the banking sector to “somewhat less than £80bn”. It stated that in its assessment, “banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC’s central projection”. The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC’s projection, with unemployment rising to above 15%.
- **US.** The result of **the November elections** meant that while the Democrats gained the presidency and a majority in the House of Representatives, it looks as if the Republicans could retain their slim majority in the Senate provided they keep hold of two key seats in Georgia in elections in early January. If those two seats do swing to the Democrats, they will then control both Houses and President Biden will consequently have a free hand to determine policy and to implement his election manifesto.
- **The economy** had been recovering quite strongly from its contraction in 2020 of 10.2% due to the pandemic with GDP only 3.5% below its pre-pandemic level and the unemployment rate dropping below 7%. However, the rise in new cases during quarter 4, to the highest level since mid-August, suggests that the US could be in the early stages of a fourth wave. While the first wave in March and April was concentrated in the Northeast, and the second wave in the South and West, the third wave in the Midwest looks as if it now abating. However, it also looks as if the virus is rising again in the rest of the country. The latest upturn poses a threat that the recovery in the economy could stall. This is **the single biggest downside risk** to the shorter term outlook – a more widespread and severe wave of infections over the winter months, which is compounded by the impact of the regular flu season and, as a consequence, threatens to overwhelm health care facilities. Under those circumstances, states might feel it necessary to return to more draconian lockdowns.

COVID-19 hospitalisations per 100,000 population



- The restrictions imposed to control the spread of the virus are once again weighing on the economy with employment growth slowing sharply in November and retail sales dropping back. The economy is set for further weakness in December and into the spring. However, a \$900bn fiscal stimulus deal passed by Congress in late December will limit the downside through measures which included a second round of direct payments to households worth \$600 per person and a three-month extension of enhanced unemployment insurance (including a \$300 weekly top-up payment for all claimants). GDP growth is expected to rebound markedly from the second quarter of 2021 onwards as vaccines are rolled out on a widespread basis and restrictions are loosened.
- After Chair Jerome Powell unveiled the **Fed's adoption of a flexible average inflation target** in his Jackson Hole speech in late August 2020, the mid-September meeting of the Fed agreed by a majority to a toned down version of the new inflation target in his speech - that *"it would likely be appropriate to maintain the current target range until labour market conditions were judged to be consistent with the Committee's assessments of maximum employment and inflation had risen to 2% and was on track to moderately exceed 2% for some time."* This change was aimed to provide more stimulus for economic growth and higher levels of employment and to avoid the danger of getting caught in a deflationary "trap" like Japan. It is to be noted that inflation has actually been under-shooting the 2% target significantly for most of the last decade, (and this year), so financial markets took note that higher levels of inflation are likely to be in the pipeline; long-term bond yields duly rose after the meeting. The FOMC's updated economic and rate projections in mid-September showed that officials expect to leave the fed funds rate at near-zero until at least end-2023 and probably for another year or two beyond that. There is now some expectation that where the Fed has led in changing its inflation target, other major central banks will follow. The increase in tension over the last year between the US and China is likely to lead to a lack of momentum in progressing the initial positive moves to agree a phase one trade deal.
- The Fed's meeting on **5 November** was unremarkable - but at a politically sensitive time around the elections. At its **16 December** meeting the Fed tweaked the guidance for its monthly asset quantitative easing purchases with the new language implying those purchases could continue for longer than previously believed. Nevertheless, with officials still projecting that inflation will only get back to 2.0% in 2023, the vast majority expect the fed funds rate to be still at near-zero until 2024 or later. Furthermore, officials think the balance of risks surrounding that median inflation forecast are firmly skewed to the downside. The key message is still that policy will remain unusually accommodative – with near-zero rates and asset purchases – continuing for several more years. This is likely to result in keeping Treasury yields low – which will also have an influence on gilt yields in this country.



- **EU.** In early December, the figures for Q3 GDP confirmed that the economy staged a rapid rebound from the first lockdowns. This provides grounds for optimism about growth prospects for next year. In Q2, GDP was 15% below its pre-pandemic level. But in Q3 the economy grew by 12.5% q/q leaving GDP down by “only” 4.4%. That was much better than had been expected earlier in the year. However, growth is likely to stagnate during Q4 and in Q1 of 2021, as a second wave of the virus has affected many countries: it is likely to hit hardest those countries more dependent on tourism. The €750bn fiscal support package eventually agreed by the EU after prolonged disagreement between various countries, is unlikely to provide significant support, and quickly enough, to make an appreciable difference in the countries most affected by the first wave.
- With inflation expected to be unlikely to get much above 1% over the next two years, **the ECB** has been struggling to get inflation up to its 2% target. It is currently unlikely that it will cut its central rate even further into negative territory from -0.5%, although the ECB has stated that it retains this as a possible tool to use. The ECB’s December meeting added a further €500bn to the PEPP scheme, (purchase of government and other bonds), and extended the duration of the programme to March 2022 and re-investing maturities for an additional year until December 2023. Three additional tranches of TLTRO, (cheap loans to banks), were approved, indicating that support will last beyond the impact of the pandemic, implying indirect yield curve control for government bonds for some time ahead. The Bank’s forecast for a return to pre-virus activity levels was pushed back to the end of 2021, but stronger growth is projected in 2022. The total PEPP scheme of €1,850bn of QE which started in March 2020 is providing protection to the sovereign bond yields of weaker countries like Italy. There is therefore unlikely to be a euro crisis while the ECB is able to maintain this level of support. However, as in the UK and the US, the advent of highly effective vaccines will be a game changer, although growth will struggle before later in quarter 2 of 2021.
- **China.** After a concerted effort to get on top of the virus outbreak in Q1, economic recovery was strong in Q2 and then into Q3 and Q4; this has enabled China to recover all of the contraction in Q1. Policy makers have both quashed the virus and implemented a programme of monetary and fiscal support that has been particularly effective at stimulating short-term growth. At the same time, China’s economy has benefited from the shift towards online spending by consumers in developed markets. These factors help to explain its comparative outperformance compared to western economies. However, this was achieved by major central government funding of yet more infrastructure spending. After years of growth having been focused on this same area, any further spending in this area is likely to lead to increasingly weaker economic returns in the longer term. This could, therefore, lead to a further misallocation of resources which will weigh on growth in future years.
- **Japan.** A third round of fiscal stimulus in early December took total fresh fiscal spending this year in response to the virus close to 12% of pre-virus GDP. That’s huge by past standards, and one of the largest national fiscal responses. The budget deficit is now likely to reach 16% of GDP this year. Coupled with Japan’s relative success in containing the virus without draconian measures so far, and the likelihood of effective vaccines being available in the coming months, the government’s latest fiscal effort should help ensure a strong recovery and to get back to pre-virus levels by Q3 2021 – around the same time as the US and much sooner than the Eurozone.
- **World growth.** World growth will have been in recession in 2020. Inflation is unlikely to be a problem for some years due to the creation of excess production capacity and depressed demand caused by the coronavirus crisis.
- Until recent years, world growth has been boosted by increasing **globalisation** i.e. countries specialising in producing goods and commodities in which they have an economic

advantage and which they then trade with the rest of the world. This has boosted worldwide productivity and growth, and, by lowering costs, has also depressed inflation. However, the rise of China as an economic superpower over the last thirty years, which now accounts for nearly 20% of total world GDP, has unbalanced the world economy. The Chinese government has targeted achieving major world positions in specific key sectors and products, especially high tech areas and production of rare earth minerals used in high tech products. It is achieving this by massive financial support, (i.e. subsidies), to state owned firms, government directions to other firms, technology theft, restrictions on market access by foreign firms and informal targets for the domestic market share of Chinese producers in the selected sectors. This is regarded as being unfair competition that is putting western firms at an unfair disadvantage or even putting some out of business. It is also regarded with suspicion on the political front as China is an authoritarian country that is not averse to using economic and military power for political advantage. The current trade war between the US and China therefore needs to be seen against that backdrop. It is, therefore, likely that we are heading into a period where there will be a **reversal of world globalisation and a decoupling of western countries** from dependence on China to supply products. This is likely to produce a backdrop in the coming years of weak global growth and so weak inflation.

## Summary

**Central banks are, therefore, likely to support growth by maintaining loose monetary policy through keeping rates very low for longer. Governments could also help a quicker recovery by providing more fiscal support for their economies at a time when total debt is affordable due to the very low rates of interest. They will also need to avoid significant increases in taxation or austerity measures that depress demand in their economies.**

**If there is a huge surge in investor confidence as a result of successful vaccines which leads to a major switch out of government bonds into equities, which, in turn, causes government debt yields to rise, then there will be pressure on central banks to actively manage debt yields by further QE purchases of government debt; this would help to suppress the rise in debt yields and so keep the total interest bill on greatly expanded government debt portfolios within manageable parameters. It is also the main alternative to a programme of austerity.**

## INTEREST RATE FORECASTS

**Brexit.** The interest rate forecasts provided by Link in paragraph 3.3 were predicated on an assumption of a reasonable agreement being reached on trade negotiations between the UK and the EU by 31.12.20. There is therefore no need to revise these forecasts now that a trade deal has been agreed. Brexit may reduce the economy's potential growth rate in the long run. However, much of that drag is now likely to be offset by an acceleration of productivity growth triggered by the digital revolution brought about by the COVID crisis.

### The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably now skewed to the upside, but is still subject to some uncertainty due to the virus and the effect of any mutations, and how quick vaccines are in enabling a relaxation of restrictions.
- There is relatively little UK domestic risk of increases or decreases in Bank Rate and significant changes in shorter term PWLB rates. The Bank of England has effectively ruled out the use of negative interest rates in the near term and increases in Bank Rate are likely to be some years away given the underlying economic expectations. However, it is always possible that safe haven flows, due to unexpected domestic developments and those in other major economies, could impact gilt yields, (and so PWLB rates), in the UK.

### **Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:**

- **UK government** takes too much action too quickly to raise taxation or introduce austerity measures that depress demand in the economy.
- **UK - Bank of England** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **Eurozone sovereign debt crisis**. The ECB has taken monetary policy action to support the bonds of EU states, with the positive impact most likely for “weaker” countries. In addition, the EU agreed a €750bn fiscal support package. These actions will help shield weaker economic regions for the next two or three years. However, in the case of Italy, the cost of the virus crisis has added to its already huge debt mountain and its slow economic growth will leave it vulnerable to markets returning to taking the view that its level of debt is unsupportable. There remains a sharp divide between northern EU countries favouring low debt to GDP and annual balanced budgets and southern countries who want to see jointly issued Eurobonds to finance economic recovery. This divide could undermine the unity of the EU in time to come.
- Weak capitalisation of some **European banks**, which could be undermined further depending on extent of credit losses resultant of the pandemic.
- **German minority government & general election in 2021**. In the German general election of September 2017, Angela Merkel’s CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. The CDU has done badly in subsequent state elections but the SPD has done particularly badly. Angela Merkel has stepped down from being the CDU party leader but she will remain as Chancellor until the general election in 2021. This then leaves a major question mark over who will be the major guiding hand and driver of EU unity when she steps down.
- **Other minority EU governments**. Austria, Sweden, Spain, Portugal, Netherlands, Ireland and Belgium also have vulnerable minority governments dependent on coalitions which could prove fragile.
- **Austria, the Czech Republic, Poland and Hungary** now form a strongly anti-immigration bloc within the EU, and they had threatened to derail the 7 year EU budget until a compromise was thrashed out in late 2020. There has also been a rise in anti-immigration sentiment in Germany and France.
- **Geopolitical risks**, for example in China, Iran or North Korea, but also in Europe and other Middle Eastern countries, which could lead to increasing safe haven flows.

### **Upside risks to current forecasts for UK gilt yields and PWLB rates**

- **UK** - a significant rise in inflationary pressures e.g. caused by a stronger than currently expected recovery in the UK economy after effective vaccines are administered quickly to the UK population, leading to a rapid resumption of normal life and return to full economic activity across all sectors of the economy.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a rapid series of increases in Bank Rate to stifle inflation.

### 5.3 TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

The MHCLG issued Investment Guidance in 2018, and this forms the structure of the Council's policy below. These guidelines do not apply to either trust funds or pension funds which operate under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for councils to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council adopted the Code on 5 February 2002 and will apply its principles to all investment activity. In accordance with the Code, the Director of Finance has produced its treasury management practices (TMPs). **This part, TMP 1(1), covering investment counterparty policy requires approval each year.**

**Annual investment strategy** - The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments that the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Council is:

**Strategy guidelines** – The main strategy guidelines are contained in the body of the treasury strategy statement.

**Specified investments** – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. They also include investments which were originally classed as being non-specified investments, but which would have been classified as specified investments apart from originally being for a period longer than 12 months, once the remaining period to maturity falls to under twelve months. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government (such as the Debt Management Account deposit facility, UK treasury bills or a gilt with less than one year to maturity).
2. Supranational bonds of less than one year's duration.
3. A local authority, housing association, parish council or community council.
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency. For category 4 this covers pooled investment vehicles, such as money market funds, rated AAA by Moody's or Fitch rating agencies.
5. A body that is considered of a high credit quality (such as a bank or building society). For category 5 this covers bodies with a minimum Short Term rating of F1 (or the equivalent) as rated by Standard and Poor's, Moody's and / or Fitch rating agencies .

Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies.

**Non-specified investments** –are any other type of investment (i.e. not defined as specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below.

Non specified investments would include any sterling investments with:

	<b>Non Specified Investment Category</b>	<b>Limit (£ or %)</b>
a.	<b>The Council's own banker</b> if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.	£5m
b.	<b>Building societies not meeting the basic security requirements under the specified investments.</b> The operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings. The Council may use such building societies that have a minimum asset size of £5,000m, but will restrict these type of investments to maximum of 6 months.	£5m
c.	<b>Share capital</b> in a body corporate – The use of these instruments will be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. Revenue resources will not be invested in corporate bodies. This Authority will seek further advice on the appropriateness and associated risks with investments in these categories.	Report to Cabinet
d.	<b>Loan capital</b> in a body corporate. This Authority will seek further advice on the appropriateness and associated risks with investments in these categories.	Report to Cabinet
e.	<b>Bond funds.</b> This Authority will seek further advice on the appropriateness and associated risks with investments in these categories.	Report to Cabinet
f.	<b>Property funds</b> – This Authority will seek further advice on the appropriateness and associated risks with investments in these categories.	Report to Cabinet

Within categories a and b, and in accordance with the Code, the Council has developed additional criteria to set the overall amount of monies which will be invested in these bodies. These criteria to set the time and amount of monies which will be invested in these bodies.

**The monitoring of investment counterparties** - The credit rating of counterparties will be monitored regularly. The Council receives credit rating information (changes, rating watches and rating outlooks) from Link as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Head of Finance, and if required new counterparties which meet the criteria will be added to the list.

## 5.4 APPROVED COUNTRIES FOR INVESTMENTS

### *Based on lowest available rating*

#### AAA

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

#### AA+

- Canada
- Finland
- U.S.A.

#### AA

- Abu Dhabi (UAE)
- France

#### AA-

- Belgium
- Hong Kong
- Qatar
- U.K

*(AS AT 5.1.21)*

## **5.5 TREASURY MANAGEMENT SCHEME OF DELEGATION**

### **(i) Full Council**

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

### **(ii) Cabinet**

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

### **(iii) Audit and Risk Scrutiny Committee**

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

## 5.6 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

### The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.
- preparation of a capital strategy to include capital expenditure, capital financing, and treasury management, with a long term timeframe.
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all investments and is in accordance with the risk appetite of the Council



**R E F E R R A L**

from  
**CABINET**  
**HELD ON 11<sup>TH</sup> FEBRUARY 2021**

to  
**COUNCIL**  
**ON 4<sup>TH</sup> MARCH 2021**

**Public Interest Test**

The author of this referral, Linda Dore, Democratic and Electoral Services Officer, has determined that it is considered to be of a non-confidential nature.

**MINUTE NO. 237 (D) - GENERAL FUND REVENUE BUDGET 2021/22 TO 2025/26 (KEY DECISION NO. 855)**

**RESOLVED** that Cabinet recommend the following to full Council on 4<sup>th</sup> March 2021:

1. The budget for 2021/22 and future years be considered, together with the associated comments from the Audit and Risk Scrutiny Committee on 9<sup>th</sup> February 2021, and recommend their approval.
2. A council tax increase of £5 for Band D equivalent properties for 2021/22.
3. The declaration that there will be a £0.328 deficit on the Collection Fund for 2020/21 as summarised in para 3.43 of this report.
4. The Business Rates figures be noted as shown on the NNDR1 form regarding;
  - the net yield from local business rates;
  - the cost of collection allowance;
  - the amounts retained in respect of renewable energy schemes;
  - the declared surplus at the end of 2020/21.
5. That delegated authority be given to the Cabinet Member for Finance for addressing any issues arising from the Business Ratepayers consultation in February 2021.
6. That delegated authority be given to the Head of Finance and Property to deal with amendments to the budget for any changes to Drainage Board and Parish Town Council precepts.

*Referred Reports will be submitted in their original form unless the Responsible Officer indicates otherwise.*

Copies to: Chief Executive  
Interim Director of Corporate Resources  
Committee Administrator



**BASSETLAW DISTRICT COUNCIL****CABINET****11<sup>th</sup> FEBRUARY 2021****REPORT OF THE INTERIM DIRECTOR OF CORPORATE RESOURCES****GENERAL FUND REVENUE BUDGET 2021/22 TO 2025/26**Cabinet Member: Finance  
Contact: Dave Hill**1. Public Interest Test**

1.1 The author of this report, Dave Hill, has determined that the report is not confidential.

**2. Purpose of the Report**2.1 To provide details for the General Fund Budget proposals for 2021/22, and make recommendations for the budget setting meeting at full Council on the 4<sup>th</sup> March 2021.**3. Background and Discussion****Introduction**3.1 The financial planning context for this budget report was set out in the Medium Term Financial Plan reported to Cabinet on 5<sup>th</sup> January 2021. This identified a total savings requirement of £4.8m over the next 5 years. Some savings have already been identified which leaves net savings of:

	<b>2021/22 £'000</b>	<b>2022/23 £'000</b>	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>	<b>Total £'000</b>
Net savings requirement	0	1,155	(32)	(466)	(199)	468

3.2 The budget report plays a key integral role in the development of the Council, and the services it provides for local people. This budget centres on five main known factors:

- The savings made during the last 12 months;
- The consolidation of further budget pressures (including the impact of Covid-19);
- Support for the Council Plan and Members' priorities;
- The significant withdrawal of Revenue Support Grant funding, which represents a 70% reduction in funding between 2018/19 and 2021/22;
- Members' aspirations for Council Tax.

3.3 This report sets out for Members all of the considerations that have had to be made to balance the budget for 2021/22, and to establish savings targets for future years.

3.4 As Members are aware, the continual reduction of Bassetlaw's grant income is putting sustained pressure on the Council, and this is compounded by the late release of the

Provisional Local Finance Settlement information, which was not announced until 17<sup>th</sup> December 2020.

### Revenue Budget Overview

- 3.5 The Council's budget requirement is measured by the amount of Council expenditure that can be funded from external finances (Revenue Support Grant and Retained Business Rates), and from council tax income. The budget requirement comprises gross expenditure on services, less gross income from services, less any planned use of reserves.
- 3.6 The budget requirement for 2020/21 (excluding parishes) was £15.081m. The budget requirement for 2021/22 is calculated as follows:

<b>Net Expenditure on Services</b>	<b>£'000</b>	<b>External Finance</b>	<b>£'000</b>
Gross Expenditure	49,497	Revenue Support Grant	229
Gross Income	(34,599)	Lower Tier Services Grant	173
		Retained Business Rates - Baseline	4,056
		Retained Business Rates – Above Baseline	392
		Section 31 Business Rates Grants	1,927
		Renewable Energy Retained Business Rates	1,200
		Capital Grants	60
		New Homes Bonus Grant	822
		Rural Services Delivery Grant	56
		Neighbourhood Planning Grant	114
		Misc Govt Grants	26
		Council Tax Admin Support Grant	126
<b>Net Expenditure:</b>	<b>14,898</b>	<b>External Finance:</b>	<b>9,181</b>
Transfer to Reserves	812	Council Tax Income	6,529
<b>Budget Requirement:</b>	<b>15,710</b>	<b>Income from Grant and Council Tax:</b>	<b>15,710</b>

- 3.7 The annual decrease in the budget requirement (net spending) for 2019/20 is £0.629m 4%.

### 2021/22 Budget Pressures

- 3.8 As part of the budget process undertaken last year, the Council set a savings target of £1.17m to balance the budget for 2021/22. This was based on the premise that the Fair Funding Review and Business Rates Reform were completed during 2020/21 and introduced from 1st April 2021. These reforms have been delayed and it is unclear when they will be implemented. It has been assumed that the delay will be for a year and consequently the savings have been pushed back into 2022/23. The 2021/22 balanced budget has been achieved in year through a combination of:

Expenditure:

- Zero-based Budget Review;
- Contract reviews

- Improved Procurement
- Service

Income:

- Council tax increases and growth in the tax-base;
- Sharing of office accommodation.
- Retained business rates growth.
- Development of new income streams

- 3.9 The underlying message is that each year the savings target is becoming increasingly difficult to find. A substantial amount of the savings target has been met from non-staffing areas, and this is not sustainable.
- 3.10 All service budgets have been reduced over a number of years now and this has impacted on the flexibility to respond to pressures once the budget has been set at the start of the financial year. Equally, it presents the continual challenge to senior managers and Members to identify suitable areas to address the identified shortfalls in funding year on year.
- 3.11 A particular problem is the proportionality of employee costs to the overall spending power of the Council. As illustrated in the table below, 58% of 'real' money (which excludes benefits payments and internal recharges), is attributable to the cost of employees. This means that the opportunity to find savings from non-employee expenditure becomes harder each year.

	<b>Budget 2021/22</b>	<b>Percentage</b>
	<b>£'000</b>	<b>%</b>
Employees	16,151	58
Premises	2,296	8
Transport	908	3
Supplies & Services	4,501	16
Third Party Payments	4,032	15
<b>Total:</b>	<b>27,888</b>	<b>100%</b>

### **2021/22 and 2022/23 Budget Pressures**

- 3.12 The budget is summarised in Appendix 1, and this illustrates the magnitude of the task to provide a balanced budget each year. For 2022/23, the savings target has been set at £1.155m (which has changed slightly from the figure reported in the MTFP on 13<sup>th</sup> January 2020 due to updated information received). After 2022/23 the identified budget pressures can be contained and show small surpluses, assuming the target of £1.155m has been achieved. Any shortfall will impact on future year's budgets.

### **General Fund Revenue Reserves & Balances**

- 3.13 The Local Government Act 2003 requires authorities to consider the level of reserves when calculating their budget requirements. Professional guidance is set out to assist in this deliberation. The Council is maintaining its minimum working balance of £1.0m in 2020/21. This is essential, as the External Audit Engagement Lead will comment on

it as part of his Value for Money Arrangements work for Bassetlaw, which is an important reputational issue. The estimated position at the end of 2020/21 is expected to be:

<b>General Fund:</b>	<b>Estimated Position At 31<sup>st</sup> March 2021 £'000</b>
Minimum Working Balance	1,000
General Reserve	1,717
Job Evaluation Reserve	566
Insurance Reserve	198
Business Rates Volatility Reserve	599
Business Rates Pooling Reserve	872
Retained Business Rates Reserve	2,482
Developers' Contributions Unapplied	141
Leisure Management Trust	325
Invest to Save Reserve	813
VAT Refund	342
Revenues and Benefits DWP Grants	270
Other Minor Reserves	947
<b>Total</b>	<b>£10,272</b>
New Homes Bonus Reserve (Capital)	24
<b>Total</b>	<b>£10,296</b>

- 3.14 If the Council has to meet the costs of staff leaving under the voluntary redundancy and voluntary early retirement arrangements this year, it is expected that these will be found from in-year revenue savings. However, if these do not materialise, then some or all of these costs will have to be met from the Job Evaluation Reserve.

#### **Local Government Finance Settlement 2021/22**

- 3.15 The provisional finance settlement was published on 17<sup>th</sup> December 2020. It provides provisional figures for 2021/22, which, in the absence of the funding reforms, is a roll-over of the 2020/21 settlement and a one year settlement only. There is no indication of figures for 2022/23 or thereafter.
- 3.16 The Settlement Funding Assessment from Central Government consists of the Revenue Support Grant and the Business Rates Baseline. This has now reduced to 25% of Bassetlaw's net budget for 2021/22. In 2010/11 this was 66% of our net budget. The following table illustrates the changes the Council has had to deal with year on year:

	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Revenue Support Grant	1,191	734	224	227	229
Retained Business Rates Baseline	3,788	3,902	3,991	4,057	4,057
<b>Total</b>	<b>£4,979</b>	<b>£4,636</b>	<b>£4,215</b>	<b>£4,284</b>	<b>£4,286</b>
<b>Financial Reduction</b>	<b>(£640)</b>	<b>(£343)</b>	<b>(£421)</b>	<b>£69</b>	<b>£2</b>
Percentage Reduction	-11%	-7%	-9%	2%	0%

3.17 Members should be aware that the above figures for 2021/22 include an allocation in respect of Homelessness Prevention Funding of £0.232m.

3.18 The government use *core spending power* as the key measure of a Council's funding. This is built up as follows:

Element of core spending power	2020/21 £'000	2021/22 £'000	Change %
Settlement Funding Assessment (SFA):			
• Revenue Support Grant	227	229	0.9%
• Business Rates Baseline	4,056	4,056	0.0%
	<b>4,283</b>	<b>4,285</b>	<b>0.0%</b>
Business Rates multiplier compensation	161	211	31.1%
New Homes Bonus grant (NHB)	1,147	822	-28.3%
Rural Services Delivery Grant	54	56	3.7%
Lower Tier Services Grant	0	173	0.0%
Council Tax Income	6,313	6,600	4.5%
<b>Core Spending Power</b>	<b>11,959</b>	<b>12,147</b>	<b>1.6%</b>

3.19 These figures show an increase of 1.6% over 2020/21 which includes a new Lower Tier Services Grant partly to ensure Local Councils do less funding in 2021/22.

3.20 The consultation papers and the government indicative proposals has provided some information to allow an update of the financial projections on which the Council's future savings requirements. The removal of Revenue Support Grant by the end of 2021/22 has been confirmed. Proposals to reform the business rates system has been delayed and is not expected until 2022/23 at the earliest. The mechanism of top-ups and tariffs is likely to remain. The government will be issuing a further series of consultation documents over the next year on both the Fair Funding Review for local authorities and Business Rates reform before the introduction of any new scheme.

3.21 The current Settlement Funding Assessment approach enables local authorities to benefit directly from supporting local business growth. The assessment includes a baseline level of business rates receivable (index-linked), with the level of rates receivable above that being taken by government as a 'tariff' – which is used to 'top-up' local authorities who would receive less than their funding level i.e. most counties and unitary authorities.

3.22 In addition the Council retains 40% of any business rates collected above the assumed baseline level (with the County and Fire also receiving 9% and 1% respectively), with the remaining 50% being contributed to the Nottinghamshire Business Rates Pool. If business rates income falls to less than 92.5% of the baseline, the Council will receive a 'safety net' payment from the Pool, so that any loss of income below the baseline is capped at 7.5%.

3.23 One of the challenges faced by all authorities is effectively predicting the level of movement in the business rate tax base. This is dependent on accurately forecasting the timing and incidences of new properties, demolitions and significant refurbishments – together with the consequent effect on valuations. This is further complicated by the need to assess the level of appeals that will be lodged successfully against new/revised

valuations, together with their timing. Since the Covid-19 outbreak the level of appeals has increased significantly making this an accurate assessment even more difficult.

3.24 Significant uncertainties currently exist around the operation of the business rates retention scheme in the next few years. These include:

- The indication that the Business Rates reform will mean the transfer of additional funding burdens to local government.
- A proposed reset of the business rates baseline, which will take into account any growth, achieved in previous years.
- A Fair Funding review which will assess the relative needs and resources of local authorities.
- Transition arrangements as we move from the old system to the new one.
- The appeals position nationally remains difficult to forecast accurately. The number of appeals lodged with the Valuation Office has increased considerably and reductions have been agreed for all office premises under appeal.

### **New Homes Bonus**

3.25 The New Homes Bonus was introduced in 2011/12 and this gave some relief against the backdrop of government grant cuts, but it is another variable that is top-sliced from the Revenue Support Grant, and is paid as a separate specific grant. From 2017/18 the Government implemented:

- A move to 5 year payments for both existing and future Bonus allocations in 2017/18 and then 4 years from 2018/19: and
- The introduction of a national baseline of 0.4% below which allocations will not be made.

3.26 Although this has no direct effect on revenue, it has reduced the amount available for capital projects. After 2021/22, it has been assumed that the funding will be rolled into the settlement figure, although this is by no means certain.

3.27 Cabinet agreed to a phased reduction in the amount used for core funding and in 2019/20 the reduction meant that New Homes Bonus didn't provide any core funding for revenue. The £0.822m shown in Appendix 1 has been transferred to reserves.

3.28 It was agreed by Cabinet that the balance of New Homes Bonus would then be utilised to fund the capital programme in future years. This is being allocated to capital bids on an annual basis.

### **Inflation and Other Budget Provisions**

3.29 An annual pay award of 2% for 2021/22 and 2% thereafter has been included in the budget. This has been supplemented in the budget for increases associated with the discretionary Living Wage.



3.30 A Corporate Contingency of £0.100m, plus a provision for external legal costs of £0.100m and a Health and Safety contingency of £0.025m has been included in the budget. These measures should ensure that the Council has enough in-built flexibility to manage budgets throughout the financial year. There has however, been no increase allowed for inflation on supplies and services - in effect this means an in-built efficiency on these budgets.

### **Discretionary Grants to Outside Bodies**

3.31 Despite current financial pressures, Bassetlaw will still provide a significant level of funding to the third sector, parish/town councils, and other external organisations during 2021/22 as follows:

	<b>£'000</b>
Grants for Voluntary & Community Sector	45
Councillor Community Grants	48
Parish/Town Concurrent Grants	2
Parish/Town Street Cleaning Grants	24
Parish/Town Public Convenience Grants	14
Parish/Town Cemetery Grants	12
Misterton Centre	6
Notts Wildlife Trust	3
<b>Total</b>	<b>154</b>

### **Council Tax**

3.32 Bassetlaw did not increase its level of council tax between 2009/10 and 2013/14 and instead opted to take the now discontinued Council Tax Freeze grant. It is estimated that this represents £1.2m per annum in lost income to the Council. For 2014/15 and 2015/16, members agreed a 1.5% increase and forego the 1% Council Tax Freeze Grant.

3.35 There was no offer of a Council Tax Freeze grant for 2016/17 and 2017/18 and members approved an increase of 1.9% for both years. For 2018/19, Council took the option provided by government to increase Council Tax by the equivalent of £5 per Band D equivalent rather than stay within the 3% referendum limit. This resulted in an increase of 3.06%.

3.36 A similar decision was made in 2019/20 increasing Council tax by £5 per Band D equivalent, which represented a 2.96% increase, which was just below the 3% referendum limit.

3.35 In 2020/21 the referendum limit was reduced to 2% whilst retaining the option to increase Council Tax by £5 per Band D equivalent and this limit is part of the provisional settlement for 2021/22.

3.37 The average Band D council tax for 2020/21 for Bassetlaw District Council is £178.48 or £3.43 per week. Due to the tight financial constraints in 2021/22, the budget has been prepared assuming a £5 increase that would mean a new council tax of £183.48 per Band D property. This represents a 2.80% increase or 10p per week.

- 3.38 The report to Council on 5<sup>th</sup> January 2021 proposed a council tax base for collection purposes of 35,771.49 Band D properties for 2021/22, which reflects a growth in Band D of 398 properties or 1.1%.
- 3.39 The majority of properties (approximately 50.8%) in the Council's area are in Band A with a 2020/21 council tax of £118.99. An increase of £5 for 2021/22 would mean a new council tax level of £122.32. This would represent an annual increase of £3.33, or a weekly increase of 6p.
- 3.40 Parish, Police, Fire and County precepts are still to be set by the precepting authorities and will be included in the Council Tax Resolution in the 4<sup>th</sup> March 2020 report.

### **Collection Fund Surplus**

- 3.41 The Council is statutorily obliged on 15<sup>th</sup> January each year to prepare an estimate of its Collection Fund transactions for Council Tax. This estimate enables Bassetlaw and the three major precepting authorities to take account of any surpluses or deficits on the Fund when they set their own authority budgets.
- 3.42 Collections to 31<sup>st</sup> March 2020 were slightly less than forecast and resulted in a deficit of £0.007m carried forward. A surplus of £0.5m was declared on 15<sup>th</sup> January 2020 for 2019/20 and a deficit of £0.328m has been declared for 2020/21. The 2020/21 deficit of £0.963m was adversely affected by the Coronavirus pandemic and the government has allowed Councils to recover the deficit over the 3 years from 2021/22.
- 3.43 The Council tax base report to Council on 5<sup>th</sup> January 2021 recommended that the estimated collection rate be retained at 98.0%. The Collection Fund estimates are shown below.

<b><u>Collection Fund</u></b>		
	£'000	£'000
<b>2019/20</b>		
Actual Surplus for 2019/20	493	
Less: Surplus declared 15th January 2020	(500)	
Surplus overstated		(7)
<b>2020/21</b>		
Accounts Due	89,376	
CTRS	(7,870)	
Exemptions, Discounts and Reliefs	(9,076)	
Precepts	(72,297)	
Write offs	(550)	
Increase in bad debt provision	(546)	
Estimated Deficit		(963)
Spreading adjustment		642
<b>Deficit declared 15th January 2021</b>		<b>(328)</b>

## Business Rates

- 3.44 Central government requires all local billing authorities to complete a return (*called the NNDR1 return*), which sets out the business rate income baseline for the purposes of budget setting.
- 3.45 There is a direct link between the *NNDR1 return* and the amount of business rates retained by the Council. The total is currently allocated on the basis of:
- 50% to be paid to the Central Government;
  - 40% allocated to the District Council;
  - 9% to be paid to the County Council;
  - 1% to be paid to the Fire & Rescue Authority.
- 3.46 From this figure, further calculations are applied for tariffs or top-up's, and safety net payments or levies, before arriving at an individual business rate budget for a local authority.
- 3.47 The 40% retained business rate income allocated to Bassetlaw District Council is much higher than central government deems to be required, and therefore a tariff is payable back to central government for distribution to other councils where the amount collected is less than the baseline amount required.
- 3.48 The position as to whether a safety net is receivable or a levy is payable is less clear, as it depends upon how much income is collected in year when compared against the government's baseline position i.e. what central government expects Bassetlaw District Council to collect
- 3.49 From 1<sup>st</sup> April 2013, all of the seven Nottinghamshire District Councils joined Nottinghamshire County Council to form a business rates pool. This arrangement works the same as for an individual authority, except the tariff or top-up, and the safety net payment or levy, is calculated on the Pool as a single entity. This approach has enabled a greater level of financial resources to be retained within Nottinghamshire.
- 3.50 Both Bassetlaw and the Nottinghamshire Pool have benefitted from Bassetlaw taking a proactive approach to inspecting Business properties through a dedicated Business property inspector who has significantly increased the Rateable Value of properties in the district.
- 3.51 Part two of the Non-Domestic Rating (Rates Retention) Regulations 2013 require all billing authorities to calculate the following amounts and to notify these to the Secretary of State and any relevant precepting authorities by 31<sup>st</sup> January each year via the *NNDR1 return*:
- (a) *the amount of the central share of its non-domestic rating income;*
  - (b) *the amount of each relevant precepting authority's share of its non-domestic rating income in accordance with regulation 5;*
  - (c) *the amount (if any) to be deducted from the central share payment in accordance with regulation 4(1);*
  - (d) *the amount of each relevant precepting authority's share of any amount to be deducted from the central share payment in accordance with regulation 4(1);*
  - (e) *the amount (if any) specified by regulation 7(2).*

- 3.52 The NNDR1 return was completed and submitted by 31 January 2020 and is attached at Appendix 3.

### **Robustness of Estimates and Adequacy of Reserves**

- 3.53 Under the provisions of the Local Government Act 2003, the Councils Section 151 Officer is required to report on the robustness of the estimates and the adequacy of the financial reserves. The Act requires Members to “have due regard to the report in making their decisions”. Where this advice is not accepted, it should be formally recorded within the minutes of the Council Meeting.

#### **Robustness of Estimates**

- 3.54 In assessing the robustness of the estimates in the 2021/22 revenue and capital budget proposals, the key strategic risks to consider in the context of the Medium Term Financial Plan are:

##### General Fund Revenue Expenditure

- An average 2% in 2021/22 and 2% to each year thereafter in respect of the assumed pay award. The adoption of the discretionary Living Wage has been allowed for when setting budgets.
- The Nottinghamshire County Council Pension Fund’s latest triennial review is effective from April 2020. The review set the employers contribution percentage of payroll at 19.6% (16.2% 2019/20) for active employees, with an additional annual deficit lump sum. A decision was taken to pay the three-year lump sum element in one payment thereby saving the General Fund £0.196m. This saving has been spread over the three financial years 2020/21, 2021/22 and 2022/23 resulting in an annual budget requirement of £0.853m for the back-funding element attributed to former employees. The next triennial review is due April 2023.
- The Council implemented a new pay structure from 2020/21 following a job evaluation exercise. A job evaluation reserve exists to meet any costs including equal pay claims. Any remaining balance on the reserve will be written back to revenue.
- No inflationary increases have been applied to general budgets, however any contracts that are linked to RPI or CPI depending on individual agreements.
- Through effective treasury management, the Council is currently under-borrowed which means that the budget for long-term borrowing interest can be kept lower than necessary. For cash flow purposes, if short-term funds are required in year, then temporary borrowing will be undertaken, however it is not envisaged that this will be needed.
- The Council has been proactive in anticipating budget reductions and putting measures in place to meet the established savings target. A significant savings target was expected in 2021/22 resulting from the Local Government finance reforms, however, this has not materialised as the reforms have been delayed

until a future date. To enable indicative future year's budgets to be prepared this date has been taken as 1<sup>st</sup> April 2023.

### General Fund Revenue Income

- Investment income interest rate assumptions have been set at 0.1%, which is prudent given current market forecasts.
- Income budgets have been set in accordance with the Corporate Charging Policy with a minimum increase of 3.1%, and realistic estimates have been included within the budget based on estimated usage of each service.
- Government has not yet confirmed the DWP Housing Benefits Subsidy Grant. The budget includes £0.241m for 2021/22 and assumes that this will reduce by 8% for the year after.
- New Homes Bonus is no longer used for the revenue budget. It was agreed that this money will instead be transferred into the capital programme for future one-off capital projects that will provide future revenue savings for the authority.
- The Local Government Finance Settlement announced on 17<sup>th</sup> December 2020 confirmed the Revenue Support Grant of £0.229m for Bassetlaw, and a retention of £16.9m of business rates collected for 2021/22. Officers also expect to collect a greater proportion of business rate growth in year, and an amount of £0.392m has been included in 2021/22 on top of the government's figure. This has been less than in previous years due to the closure of a power station. The full impact of the closure of both coal-fired power stations has been included in the future year's budgets.
- The government's intention to move to funding local services from business rates has created a degree of risk when setting Council budgets. A high degree of volatility still exists due to the impacts of business rate reforms, the success of outstanding appeals, and changes to relief schemes.

### General Fund Provisions and Reserves

- The Council holds an Insurance provision against general fund losses. This is based upon 100% of the cumulative cost of the loss adjusters estimated value of each individual claim. This provision is re-assessed each year during the closure of accounts process.
- As a further measure against financial risk, the Council operates strategic Corporate Contingency and Legal Contingency Funds for which £0.100m has been allocated to each for the 2021/22 budgets. A Health and Safety Contingency budget of £0.025m has also been included. These budgets are sufficient to cover exceptional budget variances or emergencies that may occur in the year.
- The continuing uncertainty about the current economic environment has exacerbated the effects on the Councils debt collection rates and increased housing benefit levels. In the interests of prudence, the Council has included a bad debt provision of £0.05m within the budget

### Housing Revenue

- The government's National Social Rent Policy allows rents to be increase by CPI plus 1%. For 2021/22 this amounts to 1.5% and has been included within the 30-year HRA business plan which will inform investment decisions for future years.
- Under self-financing, all of the treasury management decisions are now made specifically for Housing as the loans pool is split into two i.e. one for General Fund and one for the Housing Revenue Account. The Treasury costs are one of the largest budgets within the Housing Revenue Account, and because of the changes, these are relatively fixed giving added stability to the decision-making process.

### Capital Programme and Funding

- Funding for General Fund capital schemes, particularly in later years, remains subject to generating capital receipts and being successful in bidding for grants. In the absence of that funding, some schemes may not be affordable. Prudential Borrowing will be used for 'long life' assets as a substitute for capital receipts and where positive cash flows can be demonstrated. Any additional pressure on the Minimum Revenue Provision (MRP) has been included in the revenue budgets.
- The Capital Programme is set out in a separate report. The costs of borrowing used to fund the Capital Programme are accounted for in the 2021/22 revenue budget.

### Statement of Accounts

- The Council has sound Financial Management arrangements in place as evidenced by the positive *Audit Completion Report* received from Mazars as the external auditors.

### Adequacy of Reserves

- 3.55 The Local Government Finance Act 2003 requires authorities to have regard to the level of reserves when calculating their budget requirements. Professional guidance is set out to assist in this deliberation (*guidance note on Local Authority Reserves and Balances – LAAP Bulletin 99 – July 2014*).
- 3.56 Earmarked Reserves are intended to be used for specific purposes over a period of more than a single financial year. These earmarked reserves either protect the Council against specific financial risks, or are used as a means of funding specific revenue projects. The main reserves held by the Council are detailed above in para 3.13.
- 3.57 The General Reserve is a corporate contingency to be used by either Cabinet or Council for any purpose within the legal powers of the Council. Examples of the purposes for which it might be used include dealing with unforeseen in-year budget pressures, financing once-only items of expenditure, or creating a strategic earmarked reserve. For 2020/21, members will be asked to approve the use of the reserve to fund the deficit likely to be created by costs associated with the Covid-19 pandemic.

- 3.58 In consideration of this guidance, the Council is maintaining its Minimum Working Balance of £1.0m for the General Fund, and £1.3m for the Housing Revenue Account. In the event of these Minimum Working Balances being compromised, Cabinet and Council, as advised by the Section 151 Officer, must agree a plan to restore the balance in the following financial year.
- 3.59 The resulting levels of General Reserves and Balances for the proposed 2021/22 budget (i.e. at 31<sup>st</sup> March 2021) are shown in paragraph 3.13

### **Future Years**

- 3.60 The budget report outlines the expected financial position of Bassetlaw between now and 2024/25. The savings target for 2021/22 has been set at £1.155m. Thereafter, as long as these savings are achieved, the budgets show small surpluses. However, numerous assumptions have been made about the future funding of the Council and if these prove to be inaccurate, future budgets may be affected. This is particularly pertinent this year as the Coronavirus pandemic adds another layer of uncertainty.
- 3.61 Having considered the above risks, the conclusion of the Section 151 Officer is that the Council be advised that overall:
- The estimates are sufficiently robust, and,
  - The levels of reserves and balances forecasted to be held at 31<sup>st</sup> March 2021 are adequate,

to allow the Council to set the Revenue Budget, Capital Programme and Council Tax for 2021/22.

### **Budget Consultation**

- 3.61 Bassetlaw has a statutory duty to consult the business community as part of its budget preparations. This year it is not appropriate to hold a public meeting and instead consultation will take place in February via the website and social media.

### **Future Issues and Prospects**

- 3.63 The impact of a number of uncertainties and challenges outlined below should become clearer in 2021/22. The new or developing issues and projects, which are not clear at the time of agreeing this budget report, include:
- The on-going impact of Covid-19 pandemic. This affects almost all areas of the Council's finances including:
    - Business Rates – businesses closures, changes in rateable values, changes in working practices, government funded reliefs.
    - Council Tax – increase in LCTS claimants, ability to pay, effect on Council Tax base, accelerated move to Universal Credit.
    - Government Funding – continuation of funding, expectation of Councils to use reserves.
    - Ongoing loss of income and increased expenditure.
  - How the proposed business rates reform will work in practice and what new responsibilities will be given to Council's are still unclear.

- Whether the Fair Funding Review will affect the Council's funding levels to a greater (or lesser) extent than expected.
- How much future Comprehensive Spending Reviews will affect the amount of funding available to Local Government.
- Delivery of planned savings – the Council has delivered significant savings in previous years. As a result, current and future savings are more difficult to deliver. This represents a considerable challenge for the organisation.
- Financial pressure on other partners – as other agencies come under spending pressure there may be direct impacts on services which are currently funded by them or in partnership with them. The County Council is facing significant cuts over coming years and the health sector continues to be under pressure. Even when there are no direct cuts to Council funding there are likely to be indirect impacts on our community based services.
- Welfare Reform – the government continues to reform the country's system of welfare payments, which will have implications for the Council - not least the continuing and increased roll-out of Universal Credit due to the Covid-19 pandemic.

#### **4. Implications**

- a) For service users.

Budgets have already been significantly reduced over prolonged periods, and the Council is may be facing further increasing pressure from the planned central government reforms over the coming years.

- b) Strategic & Policy.

The General Fund revenue budget complements the capital report and both contribute to the Council Plan.

- c) Financial - Ref: 21/382

All of the financial implications are contained within the body of this report. If there are any further changes, they will be itemised in the Budget Setting Report to full Council on the 4<sup>th</sup> March 2021.

- d) Legal – Ref: 199/02/2021

The Local Government Act 1988 provides the legislative framework, which requires the Council to set a balanced budget. The s151 officer is responsible for ensuring the budget is balanced

- e) Human Resources.

Any Human Resources issues will be addressed as they arise.

- f) Community Safety, Equalities, Environmental.



The Equality Impact Assessment has been updated for the 2021/22 budget and there are no adverse impacts.

g) GDPR

There are no GDPR implications

h) This is Key Decision Number 855.

## **5. Options, Risks and Reasons for Recommendations**

5.1 The Council is exposed to a significant number of risks and uncertainties, which could affect its financial position, and the deliverability of the proposed budget. These risks include:

- The financial impact of the Coronavirus pandemic in future years
- Savings plans may not deliver projected savings to expected timescales;
- Assumptions and estimates, such as inflation and interest rates, may prove inaccurate;
- Funding from central government (Settlement Funding Assessment, New Homes Bonus, and other grants) may fall below projections.
- The actual impact and timing of local growth on the demand for some services may not reflect projections used;
- Increases in council tax and business rates receipts due to local growth may not meet expectations;
- Business rates appeals may exceed the provision set aside for this purpose;
- The local and national economic climate may change, impacting on some of the Council's income streams such as car parking income, commercial rents and planning fee income;
- New legislation or changes to existing legislation may have budgetary impacts.

5.2 The Council is required to set a balanced budget, but may otherwise vary its spending and taxation proposals below the excessive capping referendum trigger. For the 2021/22 revenue budget, the following decisions are available to Members:

- i) Change the level of service spending or income projections;
- ii) Revise the level of any reserves to support the revenue Budget;
- iii) Change the planned level of increase in Council Tax for 2021/22;

## **6. Conclusions**

6.1 The 2020/21 budget monitoring process has been tightly controlled throughout the financial year enabling managers and Members the opportunity to ensure spending is kept within budget.

6.2 The budget includes a £5 Band D equivalent council tax increase. Bassetlaw's financial position particularly with regard to its reserves and balances will need to be reassessed in June 2021 after the 2020/21 out-turn is finalised.

- 6.3 Members and officers' attention is drawn to the budget shortfall of £1.155m in 2022/23 and how we address it.
- 6.4 In previous years savings requirements have stemmed from the significant reductions in government funding, and unavoidable cost increases and pressures. In 2022/23 there is the further complication of a full review of Local Government Financing coupled with a full Business Rates reform. Limited information is available at this stage and numerous assumptions have been made in order to produce figures for future years. Whilst the Council has a record of identifying and delivering savings through service reviews and value for money improvements, many such savings have already been delivered and it is becoming more difficult to identify and deliver further savings and efficiencies.
- 6.5 The Efficiency Plan was developed to pinpoint where and how savings would be made. The plan identified three main themes:
- Income Generation
  - Contract Management
  - Efficiency and Effectiveness
- 6.6 Additional income must be raised from a combination of increasing fees and charges, and adopting a more innovative and enterprising approach for managing property i.e. an asset should make a suitable rate of return otherwise it needs to be considered for disposal. During 2021/22 work will be completed on developing a comprehensive Asset Management Plan to ensure assets are being used to their full potential.
- 6.7 Potential income generation options including the development of trading activities through S80 Partnership Limited and the development of new housing in the district through Bersahill Ltd. It is important to continue to develop these trading activities so that the budget can be balanced from 2021/22 onwards.
- 6.8 Continued reductions in expenditure will be a prerequisite moving forward, and it will be a difficult to ensure that service quality is maintained when set against reductions in service expenditure.
- 6.9 The Procurement service has been refocussed on a more proactive commercial approach to the delivery of savings.
- 6.10 Working with other parts of the public sector in the district in the Bassetlaw Community Partnership must continue to develop to maximise the relationships between the Police, the Fire & Rescue service, the County Council, the local Clinical Commissioning Group and other local groups such as the Bassetlaw Community and Voluntary Sector. This could then facilitate how local services could be financed and delivered in a more integrated, modern and efficient way.

## **7. Recommendations**

Cabinet recommend the following to full Council on 4<sup>th</sup> March 2021:

- 7.1 That Cabinet considers the budget for 2021/22 and future years, together with the associated comments from the Audit and Risk Scrutiny Committee on 9<sup>th</sup> February 2021, and recommend their approval.

- 7.2 That Cabinet recommends a council tax increase of £5 for Band D equivalent properties for 2021/22.
- 7.3 That Cabinet notes the declaration that there will be a £0.328m deficit on the Collection Fund for 2020/21 as summarised in para 3.43 of this report.
- 7.4 That Cabinet notes the Business Rates figures shown on the NNDR1 form regarding
- the net yield from local business rates;
  - the cost of collection allowance;
  - the amounts retained in respect of renewable energy schemes;
  - the declared surplus at the end of 2020/21.
- 7.5 That Cabinet delegates authority to the Cabinet Member for Finance for addressing any issues arising from the Business Ratepayers consultation in February 2021.
- 7.6 That Cabinet delegates authority to the Head of Finance and Property to deal with amendments to the budget for any changes to Drainage Board and Parish Town Council precepts.

#### **Background Papers**

Medium Term Financial Plan 2021/22 – 2025/26  
 Local Government Finance Settlement Data  
 Budget Model.  
 NNDR Returns  
 LG Futures analysis

#### **Location**

Head of Finance & Property  
 Services office.



**GENERAL FUND BUDGET 2021/22 TO 2025/26**

Approved Budget 2020/21		Budget	Budget	Budget	Budget	Budget
		2021/22	2022/23	2023/24	2024/25	2025/26
£		£	£	£	£	£
	<b>SERVICE BUDGETS</b>					
445,200	Chief Executive Department	458,300	471,500	484,700	488,300	490,400
2,433,200	Corporate Services	2,552,900	2,629,000	2,890,800	2,716,200	2,717,500
2,253,000	Finance & Property & Revenue Services	2,559,700	2,653,300	2,750,700	2,784,900	2,895,000
261,000	Human Resources	280,500	291,900	303,800	305,100	304,000
6,172,400	Neighbourhoods	6,702,000	6,851,000	6,783,600	6,849,700	6,910,900
2,094,500	Regeneration	2,307,700	2,366,700	2,447,400	2,446,400	2,476,300
301,900	Housing General Fund	313,600	334,000	324,000	328,400	330,400
<b>13,961,200</b>	<b>Total Net Cost of Services</b>	<b>15,174,700</b>	<b>15,597,400</b>	<b>15,985,000</b>	<b>15,919,000</b>	<b>16,124,500</b>
	<b>OTHER BUDGETS</b>					
100,000	Provisions - Corporate Contingency (inc Living Wage)	102,300	102,300	102,300	102,300	102,300
50,000	Provisions - Bad Debts	50,000	50,000	50,000	50,000	50,000
100,000	Provisions - Legal Contingency	100,000	100,000	100,000	100,000	100,000
25,000	Provisions - Health & Safety Contingency	25,000	25,000	25,000	25,000	25,000
0	Vacancy Factor*	(308,200)	(316,500)	(324,100)	(327,300)	(330,600)
(25,000)	Procurement Contract savings	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
(110,000)	Profit Share/Dividend Income	(210,000)	(40,000)	(40,000)	(40,000)	(40,000)
<b>140,000</b>	<b>Total Other Budgets</b>	<b>(265,900)</b>	<b>(104,200)</b>	<b>(111,800)</b>	<b>(115,000)</b>	<b>(118,300)</b>
627,000	Borrowing Interest	629,600	619,700	609,800	589,100	597,000
(130,000)	Investment Interest Income	(55,000)	(25,000)	(40,000)	(50,000)	(50,000)
8,500	Other Interest	3,000	3,000	3,000	3,000	3,000
(1,000)	Renovation Grant Interest	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
0	HRA Internal Borrowing	(117,700)	(117,700)	(117,700)	(117,700)	(117,700)
1,500	Temporary Loans	1,500	1,500	1,500	1,500	1,500
<b>506,000</b>	<b>Net interest and borrowing costs</b>	<b>460,400</b>	<b>480,500</b>	<b>455,600</b>	<b>424,900</b>	<b>432,800</b>
538,500	Drainage Board Levies	587,000	622,500	660,200	700,200	742,700
1,827,500	Housing Capital Receipts Pooling	266,100	542,700	553,200	553,200	553,200
1,185,000	Parish Precept	1,232,400	1,232,400	1,232,400	1,232,400	1,232,400
<b>3,551,000</b>	<b>Other Operating Expenditure</b>	<b>2,085,500</b>	<b>2,397,600</b>	<b>2,445,800</b>	<b>2,485,800</b>	<b>2,528,300</b>
(1,700)	Amortisation of Intangible Assets Reversal	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)
870,000	Capital Grants & Contributions used to Finance Capital Expenditure	760,000	760,000	760,000	760,000	700,000
(1,622,400)	Reversal of Depreciation to Reserves	(1,745,200)	(1,745,200)	(1,745,200)	(1,745,200)	(1,745,200)
(1,827,500)	Housing Capital Receipts Pooling Reversed to Reserves	(266,100)	(542,700)	(553,200)	(553,200)	(553,200)
(1,000,000)	Reversal of Revenue Expenditure Funded from Capital under Statute	(770,000)	(720,000)	(720,000)	(700,000)	(700,000)
675,800	Minimum Revenue Provision	698,700	737,700	786,500	830,800	875,400
<b>(2,905,800)</b>	<b>Accounting Adjustments</b>	<b>(1,324,300)</b>	<b>(1,511,900)</b>	<b>(1,473,600)</b>	<b>(1,409,300)</b>	<b>(1,424,700)</b>
0	Transfer to/(from) General Reserves	0	0	0	0	0
1,013,500	Transfer to/(from) Earmarked Reserves	811,900	(10,100)	(10,100)	(10,100)	(10,100)
0	Savings Target	0	(1,154,900)	(1,122,700)	(666,900)	(467,700)
<b>16,265,900</b>	<b>Total Council Net Budget</b>	<b>16,942,300</b>	<b>15,694,400</b>	<b>16,168,200</b>	<b>16,628,400</b>	<b>17,064,800</b>
	<b>FUNDED BY</b>					
(227,500)	Revenue Support Grant	(228,800)	0	0	0	0
12,801,700	Tariff	12,801,700	12,150,100	12,390,200	12,630,400	12,883,000
(16,858,000)	Retained Business Rates (baseline)	(16,857,900)	(16,394,100)	(16,720,200)	(17,046,400)	(17,387,300)
<b>(4,283,800)</b>	<b>Sub-total: Start-up Funding Assessment</b>	<b>(4,285,000)</b>	<b>(4,244,000)</b>	<b>(4,330,000)</b>	<b>(4,416,000)</b>	<b>(4,504,300)</b>
(144,300)	Retained Business Rates (over and above baseline)	(392,000)	0	(100,000)	(150,000)	(200,000)
(1,900,500)	Section 31 Business Rates Grants	(1,926,800)	(1,873,800)	(1,911,100)	(1,948,400)	(1,987,400)
(833,000)	Renewable Energy Retained Business Rates	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
0	Lower Tier Services Grant	(172,700)	0	0	0	0
(1,145,600)	New Homes Bonus Grant	(822,000)	0	0	0	0
(126,100)	Council Tax Support Admin Grant	(126,100)	(126,100)	(126,100)	(126,100)	(126,100)
(274,200)	Miscellaneous Government Grants	(195,900)	(180,500)	(180,500)	(180,500)	(180,500)
(60,000)	Capital Grants Received	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
0	Collection Fund Deficit/(Surplus)	34,000	32,000	32,000	0	0
(6,313,400)	Council Tax - BDC	(6,563,400)	(6,809,600)	(7,060,100)	(7,315,000)	(7,574,100)
(1,185,000)	Council Tax - Parishes	(1,232,400)	(1,232,400)	(1,232,400)	(1,232,400)	(1,232,400)
<b>(16,265,900)</b>	<b>Total Funding</b>	<b>(16,942,300)</b>	<b>(15,694,400)</b>	<b>(16,168,200)</b>	<b>(16,628,400)</b>	<b>(17,064,800)</b>
<b>35,373.06</b>	<b>Tax Base</b>	<b>35,771.49</b>	<b>36,129.00</b>	<b>36,490.00</b>	<b>36,855.00</b>	<b>37,223.00</b>
<b>178.48</b>	<b>Council Tax</b>	<b>183.48</b>	<b>188.48</b>	<b>193.48</b>	<b>198.48</b>	<b>203.48</b>
	<b>GENERAL FUND BALANCES:</b>					
	Balance @ 1 April	2,819,000	2,819,000	2,819,000	2,819,000	2,819,000
	Movement in year	0	0	0	0	0
	Balance @ 31 March	2,819,000	2,819,000	2,819,000	2,819,000	2,819,000

\* Vacancy Factor was previously budgeted for within Services

## GENERAL FUND

## SUMMARY

BUDGET 2020/21	GROUP	BUDGET 2021/22	FORECAST			
			2022/23	2023/24	2024/25	2025/26
£		£	£	£	£	£
	<b>EXPENDITURE</b>					
15,444,100	Employees	16,150,500	16,565,500	17,025,100	17,094,600	17,250,900
2,179,500	Premises	2,295,600	2,320,900	2,389,400	2,359,400	2,359,400
901,200	Transport	908,400	908,400	908,400	908,400	908,400
5,489,100	Supplies and Services	4,501,300	4,451,300	4,525,800	4,420,300	4,420,300
5,550,800	Third Party Payments	4,031,700	4,329,300	4,128,300	4,152,500	4,177,400
17,943,300	Transfer Payments	19,988,900	18,047,500	18,117,400	18,613,200	18,854,900
10,340,600	Internal Services Recharged	0	0	0	0	0
870,000	Capital Grants Expenditure	760,000	760,000	760,000	760,000	700,000
2,299,900	Depreciation	2,445,600	2,484,600	2,533,400	2,577,700	2,622,300
505,100	Capital Financing Costs	459,500	479,600	454,700	424,000	431,900
<b>61,523,600</b>	<b>TOTAL EXPENDITURE</b>	<b>51,541,500</b>	<b>50,347,100</b>	<b>50,842,500</b>	<b>51,310,100</b>	<b>51,725,500</b>
	<b>INCOME</b>					
(10,521,400)	Internal Services Recharges	(180,800)	(180,800)	(180,800)	(180,800)	(180,800)
(3,755,800)	Revenue Account	(3,835,800)	(3,835,800)	(3,835,800)	(3,874,000)	(3,951,200)
(4,451,600)	Capital Grants Income	(2,783,000)	(3,009,600)	(3,020,100)	(3,000,100)	(3,000,100)
(20,333,900)	Grants/Contributions/Reimbursements	(21,868,500)	(21,682,800)	(21,677,300)	(21,666,500)	(21,675,800)
(6,194,800)	Customer & Client Receipts	(5,930,900)	(5,943,500)	(5,960,100)	(5,960,100)	(5,852,600)
(200)	Interest	(200)	(200)	(200)	(200)	(200)
<b>(45,257,700)</b>	<b>TOTAL INCOME</b>	<b>(34,599,200)</b>	<b>(34,652,700)</b>	<b>(34,674,300)</b>	<b>(34,681,700)</b>	<b>(34,660,700)</b>
<b>16,265,900</b>	<b>NET BUDGET</b>	<b>16,942,300</b>	<b>15,694,400</b>	<b>16,168,200</b>	<b>16,628,400</b>	<b>17,064,800</b>

Local Authority : Bassetlaw

Ver 1.1

**PART 1B: PAYMENTS****This page is for information only; please do not amend any of the figures**

The payments to be made, during the course of 2021-22 to:

- i) the Secretary of State in accordance with Regulation 4 of the Non-Domestic Rating (Rates Retention) Regulations 2013;
- ii) major precepting authorities in accordance with Regulations 5, 6 and 7; and to be
- iii) transferred by the billing authority from its Collection Fund to its General Fund,

are set out below

	Column 1 Central Government	Column 2 Bassetlaw	Column 3 Nottinghamshire County Council	Column 4 Nottinghamshire Fire Authority	Column 5 Total
<b>Retained NNDR shares</b>	£	£	£	£	£
12. % of non-domestic rating income to be allocated to each authority in 2021-22	50%	40%	9%	1%	100%
<b>Non-Domestic Rating Income for 2021-22</b>					
13. Non-domestic rating income from rates retention scheme	21,562,397	17,249,918	3,881,232	431,248	43,124,795
14.(less) deductions from central share	0				0
15 <b>TOTAL:</b>	21,562,397	17,249,918	3,881,232	431,248	43,124,795
<b>Other Income for 2021-22</b>					
16. add: cost of collection allowance		166,956			166,956
17. add: amounts retained in respect of Designated Areas		0	0		0
18. add: amounts retained in respect of renewable energy schemes		1,200,000	0		1,200,000
19. add: amounts retained in respect of Shale oil and gas sites schemes		0	0	0	0
20. add: qualifying relief in Designated Areas		0	0	0	0
21. add: City of London Offset		0			0
22. add: in respect of Port of Bristol hereditament		0			0
<b>Estimated Surplus/Deficit on Collection Fund</b>	£	£	£	£	£
23. Surplus/Deficit at end of 2020-21 (including adjustment for three year spread)	-3,138,443	-2,510,754	-564,920	-62,769	-6,276,886
<b>TOTAL FOR THE YEAR</b>	£	£	£	£	£
24. Total amount due to authorities	18,423,954	16,106,120	3,316,312	368,479	38,214,865





**R E F E R R A L**

from  
**CABINET**  
**HELD ON 11<sup>TH</sup> FEBRUARY 2021**

to  
**COUNCIL**  
**ON 4<sup>TH</sup> MARCH 2021**

**Public Interest Test**

The author of this referral, Linda Dore, Democratic and Electoral Services Officer, has determined that it is considered to be of a non-confidential nature.

**MINUTE NO. 237 (E) - CAPITAL INVESTMENT STRATEGY 2021/22 TO 2025/26 (KEY DECISION NO. 856)**

**RESOLVED** that approval of the Capital Investment Strategy 2021/22 to 2025/26 be recommended to full Council on 4<sup>th</sup> March 2021.

*Referred Reports will be submitted in their original form unless the Responsible Officer indicates otherwise.*

Copies to:           Chief Executive  
                          Interim Director of Corporate Resources  
                          Committee Administrator



**BASSETLAW DISTRICT COUNCIL**

**CABINET**

**11<sup>th</sup> FEBRUARY 2021**

**REPORT OF THE INTERIM DIRECTOR OF CORPORATE RESOURCES**

**CAPITAL INVESTMENT STRATEGY 2021/22 TO 2025/26**

Cabinet Member: Finance  
Contact: Dave Hill

**1. Public Interest Test**

1.1 The author of this report, Dave Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

2.1 To seek Cabinet approval to the Capital Investment Strategy 2021/22 to 2025/26.

**3. Background and Discussion**

3.1 A copy of the Capital Investment Strategy is attached as an Appendix A to this report.

3.2 The Capital Investment Strategy outlines the principles and framework that shape the Council's capital investment decisions. The principal aim is to deliver a programme of capital investment that contributes to the achievement of the Council's priorities and objectives as set out in the Council Plan.

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

3.4 It is a statutory requirement under the CIPFA Prudential Code to produce an annual Capital Investment Strategy and is a measure of good governance.

**4. Implications**

a) For service users

This report sets the financial framework for capital investment.

b) Strategic & Policy

This Strategy links to the other policy and strategy documents, in particular the Property Asset Management Plan, Treasury Management Policy and Strategy and the Corporate Procurement Policy.

c) Financial 21/30

The financial implications of the capital programme are fully reflected within the *General Fund Revenue Budget 2021/22 to 2025/26* report elsewhere on this agenda.

d) Legal 189/02/2021

None arising from this report.

e) Human Resources

None from this report.

f) Community Safety, Equalities, Environmental

These are considered as part of the approval of individual capital investment schemes.

g) General Data Protection Regulations

None arising from this report.

h) This is key decision number 856.

**5. Options, Risks and Reasons for Recommendations**

- 5.1 The Capital Investment Strategy is a key document that sets out how capital resources will be used to meet the priorities of the Council.

**6. Recommendations**

- 6.1 That the Cabinet recommends approval of the Capital Investment Strategy 2021/22 to 2025/26 to full Council on 4<sup>th</sup> March 2021.

**Background Papers**

Capital programme working papers

**Location**

Finance – Floor 2

# Bassetlaw District Council

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## Capital Investment Strategy

2021/22 – 2025/26



# CAPITAL INVESTMENT STRATEGY

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## INTRODUCTION

### WHAT IS THE CAPITAL INVESTMENT STRATEGY?

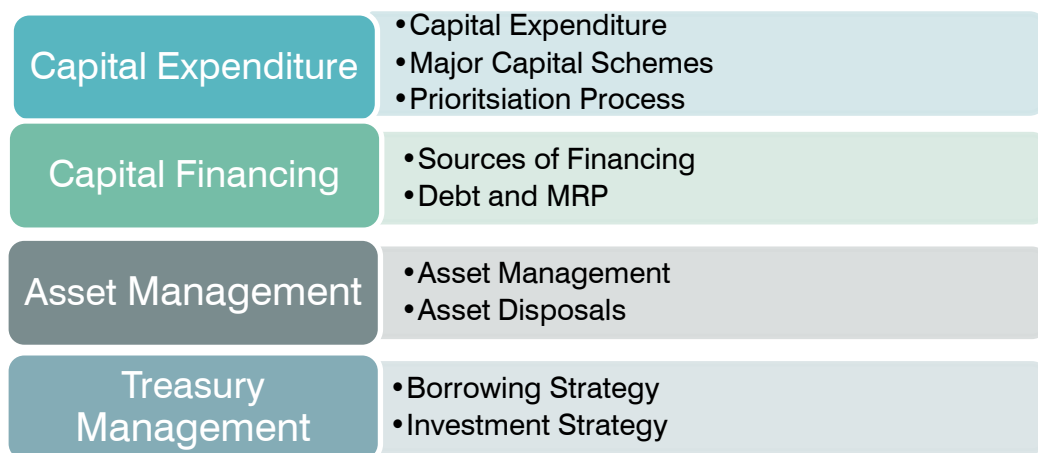
The Capital Investment Strategy provides a set of objectives and a framework by which new capital projects are evaluated and investment decisions are made, whilst ensuring that funding is targeted towards meeting Council priorities. It is a requirement under the CIPFA Prudential Code and is a measure of good governance.

It gives a high-level overview of how **capital expenditure, capital financing, asset management and treasury management** activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.

The Capital Investment Strategy sets out how the Council will manage the investment and financing of capital resources to contribute towards the achievement of its key objectives and priorities. This includes the appraisal process for determining investment decisions and the process for identifying and prioritising funding requirements.

Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future.

The Capital Investment Strategy covers:



This strategy sets out the Council's processes for project initiation, deciding on the prioritisation of capital projects and monitoring and evaluating schemes, it;

- Takes account of significant revenue implications;
- Provides a framework for the management and monitoring of the capital programme;
- Identifies funding streams and provides a basis to inform bidding for additional capital resources(e.g. government interventions); and
- Informs the corporate review of existing properties.

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

- For the Cabinet and Council – to decide on capital investment policy within the overall context of investment need/opportunity and affordability;
- For Councillors – to provide an understanding of the need for capital investment and help them scrutinise policy and management;
- For Officers – to provide an understanding of the Council’s capital investment priorities, to assist them in bidding for capital resources and to confirm their role in the capital project management and monitoring arrangements;
- For taxpayers – to demonstrate how the Council seeks to prudently manage capital resources and look after its assets;
- For partners – to share with them our Vision and help to co-ordinate and seek further opportunities for joint ventures.

The strategy provides an overarching policy framework for the Council’s capital programme and planning and will form part of a suite of strategies which provide a holistic view of the Council’s financial planning framework. The Capital Strategy compliments other Council Strategies, including those in the diagram below:



This document will be updated annually to reflect changes in circumstances that may affect the strategy.



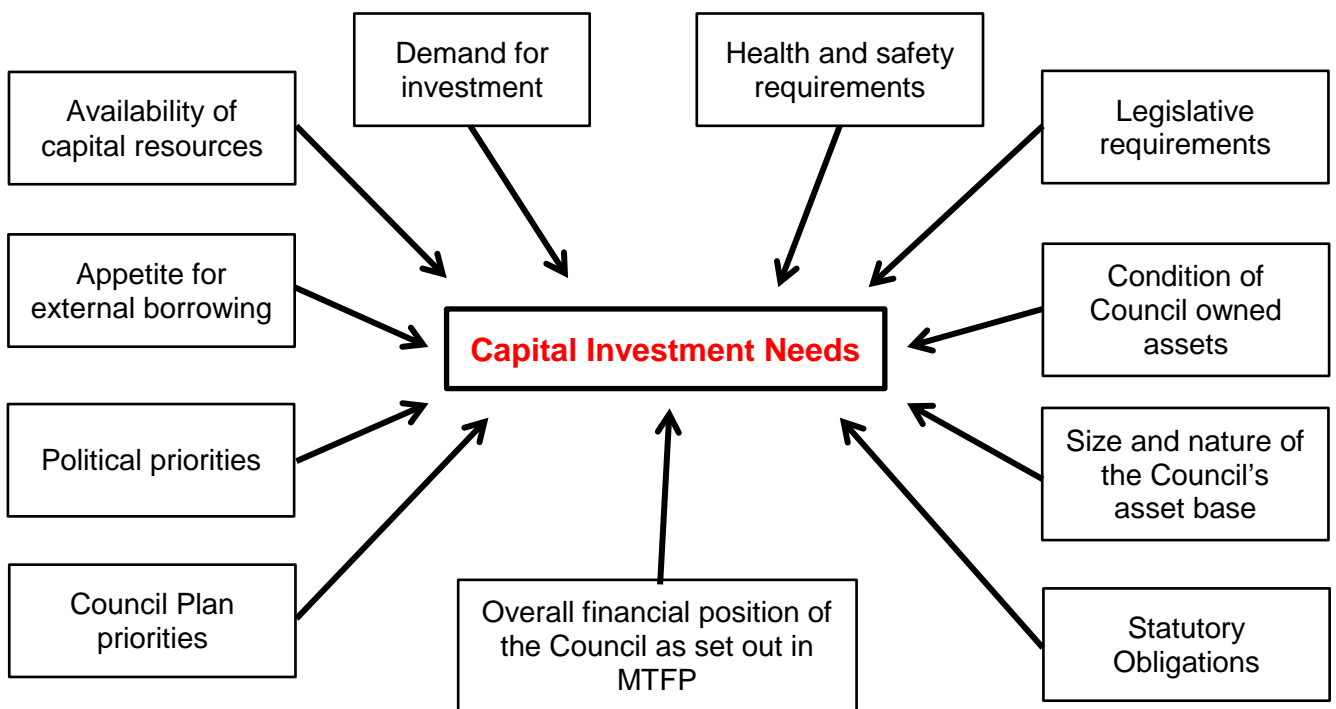
## CAPITAL INVESTMENT PRIORITIES

The aim of the Council is to make a sustainable improvement to the long-term quality of life of our residents. The Council Plan 2019-2023 sets out the priorities and vision. The Council Plan is intended to be external facing and clearly indicates the Council's ambition for the District and the people within.

The Council Plan will run until 2023 and will focus on three key themes of:

- *Investing in Place*
- *Investing in Housing*
- *Investing in Communities*

While the aim of the Council for its capital investment is in line with the Council Plan the capital need is influenced by a number of other factors both internal and external to the Council. The diagram below identifies a number of these:



## **CAPITAL PROJECT INITIATION AND PRIORITISATION**

Demand for capital resources to meet investment needs and aspirations will exceed the resources available to the Council. To ensure that capital resources are allocated to the Council's priorities, an objective, structured prioritisation process has been adopted for determining the Capital Programme.

In moving to a longer-term view of priorities, the first step in this process is to identify the potential calls on capital. An early filtering out of aspirations, which do not sufficiently meet Council priorities to warrant incurring costs of feasibility and option appraisal studies, seeks to obviate potentially abortive costs.

From this refined review the process is based on the completion of a Capital Service Bid for each project to be considered for inclusion in the Capital Programme. Each Capital Service Bid is required to be authorised by the relevant director and then collated by the Capital Finance team. Each Bid is required to include all the financing costs (which can be nil if the project is fully externally financed) in order to assess the viability of each scheme against available resources. Each Bid is then scored using an established methodology. A Capital Project Assessment Team scrutinises and moderates the scores and recommends options for a prioritised Capital Programme for the forthcoming period. These are presented to Cabinet, which makes the final recommendations to full Council.

- *Full details of the "Capital Bid Request Form" and the prioritisation criteria can be found at **Appendix 3***

Once full Council has approved the schemes that comprise the Capital Programme, the project managers develop detailed project plans for each scheme. The project plan forms the basis for monitoring delivery of the critical physical milestones. Each project plan includes:

- The projects objectives and performance indicators (inputs, outputs, and outcome based);
- Key milestone dates for project delivery;
- Responsible officers for delivery of each milestone;
- Resource requirements including full financial breakdown;
- Risk analysis;
- Post project review on the completion of each scheme.

The prioritisation process specifically addresses the key requirements of the Prudential Code;

- Affordability, prudence and sustainability - the integration of the capital and revenue planning processes ensures that coherent decision-making takes place on the level of borrowing that is prudent, affordable and sustainable;
- The Council's objectives – the specific relationships to the achievement of the objectives expressed in the Council Plan, supplemented by reference to relevant strategic, service and/or statutory plans;
- The Value for Money offered by the plans – as demonstrated by an options appraisal;
- The stewardship of the Council's assets – explicit regard to the Council's Property Asset Management Plan;
- The practicalities of the capital expenditure plan – i.e. projects are realistically phased and are capable of being delivered in physical terms.

## MONITORING AND EVALUATING THE CAPITAL PROGRAMME

For all capital investment the appropriate level of due diligence will be undertaken, with the extent and depth reflecting the level of risk being considered. Due diligence will include:

- Identification of the risk to both the capital sums invested and the returns;
- Understanding the potential impact on the financial sustainability of the Council if the risks come to fruition;
- Identifying assets being held for security against any potential debt or charges on assets; and
- Seeking independent and expert advice where necessary.

A key role in the monitoring of the capital programme is undertaken by the Capital Monitoring Group, which meets on a bi-monthly basis. This Group is attended by responsible officers and cabinet portfolio Members and is chaired by the Cabinet Member for Finance. It is a supportive environment in which problem areas are identified and corrective actions agreed and implemented at an early stage to avoid slippage. Each scheme has a nominated project manager who is responsible for the successful completion of the scheme both to time and on budget.

The Council maintains comprehensive and robust procedures for managing and monitoring its Capital Programme. Ongoing monitoring arrangements for the delivery of the approved programme consist of:

- Project Managers are identified for each scheme who are responsible for monitoring progress, spend and income and producing action plans to respond to variations in pace or cost of delivery;
- The Head of Finance & Property co-ordinates high level monthly reporting and detailed quarterly reporting to the Management Team, Audit & Risk Scrutiny Committee and Cabinet;
- Heads of Service are responsible for ensuring that Project Manager monitoring reports are quality assured and challenged and that corporate implications arising from capital monitoring are brought to the attention of the Management Team and Cabinet.
- Independent and expert advice is utilised as and when appropriate

## PRUDENTIAL INDICATORS

The objectives of the CIPFA Prudential Code aim to ensure that Capital Investment plans are **affordable, prudent and sustainable** and that treasury decisions are taken in accordance with good professional advice; To achieve these objectives, five prudential indicators are included in this Capital Investment Strategy:

- Prudential Indicator 1 - Estimates of (a) capital expenditure and (b) financing
- Prudential Indicator 2 - The Council's borrowing need
- Prudential Indicator 3 - Gross debt and the capital financing requirement
- Prudential Indicator 4 - Limits to borrowing activity
- Prudential Indicator 5 - Proportion of financing costs to net revenue stream

The strategy considers all aspects of the Council's capital expenditure and forms part of the Council's integrated revenue, capital and balance sheet planning.

## CAPITAL EXPENDITURE

Capital expenditure is where the Council spends money on assets, such as property or vehicles, which will provide a service benefit for more than one year. In local government, this also includes spending on assets owned by other bodies and loans and grants to other bodies enabling them to buy assets.

The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 are not capitalised and are charged to revenue in year.

The Housing Revenue Account (HRA) is a ring-fenced account which ensures that Council Housing does not subsidise, or is itself subsidised, by other local services.

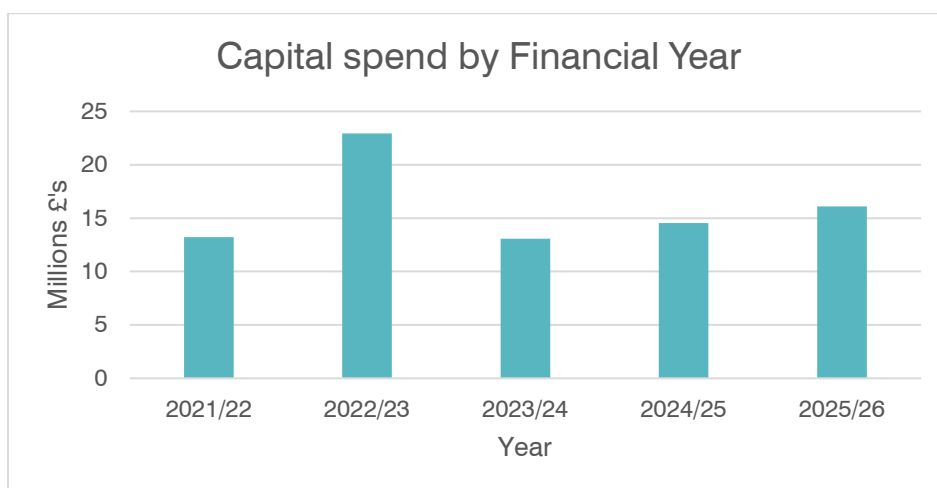
- For further details on the Councils policy on capitalisation, see Accounting Policy "S" under note 1 of the Councils Statement of Accounts 2019/20.

## ESTIMATES OF CAPITAL EXPENDITURE

The Council agrees a rolling five-year capital programme each year consistent with the Medium-Term Financial Plan and the resources available, along with any impact on the revenue budgets.

As the economy has changed significantly since the COVID-19 pandemic, capital investment plans have been revisited to determine if the original business cases remained sound. A number of the capital schemes which were due to be completed during 2020/21 will be extended and rolled forward to 2021/22, this includes the housing development of 120 new homes to be built at Radford Street in Manton.

The Council is planning capital expenditure of **£79.8 million** in the 5-year capital programme as summarised below:



## CAPITAL PROGRAMME

The capital programme for 2021/22 – 2025/26 has been formulated to observe the principles contained in this document. Once the proposed capital programme has been approved by Cabinet, the schemes are added to the capital programme for delivery.

The capital programme consists of two elements:

- The **General Fund Account** Capital Programme with a budget for 2021/22 of **£1.7m**. Of this amount, expenditure on the Council's non-housing assets totals £1m and £0.700m will provide Disabled Facilities Grants to a number of private dwellings during the year.
- The **Housing Revenue Account** Capital Programme budget for 2021/22 of **£11.5m**, which supports the maintenance of the Councils circa 6,700 council houses;

Total capital expenditure is one of the risk indicators required by the Prudential Code. The table below details the planned capital programme by fund, as approved by Cabinet in January 2021.

### *Prudential Indicator 1a: Estimates of Capital Expenditure:*

Capital Programme by Fund	2021/22 Approved £'000	2022/23 Indicative £'000	2023/24 Indicative £'000	2024/25 Indicative £'000	2025/26 Indicative £'000	Total £'000
General Fund Account	1,723	1,553	1,374	1,320	1,200	7,170
Housing Revenue Account	11,497	21,374	11,710	13,206	14,888	72,675
<b>Total Capital Programme</b>	<b>13,220</b>	<b>22,927</b>	<b>13,084</b>	<b>14,526</b>	<b>16,088</b>	<b>79,845</b>

## MAJOR CAPITAL SCHEMES

The major General Fund capital schemes for 2021/22, include vehicles and plant replacement programme, ICT & CCTV upgrades and upgrades / development of the Old Bowling Green and Kiosk at Kings Park in Retford.

HRA capital is recorded separately and includes new housing developments at Radford Street, sheltered housing developments at Larwood House, Westmoreland House and Conway Gardens. The HRA also has approved plans to build additional new houses along with the purchase of a number of additional properties to add to its portfolio.

A total of **£25.6m** has been approved in the HRA capital programme for building of new houses and refurbishment of existing properties the next 5 years.

The Council has also approved a further **£23.8m** to be spent in the next 5 years on the continuous programme of ensuring existing housing stock is maintained at "Decent Homes" standard, e.g. the replacement of boilers and bathrooms.

- *The detailed capital programme can be found in Appendix 1*

## **CAPITAL FINANCING**

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing and leases)

The Council has approved medium-term capital expenditure of **£79.8m**, the table below shows the planned financing of the 5 year capital programme (which is also another Prudential Indicator) as follows:

### *Prudential Indicator 1b – Estimates of Capital Financing:*

<b><u>CAPITAL FINANCING:</u></b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>TOTAL</b>
	£'000	£'000	£'000	£'000	£'000	£'000
Capital Receipts	1,122	1,500	1,394	1,340	1,305	6,661
Borrowing	4,426	16,755	6,009	3,932	5,289	36,410
Government Grants	700	700	700	700	700	3,500
Capital Grants & Contributions	60	60	60	60	0	240
Retained 1-4-1 Capital Receipts	218	1,011	420	720	1,020	3,388
Major Repairs Reserve	6,694	2,903	4,501	7,774	7,774	29,646
<b>Total Funding:</b>	<b>13,220</b>	<b>22,928</b>	<b>13,084</b>	<b>14,526</b>	<b>16,088</b>	<b>79,845</b>

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

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

Capital receipts (other than in relation to the change included in the Local Government Finance Settlement) may only be used for one or more of the following purposes:

- to meet capital expenditure;
- to repay the principal of any amount borrowed;
- to pay a premium charged in relation to any amount borrowed;
- to meet any liability in respect of credit arrangements, other than any liability which, in accordance with proper practices, must be charged to a revenue account;
- to meet the administrative costs of or incidental to a disposal of an interest in housing land;
- to make a payment to the Secretary of State under regulation 12 or 13.

All capital receipts arising from the sale of land and buildings will feed directly into the relevant capital pot (General Fund or HRA) for reinvestment.

The Property Asset Management Plan includes a capital receipts target, although this is not built into any funding projections. The associated loss of any rental income from such sales is built into the General Fund budget.

**Borrowing** - As much of the capital programme is funded by borrowing, assumptions and decisions on the cost and affordability of the Council's borrowing is linked to the Public Works Loan Board (PWLB) interest rates, prudential indicators and the approved borrowing strategy as set out in the Treasury Management Strategy 2021/22.

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

With the introduction in April 2012 of the new Housing Self-Financing regime, significant levels of additional borrowing to fund the overall capital programme will no longer apply. Prior to October 2018, borrowing for housing purposes was restricted to the 'gap' between the current Capital Financing Requirement and the government imposed borrowing ceiling. Although this limit has been removed the Council is taking a very prudent approach to this, as for every additional £1m in borrowing, the cost to the HRA budget will be approximately £18,000 per annum. *(based on PWLB interest rates at January 2021).*

For the General Fund, unsupported prudential borrowing will be tightly controlled due to the financial impact it will have on a revenue budget that already operates to very tight margins. The planning assumption for the five-year programme is that the Council may use borrowing for 'long life' assets, or as a replacement for leasing, or for an 'invest to save' scheme. This must, however, be proven to be affordable within the revenue budget.

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

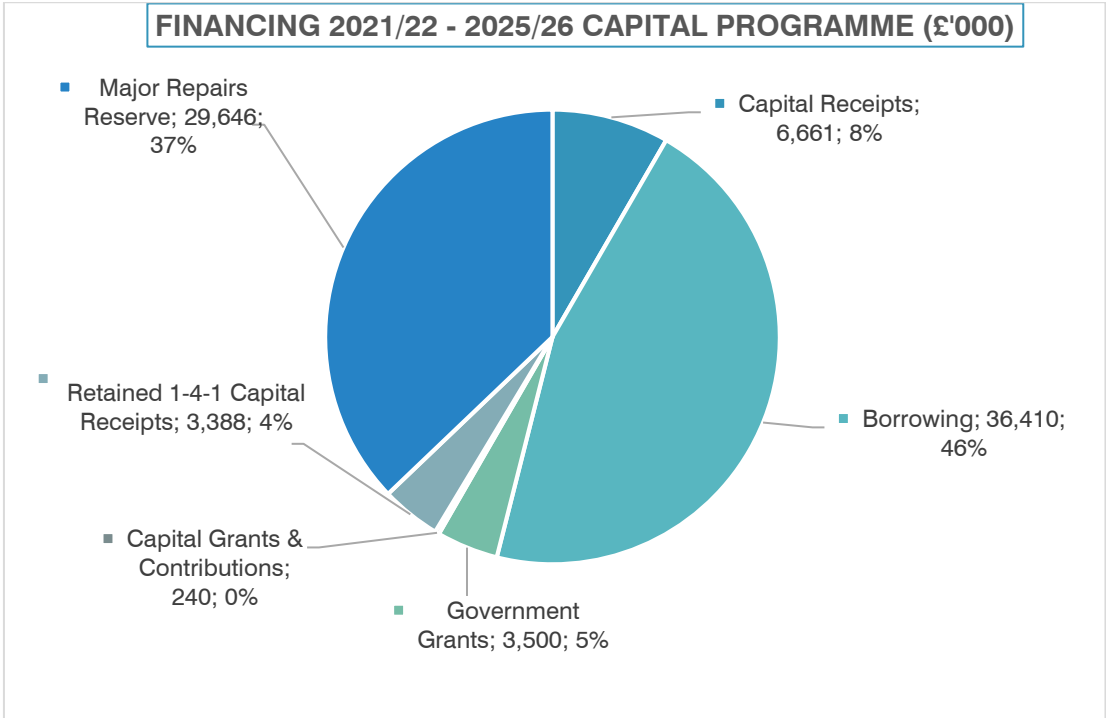
Grants from external sources are a valuable source of capital finance for the Council and have enabled the Council to realise a substantial number of capital developments that would otherwise have been unable to progress. Given the scale of the Council's ambitions to improve and add to its asset base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

The most significant grants that the Council now receives are from; Heritage Lottery Fund, Ministry of Housing Communities & Local Government (MHCLG) D2N2 LEP, Section 106 monies and Community Infrastructure Levies (CIL) from development sites that are acquired for housing and other purposes.

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

**Other Sources of Capital Financing** - The Council aims to ensure that it maximises the opportunities to attract partnership or third party funding where appropriate and will focus the use of its own scarce capital resources to provide public assets where these alternative funding sources are not available.

The chart below shows the different funding types split between resources. Borrowing is the largest funding source financing 46% of the 5 year programme.



In the event that these resources do not materialise, other funding options will need to be investigated including borrowing, reliance on external funding or the programme scaled back.



## **DEBT AND MINIMUM REVENUE PROVISION (MRP)**

Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as **Minimum Revenue Provision (MRP)** within the General Fund account and is mandated by a MRP Statement.

As for the HRA account due to self-financing there is no concept of a MRP charge just actual debt loan repayments as they mature. Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance.

The forecast General Fund MRP charge and the HRA actual debt loan repayments are shown in the table below:

<b><u>Repayment of Debt Finance</u></b>		<b>2021/22 Approved £'000</b>	2022/23 Indicative £'000	2023/24 Indicative £'000	2024/25 Indicative £'000	2025/26 Indicative £'000	<b>Total £'000</b>
General Fund	MRP	<b>699</b>	738	786	831	875	<b>3,929</b>
H.R.A.	Debt Repayment	<b>0</b>	4,091	3,273	0	0	<b>7,364</b>

The Council's cumulative outstanding amount of debt finance is referred to as the **Capital Financing Requirement (CFR)** and is another Prudential Indicator. The CFR increases with new debt-financed capital expenditure and reduces when MRP, loans are repaid or capital receipts used to replace debt.

The CFR indicator is a measure of the Council's underlying need to borrow for a capital purpose taken from the Balance Sheet. This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits.

The CFR is expected to increase by £3.7m during 2021/22, this is mainly due to the new housing developments within the HRA. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

### *Prudential Indicator 2 – The Council's borrowing need*

<b><u>C.F.R.</u></b>	<b>2019/20 Actual £'000</b>	<b>2020/21 Forecast £'000</b>	<b>2021/22 Budget £'000</b>	2022/23 Indicative £'000	2023/24 Indicative £'000	2024/25 Indicative £'000
General Fund	<b>24,940</b>	<b>25,159</b>	<b>24,939</b>	24,774	24,513	24,207
H.R.A.	<b>92,141</b>	<b>103,896</b>	<b>107,853</b>	119,944	122,155	125,562
<b>TOTAL C.F.R.</b>	<b>117,081</b>	<b>129,055</b>	<b>132,792</b>	<b>144,718</b>	<b>146,668</b>	<b>149,769</b>

## **PRINCIPLES SUPPORTING THE STRATEGY**

The Capital Investment Strategy reflects the aspirations included within the Council's main strategic documents - principally the Council Plan but also other key planning documents such as the Property Asset Management Plan, Treasury Management Policy and Strategy, MTFP including the Budget Strategy and the ICT Strategy. The principles that underpin the Capital Investment Strategy include:

### **POLICY PRINCIPLES:**

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

### **ASSET MANAGEMENT PRINCIPLES:**

- The development of Property Asset Management Plans (AMP) and investment plans for the use of all Council assets, be these operational buildings, investment properties, equipment and machinery, Information Technology or infrastructure assets;
- Recognition of the value of surplus properties that are gifted by the Council as a contribution to a particular scheme. This value will be treated as capital resources and will have to be assessed against other capital proposals;
- Wherever possible ensuring active community involvement in informing priorities and engagement in management plans, in line with the Localism Act 2011;
- Management of assets to take full account of the Council's wider priorities including its environmental priorities;
- The continuation of financial support to schemes that involve site assembly, which will potentially generate significant capital receipts in the medium term;
- The provision of financial support to the Empty Homes Initiative, which is intended to bring empty homes back into use to increase the supply of affordable housing in the district;
- The Property Review process will determine if an asset meets the corporate need in the longer term. If this is the case then investment in the asset will be maintained. Conversely, if it is not required, then the asset is more valuable to the Council as a capital receipt.

### **ASSET DISPOSAL:**

- The Council will continue to realise the value of any properties that have been declared surplus to requirements in a timely manner, having regard to the prevailing market conditions in order to maximise the sale proceeds, known as capital receipts, which can then be spent on new assets or repay debt.
- A process of declaring property assets as surplus will be led by the Property Manager, in consultation with the holding department, who will be able to declare a site surplus to requirements if deemed to be under-utilised or surplus to requirements;
- The optimisation of surplus assets by maximising income or application to other purposes informed through the AMP process, with all receipts generated through the sale of surplus property assets being used to fund the Capital Programme;

- The Council is currently also permitted to spend capital receipts on service transformation projects until the end of the 2021/22 financial year. Repayments of capital grants, loans and investments also generate capital receipts.

➤ *The Council's Flexible Use of Capital Receipts Policy is available here at Appendix 2*

### **FINANCIAL PRINCIPLES:**

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

### **MANAGEMENT PRINCIPLES:**

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

## TREASURY MANAGEMENT

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account.

The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

At 31 March 2020, the Council had £98.9m borrowing at an average interest rate of 4.1% and £12.7m treasury investments at an average rate of 0.42%.

## BORROWING STRATEGY

The Council's main objectives when borrowing are to achieve a low but sufficiently certain cost of finance, while retaining flexibility should plans change in future. These objectives are often conflicting and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.70%) and long-term fixed rate loans where the future cost is known but higher (currently 1.53% to 1.70%).

Projected levels of the Council's total outstanding debt are shown below, compared with the capital financing requirement.

### *Prudential Indicator 3: Gross Debt and the Capital Financing Requirement (CFR)*

<b>External Debt</b>	<b>2019/20 Actual £'000</b>	<b>2020/21 Forecast £'000</b>	<b>2021/22 Budget £'000</b>	2022/23 Indicative £'000	2023/24 Indicative £'000	2024/25 Indicative £'000
Debt at 1 April	<b>98,863</b>	112,347	<b>116,074</b>	127,091	128,314	131,415
Capital Financing Requirement (CFR)	<b>120,354</b>	130,055	<b>133,792</b>	145,718	147,668	150,769
Under / (Over) borrowing position	<b>21,491</b>	<b>17,708</b>	<b>17,718</b>	<b>18,627</b>	<b>19,354</b>	<b>19,354</b>

Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. As can be seen from the table above, the Council expects to comply with this in the medium term.

## TREASURY INVESTMENT STRATEGY

**Treasury investments** arise from having surplus cash as a result of day-to-day activities, for example when income is received in advance of expenditure. Investments made for **Service reasons** or **Commercial Investments** (to earn investment income) are not generally considered to be part of Treasury Management.

## **TREASURY INVESTMENT POLICY**

The Council's policy on Treasury Investments is to prioritise security and liquidity over yield, which is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high quality banks, to minimise the risk of loss.

Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

**Governance:** Decisions on Treasury Management Investment and Borrowing are made daily and are delegated to the Director of Corporate Resources and staff, who must act in line with the treasury management strategy approved by Full Council. Quarterly reports on treasury management activity are presented to the Audit and Risk Scrutiny Committee and then to Full Council. The Audit and Risk Scrutiny Committee are responsible for scrutinising treasury management decisions.

### **Investments for Service Purposes:**

The Council makes investments to assist local public services, including making loans to and buying shares in local service providers, local small businesses to promote economic growth and the Council's Trading Organisations. In light of the public service objective, the Council is willing to take more risk than with treasury investments, however it still plans for such investments to break even after all costs.

**Governance:** Decisions on service investments are made by the relevant service manager in consultation with the Director of Resources and must meet the criteria and limits laid down in the investment strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme.

## **COMMERCIAL INVESTMENTS**

With central government financial support for local public services declining, the Council will potentially invest in commercial property purely or mainly for financial gain.

The Chartered Institute of Public Finance and Accountancy (CIPFA) define investment property as property held solely to earn rentals or for capital appreciation or both. Returns from property ownership can be both income driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth). The combination of these is a consideration in assessing the attractiveness of a property for acquisition.

**Governance:** Decisions on Commercial Investments are made by the Director of Corporate Resources, S151 Officer in line with the criteria and limits approved by Council. Property and most other commercial investments are also capital expenditure and purchases will therefore also be approved as part of the capital programme.

The Council does not currently hold and Commercial Investments.

- *Further details are provided in the Council's Treasury Management Policy and Strategy*

## LIABILITIES

In addition to debt detailed above, the Council is committed to making future payments to cover its **pension fund deficit** (valued at £68.3m at 31 March 2020).

It has also set aside a Provision of £1.6m to cover **Business Rates Appeals**.

**Governance:** Decisions on incurring new discretionary liabilities are taken by business managers in consultation with the Director of Corporate Resources (S151). The risk of liabilities crystallising and requiring payment is monitored by the Corporate Finance team. New liabilities are reported to full Council for approval/notification as appropriate.

- *Further details on liabilities are provided in the Council's annual statement of accounts.*

## REVENUE BUDGET IMPLICATIONS

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable.

The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, Business Rates and general Government grants.

### *Prudential Indicator 4: Proportion of Financing Costs to Net Revenue Stream*

#### Proportion of Financing Costs to Net Revenue Stream

	2019/20 Actual £'000	2020/21 Forecast £'000	2021/22 Budget £'000	2022/23 Indicative £'000	2023/24 Indicative £'000	2024/25 Indicative £'000
<b>General Fund:</b>						
Financing Costs	1,070	1,173	1,195	1,214	1,228	1,202
Proportion of Net Revenue Stream	7%	7%	7%	8%	8%	7%
<b>Housing Revenue Account:</b>						
Financing Costs						
Proportion of Net Revenue Stream						

**Sustainability:** Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for potentially up to 50 years into the future. The Director of Corporate Resources is satisfied that the proposed capital programme is prudent, affordable and sustainable.

## **KNOWLEDGE AND SKILLS**

The Council employs professionally qualified and experienced staff in range of disciplines, including finance, legal and property that follow continuous professional development (CPD) and maintain knowledge and skills through attendance on courses and through regular technical updates from appropriate bodies.

The Council pays for staff to study towards relevant professional qualifications such as CIPFA and actively encourages staff to attend relevant training courses and seminars.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs LINK ASSET SERVICES as treasury management advisers. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

## **CONCLUSION**

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

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

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

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

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

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

Any policy or strategy proposed to Council that requires capital investment must be consistent with the Capital Investment Strategy.

The Strategy is to be revisited annually, to ensure that it is kept up-to-date and is relevant and effective.

**General Fund and HRA Capital Budgets:**

<b>General Fund Capital programme:</b>	<b>2021/22 Proposed £'000</b>	<b>2022/23 Indicative £'000</b>	<b>2023/24 Indicative £'000</b>	<b>2024/25 Indicative £'000</b>	<b>2025/26 Indicative £'000</b>	<b>Total £'000</b>
Disabled Facilities Grant	700	700	700	700	700	3,500
Vehicles & Plant - Replacement	454	548	500	500	500	2,502
Flood Alleviation - Small Schemes	50	0	0	0	0	50
Planned Maintenance & Capital Upgrades	100	0	0	0	0	100
Compliance with Energy Act	25	0	0	0	0	25
Refurbishment of Play Areas	30	30	0	0	0	60
ICT Refresh Project	112	0	0	0	0	112
Fire Risk Assessment Works	10	10	10	0	0	30
Heritage/ Buildings at Risk	20	20	20	0	0	60
Reaching Communities Funding Application	60	60	60	60	0	240
Control Room Upgrade - CCTV	15	25	25	25	0	90
Maintenance at Retford Enterprise Centre	15	15	24	0	0	54
ICT	67	145	0	0	0	212
Kings Park and Old Bowling Green and Kiosk	50	0	0	0	0	50
Trade Waste IT System	15	0	0	0	0	15
Playground Equip Replacement and Update	0	0	35	35	0	70
<b>TOTALS</b>	<b>1,723</b>	<b>1,553</b>	<b>1,374</b>	<b>1,320</b>	<b>1,200</b>	<b>7,170</b>

<b>Housing Revenue Account</b>	<b>2021/22 Proposed £'000</b>	<b>2022/23 Indicative £'000</b>	<b>2023/24 Indicative £'000</b>	<b>2024/25 Indicative £'000</b>	<b>2025/26 Indicative £'000</b>	<b>Total £'000</b>
Decent Homes and Major works	4,667	4,758	4,779	4,806	4,787	23,797
Contingency & Miscellaneous Major Repairs	2,028	2,063	1,216	1,249	1,203	7,758
Environmental Works and Related Assets	1,809	2,226	2,287	2,333	2,370	11,026
New Build and Refurbishment	1,845	11,520	2,620	3,920	5,720	25,625
Miscellaneous	608	268	268	358	268	1,770
Disabled Adaptations	540	540	540	540	540	2,700
<b>TOTALS</b>	<b>11,497</b>	<b>21,375</b>	<b>11,710</b>	<b>13,206</b>	<b>14,888</b>	<b>72,675</b>



## **FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY**

### **Introduction and Background**

Following the Spending Review 2015, the Department for Communities and Local Government (CLG) issued guidance on the flexible use of capital receipts which came into effect from 1 April 2016. The guidance, underpinned by a direction from the Secretary of State for Communities and Local Government, will enable local authorities to capitalise costs incurred on transforming or improving service delivery designed to generate ongoing revenue savings. The guidance also states that each local authority should prepare a Flexible use of Capital Receipts Strategy.

In summary, the key elements of the CLG guidance on the flexible use of capital receipts are:

### **Types of qualifying expenditure**

- 1) Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. It is for individual local authorities to decide whether or not a project qualifies for the flexibility.
- 2) Set up and implementation costs of any new processes or arrangements can be classified as qualifying expenditure. The ongoing revenue costs of the new processes or arrangements cannot be classified as qualifying expenditure. In addition, one off costs, such as banking savings against temporary increases in costs/pay cannot be classified as qualifying expenditure.

### **Financing of the qualifying expenditure**

- i. Up to 100% of capital receipts from property, plant and equipment disposals received from 2021/22 (excluding Right to Buy receipts) can be used to finance qualifying expenditure. Existing capital receipts in hand prior to 2021/22 are not permitted to be used.
- ii. Local authorities may not borrow to finance qualifying expenditure.
- iii. The guidance will apply for 2021/22.

It is a condition of the Secretary of State's direction that the flexible use of capital receipts in accordance with the direction only applies to capital receipts which have been received in the years to which the direction applies.

When applying the direction, Authorities are required to have regard to Guidance on Flexible Use of Capital Receipts issued by the Secretary of state under Section 15(1)(a) of the Act.

In using the flexibility, the Council will have due regard to the requirements of the Prudential Code and to the CIPFA Local Authority Accounting Code of Practice.

If the Council intends to make use of the Flexible Capital Receipts Strategy, then it is required to prepare a Flexible use of Capital Receipts Strategy before the start of the year and must be approved by the Council.

### **CAPITAL PRIORITISATION PROCESS**

#### **INTRODUCTION AND BACKGROUND**

Good practice dictates that the framework for allocating capital resources to capital projects is clear and understandable to all. It is therefore imperative that the Capital Investment Strategy details the process by which projects are selected in relation to objectives and service plans. This will demonstrate a level of objectivity in the selection of projects, especially in the context of a strategic planning process.

#### **FRAMEWORK OF THE PRIORITISATION PROCESS**

The process is numerically based, and allocates points to projects dependent upon the categories into which they fall. The aim is to demonstrate how the Council selects projects that will achieve its overall objectives and is not biased towards particular service interests.

The process is in two parts:

Stage 1, projects are placed into **one** of 8 categories, attracting the appropriate points.

Stage 2, additional points may be acquired if projects satisfy one or more criteria.

Equally, points can be deducted if, for example, the project results in increased revenue costs. The aggregate of these two stages will result in a list of projects in priority order.

Projects above £500,000 will be considered separately. This is because above £500,000 a project will consume such a large proportion of the likely resources available as to make the process ineffective for the remaining bids and it is recommended that bids of this order should be prioritised and considered separately. Projects of this scale make comparison in the context of a prioritisation process very difficult. In a case where a project of such size is put forward, it could be decided that all cash available for the year should be allocated to this one project, or, if the project is high value and spans a number of years, the annual allocation could be top-sliced prior to allocating the remaining funds identified through the normal prioritisation process.

A lower limit of £10,000 has been set because this is considered small enough to be met from revenue budgets.

#### **HOW THE PROCESS OPERATES**

It is intended that this process should be undertaken by the Capital Project Assessment Team. Service Managers will then be invited to complete a more detailed capital bid which will be fully scored against categories A to M to determine a final score, and enable prioritisation to be achieved.

## STAGE 1: INITIAL PRIORITISATION

Categories A and B carry the maximum of 12 points reflecting the importance of carrying out the project either because the Council is under an obligation which it cannot avoid, or because it is necessary to maintain the existing asset base and hence the current level of service. Category C, (10 points), reflects the need for the Council to respond to Government expectations which, whilst they may not be statutory, might invite criticism if not undertaken. Category D, (10 points), reflects the position where capital investment today will make ongoing savings in the future i.e. invest to save schemes. Category E, (8 points), responds to the commitments arising from any S106 agreements, but carries a lower value because the Council has the option of not undertaking the project, with the only retribution being the return of the original sum to the contributor. Category F, (8 points), relates to the occasions where there is significant funding available from a partner indicating a heavy commitment on the Council to proceed. Categories G, (6 points), and H, (4 points), relate to those projects which the Council may wish to undertake but for which there is neither an overriding requirement, nor a need to replace the asset to maintain the service. Category G attracts more points because if there is an existing strategy for the service, there is more confidence that the project will fulfil its long-term aims, which have been previously approved by the Council. Category H indicates a shorter-term view. **Projects that do not fall within any of these categories would not be considered for inclusion in the Capital Programme.**

CATEGORY	CRITERIA	POINTS
A	There is a mandatory legal requirement to provide the service or asset that enables the service to be provided and that obligation cannot be met in any other way.	12
B	There is a demonstrable priority need to replace the asset/service on an essentially like for like basis, (save for improvements in technology), as the existing asset is at the end of its useful life.	12
C	There is an expectation by the Government that the Council should undertake a particular course, although it may not be currently statutory, and there is a likelihood of some form of sanction being applied against the Council if that expectation is not met.	10
D	Project is based on the principle that investment in a service will result in savings in the future.	10
E	Funding is required to supplement a S106 agreement and that funding must be met during the year in question.	8
F	Matched funding is available of at least 50% of the project cost.	8
G	Project meets objective(s) in one of the Council's approved strategy statements, (other than the Capital Strategy).	6
H	Project meets service plan objective(s), or has been previously agreed by Members to be put forward as a bid.	4

## **STAGE 2: CRITERIA FOR ADDING/DEDUCTING ADDITIONAL POINTS**

Stage 2 modifies the initial categorisation by taking account of particular attributes of projects. Category I recognises the importance of a project in achieving Council objectives – the more objectives it contributes towards, the more points. Category J reflects the advantage of additional investment rather than pure replacement on a like for like basis. Category K recognises that some projects have an added importance as a result of health and safety requirements. Category L adds or deducts a weighting if the project has a positive or negative effect on future revenue budgets, and is an incentive for projects to achieve revenue savings or additional income. Finally, category M reflects the need for the Council to build partnerships and demonstrate its commitment to working jointly with the wider community.

<b>CATEGORY</b>	<b>CRITERIA</b>	<b>POINTS</b>
<b>I</b>	<b>Council Priorities</b>	
<b>AMBITION</b>	<b>Additional points for projects adding value to the Council's Priorities, (add 1 point for each)</b>	
<b>Investing in Place</b>	1.1 Maximise Bassetlaw's local offer for the 400th Anniversary of the Mayflower Pilgrims' sailing to America	
	1.2 Produce a Local Industrial Strategy for Bassetlaw, which will not only map out what we want to achieve but also support Bassetlaw's future bids for external funding	
	1.3 Introduce a car parking strategy for our towns to maximise asset usage and support our local economies	
	1.4 Work with owners of the two coal fired power station sites to maximise their potential and create positive local opportunities. This will take longer than the life of this plan as the estimated decommissioning process for the Power Stations is five years from the point of closure	
	1.5 Work proactively with partners and landowners in agreeing an approach to redeveloping large- scale sites	
	1.6 Provide continued support to our local high streets	
	1.7 Develop a land and property database to improve the Council's asset management to generate more local income	
	1.8 Develop a business plan for a local investment company which using the Council's balance sheet assets would enable the Council to intervene on stalled development sites whilst also generating a financial return	
	1.9 Deliver on the masterplan for the Canch – including developing new physical activity facilities and new public toilets. There will also be a plan for Langold Country Park	
	1.10 Encourage local tree planting by developing a long-term strategy on trees and their maintenance. Through the use of the planning system and by encouraging others to plant more trees in the district, we will seek to rejuvenate the Sherwood Forest area	

CATEGORY	CRITERIA	POINTS
I	<b>Council Priorities</b>	
<b>AMBITION</b>	<b>Additional points for projects adding value to the Council's Priorities, (add 1 point for each)</b>	
<b>Investing in Housing</b>	2.1 Review the Council's housing estates and assets, including identifying any areas of deprivation and develop a plan to improve the physical appearance and image of those areas.	
	2.2 Improve the quality and performance of Bassetlaw's housing stock, by regularly inspecting them to ensure that they are maintained to the highest possible standards and therefore help reduce tenants' energy bills.	
	2.3 Agree appropriate and targeted interventions and investments to tackle the issues identified from these reviews and inspections, particularly in areas of need.	
	2.4 Be pro-active in how we manage our neighbourhoods and support our tenants through community engagement, community safety initiatives, regulation and enforcement. The Council will also review its housing allocations policy to take account of homeless prevention and to enable our properties to be let effectively.	
	2.5 Increase the supply and quality of new homes. We will seek to deliver our new housing requirement of around 400 new homes per year and will maximise all available S106 opportunities for new affordable housing.	
	2.6 Deliver further value for money for our tenants by carrying out a review of the condition of the housing stock, developing a new 30 year Housing Revenue Account Business Plan, bringing contract work in-house, where appropriate, and implementing fairer charging and the Rent Standard for Social Housing providers to assist households in receipt of Universal Credit.	
	2.7 To enable as many people as possible to live independently in their homes through the use of Better Care Funding to deliver disabled facilities adaptations and other initiatives.	
	2.8 Ensure that our housing stock is safe and compliant in respect of gas safety, electric safety, asbestos management, fire management and legionella	
	2.9 Increase year on year the SAP Rating* of our stock (currently 70.5) and support the private sector in taking up energy grants e.g. warm homes on prescription over the term of the plan to combat local fuel poverty.	
	2.10 To deliver in excess of 100 houses for sale by 2024 through the Council's commercial partnership with Bersahill.	

CATEGORY	CRITERIA	POINTS	
I	<b>Council Priorities</b>		
<b>AMBITION</b>	<b>Additional points for projects adding value to the Council's Priorities, (add 1 point for each)</b>		
<b>Investing in Communities</b>	3.1	Raise the skills level and employability of people within the district by establishing a Skills Board and encouraging local businesses to take on more apprenticeships.	
	3.2	To work collaboratively with Partners to reduce health inequalities across the district, and to improve general levels of health and wellbeing by encouraging healthy and active lifestyles and prioritising early preventative interventions in relation to the wider determinants of health.	
	3.3	Local Labour Agreements – the Council will ensure developers deliver a local labour agreement on future major developments to create training and employment opportunities during the term of the development	
	3.4	Support rural communities through our outreach network, examine further digital service improvements and support the work of local parish councils.	
	3.5	Support local drug treatment engagement programmes to reduce dependency and turn peoples' lives around.	
	3.6	Increase the year on year number of homelessness preventions and a year on year decrease in the number of rough sleepers, over the term of the plan.	
	3.7	Work with the Department for Work & Pensions, Citizens Advice, Nottinghamshire County Council and local foodbanks to support local people in need.	
	3.8	Engage with local residents through "Bassetlaw Conversations" at community events, local town improvement plans, the work of the Worksop Town Commission, and the Bassetlaw Tenants' Panel.	
	3.9	Recruit, develop and retain local talent where the Council can in a competitive labour market. Bassetlaw has a significant apprentice scheme with 11 local participants and advertises all positions in our communities, as local people provide the backbone of the services we provide. We will also develop our staff via our policies and training commitments. Promote apprenticeship opportunities to existing staff and offer new apprenticeship positions externally, with the aim of achieving five new apprenticeships each year.	
	3.10	Become recognised as a leader in environmental good practice both in how the Council conducts its operations, and how we assist and enable our residents and businesses to play their role too. Bassetlaw will develop a green plan to support this aspiration covering fuel poverty, insulation, green vehicle fleet and fuel efficiency, climate change, recycling and refuse, built environment (planning), water consumption, nature conservation and open spaces.	

J	<b>Improvement/Betterment</b>		
	Improvement beyond the essential requirement to deliver an existing service, (i.e. to a standard beyond that necessary to replace an existing asset which is no longer useable), where there is a proven need and a demonstrable benefit in doing so. (Add 2 points).		
K	<b>Health &amp; Safety (Non-Statutory)</b>		
	Relating to Council property, the project is considered necessary for the health and safety of the Council's employees or the general public, and has been identified as such. (Add 2 points).		
L	<b>Revenue Implications</b>		
	i	Projects result in a reduction in the revenue budget from the date of completion, (after any repayment to reserves). (Add 3 point per estimated £10,000).	
	ii	Projects result in increased net revenue costs. (Deduct 3 point per estimated £10,000).	( )
M	<b>Partnership</b>		
	Projects that enhance the relationship with the Council's partners and in doing so achieve the Council's Priorities. (Add 2 points).		





**BASSETLAW DISTRICT COUNCIL**

**COUNCIL**

**4 MARCH 2021**

**REPORT OF THE CHIEF EXECUTIVE**

**PAY POLICY STATEMENT**

Cabinet: Policy, Strategy  
and Communications  
Contact: Karen Childs  
Ext. 3121

**1. Public Interest Test**

1.1 Karen Childs, HR Service Manager and author of this report, has determined that it is not confidential.

**2. Purpose of the Report**

2.1 To present the draft Pay Policy Statement for 2021/22 for consideration and agreement by members of the Council.

**3. Background and Discussion**

3.1 Section 38 (1) of the Localism Act 2011 required English and Welsh local authorities to produce and publish a Pay Policy Statement by 1 April 2012 and for each financial year thereafter. The Statement must be approved by full Council by the end of March prior to the year to which it relates, and must be published on the Council's website. It can be amended in-year.

3.2 In summary, the Pay Policy Statement must set out the Authority's policies relating to the pay of both statutory and non-statutory chief officers and their deputies, to compare the policies on remunerating chief officers and other employees, and to set out policy on the lowest paid. The Council's Constitution defines chief officers as the Chief Executive and Directors, and deputy chief officers as Heads of Service.

3.3 In more detail, the elements to be included are the Authority's policies on:

- The level and elements of remuneration for each chief officer, which includes pay, charges, fees, allowances, benefits in kind, increases in/enhancements of pension entitlements, and termination payments;
- The remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and reason for adopting that definition);
- The relationship between the remuneration of its chief officers and other officers;
- The policy on other specific aspects of chief officers' remuneration : on recruitment, use of performance-related pay and bonuses, termination payments, and transparency.
- Increases and additions to remuneration for each senior officer
- The use of performance-related pay for senior officers
- The use of bonuses for senior officers

- The approach to the payment of senior officers on their ceasing to hold office under or to be employed by the Authority, and
  - The publication of and access to information relating to remuneration of senior officers.
- 3.4 The Act also requires the Authority to have regard to any statutory guidance on the subject issued or approved by the Secretary of State. This includes the publication of a pay multiple, which is the ratio between the remuneration of the Authority's top earner and that of its average earner. A broader set of statutory guidance has also been published in relation to the publication of pay policy statements. The following additional policies to be included in pay policy statements:
- Those relating to other terms and conditions for chief officers (eg making it explicit whether or not JNC conditions of service for chief executives and chief officers are incorporated into those officers' contracts of employment);
  - Any additional arrangements relating to chief officers that are a charge on the public funds
  - The policies in relation to discretionary payments on early termination of employment, increasing an employee's total pension membership and on awarding any additional pension.
- 3.5 The Department for Communities and Local Government produced supplementary guidance in February 2013 which was incorporated into the design of the Council's Pay Policy Statement from 2014/15 onwards.
- 3.6 The draft Pay Policy Statement drawn up for the financial year 2021/22 is attached to this report, and sets out the Authority's policies in relation to each of the requirements identified above. It also provides some contextual information in relation to the responsibilities of the Authority's chief officers.
- 3.7 The Council's Pay Policy Statement sets out that the pay multiple (explained in 3.4 above) will be tracked to identify any trends. The recommendation in the statutory guidance when calculating the pay multiple is to use the median pay (ie the mid-point between the lowest and highest paid) as a basis. For the financial year ending 31 March 2019 the median was calculated as 5.43 to 1, and for the financial year ending 31 March 2020 it is 5.03 to 1, a reduction of 0.4 in the differential. Last year the mean pay multiple was 4.68 to 1 based on data for the financial year ending 31 March 2019, and this year it is 4.4 to 1, based on data for the financial year ending 31 March 2020.
- 3.8 The shift in the pay multiple is slight, and is due to a number of service reviews resulting in structural changes, which have been fully implemented during the period.

#### **4. Implications**

##### a) For service users

The publication of the Pay Policy Statement will ensure transparency and clarity for service users. It will be published in the corporate style which ensures accessibility.

##### b) Strategic & Policy

The Authority must ensure it complies with the terms set out in its Pay Policy Statement when it sets the terms and conditions for a chief officer, as set out in 3.7 above.

c) Financial – 21/16

None arising directly from the approval of this Policy Statement.

d) Legal – 222/03/2021

The approval of this Policy Statement will ensure that the Council's legal obligations in relation to the formulation and approval of a Pay Policy Statement, and the publication of the Authority's approach to discretions, are met for the financial year 2021/22.

e) Human Resources

No direct implications.

f) Community Safety, Equal Opportunity, Environmental

No direct implications.

g) General Data Protection Regulations

No direct implications.

h) Whether this is a key decision, and if so the reference number.

Not applicable.

**5 Recommendations**

- 5.1 That Council notes the information contained within this report and the attachment, and approves the Pay Policy Statement attached to this report, for publication by 1 April 2021.

**Background Papers**

**Location**



BASSETLAW DISTRICT COUNCIL

# **PAY POLICY STATEMENT**

APRIL 2021

**HUMAN RESOURCES**

# 1 OUR POLICY STATEMENT

## 1.1 What is this Policy Statement about?

This Policy Statement explains how Bassetlaw District Council makes decisions about pay and reward for staff, including its senior officers.

The Statement includes information about the levels of pay and reward for the financial year 2021 / 22. Where information for 2021 / 22 was not available at the time of publication, the latest available information is provided.

## 1.2 What are the Statement's intentions?

- To ensure that the Authority's approach to pay and reward is clear and transparent, and open to public scrutiny.
- To meet legal requirements to produce a pay policy statement each year, as required by the Localism Act 2011 and subsequent amendments.
- To supplement and complement the information published by the Authority on our website in accordance with the Code of Recommended Practice for Local Authorities on Data Transparency.

# 2 OUR CORPORATE MANAGEMENT TEAM

## 2.1 Who are they and what do they do?

The Authority's senior officers are its Corporate Management Team, which currently comprises the Chief Executive, an Assistant Chief Executive, a Director and six Heads of Service for Finance & Property, Corporate Services, People & Culture, Housing, Neighbourhoods and Regeneration.

Together, the Management Team is the key officer decision making body, and works alongside with, and for, the elected Councillors to deliver services for local people. These services include activities such as a refuse service for every household, street cleaning, parks and open spaces, housing, council tax and benefits, planning, and work to develop and regenerate the Bassetlaw area.

The Management Team is responsible for an annual gross expenditure budget of £51.6 million plus Housing Revenue Account expenditure of £20.3 million, making a total for 2021/22 of £71.9m. The Council employs 553 staff (503 full time equivalent staff) and the Management Team leads and directs an organisation that represents the interests of the people of Bassetlaw to national Government and works in partnership with other organisations, including the local NHS and the voluntary sector, to secure a better quality of life for Bassetlaw residents.

Obviously the Council has had to re-orientate itself to support the local community as the CV-19 pandemic unfolded in the last year. This has included: promptly extending distributed work arrangements so staff could work from home; supporting the voluntary sector and participating in the Local Resilience Forum with Nottinghamshire County Council to support vulnerable people; promptly ensuring of grant support money was paid out to 2,480 local businesses - Bassetlaw was in

the top thirty of all authorities nationally for its performance; and also making sure that benefit processing times were prompt so any newly unemployed people did not go without.

In March 2020 the Council established the first joint co-located 'Humanitarian Hub' in Nottinghamshire. It provides a one stop approach to support those required to shield during Covid and supporting individuals and families impacted but the economic consequences. Working with the BCVS, Food Bank, Clinical & Commissioning Group contact was made with over 2,000 vulnerable individuals. Over 3,500 food parcels have been distributed. The local response has been able to support wider links in the County.

The CV-19 situation has had a profound effect on the Council's finances with a collapse of leisure and car parking income as Bassetlaw's sports centres were shut and people stayed at home. There will also be a significant impact on the amount of National Non-Domestic Rates income nationally as businesses close and the country experiences systemic change. As the lower tier of government, local councils are dependent on operating within the national framework set by Parliament and all of the local government sector awaits what will occur, as since the start of austerity in 2010 Bassetlaw has saved £10.7 million in expenditure.

To counter this, new sources of income have been developed, not least the Council's S80 company which sells CCTV services and broadband capacity to local firms and now generates an estimated £0.04 million in the 2020/21 budget. In addition a local joint venture company Bersahill has been established to deliver 100 houses for sale over the next 3 years.

Bassetlaw's £72.7 million housing investment capital programme for 2021/22 to 2025/26 contains plans to build 120 new council homes at Radford St in Manton by 2022/23, and a further £6m for future new build from 2023/24 onwards. £4m of this new investment in the stock in 2021/22 is being met from borrowing which is only affordable as savings have been made in the revenue budget following the efficiency programme put in place in the housing service during the last 18 months. The Council has put its plans into practice and started to deliver on this reconfiguration of the budget profile with a great service offer – building new houses for local people in need.

The Council's housing service is by and large a self contained separate account sustained by tenants' rents. The money generated by council tax is different and the ability to borrow to invest is severely constrained given the cuts in public expenditure experienced in the last decade. To bring in investment to the district Bassetlaw has to work with partners to ensure schemes are taken forward. The Council is working with the Environment Agency and other partners to deliver a £2.5m flood schemes at Retford Beck and is in the early stages of developing a similar scheme in Worksop to alleviate the potential for future flooding incidents.

As part of its strategy to revitalise Worksop D2N2 the Local Enterprise Partnership has approved a £3.5m scheme at Bridge Court in Worksop to create a state-of-the-art skills and education hub (The Worksop Access to Skills Hub). The aim is to provide a catalyst for town centre regeneration and to support skills up-lift in growth sectors. D2N2 have also approved £1.8m for the Middletons project in Bridge Street for a state of the art business incubator within a historic part of Worksop.

Work is also progressing on schedule for the Local Plan for the district, which

includes a series of local consultation phases stretching into 2022 when the Plan will be examined by a Ministry of Housing, Communities and Local Government appointed Planning Inspector who will make recommendations to the Minister for adoption. The Plan is for the 2022 – 2035 period and includes proposals for around 10,000 new homes to meet the Government national targets for the district

The Council will shortly be adopting a Carbon Strategy to set out how it aims to deliver on its commitment to achieving carbon neutrality.

Despite all the attention required to support the local community in response to Covid19 the need to continue finding new savings and responding to the down turn in public sector funding continues. As part of that proactive work Bassetlaw is carrying out a series of process reviews to ensure that we are delivering what matters to our customers, in the most efficient way.

A number of officers from all directorates across the Council have been trained in the Business Accelerator programme which enables new ideas on trading services to be developed and evaluated, resulting in a detailed business case. Four business cases have been produced and are being progressed, where appropriate, through the S80 partnership – the Council's wholly owned trading company.

The last year has shown, whatever the circumstances the Council can adapt and respond to the community's needs.

### **3 OUR POLICY ON SENIOR OFFICER PAY**

#### **3.1 How do we decide what to pay our Senior Officers?**

In setting the pay and reward of its senior officers, the Authority has regard to the national guidance documents published by the Joint Negotiating Committees for Local Authority Chief Executives and Chief Officers.

In compliance with this guidance, the approach to pay and reward for senior officers was determined following an independent review and pay benchmarking exercise in 2006. The objectives in carrying out this review were:

- (a) to ensure that pay levels reflected the appropriate market rates, and
- (b) that the authority is able to attract and retain suitable and experienced senior staff.

Following the retirement of the previous Chief Executive, a benchmarking exercise was undertaken, examining typical salary levels for Chief Executive posts in comparable organisations. As a consequence of this work, the Council in December 2012 made a decision that, upon appointment of a new permanent Chief Executive, a new (reduced) salary would apply. A further independent review and pay benchmarking exercise took place following the transfer back in-house of the housing management function. This identified that the pay associated with the position of Chief Executive was out of step with the market, and Council subsequently approved that it be re-set at the average level of neighbouring district councils.



### 3.2 How do we decide on pay increases?

The Authority applies the nationally negotiated pay settlements agreed by the national Joint Negotiating Committees for Local Authority Chief Executives and Chief Officers.

### 3.3 What are Senior Officers paid?

The pay of the Chief Executive is based upon 3 incremental salary points, and that of individual Directors and Heads of Service is based on 4 or 5 incremental salary points, and the rates are as set out in the table below.

#### Pay Bands as at 1.4.21

Post	Point 1	Point 2	Point 3	Point 4	Point 5
Chief Executive	£116,313	£115,200	£120,423	None	None
Assistant Chief Executive (interim)	£93,050	£94,694	£96,338	None	None
Director of Corporate Resources (currently also Section 151 Officer)	£82,914	£85,253	£87,584	£89,922	None
Director of Neighbourhoods and Regeneration (currently held vacant)	£82,914	£85,253	£87,584	£89,922	None
Head of Finance and Property Services and Section 151 Officer (currently held vacant)	£66,565	£68,903	£71,238	£73,569	£75,791
Head of Corporate Services	£61,892	£64,231	£66,565	£68,903	None
Head of Regeneration	£61,892	£64,231	£66,565	£68,903	None
Head of Neighbourhoods	£61,892	£64,231	£66,565	£68,903	None
Head of Housing	£61,892	£64,231	£66,565	£68,903	None
Head of People and Culture (interim)	£61,892	£64,231	£66,565	£68,903	None

Progression to a higher point within the grade is dependent upon satisfactory performance linked to the Authority's performance appraisal system.

### 3.4 What other payments are made?

There are no additional bonus, performance, honoraria or ex-gratia payments made to Chief Officers for carrying out their duties.

#### Lease Cars

Following the resignation of the previous Director of Corporate Resources in 2020, there are no longer any lease car arrangements or other lump sum payments made for use of a car for business purposes.

## Payment of Professional Fees

All staff, including senior officers, who are required to retain full membership of a professional body relevant to their current post may claim reimbursement of the one annual professional fee. Where an employee is undertaking an approved course of study, the relevant subscription may be reimbursed. On completion of the approved course of study, any conversion fees to full membership will be paid, subject to the course of study being relevant to the employee's current post.

## Healthcare Cash Plan

The Council is committed to the health and wellbeing of all staff, and as part of this introduced a discretionary healthcare cash plan from 1 April 2020, accessible to all staff.

## Other Conditions of Service

Other Conditions of Service are prescribed by the Joint National Council (JNC) conditions of service for Chief Executives/JNC conditions of service for Chief Officers.

## Returning Officer Fees

Special fees are paid for Returning Officer duties which are not part of the postholder's substantive role. These fees are payable as required and can be made to any senior officer appointed to fulfil the statutory duties of this role. The Returning Officer for this Authority is the Chief Executive, who is appointed under the Representation of the People Act 1983. Whilst appointed by the Authority, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from the Officer's duties as an employee of the Authority. As Returning Officer a separate allowance is paid for each election for which the Officer is responsible.

The allowance payable is determined on an annual basis by the Nottinghamshire Group of Electoral Services Managers by reference to the national guidelines and rates set. Any administration fees paid to other officers for election duties are set by this Group and approved by the Returning Officer.

# 4 SENIOR OFFICER RECRUITMENT

## 4.1 How are Senior Officers recruited?

The **Chief Executive** is the Authority's designated Head of Paid Service. The Authority's Constitution sets out the process that will be followed when making an appointment to this post. In particular:

- The Appointments Panel has delegated authority, within relevant legislation, Council policies and agreed appointment procedures, to recommend to Council the appointment for the position of Chief Executive (Part 3, page 3.35). The Appointments Panel is made up of nine elected members.
- The Council has the authority to confirm the appointment of the Head of Paid

Service (part 3 page 3.1). The Council is made up of all 48 elected members.

In confirming the appointment, the Council will also approve the remuneration package that will apply. Any changes that are subsequently proposed to the remuneration package of the Chief Executive that fall outside the scope of the nationally negotiated pay settlements will be subject to approval by the Council.

The appointment of **Chief Officers** is governed by the Authority's Constitution, which sets out in particular:

The Appointments Panel has delegated authority, within relevant legislation, Council policies and agreed appointment procedures, to make appointments to posts of Directors and Heads of Service within the Council's agreed officer structure (Part 3 page 3.35).

In confirming the appointment, the Appointments Committee will also approve the remuneration package that will apply, within the established pay range for the post (subject to the threshold set out in the subsequent paragraph of this statement).

Full council will vote before a salary package of £100,000 or more is offered in respect of a new appointment. A salary package includes annual salary, fees and allowances routinely payable to the appointee and any benefits in kind to which the officer is entitled as a result of their employment.

## **5 STAFF BELOW CHIEF OFFICER LEVEL**

### **5.1 How do we decide what to pay staff below Chief Officer level?**

Grades of jobs are determined by an evaluation of the job duties and the knowledge, skills and experience required to undertake those duties. This ensures that grades are fair and non-discriminatory. Basic pay is in accordance with the evaluated grade and the agreed pay structure.

The agreed pay and grading structure is that defined by the National Joint Council for Local Government Services, known as the National Pay Spine. Nationally agreed changes to the National Pay Spine came into effect on 1 April 2019.

The Authority applies the nationally negotiated pay settlements agreed by the NJC for Local Government Services. The most recent pay settlement provided for a 2.75% increase for 1 April 2020. No pay award has yet been agreed for 2021.

The Authority has introduced a Living Wage payment from 1 April 2013, which means that for 2021/22, every employee will receive a minimum of £9.50 (rate at 1 April 2021) for each hour they work. The Authority received formal Living Wage accreditation in November 2013, in recognition of this achievement.

The Council undertook an extensive pay and grading review which was implemented from 1 April 2020. This provides for 12 grades using the national pay spine, which has been extended to scp 48 providing for a maximum pay of £52,743 below Chief Officer level.

Other Conditions of Service are prescribed by the NJC National Agreement on pay and conditions of service.

## 5.2 What is the “pay multiple”?

The Authority has regard to the Department for Communities and Local Government’s Code of Recommended Practice for Local Authorities on Data Transparency. This sets out the requirement to publish a pay multiple, which is defined as the ratio between the highest taxable earnings for the given year (including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind) and the median earnings figure of the whole of the authority’s workforce.

The salaries attributable to apprentices depend on age and progression through the apprenticeship, and are based on a proportion of the full rate for the job, to mirror national agreements. Given the specific nature of these appointments, it is felt inappropriate to include apprentices within the definition of lowest paid for the purposes of this policy statement and calculation of the pay multiple.

The calculation is based on the full-time equivalent staff and taxable earnings at 31 March 2020.

In previous Pay Policy statements the mean average has been used to calculate the pay multiple. Using the same calculation of the mean average, the pay multiple at 31 March 2020 is 4.4 to 1 (a slight decrease from 31 March 2018 which was 4.68 to 1).

The calculation has also been undertaken using the median point. The pay multiple at 31 March 2020 based upon the median point is 5.03 to 1 (a slight decrease from 31 March 2019 which was 5.43 to 1).

The Authority will track the pay multiple year on year in order to identify and analyse any shifts in the relationship.

## 6 PAY ON RECRUITMENT AND TERMINATION

### 6.1 How do we decide on starting salaries?

The Authority’s policy on starting salaries is the same for all staff, including senior officers, which is to offer an appointment to the minimum point of the appropriate salary scale or range that is attached to the post. However in order to secure the services of the best candidate, the Authority recognises that it may be necessary to offer appointment at a higher point within the appropriate salary scale or range. Individual members of the Corporate Management Team have the authority to make such a decision, subject to the approval of the Head of People and Culture, except in relation to the appointment of Chief Officers. In the case of Chief Officers the Appointments Panel (or the Council in the case of the Chief Executive) makes the decision, as set out in Section 4.

### 6.2 How do we exercise our discretions on pay when staff leave?

The Authority's policy on discretionary payments when employment ends is the same for all staff, including senior officers. The power to award various discretionary payments is contained within a range of Local Government Regulations. Under the current Local Government Pension Scheme ("LGPS") Regulations 2013 (as amended), as a Scheme Employer the Authority must publish and keep under review a Statement of Policy to explain how it will apply certain discretions allowed for under the Pensions Regulations.

### **Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006**

Note: These regulations apply to current local government employees, regardless of whether or not the employee has joined the local government pension scheme.

**Regulation 5** - the Authority may use its discretion to calculate redundancy payments by reference to an individual's actual week's pay, rather than the statutory maximum, where it is greater than the statutory maximum.

**Council Policy:** the Authority has resolved to use actual pay in the calculation of a redundancy payment, rather than restricting pay to the statutory maximum amount, ie the amount set from time to time by the Secretary of State as the maximum week's pay for redundancy purposes.

**Regulation 6** - where an employee's employment is terminated due to redundancy or in the interests of efficiency the Council may pay the individual lump sum compensation of up to 104 weeks' pay.

**Council Policy:** the Authority has resolved not to adopt this discretion at this time. The overall value of compensation in the event of redundancy will be established by applying the statutory rules governing the calculation of redundancy compensation payment (using actual pay). The payment is capped at a maximum of 30 weeks' pay based on the last 20 years' service.

No redundancy payment will be made where employment is terminated in the interests of efficiency.

Full Council will vote before any discretionary severance compensation payment award that is in excess of £100k is offered, mainly:

- Salary paid in Lieu of Notice
- Outstanding Holiday Payment
- Redundancy/Compensation awarded under the Discretionary Compensation Regulations 2006
- Any discretionary increase to pension entitlement awarded in accordance with the Local Government Pension Scheme Regulations 2013 (as amended)

### **Local Government Pension Scheme Regulations 2013, as amended by the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014**

Note: These regulations came into effect on 1 April 2014 and apply to active LGPS pension members and those former members of the LGPS who left after 31 March

2014. They amend and bring forward certain discretionary provisions from the previous Local Government Pension Scheme Regulations, 2007.

**Regulations 16(2)(e) and 16(4)(d)** - this discretion relates to whether, how much, and in what circumstances the Authority (as the Pension Scheme Employer) may contribute to an active pension members APC (Additional Pension Contributions) scheme.

**Council Policy:** the Authority has resolved not to adopt this discretion at this time.

**Note:** This does **not** relate to cases where a member has a period of authorised unpaid leave of absence and elects within 30 days of return to work to pay a shared cost APC to cover the amount of pension “lost” during that period of absence. In these cases the employer **must** contribute 2/3rds of the cost (Regulation 15(5) of the LGPS Regulations 2013).

**Regulation 30 (6) and 30 (8)** - this discretion relates to whether all or some benefits can be paid if an employee, who is an active pension scheme member who has reached age 55 or over, reduces their hours or grade, with employer consent (flexible retirement), and if so (under Regulation 30 (8)) whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.

**Council Policy:** the Authority has resolved to consider the adoption of Regulation 30 (6) on a case-by-case basis in consideration of the factors set out in the Flexible Retirement Policy, as follows:

- The needs of the employee;
- Cost and associated savings arising from allowing the request (the outcome should be cost-neutral within the current financial year);
- Service implications;
- Ongoing workload management implications (which should be the subject of consultation with the trade unions and affected staff before any decision is made);
- Whether any structural changes are proposed or underway;
- Whether any disciplinary, attendance management or capability procedures are underway in respect of the employee.

The Authority will not waive any actuarial reduction in benefits payable under flexible retirement.

**Regulation 30 (8)** – this discretion relates to whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws (at age 55 or over) before normal pension age, other than on the grounds of flexible retirement.

**Council Policy:** the Authority will not waive any actuarial reduction to benefits payable under voluntary early retirement.

**Transitional Provision Schedule 2, Para 1(2)** – under these 2014 amendment provisions to the 2013 LGPS Regulations, the 85 year rule does not automatically apply to members who would otherwise be subject to it, when voluntarily drawing benefits on or after age 55 and before age 60 (other than on the grounds of flexible retirement). Under the provisions, the Authority has discretion to “switch on” the 85 year rule.

**Council Policy:** the Authority has elected not to adopt this discretion at this time.

**Transitional Provision 3 (1) and Schedule 2, Para 2(1)** – under these 2014 amendment provisions to the 2013 LGSP Regulations, and certain provisions carried forward from the LGPS Regulations 2007, the Authority has the discretion, under a number of retirement membership scenarios, to waive actuarial reductions on compassionate grounds. “Compassionate grounds” is not defined in the Regulations.

**Council Policy:** request for early release of pension benefits without actuarial reduction on compassionate grounds may be agreed by the Council. The grounds for compassionate early retirement are recognised by the Council as being where the beneficiary needs to care full time for a close relative, spouse, partner or other dependent who, through illness, requires full-time or substantial care for the rest of their life expectancy which is anticipated to be in excess of 12 months from the date of the agreed medical advice.

**Regulation 31** - this discretion allows the Authority to grant additional pension, up to a specified maximum, reviewed annually (rate at 1 April 2016 is £6,675 per annum), to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency.

**Council Policy:** the Authority has elected not to adopt this discretion at this time.

**Discretions in relation to pension scheme members and who ceased active membership prior to 1 April 2014.**

Under various historic Local Government Pensions Scheme Regulations and Transitional Scheme Provisions, there is a range of different discretionary pay elements, which change dependent upon a series of date bands when active membership ceased. These would be appropriately considered in regard to requests relating to deferred or suspended pension benefits from former employees, having regard to the Authority’s policy on discretions in place at the time. Further information in this regard is available from Human Resources.

## **7 RE-EMPLOYMENT**

The Authority’s Recruitment and Selection Policy recognises the importance of making appointments on merit, and ensuring equality of opportunity. Consequently, as a general principle, individual applicants for employment will be considered in accordance with this Policy and will not be denied employment purely on the basis of having previously been employed by the Authority.

However, an individual in receipt of a severance payment and/or early retirement pension will not normally be immediately re-employed or re-engaged by the Authority, either under of a contract of employment or a contract for services. It is expected that the Authority, when agreeing severance arrangements, will do so in the context of anticipated future requirements and plan its resources accordingly.

It is, however, recognised that in some limited, exceptional circumstances re-employment or re-engagement would be in the Authority’s interests, in which case approval may be given by the relevant Director, in consultation with Human Resources and the Chief Executive.

Where an employee retires on the grounds of ill health and later applies for employment this will be considered carefully in the context of the Equality Act and advice from the Authority's Occupational Health Advisor.



**BASSETLAW DISTRICT COUNCIL**

**FULL COUNCIL**

**4 March 2021**

**REPORT OF THE ASSISTANT CHIEF EXECUTIVE - HOUSING,  
REGENERATION & NEIGHBOURHOODS**

**NEIGHBOURHOOD PLANNING: APPLICATION TO  
DESIGNATE A NEIGHBOURHOOD AREA AND AN  
ASSOCIATED NEIGHBOURHOOD FORUM – RETFORD  
TOWN CENTRE**

Cabinet Member: Regeneration  
Contact: Will Wilson

**1. Public Interest Test**

- 1.1 The author of this report, Will Wilson, has determined that the contents are not confidential.

**2. Purpose of the Report**

- 2.1 On 18 December 2020 the District Council received a joint application for the designation of a neighbourhood area, to be known as Retford Town Centre, for the purposes of producing a neighbourhood plan, and the designation of an accompanying neighbourhood forum to manage the process, to be known as Retford Town Centre Neighbourhood Planning Group. These requests accord with statutory processes as defined in the Neighbourhood Planning (General) Regulations 2012 (as amended) and the Town and Country Planning Act 1990.
- 2.2 Following the conclusion of a statutory consultation period on the joint application, the Council must now decide whether to approve the joint application and allow the development of a neighbourhood plan for the area to commence.

**3. Background**

- 3.1 The Localism Act 2011 makes provision for communities to develop a shared vision for their neighbourhood, expressed in the form of a neighbourhood plan. The statutory land use policies contained within a neighbourhood plan should be in general conformity with the strategic policies in the development plan for the wider local area, but offer the scope to reflect local distinctiveness and support area-specific aspirations. Neighbourhood plans have the ability to promote more development in an area than that set out by the District Council (but cannot be used to block development proposals already set out in higher level plans) and can, for example, identify where new development should go and how it should be designed.
- 3.2 Proposals must be consulted upon extensively, undergo independent examination and then be put to a local referendum before they can be adopted as part of the statutory development plan for the District.

- 3.3 Once 'made', a neighbourhood plan forms part of the development plan, and sits alongside the Bassetlaw Core Strategy and Development Management Policies Development Plan Document (DPD). Decisions on planning applications will be made using the Core Strategy DPD, relevant neighbourhood plan, the National Planning Policy Framework (NPPF), and any other material considerations.
- 3.4 The first formal stages of developing a neighbourhood plan concern designation of the area that will be covered by the plan, known as the 'neighbourhood area', and identification of the organisation that will be responsible for the development of the plan, known as the 'qualifying body'. It is these actions that this report addresses in respect to Retford Town Centre.
- 3.5 Government guidance<sup>1</sup> clarifies that a local planning authority can consult on applications to designate a neighbourhood area and a neighbourhood forum at the same time, which is the approach adopted in this case.
- 3.6 The District Council, as Local Planning Authority, has a statutory duty to provide advice or assistance to a qualifying body that is producing a neighbourhood plan. In addition, the District Council has a statutory duty to act at certain stages of the neighbourhood plan development process, and to do so in accordance with specified timescales; this includes the designation of neighbourhood areas and qualifying bodies.

#### **4. Supporting Evidence**

- 4.1 Bassetlaw District Council is an active supporter of neighbourhood planning, and the 31 designated neighbourhood areas and 15 'made' neighbourhood plans to-date in the District are testament that the initiative has been equally well-received by our communities.
- 4.2 The majority of designated neighbourhood areas in Bassetlaw are rural in nature, all follow existing administrative boundaries, and all are managed by either a parish or town council (albeit a number of neighbourhood areas incorporate multiple civil parishes, with one parish acting as qualifying body).
- 4.3 Although this has been the default approach to defining and administering neighbourhood areas in Bassetlaw to date, the regulations do permit other approaches, so as to ensure that arrangements are attuned to the specific needs and context of each community. This flexibility is of particular relevance in urban areas, where there may be more options as to how neighbourhood area boundaries could be drawn, and in non-parished areas, where there will not be a parish or town council to act as qualifying body. Both of these scenarios apply to the requested designations for Retford Town Centre, and so represent new territory in Bassetlaw.
- 4.4 The District Council has been working with Retford Business Forum since mid-2019 to give form to the aspiration for a community-led planning strategy for the future of Retford Town Centre. Through the experience of neighbourhood planning in Bassetlaw to-date, it was agreed that a neighbourhood plan would be an effective means to give form to the aspirations voiced, to ensure statutory weight, and to provide a new and constructive means to bring varied interests in the area together. Through attendance at monthly meetings of Retford Business Forum, the District Council's Neighbourhood Planning team has assisted in considering the options available, and in running informal consultation exercises to raise awareness and encourage debate.

<sup>1</sup> See: [Guidance - Neighbourhood Planning, paragraph 038](#)

### **Neighbourhood Area Designation Request**

- 4.5 Regulation 5 of the Neighbourhood Planning (General) Regulations 2012 (as amended 2016) requires a qualifying body (e.g. a parish council or neighbourhood forum) to make a request of the District Council for designation of the area (the 'neighbourhood area') that will be covered by that body's neighbourhood plan.
- 4.6 A request to this effect was submitted to Bassetlaw District Council on 18 December 2020 by prospective neighbourhood forum, Retford Town Centre Neighbourhood Planning Group (Appendix 1). As required by the regulations, the application includes a map of the proposed boundary, and a statement to explain why this is considered appropriate.
- 4.7 In seeking to draw the boundaries of the Neighbourhood Area, the option has been taken to align with recognised geographical features rather than existing administrative boundaries, such as electoral wards, which intersect but do not effectively bound the Town Centre. The proposed boundary accordingly follows Arlington Way (to the east), the Chesterfield Canal and southern extent of Carolgate (to the south), the River Idle and the boundary of Kings' Park (to the west), and extends to the north of Amcott Way to include two key retail developments associated with Retford Town Centre.

### **Neighbourhood Forum Designation Request**

- 4.8 Regulation 8 of the Neighbourhood Planning (General) Regulations 2012 (as amended 2016) requires a prospective qualifying body to make a request of the District Council in order to be formally designated.
- 4.9 As a consequence of identifying a bespoke neighbourhood area boundary, and because Retford is a non-parished area, a pre-existing body does not exist to act as the qualifying body to manage the plan development process. Work to establish a legislatively-appropriate group to fulfil this role was integral to the efforts of Retford Business Forum and the District Council when exploring the possibility of a neighbourhood plan for Retford Town Centre.
- 4.10 A neighbourhood forum designation request was submitted to Bassetlaw District Council on 18 December 2020 by prospective Neighbourhood Forum, Retford Town Centre Neighbourhood Planning Group (Appendix 1). As required by the regulations, the application was accompanied by a written constitution, contact details, and a statement of how the proposed forum satisfies the conditions contained in section 61F (5) of the 1990 Act.

### **Consultation**

- 4.11 Regulation 6 and Regulation 9 of the Neighbourhood Planning (General) Regulations 2012 (as amended 2016) require that the District Council must publicise designation requests, for a minimum of six weeks, on its website and in any other manner that it deems appropriate to bring the requests to the attention of those who live, work or undertake business in the area that a neighbourhood plan will cover.
- 4.12 The District Council undertook consultation on the joint application for a seven-week period between 21 December 2020 and 8 February 2021. The submission documents were made available via the District Council's website, and publicised by means of 37 public notices in the proposed neighbourhood area, and a formal notice in the Retford Times newspaper. The information was also made available in non-digital format on request. One response was received during the consultation period, in respect to the proposed Neighbourhood Area, and this is addressed below.

### **Determination: Neighbourhood Area**

- 4.13 The application to designate the Neighbourhood Area has been assessed in accordance with the regulations, as detailed in the accompanying Determination Report (Appendix 2), and summarised below.
- 4.14 One representation was received during the consultation period, and addressed the potential for a minor modification to the boundary between Chancery Lane and Bridgegate Centre car park, so as to incorporate land for a proposed cycle path within the Neighbourhood Area. As detailed in the Determination Report, this proposal has been the subject of detailed consideration. On balance, it has been assessed that it is not appropriate to make the suggested amendment to the proposed boundary prior to it being considered by Members. This would not prevent subsequent modifications being made to the boundary if deemed appropriate by the Neighbourhood Forum, as permitted by the regulations.
- 4.15 A further representation was received after the consultation period had ended, but was factored-in to the determination process in the interests of clarity. This concerned a suggested modification to the boundary to include the western extent of Bridgegate within the area, and to exclude the land to the north of Amcott Way. As detailed in the Determination Report (Appendix 2), it is suggested that it would be inappropriate for the District Council to seek to consider or make such a modification prior to the application being considered by Full Council. In particular, the proposal would result in a significant change to the proposed area, is not a fully detailed proposal, and has not been the subject of consultation. Instead, it is suggested that consideration of such a modification would be better addressed after the point of decision by Members, and would be possible under either of the two options available. Subject to approval of the application, the Neighbourhood Forum could explore this issue and, if deemed desirable, seek a formal modification to the boundary, as regulations permit. Subject to refusal of the application, the boundary could be reconsidered in-full and the subject of a further application. However, this will delay proceedings, and potentially undermine the work that has been undertaken to-date.
- 4.16 The overall conclusion reached is that the proposed Neighbourhood Area meets all of the requirements detailed in Section 61G of the 1990 Act and, on this basis, it is recommended that the application should be approved. As detailed above, modifications to the boundary are still possible after the boundary has been approved.
- 4.17 Under Section 61H of the 1990 Act, The District Council is, in addition, required to consider whether the proposed Neighbourhood Area should be classed as a business area, this being an area wholly or predominantly business in nature. Classification as a business area does not alter the process of developing a neighbourhood plan, but provisions for two referenda to be held in order to 'make' the resultant Plan, one for residents and one for businesses. Through the determination process, it is concluded that Retford Town Centre Neighbourhood Area is predominantly business in nature. Classifying it as such would be appropriate, and would also reflect the significant proportion of business interests represented in the membership of the prospective Neighbourhood Forum.
- 4.18 The two recommendations above are detailed in the Draft Decision Statement included as Appendix 4, in accordance with Regulation 7 of the Neighbourhood Planning (General) Regulations 2012 (as amended 2016).

### **Determination: Neighbourhood Forum**

- 4.19 The Determination Report included as Appendix 3 details how the application to designate the Neighbourhood Forum has been assessed in accordance with the regulations. Officers consider that the proposals are in accordance with all of the

requirements detailed in Section 61F (5 to 7), of the 1990 Act. This includes a membership of at least 21 people, including at least one person from each of the three specified groups (residents, businesses, and elected representatives), drawn from different parts of the area, and a purpose that reflects the character of the area. It is notable that the Neighbourhood Forum has continued to secure members since the point of application, with membership totalling 30 members by February 2021.

4.20 On the basis of the evidence outlined above, it is considered that the application to designate the Neighbourhood Forum should be approved. The Draft Decision Statement included as Appendix 4 accords with the need to publicise this decision, as per Regulation 10 of the Neighbourhood Planning (General) Regulations 2012 (as amended 2016).

4.21 For clarity, only one organisation or body can be designated to act as the qualifying body at any one time and, in accordance with Section 61F (8) of the 1990 Act, a designation expires five years from the day on which it was made.

## **5. Implications**

a) For service users:

A Council decision on this matter will give comfort to members of the prospective Retford Town Centre Neighbourhood Planning Group that their endeavours have Member support. The designation will also provide a new means to give voice to local aspirations in the area.

b) Strategic & Policy:

The requested designation and subsequent progression through the development process to full adoption of the Retford Town Centre Neighbourhood Plan will assist in delivering the District Council's corporate growth strategy as required by the hierarchical Local Plan. It offers a continuation of the ethos of empowering our communities through the identification and management of their own spatial development priorities, with a key focus on locally-specific matters. The designation of a neighbourhood area and associated neighbourhood forum is the first stage of that process.

c) Financial – Ref: 21/119

Local authorities have a legal obligation to assist parish/town councils and neighbourhood forums to prepare neighbourhood plans. A government grant of £5,000 can be claimed to cover the costs of designating the Retford Town Centre Neighbourhood Forum, subject to the approval of the designation request by Full Council. This applies to the first five neighbourhood forums designated by a local authority, this being the first in Bassetlaw. A further government grant can be claimed once the Neighbourhood Plan passes independent examination (currently £20,000), with the amount increased for designated business areas to cover the costs of hosting two referenda (to a total of £30,000 under the current funding offer). Any further budget implications will be identified through further reports to be brought to Cabinet as necessary.

d) Legal - Ref: 216/03/2021

The report details statutory processes as set out in the Neighbourhood Planning (General) Regulations 2012 (as amended 2016), and the Town and Country

Planning Act 1990. The determination process has been undertaken to ensure that the District Council's obligations in respect to the two applications received are met and clearly documented.

e) Human Resources:

There are no human resource implications arising from this report.

f) Community Safety and Environmental:

There are no community safety or environmental implications arising from this report.

g) Equalities – Ref: NP-RTC-0221

A completed Equality Impact Assessment Screening report is included as Appendix 5, identifying no negative implications arising from this report, and positive outcomes in respect to impact on socio-economic factors, the provision of legislative clarity, and the assignment of value to local knowledge and aspirations.

h) General Data Protection Regulation (GDPR):

There are no GDPR implications arising from this report.

i) Whether this is a key decision and, if so, the reference number:

Designation of the Retford Town Centre Neighbourhood Area and associated Neighbourhood Forum is regarded as a key decision, owing to the proposed area intersecting three electoral wards, namely East Retford North, East Retford East, and East Retford West. The case has been allocated the reference **Key Decision No. 864**.

## **6. Options, Risks and Reasons for Recommendations**

6.1 The decision on this item has three parts; Members are required to choose one option from each of the three parts outlined below in order to formulate a decision:

6.2 **Part 1**, in respect to the request to designate Retford Town Centre Neighbourhood Area:

- a) **To approve the designation request.** This option will allow work to develop a neighbourhood plan to commence. There are no obvious risks to this decision, as the application has been assessed as meeting all statutory requirements and government guidance. Subsequent modifications to the boundary would be possible, subject to formal application to the District Council.
- b) **To not approve the designation request.** It will not be possible to commence development of a neighbourhood plan for the specified area, and the prospective Neighbourhood Forum will need to reapply if they wish to proceed. Reasons will need to be provided to clarify the basis on which the decision has been reached.

6.3 **Part 2**, subject to approval of Retford Town Centre Neighbourhood Area, whether to designate it as a business area:

- a) **To designate the Neighbourhood Area as a business area.** This option would reflect the character of the Neighbourhood Area. It will not change the process of developing a neighbourhood plan, but will provision for two referenda to be held in order to 'make' the resulting Plan; one for residents of the area, and one for businesses. A supplement to the basic government grant is available, when required, to cover the additional costs involved.
- b) **To not designate the Neighbourhood Area as a business area.** This option will not prevent the development of a neighbourhood plan, but only residents of the Neighbourhood Area will be able to vote in a referendum as to whether to 'make' the resulting Plan. This may limit interest in the project overall.

6.4 **Part 3**, in respect to the request to designate Retford Town Centre Neighbourhood Planning Group as the Neighbourhood Forum associated with the above Neighbourhood Area:

- a) **To approve the designation request.** The Neighbourhood Forum will be able to commence development of a neighbourhood plan. The designation will last for a period of 5 years upon which it can be renewed. No other body can fulfil this role at the same time. There are no obvious risks to this option, as it has been determined that the prospective Neighbourhood Forum meets all statutory requirements.
- b) **To not approve the designation request.** A qualifying body will not exist for the proposed Retford Town Centre Neighbourhood Area, and it will not be possible to commence work to produce a neighbourhood plan until this has been resolved. Reasons will need to be provided as to how the decision has been reached.

## 7. **Recommendation**

7.1 It is recommended that Members select the following configuration of options from those listed above in order to formulate a decision:

- **Part 1: Option a)** – To approve the application to designate Retford Town Centre Neighbourhood Area;
- **Part 2: Option a)** – To identify Retford Town Centre Neighbourhood Area as a business area;
- **Part 3: Option a)** – To approve Retford Town Centre Neighbourhood Planning Group as the Neighbourhood Forum for the proposed Retford Town Centre Neighbourhood Area.

7.2 Subject to the above configuration of options, it is recommended that the District Council contacts Retford Town Centre Neighbourhood Planning Group to congratulate them on their successful applications, and to offer ongoing support with the development of their Neighbourhood Plan.

<p><b>For more information contact:</b></p>	<p><b>Will Wilson</b> Lead Neighbourhood Planner</p> <p>01909 533 495      <a href="mailto:will.wilson@bassetlaw.gov.uk">will.wilson@bassetlaw.gov.uk</a></p>
<p><b>Background papers available for inspection:</b></p>	<p>Electronic copies of the documents submitted to the District Council can be found at:</p> <p><a href="https://www.bassetlaw.gov.uk/planning-and-building/planning-services/neighbourhood-plans/all-neighbourhood-plans/retford-town-centre-neighbourhood-plan/">https://www.bassetlaw.gov.uk/planning-and-building/planning-services/neighbourhood-plans/all-neighbourhood-plans/retford-town-centre-neighbourhood-plan/</a></p>
<p><b>List of appendices:</b></p>	<p><b>Appendix 1: Neighbourhood Area and Neighbourhood Forum Designation Requests (including boundary map and Constitution)</b></p> <p><b>Appendix 2: Neighbourhood Area Determination Report</b></p> <p><b>Appendix 3: Neighbourhood Forum Determination Report</b></p> <p><b>Appendix 4: Draft Decision Statement</b></p> <p><b>Appendix 5: Equality Impact Assessment Screening</b></p>



## Regulation 5: Application for the Designation of a Neighbourhood Area

1. A map is attached at Appendix A showing the full extent and boundary of the proposed Retford Town Centre Neighbourhood Area. The boundary follows established and distinct geographical features to the east (Arlington Way), south (Chesterfield Canal and the southern section of Carolgate), and west (River Idle and Kings' Park). To the north, the boundary has been drawn to include two key retail developments associated with the town centre.
2. This area is considered to be appropriate to be designated as a neighbourhood area for the following reasons:
  - The boundary has been drawn to follow recognised / established geographical features, and to encompass the core area of 'town centre' activities, so as to give the proposed neighbourhood plan a clear sense of purpose.
  - The area, as defined, is distinct from adjoining / neighbouring areas, given its role as Retford Town Centre, and the consequent focus of retail, business, public service, tourism, and transport functions located there.
  - Consultation to date has demonstrated general support for the boundary, which has been under consideration for over a year prior to this application being submitted.
3. We are making this application as an organisation which is capable of being designated as a neighbourhood forum. An application has been submitted alongside this application for the designation of Retford Town Centre Neighbourhood Planning Group as the relevant neighbourhood forum (see Attached Application B).
4. We consider that the proposed Retford Town Centre Neighbourhood Planning Group is the appropriate body to lead neighbourhood planning in this area. We believe that we have demonstrated in the attached application that the group is capable of meeting the conditions for designation contained in section 61F (5) of the Town and Country Planning Act 1990.
5. It is acknowledged that it is fully at the discretion of the Local Planning Authority as to whether the proposed Neighbourhood Area is designated as a business area. That said, this is something that Retford town Centre Neighbourhood Planning Group would support, in light of the defining characteristics of the area, as outlined above.

**Submitted on behalf of the Retford Town Centre Neighbourhood Planning Group to Bassetlaw District Council by Frederick Brand, Chair**

**18 December 2020**

## Regulation 8: Application for the Designation of a Neighbourhood Forum

1. The name of the proposed neighbourhood forum is 'Retford Town Centre Neighbourhood Planning Group'.
2. A copy of the written constitution of the Retford Town Centre Neighbourhood Planning Group is attached as Appendix B.
3. The proposed name for the Neighbourhood Area is 'Retford Town Centre Neighbourhood Area'. The map attached at Appendix A shows the proposed boundary.
4. The Chair of the proposed Neighbourhood Forum is:

Name: Frederick Brand

Address: [REDACTED]

Phone: [REDACTED]

Email: [REDACTED]

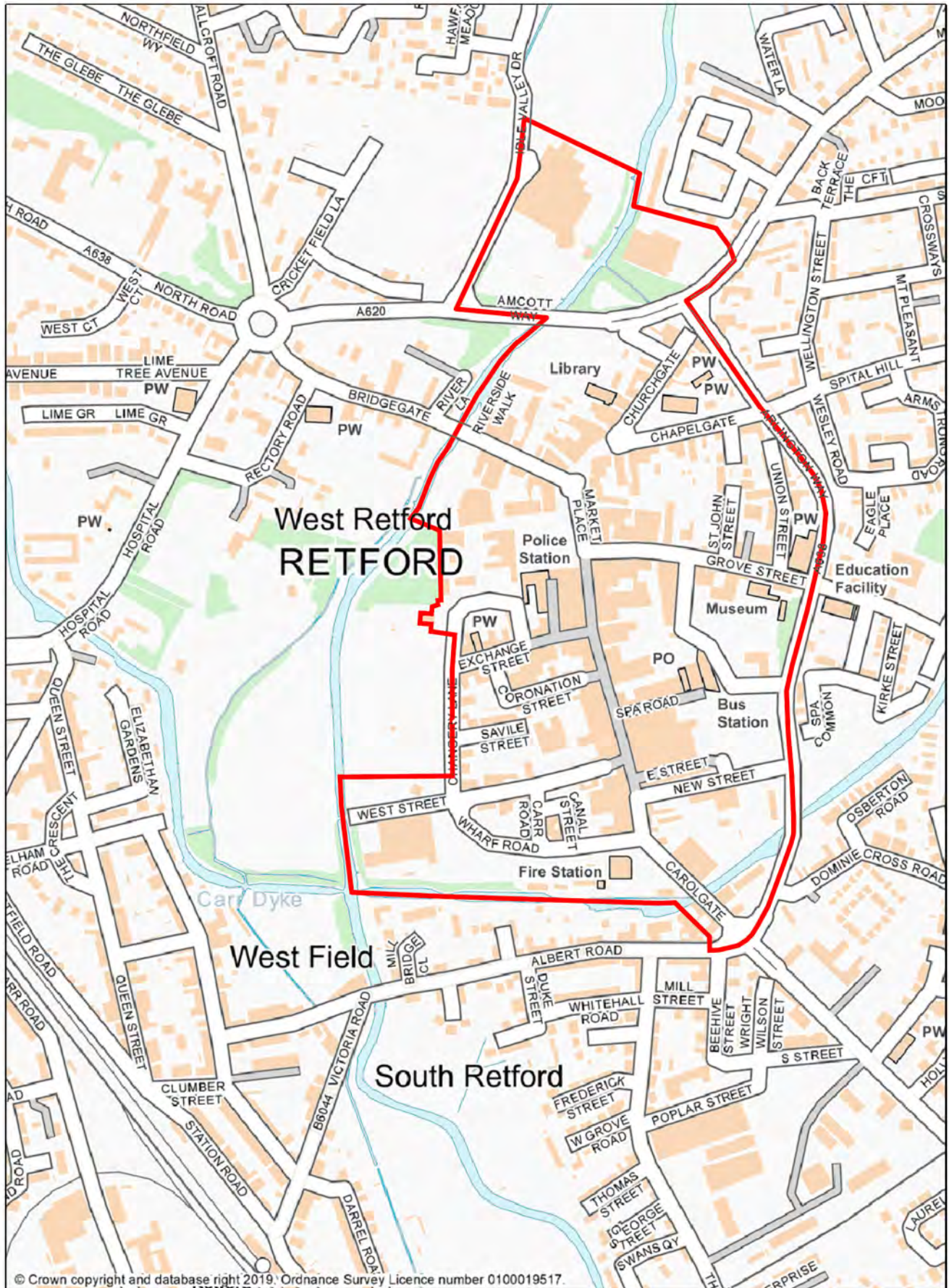
5. As clarified in the constitution, and in accordance with section 61F(5) of the 1990 Act, the Retford Town Centre Neighbourhood Planning Group has been established for the express purpose of promoting or improving the social, economic and environmental wellbeing of the proposed Retford Town Centre Neighbourhood Area.
6. Membership of Retford Town Centre Neighbourhood Planning Group is open to:
  - individuals who live in the proposed Neighbourhood Area,
  - individuals who work there (whether for businesses carried on there or otherwise)
  - individuals publicly elected to represent the area
  - individuals who own property and/or businesses in the proposed Neighbourhood Area
  - individuals representing organisations with significant demonstrable beneficial interest in the future of the proposed Neighbourhood Area (e.g. Retford Civic Society, Retford Business Forum)
7. At the point of application, our membership includes 23 individuals, categorised as follows:
  - Representatives of businesses and organisations: 19
  - Residents: 2
  - Elected representatives: 2
8. The spatial distribution of current members, as mapped in Appendix C, demonstrates that there is a range of businesses, organisations, commercial and volunteer-based groups, and individuals, represented across the area.
9. We will continue to welcome new members to the Neighbourhood Forum as the development of the Neighbourhood Plan progresses.

**Submitted on behalf of the Retford Town Centre Neighbourhood Planning Group to Bassetlaw District Council by Frederick Brand, Chair**

**18 December 2020**

# Appendix A

## Proposed Neighbourhood Area Boundary: Retford Town Centre



# Appendix B

CONSTITUTION OF:

## RETFORD TOWN CENTRE NEIGHBOURHOOD PLANNING GROUP

ADOPTED ON.....

### 1 Name and Area

The name of the Group shall be Retford Town Centre Neighbourhood Planning Group

The area is focussed on Retford Town Centre, and the boundary is shown on the attached plan at Appendix 1. It does not adjoin or overlap any other designated neighbourhood areas and lies wholly within Bassetlaw District. It is considered to be predominantly business-oriented in nature

### 2 Aims

The Planning Group has been established for the express purpose of promoting and improving the social, economic, and environmental well-being of Retford Town Centre, in accordance with S61f(5) of the Localism Act, 2011

The aims of the Group shall be to: Create a Neighbourhood Plan for Retford Town Centre focused on the future needs of its businesses, residents and community

The Group will seek to consult widely during the plan preparation process, including with those living and working in the town centre, elected Members, and the wider public who look to the Town Centre to provide jobs and services. In tandem, the Forum will seek to fairly represent all the different sections of the community

### 3 Powers

In order to achieve its aims the Group may:

- a. Raise money via grants, donations and other forms of positive funding but not through loans or debt
- b. Open a bank account if necessary, although Retford Business Forum will be available to provide initial support
- c. Take out insurance if/when necessary – initial support will be sought through Retford Business Forum insurance arrangements
- d. Employ consultants and reimburse expenses of volunteers
- e. Access necessary temporary business accommodation via voluntary and rental arrangements
- f. Organise and/or access courses and deliver events or consultations
- g. Work with other groups and exchange information within appropriate GDPR responsibilities
- h. Do anything that is lawful, decent, truthful and morally responsible which will help it to fulfil its aims



#### **4 Membership**

(a) 4(a) Membership of the Group shall be open to any person over 18, who is a resident in, or representing any organisation (public, private or voluntary) carrying out its main activities in, located in, or owning property, or a business, in the defined Town Centre Neighbourhood Plan area, or is publicly elected to represent the area, (see appendix 1). These persons must be interested in helping the Group to achieve its aims, and willing to abide by the rules of the Group, as agreed by the Management Committee.

(b) Membership shall be available to anyone without regard to gender, race, nationality, disability, sexual preference, religion or belief.

(c) Every individual member and each organisation shall have one vote at General Meetings.

(d) The membership of any member may be terminated for good reason by the Management Committee, but the member has a right to be heard by the Management Committee before a final decision is made. This right would not apply should any illegal action or breach of trust be carried out by a member or the organisation they represent. Any act of violence or threatening behaviour will result in immediate termination. Any member ceasing to qualify for membership, for example if they move out of the area, cease working for a qualifying organisation and/or represent an organisation which ceases trading in the area, will cease to be a member with immediate effect.

(e) Each qualifying organisation shall be invited to appoint a representative to attend meetings of the Group and notify the Group's Secretary of that person's name.

#### **5 Management**

(a) The Group shall be administered by a Management Committee of not more than 6 members elected at the Group's initial, and subsequent Annual General Meeting (AGM).

(b) The Officers of the Management Committee shall be the Chairperson, the Treasurer and the Secretary.

(c) The Management Committee shall meet at least ten times a year.

(d) The Chairperson shall Chair all meetings of the Group.

(e) The quorum for Management Committee meetings shall be 3 members.

(f) Voting at Management Committee meetings shall be by show of hands, either physically or electronically as circumstances require. If there is a tied vote, then the Chairperson shall have a second vote. Proxy voting will not be accepted.

(g) The Management Committee may by a two-thirds majority vote, and for a good and proper reason, remove any Committee member, provided that person has the right to be heard before a final decision is made (exceptions are stated in 4d above).

(h) The Management Committee may appoint another member of the Group as a Committee member to fill a vacancy provided the maximum number is not exceeded.

## **6 Duties of the Officers**

(a) The duties of the Chairperson are to:

- chair meetings of the Committee and the Group
- represent the Group at functions/meetings that the Group has been invited to
- act as spokesperson for the Group when necessary
- provide ongoing liaison with Retford Business Forum and Bassetlaw District Council
- liaise with and oversee the activities of any consultants etc engaged throughout the process
- oversee and manage all incoming and outgoing external communications, including media, promotions, consultations and advertising

(b) The duties of the Secretary are to:

- take, keep and circulate appropriately, minutes of meetings
- prepare the agenda for meetings of the Committee and the Group in consultation with the Chairperson
- maintain the membership list with due regard to GDPR best practice
- deal with correspondence
- collect and circulate any relevant information within the Group
- arrange for the design and dissemination of leaflets, flyers, posters etc physically or electronically as is appropriate.

(c) The duties of the Treasurer are to:

- supervise the financial affairs of the Group
- keep proper accounts that show all monies collected and paid out by the Group
- regularly inform the Management Committee about income, outgoings and commitments
- carry out payments and receipts as authorised
- liaise with Retford Business Forum and/or the bank on finance issues
- prepare grant and funding applications, analysis and reports, and liaise with potential funding providers

## **7 Finance**

(a) Any money obtained by the Group shall be used only for the Group.

(b) Any bank accounts opened for the Group shall be in the name of the Group.

(c) Any cheques issued shall be signed by the Treasurer and one other nominated official.

## **8 Annual General Meeting**

(a) The Group shall hold an Annual General Meeting (A.G.M.) in the month of May.

(b) All members shall be given at least fourteen days' notice of the A.G.M. and shall be entitled to attend and vote. In order to vote, members must be present at the meeting either physically or electronically as appropriate. Proxy voting will not be accepted. The quorum for an AGM shall be 66.7% of members.

(c) The business of the A.G.M. shall include:

(i) receiving a report from the Chairperson on the Group's activities over the year

## RETFORD TOWN CENTRE NEIGHBOURHOOD PLANNING GROUP

(ii) receiving a report from the Treasurer on the finances of the Group including an independently reviewed set of accounts

(iii) electing a new Management Committee and

(iv) considering any other matter as may be decided.

### 9 Special General Meeting

A Special General Meeting may be called by the Management Committee or by any group comprising 66.7% of the members to discuss an urgent matter. The Secretary shall give all members fourteen days' notice of any Special General Meeting together with notice of the business to be discussed. All members shall be entitled to attend and vote. Proxy votes will not be accepted

### 10 Alterations to the Constitution

Any changes to this Constitution must be agreed by at least two-thirds of those members present and voting at any General Meeting. Proxy votes will not be accepted.

### 11 Dissolution

The Group may be wound up at any time if agreed by two-thirds of those members present and voting at any General Meeting. In the event of winding up, any assets remaining after all debts have been paid shall be given to Retford Business Forum or another group with similar aims.

This constitution was adopted at a general meeting of the Group on

\_\_\_\_\_ [date]

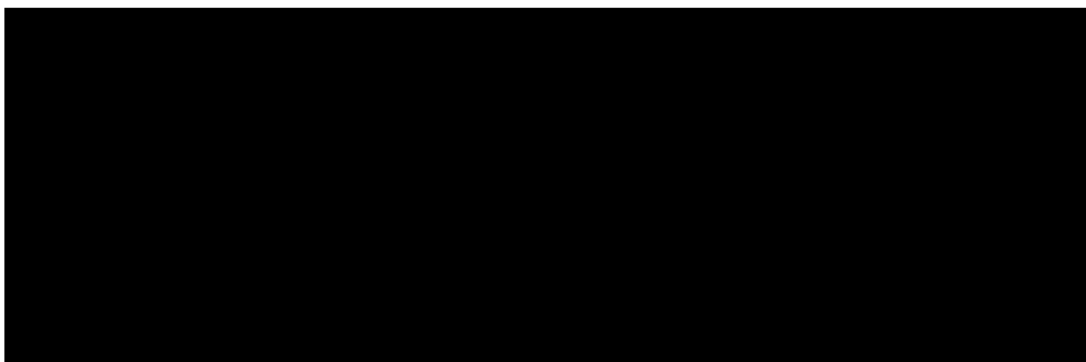
Signed by:

Chairperson:

Secretary:

Treasurer:

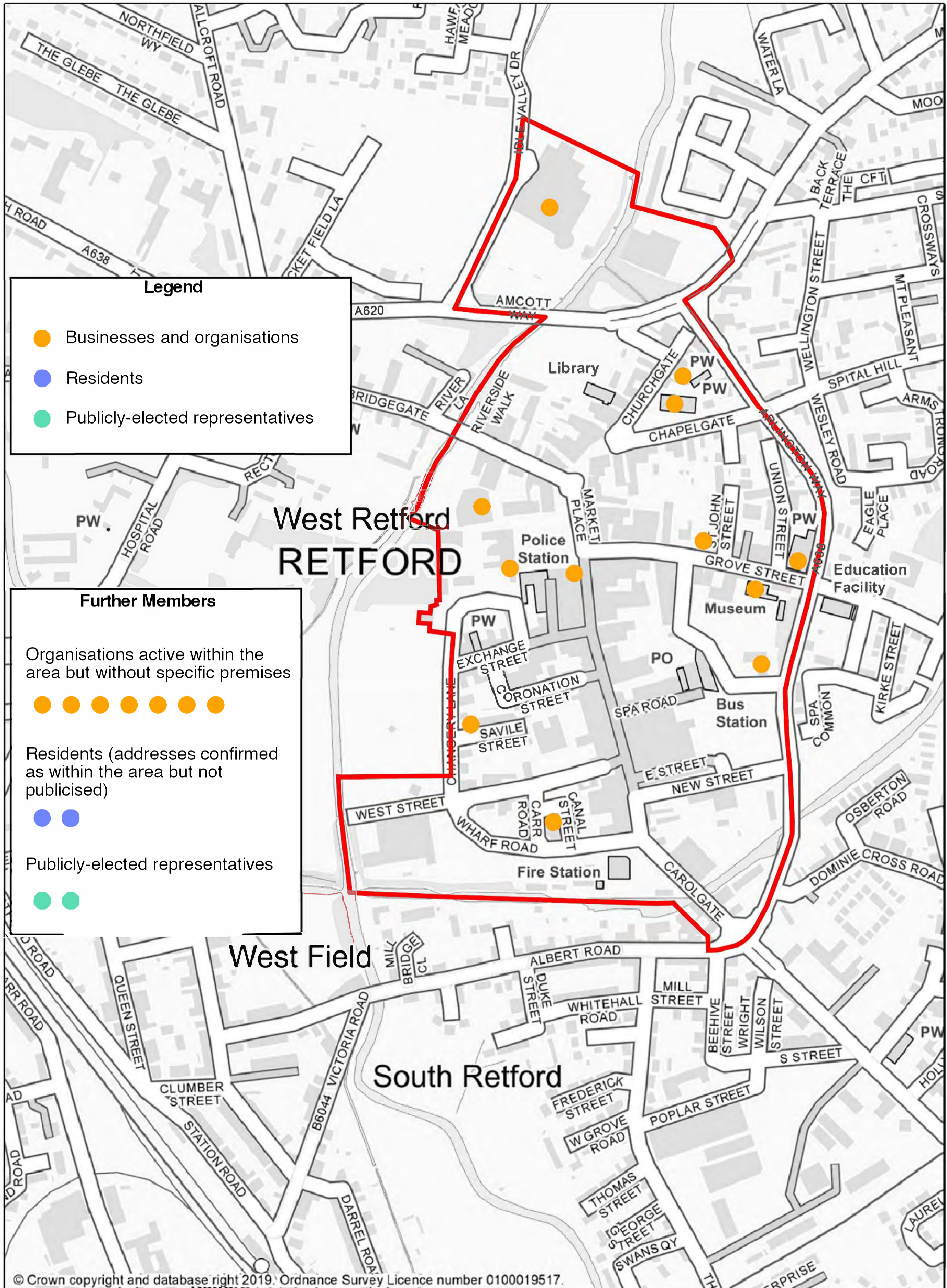
Other Committee members:





# Appendix C

## Spatial Distribution of Neighbourhood Forum Members (as of 18 December 2020)





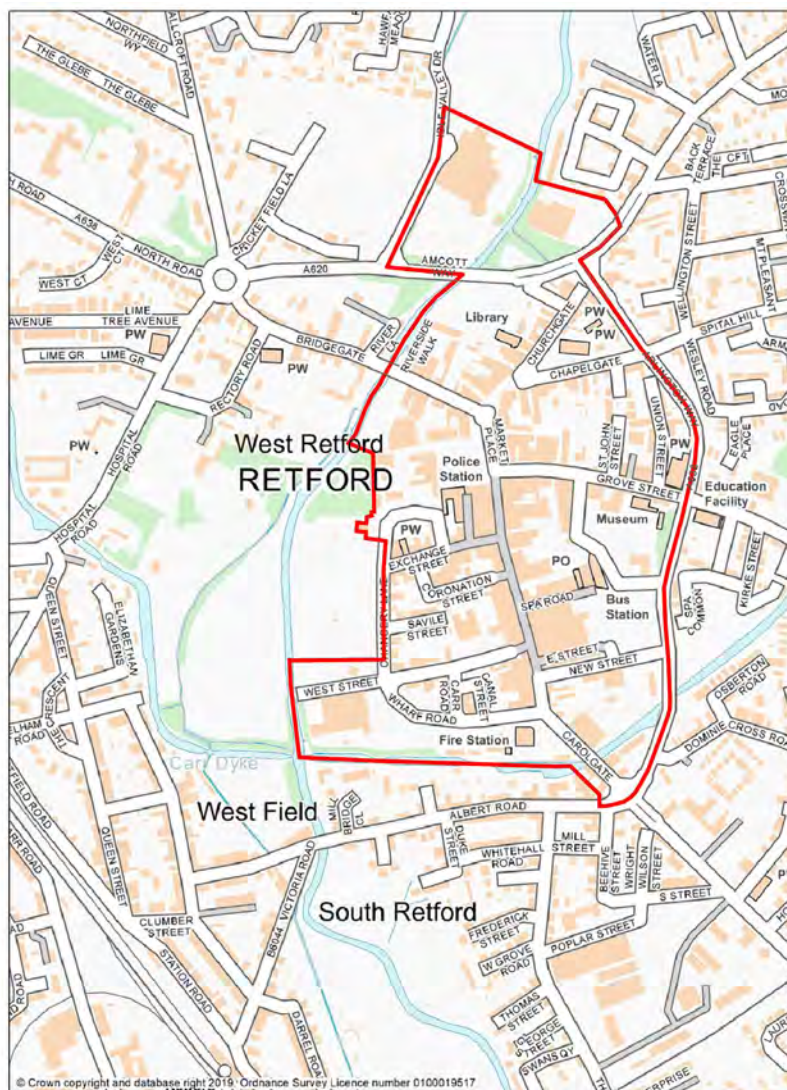
## Bassetlaw District Council

### Neighbourhood Area Designation Request: Determination Report

#### Application summary

Criteria	Details
Name of proposed neighbourhood area	Retford Town Centre Neighbourhood Area
Type of neighbourhood area	Non-parished, urban
Qualifying Body	Retford Town Centre Neighbourhood Planning Group (prospective neighbourhood forum, subject of accompanying designation request)
Application received	18 December 2020
Consultation period	21 December 2020 – 8 February 2021 (7 weeks)

#### Map of proposed Neighbourhood Area



## Assessment

### 1: Is the organisation making the area application the relevant body under section 61G (2) of the 1990 Act?

**Yes.** Retford Town Centre Neighbourhood Plan Group is the prospective qualifying body. Designation of the neighbourhood forum is the subject of an accompanying application, and has been positively assessed, meeting all of the requirements.

### 2: Is the neighbourhood area considered appropriate? (Section 61G (4))

**Yes.** The application details the rationale for the boundary as drawn, employing recognised geographical boundaries to the east (Arlington Way), south (Chesterfield Canal and the southern section of Carolgate), and west (River Idle and Kings' Park). To the north, the boundary has been drawn to include two key retail developments associated with Retford Town Centre.

### 3: Does the area intersect another designated area? (Section 61G (7))

**No.** There are no adjoining or intersecting neighbourhood areas.

### 4: For joint area application, are all relevant bodies included? (Section 61G (2))

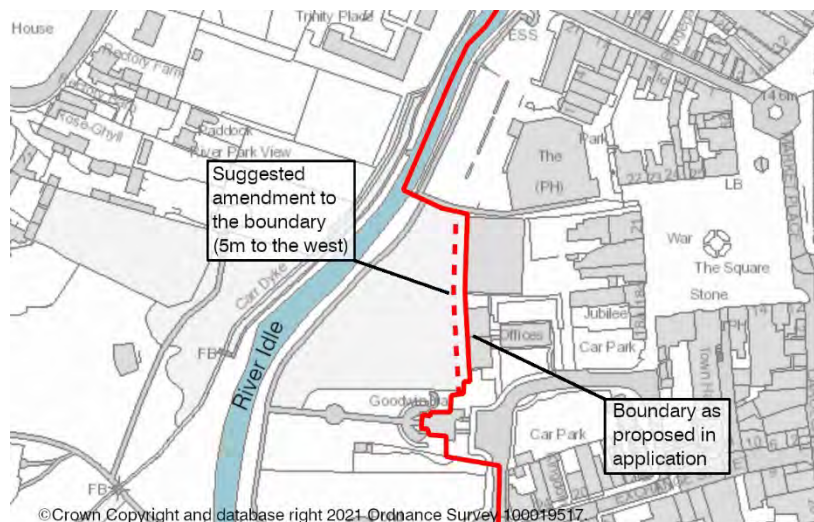
N/A

### 5: Were any comments received during the consultation period? If so, do they have implications for the application?

**Yes.** One response was received during the consultation (see Representation A, below), and one after the consultation had closed (see Representation B, below). A summary of the implications for the application is included after the discussion of the representations.

#### Representation A

**Overview:** The representation expressed support for the joint application in principle, but suggested a minor modification to the proposed boundary. This would see the section of the boundary between Bridgegate Centre Car Park and Chancery Lane moved 5 metres to the west, so as to incorporate a proposed cycle path within the Neighbourhood Area. The District Council produced the below annotated map to assist consideration of this issue.



**Assessment:** The comments are welcomed, and have been the subject of detailed discussion, as summarised below.

The boundary as proposed in the application follows existing geographical features, including in the area in question, where it follows the eastern boundary of Kings' Park. The question of how the proposed Neighbourhood Area should address Kings' Park was the subject of detailed discussion between the prospective Neighbourhood Forum and the District Council's Neighbourhood Planning team prior to the point of submission. This included consideration of whether to include the whole of the Park within the area, or the portion east of the River Idle. It was ultimately decided that the Town Centre and Kings' Park should be seen as separate entities, allowing the Neighbourhood Plan to focus solely on the former. The proposed amendment would follow an arbitrary line, and intersect Kings' Park, undermining the above logic.

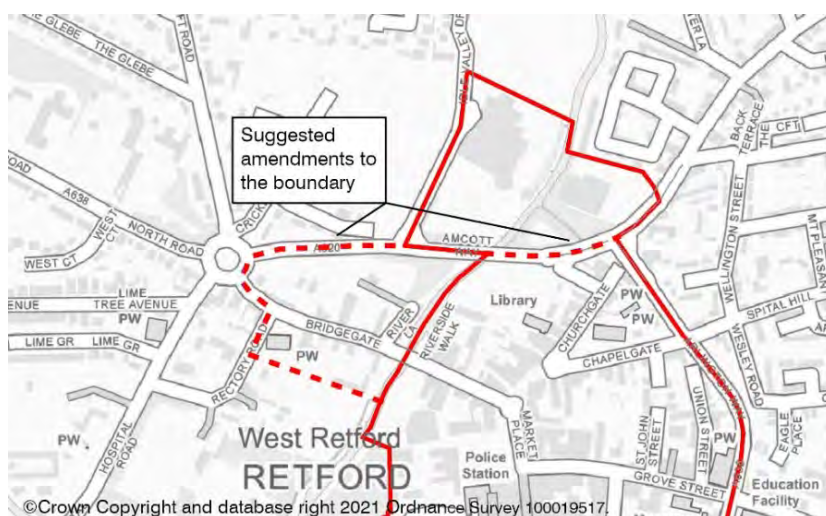
### **Judgement:**

On the basis of the considerations outlined above, it is not considered appropriate to amend the boundary as suggested. Moreover, it is considered that the boundary, as proposed in the application, would not have a detrimental impact on the likelihood of the cycle path being realised. Indeed, the boundary as originally proposed may provide more flexibility to determine the optimum route for the path, as opposed to limiting it to a pre-determined course up-front. The request has been discussed with the Management Group of the prospective Neighbourhood Forum who, through unprompted discussion, reached the same conclusion. Should the situation change in due course, the regulations permit for a formal request to be made by the qualifying body to modify the Neighbourhood Area boundary.

### **Representation B**

A further representation was received after the consultation had closed. The consultee was informed that their response was late, but it was considered appropriate to address the issues raised in the interests of clarity, as detailed below.

**Overview:** The representation requests two amendments to the boundary, one to incorporate the western portion of Bridgegate within the boundary, and the other to remove the land to the north of Amcott Way from within the boundary. The proposals are illustrated below:



**Assessment:** The proposal is interesting, and it would not be appropriate to dismiss it outright. However, whilst the regulations provide discretion to modify the boundary as proposed, this proposal would arguably result in a very significant change, impacting on many interests.

There is some ambiguity about the details of where the revised boundary around Bridgegate would run, on what basis, and whether other adjoining areas would then need to be considered for inclusion. A more detailed map was circulated by the consultee subsequent to the initial representation being received, but this did not fully address these outstanding queries. These issues would require more detailed attention before the proposal could be formally considered.

It is duly considered that it would be inappropriate for the District Council to make such a change without consultation, both with the proposed Neighbourhood Forum, and with those who live, work, and represent the areas in question. This is not something that can be undertaken at this stage in the application process.

As above, this is not something that can be undertaken at this stage in the application process.

**Judgement:** It is not considered appropriate or necessary to make a modification to the boundary on the basis of this representation prior to it being considered by Member. Instead, it is suggested that this option could be considered by the Neighbourhood Forum after Full Council has issued a decision on the application, allowing all of the implications and details to be addressed in full.

#### **Implications of the representations on the application**

It is not considered appropriate to modify the boundary on the basis of the representations received prior to the application being considered by Full Council. This would not prevent subsequent modifications being made, possible under either of the two options available to Members, as follows:

- Subject to approval of the boundary as proposed in the application, the Neighbourhood Forum could consider the case (or cases) for modifying it and, as permitted by the regulations, to apply to the District Council for this to be formalised.
- Subject to rejection of the boundary as proposed in the application, a new / revised application would need to be submitted to the District Council, which could factor-in the issues raised. This will, however, delay proceedings, with no work to develop a neighbourhood plan possible until a boundary has been approved.

#### **6: Are any modifications required to this or any adjoining neighbourhood area? (Section 61G (6))**

**No.** On the basis of the assessment above, it is proposed that the boundary should be formalised as proposed in the application. There are no adjoining or intersecting neighbourhood areas, and so no modifications are required to this effect.

#### **7: Should the area be designated as a business area? (Section 61H)**

**Yes.** It is considered that the proposed Neighbourhood Area is predominantly 'business' in nature and so should be designated as a business area. The prospective Neighbourhood

Forum agree with this proposal. This decision will result in two referenda being held in order to 'make' the resultant neighbourhood plan; one for residents, and one for businesses.

**8: Any special circumstances to be taken into account?**

**No.**

**9: Recommendation:**

**Approve / ~~Approve with Modifications~~ / Refuse**

**Business Area / ~~Not a Business Area~~**

**Assessor:** Will Wilson, Lead Neighbourhood Planner

**Date:** 10 February 2021 (with updates, 18 February 2021)

## Bassetlaw District Council

### Neighbourhood Forum Designation Request: Determination Report

#### Application summary

Criteria	Assessment
Name of proposed neighbourhood forum	Retford Town Centre Neighbourhood Planning Group
Associated neighbourhood area	Retford Town Centre Neighbourhood Area (prospective, joint application)
Type of neighbourhood area	Non-parished, urban
Application received	18 December 2020
Application checklist (in accordance with Regulation 8 of the Neighbourhood Planning (General) Regulations 2012 (as amended)):	<ul style="list-style-type: none"><li>✓ Name of the proposed neighbourhood forum</li><li>✓ Written constitution</li><li>✓ Name of the neighbourhood area to which the application relates and a map</li><li>✓ Contact details for at least one member that can be made public</li><li>✓ Statement of how the proposed forum meets the conditions contained in section 61F(5) of the 1990 Act.</li></ul>
Consultation period:	21 December 2020 – 8 February 2021 (7 weeks)

#### Assessment

##### 1: Does the proposed neighbourhood forum include at least 21 members?

**Yes.** At the time of application, the Neighbourhood Forum had 23 members. Membership has subsequently increased to 30 members as of February 2021.

##### 2: Has the proposed neighbourhood forum taken reasonable steps to secure membership that includes at least one person from each of the three membership groups (people who live in, work in, or are elected to represent the area)?

**Yes.** Of the 23 members at the point of application, this included:

- 19 representatives of businesses and organisations
- 2 residents
- 2 publicly-elected representatives

As above, the membership has since increased, including additional members in all three classes.

##### 3: Is the membership been drawn from different places in the area and different sections of the community?

**Yes.** The application is supplemented by a map detailing the distribution of members, showing a broad distribution across the area. The District Council can confirm that the list of

members (not published in the interests of data protection) includes representatives from different sections of the community, thus constituting a diverse group.

**4: Does the purpose reflect (in general terms) the character of the area?**

**Yes.** The application confirms that the Neighbourhood Forum has been established for the express purpose of promoting or improving the social, economic and environmental wellbeing of the proposed Retford Town Centre Neighbourhood Area.

**5: Does an existing qualifying body exist in relation to this neighbourhood area?**

**No.**

**6: Were any comments received during the consultation period? If so, do they have implications for the application?**

**No.** One consultation response was received, but it related to the Neighbourhood Area designation request, not the Neighbourhood Forum. The response received after the consultation had closed also related solely to the Neighbourhood Area designation.

**7: Any special circumstances to be taken into account?**

**No.**

**8. Recommendation:**

**Approve / ~~Refuse~~**

**Assessor:** Will Wilson, Lead Neighbourhood Planner

**Date:** 10 February 2021

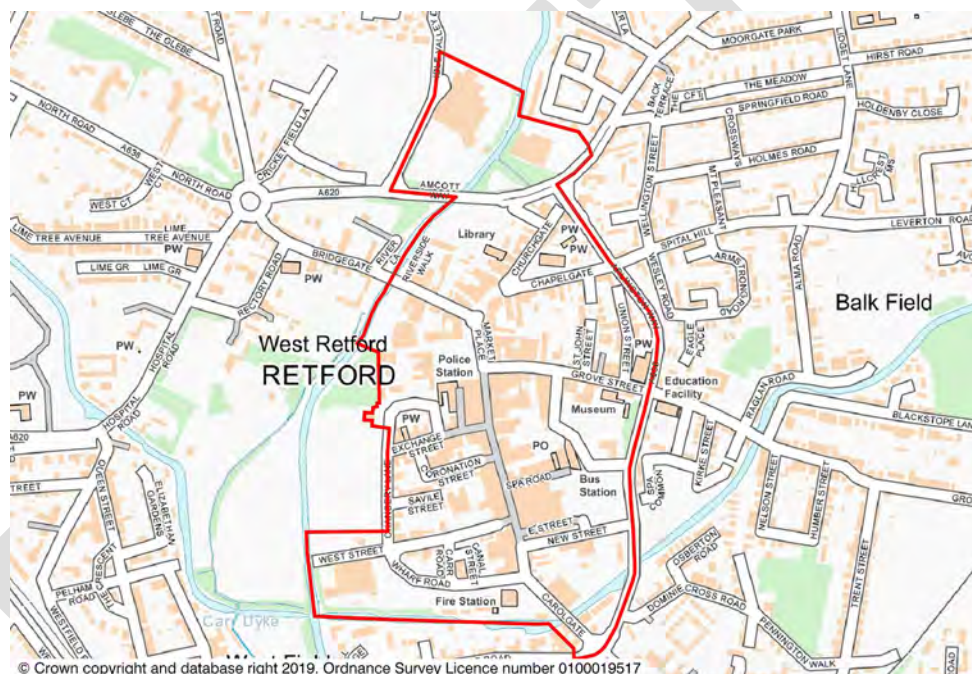


**IN ACCORDANCE WITH THE NEIGHBOURHOOD PLANNING (GENERAL) REGULATIONS 2012 (AS AMENDED)**

**DESIGNATION OF A NEIGHBOURHOOD AREA**  
**AND**  
**DESIGNATION OF A NEIGHBOURHOOD FORUM**

Bassetlaw District Council has, under Article 7 of the above regulations, **APPROVED** the following Neighbourhood Area, and **identified it as a business area**:

**Retford Town Centre** (as identified on the below map)



Bassetlaw District Council has also, under Article 10 of the above regulations, **APPROVED** the following Neighbourhood Forum to act as the qualifying body in relation to Retford Town Centre Neighbourhood Area:

**Retford Town Centre Neighbourhood Planning Group**

Chair: **Rick Brand**

Email: **rickbrand@hotmail.com**

All documentation, including the Constitution of Retford Town Centre Neighbourhood Planning Group, is available from the [Bassetlaw District Council website](#).

Signed: **David Armiger**

Assistant Chief Executive - Housing, Regeneration & Neighbourhoods  
4 March 2021



## Equality Impact Assessment

### Part 1: Screening

Version: 2020 2.0

When reviewing, planning or providing services Bassetlaw District Council needs to assess the impacts on people. Both residents and staff, of how it works - or is planning to – work (in relation to things like disability). It has to take steps to remove/minimise any harm it identifies. It has to help people to participate in its services and public life. “Equality Impact Assessments” (EIAs) prompt people to think things through, considering people’s different needs in relation to the law on equalities. The first stage of the process is known as ‘screening’ and is used to come to a decision about whether and why further analysis is – or is not – required. EIAs are published in line with transparency requirements.

A few notes about the laws that need to be considered are included at the end of this document. Helpful questions are provided as prompts throughout the form.

#### 1. Name of policy/activity/project/practice

This is:

~~New policy/activity/practice~~ - No

A change to existing policy/activity/practice - Yes

~~Existing policy/activity/practice~~ - No

~~A pilot programme or project~~ - No

**Neighbourhood Planning: Application to designate a Neighbourhood Area and an associated Neighbourhood Forum – Retford Town Centre**

#### 2. Screening undertaken (please complete as appropriate)

Person undertaking EIA: Will Wilson – Lead Neighbourhood Planner

Lead Officer for developing the policy/activity/practice: Will Wilson – Lead Neighbourhood Planner

Other people involved in the screening: (this may be people who work for BDC or a related service or people outside BDC) Richard Gadsby – Policy & Scrutiny Officer

#### 3. Brief description of policy/activity/project/practice: including its main purpose, aims, objectives and projected outcomes. Who is it intended to affect or benefit (the target population)? How do these fit in with the wider aims of the organisation?

Is it linked to BDC’s Corporate Plan? Service Plan? Other? Please explain:

Neighbourhood planning provides communities direct power to develop a shared vision for their neighbourhood and to manage future development and growth, subject to general conformity with the District's strategic planning needs and priorities.

Neighbourhood plans are produced through a collaborative, democratic process, involving various rounds of consultation, scrutiny, and culminating in a public referendum, where the residents (and potentially businesses) of the area in question are able to decide whether to 'make' the plan. Subject to a positive result at the referendum, a neighbourhood plan becomes part of the statutory development plan, alongside the Bassetlaw Core Strategy and Development Management Policies Development Plan Document (DPD).

The District Council has been working with Retford Business Forum since mid-2019 to give form to the aspiration for a community-led planning strategy for the future of Retford Town Centre. Through the experience of neighbourhood planning in Bassetlaw to-date, it was agreed that a neighbourhood plan would be an effective means to give form to the aspirations voiced, to ensure statutory weight, and to provide a new and constructive means to bring varied interests in the area together. Through attendance at monthly meetings of Retford Business Forum, the District Council's Neighbourhood Planning team has assisted in considering the options available, and in running informal consultation exercises to raise awareness and encourage debate.

In seeking to draw the boundaries of the Neighbourhood Area, the option has been taken to align with recognised geographical features rather than existing administrative boundaries, such as electoral wards, which intersect but do not effectively bound the Town Centre. As a consequence of identifying a bespoke Neighbourhood Area boundary, and because Retford is a non-parished area, a pre-existing body does not exist to act as the qualifying body to manage the plan development process (usually a Town or Parish Council). A dedicated Neighbourhood Forum is accordingly required to be designated, subject to certain criteria, to manage the process. The report that is the subject of this screening is to seek Full Council approval for the proposed Neighbourhood Area and Neighbourhood Forum designations, in accordance with statutory processes.

#### 4. Impact

How will the aims affect our duty to:

- Promote equality of opportunity?
- Eliminate discrimination, harassment and victimisation?
- Promote good community relations?
- Promote positive attitudes towards people with protected characteristics?
- Encourage participation of people with protected characteristics?
- Protect and promote Human Rights?

For example, think about it from the perspectives of different groups in society. Does it cause harm or a benefit to any group(s) differently to others? Will it differentially affect:

- Black, Asian or other ethnic minority and/or cultural groups?
- Disabled people? And their carers?
- Transgender people?
- Men and women?
- Lesbians, gay men and/or bisexual people?
- Different religious communities/groups?
- People of a particular age e.g. older people or children and young people?
- Any other groups?
- People with flexible or agreed working patterns?

Are there any aspects, including how it is delivered, or accessed, that could contribute to inequalities? (This should relate to all areas including Human Rights.)

If the proposals will have negative impacts then a FULL Assessment (Appendix 2) MUST be completed.

The proposal has the potential to impact upon all people who are associated with Retford Town Centre (as the proposed Neighbourhood Area), as a successful designation will allow the community to develop a neighbourhood plan, something which is not possible without a designation. At present, the planning regulations that relate to Retford town Centre have been produced by professional planners at District and National levels and are, consequently, general rather than specific. The production of a neighbourhood plan provides the opportunity for the community itself to develop planning policies that are specific to the neighbourhood area, thus providing significant opportunities for empowerment, democratisation, and the assignment of value to local knowledge and lived experience.

The proposal for Retford Town Centre Neighbourhood Planning Group to act as the qualifying body will ensure that there is a recognisable and accountable body in charge of proceedings. Its proposed membership arrangements, as detailed in the group's written constitution, will ensure that the opportunity to shape the development of a neighbourhood plan is open to all who live in, work in, or are elected to represent the local area.

5. Within this table, state whether the policy or function will have a positive or negative impact across the following factors and provide any comments.

Factor	Positive Impact	Neutral Impact	Negative Impact	Comments
All residents and/or those who work/shop/play in the district	Positive			The proposed designation of Retford Town Centre as a neighbourhood area is the first step towards providing those who live in, work in, or are elected to represent the area with the opportunity to shape the development of locally-specific planning policies, in the form of a neighbourhood plan. Designation will ensure legislative clarity, and assist the proposed Neighbourhood Forum to take advantage of grant funding and technical support provided by central government to support neighbourhood planning. Developing a neighbourhood plan will also provide an opportunity to empower the local community, to bring varied interests together, and to assign value to local knowledge and lived experience.
Age		Neutral		It is not regarded that the approval of the proposed designations for Retford Town Centre will have an impact on this sector of society in particular.
Disability		Neutral		It is not regarded that the approval of the proposed designations for Retford Town Centre will have an impact on this sector of society in particular.
Sex		Neutral		It is not regarded that the approval of the proposed designations for Retford Town Centre will have an impact on this sector of society in particular.
Gender reassignment		Neutral		It is not regarded that the approval of the proposed designations for Retford Town Centre will have an impact on this sector of society in particular.
Race		Neutral		It is not regarded that the approval of the proposed designations for Retford Town

Factor	Positive Impact	Neutral Impact	Negative Impact	Comments
				Centre will have an impact on this sector of society in particular.
Religion or belief (including no belief)		Neutral		It is not regarded that the approval of the proposed designations for Retford Town Centre will have an impact on this sector of society in particular.
Sexuality		Neutral		It is not regarded that the approval of the proposed designations for Retford Town Centre will have an impact on this sector of society in particular.
Marriage and Civil Partnership (applies only to work matters)		Neutral		It is not regarded that the approval of the proposed designations for Retford Town Centre will have an impact on this sector of society in particular.
Pregnancy and maternity (including breastfeeding)		Neutral		It is not regarded that the approval of the proposed designations for Retford Town Centre will have an impact on this sector of society in particular.
Socio economic (including rural and poverty)	Positive			The proposed designation of Retford Town Centre Neighbourhood Area and Retford Town Centre Neighbourhood Planning Group are the first formal step in producing a neighbourhood plan. A neighbourhood plan will provide a means to maintain local distinctiveness in the area, and to support growth that is socially, economically, and environmentally sustainable. It will also provide a positive example of local democracy in action. There is equally potential for spin-off benefits to emerge, as a result of bringing different interests together, likely for the first time.
Human rights		Neutral		It is not regarded that the approval of the proposed designations for Retford Town Centre will have an impact on this sector of society in particular.

If you have identified negative impacts a FULL assessment (Appendix 2) MUST be completed.

## 6. Evidence Base for Screening

List the evidence sources you have used to make this assessment (i.e. the known evidence)

(e.g. Index of Multiple Deprivation, workforce data, population statistics, any relevant reports, customer surveys Census 2011, equality monitoring data for the service area.)

- Neighbourhood Area Designation Request – Retford Town Centre (including boundary map)
- Neighbourhood Area Determination Report – Retford Town Centre
- Neighbourhood Forum Designation Request – Retford Town Centre Neighbourhood Planning Group (including Constitution)
- Neighbourhood Forum Determination Report – Retford Town Centre Neighbourhood Planning Group
- Draft Full Council Report – Neighbourhood Planning: Application to designate a Neighbourhood Area and an associated Neighbourhood Forum – Retford Town Centre

Are there any significant gaps in the known evidence base? If so what are your recommendations for how and by when those gaps will be filled?

## 7. Consultation

Describe what consultation has been undertaken on this function or policy, who was involved and the outcome.

The proposal to seek designation of the Neighbourhood Area and Neighbourhood Forum has been under development since mid-2019, and has involved various stages of informal consultation in order to refine the proposal, ahead of submission to the District Council in December 2020.

In accordance with Regulation 6 and Regulation 9 of the Neighbourhood Planning (General) Regulations 2012 (as amended 2016), the District Council publicised and invited comments on the submitted Neighbourhood Area and Neighbourhood Forum applications for a period of 7 weeks (21 December 2020 to 8 February 2021). One comment was received during the consultation, expressing support for the principles of the applications, but proposed a minor modification to the proposed Neighbourhood Area boundary. This proposal was investigated, but it was ultimately determined that the proposed change was not required / appropriate.

## Head of Service

I am satisfied with the results of the EIA.

## Signature of Head of Service



EIA Ref. No: NP-RTC-0221

## Action Plan

Please list on this sheet the nature of any issues and any recommendation for actions that you plan to implement as a result of undertaking this Impact Assessment.

Issue identified	Action to be taken	Name lead	Date to be achieved	Outcomes
Not applicable				

# Equality Impact Assessment

## Appendix 2 Stage 2

### In depth (FULL) assessment

Q	Equality Duties	Outcome
1	What evidence is there from stakeholders that different equality groups might have different needs, concerns and priorities in relation to issues addressed by the policy or activity (this includes the results of consultation with an involvement of different equality groups)?	
2	How does the proposed policy or activity contribute towards meeting our strategic objective to encourage continual improvement in public services so that they meet the changing needs of diverse communities and provide fair access for all?	
3	How does the policy or activity contribute to our duty to promote positively equality of opportunity?	
4	Will it help eliminate unlawful discrimination or harassment in any way or encourage or hinder community relations?	
5	What evidence is there to suggest that the policy or activity could affect some equality groups differently? This is not just about number but the seriousness and degree of the adverse impact.	
6	If there is an adverse impact, what amendments can be made to the policy or practice to mitigate or remove this negative impact?	
7	If your activity is provided by a partner, private or voluntary sector organisation on a contract basis, please list any arrangements you have made or plan to make to help ensure that these comply with equality.	
8	How will it help ensure that information about this policy or activity is accessible to equality groups?	
9	If this strategy, policy or service development impacts upon other services, please list which services and what arrangements have been made.	
10	Have you compared your policy or activity with similar local authorities? If so, with what results?	



<b>Q</b>	<b>Equality Duties</b>	<b>Outcome</b>
11	Please list any consultation with equality groups in support of the above equality issues.	
12	Please list the equality groups you have consulted with.	
13	Please list in your Improvement Plan any changes to your policy or activity that you have made, or you plan to make, as a result of consultation with different equality groups.	
14	What are the specific recommendations in the Improvement Plan?	
15	How is it intended to monitor and report on the impact of this assessment?	
16	Please list any performance targets relating to equality that your policy or activity includes.	
17	Please list any changes to your policy or activity that you have made or plan to make as a result of monitoring.	
18	Please list any staff training issues on equality arising from this assessment (and include this in your Improvement Plan).	
19	How do you plan to publicise the results of this assessment? Include this in the Improvement Plan.	

**Notes:**

1. The in-depth (full) assessment must consider all available data and research. This could include the result of employee or stakeholder surveys, the results of consultation, audits, service reviews, employment monitoring data, population data, research findings and data collected through monitoring the implementation of the policy or activity and evaluation of projects/programmes, data about the performance of local services.
2. The assessment above must also state how the policy was assessed and the details of the methods of involvement of appropriate people, for example, staff networks, external stakeholders and equality groups.

**Completed by:**

**Role:**

**Date Started:**

**Date completed:**

**Declaration**

I am satisfied that an In Depth (Full) Assessment has been undertaken.

I understand that this EIA is required by the Council and take responsibility for its completion and quality.

**Countersigned by Head of Service/Senior Manager**

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Date:

## Equality Duties to be taken into account in this screening include:

### Prohibited Conduct under The Equality Act 2010 including:

Direct discrimination (including by association and perception e.g. carers); indirect discrimination; Pregnancy and maternity discrimination; Harassment; third party harassment; discrimination arising from disability.

### Public Sector Duties (Section 149) of the Equality Act 2010 for BDC and services provided on its behalf: (due to be effective from 4 April 2011)

NBC and services providing public functions must in providing services have due regard to the need to: **eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity and foster good relations between different groups.** 'Positive action' permits proportionate action to overcome disadvantage, meet needs and tackle under-representation.

### Rights apply to people in terms of their "Protected Characteristics":

Age, Disability, Sex, Gender Reassignment, Race, Religion or Belief (including No Belief), Sexuality, Marriage and Civil Partnership (applies only to work matters, and Pregnancy and Maternity (including breastfeeding)

**Race** – the categories used are those from the Census. Consideration should be given to the needs of specific communities within the broad categories e.g. Polish.

**Faith Groups** - cover a wide range of groupings, the most common of which are Christians, Muslims, Sikhs, Hindus, Jews, and Buddhists. Consider faith categories individually and collectively when considering impacts. Also consider the position of those with no faith or belief.

### Duty to "advance equality of opportunity":

The need, when reviewing, planning or providing services/policies/practices to assess the impacts of services on people in relation to their 'protected characteristics', take steps to remove/minimise any negative impacts identified and help everyone to participate in our services and public life. **Equality Impact Assessments** remain best practice to be used. Sometimes **people have particular needs** e.g. due to gender, race, faith or disability that need to be addressed, not ignored. BDC must have due regard to the **duty to make reasonable adjustments** for people with disabilities. BDC must **encourage people who share a protected characteristic to participate in public life** or any other activity in which their participation is too low.

### Duty to 'foster good relations between people'

This means having due regard to the need to tackle prejudice (e.g. where people are picked on or stereotyped by customers or colleagues because of their ethnicity, disability, sexual orientation, etc) and **promote understanding.**

**Lawful Exceptions to general rules:** can happen where action is proportionate to achieve a legitimate aim and not otherwise prohibited by anything under the Equality Act 2010. There are some special situations (see Ch 12 and 13 of the Equality Act 2010 Statutory Code of Practice – Services, Public Functions and Associations).

### National Adult Autism Strategy (Autism Act 2009; statutory guidelines) including:

To improve how services identify and meet needs of adults with autism and their families.

### Human Rights include:

Rights under the European Convention include not to be subjected to degrading **treatment; right to a fair trial** (civil and criminal issues); **right to privacy** (subject to certain exceptions e.g. national security/public safety, or certain other specific situations); **freedom of conscience** (including religion and belief and rights to manifest these limited only by law and as necessary for public safety, public order, protection of rights of others and other specified situations); **freedom of expression** (subject to certain exceptions); **freedom of peaceful assembly and to join trade unions** (subject to certain exceptions); **right not to be subject to unlawful discrimination** (e.g. sex, race, colour, language, religion, political opinion, national or social origin); **right to peaceful enjoyment of own possessions** (subject to certain exceptions e.g. to secure payment of taxes or other contributions or penalties); **right to an education; right to hold free elections by secret ballot.** The European Convention is given effect in UK law by the Human Rights Act 1998.



**BASSETLAW DISTRICT COUNCIL**

**COUNCIL**

**4 MARCH 2021**

**REPORT OF THE ASSISTANT CHIEF EXECUTIVE**

**ADOPTION OF THE WORKSOP TOWN CENTRE MASTERPLAN**

Cabinet Member: Regeneration

Contact: Karen Johnson

Ext: 3495

**1. Public Interest Test**

- 1 The author of this report, Karen Johnson, has determined that this report is not confidential.

**2. Purpose of the Report**

- 2.1 To seek approval for:

a) Adoption of the Worksop Town Centre Masterplan 2021 (as set out in Appendix 1) which sets out a comprehensive vision and priorities which aims to reposition and regenerate the town centre over the next 20 years, enabling the town centre to respond positively to changing economic conditions, technological advances and to meet user needs.

**3. Background and Discussion**

- 3.1 Over the last decade, the UK has experienced structural change in the retail market and challenging economic conditions, which coupled with changing consumer expectations for online retail, and a greater demand for a leisure experience, have had a fundamental impact on town centres across the UK.

- 3.2 The Covid pandemic has accelerated this trend. This is leading to high-profile retail closures and an oversupply of vacant retail space in town centres, including Worksop. This trend is expected to continue as online retailers buy brand names - but not the high street stores - and as internet popularity increases: the internet is expected to account for 53% of retail sales in 10 years' time, an increase from a fifth at present, as younger people who are familiar with the internet become more than half of the UK's adult population (Womble Bond Dickinson, The Digital Tipping Point – 2019 Retail Report). In response, retailers are consolidating their offer, targeting an online consumer base and/or are moving to click and collect, fundamentally changing the mix of uses in town centres.

- 3.3 Increasingly town centres need to reposition themselves to be successful. The direction of travel across the UK, reinforced by government and its agencies, including the High Street Taskforce, indicates that a successful growth strategy should be locally distinctive, and focus on:

- liveability (repositioning centres as places to live);
- town centre activity (repositioning offer, services and activities, anchors);

- connectivity (repositioning transport accessibility, integration of transport into place, infrastructure); and
  - demographic change (repositioning to meet needs of changing catchment – younger families, older generations).
- 3.4 Worksop town centre is, by definition, the most accessible and sustainable location within the town. It also has the benefit of being a historical core, has the River Ryton and Chesterfield Canal running through, and has several underused, and in places, hidden assets that could prove attractive for investment. It is therefore well-positioned to address the current range of complex town centre issues and address national and local priorities in a locally distinctive way.
- 3.5 However, this will need to be managed within a changing national planning system. Changes to the Use Classes Order in 2020 show that the Government is promoting a more flexible approach to the mix of uses within town centres, rather than the traditional retail led approach. Emerging local planning policy will need to reflect these changes, so it is timely for Worksop town centre to reposition itself as a mixed-use destination.

#### Purpose of the Worksop Town Centre Masterplan

- 3.6 Commissioned by the Council, the Worksop Town Centre Masterplan (attached as Appendix 1) is therefore timely: it provides a positive, ambitious vision for the regeneration and growth of Worksop town centre over the next 20 years or so.
- 3.7 In line with key Council Plan priorities, the Masterplan vision aims:
- to build on distinct local capabilities around business growth; focussing on key regional growth sectors, an independent offer, education and training;
  - to reconfigure the retail and leisure mix to factor in a more consolidated retail core, an enhanced leisure and cultural offer to meet local needs, with links to well-being and sustainability; and
  - to ensure the town centre is capable of adapting to future trends, such as for intergenerational living, technological advances and climate change.
- 3.8 A masterplan with a clear vision and aspiration is more important than ever to provide a holistic, coordinated approach to the long term regeneration of Worksop town centre. This will give confidence to businesses, funders, consumers and investors that Worksop is in a strong position to successfully manage a smooth transition to bring about lasting recovery to the area.
- 3.9 Essential to this is strong, coordinated partnership working. The Masterplan vision will enable funds, programmes and projects (within the public, private and third sectors), including potential future acquisitions and sales of land to be guided comprehensively, to be properly coordinated to deliver best value, lever in investment and be used as match funding in future.
- 3.10 To successfully secure funding post-Covid-19, plans will need to be transformative to gain the support of Government agencies and other partners, with priorities and projects clearly expressed to ensure investment in the town centre will drive the wider economy, achieve other strategic Government priorities, objectives of partners and the Council. The Masterplan will therefore be used to provide the rationale for securing funding for projects by demonstrating that they form part of this agreed holistic, coherent regeneration vision for the Town Centre.

- 3.11 The Masterplan is accompanied by a 'living' project plan (the draft is attached in Appendix 2). This will be reviewed annually to ensure the best outcome is secured for Worksop, and to respond to changing economic circumstances and funding programmes. The project plan sets out physical interventions but also considers how people use places; the importance of 'street life' is recognised as a vital ingredient of quality urban lifestyles, and essential to create community cohesion and successful regeneration.

#### Draft Worksop Town Centre Masterplan: Consultation, November 2020 – January 2021

- 3.12 To be successful, it is important that the production of the Masterplan is a genuine collaboration with partners. On that basis, consultation on the draft Masterplan ran for 8 weeks, from Tuesday 17 November 2020 to Tuesday 12 January 2021. The Council usually consults on this type of document for 6 weeks but as the consultation period overlapped with the Christmas holiday period, an extra 2 weeks was added to give residents and stakeholders appropriate time to respond.
- 3.13 The consultation provided an opportunity for the community, businesses and stakeholders to consider and respond to the Council's preferred spatial vision for managing the regeneration of Worksop Town Centre and the key issues that will need to be addressed by a new planning policy framework, and also to consider the strategic infrastructure that will enable meaningful change.
- 3.14 Publication of the consultation was delivered in conjunction with the Council's Communications Team to ensure all available media outlets and sources of publicity were able to raise awareness. This included:
- The Council's website;
  - Social media platforms;
  - Local papers, as well as Worksop Life and the business newsletter;
  - Focussed engagement with local estate agents;
  - Promotion by the Covid Marshalls in the town centre;
  - Direct contact with interested parties who expressed an interest in the town centre regeneration through previous Local Plan/regeneration work.
- 3.15 In response to the Covid 19 restrictions nationally this was a virtual consultation. Members of the public and interested parties were able to engage with the consultation in the following ways:
- An online survey through the Council's website;
  - Watching online videos;
  - Social media platforms;
  - Weekly blogs by the Council's masterplan consultant;
  - Virtual MS Teams events with the business community and interested parties;
  - Virtual meetings with key stakeholders and infrastructure partners;
  - By letter, email, consultation response form.
- 3.16 For those who were unable to access technology information was available on request from the Council's Growth and Enterprise Team.
- 3.17 In total, 122 survey responses were received, a strong response for a consultation of this type. In addition, Council officers have held meetings with a range of stakeholders; including the Environment Agency, Nottinghamshire Police, Nottinghamshire County Council, Bassetlaw CCG, the East Midlands Chamber of Commerce, and Stagecoach; as well as developers/landowners; and business representatives to discuss the

proposals in more detail. All were taken into account in the development of the final Masterplan attached as Appendix 1 to this report.

- 3.18 The consultation was overwhelmingly supportive of regeneration of Worksop town centre: 90 respondents recognised the significant potential that exists to make positive meaningful change to the long term future of the town centre. A summary of issues raised by the community survey is attached in Appendix 3.
- 3.19 The consultation proposed re-imagining the road network in the southern part of the town centre to facilitate an extended Market Square. This included a proposal to open up Bridge Street to traffic.
- 3.20 Whilst 50% of respondents supported improved access to Bridge Street to enable more short term bay parking, and 72% felt the extension of the Market Place would enhance the town centre offer, it is recognised that this involves re-imagining the town centre transport network which is not straightforward.
- 3.21 Ongoing evidence work relating to transport indicates that to deliver the best possible solution for the town centre, movement for vehicles, public transport, cycling and walking should be considered comprehensively as part of a Town Centre wide Transport Study. This would enable a coordinated approach to transport to be considered alongside potential sites being assessed through the planning process (see paragraph 3.22), and the growth previously agreed with Members through the draft Local Plan.
- 3.22 Land/property owners were invited to submit sites for consideration for development in the Worksop Central Development Plan Document (DPD). The DPD will be a Local Plan style document dedicated to the regeneration and future planning of Worksop Central (the area covered by the masterplan). A strong response was received.
- 3.23 Further information on the DPD and related evidence will be discussed with Members in due course.

#### Worksop Town Centre Masterplan 2020-2040

- 3.24 In general, the draft Masterplan vision was extremely well received by residents and stakeholders. On that basis, the final Masterplan builds on that vision, whilst adding value in response to comments made.
- 3.25 The draft Masterplan identified four key concepts to provide the starting point for the design and regeneration process. These were: reviving a sense of community; life on the waterfront; active travel choices; and, reconnecting people and history.
- 3.26 Ensuring businesses, developers and investors have the confidence in the vision for Worksop Town Centre is vital to ensure that regeneration is deliverable. Reflecting its importance to the Masterplan's success a new key concept: Smart, Sustainable Economic Growth, has been added to embed economic growth and the priorities of the business community at the heart of the Masterplan, building on the success of recent Council-led projects, such as, the Creative Village, and those emerging, including the WASH, Middletons and the Creative Village Phase 2.
- 3.27 To deliver the key concepts, the draft Masterplan identified a vision for the following seven project clusters to focus priorities for investment and catalyse change. These have broad geographic locations, but will in practice overlap, recognising the compact



nature of Worksop. The final Masterplan takes a more holistic, coordinated approach to reflect discussions with key stakeholders and the business/developer community.

- 1. Innovation District:** a cluster of businesses, research, training and supporting facilities (meeting/events space, residential, leisure and public space) - anchored by the Creative Village and the WASH. The Masterplan promotes:
  - smart economic growth, focussed around D2N2 growth sectors such as green energy, health care, creative/digital sectors;
  - the availability of the most effective broadband to make it easy for businesses to take advantage of global connectivity;
  - a mix of uses to support a green energy centre to bring affordable clean energy to business and homes.
  
- 2. Waterside Living along the Green-Blue Ribbon:** the River Ryton is both a threat and an opportunity for the future of Worksop. The Masterplan promotes:
  - a revitalised river corridor, through a new flood management scheme to provide greater confidence for businesses and residents wishing to invest/ live in the town;
  - a vibrant attractive green-blue ribbon integrated with the Chesterfield Canal putting recreation, leisure and active travel at the heart of the town centre offer stimulating health and well-being for all.

The Environment Agency and the Lead Local Flood Authority have given 'in principle' support for the approach taken by the Masterplan to flood management. Officers will progress this project with these partners and other organisations over the coming months.

- 3. Improving Existing Housing:** to reposition Worksop town centre, housing within the area should support local housing needs. The Masterplan promotes:
  - more affordable housing and older peoples housing in the Council owned Sandhill and Sandy Lane areas to provide an intergenerational housing offer;
  - opportunities to maximise the green credentials of private properties to help reduce fuel poverty;
  - improvements to key green assets like Sandhill Lake to promote health and well-being for all;
  - better connectivity via the river and canal to The Canch in the east so all residents benefit from easy access to the rejuvenated central core.
  
- 4. Town Centre Living:** increasing the town centre's resident population is vital to promoting a more vibrant town centre. The Masterplan promotes:
  - healthy urban living for different age and income groups and increased opportunities for affordable housing and intergenerational living;
  - the delivery of new housing and the conversion of existing properties to bring a sense of community and positive activity to the town centre, during the day/evening/weekend, helping to re-brand the town centre as an aspirational place to live;
  - new vibrant neighbourhoods, where everyone will be within a 15 minute walk/cycle of the river, canal, local shops and services, the bus/rail station and the attractions of the Town Centre, reinforcing a sense of community.
  
- 5. Historic Bridge Street & Cultural Heritage:** The consultation highlighted the importance of Worksop's cultural heritage to generate a vibrant town centre offer. In response, the Masterplan promotes:

- a consolidated retail core, with the wider area supporting social enterprise - a mix of community, education, business and local start-ups - complemented by housing, including the use of underused upper floors;
  - re-establishing connections through the former yards to the rear of Bridge Street - along the lines of Middletons – to adjacent uses, such as the Acorn Theatre, embedding the arts and cultural offer at the heart of the community;
  - pop up or temporary uses, as well as fluid uses – that provide one offer during the day and another in the evening – to generate confidence in the business community, provide opportunities for start-ups and new investors, and bring a varied offer to the town.
- 6. Healthy Places and Spaces** (formerly family friendly public spaces): rebranded to better reflect the vision and priorities for this area. The Masterplan promotes:
- an extended, purposeful Market Place that can accommodate more community and cultural events, specialist markets and pavement cafes, local food opportunities, pop up and temporary uses bringing vibrancy year round, important to support community cohesion and healthy urban lifestyles;
  - a cycle, and electric vehicle/alternative fuel vehicle charging hub, one of several at key destinations around the town centre.
- 7. Station Gateway:** Worksop Railway Station and its surrounds is an important gateway to the town centre. The Masterplan promotes:
- a new mixed-use quarter in the long term; blending living, working and education through a diverse mix of new business opportunities, quality intergenerational and affordable housing in close proximity to North Notts College;
  - the enhancement of the local environment, including the station frontage and to existing buildings, and the positive re-use of underused land, and better use of upper floors;
  - improvements to the quality and connectivity of key walking/cycling routes including along Carlton Road, and provision of supporting facilities such as cycle storage.

#### Delivery strategy

- 3.28 An essential element of any successful Masterplan is that there is a robust, accountable and transparent delivery strategy in place, which has the support of relevant partners.
- 3.29 Building on recent successes, the Council and its partners will use the Masterplan vision to lever in funding from a range of organisations, including Government agencies, the private and third sectors. Developer contributions from new development will also be used appropriately. Such investment can also be used as match funding bids to agencies such as the Environment Agency.
- 3.30 Council owned land in the town centre will also be used appropriately to help deliver the Masterplan vision, secure public benefit and maximise best value for our communities.
- 3.31 Partnership working will be delivered through a robust governance arrangement, focussed around a new Worksop Town Centre Board. This uses similar governance to business case development and has proven successful by comparable towns undergoing regeneration. The detailed governance arrangements will be taken to Cabinet for approval in due course.

- 3.32 The Town Centre Board will need to be visionary to deliver against a transformative agenda, responding to the drivers of change by providing strategic oversight of the Masterplan's vision and project plan. As such, it will comprise strategic level representatives from a wide range of public and private sector organisations including the District and County Councils, and the third sector who are able to influence funding and programming agendas at their organisations.
- 3.33 The Council will act as the secretariat link between the Town Centre Board and project leaders, co-ordinating public sector 'enabling' activity, including planning policy development, development briefs, land assembly, funding applications and legal requirements, to de-risk development proposals for the private sector. The Council's internal delivery teams will manage the day to day delivery of the programme, in partnership with the relevant project delivery partners.
- 3.34 The Masterplan's project plan takes a pragmatic approach recognising that projects will need to be delivered in phases (short, medium, long term). The draft project plan (attached in Appendix 3) provides a strong starting position. Its content and priorities will be confirmed by the Town Centre Board in due course. To be responsive, the Town Centre Board will review projects annually to align with programming and funding decisions. To ensure accountability the project plan will be reported annually to Cabinet for approval.
- 3.35 On that basis, the project plan identifies 'quick wins' as well as those projects essential to reposition Worksop town centre and be the catalyst for wider investment. Quick wins (in the next 5 years) such as Middletons, the extension of Newgate Health Centre and the WASH, are vital to help stimulate community, business and investor confidence and interest, whilst plans for more structural change and strategic infrastructure – such as, the flood management scheme - are developed and implemented in the medium to long term.
- 3.36 But the Masterplan recognises that for regeneration to be successful 'soft' interventions - projects that inform policy, business, community, educational and cultural initiatives – must be delivered. In the short term, this includes bespoke support for the business community to ensure that the Masterplan is responsive to local business needs, and to build confidence and interest in Worksop town centre post Covid.
- 3.37 As identified by paragraph 3.22 the new Worksop Central Development Plan Document will take forward the spatial planning framework for the area. This will include planning policies and site allocations, as well as infrastructure requirements needed to support the regeneration of the town centre. As a strategic planning document it must be supported by robust evidence, including, though not exclusively:
- Town Centre Transport Strategy (see paragraph 3.21)
  - Strategic Flood Risk Assessment: to detail the approach to be taken to flood mitigation along the River Ryton

The outcomes of the evidence work will be discussed with Members in due course.

- 3.38 A vital part of this work is ongoing community and business engagement. Although a requirement of the planning process, the Council will ensure that an extensive engagement strategy is put in place to capture the wider community's views as plans for the town centre evolve.

- 3.39 For the reasons set out above, this report seeks formal Council approval to adopt the Worksop Town Centre Masterplan so that its vision and priorities can be used to inform the future regeneration and growth of the town centre.

#### **4. Implications**

a) For service users

The Worksop Town Centre Masterplan will set out the framework to enable the regeneration of Worksop Town Centre. The Masterplan will give certainty to service users about the future growth, change and potential cost of delivering new development in the Town Centre area.

b) Strategic & Policy

The Worksop Town Centre Masterplan accords with the ambitions of the 2019 Council Plan. Specifically, the Masterplan will:

- support business and economic growth within the town centre through a long term vision to enable a step change in the local economy,
- seek the improvement of the town centre,
- support investment in the high street and plan for its long-term future,
- promote alternative options for vacant Town Centre sites
- increase the quantity and quality of housing, and the mix to better meet the needs of local people,
- support improvements to healthy lifestyles and environmental quality
- facilitate the infrastructure needed to deliver the changes identified

c) Financial - Ref: 21/66

No direct financial implications from this report.

d) Legal – Ref: 221/03/2021

Legal implications are as contained within the report.

e) Human Resources

None

f) Community Safety, Equalities, Environmental

An Equality Impact Assessment accompanies this report.

g) General Data Protection Regulations.

None

h) Whether this is a key decision, and if so the reference number.

Given that the Masterplan has the potential to affect more than one Ward in Worksop, this is regarded as a key decision and has been allocated the reference Key Decision No. 865.

#### **5. Options, Risks and Reasons for Recommendations**

- 5.1 If approval is not given for the adoption of the Worksop Town Centre Masterplan, the Council will be unable to positively respond to the current challenges experienced by those living and working in Worksop Town Centre. Without an adopted Masterplan businesses, developers and funders will lack the confidence that regeneration will take place and will be less willing to engage in the process, meaning that opportunities for growth and wider public benefits will be lost, and this may adversely impact on the Council's ability to secure funding for strategic infrastructure and project delivery. Neither will the Council be able to drive economic growth, quality housing or significant environmental improvements. Or conversely protect those buildings or land where growth will have a detrimental impact on their social and environmental quality.
- 5.2 Furthermore, if the Masterplan is not adopted, this could have an adverse impact on the progression of the draft Bassetlaw Local Plan. The Masterplan and the subsequent Development Plan Document is required to evidence key elements of the Local Plan. Without an adopted Masterplan the Council would continue to be without an up to date Local Plan that will not necessarily be in the interest of wider communities or secure the full range of up to date infrastructure needed to mitigate their impacts

## **6. Recommendations**

- 6.1 That the Council formally adopts the Worksop Town Centre Masterplan 2021.



YOUR **TOWN**. YOUR **THOUGHTS**. YOUR **FUTURE**.



# **WORKSOP TOWN CENTRE MASTERPLAN VISION.**

**By 2040 Worksop Town Centre will be the focus of community life, creating a place that serves the everyday needs of residents, whilst also being an exciting destination for visitors from the local area and further afield.**



**Bassetlaw**  
DISTRICT COUNCIL  
— North Nottinghamshire —

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**Councillor Jo White**  
Portfolio Holder for Regeneration  
and Deputy Leader of the Council

## Foreword

Worksop not only enjoys a rich history and heritage, it is also an ambitious town with a future full of potential.

But Worksop Town Centre, like others across the UK, is facing up to considerable challenges posed by the Covid-19 pandemic, economic uncertainty, ongoing changes in shopping patterns and how people choose to spend their leisure time.

This ambitious, exciting masterplan has been created to provide us with the tools we need to ensure that over the next 20 years Worksop Town Centre is capable of positively meeting these challenges, but can develop and adapt to changing consumer demands, technological advances and climate change.

At its heart, is a comprehensive strategy for increasing the number of people who work, live, visit and enjoy the Town Centre. A new identity focussed around a rejuvenated community, will harness the potential within Worksop for; innovative business growth; a distinctive commercial and leisure offer; new homes within vibrant neighbourhoods; the positive re-use of existing buildings; better walking, cycling and bus connectivity; and the introduction of extensive flood management and green infrastructure through its core.

This is, therefore, not just about new development or bringing older buildings back in to use. It is about setting out a clear vision, and aspirations, based on what our partners in the private, public and third sectors have told us will give confidence to businesses, consumers, funders and investors to re-purpose and guide future development in Worksop Town Centre, and to secure investment to revitalise the heart of the town.

Although led by Bassetlaw District Council, its singular vision and direction will require collective buy-in by all partners; as such this masterplan has been finalised following recent community, business and stakeholder consultation, and its delivery will be a genuine partnership reflecting the collective wider ambitions for the Town Centre.

This masterplan provides the strategy for change over the next 20 years but also incorporates more short-term action - significant investment by the Council and its partners in education, training and business space at the WASH and Middletons; new family facilities at The Canch; and the newly revitalised Worksop Inspire - will help bring activity, jobs and business to the Town Centre from the outset. Set against the backdrop of Covid-19 this regeneration plan is even more important as we consider a new and different approach to our lives and livelihoods.

We are determined to 'restart' Worksop Town Centre and setting it on an ambitious pathway to success could not be more timely.

# 1.

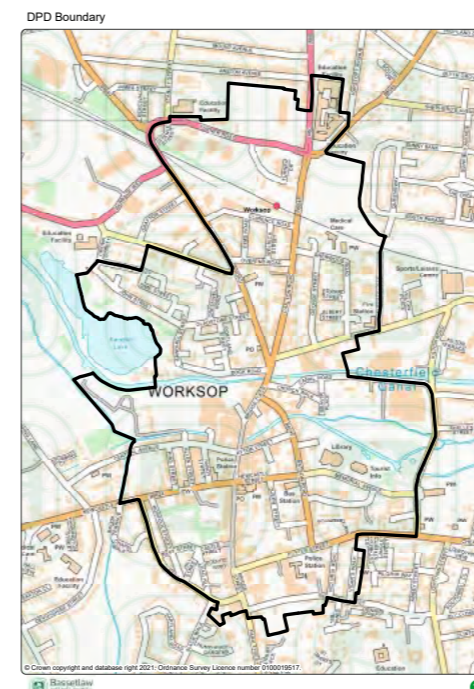
## Introduction

This Masterplan for Worksop Town Centre seeks to bond together a range of existing and new initiatives into one holistic vision for the future, that honours the built, natural and cultural heritage of the town.

Worksop has a rich and deep multi-layered heritage and has a great number of assets in its urban structure and form, location, green infrastructure and historic assets. These, aligned to a compact form that could facilitate healthy travel choices for residents, will re-establish Worksop Town Centre as the focus of everyday needs and enjoyment for local people and those from further afield.

Whilst Worksop Town Centre has suffered a number of challenges in recent years relating to changes in shopping patterns and behaviours, economic restructuring in the region, and in recent years flooding, the future is bright. By tackling the challenges and embracing the opportunities this Masterplan sets the scene for investment and sustainable growth that will be inclusive, healthy and resilient.

This masterplan has been commissioned by Bassetlaw District Council (BDC) to provide a regeneration and growth strategy for Worksop Town Centre over the next 20 years. This overarching framework will build on a range of existing regeneration projects and inform future regeneration activities, development priorities, as well as supporting funding bids and investment decisions made by the Council and its partners. The masterplan covers the area below.



This masterplan has been prepared against a backdrop of changing patterns in the way people spend their leisure time. Town Centres have always been the places where people come together to meet, buy and sell goods and services, exchange ideas and enjoy themselves. Shifts in technology and lifestyle have changed shopping and leisure habits; new ways of spending time, with an emphasis on experiences, and changing patterns of socialising have gained widespread popularity, whilst traditional comparison retail has continued to retreat from the Town Centre to the internet.

The current Covid-19 pandemic in 2020 accelerated the wider structural retail and leisure market changes that were already underway as a result of a number of factors outside of the control of the Council. A strong, positive response is required by the Council and its partners to re-imagine the future role of Worksop Town Centre. A clear vision and aspiration set within a flexible regeneration strategy is vital to 'refocus' the Town Centre and place Worksop's existing and new businesses in a strong position to successfully manage a smooth transition and to bring about lasting recovery to the area. This will inspire confidence in businesses, funders, consumers and prospective investors in Worksop.

This coordinated masterplan will ensure that Council-owned assets will be developed and managed with the bigger picture in mind with potential future acquisitions that can be guided by this framework. The masterplan also provides a clearly articulated framework within which business and community partners can develop their projects and initiatives to benefit and strengthen the regeneration process and the outcomes for Worksop. As such, the masterplan identifies a series of Project Clusters to focus priorities for investment and catalyse change, providing certainty and helping to realise public goods.

The masterplan is supported by a high level 'living' project plan. This intentionally identifies mostly physical building and infrastructure interventions which the Council and its partners can have a direct influence on. But the masterplan also recognises that for regeneration to be successful interventions and projects that inform policy, and support business, community, educational and cultural initiatives must go hand in hand with the physical regeneration of Worksop. The delivery of the project plan will be facilitated by a new Town Centre Board of key partners. The project plan is designed to be flexible and responsive to business case development and as funding opportunities become available.





# 2.

## Drivers for Change

Recent challenging economic conditions, the ongoing Covid pandemic, structural change in the retail market, coupled with changing consumer behaviours and expectations, have had a fundamental impact on high streets across the UK over the past decade.

This change, characterised by an oversupply of retail space in Town Centres coupled with high-profile national retail closures, has led to falling property values, and an increase in vacancies. This trend is expected to continue as operators consolidate operations, and online retailers buy brand names but without trading from their former high street stores, providing for an online consumer base. The internet is expected to account for 53% of retail sales in 10 years' time, an increase from a fifth at present, as younger people who are familiar with the internet become more than half of the UK's adult population. In response, more retailers are moving to click and collect and online sales, fundamentally changing the mix of uses in Town Centres.

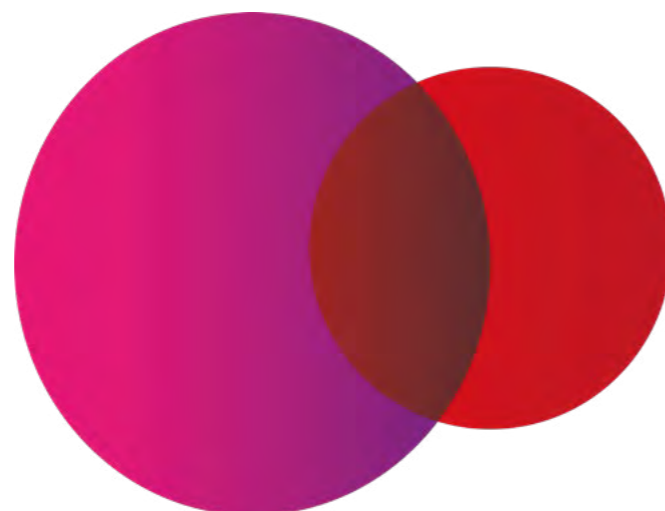
Looking forward, the commerciality of Town Centres and development opportunities are expected to remain, but the focus will change: to be successful Town Centres will need to reinvent themselves as mixed-use destinations, that include business, healthcare, education and community facilities, with landlords and developers looking to create integrated communities in which to live, work and shop. Fewer shops will mean retailers need to be more engaging and interactive to attract consumers and personalise their Town Centre experience.

An enhanced leisure offer which also encompasses health and well-being benefits, and sustainability, will form a key component of this diversified offer. More people are increasingly choosing to spend their disposable income on leisure experiences. There is considerable market growth potential going forward, with brands looking to expand their portfolios. There is also increasing cross over between market sectors, with the food as-you-go sector growing while restaurants are offering take-away options through delivery services.

Similarly, family friendly leisure experiences are an increasingly important attractor for the lucrative family market. Several leisure operators target Town Centres, including for indoor activity centres, as an anchor for mixed use development. The Town Centre in Worksop is currently underperforming in this regard, and this presents an opportunity for the future.

Due to the speed of social and technological change successful Town Centres will need to be capable of responding and adapting to change quickly or risk losing out to competitors or new formats. The uncertain nature of change makes planning for specific outcomes more difficult than in the past; a masterplan with a clear vision and aspiration is more important than ever, giving confidence to businesses, funders, consumers and investors, will support innovation and an ability to secure investment.

The drivers summarise the outcome of research and stakeholder engagement on what factors could move the Town Centre forward successfully.



## VISION 2040

### Stemming the Decline of the Retail High Street

By 2040: The retail core will be well-contained providing more space in the wider area to bring exciting new experiences, community activities and more people into the Town Centre. A range of complementary uses to the core retail offer will drive footfall and retain visitors for longer. Worksop's Town Centre will support education and training, the growth of independent new businesses through a variety of formats, including in the green energy sector, but also by promoting a fluid leisure and community focussed opportunity for those who live and work in Worksop and the wider area.



### Upskilling Residents & Providing Better Paid Employment

By 2040: the Town Centre will support a range of further and higher education and training opportunities to enable local residents to enhance their skills, get better paid jobs and enjoy the associated quality of life benefits. Providing more space for start-up businesses and independent business growth will enable local business to grow and prosper, retain national enterprises and retain skills to the benefit of the District.

### Quality Urban Living

By 2040: more people will move to Worksop to take advantage of location, house prices, lifestyle and quality of life. A range of new homes will appear in the Town Centre, in part delivered by public organisations, in part by private investment. They will be high quality, sustainable, attractive and meet needs of professionals, families as well as older residents in recognition of the benefits intergenerational living can bring to community. Investment will help stimulate positive activity in the residential and commercial market.

### Changes to Mobility & Technology

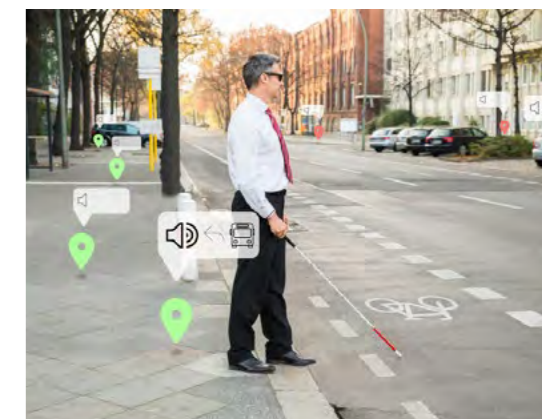
By 2040: more sustainable travel options, such as electric and alternative fuel technology vehicles will be commonplace, with smart infrastructure actively managing movement around the town. The centre will be fully enabled with the most effective digital infrastructure to encourage quality business, living and community growth, including the ongoing demand for homeworking. Smart sensors will monitor and help to manage the urban environment, supporting health, wellbeing and economic growth.

### Managing Flood Risk

By 2040: The Town Centre will be protected from flooding by a comprehensive flood management scheme and an integrated sustainable drainage network, supported by a robust, attractive Green-Blue Ribbon to provide greater resilience to the town's business and residential communities, whilst contributing to the wider biodiversity and climate change agenda. The Blue-Green Ribbon will transform Worksop's relationship with the River Ryton, creating an improved image of the Town Centre and becoming the focus of wellbeing and economic activity. The Chesterfield Canal and Sandhill lake will provide enhanced leisure opportunities for all.

### Building Stronger Communities

By 2040: The Town Centre will promote quality urban and intergenerational living in a safe, inclusive and accessible environment. Housing for older people will sit alongside that for younger people and families fostering a sense of community, whilst the wider environment will offer meeting places, community, health and education services for all. Supported by a diverse cultural and community offer, attractive daytime and evening leisure options, the Town Centre will be a vibrant place with a genuine sense of community.





## Pedestrian, Cycle & Public Transport Accessibility

By 2040: The Town Centre will be inclusive and accessible supporting active travel and public transport, enabling more people to have opportunities for healthy, active lifestyles. Connectivity within the Town Centre and to nearby areas will be easy and safe on foot or by bike. Green transport options will be embedded in design supporting wider aspirations for climate change mitigation and a greener environment for all. As a multi-modal transport hub Worksop Town Centre will become the gateway to the sub-region and a great place to live.



## Highway Infrastructure Improvements

By 2040: Improved connectivity within the Town Centre and to neighbouring areas for vehicles and improvements in public realm will make movement easier and safer for all, improve traffic flow and encourage greater use of the Town Centre attractions and facilities.

## Townscape Heritage

By 2040: The celebration of Worksop's built heritage will act as a catalyst for investment, with the sensitive and innovative re-use of the built form and the creation of attractive public and green spaces and corridors creating a distinctive setting for urban living and working. Diverse business space will attract small, creative heritage related businesses to establish in the Tow

## Climate Change & Sustainability Requirements

By 2040: The Town Centre will have showcase sustainability and biodiversity principles: from the way it is accessed to the way the local community interacts with the environment. New developments, regenerated spaces and retrofitted buildings will have exemplary sustainability standards, support green energy, enhance biodiversity, and benefit from built in climate resilience and carbon offsetting through new flood management, tree planting and nature-based solutions.

## Wider Connections

By 2040: Quality, active and sustainable connections to nearby visitor and cultural attractions like Clumber Park, Creswell Crags, Welbeck Estate will be easy, making the town a hub for visitors, encouraging longer stays and more frequent visits to the Town Centre as part of the visitor experience.



# 3

## Historical Background

Worksop is an ancient town to be found in the North West of Nottinghamshire and described in the Domesday book as Wirchesop (although there are numerous other spelling and meanings) which name supposedly meant 'a fortified hill'. The ancient earthworks known as Castle Hill evident at the time of the Norman Invasion seem to support this. This site is still marked but it is unclear whether a stone-built castle ever existed although there is some evidence of a wooden structure having been there.

Around 1103 an Augustinian Priory was established by William de Lovetot and although most of the original was demolished at the time of the Dissolution, part still remained and has been incorporated in the existing Priory Church of St Cuthbert and St Mary. The church has been fully restored and is now well maintained for future generations. There is a great deal of fascinating history around this church which is one of Worksop's best-known landmarks along with the Priory Gatehouse which was built at the beginning of the 14th century by the Augustinian Order from the Priory. Evidently 200 oaks were felled in Sherwood Forest to be used in the building of the Gateway. A market cross had existed in the vicinity from around 1160 for Cheapside or Radford which at that time was a separate parish but it has since merged with Worksop. The cross was re-sited in 1896 and now stands where the original road once passed through the archway.

The Gateway has had many uses over the centuries and originally provided shelter and hospitality for visitors but after 1539 this came to an end and the church lands were handed to the Talbot family, Earls of Shrewsbury who owned Worksop Manor at that time. The Gatehouse subsequently changed hands several times but had been used as an elementary school in 1628 and then as a 'school for poor boys' in 1853 supported by voluntary subscription. Later as an annexe for the Abbey School, parish room, offices, tearoom and art gallery. Recently it was used as a shelter for homeless people. It is presently unused and will hopefully be restored in the near future after securing grant funding.

Worksop is now known as the 'Gateway to the Dukeries' and indeed is surrounded by stately homes and lands at one time belonging to such dukes and earls as Newcastle, Shrewsbury, Portland, Devonshire, Rutland and Norfolk to name just a few. Many of these grand houses no longer exist but Worksop is still close to many of the parks which were originally part of Sherwood Forest (Robin Hood country) such as

Clumber, Rufford, Welbeck and Thoresby, all open to the public apart from Welbeck Abbey which is still in private hands.

Worksop was originally a small market town known mainly for agriculture and related services. In the late 18th century it was famous for being one of the biggest producers of liquorice along with hat making (16 hat makers still in Beaver Place in 1841), and also for the manufacture of Windsor Chairs.

With the opening of the Chesterfield Canal in 1777 and the Manchester Sheffield and Lincolnshire Railway in 1849 it became a bustling town with many local tradesmen, maltings, breweries, milling industries, timber yards, glass manufacturing, engineering works and refractories which all benefited from the increased accessibility for moving goods. A colliery was opened at Manton in Worksop in 1898 which provided many new jobs and caused workers from outside the town to settle in Worksop.

(Courtesy of Worksop Archaeological and Local History Society)

Benefiting from an accessible location and transport links in the form of the canal, railways and the A1 Worksop benefitted from the discovery of extensive coal seams and this formed the basis for employment and prosperity in the 19th and 20th Centuries. After the closure of the mines, ending in the 1990's there was a period of decline and economic restructuring.

The local economy in Worksop is now dominated by service industries, manufacturing and distribution. Major employers in the area include Premier Foods, Greencore, Wilko, RDS Transport (the Flying Fridge), B&Q, MAKE polymers, OCG Cacao, part of Cargill, Pandrol, GCHQ and the NHS (Doncaster and Bassetlaw NHS Trust and Nottinghamshire Healthcare NHS Trust).





# 4.

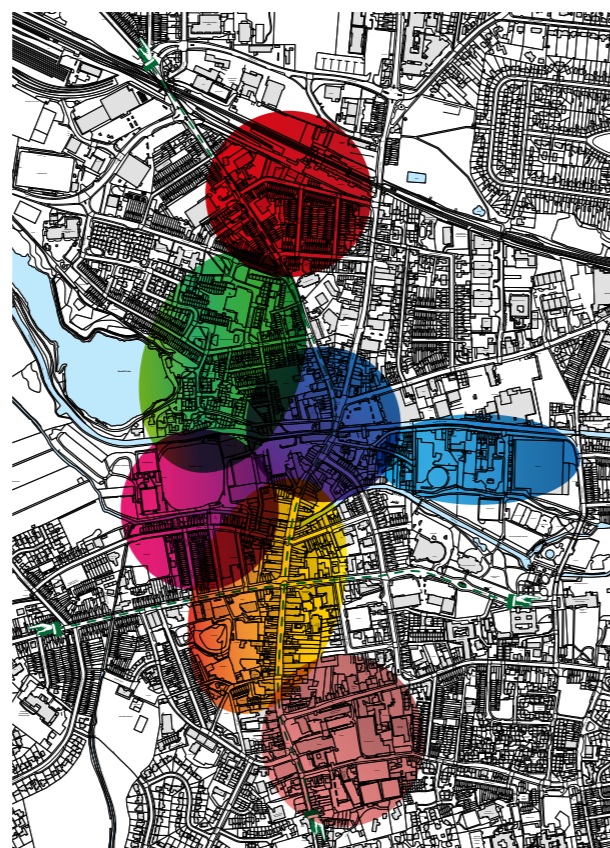
## Key Concepts

Based on an analysis of the opportunities and the key issues outlined above and following briefings from local experts, Elected Members and stakeholders five Key Concepts were developed to frame the Masterplan and provide the starting point for the design and regeneration process.

### Smart and Sustainable Economic Growth

A mix of Town Centre uses, and a rebalancing of these to facilitate growth in key growth sectors, as well as support independent for local business growth, and significant increases in urban living will meet the challenges of the future and secure a vibrant, sustainable future for Worksop. With an emphasis on skills and quality job creation Worksop Town Centre will become the engine room of the local and sub-regional economic picture and an aspirational place to live, learn, work and play.

New technology will both facilitate and be the driver of change and the Masterplan seeks to establish the necessary infrastructure to support innovation, skills development, design for manufacture and the knowledge economy. Building on key anchors at the Creative Village, and new opportunities at the WASH and Middletons, start-ups, incubation and business clusters in an around the Town Centre will emerge. The holistic vision is to re-purpose the whole District as a vibrant, productive and inclusive environment where people can thrive and prosper.



### Reviving a Sense of Community

The future of Worksop Town Centre will lie in meeting the everyday needs of the Town Centre community and those that live in the surrounding area, whilst attracting and retaining visitors for unique and memorable experiences. Existing and new green spaces will attract and retain footfall in the Town Centre creating an environment for people to enjoy the leisure, retail, market and food and drink options available. The proposed new housing in the Town Centre, alongside improvements to the existing stock, will attract new residents with spending power, supporting retail, leisure, services and hospitality.

As a compact town, Worksop is accessible for pedestrians and cyclists from the Town Centre, to the suburbs and beyond. Taking advantage of improved transport connections for cycling and public transport, everyday facilities, jobs and leisure will be easily accessible encouraging more people to live and work

in Worksop and greater use of a mixed and vibrant Town Centre with activity throughout the day and evening which allows local people and businesses to thrive.

The Masterplan proposes a series of inclusive spaces that will meet the needs of all, whether they are local residents or visitors from further afield. A new cultural offer will underpin a drive towards developing an active civil society that will assist in the curation of a place for everyone to enjoy.

*This concept is further validated by the recently published Build Back Better Covid-19 Supplement for Town Centres (2020), which identifies the re-focussing of Town Centres around public spaces, local identity and sustainable transport as the future. These are reflected in the Project Clusters described below.*

### Life on the Waterfront

The presence of water is both an asset and a threat to the Town Centre. As part of the Masterplan, improved flood resilient measures and waterside habitats will enhance the image of the town. Flood defence development; making room for water; river restoration; green walls, roofs and public spaces all form part of the Masterplan Concept of Life on the Waterfront. Opportunities exist to create upstream storage to improve the flow of the River Ryton to reduce flood risk, alongside measures to remove downstream obstructions and constraints.

New developments will be sustainable, meeting at least the Future Homes Standard and the retrofitting of existing buildings will further mitigate climate change.

Whilst localised flood risk will be managed through climate change adaptation measures, the Masterplan seeks to reduce the overall carbon footprint of

Worksop Town Centre through promoting sustainable transport, improvements to existing buildings and the establishment of a heat network focussed on the river valley, creating an exemplar.

With the retrofitting of currently unsympathetic buildings, the green heart of Worksop will grow, enjoying a theme of nature, heritage and vibrant public spaces, allowing both the daytime and evening economy to grow.

*This high-level concept is being developed in partnership with the Environment Agency to develop a flood alleviation scheme featuring nature-based solutions alongside significant engineering works to ensure that flood and water management becomes an opportunity rather than a threat to the Town Centre. This is explored further under Waterfront Leisure and the Blue Green Ribbon.*

### Active Travel Choices and Sustainable Transport

Encouraging walking and cycling will re-establish the Town Centre as a safe and healthy destination. Through a combination of cycle lanes, customer focussed public transport and traffic management, routes through the Town Centre will connect the suburbs, railway station, bus station, retail and leisure outlets for visitors and residents. With onward routes to Clumber Park, the Town Centre will form part of the visitor economy whilst also serving everyday needs. Improved cycling infrastructure will provide healthier travel choices for work and leisure trips.

Two major axes have been identified that form the basis for thinking about walking and cycling and

public transport in the Town Centre. One route connects Worksop Town Centre with the suburbs to the north, the railway station the National Cycle Network and onwards to Clumber Park from north to south. A second route connects the Castle site to the west with the Priory and The Canch to the east creating a corridor across the Town Centre. Cycle, electric and alternative fuel vehicle charging hubs will allow bikes/vehicles to be parked safely at key locations. This will complement opportunities along the Chesterfield Canal and River Ryton, both are green walking and cycling corridors, connecting Worksop to neighbouring communities and the countryside around.

*Active travel is being further explored with Sustrans, while public transport providers and Northern Rail will consider routes and multi-modal connectivity with the proposed cycle hubs, the railway station, electric vehicle/cycle and alternative fuel vehicle charging and improved access to Bridge Street.*

### Reconnecting People and History

Worksop has a rich and multi-layered history. The Masterplan will seek to reveal the sometimes-hidden heritage of the Town Centre. Public spaces, quality street furniture and distinctive landscaping will improve the setting of the historic buildings, for example on Bridge Street while the extension of the historic Market Square in the south of the Town Centre will enhance the setting for the range historic buildings around its edge that have statutory protection and that are in need of sustainable uses and investment.

The Masterplan will seek to make better use of the Castle as a historic location whilst also celebrating Worksop's industrial and market town heritage. Improved access across the Town Centre will link the older buildings with great public spaces to create a pleasant place to live and visit. A heritage trail will encourage exploration, particularly of little-known

aspects of the Town Centre providing opportunities for independent businesses to establish along its route.

The River Ryton and Chesterfield Canal, in addition to being important green infrastructure assets, have a historic significance relating to the earliest origins of Worksop and the town's later growth and prosperity. These assets are celebrated and revealed through the Masterplan and will become key anchors for regeneration and economic growth.

*This Key Concept is closely related to the culture offer of the Town Centre with a synergy between the historic places and spaces, key assets and buildings and the role of the arts in attracting and retaining visitors to the Town Centre. Whilst this element remains intangible, the resonance of this needs to be captured to bring life to the places and spaces within the Town Centre.*



# 5. Project Clusters

In order to deliver the Key Concepts and bring together these strands a series of Project Clusters have been identified to focus priorities for investment and catalyse change. Whilst these have notional boundaries and geographic locations, their impact and resonance is intended to be Town Centre wide, recognising the compact nature of Worksop.

## The Innovation District

Innovation Districts are becoming a common feature of many towns and cities across the UK. The clustering of businesses, research, training and supporting facilities recognises the importance of collaboration and the cross-fertilisation of ideas.

*“Innovation districts constitute the ultimate mash-up of entrepreneurs and educational institutions, start-ups and schools, mixed-use development and medical innovations, bike-sharing and bankable investments - all connected by transit, powered by clean energy, wired for digital technology, and fuelled by caffeine”.*

Katz and Wager 2017

Typically, also incorporating meeting and events spaces, leisure, residential, renewable and low carbon energy and high-quality public spaces, innovation districts are now becoming a feature of smart economic growth. Fast and robust free wireless internet is available everywhere in the Town Centre for visitors and residents to benefit from. Great broadband in an Innovation district makes it easy for businesses to take advantage of the opportunities global connectivity brings.



Gateshead Energy Centre.

Innovative businesses are already established in Worksop, whether that be Whitworth Brothers at the forefront of flour milling, or the already established creative industries in the Creative Village and elsewhere.

Building on this, the Worksop Access to Skills Hub (the WASH) will bring together the RNN Group (of Colleges), Bassetlaw CCG and the University of Derby as well as other public sector and business providers to provide a state of the art skills and educational hub, as complementary focal point for an Innovation District in Worksop. This approach is highly aligned to best international practice and reflects an innovative approach from a number of partners and the Council wishes to expand this theme in the future.

Industry training in the digital and low carbon growth industries as well as the health and care sectors, business incubation and product development would co-locate fostering home-grown talent, creating better paid jobs and upskilling the workforce, designing new products, developing the knowledge economy and providing solutions to climate change, health and wellbeing in one central location.

Low carbon energy, in particular heat, is a challenge for the electricity grid and opportunities exist nearby to create an energy centre that will provide low carbon heat and electricity serving the Innovation District and the wider area with affordable warmth and power to the new homes and businesses. Innovation in low carbon energy may be a future specialism in terms of training and skills development.

A significant element in most Innovation Districts is the role of arts and culture and many co-locate events and conference spaces with the capability to host concerts and recitals. This allied to the nearby greenspace of The Canch and its improved family friendly facilities, easy access to the Town Centre and existing range of cultural facilities makes the chosen location the ideal place for a new mixed-use quarter for Worksop with café's, public spaces, sustainable housing and waterside activity.

## Key benefits

- Increased skills and workforce development
- High quality job creation
- Live Work opportunities and compact (sustainable) growth
- Area based regeneration
- Fuel poverty alleviation and energy-based income streams for the public sector

## Funding sources

- Land value capture
- Innovation Funding
- Private Investment
- LEP

## Next steps

- Engagement with academic partners
- Heat Network Delivery Unit (HNDU) Funding for feasibility studies
- Development Plan Document Site Allocations
- Planning and Development Brief(s)

## Waterfront Leisure & the Blue Green Ribbon

Adjoining the Innovation District, opportunities for great public spaces, waterside access and a new mooring exist to make this area the focus of the evening economy, whilst also being a vibrant daytime destination for new and existing residents and visitors alike.

Like many towns Worksop has 'turned its back' to the river; For many people the River Ryton is not immediately visible in the Town Centre. The map of 1900 shows the course of the river through the town and the amount of space around the water, including green spaces and trees that previously existed.

Recent floods of 2020 were a reminder of the presence of a force of nature. Over time the course of the river has changed, and it has become constrained within artificial banks whilst also having been built over on Bridge Street and the Priory Centre. There is no longer a bridge on Bridge Street and the only reminder of the presence of the river is on the ground with swirls picked out in the paving, hinting at the water below.

Opportunities exist to put the river at the heart of the Town Centre in a safe, sustainable and attractive way. By providing flood storage upstream and removing obstructions downstream the river can once again be a good neighbour. Through the restoration of natural processes in the channel this attractive feature will provide a quality green setting for the development of the future Town Centre.



Nature in the Town Centre







The River Ryton brings nature into the Town Centre and as such is an asset with a great potential to add economic value whilst also providing significant new greenspace and habitats. This area will have a strong, energetic identity and 'water themed' public spaces with 'gateway' features. Access to the River Ryton and the Chesterfield Canal should be improved. Being at the centre of a range of routes and paths, this area will be the entry point for the canal and riverside leading the rejuvenation of the area. Opportunities will be taken to create buildings that overlook this asset with the opportunity for new public spaces, leisure and living, all enhanced by the presence of water.

To the north of the River and once important for the town in terms of supporting industry is the Chesterfield Canal. Restored as a navigable waterway after falling into disrepair in the twentieth century the canal has a wide range of characterful buildings alongside what is an important route for barges but also an important recreation resource for walking and cycling along the towpath. With connections to Nottinghamshire, South Yorkshire and Derbyshire the Chesterfield Canal has a great potential for sustainable tourism, bringing people directly into the Town Centre.

Many towns and cities have re-imagined their waterside places and their relationship to the aquatic environment. A similar opportunity exists in Worksop; By opening up views and connections to the waterside, the river and canal environment in the valley offers a great potential for quality leisure, employment and living.

In the long term the 'Blue Green Ribbon' will be the catalyst of a new 'green' future for Worksop showcasing nature-based solutions to flood risk management and climate change alongside a quality recreation and leisure offer. This waterside environment will provide the green link between the ever-popular Canch Town Centre park and an improved Sandhill Lake to the west of the Town Centre. Across its length space for play, recreation, social interaction and nature will sit comfortably side by side connected by quality walking and cycling routes inclusive and safe for all. Appropriate leisure uses such as cafes, bars and restaurants will encourage people to positively use this significant linear greenspace and stay longer.



The national cycle route uses the Chesterfield Canal through Worksop and this route, with new connections to improved walking and cycling infrastructure in the Town Centre will make active travel between home, work and leisure easy, whilst supporting health and wellbeing through providing access to nature.

In addition to the immediate waterside environment there is an opportunity to green the wider valley bringing nature into the urban environment through greening spaces and buildings and improvements to the streetscape. Innovative public art, such as water features and play could form part of the Town Centre experience, driving up footfall and retaining people for longer.

## Key benefits

- Flood Risk Management
- Habitat creation, biodiversity and water quality improvements
- Increased land and property values
- Improved image of Worksop
- Health and wellbeing benefits (recreation, stress reduction, healthy travel)
- Support for the hospitality industry and visitor economy

## Funding sources

- Land value capture
- Asset backed vehicles / land receipts
- Flood Defence Grant in Aid (FDGIA) – Environment Agency
- Canal and Rivers trusts
- Local Nature Recovery Networks (upcoming)

## Next steps

- Local Levy Funding (via NCC) for full Flood Alleviation Scheme
- Development Plan Document Site Allocations
- Planning and Development Brief(s)



## Improving Existing Housing

There are many advantages to living close to the Town Centre in Worksop. With easy access to shops and services, the river and canal, and public transport the Town Centre is a great place to live, and this area will remain primarily residential, but there is room for improvement if this is to be an aspirational location.

The Council owns and manages a significant number of homes close to the Town Centre in the Sandhill and Sandy Lane areas and there are opportunities to improve the quality of the properties and public spaces in some cases whilst also improving connectivity in and around the area. The Council has a good track record in providing innovative quality housing, with recent notable examples evident in the suburb of Manton. Opportunities exist to improve canal access, providing new crossing points and links to other regeneration areas.

Working with the Sandhill and Sandy Lane communities, potential exists to improve the living

conditions of residents whilst also adding to the variety of housing available within the Town Centre.

Sandhill Lake is an attractive community asset that could add value to the Town Centre and the communities that live around it. A significant opportunity exists in this part of the Town Centre to positively integrate Sandhill Lake in the Town Centre offer, reinforcing the concept of life on the waterfront. Through the regeneration of the existing housing in this area and by building additional new housing, a sense of identity and community would be achieved whilst improvements to the lake's environment would be welcoming for visitors and lake users.

The area identified in the masterplan includes some privately owned terraced properties that would benefit from improvements in terms of energy efficiency, parking and street design and this would improve the living conditions whilst also making the Town Centre a more attractive place to live.



## Key benefits

- Reduced fuel poverty
- Improved living conditions
- Greater access to Sandhill Lake
- Increased affordable housing supply
- Long-term income streams
- Improved image of Town Centre living

## Funding sources

- HRA
- Homes England
- Green Industrial Revolution Funding (10 point Plan)
- Partnerships with Registered Providers
- Green Bonds and other innovative funding
- Property Assessed Clean Energy (PACE)
- Land Value Capture
- Private investment

## Next steps

- Detailed masterplans for the regeneration of existing estates
- Identification of further sites for Council housing delivery
- Development Plan Document Allocations
- Survey of property types and retrofitting potential



## Town Centre Living

Creating homes that people want to live in, with riverside and canal side views, within a historic environment and with excellent routes directly into the Town Centre with its retail, leisure and core services are at the heart of Town Centre living.

Whilst the recent Covid 19 crisis have increased demand for out of town living temporarily, the sense of community, ease of access and sustainability benefits of Town Centre living are still compelling. However there needs to be some changes in terms of design, patterns of ownership and tenure if we are to attract a new generation of Town Centre residents. Affordability, security of tenure, access to outdoor space and housing quality are all considerations alongside the management and maintenance of buildings.

Re-use of existing buildings and significant new housing identified through the planning process that caters to different age and income groups and increases opportunities for affordable housing and intergenerational living will increase the resident population in the Town Centre and improve the vitality and viability of Town Centre retail, leisure and service sectors during the day, but also in the evening and at the weekend.

Historically many more people lived in the Town Centre before the suburban expansion of Worksop and the Masterplan seeks to re-establish this pattern. With a range of local services and community facilities within 15 minutes and close to home, the Town Centre will once again serve the needs of the town's population. As an increasing number of younger people choose not to drive, and a third of the under 25's not having a licence, the Town Centre may be an attractive option as a place to live.

More quality housing in or close to the Town Centre, will be sustainable in terms of location. The creation of walkable 15-minute neighbourhoods, with most homes having great access to the river and canal and local shops and services and the attractions of the Town Centre - will increase opportunities for active travel and public transport, reducing vehicle trips and

congestion, bringing significant health and wellbeing benefits. As well as securing environmental benefits, the vision of a sustainable and vibrant mixed used Town Centre, will establish Worksop as an aspirational place to live.

In and around the Town Centre there are a number of opportunities that would be suitable for new residential development. Designed to the highest standards of energy efficiency and providing gardens and new public spaces these homes would be attractive to families and would help to support the Town Centre as a hub for the new and existing communities.

Well-connected and accessible, the new housing will be integrated with the existing homes in the area, ensuring that the benefits of the new development are shared.

Good examples of new, sustainable affordable housing include the award-winning Goldsmith Street in Norwich which balances an appropriate density whilst also providing gardens and public spaces. These homes are highly energy efficient and the running costs are low, whilst also helping to reduce carbon emissions. A greater number of people living in the Town Centre generates activity during the day and night, reinforcing community safety with more people occupying the streets going about their business and taking exercise.

## Key benefits

- Improved image of Town Centre living
- Compact and sustainable patterns of growth
- Support for Town Centre Businesses
- Re-use of redundant buildings and upper floors

## Funding sources

- Homes England
- Successors to current projects (THI)
- Land Value Capture
- Asset Backed Vehicles and land receipts

## Next steps

- Development Plan Document Allocations
- Survey of property types and retrofitting potential



More residents in the Town Centre will support local markets





## Historic Bridge Street & Cultural Heritage

Bridge Street is a finely structured high street that gently curves down from the Town Hall to the River Ryton and the Chesterfield Canal. The bridge forms the name of the street is now lost, with only a hint at the water below picked out in the paving. The Ordnance Survey map of 1886 shows how the Town Centre was laid out, with a clear gap where Bridge Street crossed the river. Bridge Street as an important route from north to south is crossed by Newcastle Street that connects the site of Worksop Castle to the former Priory and Priory Church. At the crossing of these two routes are fine buildings that demonstrate the historic importance of Worksop; as wealth was created from the mining industry and the presence of the Chesterfield Canal.

To the south the historic burgage plots, the long narrow plots to the rear of each property, can be clearly seen and the yards and lanes created as these plots were built out are still in evidence today. To the west of Bridge Street these are more evident than to the east, although closer observation reveals these historic routes.

These yards have a distinctive and intimate feel and ongoing projects such as the Middletons Business Hub demonstrates the regeneration potential for these areas to the rear of Bridge Street to come to life, accommodating a wide range of uses, and may be particularly attractive for a range of small-scale independent Town Centre uses.



The Masterplan seeks to celebrate the multi-layered history of Worksop, using improved walking and cycling connectivity to better reveal the assets and add to the offer of the town.

Traditionally the retail centre of the town, the Bridge Street area identified by the Masterplan has significant potential to be re-focussed as a distinctive mixed-use quarter. Benefitting from high quality historic buildings and improved use of public spaces, this area will be the focus for a well-contained retail core alongside a full range of complementary Town Centre uses and housing. Appropriate pop up or temporary uses, as well as the fluid management of public spaces will be supported, as these can add to the vibrancy of the streetscene.

The urban structure and the historic assets are important, and their protection is essential if their use in the future is to be secured, through a resurgence in a range of Town Centre uses as the Town Centre is re-established as a place to live and work and once

again be the heart of the community. Positive re-use of under-used upper floors, a strong and attractive range of ground floor uses, this area will serve the day-to day needs of residents whilst also being a destination offering leisure facilities and core services for Worksop.

Opportunities will be taken to 'reveal' the River Ryton where it has been 'lost'. Where there are unsympathetic buildings the Masterplan proposes that these are transformed through the use of green walls and shopfront, façade improvements to provide a contrast and setting for the historic buildings, whilst also extending the potential for habitats and ecology whilst linking to the natural assets of the river. The image below shows the potential for green walls to improve the character of the street, alongside additional tree planting within the public realm, adding to the character and distinctiveness of this important route.







Artists impression of Bridge Street in the future

Through the process of consulting on the Masterplan the importance of cultural heritage was highlighted, including the role of the Acorn Theatre, The Crossing Church and Centre and Inspire (Worksop Library). These cultural assets are related to Bridge Street, although disconnected. The re-establishment of the former yards structure of the Street, anchored by; the opening of Middletons, is an opportunity to connect the arts and culture to the offer of Bridge Street, and promote social enterprise in the Town Centre by providing a mix of community, education which respond to the needs of communities, and extend the business services and incubation of local start-ups. Middletons sets the scene for a new future for the Bridge Street area, bringing employment into the Town Centre alongside artisans and specialist retail.

In order to enhance Bridge Street and stimulate debate and the wider curation of the historic assets and the future of the Town Centre the establishment of an Urban Room is recommended to provide space for exhibitions. This could also serve the purpose of hosting experimental retail, the showcasing of local products and Tourist Information. Depending on the size of the unit other uses, such as the establishment of a cycle hub might also create footfall and stimulate active travel choices to, from and within the Town Centre.

There are significant opportunities to increase the positive use of the upper floors of buildings in the Town Centre, securing the long-term future of these historic buildings.

## Key benefits

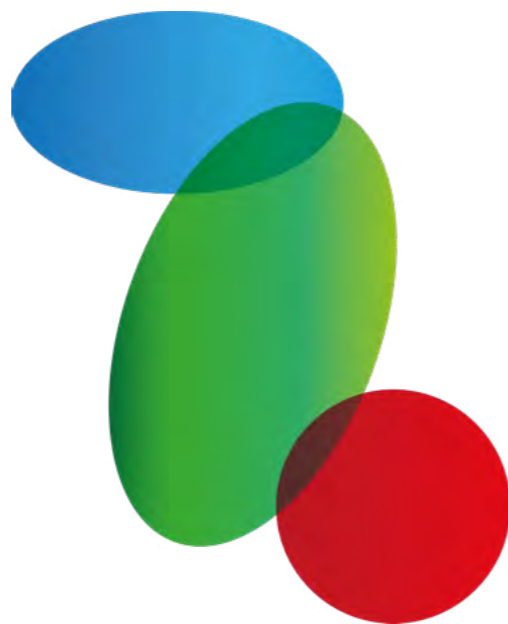
- Improved image of Town Centre living
- Compact and sustainable patterns of growth
- Support for Town Centre Businesses
- Re-use of redundant buildings and upper floors
- Support for the arts and culture offer
- Conservation and preservation of heritage assets
- Improved connectivity
- Extending support to start-up and independent businesses

## Funding sources

- Successors to current projects (THI)
- Land Value Capture
- Asset Backed Vehicles and land receipts
- Private investment

## Next steps

- Development Plan Document Allocations
- Survey of property types and retrofitting potential
- Survey of key property ownerships
- Selective acquisitions
- Establishment of an Urban Room
- Delivery of new transport infrastructure (see Infrastructure Requirements)



## Healthy Places and Spaces

If the Town Centre is to become an attractive place to live, work and to visit in the future the quality of the outdoor spaces is going to be important. The historic Market Place provides an ideal opportunity to create a space that forms the setting for the historic buildings, the Civic life of the town and complements the established health and wellbeing services, offering the beginnings of a community health and well-being hub.

The popular Savoy Cinema provides an anchor to the space, acting as a focus for a destination for leisure but currently the Market Place lacks purpose, and whilst the space is attractively planted with places to sit it could contribute more to the life of the town. The quality of the space, and the buildings around it, are compromised by the traffic that enters from Potter Street. With creative re-use of the historic surrounding buildings, the old market square would benefit from pedestrianisation to create a key point of arrival for visitors by bus, foot or cycle.

Creating a multi-use pedestrianised area adjacent to the Town Hall, will take advantage of the improved walking and cycling access from the wider Town Centre to provide family-friendly space for outdoor entertainment, eating, drinking and leisure. While a re-imagined public transport offer will ensure that residents are able to be picked up and dropped off in convenient locations, whether at the Newgate Surgery, the Savoy, visit other locations elsewhere in the Town Centre after making good use of improved pedestrian access.

For those wishing to use vehicles, significant additional parking at the former Mayfair Centre will provide support for this family friendly destination. This new facility would make an ideal location for electric vehicle and alternative fuel vehicle charging hub.

It is possible to redirect the traffic moving through the area, creating a pedestrianised space that is safe and that could accommodate more community and cultural events, specialist markets and pavement cafes.

The area contains a wealth of historic buildings, which if re-purposed could provide complementary facilities creating an attractive leisure hub. The Old Ship public house is an example of a historic building that would

be an excellent restaurant venue with space outside for al fresco dining. With additional tree planting the new market square would be an attractive place to spend time. The artists impression below shows how the space could be transformed, creating a gateway to Bridge Street, whilst also allowing traffic movements along Westgate.

This is complemented by the expansion of the Health Centre, providing another focus and destination for residents during the day. The nature of public spaces can be transformed by activities such as local food production. Examples such as Incredible Edible Todmorden demonstrate how food growing can be integrated into public spaces, bringing people together and creating a sense of ownership, whilst promoting healthy living, ideal as part of a complementary holistic offer for the adjoining improved health centre. Elsewhere in the Town Centre there could be opportunities, such as community orchards, that would transform currently underused spaces.

In order to establish Worksop as a safe and attractive family friendly destination linking the attractions of The Canch, the historic assets, the newly established leisure destination with visitor attractions further afield the Town Centre will provide for the needs of families and children, including creative play whilst ensuring that older people feel safe and secure through the careful design of streets and spaces, alongside facilities such as toilets, places to sit and shade.

Access to Clumber Park is an important consideration. This new leisure destination is in the south of the Town Centre, with access to quiet and safe routes to the south of the town and Clumber Park whilst also being on the proposed improved cycling network. The Market Place would make an ideal cycle hub, where bikes, including electric bikes could be hired by the hour to explore the town and beyond.

There is the potential to incorporate new public art features in the Town Centre, including in pedestrianised areas, that might include water or other engaging points of interest that will drive footfall and increase dwell time. This could be complemented by creating a 'playable environment' with features that provide interest whilst also being stimulating and fun for all.







The extension of Newgate Surgery provides the opportunity to re-vision the Market Place as a wider health and wellbeing hub.

## Key benefits

- A permanent venue for arts, culture and markets
- An improved setting for the historic buildings of southern Bridge Street
- Synergies with the Health Centre extension
- Increased footfall and safe spaces changing the mix of uses and activities in the Town Centre
- Positive re-use of vacant buildings, land and upper floors
- Improved connectivity to and through the area

## Funding sources

- CCG
- Successors to current projects (THI)
- LEP
- Capital Investment

## Next steps

- Development Plan Document Allocations
- Survey of property types and retrofitting potential
- Detailed design
- Infrastructure Planning



## Station Gateway

Worksop Station is Grade II Listed and is a fine example of railway architecture, however the forecourt is harsh, car dominated, and it is currently removed from Clarence Road by a fence that restricts pedestrian access. The stand of trees to the south, whilst contributing to the setting, are poorly managed and a landscape led approach to the frontage would add to the attractiveness of this asset and improve the user and arrival experience.

Opportunities exist to reveal the station frontage and offer cycle and electric bike hub with ancillary retail and catering uses and an electric vehicle charging hub which could also be used by the local community who may have difficulties retrofitting their properties with appropriate infrastructure. Repurposing underused units within the station ownership for a variety of commercial/business uses will help bring a sense of purpose to the wider area, complemented by additional new homes close by, taking advantage of a close proximity to the rail network.

The wider area extending towards Worksop has a number of underused historic buildings. Underused and vacant sites could make a better contribution to the character of this key gateway to the Town Centre and the wider Conservation Area.

All provide an opportunity to be part of a new mixed-use quarter; blending living, working and education environments, the Station Gateway will set the tone for the wider Worksop Town Centre experience. Over time, this masterplan will re-purpose and re-connect this area with the wider Town Centre, with opportunities to make a significant contribution to a quality intergenerational and affordable housing offer in an accessible location, close to the station and North Notts College whilst positive re-use should

improve the character and quality of the townscape in a sustainable location. Opportunities to green the key walking/cycling route along Carlton Road would reinforce the vision for the wider area. Well-connected as an interchange with the local bus routes, the inclusion of a cycle hub in this location will promote healthy travel choices into the Town Centre.

## Key benefits

- An improved point of arrival
- Environmental improvements
- Conservation of the Grade II Listed Station
- Housing growth to meet local needs
- Employment and mixed-use development opportunities
- Sustainable transport interchange
- Positive re-use of vacant buildings and land and positive re-use of upper floors

## Funding sources

- LEP
- Network Rail
- NLHF
- Private investment

## Next steps

- Development Plan Document Allocations
- Station masterplan







## Towards Delivery

This masterplan sets out a comprehensive framework that will help to deliver positive change, and a range of projects and improvements to transform Worksop Town Centre over the next 20 years, enabling its role and function to adjust to changing market conditions, structural change and user expectations.

Current evidence is that there is strong private sector interest in development in the town. That interest has to be encouraged but it is essential that the Council and its partners play their part by seeking the right mix and quality of development expected by the Masterplan, by negotiating the best outcomes from developer contributions and by providing a robust framework to enable the Council and its partners to maximise opportunities to secure investment and infrastructure which is so essential for generating private sector confidence.

Crucially, the Town Centre ambition needs to be positioned within the wider ambition for Worksop. Action should be taken now to embed the project clusters into the wider development strategy for Worksop. It is important that the links between edge of town growth proposed through the emerging Local Plan and Town Centre regeneration are clear and contribute towards the same ambition to reinvigorate Worksop to support successful communities and businesses in the future.

Worksop has entered a period in its development where major opportunities for change and regeneration can be realised. Together they have the potential to increase the attractiveness of the Town Centre, provide additional Town Centre and residential development, deliver new cultural and leisure facilities improve key public spaces and deliver meaningful strategic infrastructure.

## A Council that supports growth and partnership working

The Council will provide the strategic lead for Worksop Town Centre's sustainable regeneration, proactively facilitating strong partnership working between the public, private and third sectors, to achieve agreed outcomes. This includes:

- Providing strong leadership
- Communicating with and involving partners, stakeholders and businesses
- Understanding the needs of residents and local markets to shape places
- Ensuring a positive planning environment
- Using public sector assets more responsively to meet the needs of communities and businesses
- Being ambitious to help deliver an even stronger future for the District and sub-region

To advance the Masterplan's ambitious agenda will require the Council to be more interventionist, taking on the role of the developer (in part), to assemble land, secure funding and streamline development, build on strong partnership arrangements through local structures such as the East Midlands Chamber of Commerce, the North Notts BID and regional structures such as the Local Enterprise Partnership (LEP).

Strong coordinated partnership working will enable the Council and its partners to ensure that their funds and programmes which impact on the Town Centre are properly managed and coordinated to deliver best value, lever in investment and be used as match funding in future.

However, many proposals will rely on individual investment decisions by private developers, investors and other businesses. In this context the role of the Masterplan is to create the conditions and the planning framework to encourage these private interests to develop and invest in the Town Centre. The Council and its partners will actively engage with these private interests in order to promote the implementation of the Plan.

## Planning Policy Framework

Whilst short term change, including temporary 'pop-up' development, can be delivered in the Town Centre through Permitted Development Rights, establishing a pro-active policy basis for regeneration is vital for permanent, long term change. A flexible, positive and pro-active planning strategy is vital as a catalyst for recovery, regeneration and growth to ensure the Town Centre can evolve and attract new investment.

On that basis, and reflecting recent changes to national planning legislation, the emerging Local Plan sets out a flexible policy framework to support appropriate change in the Town Centre to secure a more diversified offer consistent with masterplan aspirations. It is anticipated that the Local Plan will be adopted in 2022.

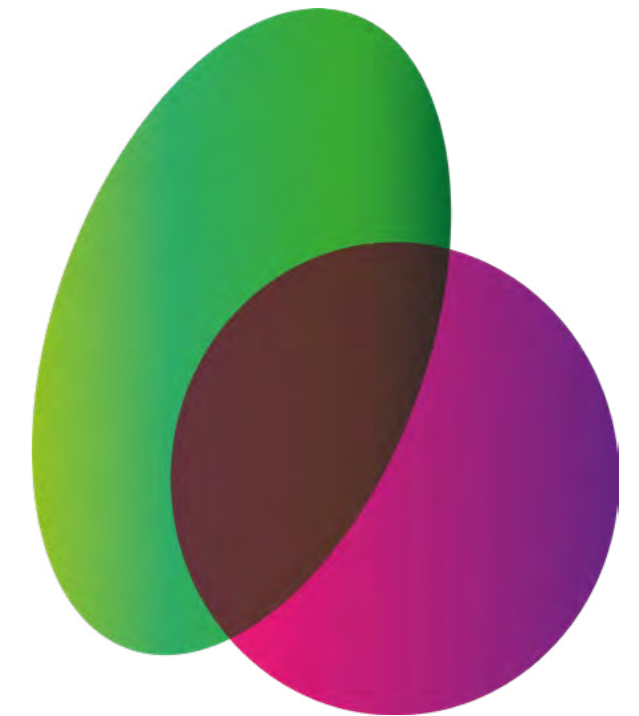
Further changes are expected to the national planning system in the short term so it is important that the effectiveness of adopted Local Plan policies is assessed to ensure changing national planning policy, market conditions and consumer behaviour can be considered, and, if necessary, re-visited through future Local Plan reviews.

In the meantime, the Worksop Central Development Plan Document will be prepared. It is anticipated it will be adopted in 2023. Covering this Masterplan area, this detailed planning policy framework will promote the regeneration of the area, through strategic policies and specific site allocations, supported by appropriate strategic infrastructure necessary to deliver change. Draft Local Plan policy ST5 provides the policy framework to enable the delivery of the Development Plan Document.

Consideration should also be given to preparing development briefs for key sites or masterplan frameworks for key areas to guide their development following adoption of the Local Plan.

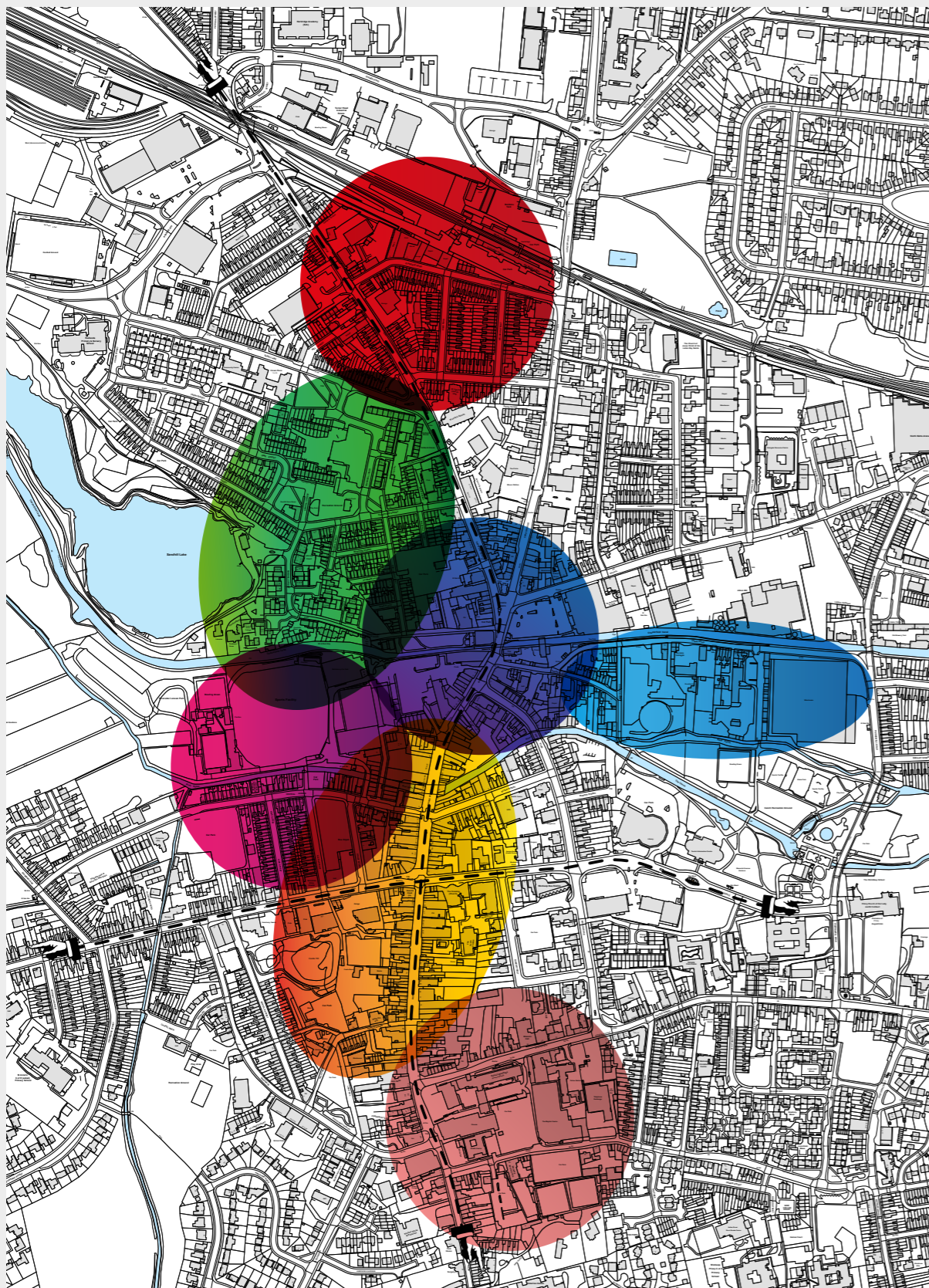
These will set out how the Council would like the regeneration of the sites/areas to come forward and the overall design codes they should be consistent with. The plans for these sites will be informed by more detailed financial viability testing, as well as consideration of the wider context through the preparation of the Development Plan Document.

This masterplan will form an important part of the evidence base underpinning both the Local Plan and the Development Plan Document.





## YOUR WORKSOP.



## Appendix

### Worksop Town Centre Project Plan

The Masterplan covers the period from 2020 to 2040. This is a 'living' document and will be updated annually to reflect changes, priorities and funding streams becoming available. Site proposals will be added once the Development Plan Document has progressed.

Some of its proposals are complex and long term, whilst others are simpler and can be delivered more quickly. Delivery of quick win projects will help to stimulate community, business and investor interest whilst plans for more structural change are developed and implemented in the medium to long term, through specific site schemes identified in the Development Plan Document.

Some, such as public realm improvements, are in the hands of the Council. Others, such as the strategic flood management scheme and public transport improvements, rely on decisions and funding from other sources like the Environment Agency and the bus operators.

To influence change across the centre, the strategic projects that offer the greatest potential for positive impact by driving vitality and viability, in the short and long term and being the catalyst for wider investment are:

- The WASH and Middletons – the creation of new nodes that re-focus parts of the Town Centre and break away from the classic retail-driven environment, providing anchor activity between the Innovation District, the civic centre and the retail element of the Town Centre;
- Worksop flood management scheme – the creation of a comprehensive flood management solution to protect Worksop Town Centre in the long term and enable a vibrant housing/business/leisure quarter to be focussed around quality green/blue infrastructure;
- The extension of the historic Market Square - the extension of this key community asset in the southern part of the centre offers a new focus for leisure, restaurant and café uses whilst providing space to strengthen the cultural and community offer; and
- Re-imagined movement network – the introduction of new public space and a re-organised road network will enable the better management of

vehicle movement through the Town Centre, enabling a more efficient customer focussed route for public transport to be delivered, supported by a safe, well-connected cycling and walking network to surrounding areas and key activity nodes.

- The preferred option for Bridge Street, following consultation and subject to feasibility is to create a one way single lane carriageway from south to north along Bridge Place and Bridge Street. This would include a cycle lane and allow for short term bay parking throughout the day with pavements to each side. Vehicles would turn right at the top of Bridge Street to enter from Potter Street if the old Market Square becomes a family-friendly outdoor pedestrianised space. This project allied to improvements in the wider movement network designed to support walking and cycling and public transport and multi-modal travel will ensure that economic growth is facilitated. A full feasibility study is envisaged through the Local Plan to finalise the infrastructure interventions required.

Whilst these projects offer the greatest potential for positive impact, the resources available mean that the projects within the masterplan will need to be delivered in phases. Alongside these physical interventions other projects will explore the further feasibility of more complex interventions providing a range of projects that can attract funding and finance and secure multiple benefits that will deliver the vision for 2040.

The Project Plan sets out the Masterplan's proposals by project cluster, indicates the likely timescale in one of three five-year time bands below, and identifies the lead body for implementing the proposal and the likely sources of finance.

- Short term (next 5 years) – quick wins, sites in Council ownership and/ or opportunities for income generation;
- Medium term (5 to 10 years) – more complex projects; and
- Long term (10-15 years) – aspirational projects that are more challenging, will require multi-agency approach, structural change or where market conditions are less favourable.



## Costs and Funding

The Government is placing more emphasis on investment in 'place' as a major driver of local economies. So, it is essential that it is clearly expressed how investments in the Town Centre will drive the wider economy and achieve other strategic Government priorities.

To successfully secure funds post-Covid-19, a clear vision and definition of the wider impact of investment in the Town Centre is vital. Plans need to be transformative to gain the support of agencies such as Homes England.

As a catalyst for future investment, Worksop has received funding to enable the provision of the WASH and Middletons; a starting point for further significant projects in coming years. Significant funding has already been secured from the National Lottery Heritage Fund to support the Townscape Heritage Initiative on Bridge Street. It is important that this funding is used to lever other potential sources of funding in order to achieve the best possible outcomes for the Town Centre.

In terms of costs, the main ones from a Masterplan point of view are those related to public programmes and proposals. These need to be funded and possible sources are identified below. There are costs associated with private developments too, but these are undertaken on a commercial basis with the expectation of creating value and development profit. These will be assessed through the planning policy process for the Development Plan Document.

There are three main sources of funding that can be used to implement the masterplan proposals. These are:

- **Private sector investment** – the masterplan will increase private sector confidence and help create an environment for investment. Private sector investment will be vital in making things happen on the ground, the development of which could potentially be through public/private joint ventures.
- **Public sector investment** – this masterplan has been developed at a time of economic uncertainty. The Council has allocated funding for improvements to the Town Centre and will contribute key sites. Such investment can also be used as match funding bids to agencies such as the Environment Agency.

But with development viability in Bassetlaw marginal, gap funding will be required to deliver strategic infrastructure projects. This masterplan must be seen as a strategic opportunity to provide the rationale for securing funding for new projects by demonstrating that they form part of a comprehensive and coherent regeneration strategy for the Town Centre to lever in funding from a range of organisations, including Government agencies to enable delivery.

This match funding could come from a variety of sources including Homes England, North Notts BID, the Arts Council, National Lottery as well as the District and County Councils.

- **Developer contributions/Community Infrastructure Levy (CIL)** – funds raised from Bassetlaw Council's CIL and/or developer contributions, which is collected from new developments, could be used in conjunction with service and infrastructure providers to deliver infrastructure improvements across the Town Centre. This also provides a source of match funding to enable delivery of key projects.

## Land ownership

Bassetlaw District Council owns key pieces of land in the Town Centre which, subject to planning and financial appraisal, will be made available to help deliver the masterplan. Public space and Highway land will also be used where necessary to deliver public realm schemes. The Council will work with public sector partners like Homes England to acquire strategic sites and facilitate interventions to prepare key sites for development and/or to provide strategic infrastructure. It also has powers to acquire land compulsorily. It will make use of these compulsory powers where necessary in order to ensure the delivery of key proposals in the masterplan. A local Asset Backed Vehicle is an option to draw down funding and finance if required.

## Governance

The Worksop Town Centre Board is the key stakeholder group involved in the delivery of the masterplan. To be effective, the Town Centre Board needs to be able to make proactive and agile decisions so that the Town Centre can respond to change. Its purpose is to drive forward economic growth and regeneration proposals in Worksop Centre identified in this masterplan.

Facilitated by the Council, the Town Centre Board comprises representatives from a wide range of public and private sector organisations including the District and County Councils, the North Notts BID, the East Midlands Chamber of Commerce, and the third sector.

Having a Town Centre Board with a public, private and third sector organisation representation adds value and helps to maximise leverage of additional public/private investment, crucial to the successful delivery of this masterplan.

The Covid-19 crisis is accelerating changes that are underway, such as in the retail sector. But it is also accelerating wider change in working patterns, as well as placing renewed focus on health and wellbeing, social exclusion, mobility, easy access to everyday facilities and an increased recognition of the importance

of nature and green space in our towns. Rather than return to 'business as usual', in future it will be important to consider where step change can be achieved. The Town Centre Board can help to deliver against this bigger transformative agenda, responding to the drivers of change by providing strategic oversight of the development and delivery of projects. This will require challenging the standard approach to planning and development and initiating catalytic activities such as temporary or 'pop up' uses. It should also seek to identify meaningful opportunities to lever in funding, and secure the support and engagement of partner organisations, including Homes England, the Environment Agency as well as other Government agencies to help deliver transformative change.

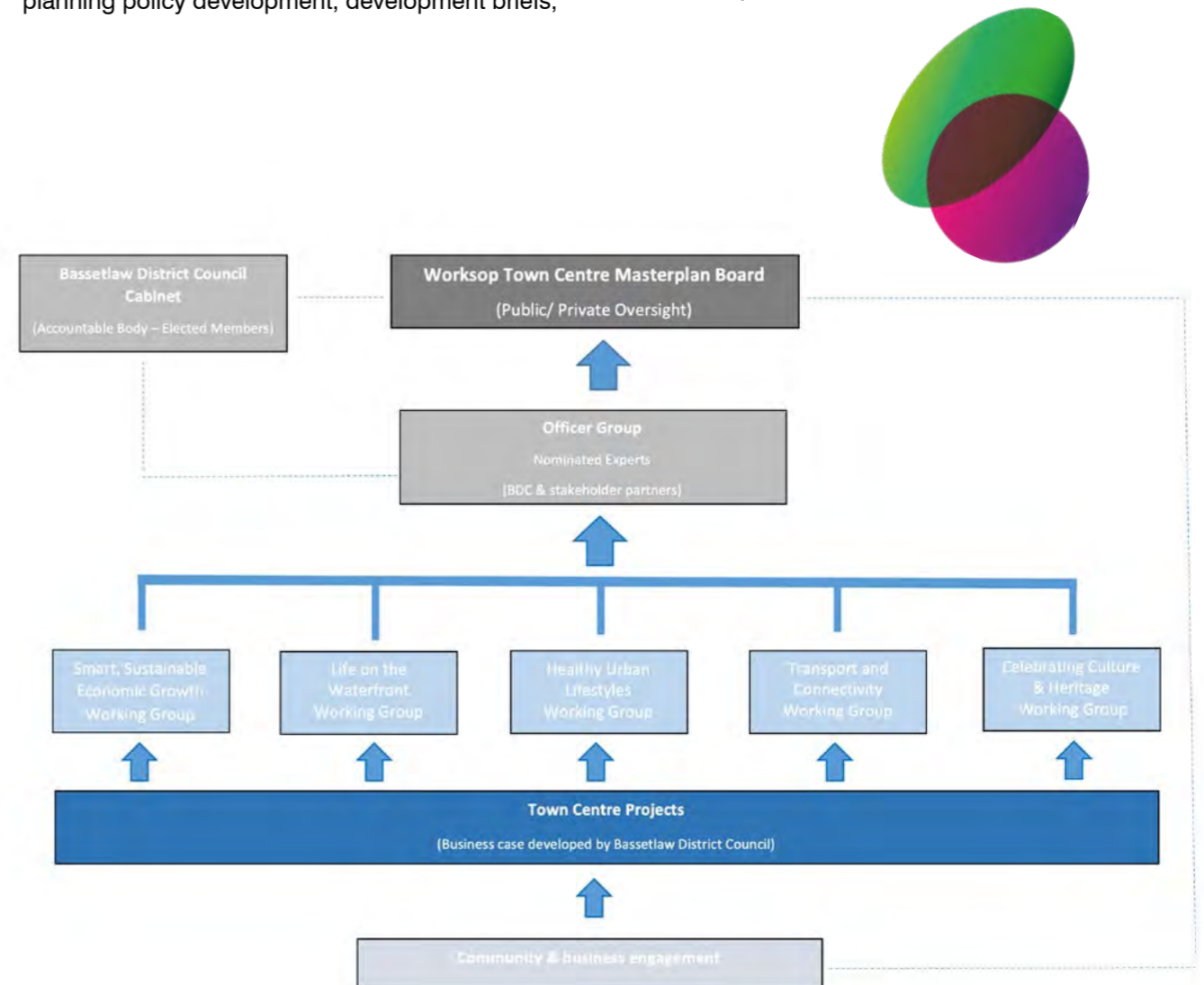
The Council will act as the link between the Town Centre Board and project leaders. It will provide the secretariat and the support to remove development barriers and create positive engagement with the development industry. Effectively, the Council will co-ordinate public sector 'enabling' activity, including planning policy development, development briefs,

land assembly, funding applications and legal requirements, to de-risk development proposals for the private sector.

The Council's internal delivery teams – who have a strong track record in the successful management and recent delivery of external funding and regeneration projects - will manage the day to day delivery of the programme, in partnership with the relevant project delivery partners. The governance arrangements for delivery are set out below, using similar governance to business case development.

## Monitoring and review

The deliverability of the masterplan will always be sensitive to the market, changing priorities and changes in the level of funding available. The masterplan and its project plan is therefore a living document that should be reviewed annually to take account of changing circumstances and progress. This is an important and ongoing role for the Town Centre Board.



## APPENDIX 2: Worksop Town Centre Masterplan 2021: Draft Project Plan 2021-2022

### Key

**Hard regeneration projects:** a built project or physical infrastructure provision to support regeneration objectives

*Soft regeneration projects:* a project to deliver policy, governance, social or cultural regeneration objectives

Strategic infrastructure improvements: infrastructure essential to deliver regeneration in more than one project cluster delivering area wide regeneration benefits

Funding – secured funding highlighted

Reference	Project	Timescale			Potential funding options	Indicative Cost, where known	Lead Partner(s)
		Short	Medium	Long			
<b>Quick Wins</b>							
TCQW1	Pop up shops and activities						BDC/businesses
TCQW2	Townscape heritage improvements				Heritage Lottery Fund, CIL	2.3m	BDC
TCQW3	Middletons				BDC, N2TC	4.2m	BDC
TCQW4	WASH				Getting Building Fund, BDC	4m	BDC, D2N2 LEP
TCQW5	Mayfair car park				BDC		BDC
TCQW6	Worksop Inspire				Nottinghamshire County Council		Nottinghamshire County Council
TCQW7	Newgate St surgery improvements				CCG		BDC/CCG
TCQW8	Solar installations to Council offices				NCC	£25,000	BDC / NCC Solar PV Framework
TCQW9	The Canch public facilities improvements				BDC, CIL		BDC /Hughie Construction Ltd
TCQW10	Regular events programme						BDC
TCQW11	Business Engagement and Peer Support				BDC	£25,000	BDC
TCQW12	Establishment of Town Centre Board & governance structure				-	-	BDC/Board representatives
TCQW13	Town centre car parking strategy				-	-	BDC
TCQW14	Adoption of the Bassetlaw Local Plan				-	-	BDC
TCQW15	Adoption of Worksop Central Development Plan Document				-	-	BDC
TCQW16	Worksop Town Centre Transport & Movement Strategy				-	-	BDC
TCQW17	Identification of land/property ownerships				-	-	BDC
<b>Innovation District</b>							
<b>Projects</b>							
TCID1	Creative Village Phase 2				Heritage Lottery Fund/BDC/developer contributions		BDC / developer partners
TCID2	District Heating Feasibility Study				Heat Network Delivery Unit	£50,000	BDC
TCID3	Energy Centre Phase 1 & business support centre				Heat Networks Investment Project/Innovate UK/D2N2 LEP	£20,000,000	BDC/Private/Education provider
TCID4	Relocate Existing Businesses						BDC / Businesses
TCID5	Strategic land acquisitions						BDC
TCID6	Provision of cycling hub				Government funding, Developer contributions		BDC/developer partners
TCID7	Provision of electric vehicle charging hub				Government funding, Developer contributions		BDC/developer partners
TCID8	Masterplan framework				-	-	BDC
<b>Cluster wide projects</b>							
TCID9	Green – blue infrastructure improvements				Government funding, Developer contributions		BDC / developer partners
TCID10	Heritage trail with integrated wayfinding & signage				Heritage Lottery Fund, Developer contributions		BDC / developer partners
TCID11	Street art				Developer contributions		BDC / developer partners
<b>Waterfront Leisure and Blue Green Ribbon</b>							
<b>Projects</b>							
TCWL1	Strategic land acquisitions				Homes England		BDC
TCWL2	Canal Basin/Mooring						

Reference	Project	Timescale			Potential funding options	Indicative Cost, where known	Lead Partner(s)
		Short	Medium	Long			
TCWL3	Victoria Square traffic management scheme				Developer contributions		BDC / NCC/developer partners
<b>Cluster wide projects</b>							
TCWL4	Green – blue infrastructure improvements				Government funding, Developer contributions		BDC / developer partners
TCWL5	Heritage trail with integrated wayfinding & signage				Heritage Lottery Fund, Developer contributions		BDC / developer partners
TCWL6	Building character improvements				Property owners		Property owners
TCWL7	Walking / cycle infrastructure improvements				Government funding, Developer contributions		BDC / developer partners
TCWL8	Public Art / Water Features				Developer contributions		BDC / developer partners
<b>Improving Existing Housing</b>							
<b>Projects</b>							
TCIH1	Sandy Lane (Estate Regeneration)				BDC/Homes England/Registered provider		BDC
TCIH2	Sandhill housing and environmental improvements				BDC/Homes England		BDC
TCIH3	Sandhill Lake recreation hub						
TCIH4	Sandhill Lake Local Wildlife Site enhancement						
TCIH5	Masterplan framework				-	-	BDC
<b>Cluster wide projects</b>							
TCIH6	Green – blue infrastructure improvements				Government funding, Developer contributions		BDC / developer partners
TCIH7	Development Plan Document Site Allocations & Design Codes				-	-	BDC
TCIH8	Improvements to existing private housing				BDC/Green Funding/PACE		BDC
TCIH9	Public car parking electric vehicle charging points				ORCS - Subsidise 75% of capital costs up to £7,500 per charging unit to a maximum of £100,000 per project.	Up to £7,500 per charging unit	BDC / On-Street Charging Scheme (ORCS)
<b>Town Centre Living</b>							
<b>Projects</b>							
TCRL1	Strategic land acquisitions				Homes England		BDC
TCRL2	Intergenerational living on key sites				Government funding/BDC /Registered Providers/ Homes England		Registered Provider/BDC
<b>Cluster wide projects</b>							
TCRL3	Redevelopment of vacant buildings and underused upper floors to mixed use/housing development				Property owners/Developer partners	-	Property owners/Developer partners
TCRL4	Development Plan Document Site Allocations & Design Codes				-	-	BDC
TCRL5	Masterplan frameworks				-	-	BDC/Developer partners
<b>Historic Bridge Street and Cultural Heritage</b>							
<b>Projects</b>							
TCHB1	Acorn Theatre Dance School				Acorn Theatre		Acorn Theatre/The Crossing
TCHB2	Yards Connectivity Improvements				Landowners/developer partners/ developer contributions		BDC/Acorn Theatre/The Crossing/landowners
TCHB3	Urban Room						BDC
TCHB4	Greening of unsympathetic buildings				Property owners/developer partners		BDC
TCHB5	Strategic land acquisitions				Homes England		BDC
TCHB6	Castle Masterplan framework				-	-	BDC
<b>Cluster wide projects</b>							
TCHB7	Green infrastructure improvements				Government funding, Developer contributions		BDC / developer partners
TCHB8	Heritage trail with integrated wayfinding & signage				Heritage Lottery Fund, Developer contributions		BDC / developer partners



Reference	Project	Timescale			Potential funding options	Indicative Cost, where known	Lead Partner(s)
		Short	Medium	Long			
TCHB9	Redevelopment of vacant buildings and underused upper floors to mixed use/housing development				Developer partners		Developer partners
TCHB10	Building character improvements				Property owners/developer partners		BDC
TCHB11	Public realm improvements				Government funding, Developer contributions		BDC / developer partners
TCHB12	<i>Development Plan Document Site Allocations &amp; Design Codes</i>				-	-	BDC
<b>Healthy Places and Spaces</b>							
<b>Projects</b>							
TCFF1	Provision of cycling hub				Government funding, developer contributions		BDC
TCFF2	Electric vehicle charging points at Council offices				OLEV grant scheme - Subsidise 75% of capital costs up to £350 per charging unit to a maximum 410 charges	Up to £350 per charging unit	BDC
<b>Cluster wide projects</b>							
TCFF3	Local Food Production				-		
TCFF4	Public realm improvements				BDC		BDC
TCFF5	Improvements to existing private housing				BDC/Green Funding/PAGE		BDC
TCFF6	Heritage trail with integrated wayfinding & signage				Heritage Lottery Fund, Developer contributions		BDC / developer partners
TCFF7	Redevelopment of vacant buildings and underused upper floors to mixed use/housing development				Property owners		Property owners
TCFF8	<i>Development Plan Document Site Allocations &amp; Design Codes</i>				-	-	BDC
<b>Station Gateway</b>							
<b>Projects</b>							
TCSG1	Reuse of station properties				Northern Rail	-	Northern Rail
TCSG2	Station forecourt public realm improvements						Northern Rail / BDC
TCSG3	Provision of station cycling hub				Northern Rail		BDC/Northern Rail
TCSG4	Provision of station electric vehicle charging hub				Government grant scheme/Northern Rail		BDC/Northern Rail
TCSG5	Strategic land acquisitions				BDC/Homes England		BDC
TCSG6	<i>Masterplan framework</i>				-	-	BDC/developer partner
<b>Cluster wide projects</b>							
TCSG7	Redevelopment of vacant buildings and underused upper floors to mixed use/housing development				Developer partners/property owners		Developer partners/property owners
TCSG8	Green infrastructure improvements				Government funding, Developer contributions		BDC / developer partners
TCSG9	Heritage trail with integrated wayfinding & signage				Heritage Lottery Fund, Developer contributions		BDC / developer partners
TCSG10	Building character improvement				Developer partners/property owners		Developer partners/property owners
TCSG11	<i>Development Plan Document Site Allocations &amp; Design Codes</i>				-	-	BDC
<b>Strategic Infrastructure Improvements</b>							
<b>Projects</b>							
TCSI1	River Ryton Flood management scheme				Grant in Aid, Local Levy, developer contributions	£15m	Environment Agency, NCC Lead Local Flood Authority, developers
TCSI2	River Ryton green/blue ribbon				Government funding, developer contributions		BDC/developer partners
TCSI3	Market Square extension				BDC/D2N2 LEP/Government funding		BDC
TCSI4	Town Centre traffic management scheme				Government funding, developer contributions		BDC, NCC
TCSI5	Cycling connectivity within and to neighbouring areas				Government funding, developer contributions		BDC

Reference	Project	Timescale			Potential funding options	Indicative Cost, where known	Lead Partner(s)
		Short	Medium	Long			
TCSI7	Public transport priority and accessibility improvements				Bus operators		Bus operators



### APPENDIX 3: Worksop Town Centre Masterplan Community Survey Feedback

The following feedback were taken from the on line community survey undertaken during the consultation for the Masterplan:

- 90 people (78%) supported the proposals in the Masterplan to regenerate the town centre, support was broadly consistent across all age groups.
- Many people felt The Canch and the town's historic buildings, such as The Old Ship Inn and the warehouses along the canal, were important to the attractiveness of the town centre. Others stated that the poor condition of some buildings and empty shops, more positive reuse of underused buildings and land were things that could be improved. Comments also identified the Market Square, Bridge Street and the Chesterfield Canal as being those areas that would benefit most from regeneration.
- 53% supported more education and training provision in the town centre, with the need to invest in education and health highlighted as important to reduce the inequality gap. This was reinforced through comments that recognised the importance of the Innovation District to the regeneration of the town centre.
- The vast majority (90%) suggested improving provision for independent retailers and businesses was important to the long term success of the town, whilst 78% supported mixed use development (shops, residential and leisure across the town centre), particularly for young people and families, and 66% supported the idea of more cafes and restaurants along the canal. In general comments supported more positive activity in the evening as important to promote regeneration.
- When asked what would make the town centre more attractive to urban living, 85% stated that less anti-social behaviour would generate a positive image, whilst others felt a better housing mix, appropriate car parking and improved cleanliness would encourage greater use of the town and its greenspaces.
- 66% supported more housing in the town centre, with the preference being for ecohousing (41%), older peoples housing (36%) and apartments (31%). Comments recognised that a mix of housing for all ages would generate activity during the day and in the evening, which would be positive for the town centre. But respondents felt that only positive use of upper floors should be supported.
- Respondents felt that rebranding the town centre and more street activity, such as community events would encourage more positive use of the town centre and enhance its image;
- The majority (88%) felt Bridge Street should be improved, with 50% supporting improved access to Bridge Street to enable more short term bay car parking (39% disagreed, with 11% stating no preference). Comments suggested that re-visioning this part of the town is vital and that it should better meet the needs of the community, either through more community space and/or through health and well-being facilities, supported by a consolidated retail offer.
- 72% supported the extension of the Market Square; in terms of future use, most support was received for public events/concerts (60%), food stalls (57%) and market stalls (53%).
- Cycling featured prominently: 67% felt an enhanced cycle network would make Worksop town centre more attractive, whilst 73% supported the provision of more and/or improvements to walking and cycling paths along the Chesterfield Canal, whilst 64% supported better provision next to Sandhill Lake.
- An overwhelming 98% supported flood management of the River Ryton, with 76% identifying river restoration as their preferred method of flood management, whilst 69% recognised that flood defences should play their part. A further 88% supported the

regeneration of Chesterfield Canal. Comments made suggested that improvements to the river and canal would make Worksop a more attractive place to live.

- Respondents supported more green space in the town centre. The split was relatively even between more space for nature (55%) and more space for leisure (54%), whilst more play space attracted 36% of responses.
- 66% stated that they did not feel that Worksop train station links well with the town centre, with the majority – 84% - stating they were unlikely to use the town centre facilities as part of their journey.

# **Bassetlaw District Council Worksop Town Centre Masterplan 2021: Equality Impact Assessment**

### **1. Author, Service area, Date**

Ellie Dennis (Growth and Enterprise Officer, Project Delivery), February 2021

### **2. Who else has been involved in writing this EIA?**

Karen Johnson (Planning Policy Manager)

### **3. What proposal is this EIA assessing?**

The EIA is assessing Bassetlaw District Council's Worksop Town Centre Masterplan. The Masterplan details Bassetlaw District Council's regeneration visions and aspirations for the Worksop Town Centre over the next couple of decades. Bassetlaw District Council is committed to promoting a community and organisational culture that fully respects and values everyone's differences and needs. Equality and diversity is integral to our core business, our staff and our service users. In working towards our commitment to equality we will:

- Work towards providing services which meet the needs of all sections of our communities.
- Ensure that respect and dignity is valued as a core principle for all.
- Promote equality and fair treatment and equal access to our services and services commissioned by us.
- Offer a range of translation and interpretation services for those whose first language is not English and also provide information in other formats such as Braille and audio.
- Actively seek the views of our customers and take account of their comments and complaints and allow a reasonable timescale for consultations.
- Consult a range of communities and avoid selecting single minority ethnic organisations or individuals.
- Assess and monitor the impact of new and existing policies and plans on equality groups.
- Provide straight forward information about our service.
- Strive for a workforce that reflects the diversity of the population of Bassetlaw.

#### **4. What is the purpose of your proposal and what is it expected to achieve?**

The purpose of the Equality Impact Assessment (EIA) is to assess the potential impact of the visions in the Worksop Town Centre Masterplan on different groups within Bassetlaw. An assessment of the Masterplan visions has been undertaken in relation to:

- Age: older age groups
- Age: younger age groups / children
- Disability
- Gender
- Gender reassignment
- Marriage and civil partnership status
- Pregnancy and maternity
- Race
- Religion or belief
- Sexual orientation
- Human rights
- Socio Economic (including poverty)

#### **The following questions were used to undertake the EIA:**

- Does the policy/decision target or exclude a specific equality group or community?
- Does it affect some equality groups or communities differently and can this be justified?
- Is the policy or service likely to be equally accessed by all equality groups and communities? If not can this be justified?
- Are there any barriers that might make access difficult or stop different groups or communities accessing the policy or service?
- Could the policy promote equality and good relations between different groups? How?

This masterplan has been commissioned by Bassetlaw District Council (BDC) to provide a regeneration and growth strategy for Worksop town centre over the next 20 years. This overarching framework will build on a range of existing regeneration projects and inform future regeneration activities, development priorities, as well as supporting funding bids and investment decisions made by the Council and its partners. Key concepts within the Worksop Town Centre Masterplan are as follows:

## **Smart and Sustainable Economic Growth**

A mix of Town Centre uses, and a rebalancing of these to facilitate growth in key growth sectors, as well as support independent for local business growth, and significant increases in urban living will meet the challenges of the future and secure a vibrant, sustainable future for Worksop. With an emphasis on skills and quality job creation Worksop Town Centre will become the engine room of the local and sub-regional economic picture and an aspirational place to live, learn, work and play.

New technology will both facilitate and be the driver of change and the Masterplan seeks to establish the necessary infrastructure to support innovation, skills development, design for manufacture and the knowledge economy. Building on key anchors at the Creative Village, and new opportunities at the WASH and Middletons, start-ups, incubation and business clusters in an around the Town Centre will emerge. The holistic vision is to re-purpose the whole District as a vibrant, productive and inclusive environment where people can thrive and prosper.

## **Reviving a Sense of Community**

The future of Worksop Town Centre will lie in meeting the everyday needs of the town centre community and those that live in the surrounding area, whilst attracting and retaining visitors for unique and memorable experiences. Existing and new green spaces will attract and retain footfall in the Town Centre creating an environment for people to enjoy the leisure, retail, market and food and drink options available. The proposed new housing in the Town Centre, alongside improvements to the existing stock, will attract new residents with spending power, supporting retail, leisure, services and hospitality.

As a compact town, Worksop is accessible for pedestrians and cyclists from the Town Centre, to the suburbs and beyond. Taking advantage of improved transport connections for cycling and public transport, everyday facilities, jobs and leisure will be easily accessible encouraging more people to live and work in Worksop and greater use of a mixed and vibrant Town Centre with activity throughout the day and evening which allows local people and businesses to thrive.

The Masterplan proposes a series of inclusive spaces that will meet the needs of all, whether they are local residents or visitors from further afield. A new cultural offer will underpin a drive towards developing an

active civil society that will assist in the curation of a place for everyone to enjoy.

This concept is further validated by the recently published Build Back Better Covid-19 Supplement for town centres (2020) , which identifies the re-focussing of town centres around public spaces, local identity and sustainable transport as the future. These are reflected in the Project Clusters described below.

### **Life on the Waterfront**

The presence of water is both an asset and a threat to the Town Centre. As part of the Masterplan, improved flood resilient measures and waterside habitats will enhance the image of the town. Flood defence development; making room for water; river restoration; green walls, roofs and public spaces all form part of the Masterplan Concept of Life on the Waterfront. Opportunities exist to create upstream storage to improve the flow of the River Ryton to reduce flood risk, alongside measures to remove downstream obstructions and constraints.

New developments will be sustainable, meeting at least the Future Homes Standard and the retrofitting of existing buildings will further mitigate climate change. Whilst localised flood risk will be managed through climate change adaptation measures, the Masterplan seeks to reduce the overall carbon footprint of Worksop Town Centre through promoting sustainable transport, improvements to existing buildings and the establishment of a heat network focussed on the river valley, creating an exemplar.

With the retrofitting of currently unsympathetic buildings, the green heart of Worksop will grow, enjoying a theme of nature, heritage and vibrant public spaces, allowing both the daytime and evening economy to grow.

This high-level concept is being developed in partnership with the Environment Agency to develop a flood alleviation scheme featuring nature-based solutions alongside significant engineering works to ensure that flood and water management becomes an opportunity rather than a threat to the Town Centre. This is explored further under Waterfront Leisure and the Blue Green Ribbon.

### **Active Travel Choices and Sustainable Transport**

Encouraging walking and cycling will re-establish the Town Centre as a safe and healthy destination. Through a combination of cycle lanes,

customer focussed public transport and traffic management, routes through the Town Centre will connect the suburbs, railway station, bus station, retail and leisure outlets for visitors and residents. With onward routes to Clumber Park, the Town Centre will form part of the visitor economy whilst also serving everyday needs. Improved cycling infrastructure will provide healthier travel choices for work and leisure trips.

Two major axes have been identified that form the basis for thinking about walking and cycling and public transport in the Town Centre. One route connects Worksop Town Centre with the suburbs to the north, the railway station the National Cycle Network and onwards to Clumber Park from north to south. A second route connects the Castle site to the west with the Priory and The Canch to the east creating a corridor across the Town Centre. Cycle, electric and alternative fuel vehicle charging hubs will allow bikes/vehicles to be parked safely at key locations. This will complement opportunities along the Chesterfield Canal and River Ryton, both are green walking and cycling corridors, connecting Worksop to neighbouring communities and the countryside around.

### **Reconnecting People and History**

Worksop has a rich and multi-layered history. The Masterplan will seek to reveal the sometimes-hidden heritage of the Town Centre. Public spaces, quality street furniture and distinctive landscaping will improve the setting of the historic buildings, for example on

Bridge Street while the extension of the historic Market Square in the south of the Town Centre will enhance the setting for the range historic buildings around its edge that have statutory protection and that are in need of sustainable uses and investment.

The Masterplan will seek to make better use of the Castle as a historic location whilst also celebrating Worksop's industrial and market town heritage. Improved access across the Town Centre will link the older buildings with great public spaces to create a pleasant place to live and visit. A heritage trail will encourage exploration, particularly of little-known aspects of the town centre providing opportunities for independent businesses to establish along its route.

The River Ryton and Chesterfield Canal, in addition to being important green infrastructure assets, have a historic significance relating to the earliest origins of Worksop and the town's later growth and prosperity.



These assets are celebrated and revealed through the Masterplan and will become key anchors for regeneration and economic growth.

This Key Concept is closely related to the culture offer of the Town Centre with a synergy between the historic places and spaces, key assets and buildings and the role of the arts in attracting and retaining visitors to the Town Centre. Whilst this element remains intangible, the resonance of this needs to be captured to bring life to the places and spaces within the Town Centre.

### **5. Is there any relevance to the aims of the public sector equality duty?**

There are three aims of the Equality Act, these are:

- **Eliminate Unlawful discrimination**, harassment, victimisation, and any other conduct prohibited by the act.
- **Advance Equality of Opportunity**, between people who share protected characteristics and those who don't.
- **Foster Good Relations**, between people who share a protected characteristic and people who do not share it.

How the implementation of the Worksop Town Centre Masterplan will relate to these is outlined in brief below.

Aim	Yes, No or N/A	Details if 'Yes'
Eliminate Unlawful discrimination, harassment, victimisation, and any other conduct prohibited by the act.	<b>Yes</b>	The Masterplan aims to ensure the sustainable development of Worksop town centre for the next 20 years. The promotion of balanced and inclusive communities that benefit all is integral to achieving this. The visions set out within the Masterplan guide development and promote opportunities, for example they include visions for the upskilling of residents to meet need, providing more space for start-up businesses and independent business growth to boost and support the economy as well as protecting and enhancing the natural and built

Aim	Yes, No or N/A	Details if 'Yes'
		environment through the support of green energy.
Advance Equality of Opportunity, between people who share protected characteristics and those who don't.	<b>Yes</b>	The Masterplan aims to promote balanced, inclusive and sustainable communities that benefit all. Many of the visions within the Plan will benefit the wider community in Bassetlaw and not specifically those with protected characteristics.
Foster Good Relations, between people who share a protected characteristic and people who do not share it.	<b>Yes</b>	The Masterplan and the visions it sets out are inclusive and aim to foster good relations with all sections of the community; this includes those within the protected characteristics classifications.

# Analysis of Key Concepts – Equality and Poverty Impact Assessment of Workshop Town Centre Masterplan’s Key Concepts

Workshop Masterplan	Equalities Groups- Is the effect Neutral, Positive or Negative?									Socio Economic Impact (including poverty)	Explanation and Evidence	
	Age	Disability	Gender Re-assignment	Race	Religion	Sexual Orientation	Marriage & Civil Partnership	Pregnancy & Maternity	Human rights			
<b>Key concepts</b>												
Smart and Sustainable Economic Growth	Positive	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Positive	This concept emphasises the need for strategic development to increase skills set within the community and quality job creation within the town centre. The vision is written positively and there is no negative discrimination of any of the protected characteristics. It is expected that the overall strategy will improve the socio-economic standing of all Bassetlaw residents. This concept is expected to have a positive outcome on lower age groups, particularly those at school age by increasing the offer of higher-education training, and those of working age by increasing the job offer in the town centre.
Reviving a Sense of Community	Positive	Positive	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Positive	Reviving a sense of community seeks to attract Bassetlaw residents to the town centre by enhancing existing offers in the

Workshop Masterplan	Equalities Groups- Is the effect Neutral, Positive or Negative?									Socio Economic Impact (including poverty)	Explanation and Evidence
	Age	Disability	Gender Re-assignment	Race	Religion	Sexual Orientation	Marriage & Civil Partnership	Pregnancy & Maternity	Human rights		
											town centre such as the green spaces and enhanced cultural offer. It sets out a vision for inclusive spaces/places that will meet the needs for all by creating spaces for unique and memorable experiences. This key concept is written positively and there is no negative discrimination of any of the protected characteristics. It is expected to deliver a positive impact on the socio economic consideration by reviving a sense of community for residents both in the town centre and further afield. This key concept also has the potential to benefit age and disability characteristics through promoting quality and intergenerational living and accessibility to facilities in a safe, inclusive and accessible environment
Life on the Waterfront	Positive	Positive	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Positive	Key concepts in Life on the Waterfront is for developing and improving the offer of the Canal. The policy is written positively and there is no

Workshop Masterplan	Equalities Groups- Is the effect Neutral, Positive or Negative?									Socio Economic Impact (including poverty)	Explanation and Evidence
	Age	Disability	Gender Re-assignment	Race	Religion	Sexual Orientation	Marriage & Civil Partnership	Pregnancy & Maternity	Human rights		
											negative discrimination of any of the protected characteristics. It is expected to deliver a positive impact on the socio economic consideration as it will help to deliver Bassetlaw's green-agenda by reducing the flood risk and encouraging new homes to be built on the waterfront that are sustainable and mitigate climate change. Improved access to the waterfront could help improve access for all ages and abilities. This will provide the ideal location to live, work and play.
Active Travel Choices and Sustainable Transport	Positive	Positive	Neutral	Neutral	Neutral	Neutral	Neutral	Positive	Neutral	Positive	This concepts focuses on increasing and encouraging active lifestyles and connecting the town centre to assets just outside the town such as Clumber Park. The key concept sets out to re-establish the town centre as a safe and healthy destination for all by offering cycle routes, electric and alternative fuel vehicle charging hubs, alongside a more integrated bus route

Workshop Masterplan	Equalities Groups- Is the effect Neutral, Positive or Negative?									Socio Economic Impact (including poverty)	Explanation and Evidence
	Age	Disability	Gender Re-assignment	Race	Religion	Sexual Orientation	Marriage & Civil Partnership	Pregnancy & Maternity	Human rights		
											around the town centre. The concept is written positively and there is no negative discrimination of any of the protected characteristics, and will impact positively on the socio-economic society by being accessible to all. Given the potential health care needs of the pregnancy and maternity group, this key concept will positively impact them by increasing transport links throughout the town centre including better connection to health care facilities.
Reconnecting People and History	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	This concept aims to enhance the community assets, such as the Castle on Bridge Street, and use the history of the town centre as a way of connecting the community. The concept is written positively and there is no positive or negative discrimination of any of the protected characteristics. As the concept aims to reconnect people to their history it will be accessible to all.
Project Clusters											

Workshop Masterplan	Equalities Groups- Is the effect Neutral, Positive or Negative?									Socio Economic Impact (including poverty)	Explanation and Evidence
	Age	Disability	Gender Re-assignment	Race	Religion	Sexual Orientation	Marriage & Civil Partnership	Pregnancy & Maternity	Human rights		
The Innovation District	Positive	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Positive	Innovation Districts are becoming a common feature of many towns and cities across the UK. The clustering of businesses, research, training and supporting facilities recognises the importance of collaboration and the cross-fertilisation of ideas. This cluster is written positively and there is no negative discrimination of any of the protected characteristics. It is expected that the overall strategy will improve the socio-economic standing of all Bassetlaw residents, with specific projects supporting training for younger people.
Waterfront Leisure & Blue Green Ribbon	Positive	Positive	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Positive	This cluster explores making the river the heart of the town centre in a safe, and sustainable way by including flood storage upstream and removing obstructions downstream. This cluster is written positively with ample benefit to the town and its residents in terms of access to the river and canal and there is

Workshop Masterplan	Equalities Groups- Is the effect Neutral, Positive or Negative?									Socio Economic Impact (including poverty)	Explanation and Evidence
	Age	Disability	Gender Re-assignment	Race	Religion	Sexual Orientation	Marriage & Civil Partnership	Pregnancy & Maternity	Human rights		
											no negative discrimination of any of the protected characteristics.
Improving existing Housing	Positive	Positive	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Positive	This cluster emphasises the need to improve existing housing offer within the town centre to make it more of an attractive place to live. This cluster has the potential to impact positively on the following protected characteristics; age, disability, and have a positive socio-economic impact. This is by working with the community to identify needs and provide a variety of specialised housing such as provision for the older population, alongside the younger population, families and single households. Improving the housing offer will increase opportunities for living for all socio-economic backgrounds whilst ensuring housing provided is sustainable, energy-efficient and excellent quality.
Town Centre Living	Positive	Positive	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral		The Town Centre Living cluster has the following benefits;



Workshop Masterplan	Equalities Groups- Is the effect Neutral, Positive or Negative?									Socio Economic Impact (including poverty)	Explanation and Evidence
	Age	Disability	Gender Re-assignment	Race	Religion	Sexual Orientation	Marriage & Civil Partnership	Pregnancy & Maternity	Human rights		
											improved image of town centre living, compact and sustainable patterns of growth, support for town centre businesses, re-use of redundant buildings and upper floors. This cluster has the potential to impact positively on the following protected characteristics; age, disability, and have a positive socio-economic impact. This is by working with the community to identify needs and provide a variety of specialised housing such as provision for the older population, alongside the younger population, families and single households. Improving the housing offer will increase opportunities for living for all socio-economic backgrounds whilst ensuring housing provided is sustainable, energy-efficient and excellent quality.
Historic Bridge Street and Cultural Heritage	Positive	Positive	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Positive	This cluster focuses on the heritage in the town centre and integrating culture in regeneration to benefit Bridge Street. Accessibility

Workshop Masterplan	Equalities Groups- Is the effect Neutral, Positive or Negative?									Socio Economic Impact (including poverty)	Explanation and Evidence
	Age	Disability	Gender Re-assignment	Race	Religion	Sexual Orientation	Marriage & Civil Partnership	Pregnancy & Maternity	Human rights		
											improvements for traffic, buses, pedestrians and cyclists will be beneficial for those of all ages and abilities.
Healthy Places and Spaces	Positive	Positive	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Positive	This cluster focuses on improvement of outdoor space for people to enjoy, and attract visitors to the town centre, whilst also improving the connectivity of the town centre to health services. The cluster forms part of the green agenda too by encouraging healthier travel and easier access to this part of the town such as cycling routes and dedicated walking paths and easily accessible bus service for all ages and abilities.
Station Gateway	Positive	Positive	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Neutral	Positive	This cluster seeks to improve links between the town centre and its train station. Making the train station not only a destination for people to catch the train but somewhere to spend their time at by improving its frontage and increasing its leisure offer. This will make an improved point of arrival for any visitor to the

Workshop Masterplan	Equalities Groups- Is the effect Neutral, Positive or Negative?									Socio Economic Impact (including poverty)	Explanation and Evidence
	Age	Disability	Gender Re-assignment	Race	Religion	Sexual Orientation	Marriage & Civil Partnership	Pregnancy & Maternity	Human rights		
											<p>town centre. Accessibility improvements for traffic, buses, pedestrians and cyclists will be beneficial for those of all ages and abilities. This cluster has the potential to impact positively on the following protected characteristics; age, disability, and have a positive socio-economic impact. This is by working with the community to identify needs and provide a variety of specialised housing such as provision for the older population, alongside the younger population, families and single households. Improving the housing offer will increase opportunities for living for all socio-economic backgrounds whilst ensuring housing provided is sustainable, energy-efficient and excellent quality.</p>

# Objectives of the Worksop Masterplan

Objective number	Objective description
1	To provide strong leadership within Worksop Town Centres' regeneration aspirations. To advance the Masterplan's ambitious agenda will require the Council to be more interventionalist, taking on the role of the developer (in part), to assemble land, secure funding and streamline development, build on strong partnership arrangements through local structures such as the East Midlands Chamber of Commerce, the North Notts BID and regional structures such as the Local Enterprise Partnership (LEP).
2	To communicate with and involve partners, stakeholders and businesses in the regeneration process. Strong coordinated partnership working will enable the Council and its partners to ensure that their funds and programmes which impact on the Town Centre are properly managed and coordinated to deliver best value, lever in investment and be used as match funding in future.
3	Understanding the needs of residents and local markets to shape places by continuous consultations with the public, and businesses and reflect the outcomes of these in our work.
4	Ensuring a positive planning environment as many proposals will rely on individual investment decisions by private developers, investors and other businesses. In this context the role of the Masterplan is to create the conditions and the planning framework to encourage these private interests to develop and invest in the Town Centre. The Council and its partners will actively engage with these private interests in order to promote the implementation of the Plan.
5	Using public sector assets more responsively to meet the needs of communities and businesses. This coordinated masterplan will ensure that Council-owned assets will be developed and managed with the bigger picture in mind with potential future acquisitions that can be guided by this framework. The masterplan also provides a clearly articulated framework within which business and community partners can develop their

Objective number	Objective description
	projects and initiatives to benefit and strengthen the regeneration process and the outcomes for Worksop. As such, the masterplan identifies a series of Project Clusters to focus priorities for investment and catalyse change, providing certainty and helping to realise public goods.
6	Being ambitious to help deliver an even stronger future for the District and sub-region. This masterplan sets out ambitious concepts that are supported through research and case-studies that will drive the town centre forward, attracting more people to live, play, study and work in the town centre boosting its economy.

# Analysis by characteristic

## *Summary*

The Worksop Town Centre Masterplan sets out a comprehensive framework that will help to deliver positive change, and a range of projects and improvements to transform Worksop town centre over the next 20 years, enabling its role and function to adjust to changing market conditions, structural change and user expectations. The Masterplan is intended to positively impact all residents, employees and visitors of Bassetlaw, regardless of gender, faith, race, disability, sexuality, age, rural isolation and social deprivation. It will promote improved equal access to opportunities throughout the District.

Crucially, the town centre ambition needs to be positioned within the wider ambition for Worksop and have a positive socio-economic impact on the District as a whole. Action should be taken now to embed the project clusters into the wider development strategy for Worksop. It is important that the links between edge of town growth proposed through the emerging Local Plan and town centre regeneration are clear and contribute towards the same ambition to reinvigorate Worksop to support successful communities and businesses in the future.

Many of the key concepts within the Masterplan will benefit the wider community across the Bassetlaw District and not specifically those with protected characteristics. However, some policies will have the potential for some direct or indirect impact on different groups. Each concept has been assessed for their potential positive, negative or neutral impact on potentially vulnerable equalities groups as well as the potential to impact on Socio-economic impacts (including poverty).

## *Age*

The age-protected characteristic includes the consideration of all ages in society, the assessment of which recognises that vulnerability can change across age groups and the impact of a policy will not necessarily be uniform across all ages. The assessment identified that the impact of the Masterplan concepts were generally positive for all with some having a particularly positive impacts on this group. The Masterplan aims to provide sustainable development addressing the needs of current and wider population; this includes provision and access to healthcare, education and training, jobs, appropriate accommodation and leisure facilities for all. The key concepts within the Masterplan are written positively to ensure that needs are appropriately assessed and addressed through individual development proposals. For example, the Smart and Sustainable Economic Growth key concept establishes the necessary infrastructure to support innovation, skills development, design for manufacture and the knowledge economy. Building on key anchors at the Creative Village, and new opportunities at the WASH and Middletons, start-ups, incubation and business clusters in an around the Town Centre will

emerge. The holistic vision is to re-purpose the whole District as a vibrant, productive and inclusive environment where people can thrive and prosper which will have a significantly positive impact on younger generations such as those of school age, and older generations such as those of working age.

### *Disability*

The key concepts within the Masterplan were identified as being generally positive for all within society. The concepts are written positively, with improved accessibility having a positive impact on this group. The concepts within the Masterplan will be delivered to ensure there will be no detriment to those with this protected characteristic all projects will be accessible and adhere to disability policies.

### *Gender reassignment*

The key concepts within the Masterplan are regarded as being generally positive for all and as having no impact on this group. The promotion of equal opportunities is integral to the integrity of the plan to support sustainable development. The Masterplan is inclusive of all members of the community and does not discriminate against any gender reassignment.

### *Race*

The policies within the Masterplan are regarded as being generally positive for all. The promotion of equal opportunities is integral to the integrity of the plan to support sustainable development. The Masterplan is inclusive of all members of the community and does not discriminate against any race.

### *Religion*

The policies within the Masterplan are regarded as being generally positive for all and as having no differential impact on this group. The promotion of equal opportunities is integral to the integrity of the plan to support sustainable development. The Masterplan is inclusive of all members of the community and does not discriminate against any religion.

### *Gender*

The policies within the Masterplan are regarded as being generally positive for all and as having no differential impact on this group. The promotion of equal opportunities is integral to the integrity of the plan to support sustainable development. The Masterplan is inclusive of all members of the community and does not discriminate against gender.

### *Sexual orientation*

The policies within the Masterplan are regarded as being generally positive for all and as having no differential impact on this group. The promotion of equal opportunities is integral to the integrity of the plan to support sustainable development. The Masterplan is inclusive of all members of the community and does not discriminate against sexual orientation.

### *Marriage and civil partnership status*

The policies within the Masterplan are regarded as being generally positive for all and as having no differential impact this group. The promotion of equal opportunities is integral to the integrity of the plan to support sustainable development. The Masterplan is inclusive of all members of the community and does not discriminate against any relationship status.

### *Pregnancy and maternity*

The policies within the Worksop Masterplan are regarded as being generally positive for all. The promotion of equal opportunities is integral to the integrity of the plan to support sustainable development. The Masterplan is inclusive of all members of the community and does not discriminate against pregnancy or maternity. Given the potential health care and community infrastructure needs of this protected characteristic group, some of the key concepts will impact positively such as new transport links and upgrade of the existing health facility.

### *Socio Economic Impact (including poverty)*

The assessment of the impact of the key concepts in the Masterplan on socio-economic impact (including poverty) supports that the plan is written in a positive manner with the aim of benefitting all of those in society. A strong local economy is vital to maintaining and enhancing the overall prosperity and well-being of the District and its communities. In recent decades, the District's economy has begun a transformation: employment in traditional industries - such as coal fired power generation has declined significantly – resulting in the District beginning to experience a step-change in economic growth. The Masterplan is committed to supporting sustainable economic growth in order to diversify the economy, upskill residents, attract inward investment and help existing businesses thrive.

Within the masterplan Improving Existing Housing project cluster ensures that the development of housing provision in the town centre will provide for the needs of all. All housing within the town centre will aim to provide access to housing for all socioeconomic backgrounds and encourages a mix of housing provision on sites. The Masterplan is placing a high importance on the promotion of the 'green agenda' which will underpin housing provision in the town centre through ensuring access to open space, innovative and green quality homes. Active Travel Choices concept alongside Life on the Waterfront promotes the necessary green infrastructure, open space and community facilities to enable and encourage healthy lifestyles within the town centre for residents and visitors alike.



# Consultation and Mitigation

*Has there been consultation / is consultation planned with people who will be affected by this Policy? How has this affected your decision making?*

Public consultation on the concepts for the Worksop Masterplan began on 17th November 2020 and ran for an 8 week period. Due to the Coronavirus pandemic the public consultation was online through social media advertisement, website pages and an online questionnaire for people to complete. Where possible, hard copies were placed at various sites in the town centre such as shops and cafes, for individuals that had issues accessing the online resources it was encouraged for them to contact the Growth and Enterprise Team for a hard copy sent out in the post. Alongside public consultations Bassetlaw District Council consulted with businesses, property and landowners on their aspirations for the town. These were in the form of online meetings, advertised through social media, local magazine Worksop Life, the business newsletter and on the Bassetlaw District Council website.

The consultation provided engagement opportunities through newspaper articles, multiple platform social media posts and accessible locations where the publication could be viewed. This provided Bassetlaw residents, employees, visitors and key stakeholders/partner organisations with an opportunity to find out about the Worksop Masterplan. This was done to give equal opportunity to all residents, employees, visitors and other key stakeholders to comment on the proposed Masterplan concepts and encourage participation.

As part of the consultation process landowners were invited to submit sites for consideration for development and possible allocation as part of the planning process within the Worksop Town Centre Development Plan Document (DPD).

In total, 122 feedback responses were received, 121 via the online form and 1 hard copies. Meetings were held with key stakeholders and businesses. Letters were sent to estate agents within the town centre which included hard copies of the masterplan.

***As a result of your decision how can you mitigate negative / maximise positive outcomes and foster good relationships?***

The development of the concepts have included equality and sustainability assessments which have been undertaken, these have thoroughly assessed each of the key concepts within the emerging Masterplan. The EIA does not identify any negative impacts on any of the protected characteristics as a result of the implementation of the emerging policies.

<b>Describe how you will address and monitor the impact</b>	
<b>1. No Impact - No Major Change</b>	The assessment outcome demonstrates no negative impact on any protected characteristics has been identified. As a result no changes have been identified for the Masterplan.
<b>2. Adjust / Change Policy</b>	Not applicable
<b>3. Adverse Impact but continue as is</b>	Not applicable
<b>4. Stop / Remove Policy / Proposal</b>	Not applicable

**BASSETLAW DISTRICT COUNCIL**

**COUNCIL**

**4 March 2021**

**REPORT OF THE ASSISTANT CHIEF EXECUTIVE - HOUSING,  
REGENERATION & NEIGHBOURHOODS**

**NEIGHBOURHOOD PLANNING: MINOR MATERIAL MODIFICATIONS TO THE  
SUTTON CUM LOUND NEIGHBOURHOOD PLAN**

Cabinet Member: Regeneration  
Contact: Will Wilson

**1. Public Interest Test**

1.1 The author of this report, Will Wilson, has determined that the report is not confidential.

**2. Purpose of the Report**

2.1 This report seeks Full Council approval to make specified minor material modifications to the Sutton cum Lound Neighbourhood Development Plan (Neighbourhood Plan), in accordance with the recently-published Examination Report.

2.2 On 7 October 2020, a reviewed version of the Sutton cum Lound Neighbourhood Plan, originally 'made' following public referendum in February 2018, was submitted to the District Council by Sutton cum Lound Parish Council. Following a seven-week consultation period, the Neighbourhood Plan proceeded to independent examination. The Examination Report was received by the District Council on 18 January 2021, recommending that the reviewed Neighbourhood Plan be 'made', subject to a number of specified modifications.

2.3 In the interests of clarity, a minor material amendment to a previously 'made' neighbourhood plan must be subject to independent examination but does not require a public referendum in order for it to be 'made'.

2.4 The Council must now decide what action to take in response to each of the recommendations made in the Examination Report and, subject to approval, to make arrangements for the Neighbourhood Plan to be amended and published accordingly.

**3. Background**

3.1 Neighbourhood planning gives communities direct power to develop a shared vision for their neighbourhood and shape the development and growth of their local area. It provides a powerful set of tools for local people to ensure that they get the right types of development for their community where the ambition of the neighbourhood area is aligned with the strategic planning needs and priorities of the District.

- 3.2 The District Council, as Local Planning Authority, has a statutory duty to provide advice or support to a parish council, neighbourhood forum, or community organisation that is producing, or has previously produced, a neighbourhood plan.
- 3.3 Once ‘made’, neighbourhood plans can be reviewed as required in order to correct errors, or to respond to changes in their geographical or legislative context. The District Council has a responsibility to facilitate and administer this process, working with parish councils in order to determine the extent of the changes required and how these should be enacted.
- 3.4 National Planning Policy Guidance<sup>1</sup> clarifies that there are three types of amendment that can be undertaken in respect to a ‘made’ neighbourhood plan, each with its own procedure for enactment, as follows:

<b>Typology</b>	<b>Definition</b>	<b>Implications for BDC</b>
Non-material amendment	Correcting a minor error that will not materially change the way that a ‘made’ neighbourhood plan functions.	<ul style="list-style-type: none"> <li>• BDC can make changes to the plan, with the approval of both the qualifying body (e.g. parish council) and BDC Full Council.</li> <li>• Not eligible for grant claim.</li> </ul>
Minor material amendment	Making small-scale changes that will have a material impact on the way that a ‘made’ neighbourhood plan functions.	<ul style="list-style-type: none"> <li>• As above, but the proposed modifications should be subject to statutory consultation (Reg 14 and Reg 16), and independent examination, before seeking approval from BDC Full Council.</li> <li>• Subject to clarification by an independent examiner, a referendum is not required in order to ‘make’ the plan.</li> <li>• Eligible for £10,000 grant claim following approval by BDC Full Council.</li> </ul>
Significant material amendment	Making more substantial changes that will materially alter the way that a ‘made’ neighbourhood plan functions.	<ul style="list-style-type: none"> <li>• As above, but a public referendum will be required subsequent to BDC Full Council approval.</li> <li>• Eligible for £20,000 grant claim following approval by BDC Full Council.</li> </ul>

- 3.5 As per the above, in the first instance it is for the District Council to determine the impact of the modifications requested and what action to take.

<sup>1</sup> <https://www.gov.uk/guidance/neighbourhood-planning--2#updating-neighbourhood-plan>

#### **4. Supporting Evidence**

- 4.1. Having been 'made' at referendum on 15 February 2018, the Sutton cum Lound Neighbourhood Plan currently forms part of the Development Plan for Bassetlaw. Decisions on planning applications in Sutton cum Lound Parish are made using both the Core Strategy DPD, the Sutton cum Lound Neighbourhood Plan, the National Planning Policy Framework, and any other material considerations.
- 4.2. Sutton cum Lound Parish Council's decision to review the Neighbourhood Plan was focussed upon correcting an identified error in the wording of Policy 6 (Infill and Redevelopment in Sutton cum Lound Village).
- 4.3. During preparations for the public referendum on the original Neighbourhood Plan, held on 15 February 2018, the submission version of the Plan was edited by Bassetlaw District Council in order to reflect the recommendations of the Examination Report produced by Independent Examiner, Peter Biggers. In the process of amending Policy 6, criterion d, concerning the scale of infill development, was inadvertently deleted, deviating from the recommendations of the Independent Examiner. This version of the Neighbourhood Plan, minus criterion d, was the subject of the public referendum, and is thus the Plan currently in force in the Sutton cum Lound Neighbourhood Area. The work to review the Neighbourhood Plan sought to correct the above error, inserting criterion d into Policy 6, as was the original intention.
- 4.4. The option of undertaking a more comprehensive review of the Neighbourhood Plan was considered as part of initial scoping discussions, but the Parish Council opted to defer this until a later date, and to focus solely on correcting the error in the immediate term.
- 4.5. The District Council's Neighbourhood Planning Team made an initial assessment of the scale of the proposed review, in accordance with the three typologies of neighbourhood plan reviews, as detailed at 3.4 above. It was concluded that the review would constitute a minor material change, given that it related to the wording of a policy and would, thus, impact on how the Plan would function in practice. Advice was also sought from Independent Examiner, Peter Biggers, and from the District Council's legal advisors, both concurring with the initial assessment. The Parish Council was advised accordingly of the process to follow to review the Plan.
- 4.6. The Parish Council and District Council worked together to progress the review of the Neighbourhood Plan in accordance with the regulations, including consultation on a pre-submission draft with statutory bodies and the local community.
- 4.7. The Parish Council submitted the reviewed Neighbourhood Plan to the District Council on 7 October 2020. The District Council publicised the proposal for a 6-week period (12 October to 23 November 2020), and invited representations from the public, interested parties, and consultation bodies. The District Council appointed Independent Examiner, Peter Biggers BSc (Hons), MRTPI, with the agreement of the Parish Council. Mr Biggers was selected primarily on the basis that he had undertaken the initial examination of the Neighbourhood Plan, which was considered advantageous given the nature of the amendment proposed. On 25 November 2020, following conclusion of the consultation, the submission Neighbourhood Plan, supporting documentation, and representations were duly sent to the Mr Biggers for consideration.
- 4.8. The Independent Examiner is required to determine, under paragraph 8(1) of Schedule 4B to the Town and Country Planning Act 1990, whether legislative requirements have been met. The Independent Examiner must also consider whether a neighbourhood plan meets "Basic Conditions". The Basic Conditions are:

- having regard to national policies and advice contained in guidance issued by the Secretary of State it is appropriate to make the neighbourhood plan;
  - the making of the neighbourhood plan contributes to the achievement of sustainable development;
  - the making of the neighbourhood plan is in general conformity with the strategic policies contained in the development plan for the area of the authority (or any part of that area);
  - the making of the neighbourhood plan does not breach, and is otherwise compatible with, EU obligations; and
  - prescribed conditions are met in relation to the plan and prescribed matters have been complied with in connection with the proposal for the neighbourhood plan. The following prescribed condition relates to neighbourhood plans:
    - Regulation 32 of the Neighbourhood Planning (General) Regulations 2012 (as amended by the Conservation of Habitats and Species and Planning (various Amendments) Regulations 2018) sets out a further Basic Condition in addition to those set out in the primary legislation: that the making of the neighbourhood development plan does not breach the requirements of Chapter 8 of Part 6 of the Conservation of Habitats and Species Regulations 2017.
- 4.9. The completed Examination Report was received by the District Council on 18 January 2021 (Appendix 1) and was shared with the Parish Council the same day and made available on the District Council's website the following day. The report supports the proposed amendment to Policy 6, but also recommends a series of additional minor modifications in the interests of legislative clarity. These include non-material updates to the supporting text, further minor changes to Policy 6, in addition to typographical corrections throughout the Plan. Subject to these modifications being enacted, the Examiner recommends that the Plan be 'made' by the District Council, with no referendum required.
- 4.10. The District Council must now decide what action to take in response to each of the Examiner's recommendations within five weeks (unless the Parish Council agree a different date). It has not been possible to meet this statutory time limit due, due to the schedule of Full Council meetings and lead-in times. Sutton cum Lound Parish Council has been kept informed of the situation, and agreed to extend the time limit by 10 days, extending the determination period to six and a half weeks in total, to allow the Examiner's recommendations to be considered by Full Council at this meeting.
- 4.11. The Examiner's proposed modifications are considered in a draft 'Decision Statement' (Appendix 2). The Draft Decision Statement concludes that all the recommended modifications set out in the Examination Report should be approved to ensure that the Neighbourhood Plan meets the Basic Conditions. This includes publication of the amended Plan as soon as possible subsequent to the Examination Report being approved, with no referendum required, owing to the scale of the changes proposed.

### **Next Steps**

- 4.12. Subject to approval by Full Council, the District Council's Neighbourhood Planning team will make the amendments as specified in the Examination Report and publish a new version of the Sutton cum Lound Neighbourhood Plan on the District Council's website. The revised Neighbourhood Plan will be considered 'made' at the point of approval by Full Council.

## 5. **Implications**

### a) For service users

A Council decision on this matter will give greater comfort to the Parish Council concerned that their endeavours have Member support.

### b) Strategic & Policy

The proposed changes will ensure that the policies and supporting material contained within the Sutton cum Lound Neighbourhood Plan are clear, legislatively-compliant and robust, and uphold their contribution to the three key themes detailed in the Council Plan 2019 - 2023:

- Investing in Place;
- Investing in Housing;
- Investing in Communities.

### c) Financial – Ref: 21/197

A material modification to a neighbourhood plan requires examination, with the decision as to whether a referendum is required being at the discretion of the appointed examiner. In the case of the Sutton cum Lound Neighbourhood Plan, the Examiner has deemed that a referendum is not required, as the proposed amendments are considered minor in scale. A government grant of £10,000 to cover the costs of the examination can be claimed, subject to the approval of the Examination Report by Full Council.

### d) Legal - Ref: 218/03/2021

The Independent Examiner has confirmed that the Sutton cum Lound Neighbourhood Plan (Review), once amended in accordance with the recommendations, is considered to meet the Basic Conditions set out in law following the Localism Act (see Paragraph 8(2) of Schedule 4B of the Town and Country Planning Act 1990). It also meets all the relevant legal and procedural requirements, and the Independent Examiner has confirmed that a public referendum is not required in order for the Plan to be 'made'. The Plan will duly be considered 'made' upon approval of the Examination Report by Full Council, subject to the recommended modifications being enacted.

### e) Human Resources:

There are no human resource implications arising from this report.

### f) Community Safety and Environmental:

There are no community safety, equalities or environmental implications arising from this report.

### g) Equalities - Ref: NP-SCL-0221

A completed Equality Impact Assessment Screening report is included as Appendix 3, identifying no negative implications arising from this item, and positive outcomes in respect to impact on socio-economic factors, the provision of legislative clarity, and

ensuring that the Plan reflects the will of the local community.

h) General Data Protection Regulation (GDPR):

There are no GDPR implications arising from this report.

i) Whether this is a key decision and, if so, the reference number:

This is not a key decision.

**6. Options, Risks and Reasons for Recommendations**

6.1 There are two principal options available to Council.

6.2 **Agree the Examiner's recommendations in full.** The reviewed Sutton cum Lound Neighbourhood Plan is duly considered 'made', and the recommendations are enacted, ensuring that the content is accurate, up-to-date, and compliant with the Basic Conditions, as determined by the Examiner.

6.3 **Disagree with the Examiner's recommendations and do not allow the Neighbourhood Plan to be amended.** In this case, the Council must notify prescribed people or groups and invite further representations. Any representations must be submitted within 6 weeks of the Council first inviting representations. The Council may refer the issue to a further independent examination. Consequently, the point at which the reviewed Neighbourhood Plan comes into force as part of the statutory development plan is delayed. Confidence in the neighbourhood plan process is likely to be eroded. Under this option, the Secretary of State has the power to intervene, if requested by the Parish Council.

**7. Recommendation**

7.1 It is recommended that the Council approves the Examiner's recommendations, as set out at 6.2 above, which include modifications to the Sutton cum Lound Neighbourhood Plan, as set out in the Examination Report at Appendix 1 and in the Draft Decision Statement at Appendix 2. The reviewed Neighbourhood Plan will be considered 'made' at the point of approval by Full Council.

7.2 It is also recommended that the District Council contact Sutton cum Lound Parish Council to inform them of the outcome of the decision and to thank them for their ongoing commitment to monitoring and updating their Neighbourhood Plan.

<b>For more information contact:</b>	<b>Will Wilson</b> Lead Neighbourhood Planner  01909 533 495 <a href="mailto:will.wilson@bassetlaw.gov.uk">will.wilson@bassetlaw.gov.uk</a>
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<p><b>Background papers available for inspection:</b></p>	<p>Electronic copies of the documents submitted to the District Council can be found at:</p> <p><a href="https://www.bassetlaw.gov.uk/planning-and-building/planning-services/neighbourhood-plans/all-neighbourhood-plans/sutton-cum-lound-neighbourhood-plan-made/">https://www.bassetlaw.gov.uk/planning-and-building/planning-services/neighbourhood-plans/all-neighbourhood-plans/sutton-cum-lound-neighbourhood-plan-made/</a></p>
<p><b>List of appendices:</b></p>	<p><b>Appendix 1: Examination Report</b>  <b>Appendix 2: Draft Decision Statement</b>  <b>Appendix 3: Equality Impact Assessment Screening</b></p>

**SUTTON CUM LOUND  
NEIGHBOURHOOD PLAN  
2016-2031**

**REVIEW SUBMISSION VERSION**

**A Report to Bassetlaw District Council of the Examination  
into the Sutton cum Lound Neighbourhood Plan Review**

by Independent Examiner, Peter Biggers BSc Hons MRTPI

*Argyle Planning Consultancy LTD*  
January 2021

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## Summary and Overall Recommendation

0.1 Following my examination of the Sutton cum Lound Neighbourhood Plan Review (SNPR), it is my view that the SNPR reflects the views of the community and sets out a clear vision and suite of policies and proposals for the Neighbourhood Area.

0.2 I am satisfied that although the Review does involve a material change to Policy 6, regarding infilling and redevelopment proposals, it does not amount to a change to the nature of the plan.

0.3 As the Parish Council has republished the whole plan to form the Review it is important that, as well as assessing the reviewed policy against the Basic Conditions, I consider all the policies afresh against the first Basic Condition as the National Planning Policy Framework (NPPF) has been reviewed since the neighbourhood plan was originally 'made'.

0.4 In examining the SNPR, in addition to some minor changes to Policy 6, there are a number of places where the supporting text to policies needs to be corrected to be consistent with the policies and to reflect current circumstances and to correct a number of typographical errors. These need to be made in order that the Review meets the requirement in national policy that plans must be clear and unambiguous. I am satisfied that these are all non-material corrections and can be made without the need for consultation.

0.5 Subject to the recommended modifications in the report being completed I am satisfied that:

- having regard to national policies and advice contained in guidance issued by the Secretary of State it is appropriate to 'make' the SNPR;
- the making of the SNPR contributes to the achievement of sustainable development;
- the making of the SNPR is in general conformity with the strategic policies contained in the development plan for the area of the authority.
- the making of the SNPR does not breach, and is otherwise compatible with, EU obligations.
- prescribed conditions are met in relation to the SNPR and prescribed matters have been complied with in connection with the proposal for the plan.

0.6 The SNPR also complies with the legal requirements set out in Paragraph 8(1) of Schedule 4B to the Town and Country Planning Act 1990.

0.7 With the modifications in place the Sutton cum Lound Neighbourhood Plan Review will meet the Basic Conditions. As the changes in the review do not change the nature of the plan it is not a requirement that it be the subject of a referendum and it can proceed immediately to be 'made'.

**Peter Biggers**  
**18 January 2021**  
**Argyle Planning Consultancy Ltd**

## 1. Introduction

### 1.1 Background Context

1.1.1 This Report provides the findings of the Examination into the Sutton cum Lound Neighbourhood Plan Review (referred to as the SNPR throughout this report).

1.1.2 The SNPR was produced by Sutton cum Lound Parish Council (SPC) and in consultation with interested parties and local stakeholders.

1.1.3 The SNPR relates to the Sutton cum Lound Neighbourhood Area which has not changed since its original designation and equates to the administrative area of the Parish.

1.1.4 The Sutton-cum-Lound Neighbourhood Plan was ‘made’ following a public referendum on 15 February 2018. Subsequent to the Plan being ‘made’, SPC identified an error in Policy 6 and, in collaboration with Bassetlaw District Council, sought to have this rectified.

1.1.5 The proposed amendments to the Neighbourhood Plan set out in the SNPR therefore concerns the wording of Policy 6 (*Infill and Redevelopment in Sutton cum Lound Village*).

1.1.6 During preparations for the public referendum, held on 15 February 2018, the submission version of the Neighbourhood Plan was edited by Bassetlaw District Council in order to implement the modifications of the Examination Report on the original Neighbourhood Plan. In the process of amending Policy 6, criterion d), concerning the scale of infill development, was inadvertently deleted. This version of the Neighbourhood Plan, minus criterion d), was the subject of the public referendum, and is thus the Plan currently in force in the Sutton cum Lound Neighbourhood Area.

1.1.7 The SNPR the subject of this examination seeks to correct the above error, re-inserting criterion d) into Policy 6, as was the original intention.

### 1.2 Scope and Scale of the Review

1.2.1 Once ‘made’, neighbourhood plans can be reviewed as required. The National Planning Policy Guidance clarifies that there are three classes of review that can be undertaken in respect to a ‘made’ neighbourhood plan, each with its own procedure for enactment, as follows:

<u>Type</u>	<u>Scope</u>	<u>Procedure</u>
Non-material amendment	Correcting a minor error that will not materially change the way that a ‘made’ neighbourhood plan functions.	The changes can be made to the plan, subject to the approval of both the qualifying body (e.g. parish council) and BDC Full Council.

Minor material amendment	Making small-scale changes that may have a material impact on the way that a 'made' neighbourhood plan functions. The decision as to whether the changes alter the nature of the plan will be determined by the examiner.	As above, but the modified plan should be subject to public / statutory consultation (Reg 14 and Reg 16), and independent examination, before seeking BDC Full Council approval
Significant material amendment	Making more substantial changes that will materially alter the way that a 'made' neighbourhood plan functions and will alter the nature of the Plan.	As above, but a public referendum will be required subsequent to BDC Full Council approval

1.2.2 The Local Planning authority and the Qualifying Body must issue a statement to the examiner setting out the status of the review which I can confirm I have received.

1.2.3 The option of undertaking a more comprehensive review of the Plan was considered as part of initial scoping discussions, but SPC opted to defer this until a later date, and to focus on correcting the error.

1.2.4 The Council and Qualifying Body have concluded that, although the proposed modifications are minor in scale, and are, by definition, solely concerned with correcting an error, it is acknowledged that the insertion of criterion d) into Policy 6 will materially affect how the Policy functions. However, it is considered that the changes are minor in scale, and do not change the nature of the Plan as a whole. Both the Parish Council and District Council are accordingly of the view that the changes should be considered as a minor material amendment.

### 1.3 Appointment of the Independent Examiner

1.3.1 I was the original examiner for the SNP and was reappointed by Bassetlaw District Council, with the consent of SPC, to conduct the examination and provide this Report on the SNPR. I remain independent of the qualifying body and the Local Authority. I do not have any interest in any land that may be affected by the SNPR nor do I have any professional commissions in the area currently and I possess appropriate qualifications and experience. I have planning and development experience, gained over 39 years across the public and private planning sectors and am a Member of the Royal Town Planning Institute.

### 1.4 Role of the Independent Examiner

1.4.1 It is the role of the Independent Examiner to issue a statement on the status of the Review and in particular whether the amendment would change the nature of the Plan thereby confirming the procedure to be followed to 'make' the reviewed neighbourhood plan. I make this statement in section 4 below.

1.4.2 The examination must, as with the original plan consider whether a neighbourhood plan review meets the “Basic Conditions.” The Basic Conditions are set out in paragraph 8(2) of Schedule 4B to the Town and Country Planning Act 1990 (TCPA) as applied to neighbourhood plans by section 38A of the Planning and Compulsory Purchase Act 2004 (PCPA). They are that \* :

- a) Having regard to national policies and advice contained in guidance issued by the Secretary of State it is appropriate to make the neighbourhood plan;
- d) The making of the neighbourhood plan contributes to the achievement of sustainable development;
- e) The making of the neighbourhood plan is in general conformity with the strategic policies contained in the development plan for the area of the authority.
- f) The making of the neighbourhood plan does not breach, and is otherwise compatible with, EU obligations.
- g) Prescribed conditions are met in relation to the neighbourhood plan and prescribed matters have been complied with in connection with the proposal for the plan.

1.4.3 Pursuant to Basic Condition g) above, Regulation 32 of the Neighbourhood Planning (General) Regulations 2012 (as amended by the *Conservation of Habitats and Species and Planning (Various Amendments) (England and Wales) Regulations 2018* effective from 28 December 2018) prescribes the following Basic Condition for the purpose of paragraph 8(2)(g) of Schedule 4B to the TCPA 1990:

*“The making of the neighbourhood development plan does not breach the requirements of Chapter 8 of Part 6 of the Conservation of Habitats and Species Regulations 2017”.*

Regulation 106 (1) of Chapter 8 states that : *“a qualifying body which submits a proposal for a neighbourhood development plan must provide such information as the competent authority may reasonably require for the purposes of the assessment under regulation 105 (that assessment is necessary where the neighbourhood plan is likely to have a significant effect on a European site or a European offshore marine site either alone or in combination with other plans or projects) or to enable it to determine whether that assessment is required”.*

1.4.4 In examining the Review of the Plan, I must also consider whether the legislative requirements continue to be met namely:

- The Neighbourhood Plan has been prepared and submitted for examination by a qualifying body as defined in Section 61F of the TCPA as applied to neighbourhood plans by section 38A of the PCPA.

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*\* NB Two other matters relating to the desirability of preserving or enhancing listed buildings and conservation areas are also included in the basic conditions but as these only concern neighbourhood development orders and not neighbourhood plans they are not included in this report*

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- The Neighbourhood Plan has been prepared for an area that has been designated under Section 61G of the TCPA as applied to neighbourhood plans by section 38A of the PCPA.
- The Neighbourhood Plan meets the requirements of Section 38B of the PCPA (the Plan must specify the period to which it has effect, must not include provisions relating to 'excluded development', and must not relate to more than one Neighbourhood Area) and
- The policies relate to the development and use of land for a designated Neighbourhood Area in line with the requirements of the PCPA Section 38A.

1.4.5 Having made the assessments I must make one of these recommendations:

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- a) that the Review of the Plan should proceed on the basis that it meets all legal requirements;
- b) that the Review of the Plan, once modified to meet all relevant legal requirements, should proceed;
- c) that the Review of the Plan should not proceed, on the basis that it does not meet the relevant legal requirements.

1.4.6 As with the original plan the role of the independent examiner is not expressly to comment on whether the review of the plan is sound or how the plan could be improved but rather to focus on the compliance with the Basic Conditions.

## **2. The Examination Process**

2.1 It is a general rule that neighbourhood plan examinations should be held without a public hearing ie by written representations only and on consideration of all the evidence before me, I am satisfied that there is no need for a hearing in respect of the SNPR and I confirm that *all* representations on the Neighbourhood Plan Review received at the Regulation 16 stage have been taken into account in undertaking this examination.

2.2 In view of the limited nature of the Review and the fact that it does not involve site specific matters coupled with my prior knowledge of the area from the original examination I have not undertaken a further site visit.

2.4 In undertaking this examination, I have considered each of the following documents in addition to the Sutton cum Lound Neighbourhood Plan 2016-2031 Review Submission Version:

- a) National Planning Policy Framework 2019 (NPPF)
- b) The National Planning Practice Guidance
- c) Town and Country Planning Act 1990 (as amended)
- d) The Planning and Compulsory Purchase Act 2004 (as amended)
- e) The Localism Act (2011)
- f) The Neighbourhood Planning Act 2017
- g) The Neighbourhood Planning (General) Regulations (2012) (as amended)



- h) Bassetlaw District Local Development Framework Core Strategy and Development Management Policies DPD 2011.
- i) Bassetlaw Local Plan - Regulation 18 Draft - November 2020
- j) Sutton cum Lound Neighbourhood Plan Review Basic Conditions Statement - 2020
- k) Sutton cum Lound Neighbourhood Plan Review Consultation Statement - 2020
- l) Strategic Environmental Assessment & Habitat Regulations Assessment Screening Statement - August 2020

Also:

- m) Representations received during the Regulation 16 publicity period post-submission of the Review ending 23 November 2020.

### **3. Public Consultation**

#### 3.1 Background

3.1.1 An accessible and comprehensive approach to public consultation is the best way to ensure that a neighbourhood plan reflects the needs, views and priorities of the local community.

3.1.2 SPC submitted a Consultation Statement, as required by Regulation 15 of the Neighbourhood Planning (General) Regulations, to Bassetlaw District Council on 7 October 2020.

3.1.3 in view of the limited nature of the review, Public consultation on the SNPR commenced at the Regulation 14 Consultation stage on the draft plan. The consultation stages were therefore as follows:

- The pre-submission consultation from 18 December 2019 to 7 February 2020
- The formal, publicity stage, as required by Reg 16, (the consultation period post-submission of the plan was held from 12 October to 23 November 2020)

This last stage resulted in 14 consultation responses. These are considered as necessary within my assessment of the plan in section 7 below.

#### 3.2 Sutton cum Lound Neighbourhood Plan Review Consultation

3.2.1 The original SNP was built on extensive consultation with the community and stakeholders and given the limited nature of the Review the Steering Group has carried out a less extensive consultation on this occasion. The communication methods used were similar to those in the preparation of the original plan and included the neighbourhood plan and village websites, social media and direct email drops. Copies of the Pre-Submission Draft and Submission Versions of the reviewed plan were uploaded to the website as well as being made available locally.

3.2.2 The pre-submission consultation as required by Regulation 14 involved a 6 week period from 18 December 2019 to 7 February 2020. The SNPR was made available online and locally and the consultation was advertised online and locally. Statutory consultees and other key community stakeholders were consulted by email. SPC set up a public drop in session on 10 January 2020 to explain the review and allow people to

raise issues. 22 residents attended. During the consultation no negative representations were received.

3.2.3 The Neighbourhood Planning Regulations are part and parcel of the 1st Basic Condition and regulation 15 (2) sets out clearly what the Consultation Statement should include. Having reviewed the Consultation Statement I am satisfied that it is compliant with Reg 15 in demonstrating who was consulted, how they were consulted, what the main issues and concerns were and what action has been taken in response to these to arrive at the Submission version of the SNPR. I am satisfied from the evidence that the communication and consultation which took place provided adequate opportunity for the community's participation in the Review.

#### **4. Examiner's Statement on the Status of the Review**

4.1 Having read and assessed the SNPR, I am of the opinion that the Review undertaken by SPC does not constitute minor non-material modifications simply to correct errors - (the first type of review - see Table at paragraph 1.2.1 above). However, in carrying out the examination, I have identified a number of this type of modification that will need to be made.

4.2 Although the Review focusses on Policy 6 and is intended to correct an omission from the 'made' plan, the amendment would be a material change inasmuch as it adds a further criterion to the policy on infill development which will have to be taken into account when the policy is applied. Although this clause was initially part of Policy 6 at the time of the original examination its omission from the version of the plan on which the referendum was based means that it cannot simply be reinstated without the Review being the subject of re-consultation under Neighbourhood Planning Regulations 14 and 16 and being submitted for examination.

4.3 Notwithstanding that the Review constitutes a material change, I am satisfied from the evidence before me and from the way the plan is intended to operate that this limited Review would not be so significant or substantial as to constitute a change to the nature of the plan. Its objectives and policies and proposals would not be affected.

4.4 Accordingly, whilst examination of the Review is required and the Council must act on the outcome of this examination, it will not be necessary for the Council to hold a further referendum on the reviewed plan. The Council has 5 weeks from receipt of my completed report to 'make' the modified plan including the making of any modifications that I recommend below in order that the reviewed Plan will meet the Basic Conditions.

#### **5. Preparation of the Reviewed Plan and Legislative Requirements**

In terms of the procedural tests set out in paragraph 1.4.4 of this report my findings are as follows:

## 5.1 Qualifying body

5.1.1 Sutton cum Lound Parish Council as the duly elected lower tier council is the qualifying body for preparation of the SNPR.

5.1.2 I am satisfied that the requirements set out in the Localism Act (2011) and in Section 61F(1) and (2) of the TCPA (as applied to neighbourhood plans by section 38A of the PCPA) have been met.

## 5.2 Plan area

5.2.1 The Sutton cum Lound Neighbourhood Area as designated on 28 June 2015 by Bassetlaw District Council remains unchanged and coincides with the boundaries of the Parish.

5.2.2 This satisfies the requirement in line with the purposes of preparing a Neighbourhood Development Plan under section 61G (1) (2) and (3) of the TCPA (as applied to neighbourhood plans by section 38A of the PCPA) and regulations 5, 6 and 7 of the Neighbourhood Planning (General) Regulations 2012.

## 5.3 Plan period

5.3.1 A neighbourhood plan must specify the period during which it is to have effect. The SNPR clearly states on its title page and in the introductory sections that it covers the period from 2016 – 2031. The SNPR plan period extends beyond that of the Bassetlaw LDF Core Strategy because it draws on the evidence base for the new emerging Bassetlaw Local Plan (BLP). There is no requirement for neighbourhood plan periods to match exactly with the rest of the Development Plan and at the time of the original examination I did not consider this to be an issue.

5.3.2 A matter has been raised by BDC officers at the Regulation 16 stage as to whether the SNPR should now be aligned with the end date of the emerging BLP namely 2037 as there is only just over 10 years life left for the SNPR.

5.3.3 Were the period to be extended this would imply that the SNPR could comply with and meet all requirements up to 2037. However, given that the Review continues to be based on the Bassetlaw Core Strategy and Development Management Policies as the adopted development plan and the emerging BLP has not yet been adopted and is still at a stage where its policies and provisions may change further, the SNPR cannot reasonably be expected to be fit for purpose to cover the period to 2037. Accordingly, and particularly as an extension of the plan period has not been consulted on, the end date should remain as 2031.

5.3.4 In any event SPC has stated, in deciding to limit the scope of this Review for the time being, that it will undertake a fuller review in due course. A possible trigger for this will be the adoption of the BLP. In that context a 10 year life span for the plan is adequate and the intended time period to 2031 still satisfies the requirements of Section

38B of the PCPA as amended.

#### 5.4 Excluded development

5.4.1 The Review does not include policies or proposals that relate to any of the categories of excluded development – county matters (mineral extraction and waste development), nationally significant infrastructure or any matters set out in Section 61K of the TCPA 1990. The SNPR relates solely to the neighbourhood area and no other neighbourhood and there are no other neighbourhood development plans in place within the neighbourhood area. This satisfies requirements of Section 38B of the PCPA as amended.

#### 5.5 Development and use of land

5.5.1 The Neighbourhood Plan should only contain policies relating to development and use of land. The SNPR policies would be compliant with this requirement of Section 38B of the PCPA as amended and all relate to development and the use of land. As with the original SNP some community projects are set out at Appendix A of the SNPR to deal with matters the community has raised which cannot be addressed through the formal neighbourhood plan. This section is not examined in this report.

### **6. The Basic Conditions**

#### 6.1 National policy and advice

6.1.1 The main document that sets out national policy is the *National Planning Policy Framework* (NPPF) published in 2019.

6.1.2 The NPPF explains that neighbourhood plans should support the delivery of strategic policies and set out non-strategic policies and plan positively to shape, direct and help to deliver sustainable development that is outside the strategic elements of the Local Plan.

6.1.3 The NPPF also makes it clear that neighbourhood plans should be aligned with the strategic needs and priorities of the wider local area. In other words neighbourhood plans must be in general conformity with the strategic policies of the Development Plan. They should not promote less development than that set out in the strategic policies of the development plan or undermine those strategic policies.

6.1.4 The NPPF indicates that plans should contain policies that are clearly written and unambiguous so that it is clear how a decision maker should react to development proposals. They should serve a clear purpose and avoid unnecessary duplication of policies that apply to a particular area.

6.1.5 National advice on planning is set out in the *Planning Practice Guidance* (PPG), which includes specific advice regarding neighbourhood plans, and I have also considered the advice of the PPG.

6.1.6 The SNP was initially prepared in the context of the original NPPF dated 2012.

However there have been changes in policy between that and the 2019 version. The NPPF now requires neighbourhood plans being prepared with a submission date after 24 January 2019 to be prepared in the context of the NPPF 2019. As SPC has republished the whole plan when submitting the Review, in carrying out the examination I have considered all the policies to ensure they continue to have regard to the NPPF as revised. I discuss any necessary modifications in section 7 below. However, in most cases the modifications relate to updating of references to the NPPF.

## 6.2 Sustainable development

6.2.1 A qualifying body must demonstrate how a neighbourhood plan contributes to the achievement of sustainable development. The NPPF as a whole constitutes the Government's view of what sustainable development means in practice for planning. The NPPF explains that there are three dimensions to sustainable development:- economic, social and environmental.

6.2.2 There is no legal requirement for a formal Sustainability Appraisal (SA) to be carried out in respect of neighbourhood plans. However good practice suggests that where neighbourhood plans are allocating land for development an appraisal should be carried out and one was carried out for the original SNP. The findings of that SA were that the SNP vision, objectives, policies and proposals had broadly positive or neutral effects and no likely negative impacts on economic, social or environmental objectives and no need for mitigating changes.

6.2.3 The original SA supported the conclusion that overall the original SNP would contribute to the achievement of sustainable development. As the Review involves only a minor change to Policy 6 the SA has not been reviewed and I consider in Section 7 below whether the change will contribute to sustainable development.

## 6.3 Conformity with the Development Plan

6.3.1 The adopted development plan in force for Bassetlaw District is the Bassetlaw District Local Development Framework – Bassetlaw Core Strategy & Development Management Policies DPD (BCSDMP).

6.3.2 Bassetlaw District Council (BDC) has begun work to prepare a new Local Plan to replace the BCSDMP and has published Regulation 18 drafts most recently in November 2020 for consultation. Whilst some of the evidence base for this plan informed the SNP and SNPR and may have a bearing on my consideration of the basic conditions it is the BCSDMP that continues to set out the strategic policies and which must be used in assessing the plan against Basic Condition No 3.

6.3.3 I consider in further detail in Section 7 below the matter of general conformity with the development plan.

## 6.4 European Union (EU) Obligations

6.4.1 A neighbourhood plan must be compatible with European Union (EU) obligations,

as incorporated into UK law, in order to be legally compliant. Notwithstanding the United Kingdom's departure from the European Union these obligations continue to apply unless and until repealed or replaced in an Act of Parliament.

#### Strategic Environment Assessment and Habitat Regulations Assessment

6.4.2 Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment has a bearing on neighbourhood plans. This Directive is often referred to as the Strategic Environment Assessment Directive. Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora and Directive 2009/147/EC on the conservation of wild birds (often referred to as the Habitats and Wild Birds Directives respectively) aim to protect and improve Europe's most important habitats and species and can have a bearing on neighbourhood plans.

6.4.3 Regulation 15 of the Neighbourhood Planning Regulations as amended in 2015 requires either that a Strategic Environmental Assessment (SEA) is submitted with a Neighbourhood Plan proposal or a determination from the responsible authority (BDC) is provided that the plan is not likely to have 'significant effects.'

6.4.4 A screening opinion both in respect of the need for SEA and Habitat Regulation Assessment (HRA) was prepared by BDC in August 2020 for the SNPR in consultation with the statutory bodies.

6.4.5 The determination from BDC as the responsible body is that the Sutton cum Lound Neighbourhood Plan Review will not have significant environmental effects in relation to any of the criteria set out in Schedule 1 of the SEA Regulations, and therefore **does not need to be subject to a full SEA.**

6.4.6 Regarding HRA, the test in the additional Basic Condition is that the making of the neighbourhood development plan is "*not likely to have a significant effect on a European site (as defined in the Conservation of Habitats and Species Regulations 2012) either alone or in combination with other plans or projects.*"

6.4.7 No European sites are located within the Neighbourhood Area. The nearest is the Birklands and Bilhaugh Special Area for Conservation some 14 kms south west of the border of the neighbourhood area at its closest point. The HRA screening considered the impact of development in the SNPR, and the determination from BDC as the responsible body is that no significant effects are likely to occur with regards to the integrity of the Birklands & Bilhaugh SAC, due to the implementation of the Plan. As such the Plan **does not require a full HRA to be undertaken.**

6.4.8 The main reason for these conclusions is that - "*the development that is supported in the Plan is deemed to be of a scale and nature and located on sites that will not result in any significant effects on the Birklands & Bilhaugh SAC*".

6.4.9 Neither statutory environmental consultees nor anyone else has taken a different view and I have no reason to reach a different conclusion.

### European Convention on Human Rights (ECHR)

6.4.10 The Human Rights Act encapsulates the Convention and its articles into UK Law.

6.4.11 In respect of Article 1 of the first protocol - the right of everyone to the peaceful enjoyment of possessions; although the SNPR includes policies that would restrict development rights, this does not have a greater impact than the general restrictions on development rights provided for in national law. The restriction of development rights inherent in the UK's statutory planning system is demonstrably in the public interest by ensuring that land is used in the most sustainable way, avoiding or mitigating adverse impacts on the environment, community and economy.

6.4.12 In respect of Article 6 of the Convention's Rights and Freedoms - the right to a fair and public hearing in determination of an individual's rights and obligations - the process for preparing the SNPR is fully compatible with this Article, allowing for consultation on its proposals at various stages, and incorporating this independent examination process.

6.4.13 In respect of Article 14 of the Conventions Rights and Freedoms - the enjoyment of rights and freedoms without discrimination on any ground, the policies and proposals of the SNPR have been developed in consultation with the community and wider stakeholders to produce as inclusive a document as possible. Although no specific Equalities Impact Assessment has been carried out I am satisfied that, across the policies of the Review, no sectors of the community are likely to be discriminated against and no objections have been raised that would suggest otherwise. The policies of the reviewed plan together would generally continue to have public benefits and encourage the social sustainability of the neighbourhood.

6.4.14. I am satisfied therefore that the SNPR does not breach, and is otherwise compatible with, the ECHR.

6.4.15 Taking all of the above into account, I am satisfied that the SNPR is compatible with EU obligations and therefore with Basic Conditions f) and g).

## **7. Assessment of the Sutton-Cum-Lound Neighbourhood Plan Review**

7.0.1 The SNPR is considered against the Basic Conditions in this section of the Report following the structure and headings in the Plan but focusing in particular on reviewed Policy 6. In respect of the other policies, given my findings in my original examination and that the then recommended modifications to meet the Basic Conditions have been implemented and the plan 'made', I have simply focused on Basic Condition a) (Having regard to National Policy) as the review of the NPPF is the only changed circumstance.

7.0.2 I have also taken the opportunity to examine whether the reviewed Policy 6 raises any consistency issues in respect of the other policies in the plan and their implementation.

7.0.3 Other than recommending modifications to meet the basic conditions the only modifications an examiner may make to a neighbourhood plan is to correct any errors within the plan and where I have come across these I have taken the opportunity to recommend their correction.

### 7.1 The General Form of the Review

7.1.1 The structure of the SNPR remains generally logical and clear with early sections setting the context and then policy sections.

7.1.2 I have one concern with the general content of the SNPR. The Planning Practice Guidance in its advice on neighbourhood plans requires that plans provide a clear and unambiguous guide to developers and to that end there is a need for referencing to be accurate and up to date and for incorrect references remaining from editing following the examination of the original plan to be removed. As the SPC has republished the whole plan in preparing the Review it is important that these updates are made to comply with Basic Condition a):

**Recommendation 1 – Carry out the minor updating to referencing in the Review set out in Appendix 1 so that the reviewed document is accurate and up to date.**

7.1.3 There are also some typographical errors remaining in the SNPR which should be corrected for clarity and accuracy.

**Recommendation 2 - Carry out the minor typographical corrections set out in Appendix 2 so that the reviewed document is clear and accurate.**

### 7.2 Community Vision and Community Objectives

7.2.1 Sections 9 and 10 of the SNPR set out the vision of the plan, and the community objectives to deliver the vision and provide the basis for the policies.

7.2.2 The vision and community objectives do draw on the matters of concern within the community and set out the aim to meet the local needs of the community without losing the rural character of the parish.

7.2.3 The vision and objectives of the SNPR although originally prepared in the context of NPPF 2012, when reassessed against NPPF 2019 also have regard to its policies, in particular:

Section 5 – Delivering a sufficient supply of homes

Section 8 – Promoting healthy and safe communities

Section 9 – Promoting sustainable transport

Section 12 - Achieving well designed places

Section 15 – Conserving and enhancing the natural environment

Section 16 – Conserving and enhancing the historic environment.

7.2.4 General conformity with the strategic policies of the development plan has not changed as a result of the Review and the vision and objectives are likely to continue to



contribute to sustainable development.

7.2.5 Accordingly, the Vision and Community Objectives in sections 9 and 10 of the SNPR continue to meet the Basic Conditions a), d) and e).

### 7.3 Policy 1 - Design of Residential Development

7.3.1 Policy 1 seeks to establish sound design principles for all residential development in the plan area developing from the principles in the Bassetlaw SPD. Assessed afresh against the NPPF 2019 the policy has regard to the high level of importance which the current version of the NPPF places on high quality design, particularly the importance of development reflecting and enhancing local character and local distinctiveness.

7.3.2 Regarding the intention of the policy on design, it is clear both from the content of the policy and the supporting text that what is important is that new development is integrated with the settlement pattern, its character and its setting in open countryside. The policy is consistent with the reviewed Policy 6 on infilling.

7.3.3 General conformity with the strategic policies of the development plan has not changed as a result of the review and Policy 1 is likely to continue to contribute to sustainable development. Accordingly, Policy 1 of the SNPR continues to meet the Basic Conditions a), d) and e)

### 7.4 Policy 2 - A Mix of Housing Types

7.4.1 Policy 2 seeks to secure a housing mix that responds to the need for smaller units to help support a sustainable community. Assessed afresh against the NPPF 2019 the policy has regard to the requirement in paragraph 61 of the NPPF that the size, type and tenure of housing needed for different groups should be reflected in planning policies. There is however a need to correct the referencing to the NPPF in this section see Appendix 1.

7.4.2 The policy is not inconsistent with the reviewed Policy 6 on infilling.

7.4.3 General conformity with the strategic policies of the development plan has not changed as a result of the review and Policy 2 is likely to continue to contribute to sustainable development. Accordingly, Policy 2 of the SNPR continues to meet the Basic Conditions a), d) and e)

### 7.5 Policies 3-5 - Site Allocations

7.5.1 Policies 3-5 and supporting text sets out the basis for the main allocations of housing land in Sutton cum Lound. The site selection has been arrived at following a robust site assessment process.

7.5.2 The allocation policies assessed afresh against the NPPF 2019 would have regard to it. However, the NPPF indicates that plans should provide a practical basis within which

decisions on planning applications can be made with a high degree of predictability and efficiency and the PPG states that neighbourhood plans should be clear and unambiguous. Against these tests the SNPR supporting text to the policies contains two areas where the text is confusing as it is inconsistent.

7.5.3 First, in my original examination report there was a detailed discussion about the need for the SNP to designate a new development boundary to include the 3 allocated sites and this modification was implemented in the 'made' plan. However, partly as a result of the fact that it was not highlighted in my report, each of the sections of supporting text to the 3 policies at Paragraphs 98, 107 and 111 continue to state that the allocation sites are outside the development boundary. This is confusing and ambiguous as it is contrary to Map 5: Policies Map and these references should be deleted.

7.5.4 Second, in my original examination report there was also a detailed discussion about the inappropriateness of trying to phase the development on the site allocated in Policy 4 - Land South of Lound Road to take place after development of the allocation in Policy 3. The modification deleting the reference to phasing in Policy 4 was accepted and implemented in the 'made' plan. However, the supporting text at paragraph 110 still refers to it as an objective and needs to be corrected in the SNPR. Inasmuch as paragraph 110 is reporting that the impact on landscape character scored a red in the assessment the first sentence of the paragraph can remain but the reference to phasing development in the rest of the paragraph should be removed.

### **Recommendation 3 –**

**3A – Delete references to the allocated sites being outside the development boundaries in paragraphs 98, 107 and 111. Revise to read:**

**Para 98 – “*This 1.25 hectare site adjoins Mattersey Road....*”**

**Para 107 – “*This 0.53 hectare site has a road and a pair of semi-detached.....*”**

**Para 111 – “*This 0.77 hectare site is on the southern approach to the village...*”**

**3B – Delete all of paragraph 110 after first sentence. Replace with the following text: “Nevertheless, with careful design as required in Policy 4 any negative impact can be minimised.”**

7.5.5 The need for these further modifications in respect of this section of the Review flows from earlier modifications and are justified as the SPC has resubmitted the whole plan as the Review. They constitute minor non-material corrections which it is necessary to make to meet Basic Condition a) and the need for plans to be unambiguous. The ability of this section of the plan to meet Basic Conditions d) and e) is unaffected.

## **7.6 Policy 6 - Infill Development in Sutton cum Lound Village**

7.6.1 Policy 6 (the focus of the Review to the SNP) seeks to guide infill and redevelopment proposals in the village and to encourage such development to provide smaller dwellings well related to village services.

7.6.2 Assessed afresh against the NPPF 2019 the principle of the policy has regard to the NPPF in seeking to ensure that the development is in keeping with its surroundings. It also, in principle, continues to be complementary and additional to Policy CS8 of the BCSDMP setting out the development strategy for the rural service centres including Sutton cum Lound.

7.6.3 The clause that was omitted in error during the editing of the original plan prior to the referendum and now reinstated is entirely justified in helping to further define the scale of infilling and redevelopment the Policy envisages. However, the part of the clause which introduces the possibility of flexibility refers only to dwelling size when arguably plot size would also be a principal determinant as to whether more than 1 or 2 dwellings could reasonably be accommodated. Adding plot size to the clause would demonstrate the policy has had full regard to section 11 of the NPPF seeking to make effective use of land.

7.6.4 In publishing the SNPR however further errors have been made in the text of Policy 6 which mean that, in its submitted form, the policy fails the test of being clear and unambiguous. It is not clear whether these errors were made in the process of making the modifications set out in my original examination report or subsequently in reviewing the policy but they must be corrected.

7.6.5 In clause 1b) part of clause 1c) has been incorporated at the end, meaning clause 1b) is unclear. Clause 1c) meanwhile includes part of the text of clause 2 again meaning the clause is confused and unclear. Clause 2, in its proper location at the end of the policy, as it is not a requirement but an indication of when proposals will be supported, has omitted the words '*that are within safe walking distance of local amenities*'. Assuming this was unintentional, as it appears in the wording at the end of clause 1c), it should be reinstated.

7.6.6 I am satisfied that these are all non-material corrections. They do not seek to add to the policy or change the way in which it would operate. They simply ensure the policy is clear and unambiguous thus meeting Basic condition a).

7.6.7 General conformity with the strategic policies of the development plan has not changed as a result of the Review and Policy 6 is likely to continue to contribute to sustainable development. Accordingly, Policy 6 of the SNPR once modified as set out below will meet the Basic Conditions a), d) and e).

#### **Recommendation 4**

**4A** – Insert in Policy 6 Clause 1d) Line 3 the words '*plot and*' immediately before the word 'dwelling'.

**4B** – In clause 1b) Lines 4-5 - delete the words '*...of building lines and boundary treatments should reflect the positive characteristics of the area*'

**4C** – In clause 1c) - insert full stop after the word 'site' and delete the rest of the wording in the clause.

**4D – Insert after the word ‘sites’ in line 1 of clause 2 the words “*that are within a safe walking distance of local amenities....*”**

#### 7.7 Policy 7 - Enhancing Facilities in the Village

7.7.1 Policy 7 of the SNPR encourages and supports the provision of community facilities appropriate to the rural setting. Assessed afresh against the NPPF 2019 the policy has regard to paragraph 92 of the NPPF encouraging plans to plan positively for the provision and use of community facilities. There is however a need to correct the referencing to the NPPF in this section see Appendix 1.

7.7.2 General conformity with the strategic policies of the development plan has not changed as a result of the Review and Policy 7 is likely to continue to contribute to sustainable development. Accordingly, Policy 7 of the SNPR will meet the Basic Conditions a), d) and e).

#### 7.8 Policy 8 - Improving Green Infrastructure

7.8.1 Policy 8 of the SNPR gives encouragement to development proposals that would improve green infrastructure and protects and enhances public rights of way. Assessed afresh against NPPF 2019 and sections 8, 9 and 15 of the NPPF in particular, which encourage planning positively for the creation, protection, enhancement and management of networks of biodiversity and green infrastructure, Policy 8 has regard to national policy.

7.8.2 General conformity with the strategic policies of the development plan has not changed as a result of the Review and Policy 8 is likely to continue to contribute to sustainable development. Accordingly, Policy 8 of the SNPR will meet the Basic Conditions a), d) and e).

#### 7.9 Policy 9 - Highway Safety

7.9.1 The SNPR at Policy 9 seeks to respond to significant concern regarding highway safety in the parish and in the village in particular and requires development to demonstrate that it has been designed to improve pedestrian and highway safety in the immediate vicinity of the site. Assessed afresh against the NPPF 2019 at section 9 it is clear that the policy has regard to national policy and in particular paragraph 110. There is however a need to correct the referencing to the NPPF in this section see Appendix 1.

7.9.2 General conformity with the strategic policies of the development plan has not changed as a result of the Review and Policy 9 is likely to continue to contribute to sustainable development. Accordingly, Policy 9 of the SNPR will meet the Basic Conditions a), d) and e).

### **8. Other Matters**

8.1 Severn Trent Water in their Regulation 16 comments reiterated comments made at the Regulation 14 stage requesting changes to a number of policies other than Policy 6 to

insert references to sustainable surface water drainage, flood alleviation etc. SPC chose not to make any changes as these did not relate to the reviewed policy.

8.2 I am aware that in carrying out this examination I have recommended some modifications to sections of the plan not directly the subject of the Review on the basis that the SPC chose to republish the whole plan. However, unlike the Severn Trent representations, these are solely to either update references or correct errors in the plan remaining from revisions made following the examination of the original plan and typographical errors and should be corrected to ensure the plan is clear and unambiguous. These are all non-material corrections. The Severn Trent representations by contrast would be material changes which have not been consulted on.

## **9.0 Conclusion**

9.1 Subject to the recommended modifications set out above being completed, it is appropriate that the Sutton cum Lound Neighbourhood Plan Review should proceed to be made.

9.2 The Council has 5 weeks from receipt of this completed examination report to 'make' the modified plan including the making of any modifications that I recommend in order that the reviewed Plan will meet the Basic Conditions. If necessary, this period may be extended provided it is with the agreement of the Qualifying Body.

### **Recommendation 5**

**I recommend to Bassetlaw District Council that the Sutton cum Lound Neighbourhood Plan Review, modified as specified above, meets the Basic Conditions and should proceed to be 'made'.**

**Peter D Biggers Independent Examiner – 18 January 2021**

## Appendix 1 – Table of Non-Material Updating Changes

Page	Location	Correction
6	Paragraph 14 Line 1 1 <sup>st</sup> Sentence	Replace with the following: <i>“The adopted district policies are in the Core Strategy and Development Management Policies Development Plan Documents 2011.”</i> Reason: The SNPR makes an incomplete reference to the Development Plan and policies that are of relevance.
	Paragraph 15 Line 2	Insert after ‘Core Strategy’ the words <i>“and Development Management Policies DPD,....”</i> Reason: The SNPR makes an incomplete reference to the Development Plan and policies that are of relevance.
15	Table 3 5 <sup>th</sup> row ‘The Roads / Speeding / Safety’ – Lines 7/8/9	Delete from the words ‘an aspirational policy’ to the end of the sentence. Replace with: <i>...”Policy 9 to secure appropriate access and road safety projects that could be delivered (subject to funding)”</i> Reason: The Aspirational Policy was replaced by Policy 9 under a modification recommended and accepted in the original examination into the SNP. This consequential change has been missed and needs to be corrected.
16	Footnote 10 Line 2	Delete the words ‘aspirational policy’ and replace with: <i>“Policy 9 and the community projects at Appendix A”</i> Reason: The Aspirational Policy was replaced by Policy 9 under a modification recommended and accepted in the original examination into the SNP. This consequential change has been missed and needs to be corrected.
19	Policy 1 section 1c) and section 3a)	Add the word “and” at the end of sections 1c) and 3a) Reason: These linking ‘and’ words are necessary for consistency through the policy.
20	Paragraph 81 Lines 1-2	Delete the quote from the NPPF and paragraph reference. Replace with the words <i>“mix of housing”</i> and paragraph reference “61” Reason: The NPPF 2019 no longer includes this phrase and the paragraph numbers have changed for the housing section.
29	Paragraph 126 Lines 1-3	Delete the quote from the NPPF and

31	Paragraph 131 Line 3	<p>paragraph reference. Replace with the words "...planning policies should <i>plan positively for the provision and use of community facilities and local services</i>" and paragraph reference "92" Reason: The NPPF 2019 no longer includes this phrase and the paragraph numbers have changed.</p> <p>Delete the reference to AP2 and the word 'allocate' Replace with "<i>Policy 7</i>" and the word "<i>deliver</i>". Reason: The Aspirational Policy 2 was replaced by Policy 7 under a modification recommended and accepted in the original examination into the SNP. This consequential change has been missed and needs to be corrected. If the wish was to allocate a site during the plan period it should have been identified in the plan. Therefore, the word "deliver" is more accurate and better reflects Policy 7(2)</p>
33	Paragraph 154 Lines 5-6	<p>Delete the quote from the NPPF and paragraph reference. Replace with the words "...and designed to <i>provide safe and suitable access</i> it is justified..." and reference "<i>section 9 paragraph 108</i>" in place of 'paragraph 35' Reason: The NPPF 2019 no longer includes this phrase and the paragraph numbers have changed.</p>
34	Paragraph 155 Line 6 to end	<p>Delete the last sentence of the paragraph including the NPPF quote. Reason; Aspirational policies were recommended to be removed in the original SNP examination and a modification recommended that it was replaced with Policy 9. This consequential change has been missed and needs to be corrected. Also the NPPF no longer includes this quote at paragraph 29.</p>

## Appendix 2 – Table of Typographical Corrections

Page	Location	Correction
8	Paragraph 25 line 5	Remove bracket after the word ‘occurs’.
10	Paragraph 42 Line 2	Replace the word ‘these’ with the word “ <i>there</i> ”. Reason: To make grammatical sense.
12	Paragraph 47 Line 2	Replace the word ‘issues’ with the word “ <i>issue</i> ”. Reason: To make grammatical sense.
17	Subtitle to section 13	Relocate subtitle to next page. Reason: The subtitle is ‘orphaned’ at the foot of the page and separate from its text.
21	Paragraph 93 Line 3	Remove full stop after the word ‘identified’. Reason: To make grammatical sense.
22	Map 5 Title	Change title to Map 5 to refer to “ <i>Policies Map</i> ”. Reason to be consistent with the wording in paragraph 97 immediately preceding.
22	Subtitle at foot of page	Relocate subtitle to next page. Reason: The subtitle is ‘orphaned’ at the foot of the page and separate from its text.
23	Paragraph 102 Line 3	Insert the word “ <i>and</i> ” after the word ‘benefit’. Reason: To make grammatical sense.
24	Policy 3 (1) Line 3	Delete the replicated words ‘where the applicant can demonstrate that the scheme meets all...’. Reason: these words appear twice in the policy.
26	Paragraph 111 Line 2	Insert full stop after the word ‘boundary’. Start new sentence “On the eastern...” Reason: To make grammatical sense.
27	Polcy 5 Section d)	Make the word ‘treatments’ plural



27	Line 1 Subtitle to section 16 at foot of page	Reason: To make grammatical sense. Relocate subtitle to next page. Reason: The subtitle is 'orphaned' at the foot of the page and separate from its text.
29	Paragraph 129 Line 1	Delete the word 'They' and replace with the word " <i>The</i> ". Reason: To make grammatical sense.
33	Paragraph 153 Line 2	Delete the word 'policy' replace with the word " <i>police</i> ". Reason: To make grammatical sense.



**Bassetlaw**  
**DISTRICT COUNCIL**  
— North Nottinghamshire —

**Sutton cum Lound Neighbourhood Development Plan (Review) – Draft Decision Statement**

**1 Summary**

- 1.1 In accordance with Regulation 18 of the Neighbourhood Planning (General) Regulations 2012, Bassetlaw District Council has produced this 'Decision Statement' in relation to the Sutton cum Lound Neighbourhood Development Plan (Review), the 'Plan', submitted by Sutton cum Lound Parish Council.
- 1.2 Following an independent examination, Bassetlaw District Council confirms that the Plan is duly 'made', subject to the modifications specified in the Examination Report being enacted.
- 1.3 In accordance with the Examiner's recommendations, the Plan will not be subject to a public referendum, given that the changes proposed are limited in scale over the original version of the Plan, which was itself subject to a referendum.
- 1.4 This Decision Statement, along with the Independent Examiner's report, can also be viewed on the Bassetlaw District Council website:

**Bassetlaw District Council website –**

<https://www.bassetlaw.gov.uk/planning-and-building/planning-services/neighbourhood-plans/all-neighbourhood-plans/sutton-cum-lound-neighbourhood-plan-made/>

**2 Background**

- 2.1 The Sutton cum Lound Neighbourhood Plan currently forms part of the Development Plan for Bassetlaw, having been 'made' following a successful public referendum on 15 February 2018. In mid-2019 it came to the attention of Sutton cum Lound Parish Council that there was an error in the wording of Policy 6, *Infill and Redevelopment in Sutton cum Lound Village*, made during the process of editing the Plan in readiness for the referendum. The Parish Council accordingly sought the assistance of Bassetlaw District Council in rectifying this issue, by way of a minor material modification to the Plan.
- 2.2 The Pre-Submission Draft Sutton cum Lound Neighbourhood Plan (Review) was made available for consultation in accordance with Regulation 14 of the Neighbourhood Plan Regulations from 18 December 2019 to 7 February 2020.

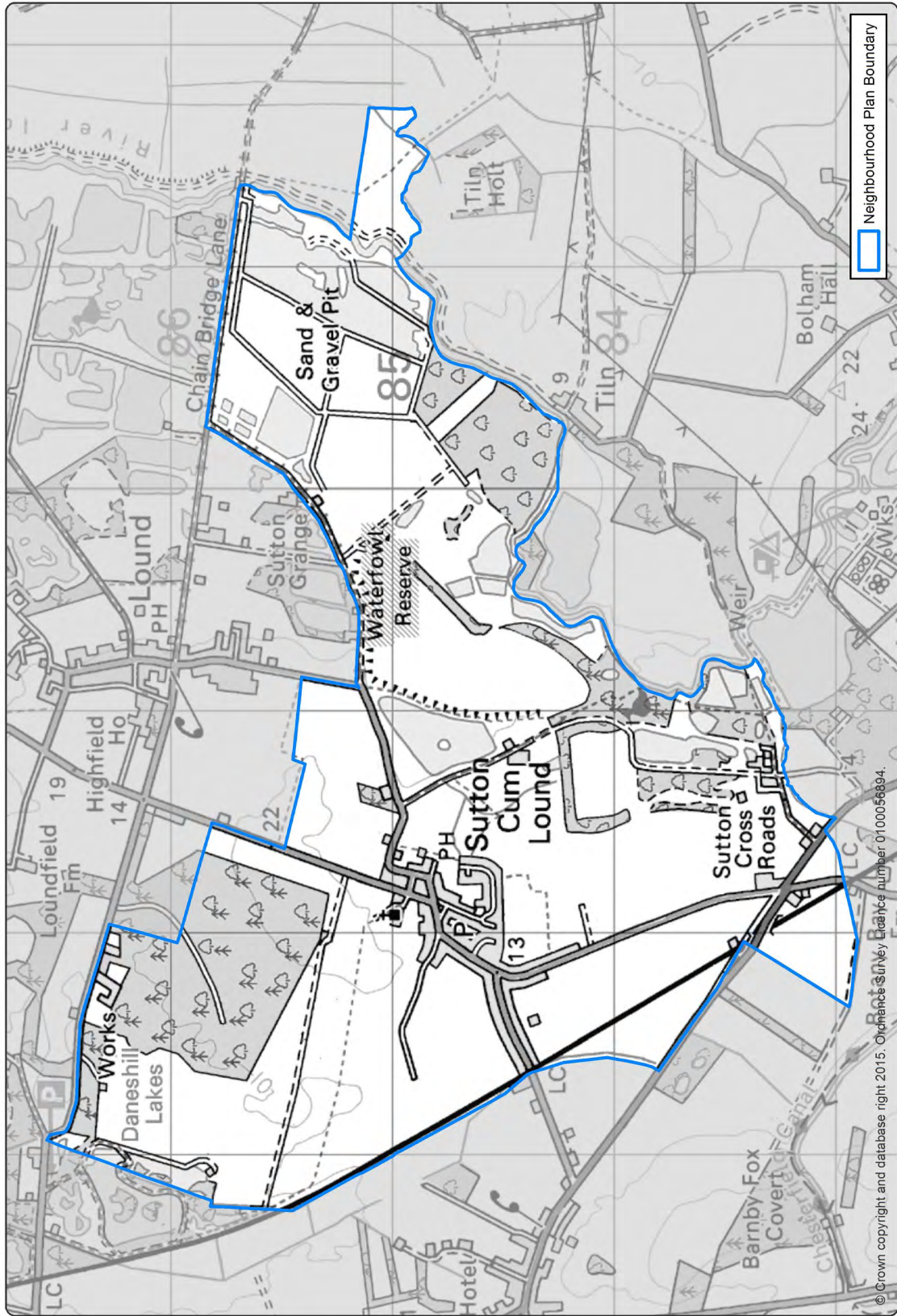
- 2.3 The Parish Council formally submitted the Neighbourhood Plan to the District Council on 7 October 2021. Bassetlaw District Council held a 6-week consultation period, concluding on 23 November 2021.
- 2.4 An Independent Examiner was appointed to undertake the examination of the Submission version of the Neighbourhood Plan. The Examiner's Report was sent to the District Council and Sutton cum Lound Parish Council on 18 January 2021.

### **3 Decisions and Reasons**

- 3.1 The Independent Examiner has concluded that, subject to the specified modifications being enacted, the Plan meets the Basic Conditions and other relevant legal requirements. The Independent Examiner has also confirmed that, owing to the limited scale of the changes proposed over the original version, the reviewed Plan does not need to be the subject of a public referendum in order for it to be 'made' by the District Council.
- 3.2 The Assistant Chief Executive - Housing, Regeneration & Neighbourhoods, in consultation with the Council's Cabinet Member for Regeneration, has determined that all the recommended modifications set out in the Examiner's Report will be enacted to ensure that the Plan meets the Basic Conditions.

(Date)

Sutton cum Lound



# Equality Impact Assessment

## Part 1: Screening

Version: 2020 2.0

When reviewing, planning or providing services Bassetlaw District Council needs to assess the impacts on people. Both residents and staff, of how it works - or is planning to – work (in relation to things like disability). It has to take steps to remove/minimise any harm it identifies. It has to help people to participate in its services and public life. “Equality Impact Assessments” (EIAs) prompt people to think things through, considering people’s different needs in relation to the law on equalities. The first stage of the process is known as ‘screening’ and is used to come to a decision about whether and why further analysis is – or is not – required. EIAs are published in line with transparency requirements.

A few notes about the laws that need to be considered are included at the end of this document. Helpful questions are provided as prompts throughout the form.

### 1. Name of policy/activity/project/practice

This is:

~~New policy/activity/practice~~ - No

A change to existing policy/activity/practice - Yes

~~Existing policy/activity/practice~~ - No

~~A pilot programme or project~~ - No

**Neighbourhood Planning: Minor Material Modifications to the Sutton cum Lound Neighbourhood Plan**

### 2. Screening undertaken (please complete as appropriate)

Person undertaking EIA: Will Wilson – Lead Neighbourhood Planner

Lead Officer for developing the policy/activity/practice: Will Wilson – Lead Neighbourhood Planner

Other people involved in the screening: (this may be people who work for BDC or a related service or people outside BDC) Richard Gadsby – Policy & Scrutiny Officer

### 3. Brief description of policy/activity/project/practice: including its main purpose, aims, objectives and projected outcomes. Who is it intended to affect or benefit (the target population)? How do these fit in with the wider aims of the organisation?

Is it linked to BDC’s Corporate Plan? Service Plan? Other? Please explain:

Neighbourhood planning provides communities direct power to develop a shared vision for their local area and strategies to manage future development and growth, subject to general conformity with the District's strategic planning needs and priorities. Upon adoption, a neighbourhood plan becomes part of the statutory development plan, alongside the Bassetlaw Core Strategy and Development Management Policies Development Plan Document (DPD).

Neighbourhood plans are produced through a collaborative, democratic process, involving various rounds of consultation and, scrutiny, and culminating in a public referendum, where the residents of the area in question are able to decide whether to 'make' the plan. The review of a previously 'made' neighbourhood plan provides the opportunity to update the strategy, in full or in part, to reflect changes in the context of the plan, or to correct identified errors. There is no statutory timeframe for when a neighbourhood plan must be reviewed, this being a matter of judgement for the community involved. Unlike the initial process of developing a neighbourhood plan, the review process varies dependent on the scale of the changes proposed, with three typologies of review; non-material, minor material, and significant material.

The review of the Sutton cum Lound Neighbourhood Plan has been in progress since autumn 2019, and solely concerns the correction of an error in the wording of Policy 6. Although small in scale, it was assessed that the work constituted a minor material modification because it would result in a change to how Policy 6 would function. The review was accordingly progressed in-line with the regulations, including statutory pre-submission consultation, and was submitted to Bassetlaw District Council in draft format on 7 October 2020. Following a 6-week publicity and consultation period, the Neighbourhood Plan then proceeded to independent examination.

The Examination Report was received on 18 January 2021, recommending that the reviewed Neighbourhood Plan be 'made' by the District Council, subject to a number of modifications. The report also confirmed the minor material nature of the changes proposes, meaning that a referendum would not be required. The Council must now decide what action to take in response to each of the recommendations made in the Examination Report and, subject to approval by Full Council, to make arrangements for the Plan to be updated and published.

#### 4. Impact

How will the aims affect our duty to:

- Promote equality of opportunity?
- Eliminate discrimination, harassment and victimisation?
- Promote good community relations?
- Promote positive attitudes towards people with protected characteristics?
- Encourage participation of people with protected characteristics?
- Protect and promote Human Rights?

For example, think about it from the perspectives of different groups in society. Does it cause harm or a benefit to any group(s) differently to others? Will it differentially affect:

- Black, Asian or other ethnic minority and/or cultural groups?
- Disabled people? And their carers?
- Transgender people?
- Men and women?
- Lesbians, gay men and/or bisexual people?
- Different religious communities/groups?
- People of a particular age e.g. older people or children and young people?
- Any other groups?
- People with flexible or agreed working patterns?

Are there any aspects, including how it is delivered, or accessed, that could contribute to inequalities? (This should relate to all areas including Human Rights.)

If the proposals will have negative impacts then a FULL Assessment (Appendix 2) MUST be completed.

The proposal has the potential to impact upon all people who live, work, or carry out business in Sutton cum Lound Parish (as the designated Neighbourhood Area), in that it will change the statutory planning regulations in force in the area, but it will do so on an impartial basis.

Work to review the Plan has involved the input of the Parish Council, and has been the subject of two formal rounds of public consultation, allowing all local interests the chance to comment and have their views factored-in to the process. The further amendments proposed by the Independent Examiner have not been subject to consultation, but are minor in scale, and are required in order to make the Plan compliant with national regulations (known as the 'Basic Conditions').

It has been confirmed by the Independent Examiner that a public referendum is not required to 'make' the Plan, meaning that the local community will not get the chance to vote on whether it is adopted or not. However, this reflects the fact that the changes proposed will not result in the Plan being significantly different to the original version, as voted-in by the local community at the referendum in February 2018.



**5. Within this table, state whether the policy or function will have a positive or negative impact across the following factors and provide any comments.**

<b>Factor</b>	<b>Positive Impact</b>	<b>Neutral Impact</b>	<b>Negative Impact</b>	<b>Comments</b>
All residents and/or those who work/shop/play in the district	Positive			Enacting the recommendations of the Independent Examiner will ensure that the errors identified in the original version of the Sutton cum Lound Neighbourhood Plan are rectified, meaning that it will better reflect the will of the local community. Enacting the recommendations will also ensure that the Plan is up-to-date in terms of legislative compliance and, thus, more robust in practice.
Age		Neutral		It is considered that enacting the proposed amendments to the Sutton cum Lound Neighbourhood Plan will not impact on this sector of society in particular.
Disability		Neutral		It is considered that enacting the proposed amendments to the Sutton cum Lound Neighbourhood Plan will not impact on this sector of society in particular.
Sex		Neutral		It is considered that enacting the proposed amendments to the Sutton cum Lound Neighbourhood Plan will not impact on this sector of society in particular.
Gender reassignment		Neutral		It is considered that enacting the proposed amendments to the Sutton cum Lound Neighbourhood Plan will not impact on this sector of society in particular.
Race		Neutral		It is considered that enacting the proposed amendments to the Sutton cum Lound Neighbourhood Plan will not impact on this sector of society in particular.



<b>Factor</b>	<b>Positive Impact</b>	<b>Neutral Impact</b>	<b>Negative Impact</b>	<b>Comments</b>
Religion or belief (including no belief)		Neutral		It is considered that enacting the proposed amendments to the Sutton cum Lound Neighbourhood Plan will not impact on this sector of society in particular.
Sexuality		Neutral		It is considered that enacting the proposed amendments to the Sutton cum Lound Neighbourhood Plan will not impact on this sector of society in particular.
Marriage and Civil Partnership (applies only to work matters)		Neutral		It is considered that enacting the proposed amendments to the Sutton cum Lound Neighbourhood Plan will not impact on this sector of society in particular.
Pregnancy and maternity (including breastfeeding)		Neutral		It is considered that enacting the proposed amendments to the Sutton cum Lound Neighbourhood Plan will not impact on this sector of society in particular.
Socio economic (including rural and poverty)	Positive			Enacting the recommendations of the Independent Examiner will reinforce the function of the Sutton cum Lound Neighbourhood Plan as a tool to uphold local distinctiveness, and support growth that is socially, economically, and environmentally sustainable.
Human rights		Neutral		It is considered that enacting the proposed amendments to the Sutton cum Lound Neighbourhood Plan will not impact on this sector of society in particular.

If you have identified negative impacts a FULL assessment (Appendix 2) MUST be completed.

## 6. Evidence Base for Screening

List the evidence sources you have used to make this assessment (i.e. the known evidence)

(e.g. Index of Multiple Deprivation, workforce data, population statistics, any relevant reports, customer surveys Census 2011, equality monitoring data for the service area.)

- Sutton cum Lound Neighbourhood Plan (Review) (Submission Version)
- Sutton cum Lound Neighbourhood Plan (Review) – Report of the Independent Examiner
- Draft Full Council Report – Neighbourhood Planning: Minor Material Modifications to the Sutton cum Lound Neighbourhood Plan

Are there any significant gaps in the known evidence base? If so what are your recommendations for how and by when those gaps will be filled?

## 7. Consultation

Describe what consultation has been undertaken on this function or policy, who was involved and the outcome.

The Sutton cum Lound Neighbourhood Plan (Review) has been subject to two rounds of formal public consultation, in accordance with Regulation 14 and 16 of the Neighbourhood Planning (General) Regulations 2012 (as amended). Responses were received from local residents and statutory bodies, with full support expressed for the proposed amendments. These responses ultimately assisted the Independent Examiner in reaching the recommendations detailed in his report.

## Head of Service

I am satisfied with the results of the EIA.

## Signature of Head of Service



EIA Ref. No: NP-SCL-0221

## Action Plan

Please list on this sheet the nature of any issues and any recommendation for actions that you plan to implement as a result of undertaking this Impact Assessment.

Issue identified	Action to be taken	Name lead	Date to be achieved	Outcomes
Not applicable				

# Equality Impact Assessment

## Appendix 2 Stage 2

### In depth (FULL) assessment

Q	Equality Duties	Outcome
1	What evidence is there from stakeholders that different equality groups might have different needs, concerns and priorities in relation to issues addressed by the policy or activity (this includes the results of consultation with an involvement of different equality groups)?	
2	How does the proposed policy or activity contribute towards meeting our strategic objective to encourage continual improvement in public services so that they meet the changing needs of diverse communities and provide fair access for all?	
3	How does the policy or activity contribute to our duty to promote positively equality of opportunity?	
4	Will it help eliminate unlawful discrimination or harassment in any way or encourage or hinder community relations?	
5	What evidence is there to suggest that the policy or activity could affect some equality groups differently? This is not just about number but the seriousness and degree of the adverse impact.	
6	If there is an adverse impact, what amendments can be made to the policy or practice to mitigate or remove this negative impact?	
7	If your activity is provided by a partner, private or voluntary sector organisation on a contract basis, please list any arrangements you have made or plan to make to help ensure that these comply with equality.	
8	How will it help ensure that information about this policy or activity is accessible to equality groups?	
9	If this strategy, policy or service development impacts upon other services, please list which services and what arrangements have been made.	
10	Have you compared your policy or activity with similar local authorities? If so, with what results?	

<b>Q</b>	<b>Equality Duties</b>	<b>Outcome</b>
11	Please list any consultation with equality groups in support of the above equality issues.	
12	Please list the equality groups you have consulted with.	
13	Please list in your Improvement Plan any changes to your policy or activity that you have made, or you plan to make, as a result of consultation with different equality groups.	
14	What are the specific recommendations in the Improvement Plan?	
15	How is it intended to monitor and report on the impact of this assessment?	
16	Please list any performance targets relating to equality that your policy or activity includes.	
17	Please list any changes to your policy or activity that you have made or plan to make as a result of monitoring.	
18	Please list any staff training issues on equality arising from this assessment (and include this in your Improvement Plan).	
19	How do you plan to publicise the results of this assessment? Include this in the Improvement Plan.	

**Notes:**

1. The in-depth (full) assessment must consider all available data and research. This could include the result of employee or stakeholder surveys, the results of consultation, audits, service reviews, employment monitoring data, population data, research findings and data collected through monitoring the implementation of the policy or activity and evaluation of projects/programmes, data about the performance of local services.
2. The assessment above must also state how the policy was assessed and the details of the methods of involvement of appropriate people, for example, staff networks, external stakeholders and equality groups.

**Completed by:**

**Role:**

**Date Started:**

**Date completed:**

**Declaration**

I am satisfied that an In Depth (Full) Assessment has been undertaken.

I understand that this EIA is required by the Council and take responsibility for its completion and quality.

**Countersigned by Head of Service/Senior Manager**

--

Date:

## **Equality Duties to be taken into account in this screening include:**

### **Prohibited Conduct under The Equality Act 2010 including:**

Direct discrimination (including by association and perception e.g. carers); indirect discrimination; Pregnancy and maternity discrimination; Harassment; third party harassment; discrimination arising from disability.

### **Public Sector Duties (Section 149) of the Equality Act 2010 for BDC and services provided on its behalf: (due to be effective from 4 April 2011)**

NBC and services providing public functions must in providing services have due regard to the need to: **eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity and foster good relations between different groups.** 'Positive action' permits proportionate action to overcome disadvantage, meet needs and tackle under-representation.

### **Rights apply to people in terms of their "Protected Characteristics":**

Age, Disability, Sex, Gender Reassignment, Race, Religion or Belief (including No Belief), Sexuality, Marriage and Civil Partnership (applies only to work matters, and Pregnancy and Maternity (including breastfeeding)

**Race** – the categories used are those from the Census. Consideration should be given to the needs of specific communities within the broad categories e.g. Polish.

**Faith Groups** - cover a wide range of groupings, the most common of which are Christians, Muslims, Sikhs, Hindus, Jews, and Buddhists. Consider faith categories individually and collectively when considering impacts. Also consider the position of those with no faith or belief.

### **Duty to "advance equality of opportunity":**

The need, when reviewing, planning or providing services/policies/practices to assess the impacts of services on people in relation to their 'protected characteristics', take steps to remove/minimise any negative impacts identified and help everyone to participate in our services and public life. **Equality Impact Assessments** remain best practice to be used. Sometimes **people have particular needs** e.g. due to gender, race, faith or disability that need to be addressed, not ignored. BDC must have due regard to the **duty to make reasonable adjustments** for people with disabilities. BDC must **encourage people who share a protected characteristic to participate in public life** or any other activity in which their participation is too low.

### **Duty to 'foster good relations between people'**

This means having due regard to the need to tackle prejudice (e.g. where people are picked on or stereotyped by customers or colleagues because of their ethnicity, disability, sexual orientation, etc) and **promote understanding.**

**Lawful Exceptions to general rules:** can happen where action is proportionate to achieve a legitimate aim and not otherwise prohibited by anything under the Equality Act 2010. There are some special situations (see Ch 12 and 13 of the Equality Act 2010 Statutory Code of Practice – Services, Public Functions and Associations).

### **National Adult Autism Strategy (Autism Act 2009; statutory guidelines) including:**

To improve how services identify and meet needs of adults with autism and their families.

### **Human Rights include:**

Rights under the European Convention include not to be subjected to degrading **treatment; right to a fair trial** (civil and criminal issues); **right to privacy** (subject to certain exceptions e.g. national security/public safety, or certain other specific situations); **freedom of conscience** (including religion and belief and rights to manifest these limited only by law and as necessary for public safety, public order, protection of rights of others and other specified situations); **freedom of expression** (subject to certain exceptions); **freedom of peaceful assembly and to join trade unions** (subject to certain exceptions); **right not to be subject to unlawful discrimination** (e.g. sex, race, colour, language, religion, political opinion, national or social origin); **right to peaceful enjoyment of own possessions** (subject to certain exceptions e.g. to secure payment of taxes or other contributions or penalties); **right to an education; right to hold free elections by secret ballot.** The European Convention is given effect in UK law by the Human Rights Act 1998.





**BASSETLAW DISTRICT COUNCIL**

**COUNCIL**

**4<sup>TH</sup> MARCH 2021**

**REPORT OF THE INTERIM DIRECTOR OF CORPORATE RESOURCES**

**COUNCIL TAX RESOLUTION & BUDGET HEADLINES 2021/22**

Cabinet Member: Finance  
Contact: David Hill

**1. Public Interest Test**

1.1 The author of this report, David Hill, has determined that the report is not confidential.

**2. Purpose of the Report**

2.1 Under the Council's Constitution, the functions of calculating the Council Tax requirement and the District element of the Council Tax, and the function of setting the Council Tax are the responsibility of the Full Council. The function of preparing estimates and calculations for submission to Council is the responsibility of the Cabinet.

2.2 This report assists Members of the Council to consider the background to their budgetary and Council Tax decisions, and sets out the recommendations from Cabinet on the 11<sup>th</sup> February 2021.

**3. Background and Discussion**

**INTRODUCTION**

3.1 The Council Tax is a tax on property with a personal element in the form of a discount for dwellings with less than two relevant residents, plus reductions awarded under approved council tax reduction schemes. All dwellings are listed in one of eight valuation Bands and the amount of Council Tax payable in respect of each dwelling (before discounts and other reductions) is in a set proportion between each Band.

3.2 The headline Council Tax is calculated for Band D, and the Tax in the remaining Bands are worked out as a proportion of this amount. The lowest Band (A) is two-thirds of Band D and the highest Band (H) is twice Band D and three times Band A. The proportions are therefore as follows:

Band A	6/9	Band E	11/9
Band B	7/9	Band F	13/9
Band C	8/9	Band G	15/9
Band D	9/9	Band H	18/9

## THE COUNCIL'S LEGAL DUTIES

- 3.3 In coming to decisions in relation to the revenue budget and the Council Tax, the District Council – and Members – have various legal duties, namely:
- (a) The Council must act in accordance with its statutory duties and responsibilities;
  - (b) The Council must act reasonably;
  - (c) The Council must not act in breach of its fiduciary duty to its Ratepayers and Council Taxpayers.

### Statutory Duty

- 3.4 As part of the Budget and the Council Tax setting process, the Council was previously required by the Local Government Finance Act 1992 to make various specific calculations and decisions. The Localism Act 2011 made significant changes to the LGFA 1992, and requires the billing authority (Bassetlaw District Council) to calculate a **Council Tax requirement** for the year, not its budget requirement as previously.
- 3.5 These calculations must be made **before 11<sup>th</sup> March** (i.e. midnight on 10<sup>th</sup> March), although they are not invalid merely because they are made on or after that date. However, until the calculations are made any attempt to set the Council Tax will be treated as null and void.
- 3.6 The District Council has a clear legal duty to set a Council Tax, and a resolution not to set a Council Tax would be unlawful, being in breach of Section 30 of the Local Government Finance Act 1992. Similarly, so would be a resolution to set a Council Tax that deliberately did not balance the various calculations.

## ADEQUACY OF COUNCIL TAX REQUIREMENT AND FINANCIAL RESERVES

- 3.7 The Local Government Act 2003 requires the Chief Financial Officer to report to the authority on the robustness of the estimates made for the purposes of the calculation and the adequacy of the proposed financial reserves. This will include estimates and reserves used for the purpose of the Cabinet's recommendations to Council, and for the purpose of any amendments to those recommendations. The Council has a statutory duty to have regard to the Chief Financial Officer's report when making decisions about the Section 31 calculations. This is set out in the *General Fund Revenue Budget Report 2021/22*.

## SETTING THE COUNCIL TAX

- 3.8 The final stage of the Council Tax setting process is for the Council, as billing authority, to set the overall Council Tax for each Band. Whereas the billing authorities and major precepting authorities calculate their own budget requirements, basic amounts, and amounts of each Band, the setting of the Council Tax is solely the responsibility of the District Council as billing authority.

## COUNCIL TAX REFERENDUMS

- 3.10 Schedule 5 to the Localism Act 2011 introduced a new section into the Local Government Finance Act 1992 ("the 1992 Act"), making provision for council tax referendums to be held if an authority increases its relevant basic amount of council tax by an amount exceeding principles determined by the Secretary of State and agreed by the House of Commons. The Localism Act also abolished the capping regime in England.
- 3.11 The final settlement for 2021/22 was announced on 12 February 2021, and one of the

supporting documents is the *Council Tax referendum principles report 2021 to 2022*. This sets out the council tax referendum principles and authorities' responsibilities in the event that they are required to arrange for a referendum to be held in 2021/22.

- 3.12 In short, each authority must determine whether its relevant basic amount of council tax is excessive. If it is deemed to be so, then a referendum must be held in relation to that amount. For district councils, the authority will be required to seek the approval of their local electorate in a referendum if:
- the council sets a council tax increase (calculated on the relevant basic amount of council tax) of 2.0% or more than the equivalent 2020/21 figure, and,
  - is more than £5 greater than its relevant basic amount of council tax for 2020/21.

### **CHANGES MADE TO THE BUDGET SINCE THE 11<sup>TH</sup> FEBRUARY 2021 CABINET REPORT**

- 3.13 Since the meeting of the Cabinet on 11 February 2021, the following information has been received/determined:
- The final Revenue Support Grant entitlement and Baseline Funding Level for business rates was confirmed with no overall changes made to the provisional settlement figures.
  - The Town/Parish precepts have now been received for 2021/22, and the budget for 2021/22 will be amended to £1,334,798.

### **BUDGET CONSULTATION**

- 3.14 Bassetlaw has a statutory duty to consult the business community as part of its budget preparations, and held a virtual consultation to fulfil this requirement on 25<sup>th</sup> February 2021. Two interested parties attended this meeting and Council officers presented its budget expenditure expectations as part of the consultation process.

### **OTHER PRECEPTING BODIES**

- 3.15 Since the meeting of the Cabinet on 11 February 2021 the precept levels of other precepting bodies have been received. These are detailed below:

#### **Town and Parish Councils**

The Town and Parish Council Precepts for 2021/22 are detailed in Appendix B and total £1,334,798. The increase in the average Band D Council Tax for Town and Parish Councils is 6.11% and results in an average Band D Council Tax figure of £37.31 for 2021/22. Out of the 56 Town/Parish councils, 31 have increased their precept, 12 have stayed the same, and 13 have reduced.

#### **Nottinghamshire County Council**

Nottinghamshire County Council met on 28 February 2021 and set their precept at £56,549,360. This includes an additional precept solely for Adult Social Care, and results in a Band D Council Tax of £1,580.85 (£1,431.21 + £149.64).

#### **Nottinghamshire Police & Crime Commissioner**

Nottinghamshire Police & Crime Commissioner met on 6 February 2021 and set their precept at £8,737,544. This results in a Band D Council Tax of £244.26.

### **Nottinghamshire Fire & Rescue Authority**

Nottinghamshire Fire & Rescue Authority met on 26 February 2021 and set their precept at £2,967,245. This results in a Band D Council Tax of £82.95.

## **4. Implications**

a) For service users

The Council Tax Resolution effectively sets the revenue and capital budgets and the Council Tax level for 2021/22.

b) Strategic & Policy

As contained within this report and the individual budget reports.

c) Financial – Ref: 21/282

As contained within this report and the individual budget reports.

d) Legal - Ref: 228/03/2021

Under the Council's Constitution, the functions of calculating the Council Tax requirement and the District element of the Council Tax, and the function of setting the Council Tax are the responsibility of the Full Council. The function of preparing estimates and calculations for submission to Council is the responsibility of the Cabinet.

e) Human Resources

As contained within this report and the individual budget reports.

f) Community Safety, Equalities, Environmental

As contained within this report and the individual budget reports.

g) GDPR.

There are no GDPR implications

h) This is key decision number 857, but accompanies the reports under key decision numbers 852 to 856.

## **5. Options, Risks and Reasons for Recommendations**

5.1 This report is a statutory requirement. It is for Members to decide on the balance between council taxation and service levels.

## 6. Recommendations

- 6.1 That recommendations 3(a) to 3(o) of Appendix F, which is a summary of the recommendations made in the suite of the 2021/22 budget reports be approved.
- 6.2 That the formal Council Tax Resolution set out at Appendix A be approved.
- 6.3 That if the formal Council Tax Resolution at Appendix A is approved, the total Band D Council Tax will be as follows:

	<b>2020/21</b>	<b>2021/22</b>	<b>Increase</b>
	<b>£</b>	<b>£</b>	<b>%</b>
Bassetlaw District Council	178.48	183.48	2.80
Nottinghamshire County Council	1,400.66	1431.21	1.99
Nottinghamshire County Council – Adult Social Care	134.29	149.64	1.00
Nottinghamshire Police & Crime Commissioner	229.32	244.26	6.52
Nottinghamshire Fire & Rescue Authority	81.36	82.95	1.95
<b>Sub-Total</b>	<b>2,024.11</b>		
Town & Parish Council (average)	35.16	37.31	6.11
<b>Total</b>	<b>2,059.27</b>	<b>2,128.85</b>	<b>3.38</b>

## APPENDIX A

### The Council is recommended to resolve as follows:

1. It be noted that on 31 January 2021 the Council calculated the Council Tax Base 2021/22:
  - (a) For the whole Council area as 35,771.49 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended by The Localism Act 2011 (the "Act")]; and
  - (b) For dwellings in those parts of its area to which one or more special items relate as in the attached Appendix C.
2. Calculate that the Council Tax requirement for the Council's own purposes for 2021/22 (excluding Parish precepts and Special Expenses) is £6,563,400.
3. That the following amounts be calculated for the year 2021/22 in accordance with Sections 31 to 36 of the Act:
  - (a) £79,703,900 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils and any additional special expenses.
  - (b) (£71,805,700) being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
  - (c) £7,898,200 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (Item R in the formula in Section 31B of the Act).
  - (d) £220.79 being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts and special expenses).
  - (e) £1,334,800 being the aggregate amount of all special items (Parish precepts and special expenses) referred to in Section 34(1) of the Act (as per the attached Appendix C).
  - (f) £183.48 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept or special item relates.
4. To note that the County Council, the Police & Crime Commissioner and the Fire & Rescue Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2021/22 for each part of its area and for each of the categories of dwellings.

	Valuation Bands							
	A £	B £	C £	D £	E £	F £	G £	H £
Bassetlaw District Council	122.32	142.71	163.09	<b>183.48</b>	224.25	265.03	305.80	366.96
Nottinghamshire County Council	954.14	1113.16	1272.19	<b>1431.21</b>	1749.26	2067.30	2385.35	2862.42
Nottinghamshire County Council – Adult Social Care	99.76	116.39	133.01	<b>149.64</b>	182.89	216.15	249.40	299.28
Nottinghamshire Police & Crime Commissioner	162.84	189.98	217.12	<b>244.26</b>	298.54	352.82	407.10	488.52
Nottinghamshire Fire & Rescue Authority	55.30	64.52	73.73	<b>82.95</b>	101.38	119.82	138.25	165.90
<b>Aggregate of Council Tax Requirements</b>	<b>1394.36</b>	<b>1626.76</b>	<b>1859.14</b>	<b>2091.54</b>	<b>2556.32</b>	<b>3021.12</b>	<b>3485.90</b>	<b>4183.08</b>

6. That the Council's basic amount of Council Tax for 2021/22 is not excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992.
7. The Council hereby authorises the Section 151 Officer to administer the provisions of the Local Government Finance Acts 1988 and 1992 with regard to the demand, collection and recovery of Council Tax and Non-Domestic Rates and the operation of the Collection Fund.
8. (a) The Council hereby specifies that the Business Rates shall be collected in accordance with respective statutory monthly instalment schemes laid down in Regulations within a 10 month period from April to January, or a 12 month period April to March.
- (b) The Council hereby specifies that the Council Tax shall be collected in accordance with respective statutory monthly instalment schemes laid down in Regulations within a 10 month period from April to January, or a 12 month period April to March, except where agreements are made with the taxpayer to pay in weekly instalments.
- (c) Payments will fall due on the first day of each month except where specific arrangements for Direct Debit apply for Council Tax and Business Rates.





## BASSETLAW DISTRICT COUNCIL TAXBASE &amp; LOCAL PRECEPTS 2021/22

Parish/Town Council	2020/21			2021/22			Council Tax Increase %
	Taxbase	Precept	Council Tax Band D	Taxbase	Precept	Council Tax Band D	
		£	£		£	£	
Askham	81.36	1,648	20.26	82.98	1,648	19.86	-1.97%
Babworth	224.19	5,313	23.70	224.91	5,313	23.62	-0.34%
Barnby Moor	120.96	3,820	31.58	120.33	4,015	33.37	5.67%
Beckingham-cum-Saundby	480.24	28,314	58.96	477.27	40,925	85.75	45.44%
Blyth	505.53	29,060	57.48	503.64	36,504	72.48	26.10%
Bole	52.29	0	0.00	52.02	0	0.00	0.00%
Bothamsall	93.06	2,000	21.49	86.67	2,000	23.08	7.40%
Carburton	25.74	0	0.00	26.82	0	0.00	0.00%
Carlton in Lindrick	1,644.21	156,199	95.00	1,667.97	158,457	95.00	0.00%
Clarborough & Welham	394.74	15,000	38.00	398.34	15,000	37.66	-0.89%
Clayworth	143.55	8,170	56.91	143.64	8,375	58.31	2.46%
Clumber and Hardwick	36.00	0	0.00	34.56	0	0.00	0.00%
Dunham on Trent with Ragnall, Fledborough and Darlton	219.87	11,540	52.49	221.40	13,462	60.80	15.83%
East Drayton	115.83	3,121	26.94	116.46	4,348	37.33	38.57%
East Markham	500.49	22,762	45.48	505.44	22,996	45.50	0.04%
East Retford Charter Trustees	7,120.53	9,610	1.35	7,159.32	7,875	1.10	-18.52%
Elkesley	242.46	13,917	57.40	244.26	13,917	56.98	-0.73%
Everton	381.06	14,186	37.23	392.76	14,910	37.96	1.96%
Gamston with West Drayton & Eaton	246.33	6,400	25.98	248.76	6,462	25.98	0.00%
Gringley-on-the Hill	345.42	22,000	63.69	341.91	22,500	65.81	3.33%
Harworth & Bircotes	2,171.61	248,866	114.60	2,316.15	263,798	113.90	-0.61%
Haughton	20.43	0	0.00	20.25	0	0.00	0.00%
Hayton	156.33	11,548	73.87	155.25	11,420	73.56	-0.42%
Headon-cum-Upton with Grove & Stokeham	162.45	9,184	56.53	162.63	9,726	59.80	5.78%
Hodsock	608.94	43,778	71.89	618.93	44,496	71.89	0.00%
Holbeck & Welbeck	145.08	4,158	28.66	153.63	4,033	26.25	-8.41%
Laneham	154.89	7,326	47.30	147.51	15,811	107.19	126.62%
Lound	201.06	14,000	69.63	200.07	14,000	69.98	0.50%
Markham Clinton	95.40	3,547	37.18	94.68	3,547	37.46	0.75%
Mattersey	254.88	14,169	55.59	256.05	15,218	59.43	6.91%
Misson	262.98	13,188	50.15	267.12	13,843	51.82	3.33%
Misterton	727.56	93,500	128.51	725.58	93,500	128.86	0.27%
Nether Langwith	143.82	11,324	78.74	146.97	11,573	78.74	0.00%
Normanton-on-Trent with Marnham	198.81	5,022	25.26	203.13	5,077	24.99	-1.07%
North and South Wheatley	274.41	21,006	76.55	273.15	21,006	76.90	0.46%
North Leverton with Habblesthorpe	340.20	15,597	45.85	342.18	15,502	45.30	-1.20%
Norton and Cuckney	143.64	12,975	90.33	146.88	13,555	92.29	2.17%
Rampton	292.95	36,859	125.82	295.20	42,359	143.49	14.04%
Ranskill	519.93	20,574	39.57	518.76	20,937	40.36	2.00%
Rhodesia	265.68	9,509	35.79	285.21	10,208	35.79	0.00%
Scaftworth	18.09	0	0.00	18.54	0	0.00	0.00%
Scrooby	130.32	6,875	52.75	130.32	7,075	54.29	2.92%
Shireoaks	500.40	21,016	42.00	558.63	23,697	42.42	1.00%
South Leverton	195.93	10,028	51.18	195.57	15,248	77.97	52.34%
Sturton-le-Steeple	200.79	20,878	103.98	201.06	20,141	100.17	-3.66%
Styrrup with Oldcotes	252.90	17,087	67.56	252.81	17,174	67.93	0.55%
Sutton	260.64	12,881	49.42	279.18	12,881	46.14	-6.64%
Torworth	86.13	13,080	151.86	87.93	14,400	163.77	7.84%
Treswell-with-Cottam	126.00	2,771	21.99	127.62	2,546	19.95	-9.28%
Tuxford	804.87	131,034	162.80	799.29	137,395	171.90	5.59%
Walkeringham	364.77	23,646	64.82	357.12	23,866	66.83	3.10%
Wallingwells	15.21	0	0.00	14.22	0	0.00	0.00%
West Burton	8.55	0	0.00	7.20	0	0.00	0.00%
West Stockwith	117.54	15,497	131.84	123.39	16,423	133.10	0.96%
Wiseton	46.35	427	9.21	47.07	497	10.56	14.66%
Workshop Charter Trustees	12,129.66	19,407	1.60	12,192.75	35,139	2.88	80.00%
<b>Total:</b>	<b>35,373.06</b>	<b>1,243,816</b>	<b>35.16</b>	<b>35,771.49</b>	<b>1,334,798</b>	<b>37.31</b>	<b>6.11%</b>

**Summary:**

Increased	31
Remained the same	12
Reduced	13
<b>56</b>	

**LOCAL PRECEPTS 2021/22**

	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Bassetlaw District Council	122.32	142.71	163.09	183.48	224.25	265.03	305.80	366.96
Nottinghamshire County Council	954.14	1113.16	1272.19	1431.21	1749.26	2067.30	2385.35	2862.42
Nottinghamshire County Council - Adult Social Care	99.76	116.39	133.01	149.64	182.89	216.15	249.40	299.28
Nottinghamshire Police & Crime Commissioner	162.84	189.98	217.12	244.26	298.54	352.82	407.10	488.52
Nottinghamshire Fire & Rescue Authority	55.30	64.52	73.73	82.95	101.38	119.82	138.25	165.90
<b>TOTAL:</b>	<b>1394.36</b>	<b>1626.76</b>	<b>1859.14</b>	<b>2091.54</b>	<b>2556.32</b>	<b>3021.12</b>	<b>3485.90</b>	<b>4183.08</b>
Askham	13.24	15.45	17.65	19.86	24.27	28.69	33.10	39.72
Babworth	15.75	18.37	21.00	23.62	28.87	34.12	39.37	47.24
Barnby Moor	22.25	25.95	29.66	33.37	40.79	48.20	55.62	66.74
Beckingham-cum-Saundby	57.17	66.69	76.22	85.75	104.81	123.86	142.92	171.50
Blyth	48.32	56.37	64.43	72.48	88.59	104.69	120.80	144.96
Bole	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bothamsall	15.39	17.95	20.52	23.08	28.21	33.34	38.47	46.16
Carburton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Carlton in Lindrick	63.33	73.89	84.44	95.00	116.11	137.22	158.33	190.00
Clarborough & Welham	25.11	29.29	33.48	37.66	46.03	54.40	62.77	75.32
Clayworth	38.87	45.35	51.83	58.31	71.27	84.23	97.18	116.62
Clumber and Hardwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dunham on Trent with Ragnall, Fledborough and Darlton	40.53	47.29	54.04	60.80	74.31	87.82	101.33	121.60
East Drayton	24.89	29.03	33.18	37.33	45.63	53.92	62.22	74.66
East Markham	30.33	35.39	40.44	45.50	55.61	65.72	75.83	91.00
East Retford Charter Trustees	0.73	0.86	0.98	1.10	1.34	1.59	1.83	2.20
Elkesley	37.99	44.32	50.65	56.98	69.64	82.30	94.97	113.96
Everton	25.31	29.52	33.74	37.96	46.40	54.83	63.27	75.92
Gamston with West Drayton & Eaton	17.32	20.21	23.09	25.98	31.75	37.53	43.30	51.96
Gringley-on-the Hill	43.87	51.19	58.50	65.81	80.43	95.06	109.68	131.62
Harworth & Bircotes	75.93	88.59	101.24	113.90	139.21	164.52	189.83	227.80
Haughton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hayton	49.04	57.21	65.39	73.56	89.91	106.25	122.60	147.12
Headon-cum-Upton with Grove & Stokeham	39.87	46.51	53.16	59.80	73.09	86.38	99.67	119.60
Hodsock	47.93	55.91	63.90	71.89	87.87	103.84	119.82	143.78
Holbeck & Welbeck	17.50	20.42	23.33	26.25	32.08	37.92	43.75	52.50
Laneham	71.46	83.37	95.28	107.19	131.01	154.83	178.65	214.38
Lound	46.65	54.43	62.20	69.98	85.53	101.08	116.63	139.96
Markham Clinton	24.97	29.14	33.30	37.46	45.78	54.11	62.43	74.92
Mattersey	39.62	46.22	52.83	59.43	72.64	85.84	99.05	118.86
Misson	34.55	40.30	46.06	51.82	63.34	74.85	86.37	103.64
Misterton	85.91	100.22	114.54	128.86	157.50	186.13	214.77	257.72
Nether Langwith	52.49	61.24	69.99	78.74	96.24	113.74	131.23	157.48
Normanton-on-Trent with Marnham	16.66	19.44	22.21	24.99	30.54	36.10	41.65	49.98
North and South Wheatley	51.27	59.81	68.36	76.90	93.99	111.08	128.17	153.80
North Leverton with Hablesthorpe	30.20	35.23	40.27	45.30	55.37	65.43	75.50	90.60
Norton and Cuckney	61.53	71.78	82.04	92.29	112.80	133.31	153.82	184.58
Rampton	95.66	111.60	127.55	143.49	175.38	207.26	239.15	286.98
Ranskill	26.91	31.39	35.88	40.36	49.33	58.30	67.27	80.72
Rhodesia	23.86	27.84	31.81	35.79	43.74	51.70	59.65	71.58
Scaftworth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Scrooby	36.19	42.23	48.26	54.29	66.35	78.42	90.48	108.58
Shireoaks	28.28	32.99	37.71	42.42	51.85	61.27	70.70	84.84
South Leverton	51.98	60.64	69.31	77.97	95.30	112.62	129.95	155.94
Sturton-le-Steeple	66.78	77.91	89.04	100.17	122.43	144.69	166.95	200.34
Styrrup with Oldcotes	45.29	52.83	60.38	67.93	83.03	98.12	113.22	135.86
Sutton	30.76	35.89	41.01	46.14	56.39	66.65	76.90	92.28
Torworth	109.18	127.38	145.57	163.77	200.16	236.56	272.95	327.54
Treswell-with-Cottam	13.30	15.52	17.73	19.95	24.38	28.82	33.25	39.90
Tuxford	114.60	133.70	152.80	171.90	210.10	248.30	286.50	343.80
Walkeringham	44.55	51.98	59.40	66.83	81.68	96.53	111.38	133.66
Wallingwells	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
West Burton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
West Stockwith	88.73	103.52	118.31	133.10	162.68	192.26	221.83	266.20
Wiseton	7.04	8.21	9.39	10.56	12.91	15.25	17.60	21.12
Worksop Charter Trustees	1.92	2.24	2.56	2.88	3.52	4.16	4.80	5.76

**BASSETLAW DISTRICT COUNCIL TAX INCLUDING LOCAL PRECEPTS 2021/22**

Parish/Town	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Askham	135.56	158.16	180.74	203.34	248.52	293.72	338.90	406.68
Babworth	138.07	161.08	184.09	207.10	253.12	299.15	345.17	414.20
Barnby Moor	144.57	168.66	192.75	216.85	265.04	313.23	361.42	433.70
Beckingham-cum-Saundby	179.49	209.40	239.31	269.23	329.06	388.89	448.72	538.46
Blyth	170.64	199.08	227.52	255.96	312.84	369.72	426.60	511.92
Bole	122.32	142.71	163.09	183.48	224.25	265.03	305.80	366.96
Bothamsall	137.71	160.66	183.61	206.56	252.46	298.37	344.27	413.12
Carburton	122.32	142.71	163.09	183.48	224.25	265.03	305.80	366.96
Carlton in Lindrick	185.65	216.60	247.53	278.48	340.36	402.25	464.13	556.96
Clarborough & Welham	147.43	172.00	196.57	221.14	270.28	319.43	368.57	442.28
Clayworth	161.19	188.06	214.92	241.79	295.52	349.26	402.98	483.58
Clumber and Hardwick	122.32	142.71	163.09	183.48	224.25	265.03	305.80	366.96
Dunham on Trent with Ragnall, Fledborough and Darlton	162.85	190.00	217.13	244.28	298.56	352.85	407.13	488.56
East Drayton	147.21	171.74	196.27	220.81	269.88	318.95	368.02	441.62
East Markham	152.65	178.10	203.53	228.98	279.86	330.75	381.63	457.96
East Retford Charter Trustees	123.05	143.57	164.07	184.58	225.59	266.62	307.63	369.16
Elkesley	160.31	187.03	213.74	240.46	293.89	347.33	400.77	480.92
Everton	147.63	172.23	196.83	221.44	270.65	319.86	369.07	442.88
Gamston with West Drayton & Eaton	139.64	162.92	186.18	209.46	256.00	302.56	349.10	418.92
Gringley-on-the Hill	166.19	193.90	221.59	249.29	304.68	360.09	415.48	498.58
Harworth & Bircotes	198.25	231.30	264.33	297.38	363.46	429.55	495.63	594.76
Haughton	122.32	142.71	163.09	183.48	224.25	265.03	305.80	366.96
Hayton	171.36	199.92	228.48	257.04	314.16	371.28	428.40	514.08
Headon-cum-Upton with Grove & Stokeham	162.19	189.22	216.25	243.28	297.34	351.41	405.47	486.56
Hodsock	170.25	198.62	226.99	255.37	312.12	368.87	425.62	510.74
Holbeck & Welbeck	139.82	163.13	186.42	209.73	256.33	302.95	349.55	419.46
Laneham	193.78	226.08	258.37	290.67	355.26	419.86	484.45	581.34
Lound	168.97	197.14	225.29	253.46	309.78	366.11	422.43	506.92
Markham Clinton	147.29	171.85	196.39	220.94	270.03	319.14	368.23	441.88
Mattersey	161.94	188.93	215.92	242.91	296.89	350.87	404.85	485.82
Misson	156.87	183.01	209.15	235.30	287.59	339.88	392.17	470.60
Misterton	208.23	242.93	277.63	312.34	381.75	451.16	520.57	624.68
Nether Langwith	174.81	203.95	233.08	262.22	320.49	378.77	437.03	524.44
Normanton-on-Trent with Marnham	138.98	162.15	185.30	208.47	254.79	301.13	347.45	416.94
North and South Wheatley	173.59	202.52	231.45	260.38	318.24	376.11	433.97	520.76
North Leverton with Hablesthorpe	152.52	177.94	203.36	228.78	279.62	330.46	381.30	457.56
Norton and Cuckney	183.85	214.49	245.13	275.77	337.05	398.34	459.62	551.54
Rampton	217.98	254.31	290.64	326.97	399.63	472.29	544.95	653.94
Ranskill	149.23	174.10	198.97	223.84	273.58	323.33	373.07	447.68
Rhodesia	146.18	170.55	194.90	219.27	267.99	316.73	365.45	438.54
Scaftworth	122.32	142.71	163.09	183.48	224.25	265.03	305.80	366.96
Scrooby	158.51	184.94	211.35	237.77	290.60	343.45	396.28	475.54
Shireoaks	150.60	175.70	200.80	225.90	276.10	326.30	376.50	451.80
South Leverton	174.30	203.35	232.40	261.45	319.55	377.65	435.75	522.90
Sturton-le-Steeple	189.10	220.62	252.13	283.65	346.68	409.72	472.75	567.30
Styrrup with Oldcotes	167.61	195.54	223.47	251.41	307.28	363.15	419.02	502.82
Sutton	153.08	178.60	204.10	229.62	280.64	331.68	382.70	459.24
Torworth	231.50	270.09	308.66	347.25	424.41	501.59	578.75	694.50
Treswell-with-Cottam	135.62	158.23	180.82	203.43	248.63	293.85	339.05	406.86
Tuxford	236.92	276.41	315.89	355.38	434.35	513.33	592.30	710.76
Walkeringham	166.87	194.69	222.49	250.31	305.93	361.56	417.18	500.62
Wallingwells	122.32	142.71	163.09	183.48	224.25	265.03	305.80	366.96
West Burton	122.32	142.71	163.09	183.48	224.25	265.03	305.80	366.96
West Stockwith	211.05	246.23	281.40	316.58	386.93	457.29	527.63	633.16
Wiseton	129.36	150.92	172.48	194.04	237.16	280.28	323.40	388.08
Worksop Charter Trustees	124.24	144.95	165.65	186.36	227.77	269.19	310.60	372.72

**BASSETLAW DISTRICT COUNCIL TAX INCLUDING COUNTY COUNCIL, POLICE & CRIME  
COMMISSIONER, FIRE & RESCUE AUTHORITY, DISTRICT COUNCIL AND LOCAL PRECEPTS  
2021/22**

<b>Parish/Town</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Askham	1,407.60	1,642.21	1,876.79	2,111.40	2,580.59	3,049.81	3,519.00	4,222.80
Babworth	1,410.11	1,645.13	1,880.14	2,115.16	2,585.19	3,055.24	3,525.27	4,230.32
Barnby Moor	1,416.61	1,652.71	1,888.80	2,124.91	2,597.11	3,069.32	3,541.52	4,249.82
Beckingham-cum-Saundby	1,451.53	1,693.45	1,935.36	2,177.29	2,661.13	3,144.98	3,628.82	4,354.58
Blyth	1,442.68	1,683.13	1,923.57	2,164.02	2,644.91	3,125.81	3,606.70	4,328.04
Bole	1,394.36	1,626.76	1,859.14	2,091.54	2,556.32	3,021.12	3,485.90	4,183.08
Bothamsall	1,409.75	1,644.71	1,879.66	2,114.62	2,584.53	3,054.46	3,524.37	4,229.24
Carburton	1,394.36	1,626.76	1,859.14	2,091.54	2,556.32	3,021.12	3,485.90	4,183.08
Carlton in Lindrick	1,457.69	1,700.65	1,943.58	2,186.54	2,672.43	3,158.34	3,644.23	4,373.08
Clarborough & Welham	1,419.47	1,656.05	1,892.62	2,129.20	2,602.35	3,075.52	3,548.67	4,258.40
Clayworth	1,433.23	1,672.11	1,910.97	2,149.85	2,627.59	3,105.35	3,583.08	4,299.70
Clumber and Hardwick	1,394.36	1,626.76	1,859.14	2,091.54	2,556.32	3,021.12	3,485.90	4,183.08
Dunham on Trent with Ragnall, Fledborough and Darlton	1,434.89	1,674.05	1,913.18	2,152.34	2,630.63	3,108.94	3,587.23	4,304.68
East Drayton	1,419.25	1,655.79	1,892.32	2,128.87	2,601.95	3,075.04	3,548.12	4,257.74
East Markham	1,424.69	1,662.15	1,899.58	2,137.04	2,611.93	3,086.84	3,561.73	4,274.08
East Retford Charter Trustees	1,395.09	1,627.62	1,860.12	2,092.64	2,557.66	3,022.71	3,487.73	4,185.28
Elkesley	1,432.35	1,671.08	1,909.79	2,148.52	2,625.96	3,103.42	3,580.87	4,297.04
Everton	1,419.67	1,656.28	1,892.88	2,129.50	2,602.72	3,075.95	3,549.17	4,259.00
Gamston with West Drayton & Eaton	1,411.68	1,646.97	1,882.23	2,117.52	2,588.07	3,058.65	3,529.20	4,235.04
Gringley-on-the Hill	1,438.23	1,677.95	1,917.64	2,157.35	2,636.75	3,116.18	3,595.58	4,314.70
Harworth & Bircotes	1,470.29	1,715.35	1,960.38	2,205.44	2,695.53	3,185.64	3,675.73	4,410.88
Haughton	1,394.36	1,626.76	1,859.14	2,091.54	2,556.32	3,021.12	3,485.90	4,183.08
Hayton	1,443.40	1,683.97	1,924.53	2,165.10	2,646.23	3,127.37	3,608.50	4,330.20
Headon-cum-Upton with Grove & Stokeham	1,434.23	1,673.27	1,912.30	2,151.34	2,629.41	3,107.50	3,585.57	4,302.68
Hodsock	1,442.29	1,682.67	1,923.04	2,163.43	2,644.19	3,124.96	3,605.72	4,326.86
Holbeck & Welbeck	1,411.86	1,647.18	1,882.47	2,117.79	2,588.40	3,059.04	3,529.65	4,235.58
Laneham	1,465.82	1,710.13	1,954.42	2,198.73	2,687.33	3,175.95	3,664.55	4,397.46
Lound	1,441.01	1,681.19	1,921.34	2,161.52	2,641.85	3,122.20	3,602.53	4,323.04
Markham Clinton	1,419.33	1,655.90	1,892.44	2,129.00	2,602.10	3,075.23	3,548.33	4,258.00
Mattersey	1,433.98	1,672.98	1,911.97	2,150.97	2,628.96	3,106.96	3,584.95	4,301.94
Misson	1,428.91	1,667.06	1,905.20	2,143.36	2,619.66	3,095.97	3,572.27	4,286.72
Misterton	1,480.27	1,726.98	1,973.68	2,220.40	2,713.82	3,207.25	3,700.67	4,440.80
Nether Langwith	1,446.85	1,688.00	1,929.13	2,170.28	2,652.56	3,134.86	3,617.13	4,340.56
Normanton-on-Trent with Marnham	1,411.02	1,646.20	1,881.35	2,116.53	2,586.86	3,057.22	3,527.55	4,233.06
North and South Wheatley	1,445.63	1,686.57	1,927.50	2,168.44	2,650.31	3,132.20	3,614.07	4,336.88
North Leverton with Habbleshthorpe	1,424.56	1,661.99	1,899.41	2,136.84	2,611.69	3,086.55	3,561.40	4,273.68
Norton and Cuckney	1,455.89	1,698.54	1,941.18	2,183.83	2,669.12	3,154.43	3,639.72	4,367.66
Rampton	1,490.02	1,738.36	1,986.69	2,235.03	2,731.70	3,228.38	3,725.05	4,470.06
Ranskill	1,421.27	1,658.15	1,895.02	2,131.90	2,605.65	3,079.42	3,553.17	4,263.80
Rhodesia	1,418.22	1,654.60	1,890.95	2,127.33	2,600.06	3,072.82	3,545.55	4,254.66
Scaftworth	1,394.36	1,626.76	1,859.14	2,091.54	2,556.32	3,021.12	3,485.90	4,183.08
Scrooby	1,430.55	1,668.99	1,907.40	2,145.83	2,622.67	3,099.54	3,576.38	4,291.66
Shireoaks	1,422.64	1,659.75	1,896.85	2,133.96	2,608.17	3,082.39	3,556.60	4,267.92
South Leverton	1,446.34	1,687.40	1,928.45	2,169.51	2,651.62	3,133.74	3,615.85	4,339.02
Sturton-le-Steeple	1,461.14	1,704.67	1,948.18	2,191.71	2,678.75	3,165.81	3,652.85	4,383.42
Styrrup with Oldcotes	1,439.65	1,679.59	1,919.52	2,159.47	2,639.35	3,119.24	3,599.12	4,318.94
Sutton	1,425.12	1,662.65	1,900.15	2,137.68	2,612.71	3,087.77	3,562.80	4,275.36
Torworth	1,503.54	1,754.14	2,004.71	2,255.31	2,756.48	3,257.68	3,758.85	4,510.62
Treswell-with-Cottam	1,407.66	1,642.28	1,876.87	2,111.49	2,580.70	3,049.94	3,519.15	4,222.98
Tuxford	1,508.96	1,760.46	2,011.94	2,263.44	2,766.42	3,269.42	3,772.40	4,526.88
Walkeringham	1,438.91	1,678.74	1,918.54	2,158.37	2,638.00	3,117.65	3,597.28	4,316.74
Wallingwells	1,394.36	1,626.76	1,859.14	2,091.54	2,556.32	3,021.12	3,485.90	4,183.08
West Burton	1,394.36	1,626.76	1,859.14	2,091.54	2,556.32	3,021.12	3,485.90	4,183.08
West Stockwith	1,483.09	1,730.28	1,977.45	2,224.64	2,719.00	3,213.38	3,707.73	4,449.28
Wiseton	1,401.40	1,634.97	1,868.53	2,102.10	2,569.23	3,036.37	3,503.50	4,204.20
Worksop Charter Trustees	1,396.28	1,629.00	1,861.70	2,094.42	2,559.84	3,025.28	3,490.70	4,188.84

## **BUDGET HEADLINES 2021/22**

### **1. Purpose of the Report**

- 1.1 This report brings together the various budget recommendations made by Cabinet on 5 January 2021 and 11 February 2021 to allow the Council to determine its call upon the Collection Fund and the level of the Council Tax for 2021/22.

### **2. Background**

#### **General Fund Revenue Budget**

- 2.1. With the introduction of the Retained Business Rates scheme, the main grant provided by the MHCLG is the Revenue Support Grant. The final grant settlement saw a small inflationary increase of £1,300 to £228,800.
- 2.2. The General Fund net budget for 2021/22, as agreed by Cabinet is £16,942,300 after adjusting for funding Provisions of £277,300 and the net transfer to balances of £811,900. The Parish Precepts (£1,334,800) have now been agreed and increase the net budget figure by £102,400 to £17,044,700. This provides for a Council Tax increase of £5 for a Band D property.

#### **Parishes**

- 2.3. The Parish Precepts for 2021/22 total £1,344,800, an average Band D increase of 7.31%.
- 2.4. The District Council has no special expenses. This is confirmed in the Council Tax Resolution.

#### **General Fund Reserves and Balances**

- 2.5. The Council is required to operate a General Fund and a separate Collection Fund. Within the General Fund, the Council will hold £1m as a minimum working balance.

#### **Council Tax Base**

- 2.6. The Council Tax base (Band D equivalent) has increased by 398 Band D properties from 35,373.06 to 35,771.49.

## APPENDIX F

### **Bassetlaw District Council Tax for 2021/22**

2.7. The District Council Tax position may be summarised as follows:

	£'000	Council Tax Band D Equiv. £
General Fund Total Expenditure	16,246	454.17
Transfer to/(from) Reserves	799	22.32
	<hr/>	<hr/>
	17,045	476.49
<b><u>LESS</u></b>		
Parish Precepts	-1,335	-37.31
Revenue Support Grant	-229	-6.40
National Non-Domestic Rates distribution	-7,541	-210.81
Other Grants	-1,377	-38.49
	<hr/>	<hr/>
To be met from Collection Fund	6,563	183.48
	<hr/>	<hr/>

### **Housing Revenue Account (reported to Council 28 January 2021)**

2.8. The Housing Revenue Account estimates for 2021/22 include an average weekly rent increase of £1.11 per week (1.51%) on social rent properties and £1.51 per week (1.50%) on affordable rent properties on a 52-week collection basis. Within the HRA, the Council will hold £1.3m as a minimum working balance.

### **Capital Budget**

2.9. The CIPFA Prudential Code governs the Authority's Capital Expenditure. This is limited to the amount the Council can afford after allowing for grants, the availability of capital receipts, revenue contributions and leasing.

2.10. The recommended Capital Budget for 2021/22 (including the previous year's approvals) totals £13.220m of which £11.497m is for Housing, and the remaining £1.723 is for the General Fund.

### **Total Council Tax for 2021/22**

2.11. In addition to the District Council Tax, the Council is required to raise monies in respect of precepts issued by the Nottinghamshire County Council, Nottinghamshire Police & Crime Commissioner, Nottinghamshire Fire & Rescue Authority, Parish Councils, and Charter Trustees.

## APPENDIX F

2.12. The position may be summarised as follows:

	<b>Band D Council Tax £</b>	<b>Band D Percentage Increase %</b>
Bassetlaw District Council	183.48	2.80%
Nottinghamshire County Council	1,431.21	1.99%
Nottinghamshire County Council – Adult Social Care	149.64	1.00%
Nottinghamshire Police & Crime Commissioner	244.26	6.52%
Nottinghamshire Fire & Rescue Authority	82.95	1.95%
Parish Councils and Charter Trustees	37.31	6.11%
<b>TOTAL</b>	<b>2,128.85</b>	<b>3.38%</b>

### Precept Requirements for 2021/22

2.13 The position may be summarised as follows:

	<b>Band D Council Tax £</b>	<b>Proportion Of Band D %</b>
Bassetlaw District Council	6,563,400	8.62%
Nottinghamshire County Council	56,549,360	74.26%
Nottinghamshire Police & Crime Commissioner	8,737,544	11.47%
Nottinghamshire Fire & Rescue Authority	2,967,245	3.90%
Parish Councils and Charter Trustees	1,334,798	1.75%
<b>TOTAL</b>	<b>76,152,257</b>	<b>100.00%</b>

3. **Recommendations from the General Fund budget reports presented to Cabinet on 5 January 2021**

The Council is recommended to approve for 2021/22:

**General Fund Capital Programme 2021/22 to 2025/26**

- a) The Capital Programme for 2021/22 totalling £1,723m.
- b) The indicative Capital Programme for 2022/23 to 2025/26 totalling £5.447m.

**Recommendations from the General Fund budget reports presented to Cabinet on 11 February 2021**

The Council is recommended to approve for 2021/22:

**Property Asset Management Plan 2021/22 Update**

- c) The updated 2021/22 Property Asset Management Plan.

**General Fund Budget 2021/22 to 2025/26**

- d) The General Fund net revenue budget of £15,710,000 excluding parishes, and a General Fund net revenue budget of £16,942,300 including parishes.
- e) A Council Tax increase of £5 for 2021/22, giving a Band D council tax amount of £183.48 for Bassetlaw District Council.
- f) The contribution of £811,900 into earmarked reserves.

**Treasury Management Policy and Strategy 2021/22 to 2023/24**

- g) The Treasury Management Strategy, incorporating the Borrowing Strategy and the Annual Investment Strategy.
- h) The Prudential Indicators and Limits.
- i) The Capital Financing Requirement.
- j) The Affordability Prudential Indicators.
- k) The Minimum Revenue Provision Policy Statement.
- l) The Authorised Limit Prudential Indicator.

**Capital Investment Strategy 2021/22 to 2025/26**

- m) The Capital Investment Strategy.