



Friday, 7 March 2025

Dear Sir/Madam

A meeting of the Governance, Audit and Standards Committee will be held on Monday, 17 March 2025 in the Council Chamber, Council Offices, Foster Avenue, Beeston NG9 1AB, commencing at 6.00 pm.

Should you require advice on declaring an interest in any item on the agenda, please contact the Monitoring Officer at your earliest convenience.

Yours faithfully

Chief Executive

To Councillors:	S J Carr (Chair)	G S Hills
	K Woodhead (Vice-Chair)	S P Jeremiah
	M Brown	A Kingdon
	R Bullock	W Mee
	A Cooper	J M Owen
	S Dannheimer	E Winfield
	K A Harlow	

A G E N D A

1. Apologies

To receive apologies and to be notified of the attendance of substitutes.

2. Declarations of Interest

(Pages 5 - 12)

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest in any item on the agenda.

3. Minutes

(Pages 13 - 14)

The Committee is asked to confirm as a correct record the minutes of the meeting held on 27 January 2025.

4. Minutes of Other Meetings (Pages 15 - 16)
 - Advisory Shareholder Sub Committee 10 February 2025

5. Internal Audit Plan 2025/26 (Pages 17 - 26)

To approve the Internal Audit Plan for 2025/26.

6. Internal Audit Progress Report (Pages 27 - 36)

To inform the Committee of the recent work completed by Internal Audit.

7. Statement of Accounts 2024/25 – Accounting Policies (Pages 37 - 60)

To provide Members with any updates made to the Council's accounting policies in relation to the production of the 2024/25 Statement of Accounts.

8. Statement of Accounts 2024/25 – Underlying Pension Assumptions (Pages 61 - 66)

To provide Members with information regarding the assumptions made by the Pension Fund Actuary in calculating the IAS19 figures to be reported in the 2024/25 Statement of Accounts.

9. Liberty Leisure Limited – External Audit Arrangements 2024/25 (Pages 67 - 72)

To provide Members with details of the exemption of Liberty Leisure Limited from the requirement of an external audit for 2024/25.

10. Quarterly Complaint Report (Pages 73 - 96)

To provide Members with a summary of complaints made against the Council.

11. Review of Strategic Risk Register (Pages 97 - 112)

To approve the amendments to the Strategic Risk Register

and the action plans identified to mitigate risks.

12. Work Programme

(Pages 113 - 114)

To consider items for inclusion in the Work Programme for future meetings.

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Report of the Monitoring Officer

DECLARATIONS OF INTEREST

1. Purpose of Report

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest in any item on the agenda. The following information is extracted from the Code of Conduct, in addition to advice from the Monitoring Officer which will assist Members to consider any declarations of interest.

Part 2 – Member Code of Conduct

General Obligations:

10. Interest

10.1 You will register and disclose your interests in accordance with the provisions set out in Appendix A.

Section 29 of the Localism Act 2011 requires the Monitoring Officer to establish and maintain a register of interests of Members of the Council. The register is publically available and protects you by demonstrating openness and willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting which allows the public, Council employees and fellow Councillors know which of your interests gives rise to a conflict of interest. If in doubt you should always seek advice from your Monitoring Officer.

You should note that failure to register or disclose a disclosable pecuniary interest as defined in Appendix A of the Code of Conduct, is a criminal offence under the Localism Act 2011.

Advice from the Monitoring Officer:

On reading the agenda it is advised that you:

1. Consider whether you have any form of interest to declare as set out in the Code of Conduct.
2. Consider whether you have a declaration of any bias or predetermination to make as set out at the end of this document
3. Update Democratic Services and the Monitoring Officer and or Deputy Monitoring Officers of any declarations you have to make ahead of the meeting and take advice as required.
4. Use the Member Interest flowchart to consider whether you have an interest to declare and what action to take.
5. Update the Chair at the meeting of any interest declarations as follows:

‘I have an interest in Item xx of the agenda’

'The nature of my interest is therefore the type of interest is
DPI/ORI/NRI/BIAS/PREDETERMINATION
'The action I will take is...'

This will help Officer record a more accurate record of the interest being declared and the actions taken. You will also be able to consider whether it is necessary to send a substitute Members in your place and to provide Democratic Services with notice of your substitute Members name.

Note: If at the meeting you recognise one of the speakers and only then become aware of an interest you should declare your interest and take any necessary action

6. Update your Member Interest Register of any registerable interests within 28days of becoming aware of the Interest.

Ask yourself do you have any of the following interest to declare?

1. DISCLOSABLE PECUNIARY INTERESTS (DPIs)

A "Disclosable Pecuniary Interest" is any interest described as such in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 and includes an interest of yourself, or of your Spouse/Partner (if you are aware of your Partner's interest) that falls within the following categories: Employment, Trade, Profession, Sponsorship, Contracts, Land, Licences, Tenancies and Securities.

2. OTHER REGISTERABLE INTERESTS (ORIs)

An "Other Registerable Interest" is a personal interest in any business of your authority which relates to or is likely to affect:

- a) any body of which you are in general control or management and to which you are nominated or appointed by your authority; or
- b) any body
 - (i) exercising functions of a public nature
 - (ii) anybody directed to charitable purposes or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a Member or in a position of general control or management.

3. NON-REGISTRABLE INTERESTS (NRIs)

"Non-Registrable Interests" are those that you are not required to register but need to be disclosed when a matter arises at a meeting which directly relates to your financial interest or wellbeing or a financial interest or wellbeing of a relative or close associate that is not a DPI.

A matter "directly relates" to one of your interests where the matter is directly about that interest. For example, the matter being discussed is an application about a particular property in which you or somebody associated with you has a financial interest.

A matter “affects” your interest where the matter is not directly about that interest but would still have clear implications for the interest. For example, the matter concerns a neighbouring property.

Declarations and Participation in Meetings

1. DISCLOSABLE PECUNIARY INTERESTS (DPIs)

1.1 Where a matter arises at a meeting which **directly relates** to one of your Disclosable Pecuniary Interests which include both the interests of yourself and your partner then:

Action to be taken

- **you must disclose the nature of the interest** at the commencement of that consideration, or when the interest becomes apparent, whether or not such interest is registered in the Council’s register of interests of Member and Co-opted Members or for which you have made a pending notification. If it is a sensitive interest you do not have to disclose the nature of the interest, just that you have an interest
- **you must not participate in any discussion** of that particular business at the meeting, or if you become aware of a disclosable pecuniary interest during the meeting you must not participate further in any discussion of the business, including by speaking as a member of the public
- **you must not participate in any vote** or further vote taken on the matter at the meeting and
- **you must withdraw from the room** at this point to make clear to the public that you are not influencing the meeting in anyway and to protect you from the criminal sanctions that apply should you take part, unless you have been granted a Dispensation.

2. OTHER REGISTERABLE INTERESTS (ORIs)

2.1 Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests i.e. relating to a body you may be involved in:

- **you must disclose** the interest at the commencement of that consideration, or when the interest becomes apparent, whether or not such interest is registered in the Council’s register of interests of Member and Co-opted Members or for which you have made a pending notification. If it is a sensitive interest you do not have to disclose the nature of the interest, just that you have an interest
- **you must not take part in any discussion or vote** on the matter, but may speak on the matter only if members of the public are also allowed to speak at the meeting
- **you must withdraw from the room** unless you have been granted a Dispensation.

3. NON-REGISTRABLE INTERESTS (NRIs)

3.1 Where a matter arises at a meeting, which is not registrable but may become relevant when a particular item arises i.e. interests which relate to you and /or other people you are connected with (e.g. friends, relative or close associates) then:

- **you must** disclose the interest; if it is a sensitive interest you do not have to disclose the nature of the interest, just that you have an interest
 - **you must not take part in any discussion or vote**, but may speak on the matter only if members of the public are also allowed to speak at the meeting; and
 - **you must withdraw** from the room unless you have been granted a Dispensation.
-

Dispensation and Sensitive Interests

A “Dispensation” is agreement that you may continue to participate in the decision-making process notwithstanding your interest as detailed at section 12 of the Code of the Conduct and the Appendix.

A “Sensitive Interest” is as an interest which, if disclosed, could lead to the Member, or a person connected with the Member, being subject to violence or intimidation. In any case where this Code of Conduct requires to you to disclose an interest (subject to the agreement of the Monitoring Officer in accordance with paragraph 2.4 of this Appendix regarding registration of interests), you do not have to disclose the nature of the interest, if it is a Sensitive Interest in such circumstances you just have to disclose that you have a Sensitive Interest under S32(2) of the Localism Act 2011. You must update the Monitoring Officer when the interest is no longer sensitive, so that the interest can be recorded, made available for inspection and published.

BIAS and PREDETERMINATION

The following are not explicitly covered in the code of conduct but are important legal concepts to ensure that decisions are taken solely in the public interest and not to further any private interests.

The risk in both cases is that the decision maker does not approach the decision with an objective, open mind.

This makes the local authority’s decision challengeable (and may also be a breach of the Code of Conduct by the Councillor).

Please seek advice from the Monitoring Officer or Deputy Monitoring Officers, if you need assistance ahead of the meeting.

BIAS

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias. If you have been involved in an issue in such a manner or to such an extent that the public are likely to perceive you to be biased in your judgement of the public interest:

- a) you should not take part in the decision-making process
- b) you should state that your position in this matter prohibits you from taking part
- c) you should leave the room.

PREDETERMINATION

Where a decision maker has completely made up his/her mind before the decision is taken or that the public are likely to perceive you to be predetermined due to comments or statements you have made:

- a) you should not take part in the decision-making process
- b) you should state that your position in this matter prohibits you from taking part
- c) you should leave the room.

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Registerable Interests

These are interests that you are required to register in accordance with the Code of Conduct. They are interests that you would know about in advance of an item coming up (e.g. land you own) and you should have included them when filling in your register of interests.

What type of Registerable Interest do you have in this matter?

Disclosable Pecuniary Interests

These are any interests that are described as DPIs under the Code of Conduct and include both the interests of yourself and of your partner.

Other Registerable Interests

These are personal interests that relate to certain types of bodies that you may be involved in as set out in the Code of Conduct.

Does the matter directly relate to one of your Disclosable Pecuniary Interests?

No

Does the matter directly relate to the financial interest or wellbeing of one of your Other Registerable Interests?

No

Does the matter affect a financial interest or the wellbeing of yourself or of a friend, relative or close associate?

No

Yes

Is the financial interest or wellbeing affected to a greater extent than the financial interests or wellbeing of the majority of inhabitants?

No

Yes

Would a reasonable member of the public knowing all the facts believe that it would affect your view of the wider public interest?

No

Yes

Yes

You must:

- Disclose the interest;
- Not speak on the matter;
- Not participate in any discussion or vote; and
- Not remain in the room unless you have a Dispensation

You must:

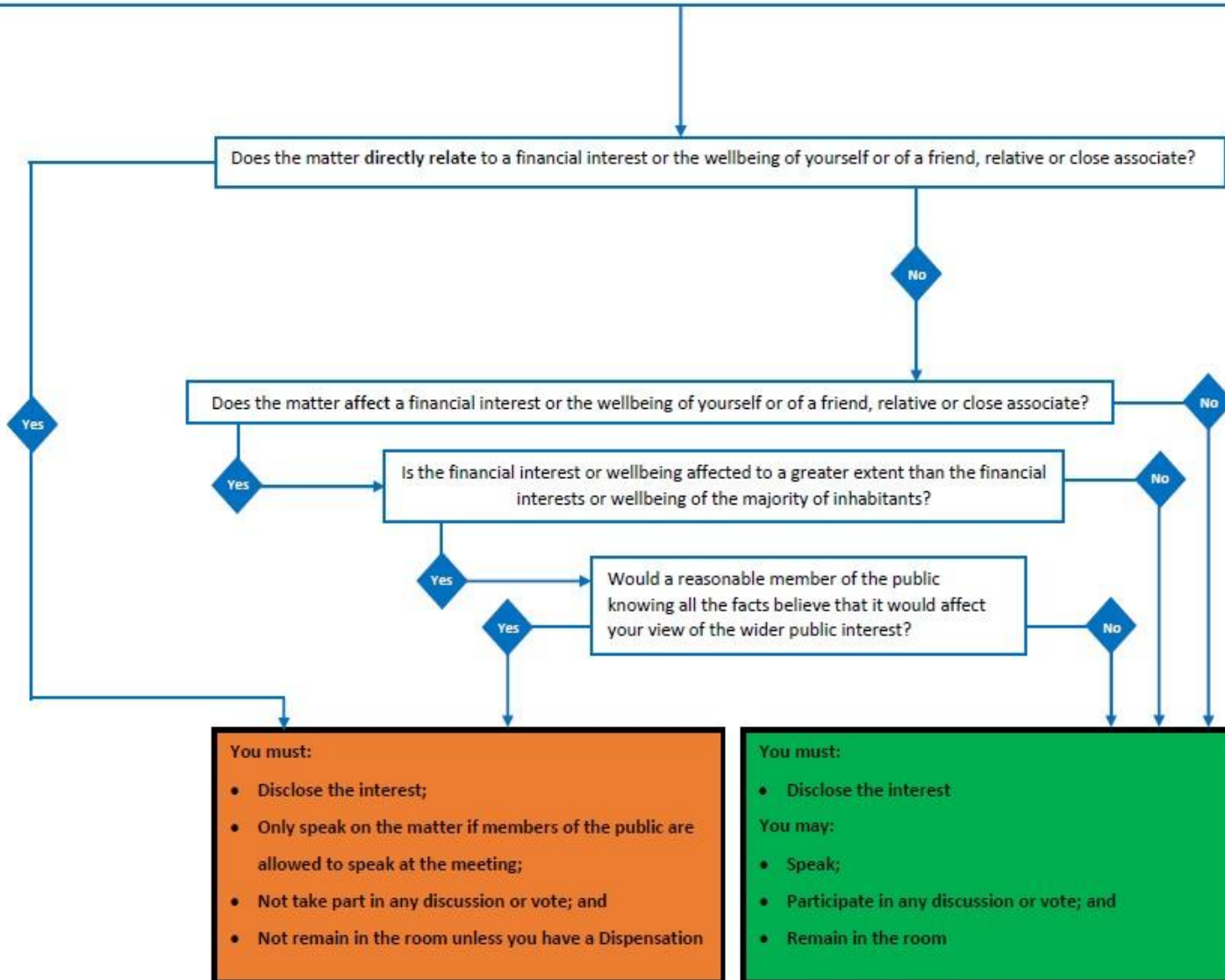
- Disclose the interest;
- Only speak on the matter if members of the public are allowed to speak at the meeting;
- Not take part in any discussion or vote; and
- Not remain in the room unless you have a Dispensation

You must:

- Disclose the interest
- You may:
- Speak;
 - Participate in any discussion or vote; and
 - Remain in the room

Non-Registerable Interests

These are interests that you are not required to register but may become relevant when a particular item arises. These are usually interests that relate to other people you are connected with (e.g. friends, relatives or close associates) but can include your own interests where you would not have been expected to register them.



GOVERNANCE, AUDIT AND STANDARDS COMMITTEE

MONDAY, 27 JANUARY 2025

Present: Councillor S J Carr, Chair

Councillors: E Winfield (Vice-Chair)
R Bullock
G S Hills
S P Jeremiah
A Kingdon
W Mee
J M Owen
P J Owen (substitute)
P A Smith (substitute)
C Tideswell (substitute)
S Webb
K Woodhead

Apologies for absence were received from Councillors M Brown, S Dannheimer and K A Harlow.

46 DECLARATIONS OF INTEREST

There were no declarations of interest.

47 MINUTES

The minutes of the meeting held 25 November 2024 were confirmed and signed as a correct record.

48 AUDIT OF ACCOUNTS 2023/24 AND ASSOCIATED MATTERS

The Committee noted the letter of representation and the process for the approval of the Statement of Accounts for 2023/24 and reviewed the Audit Completion Report and the draft Auditor's Annual Report for 2023/24 from the Council's external auditors following their work on these accounts.

The Committee noted that the report from the auditors did not identified any significant weaknesses in the Council's arrangements that would require it to make a recommendation.

RESOLVED that:

- (i) the updated Statement of Accounts 2023/24 and letter of representation as circulated be approved; and**

- (ii) **delegation be given to the Deputy Chief Executive and Section 151 Officer, in consultation with the Chair of this Committee, to approve any further changes required to the Statement of Accounts 2023/24.**

49 WORK PROGRAMME

Members considered the Work Programme.

RESOLVED that the Work Programme be approved.

ADVISORY SHAREHOLDER SUB COMMITTEE

MONDAY, 10 FEBRUARY 2025

Present: Councillor S P Jeremiah, Chair

Councillors: W Mee (Vice-Chair)
G S Hills

Apologies for absence were received from Councillors B C Carr and S Webb

7 Minutes

The minutes of the meeting held on 14 October 2025 were confirmed and signed as a correct record.

8 Declarations of Interest

There were no Declarations of Interest.

9 Liberty Leisure Q3 Business Plan Progress Report

Members noted the Liberty Leisure Limited business plan progress report for Quarter 3 2024/25. The business plan was reviewed annually and approved by the Liberty Leisure Limited Board. The Business Plans were linked to the Council's Corporate priority of Health and detailed the projects and activities undertaken in support of the Corporate Plan.

10 Liberty Leisure Q3 Performance Report

Members noted the Liberty Leisure Limited performance report for Quarter 3 2024/25. The Annual Business Plan was agreed with the Liberty Leisure Board and checked by the Council. The plan detailed the performance indicators and business actions for the company and was used to monitor progress. Members were pleased with the budget position since quarter 2 and showed an improvement of £146,700 on the original budget for 2024/25. Actions to grow the membership included delivering further exercise referral in the North of the Borough with Greasley Sports and Community Centre, reviewing and improving the digital journey to increase membership, and to continue with planned marketing activities.

11 WORK PROGRAMME

The Advisory Shareholder Sub Committee considered the work programme.

RESOLVED that the Work Programme be approved.

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Report of the Chief Audit and Control Officer

Internal Audit Plan 2025/26

1. Purpose of Report

To approve the Internal Audit Plan for 2025/26.

2. Recommendation

The Committee is asked to RESOLVE that the Internal Audit Plan for 2025/26 be approved.

3. Detail

The Public Sector Internal Audit Standards (the 'Standards') require the Chief Audit and Control Officer, as the Council's designated 'chief audit executive', to prepare an annual risk-based audit plan.

The Internal Audit Plan governs the activity for the year. An audit report is produced at the completion of each assignment with recommendations for improvement. Regular progress reports covering all internal audit activities are submitted to this Committee for scrutiny. The Committee can request further audit reviews to be undertaken and can request other Committees to investigate matters arising from any activities within their remit.

The proposed Internal Audit Plan for 2025/26 is included in the **Appendix** for consideration. The plan has been prepared in accordance with the principles of the Internal Audit Charter. The plan has recognised the Council's priorities as outlined in the Corporate Plan and links closely to the corporate risk management and business planning processes having been prepared with due consideration to the identified strategic risks. The Chief Audit and Control Officer has also considered the valuable input from individual members of the General Management Team and Heads of Service regarding key risks and sources of assurance.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

The work of Internal Audit continues to provide crucial and independent assurance to Management and Members over the key aspects of the Council's governance, risk management and internal control arrangements. The cost of Internal Audit is included within the established Finance Services budgets.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

This report already sets out the legal framework for Internal Audit to provide a summary of internal audit work. It addresses the statutory obligations for local audit processes. The Local Government Act 1972 and subsequent legislation sets out a duty for the Council to make arrangements for the proper administration of its financial affairs. This report also complies with the requirements of the following:

- Local Government Act 1972
- Accounts and Audit Regulations 2015
- CIPFA/IIA: Public Sector Internal Audit Standards (PSIAS)
- CIPFA/IIA: Local Government Application Note for the UK PSIAS 33.

The provision of an Internal Audit service is integral to financial management at the Council and assists in the discharge of its duties.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

7. Union Comments

The Union comments were as follows:

Not applicable.

8. Climate Change Implications

No climate change implications have been identified in relation to this report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy / a new policy an equality impact assessment is not required.

11. Background Papers

Nil.

Appendix**Internal Audit Plan 2025/26****1. Introduction****1.1 Background**

The Internal Audit Plan sets out the proposed coverage for Internal Audit work in 2025/26. The mandate for the plan is derived from the Public Sector Internal Audit Standards ('the Standards') produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) in collaboration with the Chartered Institute of Internal Auditors (IIA).

The Standards require the periodic preparation of a risk-based plan, which must be linked to a strategic high-level statement of how the service will be delivered and developed in accordance with the Internal Audit Charter and how this links to the Council's objectives and priorities.

The core work of Internal Audit is derived from the statutory responsibility in the Accounts and Audit Regulations 2015 that requires the Council to "undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'. The Standards and the Local Government Application Note constitute proper practices so as to satisfy the requirements for larger relevant bodies as set out in the Regulations.

The Governance, Audit and Standards Committee (the designated 'audit board') should review and assess the annual internal audit work plan, although the development of the risk-based plan remains the responsibility of the Chief Audit and Control Officer after consultation with senior management and the Committee.

1.2 Internal Audit Charter

Internal Audit will govern itself by adhering to the Standards, which are based upon the Institute of Internal Auditors' mandatory guidance including the *Definition of Internal Auditing*, the *Code of Ethics* and the *International Standards for the Professional Practice of Internal Auditing*. Supplementary guidance issued and endorsed by the relevant internal audit standard setters as applicable to local government will also be adhered to along with the Council's relevant policies and procedures and the internal audit manual. Non-conformance with the Standards shall be reported to the Deputy Chief Executive and the Governance, Audit and Standards Committee.

1.3 Aims of the Plan

Internal Audit activity is planned at all levels of operation in order to establish priorities, achieve objectives and ensure the efficient and effective use of audit

resources. The Internal Audit Plan will support an opinion based on an assessment of the design and operation of the internal control environment and the adequacy and effectiveness of controls noted from risk-based audit assignments carried out during the year. The aim of the plan is to:

- Deliver a risk-based audit programme through a detailed risk assessment of systems and services across the Council
- Be proactive in looking at what risks the Council is facing and trying to minimise the impact of these risks through audit work
- Add value by providing practical, value-added recommendations in areas of significant risk and by working with senior management in attempting to save resources and enhance controls wherever possible
- Provide assurance to senior management and the Governance, Audit and Standards Committee.

1.4 Developing the Plan

The Internal Audit Plan is designed to support the Chief Audit and Control Officer's annual opinion on the overall adequacy and effectiveness of the control environment. The required basis for forming this opinion is:

- An assessment of the design and operation of the overall internal control environment, governance and risk management arrangements
- An assessment of the adequacy and effectiveness of controls, based upon the results of the risk-based audit assignments that are reported during the course of year.

It follows that an effective risk-based audit plan should focus resources into areas of principal risk. The plan has been prepared in accordance with the requirements of the Internal Audit Charter and has been informed by:

- A review of the risks contained within the Strategic Risk Register, Horizon Scanning documents and Business Plans;
- Consideration of progress made with the actions generated by the Annual Governance Statement process;
- Consultation with Chief Officers and other senior managers to identify key auditable areas based on an assessment of corporate priorities and current and anticipated future issues and risks; and
- An understanding of the challenges to the Council to deliver its objectives within legislation and the current environment.

Based on the foregoing, the Chief Audit and Control Officer prioritises audit work for inclusion within the Internal Audit Plan as follows:

- High Priority – audits of areas where there exists significant current or ongoing risk to the Council and/or a satisfactory audit review has not been completed in the previous 12-18 months.

- Medium Priority – audits of areas where there exists moderate current or ongoing risk to the Council and/or a satisfactory audit review has not been recently (approximately 3 years) completed.
- Low Priority – audits of areas where there exists low current or ongoing risk to the Council and/or a satisfactory audit review has been recently completed.

The allocations set out in the plan for each review will include time spent on researching and preparing the audit programme, terms of reference, completing site work, testing and the drafting and reviewing of the audit report. The timings assume that the expected key controls are in place and working effectively. Further substantive testing may be required should an assessment of key controls provide limited assurance and additional time may be required to carry out such testing.

The Internal Audit Plan will be regularly reviewed. If additional risks are identified and/or there are changes to priorities during the year, the plan will be reconsidered in conjunction with the Deputy Chief Executive. Any significant changes to the plan will be reported back to the Governance, Audit and Standards Committee for approval.

1.5 Resourcing the Plan

The net resources available in 2025/26 are 305 audit days.

The amount of assurance work proposed is set at 207 days. This is at a similar level to the planned assurance work that was delivered in 2024/25, taking into account an ongoing increased allowance for training in support of an apprenticeship one Senior Internal Auditor is currently undertaking. The coverage in terms of the number of high risk assurance audits proposed to be delivered will be similar.

In accordance with an action identified in the Strategic Risk Register, and at the request of the Strategic Risk Management group, it is intended to perform a review of the arrangements for project management within individual relevant departments across the Council. A provision of 20 days has been made within the Audit Plan for this to be incorporated alongside regular planned audits.

A further eight days will be provided to support the Council and its wholly owned leisure company, Liberty Leisure Limited, with assurance work primarily relating to the new pavilion at Hickings Lane in Stapleford.

In addition, the plan includes 40 days for corporate fraud and corruption prevention activity. Cabinet approved the latest Fraud and Corruption Policy in November 2023. The Council's approach to fraud and corruption

establishes that Internal Audit takes a prominent role in leading and co-ordinating anti-fraud and corruption activities. Internal Audit will be supported in this by engaging specialist fraud investigation services as necessary from local authority partners.

Finally, 50 days are allocated towards other audit-related work including follow-up activity, financial appraisals of potential contractors, tenants and similar entities, consultancy work and provision for special investigations as they arise.

1.6 Reporting and Relationships

The Internal Audit Charter establishes the reporting and relationships, including the reporting arrangements for individual assignments and for the periodic reporting of activities to the Governance, Audit and Standards Committee. The relationships with elected Members; Chief Officers and Senior Management Team; the external auditors; and other assurance providers are also determined in the Charter.

In accordance with the Standards, the Chief Audit and Control Officer will deliver a formal assessment of the design and operation of the overall internal control environment, governance and risk management arrangements and an opinion on the adequacy and effectiveness of controls, based upon the results of the risk-based audit assignments reported during the year. This opinion will be formally recorded in the Internal Audit Annual Review Report to be presented to the Governance, Audit and Standards Committee.

Internal Audit will bring to the attention of the Deputy Chief Executive and the Committee any significant internal control issues that it feels should be declared in the Council's Annual Governance Statement.

1.7 Performance Monitoring

The work of Internal Audit is regularly reviewed to provide assurance that it complies with the Standards, conforms to other relevant professional standards and meets the requirements of the Internal Audit Charter.

Service delivery will be monitored as part of a quality assurance and improvement programme. This will include the regular reporting of progress to the Governance, Audit and Standards Committee, self-assessment and external quality assessment against the Standards and assessment of client feedback.

2. Summary of Audit Day Allocations

The following table summarises the allocation of days to each department.

	<u>Audit Days</u>
Chief Executive's Department	
- Housing	35
- Human Resources	8
- Communities	8
- Public Protection	8
- Corporate	12
Deputy Chief Executive's Department	
- Revenues, Benefits and Customer Services	30
- Finance Services	22
- Asset Management and Development	18
Executive Director's Department	
- Payroll	8
- Environmental Services	18
- ICT and Corporate Services	15
Monitoring Officer's Department	
- Democratic Services	5
Project Management Reviews	20
Assurance Work	<u>207</u>
Liberty Leisure Limited	8
Corporate Counter Fraud Activities	40
Other (including follow-up work, financial appraisals, consultancy and provision for special investigations)	50
Net Audit Days	<u>305</u>

3. Detailed Internal Audit Plan

The following tables provide a detailed breakdown of the audits planned for 2024/25.

CHIEF EXECUTIVE'S DEPARTMENT	Priority	Days
Housing		
Housing Disrepair	High	10
Housing Lettings	High	10
Rents	High	10
Tenant Engagement	Medium	5
Human Resources		
Human Resources	High	8
Communities		
Anti-Social Behaviour	Medium	8
Public Protection		
Licensing	Medium	8
Corporate		
Corporate Governance	High	2
Major Projects Dashboard	High	5
Bramcote Leisure Centre – Governance Review	High	5
Total Chief Executive's Department		71

DEPUTY CHIEF EXECUTIVE'S DEPARTMENT	Priority	Days
Revenues, Benefits and Customer Services		
Benefits	High	10
NNDR (Business Rates)	High	10
Council Tax	High	10
Finance Services		
Creditors and Purchasing	High	10
Income Receipting System	High	5
Treasury Management	Medium	5
Key Reconciliations	Medium	2
Asset Management and Development		
Fire and Asbestos Risk Management	High	10
Capital Works	High	8
Total Deputy Chief Executive's Department		70

EXECUTIVE DIRECTOR'S DEPARTMENT	Priority	Days
Payroll		
Payroll	High	8
Environmental Services		
Kimberley Depot (Compliance)	Medium	5
Waste Management (Garden Waste)	Medium	8
Climate Change	Medium	5
ICT and Corporate Services		
Information Management	Medium	10
Surveillance	Medium	5
Total Executive Director's Department		41
MONITORING OFFICER'S DEPARTMENT	Priority	Days
Democratic Services		
Committee Management System	Medium	5
Total Monitoring Officer's Department		5
LIBERTY LEISURE LIMITED	Priority	Days
General		
Hickings Lane Pavilion	High	8
Total Liberty Leisure Limited		8

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Report of the Chief Audit and Control Officer

Internal Audit Progress Report

1. Purpose of Report

To inform the Committee of the recent work completed by Internal Audit.

2. Recommendation

The Committee is asked to NOTE the report.

3. Detail

Under the Council's Constitution and as part of the overall corporate governance arrangements, this Committee is responsible for monitoring the performance of Internal Audit. A summary of the reports issued and progress against the agreed Internal Audit Plan is included at **Appendix 1**. A summary narrative of the work completed by Internal Audit since the previous report to this Committee is also included.

Internal Audit has also reviewed progress made by management in implementing agreed actions within six months of the completion of the respective audits. Details of this follow-up work are included at **Appendix 2**. Where agreed actions to address significant internal control weaknesses have not been implemented this may have implications for the Council. A key role of the Committee is to review the outcome of audit work and oversee the prompt implementation of agreed actions to help ensure that risks are adequately managed.

Further progress reports will be submitted to each future meeting of this Committee. A final report detailing the overall performance of Internal Audit for 2024/25 will be presented to this Committee in July 2025.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

The work of the Internal Audit section continues to provide crucial and independent assurance to management and Members over the key aspects of the Council's governance, risk management and internal control arrangements. The cost of Internal Audit is included within the established Finance Services budgets.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

This report already sets out the legal framework for Internal Audit to provide a summary of Internal Audit work. It addresses the statutory obligations for local audit processes. The Local Government Act 1972 and subsequent legislation sets out a duty for the Council to make arrangements for the proper administration of its financial affairs. This report also complies with the requirements of the following:

- Local Government Act 1972
- Accounts and Audit Regulations 2015
- CIPFA/IIA: Public Sector Internal Audit Standards (PSIAS)
- CIPFA/IIA: Local Government Application Note for the UK PSIAS 33.

The provision of an Internal Audit service is integral to financial management at the Council and assists in the discharge of its duties.

6. Human Resources Implications

Not applicable.

7. Union Comments

Not applicable.

8. Climate Change Implications

No climate change implications have been identified in relation to this report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers

Nil.

Appendix 1

Internal Audit Reports issued since September 2024

The following table summarises the audit assignments and similar work completed by Internal Audit between 1 September 2024 and the date of submission of this report. Reports shaded in grey are those previously presented to this Committee (included here for reference) while work completed since the last report to this Committee is presented in bold at the end of the table.

Audit Title	Report Issued	Assurance Opinion	Actions (High Priority)	Actions (Medium / Low Priority)
Kimberley Levelling Up Fund	23/09/24	Reasonable	0	2
Major Projects Dashboard	23/09/24	Report presented at previous meeting		
Disabled Facilities Grants	23/09/24	Substantial	0	0
Financial Appraisal – Prospective Tenant	09/10/24	Advisory Report Only		
Financial Appraisal – Construction	22/10/24	Advisory Report Only		
Financial Appraisal – Consultancy	23/10/24	Advisory Report Only		
Treasury Management	24/10/24	Substantial	0	0
Financial Appraisal – Landscaping	14/11/24	Advisory Report Only		
Financial Appraisals – UKSPF Grants	25/11/24	Advisory Report Only		
Benefits	03/12/24	Substantial	0	2
Payroll	09/12/24	Substantial	0	1
Sanctuary Scheme	09/12/24	Substantial	0	0
Damp and Mould	27/01/25	Reasonable	1	1
Financial Appraisal – Construction	28/01/25	Advisory Report Only		
Sundry Debtors	31/01/25	Substantial	0	0
Financial Inclusion	24/02/25	Substantial	0	1
NNDR (Business Rates)	At the time of writing, it is anticipated that these audits will be completed (or substantially completed) by the date of this meeting. A verbal update on any significant matters arising will be provided by the Chief Audit and Control Officer at this meeting.			
Stores				
Waste Management (Recycling)				
Rents (Housing)				
Allotments				

Remaining Internal Audit Plan

Audit Title	Progress
Commercial Property Management	In progress
Housing Repairs (Reactive)	In progress
Human Resources	In progress
Leisure Management System	In progress
System User Access	In progress
Homelessness	Not yet commenced

Any significant issues identified in audits completed between the date of submission of this report and the date of this meeting of the Committee will be reported by way of a verbal update from the Chief Audit and Control Officer at this meeting.

Completed Audits

A report is prepared for each audit assignment and issued to the relevant senior management at the conclusion of a review that will:

- include an overall opinion on the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the specific identified key risks relating to the area under audit. This opinion is categorised as either 'Substantial', 'Reasonable', 'Limited' or 'Little' assurance;
- identify inadequately addressed risks and ineffective control processes;
- detail the actions agreed with management and the timescales for completing those actions; and
- identify issues of good practice.

Recommendations made by Internal Audit are prioritised, with the agreed actions being categorised accordingly as follows:

- High Priority – Action considered necessary to avoid unmitigated exposure to significant risks
- Medium Priority – Action considered necessary to avoid unmitigated exposure to other key risks
- Best Practice – Action recommended in order to improve existing procedures and other systems of internal control

The following audit reports have been issued with key findings as follows:

1. **Financial Appraisals** **Advisory Reports Only**

Internal Audit is frequently requested to provide financial appraisals of companies, non-incorporated businesses and other organisations as part of the Council's 'due diligence' processes prior to the commencement of any commercial or similar relationship with the organisation in question. For each appraisal, Internal Audit provides a confidential report which summarises the results of a review of information provided by the organisation, information provided by third-party organisations (such as credit-referencing agencies and the National Anti-Fraud Network) and any other publicly available information.

2. **Benefits** **Assurance Opinion – Substantial**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Claims for Housing Benefit and Council Tax Support may not be assessed in an accurate and timely manner.
- Benefit overpayments may not be identified and recovered in a timely manner.
- Write offs may not be appropriately validated and authorised.
- Performance reporting and monitoring against service targets may be inadequate.
- Reconciliations to other primary financial systems may not be completed in an accurate and timely manner.
- Sensitive personal information may not be handled in an appropriate manner.
- Effective processes may not be in place to manage potential fraudulent activity.

Internal Audit was pleased to report that no significant issues were identified in the course of this review. Two recommendations (both 'best practice') relating to the recording of parameter input and the retention of documentation were proposed and agreed with management.

3. **Payroll** **Assurance Opinion – Substantial**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Payments may be made to persons not currently employed by the Council or Liberty Leisure Limited.
- Payments may not be calculated accurately.
- Manual inputs and interventions to the payroll system may not be appropriately reviewed and authorised.

Internal Audit was pleased to report that no significant issues were identified in the course of this review. One recommendation ('best practice') relating to a potential process for the review of annual mileage was proposed and agreed with management.

4. **Sanctuary Scheme** **Assurance Opinion – Substantial**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Appropriate and up-to-date policy and procedure documents may not be in place.

- Referrals may not be processed and/or services delivered in an appropriate manner.

Internal Audit was pleased to report that no significant issues were identified in the course of this review, with no formal recommendations being deemed necessary.

5. Damp and Mould**Assurance Opinion – Reasonable**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- The need for works relating to Damp and Mould may not be identified in a timely and effective manner.
- Necessary works relating to Damp and Mould may not be completed in a timely and effective manner or with due consideration given to legislation and relevant published guidance.
- Appropriate financial and budget management processes may not be in place.
- Appropriate performance monitoring and reporting processes may not be in place.

One high priority recommendation relating to procurement was made, as follows:

Following the highlighting of Damp and Mould related matters in the national media, there has been a significant increase in the amount of Damp and Mould related service requests and work undertaken by the Council. Such works are currently undertaken by a single firm and there is, at present, no formal contract in place with said firm nor has any procurement exercise been completed.

The spend on Damp and Mould related works is now at a level whereby a formal tender exercise is required to comply with legislation and Council policy. Though it is acknowledged that some early enquires have been made with a potential framework provider, the Council is currently non-compliant and will remain so until an appropriately procured contract is in place.

Agreed Action (High Priority)

The recently-commenced procurement process for Damp and Mould related works will be completed at the earliest opportunity.

Managers Responsible

Head of Housing, Housing Repairs and Compliance Manager

Target Date: 31 March 2025

One further recommendation ('best practice') relating to the update of published information was also proposed and agreed with management.

6. **Sundry Debtors** **Assurance Opinion – Substantial**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Invoicing may not be performed in an accurate and timely manner.
- Debt recovery processes may not be managed appropriately.
- Performance reporting may not be adequate or appropriate.
- Credit notes and write-offs may not be appropriately authorised.

Internal Audit was pleased to report that no significant issues were identified in the course of this review, with no formal recommendations being deemed necessary.

7. **Financial Inclusion** **Assurance Opinion – Substantial**

The primary purpose of the audit was to provide assurance over the effectiveness of the policies, procedures and other systems of control implemented by management in mitigation of the following specific identified key risks:

- Appropriate policy and procedure documentation may not be in place.
- Services provided and/or referrals made may not be performed in an appropriate manner.
- Employees within the service may not have appropriate qualifications, knowledge and/or experience.
- Adequate Performance Monitoring and Reporting mechanisms may not be in place.

Internal Audit was pleased to report that no significant issues were identified in the course of this review. One recommendation ('best practice') relating to the further improvement of consistency of working practices across the team was proposed and agreed with management.

Current Audit Performance

Progress on the Internal Audit Plan for 2024/25 is considered to be satisfactory with full completion anticipated by the end of the financial year. A final report on the performance of the Internal Audit Service for 2024/25 will be presented to this Committee in July 2025.

Appendix 2

Internal Audit Follow-Up

Internal Audit has undertaken a review of progress made by management in implementing agreed actions within six months of the completion of the audit. The table below provides a summary of the progress made with high and medium priority agreed actions for such internal audit reports issued. Those audits where all actions have previously been reported as completed have been excluded from this list.

Audit Title	Report Issued	Original Assurance Opinion	High/Medium Priority Actions	Progress
Business Support	30/03/23	Substantial	1	Completed
Housing Repairs (Compliance)	10/05/24	Reasonable	2	Completed
Tenancy Management	17/06/24	Reasonable	2	Completed
Capital Works	08/07/24	Reasonable	2	Superseded
Car Loans and Leases	22/08/24	Reasonable	2	Completed
Housing Delivery Plan	28/08/24	Reasonable	2	1 Outstanding

Further details of progress being made with high and medium priority agreed actions that have not yet been fully implemented are included below along with comments from management reflecting any updates on progress. Evidence of implementation will not be routinely sought for all actions as part of this monitoring process. Instead, a risk-based approach will be applied to conducting further follow-up work. Actions marked as 'superseded' refer to occasions where either 1) developments within the relevant Council department, or the environment within which the department operates, have occurred since the date of the original audit report and the action is no longer relevant or considered a priority in light of the consequent change to the Council's risk profile; or, 2) an alternative action has been implemented to mitigate the risk identified.

Where the agreed actions to address significant internal control weaknesses have not been implemented this may have implications for the Council. A key role of the Committee is to review the outcome of audit work and oversee the prompt implementation of agreed actions to help ensure that risks are adequately managed.

Outstanding Actions

1. Housing Delivery Plan	August 2024, Reasonable, Actions – 2
<p>1.1 Policy Refresh and Update</p> <p><u>Agreed Action (Medium Priority)</u></p> <p>A refreshed and updated Housing Delivery Plan will be developed and presented to Members for review and approval, with some specific focus on the development of policy / procedural provision for areas not currently specifically addressed.</p> <p><u>Managers Responsible</u> Head of Asset Management and Development Interim Housing Delivery Manager</p> <p style="text-align: right;">Target Date: 31 December 2024</p>	
<p><u>Update from the Interim Housing Delivery Manager</u></p> <p>Due to a number of changes within the Asset Management and Development Department, a revision of the Housing Delivery Plan has been delayed. Now the new team is settled, a revised Housing Delivery Plan is intended to be presented for consideration by Cabinet during summer 2025.</p> <p>All key decisions relating to the Housing Delivery Plan are made in consultation with the Housing Department, the Leader / Deputy Leader of the Council and the relevant portfolio holder(s).</p> <p>Revised Target Date: 30 June 2025</p>	

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Report of the Deputy Chief Executive

Statement of Accounts 2024/25 – Accounting Policies

1. Purpose of Report

To provide Members with any updates made to the Council’s accounting policies in relation to the production of the 2024/25 Statement of Accounts.

2. Recommendation

The Committee is asked to RESOLVE that the Accounting Policies for 2024/25 be approved.

3. Detail

Prior to the completion of the Statement of Accounts 2024/25, it is considered good practice that Members are given the opportunity to discuss and comment on the accounting policies to be used in the production of the financial statements. These policies will be applied to the treatment of all transactions that make up the Statement of Accounts to ensure the accounts present a true and fair view of the financial position of the Council as at 31 March 2025.

The Statement of Accounts 2024/25 will be prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the ‘Code’) based upon International Financial Reporting Standards (IFRS). The 2024/25 Code introduces amendments to the following, which do not impact on any of the Council’s policies:

- IAS 1 Presentation of Financial Statements – classification of liabilities as current or non-current and non-current liabilities with covenants
- IAS 12 Income Taxes – international tax reform
- IAS 7 Statement of Cash Flows – supplier finance arrangements
- IFRS 7 Financial Instrument Disclosures – supplier finance arrangements

The 2024/25 Code also introduces amendments to IFRS 16 leases which sets out the accounting requirements for leases held by the Council. This standard has required a review and update of the Council’s Leasing Policy (policy xv). The main change is that all leases held by the Council as a lessee will now be accounted for as a finance lease. There is substantially no change for leases held by the Council as a lessor.

The proposed Accounting Policies for 2024/25 are set out in the **Appendix**.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no direct costs associated with the accounting policy updates.

5. Legal Implications

The comments from the Head of Legal Services were as follows:

The legislation, the Accounts and Audit Regulations (2015) and the Accounts and Audit (Amendment) Regulations 2022, sets out the timescales for the production of the Council's accounts, including the dates of the public inspection period. The Statement of Accounts must be published by that date or as soon as reasonably practicable after the receipt of the auditor's final findings.

Section 151 of the Local Government Act 1972 requires the Council to make arrangements for the proper administration of its financial affairs and to secure that one of its officers (the Deputy Chief Executive) has the responsibility for the administration of those affairs, which include responsibility for preparing the Council's statement of accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom.

The Statement of Accounts is that upon which the auditor should enter their certificate and opinion which is prepared under the Local Government Finance Act 2003.

6. Human Resources Implications

There were no comments from the Human Resources Manager.

7. Union Comments

Not applicable.

8. Climate Change Implications

There are no Climate Change issues in relation to this report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers

Nil.

Appendix

Accounting Policies**(i) General Principles**

The Statement of Accounts summarises the authority's transactions for the 2024/25 financial year and its position at the year end of 31 March 2025. The authority is required to prepare an annual Statement of Accounts by the Accounts and Audit (England) Regulations 2015 in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting 2024/25 (the Code) supported by International Financial Reporting Standards (IFRS), International Accounting Standards and statutory guidance issued under section 12 of the Local Government Act 2003.

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

The Statement of Accounts has been prepared on a going concern basis. As required by IAS1, it has been assumed that the Council will continue in operation for the foreseeable future.

(ii) Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

An exception to the above relates to electricity and other similar quarterly payments which are charged at the date of meter reading rather than being apportioned between financial years. This policy is consistently applied each year and therefore does not have a material effect on the year's accounts.

As regards private sector housing benefits, payments can relate to periods partly in advance and partly in arrears. The cut-off date applied to such payments is as near to the year end as possible and ensures consistency with the figures used to calculate government subsidy received on such payments.

Council housing rents become chargeable on the Monday of each week for the week ahead. Rent income is accounted for up to and including the last Monday in the financial year. This can therefore include an element relating to the following year for which no adjustment is made.

(iii) Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24-hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

(iv) Prior Year Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change, and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effects of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

(v) Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding fixed assets during the year:

- Depreciation attributable to the assets used by the relevant service.

- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.
- Amortisation of intangible fixed assets attributable to the service.

The Council is not required to raise council tax or council housing rents to fund depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to an amount calculated on a prudent basis determined by the authority in accordance with statutory guidance. This is known as the Minimum Revenue Provision (MRP).

Depreciation, revaluation and impairment losses and amortisations are therefore reversed out of the General Fund (and the Housing Revenue Account (HRA)) and replaced by the MRP. This is completed with an adjusting transaction with the Capital Adjustment Account within the Movement in Reserves Statement for the difference between the two. This ensures that depreciation, revaluation and impairment losses and amortisations have no overall effect on council tax or housing rent levels.

The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008, require authorities to approve an MRP policy at the beginning of each financial year on setting aside a sum of money from revenue for the repayment of principal on outstanding debt. From 2012/13 onwards the Council has approved a policy such that, for capital expenditure incurred before 1 April 2008, the MRP is based on 4% of the authority's Capital Financing Requirement for the General Fund.

For General Fund capital expenditure incurred after 1 April 2008, the MRP is based upon the estimated life of those assets where the financing was provided by borrowing. The Council has also decided that no voluntary provision for the repayment of debt relating to the HRA should be made in 2024/25.

For finance leases held by the Council as a lessee the MRP charged is equivalent to the principal element of the lease payment.

(vi) Employee Benefits

Benefits Payable During Employment

Short term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as salaries, paid annual leave and sick leave and are recognised as an expense for service in the year in which employees render service to the Council.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the appropriate service line in the Comprehensive Income and Expenditure Statement

when the Council is demonstrably committed to the termination of the employment of an officer or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund or Housing Revenue Account balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post-Employment Benefits

Employees of the Council are members of the Local Government Pension Scheme, administered by Nottinghamshire County Council. The scheme is a defined benefit scheme in that it provides defined benefits to members (retirement lump sums and pensions), earned as employees worked for the Council.

The Local Government Pension Scheme

The Local Government Pension Scheme is accounted for as a defined benefits scheme:

- The liabilities of the Nottinghamshire County Council Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees based on assumptions about mortality rates, employee turnover rates, etc. and projections of projected earnings for current employees.
- Liabilities are discounted to their value at current prices using a discount rate that reflects the time value of money and the characteristics of the liability.
- The assets of the Nottinghamshire County Council Pension Fund attributable to the Council are included in the Balance Sheet at their fair value:
 - Quoted securities – current bid price
 - Unquoted securities – professional estimate
 - Unitised securities – current bid price
 - Property – market value

The change in the net pension's liability is analysed into the following components:

- Service cost comprising:
 - Current service cost – the increase in liabilities as a result of years of service earned this year (allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked).

- Past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years (debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Resources).
- Net interest on the net defined benefit liability or asset (i.e. the net interest expense for the Council) – the change during the period in the net defined liability or asset that arises from the passage of time charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement). This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability or asset at the beginning of the period after taking into account any changes in the net defined benefit liability or asset during the period as a result of contribution and benefit payments.
- Re-measurements comprising:
 - The return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
 - Actuarial gains and losses (changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions) charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
 - Contributions paid to the Nottinghamshire County Council Pension Fund – cash paid as employer’s contributions to the pension fund in settlement of liabilities (not accounted for as an expense).

In relation to retirement benefits, statutory provisions require the General Fund and Housing Revenue Account balance to be charged with the amount payable by the Council to the pension fund in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and any amounts payable but unpaid at the year end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund and Housing Revenue Account of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

(vii) Events after the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events.
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events but, where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

(viii) Financial InstrumentsFinancial Liabilities

Financial liabilities are recognised on the Balance Sheet when the authority becomes a party to the contractual provisions of a financial instrument and are initially assessed at fair value and are carried at amortised cost. Annual charges to the Financing and Investment income and expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

All borrowings shown in the Balance Sheet consist of the outstanding principal repayable plus accrued interest. Annual interest is charged to the Comprehensive Income and Expenditure Statement in accordance with the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing and Investment income and expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write down to the Comprehensive Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement or the Housing Revenue Account, regulations allow the impact on the General Fund and Housing Revenue Account Balance respectively to be spread over future years. The Council has a policy of spreading the gain or loss

over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement or the Housing Revenue Account to the net charge required against the General Fund or Housing Revenue Account Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Financial Assets

Certain reserves are kept for managing the accounting processes for non-current fixed assets and retirement benefits and do not represent usable resources for the Council - these reserves are explained in the relevant policies below.

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics. There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss
- fair value through other comprehensive income

The Council's business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest.

Financial Assets measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument.

All such assets held on the Balance Sheet consist of the outstanding principal receivable plus accrued interest. Annual interest is credited to the Comprehensive Income and Expenditure Statement in accordance with the loan agreement.

The Council has provided a limited number of 'soft loans' to employees at less than market rates for the purchase of motor vehicles. These should be correctly shown in the Balance Sheet at fair value. However, the value of these loans is not considered to be material. Accordingly, the value as shown in the Balance Sheet represents the value of any loans made less any repayments that have been received.

Any gains or losses that arise on the derecognition of an asset are credited or debited to the Financing and Investment income and expenditure line in the Comprehensive Income and Expenditure Statement.

Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised cost either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables held by the Council.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly, or remains low, losses are assessed on the basis of 12 month expected losses.

Financial Assets measured at Fair Value through Profit or Loss

Financial assets measured at fair value through profit or loss are recognised on the balance sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they occur in the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.

The fair value measurements of the financial assets are based on the following techniques:

- Instruments with quoted market prices – the market price.
- Other instruments with fixed and determinable payments – discounted cash flow analysis.

The inputs to the measurement technique are categorised in accordance with the following:

- Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the Council can access at the measurement date.
- Level 2 inputs – inputs other than quoted prices included within level 1 that are observable for the asset, either directly or indirectly.
- Level 3 inputs – unobservable inputs for the asset.

Any gains or losses that arise on the derecognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

Financial Assets measured at Fair Value through Other Comprehensive Income

Financial assets measured at fair value through other comprehensive income are recognised on the balance sheet when the authority becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Annual income received from the financial instrument is credited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement when it becomes receivable by the authority.

The fair value measurements of the financial assets are based on the following techniques:

- Instruments with quoted market prices – the market price.
- Other instruments with fixed and determinable payments – discounted cash flow analysis.

The inputs to the measurement technique are categorised in accordance with the following:

- Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the Council can access at the measurement date.
- Level 2 inputs – inputs other than quoted prices included within level 1 that are observable for the asset, either directly or indirectly.
- Level 3 inputs – unobservable inputs for the asset.

The Council can elect to classify certain instruments as Fair Value through Other Comprehensive Income, dependent on the contractual arrangements for the instrument.

For an elected financial asset fair value gains and losses are recognised as they occur in Other Comprehensive Income within the Comprehensive Income and Expenditure Statement but are balanced by an entry in the Financial Instrument Revaluation Reserve. In all other circumstances the gain or loss is recognised in the Financing and Investment Income and Expenditure line on the Comprehensive Income and Expenditure Statement before being transferred to the Financial Instrument Revaluation Reserve via the Movement in Reserve Statement

On derecognition of an elected financial asset the balance on the Financial Instrument Revaluation Reserve is transferred to the General Fund via the Movement in Reserves Statement. In all other circumstances the balance on the Financial Instrument Revaluation Reserve is transferred to the Financing and Investment Income and Expenditure line within the Comprehensive Income and Expenditure Statement.

(ix) Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired by using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-specific Grant Income (non-ring fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

(x) Heritage Assets

The Council's Heritage Assets are held for their historical and artistic significance and comprise:

- DH Lawrence Birthplace Museum building.
- DH Lawrence Museum Collection, made up of 129 pieces of art, ornaments and other objects of artistic, historic and cultural value
- A painting by Dr Ala Bashir, a respected sculptor and painter, of DH Lawrence which is linked to his most famous novel, Lady Chatterley's Lover. The painting was donated to the Council in 2008.

The museum building is recognised and measured (including the treatment of depreciation and revaluation gains and losses) in accordance with the Authority's accounting rules on property, plant and equipment.

The museum collection and painting are valued periodically, in line with the Code, by a Council Officer with the appropriate knowledge and skill to determine the value of the items held.

The carrying amounts of heritage assets are reviewed where there is evidence of impairment. For example, this may be where the asset has suffered physical deterioration or breakage or where doubts arise as to its authenticity. Any impairment is recognised and measured in accordance with the Council's general policies on impairment.

(xi) Intangible Assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by the authority as a result of past events (e.g. software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council.

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and the Council will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and is restricted to that incurred during the development phase. Research expenditure cannot be capitalised.

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Council's goods or services.

Intangible assets are measured initially at cost. Amounts are only re-valued where the fair value of the assets held by the Council can be determined by reference to an active market. In practice, no intangible asset held by the Council meets this criterion and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

An asset is tested for impairment whenever there is an indication that the asset might be impaired. Any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sales proceeds greater than £10,000) the Capital Receipts Reserve.

(xii) Interests in Companies and Other Entities

The authority has material interests in companies and other entities that have the nature of subsidiaries, associates and jointly controlled entities and require it to prepare group accounts. Liberty Leisure Limited is a wholly owned subsidiary of the authority which manages the provision of leisure and culture services and its accounts are consolidated with the authority's in accordance with IAS27.

(xiii) Inventories and Long Term Contracts

Inventories are included in the Balance Sheet at cost. Whilst the Code of Practice on Local Authority Accounting requires inventories to be shown at the lower of cost and net realisable value, a departure from this is permitted under IFRS due to:

- the value of inventories not being considered to be material.
- the cost of analysing inventories between cost and net realisable value outweighing the value to the user of the accounts.

Long term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the value of works and services received under the contract during the financial year

(xiv) Jointly Controlled Operations and Jointly Controlled Assets

Jointly controlled operations are activities undertaken by the Council in conjunction with other venturers that involve the use of assets and resources of the venturers rather than the establishment of a separate entity. The Council recognises on its Balance Sheet the assets that it controls and the liabilities that it incurs and debits and credits the Comprehensive Income and Expenditure Statement with the expenditure it incurs and the share of income it earns from the activity.

Jointly controlled assets are items of property, plant and equipment that are jointly controlled by the Council and other venturers, with the assets being used to obtain benefits for the venturers. The joint venture does not involve the establishment of a separate entity. The Council accounts for only its share of the jointly controlled assets, the liabilities and expenses that it incurs on its own behalf or jointly with others in respect of its interest in the joint venture and income that it earns from the venture.

(xv) Leases

The Council as Lessee

The authority classifies contracts as leases based on their substance. Contracts and parts of contracts, including those described as contracts for services, are analysed to determine whether they convey the right to control the use of an identified asset, through rights both to obtain substantially all the economic benefits or service potential from that asset and to direct its use. The Code expands the scope of IFRS 16 Leases to include arrangements with nil consideration, peppercorn or nominal payments.

Initial measurement

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date of 1 April 2024, if later). The leases are typically for fixed periods in excess of one year but may have extension options

The authority initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the PWLB annuity rate wherever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include:

- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or rate, initially measured using the prevailing index or rate as at the adoption date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the authority is reasonably certain to exercise

- lease payments in an optional renewal period if the authority is reasonably certain to exercise an extension option
- penalties for early termination of a lease, unless the authority is reasonably certain not to terminate early.

The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received. However, for peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value.

Subsequent measurement

The right-of-use asset is subsequently measured using the fair value model. The authority considers the cost model to be a reasonable proxy except for:

- assets held under non-commercial leases
- leases where rent reviews do not necessarily reflect market conditions
- leases with terms of more than five years that do not have any provision for rent reviews
- leases where rent reviews will be at periods of more than five years.

For these leases, the asset is carried at a revalued amount. In these financial statements, right-of-use assets held under index-linked leases have been adjusted for changes in the relevant index, while assets held under peppercorn or nil consideration leases have been valued using market prices or rentals for equivalent land and properties. The right-of-use asset is depreciated straight-line over the shorter period of remaining lease term and useful life of the underlying asset as at the date of adoption. The lease liability is subsequently measured at amortised cost, using the effective interest method. The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate
- there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee
- the authority changes its assessment of whether it will exercise a purchase, extension or termination option, or
- there is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any further adjustment required from remeasurement being recorded in the income statement.

Low value and short lease exemption

As permitted by the Code, the authority excludes leases:

- for low-value items that cost less than £10,000 when new, provided they are not highly dependent on or integrated with other items, and

- with a term shorter than 12 months (comprising the non-cancellable period plus any extension options that the authority is reasonably certain to exercise and any termination options that the authority is reasonably certain not to exercise).

Lease expenditure

Expenditure in the Comprehensive Income and Expenditure Statement includes interest, straight-line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rentals for leases of low-value items or shorter than 12 months are expensed. Depreciation and impairments are not charges against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

The Council as Lessor

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Finance Leases

Where the authority grants a finance lease over a property or an item of plant or equipment, the relevant asset is written out of the Balance Sheet as a disposal. At the commencement of the lease, the carrying amount of the asset in the Balance Sheet (whether property, plant and equipment or assets held for sale) is written off to the other operating expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. A gain, representing the authority's net investment in the lease, is credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (ie netted off against the carrying value of the asset at the time of disposal), matched by a lease (long-term debtor) asset in the Balance Sheet.

Lease rentals receivable are apportioned between:

- a charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received), and
- finance income (credited to the financing and investment income and expenditure line in the Comprehensive Income and Expenditure Statement).

The gain credited to the Comprehensive Income and Expenditure Statement on disposal is not permitted by statute to increase the General Fund balance and is required to be treated as a capital receipt. Where a premium has been received, this is posted out of the General Fund balance to the capital receipts reserve in the Movement in Reserves Statement.

Where the amount due in relation to the lease asset is to be settled by the payment of rentals in future financial years, this is posted out of the General Fund balance to the deferred capital receipts reserve in the Movement in Reserves Statement. When the future rentals are received, the element for the capital receipt for the disposal of the asset is used to write down the lease debtor. At this point, the deferred capital receipts are transferred to the capital receipts reserve.

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are therefore appropriated to the capital adjustment account from the General Fund balance in the Movement in Reserves Statement.

Operating Leases

Where the authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to the other operating expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease or where this is initiated by a service to the individual service, even if this does not match the pattern of payments (eg there is a premium paid at the commencement of the lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

(xvi) Overhead and Support Services

The costs of overheads and support services are charged to those that benefit from the supply or service in accordance with the costing principles of the CIPFA Service Reporting Code of Practice (SerCOP). The total absorption costing principle is used – the full cost of overheads and support services are shared between users in proportion to the benefits received, with the exception of:

- Corporate and Democratic Core – costs relating to the authority's status as a multi-functional, democratic organisation
- Non-Distributed Costs – the cost of discretionary benefits awarded to employees retiring early

These two cost categories are defined in the Service Reporting Code of Practice but are accounted for under Resources in the Comprehensive Income and Expenditure Statement.

(xvii) Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of property, plant and equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

In addition, expenditure needs to be above the Council's de-minimis level of £10,000 before it can be recognised as capital. Any spend below this limit is charged to revenue.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price.
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Council does not capitalise borrowing costs incurred whilst assets are under construction.

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Council). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

Donated assets are measured initially at fair value. The difference between fair value and any consideration paid is credited to the Taxation and Non-Specific Grant Income line of the Comprehensive Income and Expenditure Statement, unless the donation has been made conditionally. Until conditions are satisfied, the gain is held in the Donated Assets Account. Where gains are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance to the Capital Adjustment Account in the Movement in Reserves Statement.

Assets are then carried in the Balance Sheet using the following measurement bases:

- Infrastructure, community assets and assets under construction – depreciated historical cost
- Dwellings - fair value, determined using the basis of existing use value for social housing (EUV-SH)
- All other assets – fair value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV)

Where there is no market-based evidence of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.

Where non-property assets that have short useful lives or low values (or both) are involved, depreciated historical cost basis is used as a proxy for fair value.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. (Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from a reversal of a loss previously charged to a service).

Where decreases in value are identified, they are accounted for by:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided on all property, plant and equipment assets held by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain community assets) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on the following bases:

<u>Asset</u>	<u>Depreciation Method</u>	<u>Useful Life in Years</u>
Council Dwellings (Non components)	Straight line	80
Council Dwellings (Components)	Straight line	15-40
Council Offices	Straight line	60
Pavilions and Cemetery Chapels	Straight line	30
Other Buildings	Straight line	40
Vehicles, Plant, Furniture and Equipment	Straight line	5
Infrastructure	Straight line	40
Specialist Vehicles	Straight line but with additional charge in year following acquisition	5
Land	No depreciation charged	
Assets Under Construction	No depreciation charged	
Assets Held for Sale	No depreciation charged	

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately. This applies particularly in respect of council house dwellings. Land and buildings are separate assets and are accounted for separately, even when they are acquired together.

Where an impairment loss is charged to the Comprehensive Income and Expenditure Statement, but there were accumulated revaluation gains in the Revaluation Reserve for that particular asset, an amount up to the value of that loss is transferred from the Revaluation Reserve to the Capital Adjustment Account.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals and Non-Current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previous losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale (adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale) and their recoverable amount at the date of the decision not to sell.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of the disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

If part of an asset is replaced with a similar identifiable component, the carrying amount of the replaced or restored component is derecognised with the carrying amount of the new component being recognised. Any gain or loss arising from this process is credited or debited to the Comprehensive Income and Expenditure Statement as appropriate.

With regards to the de-recognition of infrastructure assets or components of an asset, typically infrastructure assets or components are de-recognised when an asset or component is replaced. In these circumstances the Council will be utilising the Statutory Provision 'The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2022 SI 1232/2022'. The Council will derecognise infrastructure assets/component at £nil value (i.e. fully depreciated). The exception to this is where an infrastructure asset/component is disposed of via a means other than replacement expenditure (e.g. the sale of an asset). In this case the accounting methods for disposal as set out above will be followed.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. The Council has committed to a government scheme whereby, as from 2012/13, housing capital receipts from right to buy sales can only be used towards new affordable council housing, and within five years of their receipt, otherwise they become payable to the government. The balance of receipts held is required to be credited to the Capital Receipts Reserve and can then only be used for new capital investment on council housing or set aside to reduce the underlying need to borrow (the Capital Financing Requirement). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written off value of disposals is not a charge against council tax or housing rents, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

(xviii) Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential and a reliable estimate can be made of the amount of the obligation. For instance, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation and are measured as the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

(xix) Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund or Housing Revenue Account balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund or Housing Revenue Account balance in the Movement in Reserves Statement so that there is no net charge against council tax or housing rents for the expenditure.

(xx) Revenue Expenditure Funded from Capital under Statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund or Housing Revenue Account balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of council tax or council house rents.

(xxi) VAT

VAT payable is included as an expense only to the extent that it is not recoverable from HM Revenue and Customs. VAT receivable is excluded from income.

(xxii) Collection Fund

Billing authorities are required to maintain a separate fund for the collection and distribution of amounts due in respect of council tax and non-domestic rates. The Council acts as an agent, collecting and distributing council tax and business rates income on behalf of the major precepting authorities and central government as well as itself.

The difference between the income collected in the Comprehensive Income and Expenditure Statement and the amount by regulation to be credited to the General Fund is taken to the Collection Fund Adjustment Account and included as reconciling item in the Movement in Reserves Statement.

The Balance Sheet includes the Authority's share of year end balances in respect of Council Tax and Non Domestic Rates relating to arrears, impairment allowances for doubtful debts and overpayments and prepayments and appeals.

Non Domestic Rates amounts are collected on behalf of the other partners of Central Government, Nottinghamshire County Council and Nottinghamshire Fire Authority.

Council Tax amounts are collected on behalf of the other preceptors of Nottinghamshire County Council, Nottinghamshire Police Authority and Nottinghamshire Fire Authority.

As the Collection Fund is conducted on an agency basis, there is a debtor or creditor position between the Council and the major precepting authorities and central government.

Report of the Deputy Chief Executive

Statement of Accounts 2024/25 - Underlying Pension Assumptions

1. Purpose of Report

To provide Members with information regarding the assumptions made by the Pension Fund Actuary in calculating the IAS19 figures to be reported in the 2024/25 Statement of Accounts.

2. Recommendation

The Committee is asked to NOTE the assumptions to be used in the calculation of pension figures for 2024/25.

3. Detail

IAS19 (International Accounting Standard 19 – Employee Benefits) is one of the financial reporting standards with which the Council must comply when producing its annual Statement of Accounts. The basic requirement of IAS19 is that an organisation should account for retirement benefits when it is committed to give them, irrespective of when they are paid out.

In order to calculate the cost of earned benefits for inclusion in the Statement of Accounts, the scheme actuaries use certain assumptions to reflect expected future events which may affect the cost. The assumptions used should lead to the best estimate of the future cash flows that will arise under the scheme liabilities. Any assumptions that are affected by economic conditions should reflect market expectations at the balance sheet date. The proposed assumptions for 2024/25 are shown in the **Appendix**.

The Council will use the calculated costs and underlying assumptions based upon the advice of the actuary of the Nottinghamshire County Council Pension Fund, Barnett Waddingham, and the administering authority (Nottinghamshire County Council) in preparing the annual Statement of Accounts. A formal actuarial valuation is carried out every three years, the latest being dated 31 March 2023. This covers the financial years 2023/24, 2024/25 and 2025/26. The Actuary's final report for 2024/25 is due to be received on 14 April 2025.

All the figures relating to IAS19 are simply accounting adjustments made to comply with accounting standards and have no direct impact on resources. The amount charged to the General Fund is the actual amount paid out in employers' contributions and not the charge calculated in accordance with IAS19.

There is an expectation that the Pension Fund for 2024/25 will be showing a surplus. If this should be the case, the asset shown in the balance sheet will be an estimate based on assumptions and would only ever become receivable if the Council ceased to be a going concern.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no direct financial implications arising from this report, with estimated pensions costs already included within the establishment budgets.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

The legislation, the Accounts and Audit Regulations (2015) and the Accounts and Audit (Amendment) Regulations 2022, sets out the timescales for the production of the Council's accounts, including the dates of the public inspection period. The Statement of Accounts must be published by that date or as soon as reasonably practicable after the receipt of the auditor's final findings.

Section 151 of the Local Government Act 1972 requires the Council to make arrangements for the proper administration of its financial affairs and to secure that one of its officers (the Deputy Chief Executive) has the responsibility for the administration of those affairs, which include responsibility for preparing the Council's statement of accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom.

The Statement of Accounts is that upon which the auditor should enter his certificate and opinion which is prepared under the Local Government Finance Act 2003.

6. Human Resources Implications

There were no comments from the Human Resources Manager.

7. Union Comments

Not applicable.

8. Climate Change Implications

There are no Climate Change issues in relation to this report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers

Nil.

Appendix

Proposed Financial Assumptions for 2024/25

The value of the Pension Fund’s assets and liabilities are heavily dependent on the underpinning assumptions. The employer is ultimately responsible for the assumptions used and this year’s proposed assumptions are listed below:

- Corporate Bond Yields – This is used to derive the discount rate which is applied to the employer’s liabilities to calculate their future values. The rates used are those that match the duration of the employer’s liability.
- Expected Return on Assets – The actuaries anticipate that a typical Local Government Pension Fund might achieve a return of around 10% in the year to 31 March 2025 although this may vary depending on the individual fund’s investment strategy.
- Inflation Expectations – Levels of future Retail Prices Inflation (RPI) are assessed on the basis of the yields on fixed interest and index linked government securities over the period of the duration of the liabilities. The increases in pensions in the Local Government Pension Fund are based on the Consumer Prices Index (CPI) which historically is lower than RPI. The Actuary has assessed the gap between RPI and CPI going forward to be a reduction of between 0.20% and 0.75% dependent on the duration of the employer’s liabilities.

The overall impact of the assumptions for an average employer is set out below but it should be noted that individual employer’s circumstances vary, in particular the average age of their overall liabilities. As such, the results for Broxtowe may be different from the assessment below.

Changes in Actuary’s Assumptions upon Employer’s Liability from 2023/24

Assumption	Very Mature (Liability duration under 10 years)	Mature (Liability duration between 10 and 20 years)	Immature (Liability duration over 20 years)
Effect of change in discount rate on an employer’s liability	Decrease of 1% to an increase of 4%	Decrease of 4% to 10%	Decrease of 10% to over 14%
Change in inflation on employer’s liability	Neutral to an increase of 1%	Neutral to an increase of 2%	Neutral to an increase of 1%
Overall impact	Decrease of 1% to 4%	Decrease of 4% to 9%	Decrease of 9% to over 14%

The Council’s liability duration, as at 31 March 2025, was 20 years.

Supreme Court Ruling in McCloud and Sargeant Cases

Two employment tribunal cases were brought against the Government in relation to possible discrimination in the implementation of transitional protection following the introduction of the reformed 2015 public service pension schemes from 1 April 2015. The first case (McCloud) and the second case (Sargeant) were subsequently linked and in June 2019 the Court of Appeal ruled the reforms amounted to unlawful discrimination.

Regulations in respect of these cases came into force on 1 October 2023. These may affect the value of liabilities and an allowance may need to be included. An allowance will have been made in the liabilities which is consistent with the method adopted at the last actuarial valuation.

Impact of Lloyds Judgement

The Lloyds Banking Group court case involved a ruling that, in cases where a member exercised their right to a transfer value out of the scheme, the trustee had the duty to make a transfer payment that reflects the member's right to equalised benefits and remains liable if an inadequate transfer payment had been paid. It is not yet known if, or how, this will affect the Local Government Pension Scheme.

Virgin Media case

Where the rules of a contracted-out defined benefit scheme were amended, the Scheme Actuary would provide a 'section 37' confirmation that the scheme continues to meet the contracting-out requirements. The original court case in June 2023 decided that certain rule amendments were invalid in absence of the actuarial certification (potentially including cases where such a confirmation cannot now be located). The Actuary's view is that, at this point in time, there remains insufficient information to assess the potential impact.

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Report of the Deputy Chief Executive

Liberty Leisure Limited – External Audit Arrangements 2024/25

1. Purpose of Report

To provide Members with details of the exemption of Liberty Leisure Limited from the requirement of an external audit for 2024/25.

2. Recommendation

The Committee is asked to RESOLVE that Liberty Leisure Limited be exempt from requiring an external audit for 2024/25 in accordance with Part 16 Section 479 of the Companies Act 2006.

3. Detail

Liberty Leisure Limited is a company limited by guarantee and is wholly owned by Broxtowe Borough Council. Its objectives include the provision of leisure and sports services for the benefit of the public. The company was incorporated on 12 April 2016 and commenced trading on 1 October 2016.

Liberty Leisure Limited produce accounts with a year-end date of 31 March. It is assisted in this process by Haines Watts (Chartered Accountants) based in Stapleford who ensure that the company's accounts are filed at Companies House in accordance with the Companies Act 2006.

The accounts of Liberty Leisure Limited must be subject to an audit due to the company being a subsidiary of an entity (i.e. the Council) that does require an audit. Although the company has a turnover of around £3.7 million, it does not meet the small companies' exemption criteria as set out in the Companies Act 2006 due to its relationship with the Council.

It is possible, however, to obtain a specific audit exemption for Liberty Leisure Limited under section 479 of the Companies Act 2006 by obtaining a guarantee from the parent (i.e. the Council). Further details are set out in the **Appendix**. In this scenario, the Council would have to prepare Group Accounts in its Statement of Accounts 2024/25. As the Council's external auditors (Forvis Mazars) would not be able to rely on audited accounts for Liberty Leisure Limited, they would need to carry out additional work on both the Group and the transactions of the company. The guarantee would not impose any additional risk upon the Council above that it already has with Liberty Leisure.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

Forvis Mazars will charge an additional fee over and above the fee for the external audit work undertaken on the Council's 2024/25 accounts. The additional cost will be met by the Council and has been included within the revenue budgets.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

The legislation, the Accounts and Audit Regulations (2015) and the Accounts and Audit (Amendment) Regulations 2022, sets out the timescales for the production of the Council's accounts, including the dates of the public inspection period. The Statement of Accounts must be published by that date or as soon as reasonably practicable after the receipt of the auditor's final findings.

Section 151 of the Local Government Act 1972 requires the Council to make arrangements for the proper administration of its financial affairs and to secure that one of its Officers (the Deputy Chief Executive and Section 151 Officer) has the responsibility for the administration of those affairs, which include responsibility for preparing the Council's statement of accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom.

The Statement of Accounts is that upon which the auditor should enter his certificate and opinion which is prepared under the Local Government Finance Act 2003.

6. Human Resources Implications

There were no comments from the Human Resources Manager.

7. Union Comments

Not applicable.

8. Climate Change Implications

There are no Climate Change issues in relation to this report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers

Nil.

Appendix**Audit Exemption under the Companies Act 2006 Part 16, Section 479a
Subsidiary Companies**

The Companies Act 2006 Part 16, Section 479A(1) states that “a company is exempt from the requirements of this Act relating to the audit of individual accounts for a financial year if – (a) it is itself a subsidiary undertaking, and (b) its parent undertaking is established under the law of any part of the United Kingdom.”

Furthermore, Section 479A(2) states “exemption is conditional upon compliance with all of the following conditions:

- (a) all members of the company must agree to the exemption in respect of the financial year in question;
- (b) the parent undertaking must give a guarantee under section 479C [below] in respect of that year;
- (c) the company must be included in the consolidated accounts drawn up for that year or to an earlier date in that year by the parent undertaking in accordance with:
 - (i) if the undertaking is a company, the requirements of Part 15 of this Act, or, if the undertaking is not a company, the legal requirements which apply to the drawing up of consolidated accounts for that undertaking, or
 - (ii) UK-adopted international accounting standards (within the meaning given by section 474(1))
- (d) the parent undertaking must disclose in the notes to the consolidated accounts that the company is exempt from the requirements of this Act relating to the audit of individual accounts by virtue of this section, and
- (e) the directors of the company must deliver to the registrar on or before the date that they file the accounts for that year:
 - (i) a written notice of the agreement referred to in subsection (2)(a),
 - (ii) the statement referred to in section 479C(1) [below],
 - (iii) a copy of the consolidated accounts referred to in subsection (2)(c),
 - (iv) a copy of the auditor’s report on those accounts, and
 - (v) a copy of the consolidated annual report drawn up by the parent undertaking.”

The Companies Act 2006 Part 16, Section 479C(1) states that “a guarantee is given by a parent undertaking under this section when the directors of the subsidiary company deliver to the registrar a statement by the parent undertaking that it guarantees the subsidiary company under this section” and Section 479C(2) details that “the statement under subsection (1) must be authenticated by the parent undertaking and must specify:

- (a) the name of the parent undertaking,
- (b) the registered number (if any) of the parent undertaking
- (c)
- (d) the name and registered number of the subsidiary company in respect of which the guarantee is being given,
- (e) the date of the statement, and
- (f) the financial year to which the guarantee relates.”

Companies Act 2006 Part 16, Section 479C(3) states that “a guarantee given under this section has the effect that:

- (a) the parent undertaking guarantees all outstanding liabilities to which the subsidiary company is subject at the end of the financial year to which the guarantee relates, until they are satisfied in full, and
- (b) the guarantee is enforceable against the parent undertaking by any person to whom the subsidiary company is liable in respect of those liabilities.”

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Report of the Monitoring Officer

Quarterly Complaint Report

1. Purpose of Report

To provide Members with a summary of complaints made against the Council.

2. Recommendation

The Committee is asked to NOTE the report.

3. Detail

This report outlines the performance of the Council in dealing with complaints, including: at stage one those managed by the service areas, at Stage 2, those managed by the Complaints and Compliments Officer and at Stage 3 passed to the Local Government Ombudsman (LGO) or Housing Ombudsman (HO).

- **Appendix 1** provides a summary of the Council's internal complaints statistics.
- **Appendix 2** provides a summary of the complaints investigated by the Council formally under Stage 2 of the Council's formal complaint procedure.
- **Appendix 3** provides a summary of the complaints determined by the Ombudsman.

Overall, of the 123 Stage 1 complaints received, 22 were investigated under the Stage 2 complaints procedure and three were investigated by the LGO or HO. Under the Stage 2 complaints procedure, 11 complaints were not upheld, 11 complaints were upheld. Further details can be found in **Appendix 2**. Of the three complaints investigated by the Ombudsman, two were upheld and one was not upheld. Further details can be found in **Appendix 3**.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

The cost of compensation is charged either directly to the service or recognised in a central corporate budget. There are no additional financial implications associated with this report. Any significant additional budgets required, above virement limits, would require approval by Cabinet.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

It is important to note that the Council's approach to handling complaints is within the parameters of the following key pieces of legislation: Part III of the Local Government Act 1974 and Chapter 6 of the Localism Act 2011 (for Housing Services complaints) and Section 40 of the Social Housing (Regulation) Act 2023 (that introduced the Complaint Handling Code).

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

7. Union Comments

The Union comments were as follows:

Not applicable.

8. Climate Change Implications

Not applicable.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

Not applicable.

11. Background Papers

Nil

Summary of Complaints and Compliments - Quarter 3
1 October 2024 – 31 December 2024

Complaints received

	Total	Chief Executive	Deputy Chief Executive	Executive Director	Monitoring Officer	Liberty Leisure Ltd
Number of Stage One complaints	123	88	4	31	0	0
No. of complaints concluded under Stage Two	22	20	2	0	0	0
No. of complaints determined by the Ombudsman	3	3	0	0	0	0

The Council has registered a total of 123 Stage One complaints in the third quarter. 22 complaints have been concluded under Stage Two of the complaint procedure and three complaints has been determined by the Ombudsman. A further breakdown of departmental complaints by section are shown below.

Breakdown of complaints and compliments by department and section**Chief Executive's department**

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Communities	0	0	0	0
Development Control	12	1	1	0
Housing and Income	6	2	0	31
Housing Repairs	47	9	2	5
Housing Operations	19	8	0	26
Housing Strategy	4	0	0	3
Total	88	20	3	65

Deputy Chief Executive's Department

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Customer Services	1	1	0	7
Revenues	3	1	0	0
Total	4	2	0	7

Executive Director's Department

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Communication	0	0	0	0
Bereavement Services	13	0	0	4
Environment	3	0	0	0
Waste and Recycling	15	0	0	5
Total	31	0	0	9

Monitoring Officer's Department

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Elections	0	0	0	1
Legal	0	0	0	2
Democratic Services	0	0	0	0
Total	0	0	0	3

Liberty Leisure Ltd

Service Area	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Bramcote Leisure Centre	0	0	0	0
Chilwell Leisure Centre	0	0	0	0
Total	0	0	0	0

The Business Director of Liberty Leisure Limited has confirmed that no formal complaints have been received and that only service requests and minor service issues have been identified that did not require escalation to a complaint.

STAGE 1 - FORMAL COMPLAINTS TO THE SERVICE DEPARTMENT**Time taken to acknowledge receipt of Stage One Complaints:**

	Total	Chief Executive	Deputy Chief Executive	Executive Director	Monitoring Officer	Liberty Leisure Ltd
Time taken to acknowledge complaints – 1 to 5 days	123	88	4	31	0	0
Time taken to acknowledge complaints - more than 5 days	0	0	0	0	0	0

Time taken to respond to Stage One Complaints:

The following tables highlight the service areas that failed to respond to complaints within the target time in the first quarter, and the number of complaints where the target date was extended.

	Total	Chief Executives	Deputy Chief Executive	Executive Director	Monitoring Officer	Liberty Leisure Ltd
Less than 10 working days	117	82	4	31	0	0
Over 10 working days	6	6	0	0	0	0

It should be noted that there has been a reduction in complaints being concluded outside of 10 working days. 95% of Housing Repair complaints were dealt with within the 10 working day deadline in the second quarter.

Six complaints fell outside of the 10 working day due to Officer leave over the holiday period.

The Complaints Team continues to monitor the performance of the Housing Repair complaints to ensure that they continue to be dealt with in line with the Complaints Policy.

The Housing Repairs Team has been reminded by the Complaints Team of the need to contact complainants where the initial deadlines cannot be met. Furthermore, the Housing Repairs Team has been provided a reminder to respond to the complainant with the full response or to agree an extension with the Complaints Team when the 10 working day deadline cannot be met. Where issues have been identified, such as Housing Repairs, the Complaints Team works with the Head of Service to implement improvements in areas that are required. This is further reviewed by the Housing Improvement Board (HIB). The role of the HIB is to ensure that the Housing stock and practises are fit for purpose. The Complaints Team reports to the HIB on its findings regarding complaints and the learning outcomes that have been and require implementation.

Directorate / Section	Chief Executive	
	Number responded to outside of 10 working days	Number of complaints where an was extension sort
Housing Repairs	6	6
TOTAL	6	6

Stage 2 - Formal Complaints

22 formal complaints have been responded to in the first quarter; all of which were acknowledged within the 5 working day timescale, and 96% were responded to within the 20 working day timescale. The complainant was notified that the initial 20 working day deadline could not be met. An extension was required to a stage 2 complaint due to the extensive information relating an individual's health issues. Eleven of the complaints were upheld and eleven were not upheld.

Reasons for the delays include:

- Further information being required from the complainant.
- Further information being required from the department complained about.
- Complexity of the complaint including in-depth research required.
- Resource issues.

Time taken to respond to stage two complaints:

	Total	Chief Executives	Deputy Chief Executive	Executive Director	Monitoring Officer	Liberty Leisure Ltd
Less than 20 working days	21	19	2	0	0	0
Over 20 working days	1	1	0	0	0	0

1. Complaint against Housing Operations

Response – 20 working days

Complaint upheld**Complaint**

The complainant contacted the Council and complained that there had been a lack of action to investigate an issue of noise nuisance.

Council's response

The Housing Tenancy Team has assessed the complaint regarding Anti-Social Behaviour. However, by not responding to the complainant's correspondence in a timely manner and not acknowledging the complainant's complaint of Anti-Social Behaviour correctly, the Council recognises that this had caused additional confusion and distress.

An apology was provided for this and for any additional distress or confusion caused.

The Housing Tenancy Team had determined that issues that had been raised were not considered Anti-Social Behaviour and the noise monitoring confirmed that this is everyday living noise.

The complainant was offered and accepted £250 compensation for the issues highlighted above.

Head of Service Comments

The Council recognises the inconvenience caused by not correctly corresponding with the complainant. Officers were reminded of their responsibility to correctly communicate with individuals.

Complaint Team Recommendations/actions

- The Housing Tenancy Team has been reminded of their responsibility to return correspondence in a timely manner.
- The Housing Tenancy Team has been reminded of their responsibility to appropriately acknowledge and manage complaints of Anti-Social Behaviour when they are received.
- The Housing Tenancy Team has been instructed to provide you with correspondence by 1 November 2024 to discuss any further concerns you have.
- A reminder has been provided to the Council's Customer Services Team to ensure that they correctly direct telephone calls regarding tenant noise nuisance to the Housing Tenancy Team.

2. Complaint against Housing Operations

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that the correct advice had not been provided regarding the storage of mobility scooters.

Council's response

It was concluded that the Housing Tenancy Team had failed to respond to the complainant's specific enquires regarding mobility scooters in a timely manner. Furthermore, during the complainant's initial correspondence with the Housing Tenancy Team, they should have been issued with the Council's Mobility Scooters Guidance for Tenants to assist with any enquiries or permissions they were seeking. The Council recognises that this was not done.

A copy of this guidance had been included with the Stage 2 letter. The guidance document provides further details on how to apply for the use and storage of a mobility scooter within Council properties.

Head of Service Comments

The Council recognises the inconvenience caused by not correctly corresponding with the complainant. Officers were reminded of their responsibility to correctly communicate with individuals.

Complaint Team Recommendations/actions

- The Housing Tenancy Team has been reminded of their responsibility to return correspondence in a timely manner.
- The Housing Tenancy Team has been reminded of their responsibility to refer individuals to the Mobility Scooters Guidance for Tenants document.

3. Complaint against Housing Repairs

Response – 20 working days

Complaint upheld**Complaint**

The complainant contacted the Council and complained that an issue of decorating an area affected by damp and mould was not undertaken correctly.

Council's response

It was concluded that the complainant had not received an appropriate level of service as the Housing Repairs Team incorrectly informed them that maintenance of the works to the paint in their bathroom was their responsibility.

While the work to repaint the bathroom following the plaster repairs was carried out by the Council's contractor, this was not undertaken correctly as a mist coat was not applied. By not applying a mist coat, this has caused the paint applied to bubble and peel.

Furthermore, the Housing Repairs Team had incorrectly informed the complainant that the painting was their responsibility to rectify despite being undertaken on behalf of the Council.

An apology was offered and works were undertaken to correctly paint the bathroom.

The complainant was offered and accepted £500 compensation for the issues highlighted above.

Head of Service Comments

The Council recognises the inconvenience caused by not correctly undertaking the works in the first instance. The Housing Repairs Team were reminded of their responsibility to correct assess and book works undertaken by contractors.

Complaint Team Recommendations/actions

- The Housing Repairs Team has been reminded of their responsibility to correctly identify repairs in the first instance. This includes inspecting any records of previous repairs undertaken by the Council or on behalf of the Council.
- The Council's contractors have been reminded of their responsibility to undertake works correctly in the first instance.
- The Housing Repairs Team has been instructed to attend your property to remedy the painting works.

4. Complaint against Housing Repairs

Response – 30 working days. An extension was required to a Stage 2 complaint due to the extensive information relating an individual's health issues.

Complaint upheld**Complaint**

The complainant contacted the Council and complained that an issue of damp and mould was not correctly prioritised despite their disability. Furthermore, the offer of a decant property while the damp works were undertaken was not appropriate for their needs.

Council's response

It was concluded that the complainant had not received an appropriate level of service as the Housing Repairs Team had delayed several repairs to the damp and mould at the property.

While inspections and works were undertaken, there were delays in works being booked and subsequently completed. Furthermore, despite six separate reports of damp and mould at the property from 2021, the Housing Repairs Team failed to identify that the damp proof course had failed until 2024.

The Council recognised that having to report damp and mould on several occasions is not acceptable service delivery. A stock condition survey was being undertaken to review all Council properties for damp and mould, and this programme has been expedited. Any issues of damp and mould are then reported to the Housing Repairs Team and works are booked in to be completed in a timely manner.

Furthermore, the Council's Change Delivery Manager was reviewing the Housing Repairs Team's damp and mould processes to ensure that these are fit for purpose and align with the anticipated "Awaab's Law".

The Housing Repairs Team had correctly followed the decant process to enable the major works to be undertaken at the property, and booked a disabled access room and agreed to pay for any expenses towards the complainant's food cost during the decant. However, the complainant remained unhappy with the quality of the accommodation provided. This resulted in the complainant booking an alternative hotel while the works were undertaken.

The Council considered this aspect of the complaint, particularly the complainant's vulnerabilities and the length of time the Council took to identify the correct repairs to their property, and agreed to reimburse them for reasonable expenses toward the complainant's food, travel costs and the alternative stay at the Travelodge they had booked.

An apology was offered and the complainant was offered, and accepted, £4,776.98 compensation for the issues highlighted above.

Head of Service Comments

The Council recognises the inconvenience caused by not correctly identifying the extent of the works in the first instance. Reminders and additional systems have been introduced to mitigate this issue.

Complaint Team Recommendations/actions

- The Housing Repairs Team has been reminded of the responsibility to correctly and promptly identify and diagnose repairs in the first instance. This includes inspecting any records of previous repairs undertaken by the Council or on behalf of the Council.
- The Housing Repairs Team has been reminded of the responsibility to undertake works correctly and promptly in the first instance.
- The Housing Repairs Team has been reminded of the responsibility to prioritise repairs where an individual has vulnerabilities that are directly affected by the necessary works.
- The Housing Repairs Team has been instructed to include any vulnerabilities in complaint responses that have a direct effect on an individual's complaint during the stage 1 complaint process.
- The Housing Repairs Team has been instructed to continue and expedite stock condition surveys at all Council properties to determine if damp and mould is present.
- The Change Delivery Manager has been instructed to conduct a review the Council's Damp and Mould policies to ensure that they are fit for purpose and align with the anticipated "Awaab's Law".
- The Housing Repairs Team has been reminded of their responsibility to follow the repair timeframes as stated in the Housing Repairs Policy and the Damp and Mould Policy.

5. Complaint against Housing Operations

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to investigate an issue of noise nuisance.

Council's response

It was concluded that the complainant had not received an appropriate level of service as the Tenancy Services Team had not provided communication in a timely manner or proactively investigated the concerns of Anti-Social Behaviour (ASB).

While the Council had correctly assessed the ASB issues based on the evidence that had provided, the Tenancy Services Team did not proactively investigate the concerns which resulted in the complainant having to contact the Council on multiple occasion and visit the Council Offices.

An apology was offered and the complainant was offered, and accepted, £500 compensation for the issues highlighted above.

Head of Service Comments

The Council recognises the inconvenience caused by not correctly corresponding with the complainant. Officers were reminded of their responsibility to correctly communicate with individuals.

Complaint Team Recommendations/actions

- The Housing Services Team has been reminded of the responsibility to proactively investigate ASB complaints.
- The Housing Services Team has been reminded of the responsibility to provide correspondence to individuals in a timely manner.

6. Complaint against Housing Repairs

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to investigate an issue of property subsidence.

Council's response

It was concluded that the complainant had received an appropriate level of service as the Housing Repairs Teams had correctly attended the property and reviewed the issues of subsidence in a timely manner.

The Council had routinely inspected the property when the issues had been raised with the potential subsidence. A survey was undertaken by a chartered surveyor and it was noted that the subsidence was minimal. As a result, the Council undertook further investigative works through a soil sample and an arboriculture assessment.

Further assessments were carried out by the Housing Repairs Team using Tell Tales and no further subsidence was reported.

Head of Service Comments

The Housing Repairs Team had correctly investigated the issue of subsidence in a timely manner.

7. Complaint against Housing Repairs

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to investigate a leak at their property.

Council's response

It was concluded that the complainant had received an appropriate level of service as the Housing Repairs Team repaired their boiler leak in a timely manner when it was reported.

While the leak had been initially reported, the appointment to review the leak was cancelled by the complainant. This was reorganised and repaired correctly in the follow up appointment.

Head of Service Comments

The Housing Repairs Team had correctly investigated the issue of the boiler leak in a timely manner.

8. Complaint against Housing Income

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that they had been requested to remove their personal items from the communal area of an independent living scheme.

Council's response

It was concluded that the complainant had received an appropriate level of service as the Council had undertaken the correct action to request removal of personal items from the communal areas to ensure that residents are safe in the event of an emergency.

Following receipt of the Fire Safety Matters Notice following an inspection by the Nottinghamshire and City of Nottingham Fire and Rescue Service, the Council is obligated to undertake the actions contained within this Notice to ensure that residents are safe.

The Council had correctly informed residents of the need to remove personal items from the communal areas in order to comply with the Fire Safety Matters Notice.

Head of Service Comments

The Housing Repairs Team had correctly requested that the complainant remove their personal items from the communal areas to ensure that all the residents are safe in the event of an emergency.

9. Complaint against Housing Repairs

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to stop their gutters becoming blocked.

Council's response

It was concluded that the complainant had received an appropriate level of service as the Housing Repairs Team had attended the property in a timely manner to clear the gutters when these have been reported.

The Housing Repairs Team had undertaken works to mitigate the leaves entering the guttering by maintaining the tree and by altering the gutter height to allow the water to flow freely.

Head of Service Comments

The Housing Repairs Team had correctly investigated the issue of the blocked gutters in a timely manner.

10. Complaint against Housing Operations

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to activate their Homesearch account.

Council's response

It was concluded that the complainant had not received an appropriate level of service as the Housing Operations Team incorrectly did not activate their Homesearch account when they had registered this.

While the complainant had submitted a Homesearch application, due to an administrative error, the Housing Operations Team did not activate the account which meant they were unable to bid on properties for several months.

Furthermore, it was identified that the complainant was not contacted by the Housing Operations Team despite a specific instruction to do so as part of the stage 1 complaint response.

An apology was offered and the complainant was offered but did not accept £150 compensation for the issues highlighted above.

Head of Service Comments

The Council recognises the inconvenience caused by not activating the account correctly. Upon being alerted to this, the account was correctly activated.

Complaint Team Recommendations/actions

- The Housing Operations Team has been reminded of their responsibility to return correspondence in a timely manner.

- The Housing Operations Team has been reminded of their responsibility to undertake actions identified during the complaint process.
- Managers has been reminded of the importance of ensuring that employees undertake actions identified during the complaint process, and that they should be monitoring this.
- The Housing Operations Team has been reminded to correctly process housing allocations in the first instance.

11. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to investigate an issue of noise nuisance.

Council's response

It was concluded that the complainant had received an appropriate level of service as Environmental Health and Housing Tenancy had correctly investigated their complaints of noise nuisance.

The Council had correctly installed noise monitoring equipment at the property, and the complainant's neighbour's property, in order to investigate the alleged issues.

The Council had installed noise monitoring equipment over a period of two years and no evidence of noise nuisance has been recorded during this time.

Head of Service Comments

The Housing Operations Team had correctly investigated the issue of noise nuisance in a timely manner.

12. Complaint against Planning

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to investigate an issue of boundary encroachment and there had been a lack of communication from the Planning Team.

Council's response

It was concluded that the complainant had not received an appropriate level of service due to a delay in correspondence being issues from the Planning Team.

An apology was offered to the complainant.

The Planning Team had determined that the boundary encroachment was a civil matter and that action cannot be taken by the Council. It was recommended that the complainant seek independent legal advice which can be obtained from the Citizens Advice Bureau or from a solicitor that specialises in land dispute cases.

Head of Service Comments

The Council recognises the inconvenience caused by not correctly corresponding with the complainant. Officers were reminded of their responsibility to correctly communicate with individuals.

Complaint Team Recommendations/actions

- The Planning Team had been reminded of its responsibility to return correspondence in a timely manner.

13. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to investigate an issue their ceiling collapsing due to a leak.

Council's response

It was concluded that the complainant had received an appropriate level of service as the Housing Repairs Team repaired the roof leak in a timely manner when it was reported.

The Housing Repairs Team was only able to attend to repairs when they are reported. On this occasion, as previous reports of a leak had not been reported before to the Housing Repairs Team, they were unable to attend before the ceiling collapsed.

The Housing Repairs Team undertook the correct action in attending the complainant's property the following day to repair the leak and making their living room safe. The repair could not be undertaken on the same day as this would have required works to the roof during the evening. Due to health and safety, the Housing Repairs Team was unable to perform this work on the same day.

Head of Service Comments

The Housing Repairs Team are only able to attend to repairs when they are reported. As no leak had been reported until the point of the ceiling collapse, the Housing Repairs Team was unable to attend promptly.

14. Complaint against Housing Repairs

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to investigate an issue of cracking plaster.

Council's response

It was concluded that the complainant had received an appropriate level of service as the Housing Repairs Team had attended their property in a timely manner to review the cracks in their wall.

The Housing Repairs Team had undertaken two separate investigations and had found that the plaster was sound with no signs of de-bonding. The Council's records indicate that there were no signs of damage to the wall to suggest that this was moving.

Head of Service Comments

The Housing Repairs Team promptly investigated the issues of the cracked plaster and no further works were identified.

15. Complaint against Revenues

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that their Council Tax account had been incorrectly closed which resulted in several missed payments.

Council's response

It was concluded that the complainant had not received an appropriate level of service as the Council Tax Team incorrectly closed their Council Tax account based on the incorrect information provided by the Customer Services Team.

Due the Customer Services Team providing the incorrect address to the Council Tax Team the account was incorrectly closed and a final bill was issued.

Upon being alerted to this error the Council Tax account was re-opened and a new bill was issued. However, this meant that the complainant was unaware that several payments had been missed due to the accounts incorrect closure. These payments totalled £314.

An apology and £314 compensation were offered and accepted.

Head of Service Comments

The Council recognised the inconvenience caused by acting upon the account being incorrectly closed. The compensation amount reflected the payments missed by the complainant and returned them to the position before the account was closed.

16. Complaint against Housing Repairs

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to investigate an issue of damaged flooring and that they had been treated in a discriminatory way due to their sexuality.

Council's response

It was concluded that the complainant had received an appropriate level of service as the Housing Repairs Team visited the property promptly when it was reported and that further works were required by Council's contractor.

Upon receiving the report that the flooring required additional works, the Housing Repairs Team visited the property on the same day and confirmed that a decant was required in order for the works to be completed.

There was no evidence to suggest that the complainant was treated in a discriminatory way.

Head of Service Comments

The Housing Repairs Team promptly investigated the issues with the complainant's flooring. The Council takes its responsibilities toward discrimination seriously and employees were required to complete training to ensure that individuals were treated fairly and with respect.

17. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that there had been a lack of action to investigate an issue of noise nuisance.

Council's response

It was concluded that the complainant had received an appropriate level of service as the Housing Services Team had correctly investigated the complaints of noise nuisance.

The Council had correctly installed noise monitoring equipment at the complainant's property and no evidence of noise nuisance had been recorded during this time. Furthermore, no evidence of noise nuisance was captured while the complainant was using the noise monitoring app.

Head of Service Comments

The Housing Operations Team had correctly investigated the issue of noise nuisance in a timely manner.

18. Complaint against Housing Repairs

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that their neighbour had recently had their kitchen and bathroom upgraded but they did not.

Council's response

It was concluded that the complainant had received an appropriate level of service as the Housing Repairs Team had attended their property and determined that the kitchen and bathroom were in a serviceable and good condition. The Housing Repairs Team had confirmed that these do not require replacement at this time.

Head of Service Comments

The Housing Repairs Team had correctly assessed that the kitchen and bathroom did not require replacement and informed the complainant of this.

19. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council to complain about a number of issues, including anti-social behaviour from a neighbour, the behaviour of a Housing Officer, that their mental health was suffering because of the Council's lack of action, and that the accommodation they have been offered was inappropriate and had no heating.

Council's response

The complainant received an appropriate level of service as the Housing Services Team had correctly assessed their complaints of anti-social behaviour.

There was no evidence to support the accusations the complainant made against the neighbour. A visit from the Housing Officer resulted in the complainant's arrest and there

was no independent evidence to corroborate the allegations made against the Housing Officer.

Further to this, there was no evidence that the repairs to the heating had not been actioned. The Housing Repairs Team attended the property the day after a report of the heating not working and this was repaired on the same day.

Head of Service Comments

The Housing Operations Team correctly investigated the concerns raised by the complainant. No evidence was gathered to support their allegations and their own actions caused the Council to take action against them.

20. Complaint against Customer Services

Response – 20 working days

Complaint upheld

Complaint

A caller made a number of accusations against the Council, including that the Customer Services Team were rude to them during a telephone call, that the Council had stolen their number and breached their GDPR, that the Business Support Team had blocked their number when they were enquiring about jobs and that there should be a financial resolution with regards to the stealing of their telephone number and creating a profile on them.

Council's response

It was established that the complainant had not received an appropriate level of service as the Customer Services Team did not correctly handle a telephone call in which they told the complainant to "get a life." It was noted this was after numerous telephone calls in which the caller had repeatedly sworn at and provoked the employee.

Although it was recognised that the Customer Services Team response was not appropriate, there was no evidence to suggest that the employee had shouted or sworn.

Further to this, there was no evidence to suggest that the Council stole or otherwise misappropriated the caller's telephone number, created a profile or blocked their telephone number. A telephone number was retrieved from the Council's systems, following the calls in order to assist the caller with their complaint.

An apology for the response provided by the Customer Services Officer was issued.

Head of Service Comments

The Customer Services Team were reminded of their responsibility to behave in a professional manner despite the conduct of individuals.

21. Complaint against Housing Operations

Response – 20 working days

Complaint upheld

Complaint

A tenant reported a communal door key as lost in July 2024 and ordered a new key which never arrived. A second key was ordered in October 2024, but it was incorrect. Another key was ordered and did not arrive. Being unable to access the property caused significant disruption to the tenant and their neighbours, who had to continually let them in.

Council's response

It was concluded that the tenant did not received an appropriate level of service as the Tenancy Services Team did not promptly obtain the key to the communal door in a timely manner.

Reports regarding the key were made on 12 July 2024 and again on 8 October 2024. Due to a delay in the supplier providing the key and the Tenancy Services Team not proactively chasing the manufacture, the tenant was left without a key to the communal area for over a month.

An apology and an offer of £250 compensation was made in acknowledgement of the distress and hardship caused by the poor communication and the delays in obtaining the communal door key by the Tenancy Services Team.

Head of Service Comments

The Council recognises the inconvenience of not proactively chasing the completion of the key order and not communicating correctly with the complainant. Reminders have been issued to the Housing Operations Team of the importance of this.

Complaint Team Recommendations/actions

- The Tenancy Services Team have been reminded of their responsibility to ensure that external suppliers promptly undertake actions requested.
- The Tenancy Services Team have been reminded of their responsibility to provide correspondence to individuals to ensure that delays are communicated correctly.
- The Tenancy Services Team have been reminded of their responsibility to keep accurate records.

22. Complaint against Housing Repairs

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council to report that a lamp post was not working. The repair took more than eight weeks to expedite and there was a lack of response from the Repairs Team.

Council's response

It was concluded that the tenant did not receive an appropriate level of service as the Housing Repairs Team unreasonably delayed the repairing of the lamp post.

While the Housing Repairs Team correctly received the reports of the lamp post requiring repairing, delays occurred due to several of the appointments being missed by the Housing Repairs Team and the subsequent electrical contractor.

The Housing Repairs Team did not inform the tenant of these delays, nor did they inform them of rearranged appointments.

An apology for this was issued along with compensation of £250.

Head of Service Comments

The Council recognises the inconvenience caused by not correctly undertaking the works in the first instance. The Housing Repairs Team were reminded of their responsibility to correct assess and book works undertaken by contractors.

Complaint Team Recommendations/actions

- The Housing Repairs Team has been reminded of their responsibility to ensure that external contractors promptly undertake actions requested.
- The Housing Repairs Team has been reminded of their responsibility to return correspondence in a timely manner.
- The Housing Repairs Team has been reminded of their responsibility to undertake actions identified during the complaint process.
- Managers have been reminded of the importance of ensuring that employees undertake actions identified during the complaint process, and that they should be monitoring this.
- The Housing Repairs Team has been reminded to provide correspondence to individuals where delays in works arise.

STAGE 3 – Complaints to The Local Government Ombudsman/Housing Ombudsman

Stage 3 - Ombudsman Complaint

1. Complaint against Housing Repairs (complaint concluded in 2023/24)

Complaint Upheld.

Complaint

The concern raised was that the Council had not adequately dealt an issue of damp and mould.

Ombudsman's conclusion

The Housing Ombudsman (HO) concluded that the resident experienced damp and mould in the property for a significant period (since November 2019) and spent considerable time and trouble pursuing a resolution. Within the Council's responses, the HO acknowledged that the Council had not disputed that the Council failed to identify and resolve the damp within the property over several years, and that the Council had not communicated effectively, meaning that the resident needed to continue to report the damp. It was recognised that the Council also acknowledged that it had not scheduled or logged the required works correctly which exacerbated the issues and led to further delay and distress.

The HO acknowledged that the Council had taken steps to put things right for the resident by acknowledging the delay and disruption caused, and offering a total of £4,380 compensation within its complaint responses. This offer is significant and is within a range the Ombudsman considers proportionate in instances of severe maladministration where there has been a serious impact on a resident and the redress required to put things right is considerable.

The HO ordered the Council to pay an additional £250 in recognition of the distress caused to the complainant.

2. Complaint against Planning (complaint concluded in Q1)

Complaint not Upheld.

Complaint

The concern raised was that the Council had not adequately dealt with a planning application. The complainant also raised concerns that information was removed from the Council's website and the Council prepared misleading and incorrect reports.

Ombudsman's conclusion

The Local Government and Social Care Ombudsman (LGO) noted that the complainant had raised many concerns about how the Council had dealt with a planning application for

a development in the area where they live. The Council refused planning permission for the development. However, the developer used their right to appeal to the Planning Inspector. The complainant had complained about incorrect information included within the planning report and raised concerns about misleading information being provided to the Planning Inspector.

However, the acceptability of the development would now be determined by the Planning Inspector. The LGO cannot investigate decisions made by the Inspector. It was noted that the complainant also had the opportunity to comment on the appeal and raise their concerns about the application.

The LGO cannot investigate decisions made by the Planning Inspector and there was no evidence of fault by the Council.

3. Complaint against Housing Repairs (complaint concluded in 2023/24)

Complaint Upheld.

Complaint

The concern raised was that the Council had not adequately dealt with an issue of a leak at the complainant's property.

Ombudsman's conclusion

The Housing Ombudsman (HO) concluded that the first leak of February 2021 was attended within the landlord's emergency timescale of 3 working days, which was reasonable, and the hole in the kitchen ceiling was repaired within 20 working days, which was also reasonable.

However, there remained outstanding remedial work to the kitchen ceiling between February 2021 and June 2023. This was an unreasonable period of approximately 18 months beyond the Council's Repair Policy timescale of 20 working days for routine repairs.

The HO recognised that the Council had not disputed its repairing responsibilities in this case. The Council acknowledged delays in its repair services and explained that this was due to the works not being passed on to its operatives after being logged by the resident and inspectors. The Council apologised and acknowledged that it had not provided a reasonable repair service.

The HO ordered the Council to pay £900 in recognition of the distress caused to the complainant.

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Report of the Deputy Chief Executive

Review of Strategic Risk Register

1. Purpose of Report

To approve the amendments to the Strategic Risk Register and the action plans identified to mitigate risks.

2. Recommendation

The Committee is asked to RESOLVE that the amendments to the Strategic Risk Register and the actions to mitigate risks be approved.

3. Detail

In accordance with the corporate Risk Management Strategy, the Strategic Risk Management Group met on 11 February 2025 to review the Strategic Risk Register. General Management Team (GMT) has since considered the proposals made by the Group. The objectives of the review were to:

- Identify the extent to which risks included in the register are still relevant
- Identify any new strategic risks to be included in the register
- Review action plans to mitigate risks.

A summary of the risk management process is included in **Appendix 1**. The Risk Management Strategy includes a '5x5' risk map matrix to assess both the threats and opportunities for each strategic risk in terms of both the likelihood and impact. The risk map is included to assist the understanding of the inherent and residual risk scores allocated to each strategic risk. These scores will be considered further and amended as necessary in due course.

Details of the proposed amendments to the Strategic Risk Register and actions resulting from the process are attached in **Appendix 2**. The full Strategic Risk Register incorporating the proposed amendments is available on the intranet. An extract from the register of the entries relating to the highest rated 'red' risks are included in **Appendix 3** for Members consideration.

Further reviews of the Strategic Risk Register will be reported to future meetings of this Committee.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no direct financial implications that arise from this report. Any future additional budgetary requirements will be considered separately by Cabinet.

5. Legal Implications

The comments from the Head of Legal Services were as follows:

The Strategic Risk Register is the main mechanism used by the Council to identify, assess and monitor key risks. Whilst there are no direct legal implications arising from this report, it is important to assess whether the risks identified are being effectively mitigated and managed.

6. Human Resources Implications

There were no comments from the Human Resources Manager.

7. Union Comments

Not applicable.

8. Climate Change Implications

Climate Change is considered in this report as a strategic risk.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers

Nil.

Appendix 1

Review of Strategic Risk Register**Introduction**

The Risk Management Strategy, as updated in July 2024, aims to improve the effectiveness of risk management across the Council. Effective risk management will help to ensure that the Council maximises its opportunities and minimises the impact of the risks it faces, thereby improving its ability to deliver priorities, improve outcomes for residents and mitigating legal action and financial claims against the Council and subsequent damage to its reputation.

The Strategy provides a comprehensive framework and process designed to support both Members and Officers in ensuring that the Council is able to discharge its risk management responsibilities fully. The Strategy outlines the objectives and benefits of managing risk, describes the responsibilities for risk management, and provides an overview of the process that the Council has in place to manage risk successfully. The risk management process outlined within the Strategy should be used to identify and manage all risks to the Council's ability to deliver its priorities. This covers both strategic priorities, operational activities and the delivery of projects or programmes.

The Council defines risk as “the chance of something happening that may have an impact on objectives”. A risk is an event or occurrence that would prevent, obstruct or delay the Council from achieving its objectives or failing to capture business opportunities when pursuing its objectives.

Risk Management

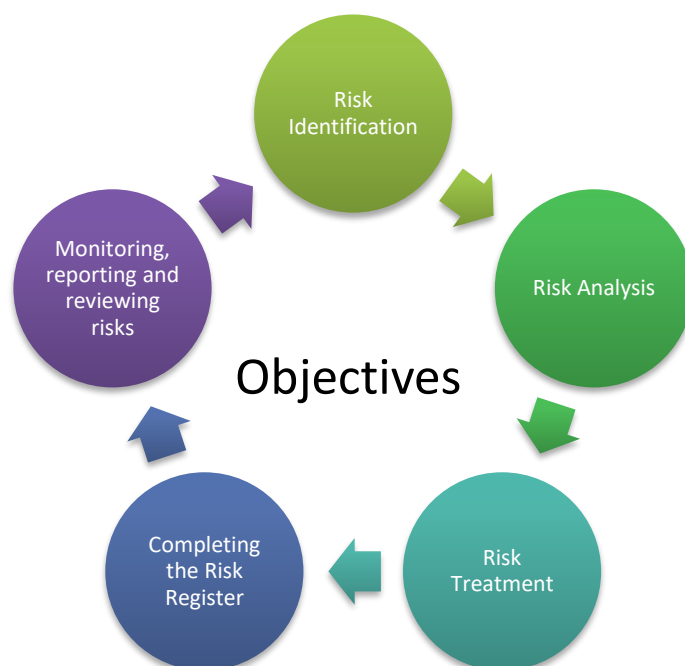
Risk management involves adopting a planned and systematic approach to the identification, evaluation and control of those risks which can threaten the objectives, assets, or financial wellbeing of the Council. It is a means of minimising the costs and disruption to the Council caused by undesired events.

Risk management covers the whole range of risks and not just those associated with finance, health and safety and insurance. It can also include risks as diverse as those associated with reputation, environment, technology and breach of confidentiality amongst others. The benefits of successful risk management include:

- Improved service delivery with fewer disruptions, efficient processes and improved controls
- Improved financial performance and value for money with increased achievement of objectives, fewer losses, reduced impact and frequency of critical risks
- Improved corporate governance and compliance systems with fewer legal challenges, robust corporate governance and fewer regulatory visits
- Improved insurance management with lower frequency and value of claims, lower impact of uninsured losses and reduced premiums.

Risk Management Process

The Council’s risk management process has five key steps as outlined below.



Process Step	Description
Risk Identification	Identification of risks which could significantly impact the Council’s aims and objectives – both strategic and operational.
Risk Analysis	Requires consideration to the identified risks potential consequences and likelihood of occurring. Risks should be scored against the Council’s risk matrix
Risk Treatment	Treat; Tolerate; Transfer; Terminate – Identify which solution is best to manage the risk (may be one or a combination of a number of treatments)
Completing the Risk Register	Document the previous steps within the appropriate risk register. Tool for facilitating risk management discussions. Standard template to be utilised to ensure consistent reporting.
Monitoring, reporting and reviewing the risks	Review risks against agreed reporting structure to ensure they remain current and on target with what is expected or manageable.

Risk Matrix

		Risk – Threats				
Likelihood	Almost Certain – 5	5	10	15	20	25
	Likely – 4	4	8	12	16	20
	Possible – 3	3	6	9	12	15
	Unlikely – 2	2	4	6	8	10
	Rare – 1	1	2	3	4	5
		Insignificant – 1	Minor – 2	Moderate – 3	Major – 4	Catastrophic – 5
		Impact				



Risk Rating	Value	Action
Red Risk	25	Immediate action to prevent serious threat to provision and/or achievement of key services or duties
	15 to 20	Key risks which may potentially affect the provision of key services or duties
Amber Risk	12	Important risks which may potentially affect the provision of key services or duties
	8 to 10	Monitor as necessary being less important but still could have a serious effect on the provision of key services
	5 to 6	Monitor as necessary to ensure risk is properly managed
Green Risk	1 – 4	No strategic action necessary






Appendix 2





Strategic Risk Register – Summary of Proposed Changes







Inherent Risk – Gross risk **before** controls and mitigation





Residual Risk – Risk remaining **after** application of controls and mitigating measures





Risk	Inherent Risk	Residual Risk	Changes
<p>1. Failure to maintain effective corporate performance management and implement change management processes</p> <p><i>The position with regards to this risk is unchanged.</i></p>	20	<p>4</p> <p> Green</p>	<p>The action to deliver the agreed Local Government Association (LGA) Peer Review Improvement Plan was fully completed.</p>
<p>2. Failure to obtain adequate resources to achieve service objectives</p> <p><i>Although the residual risk score does not need to change, it was considered that the position with regards to this risk had worsened.</i></p>	20	<p>16</p> <p> Red</p>	<p>The impact of the local government financial settlement, which had not been favourable to district councils, means that this remains as one of the highest rated 'red' residual risks.</p> <p>A new action was added to monitor the impact of any reset in the Business Rates baseline as part of the anticipated Fair Funding Review.</p> <p>Sales, fees and charges income received is of key importance to the Council's financial sustainability. As a result of fluctuating activity, variations in planning application fee income was added as risk indicator.</p> <p>A new action was added to review Trade Waste operations and pricing structure to remain effective and competitive in the market and to report the findings to Cabinet.</p> <p>The action to present a report on planning appeals to this Committee was completed.</p>

Risk	Inherent Risk	Residual Risk	Changes
<p>3. Failure to deliver the Housing Revenue Account (HRA) Business Plan</p> <p><i>The position with regards to this risk is unchanged.</i></p>	25	<p>12</p>  <p>Amber</p>	<p>The action to ensure compliance with legislation in the Social Housing (Regulation) Act 2023 was updated to refer to this legislation impacting the Council from October 2025.</p> <p>The action to assess the impact of the Government's rent setting policy as a key factor in providing resources for the HRA was updated to refer to 2026/27 onwards.</p>
<p>3a. Failure to deliver a Housing Repairs and Compliance Service which meets Right to Repair and Compliance legislation</p> <p><i>The position with regards to this risk is unchanged.</i></p>	20	<p>12</p>  <p>Amber</p>	<p>The Fire Safety Policy and Asbestos Policy were added as key controls.</p> <p>A new action was added to complete the recruitment of a new Property Management Compliance Officer post in Asset Management and Development, as agreed by Cabinet.</p> <p>The action to update Capita Open Housing with M3 software to improve diagnosis of repair at first point of contact has been completed.</p>
<p>4. Failure of strategic leisure initiatives</p> <p><i>The position with regards to this risk is unchanged.</i></p>	25	<p>20</p>  <p>Red</p>	<p>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.</p>
<p>5. Failure of Liberty Leisure (LLL) trading company</p> <p><i>The residual risk score has been revised after it was considered that the position with regards to this risk had improved.</i></p>	25	<p>8</p>  <p>Amber</p>	<p>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.</p> <p>The company is currently forecasting a financial surplus for 2024/25 with efficient operating and improved revenues from membership sales.</p> <p>In view of the current trading position, it was agreed that the residual risk score be reduced from 12 to 8 (Amber Risk).</p>
<p>6. Failure to manage the Beeston town centre development</p> <p><i>The position with regards to this risk is unchanged.</i></p>	25	<p>9</p>  <p>Amber</p>	<p>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.</p>

Risk	Inherent Risk	Residual Risk	Changes
<p>7. Not complying with legislation</p> <p><i>The position with regards to this risk is unchanged.</i></p>	25	<p>6</p> <p></p> <p>Amber</p>	<p>A new action was added to undertake tree management surveys, complete any required maintenance works; and provide a database to accurately record/track monitoring inspections.</p> <p>The action to ensure compliance with the Social Housing (Regulation) Act 2023 was updated to refer to this legislation impacting from October 2025.</p> <p>The action to ensure compliance with the PREVENT Duty; to produce annual Counter Terrorism Local Profiles and Situational Risk Assessments and to implement Martyn's Law was updated to include Hostile Vehicle Mitigation.</p> <p>The action to present a report on the risks and costs associated with planning appeal decisions to this Committee has been completed.</p>
<p>8. Failure of financial management and/or budgetary control and to implement agreed budget decisions</p> <p><i>The position with regards to this risk is unchanged.</i></p>	25	<p>4</p> <p></p> <p>Green</p>	<p>A new action was added to ensure compliance with meeting transparency requirements relevant to public procurement, mandated by the Local Government Transparency Code 2015 in conjunction with the new Procurement Act 2023.</p> <p>A new action was added to share internal access to the corporate Contracts Register for enhanced management reporting.</p>
<p>9. Failure to maximise collection of income due to the Council</p> <p><i>The position with regards to this risk is unchanged.</i></p>	20	<p>9</p> <p></p> <p>Amber</p>	<p>A new action was added to monitor the impact of any reset in the Business Rates baseline as part of the government's anticipated Fair Funding Review.</p>
<p>10. Failure of key ICT systems</p> <p><i>The position with regards to this risk is unchanged.</i></p>	25	<p>15</p> <p></p> <p>Red</p>	<p>This remains a high rated 'red' risk given the national picture in terms of cyber security and associated risks.</p> <p>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.</p>

Risk	Inherent Risk	Residual Risk	Changes
11. Failure to implement Private Sector Housing Strategy in accordance with Government and Council expectations <i>The position with regards to this risk is unchanged.</i>	20	4  Green	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
12. Failure to engage with partners/community to implement the Broxtowe Borough Partnership Statement of Common Purpose <i>The position with regards to this risk is unchanged.</i>	15	4  Green	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk. The risk from Local Government Reorganisation will be monitored.
13. Failure to contribute effectively to dealing with crime and disorder <i>The position with regards to this risk is unchanged.</i>	15	3  Green	The action to maximise usage of Police and Crime Commissioner funding and the associated risk indicator were deleted as these are no longer relevant.
14. Failure to provide housing in accordance with the Local Development Framework <i>The residual risk score has been revised after it was considered that the position with regards to this risk had worsened.</i>	20	12  Amber	The action to present a report on the risks and costs associated with planning appeal decisions to this Committee has been completed. There was a slight update to the action to monitor the implications of the recent updates to the National Planning Policy Framework (NPPF) and the potential implications for housing delivery in the Borough. In view of the circumstances relating to the NPPF and housing delivery, it was agreed that the residual risk score be increased from 9 to 12 (Amber Risk).
15. Natural disaster or deliberate act, which affects major part of the Authority <i>The position with regards to this risk is unchanged.</i>	15	12  Amber	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
16. Failure to mitigate the impact of the Government's welfare reform agenda <i>The position with regards to this risk is unchanged.</i>	20	4  Green	The action to identify those considered to be most vulnerable was deleted as this is now considered as 'business as usual' activity.

Risk	Inherent Risk	Residual Risk	Changes
<p>17. Failure to maximise opportunities and to recognise the risks in shared services arrangements</p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>9</p> <p></p> <p>Amber</p>	<p>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.</p> <p>The risk from Local Government Reorganisation will be monitored.</p>
<p>18. Corporate and/or political leadership adversely impacting upon service delivery</p> <p><i>The residual risk score has been revised after it was considered that the position with regards to this risk had worsened.</i></p>	20	<p>12</p> <p></p> <p>Amber</p>	<p>Recent changes have impacted on the political profile of the Council. This risk is also considered within the context of local government reorganisation.</p> <p>This risk will be kept under review and considered again after the County Council elections in May 2025.</p> <p>In view of the circumstances, it was agreed that the residual risk score be increased from 4 (Green Risk) to 12 (Amber Risk).</p>
<p>19. High levels of sickness</p> <p><i>Although the residual risk score does not need to change, it was considered that the position with regards to this risk had improved</i></p>	16	<p>6</p> <p></p> <p>Amber</p>	<p>The positive movement with the levels of sickness absence was noted.</p> <p>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.</p>
<p>20. Inability to recruit and retain staff with required skills and expertise to meet increasing demands and expectations.</p> <p><i>The residual risk score has been revised after it was considered that the position with regards to this risk had improved.</i></p>	20	<p>8</p> <p></p> <p>Amber</p>	<p>Establishment turnover rates fell to 10% in Q3 which was comparable with national averages.</p> <p>The action to complete a review of Senior Officers pay in conjunction with an external partner has concluded.</p> <p>Following completion of the project to undertake Job Evaluation of all posts, a new action was added to review the Broxtowe Local Pay Scales by benchmarking against national scales.</p> <p>The risk from Local Government Reorganisation will be monitored.</p> <p>In view of the circumstances, it was agreed that the residual risk score be reduced from 12 (Amber Risk) to 8 (Amber Risk).</p>

Risk	Inherent Risk	Residual Risk	Changes
<p>21. Failure to comply with duty as a service provider and employer to groups such as children, the elderly, vulnerable adults etc.</p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>4</p> <p> Green</p>	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
<p>22. Unauthorised access of data</p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>6</p> <p> Amber</p>	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
<p>23. High volumes of employee or client fraud</p> <p><i>Although the residual risk score does not need to change, it was considered that the position with regards to this risk had worsened</i></p>	20	<p>4</p> <p> Green</p>	<p>A new action was added to consider any learning from reported fraud cases and to review and update systems and controls accordingly.</p> <p>A new action was added to provide appropriate fraud awareness training for managers and officers, to include responsibilities when reviewing and approving payments and claims.</p>
<p>24. <i>Failure to achieve commitment of being carbon neutral for the Council's own operations by 2027</i></p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>12</p> <p> Amber</p>	<p>A new action was added to consider how the Council's residual emissions will be offset.</p> <p>The risk from Local Government Reorganisation will be monitored.</p>

Appendix 3

Extract from the Strategic Risk Register – February 2025 – Entries Relating to the Highest Rated ‘Red’ Risks

Risk 2 - Failure to obtain adequate resources to achieve service objectives

Risk Owner(s)	Inherent Risk	Residual Risk
Deputy Chief Executive Head of Finance Services	20	16

Key Controls

- Medium Term Financial Strategy
- Business Strategy
- Economic Regeneration Strategy
- Commissioning and Procurement Strategy
- Capital Strategy and Treasury Management Strategy
- Asset Management Strategy
- Energy Procurement Strategy
- Commercial Strategy
- Land Disposals Policy

Risk Indicators

- Formula grant
- Budget gap
- Fuel and energy prices
- Income levels
- Failed bids for external funding
- General economic indicators
- Interest rates
- Fluctuations in planning application fee income
- Cost of planning appeal decisions

Action Points

1. Review service objectives in response to changing resources
2. Identify and assess external funding opportunities and ensure any accompanying targets are met
3. Investigate and develop opportunities for shared service working
4. Monitor the impact of the collection of business rates upon resources available to the Council
5. Seek the disposal of surplus assets to generate additional capital receipts
6. Be alert to potential funding opportunities for town centre re-generation initiatives and other capital investment schemes.

7. Identify potential budget savings and maximising income generating opportunities
8. Maximise income from Commercial Property and Industrial Units.
9. Work collaboratively with Nottinghamshire local authorities to maximise the recovery of business rates income.
10. Assess the impact of the anticipated Fair Funding Review, including proposals for greater localisation of business rates and any reset in the baseline, upon the Council's finances.
11. Produce a new Commercial Strategy to replace the previous version, to be completed by March 2025.
12. Progress with the delivery of the Stapleford Towns Fund project.
13. Progress with the delivery of the Kimberley Mean Business project.
14. Develop a Town Investment Plan for Eastwood.
15. Complete the full recovery of the agreed tram compensation claim against Nottingham City Council.
16. Monitor the impact of inflation and the cost of living on the Council's service provision and its financial position.
17. Consider opportunities to utilise any identified surplus office space.
18. Assess the impact of the government's food waste policies and the potential receipt of New Burdens Funding to meet the additional capital and revenues costs associated with its delivery.
19. Monitor progress on the DWP's migration of existing Housing Benefit cases in to Pension Credit.
20. Be mindful of budget risks arising from planning appeal decisions and to report any uplift in costs to GMT at the earliest opportunity.
21. Review Trade Waste operations and its pricing structure to remain effective and competitive in the market and to report the findings to Cabinet.

Risk 4 - Failure of strategic leisure initiatives

Risk Owner(s)	Inherent Risk	Residual Risk
Deputy Chief Executive	25	20

Key Controls

- Leisure Facilities Strategy
- Leisure and Culture Service Specification
- Liberty Leisure Limited Business Plan
- External legal advice and support

Risk Indicators

- Results of consultation exercises
- Progress against business plans
- Progress against capital programme
- Events impacting upon joint use agreements
- Visitor numbers at leisure facilities
- Income at leisure facilities
- Financial viability of Liberty Leisure Limited

Action Points

1. Determine future strategy for investment in leisure facilities.
2. Review leisure opportunities arising from major developments.
3. Produce a programme to address the issues identified in the detailed property condition survey at Bramcote Leisure Centre.
4. Utilise external legal advice and support as required.
5. Work with Chilwell School to assess leisure facilities options at Chilwell Olympia Sports Centre and report back to Cabinet.
6. Forward plan any necessary capital repair works anticipated at Bramcote Leisure Centre and to submit, consider and profile the financial impact as part of the proposed Capital Programme.
7. Complete the planning application and development of detailed design (RIBA4) for a new replacement Bramcote Leisure Centre.
8. Establish a cross-party members group, supported by key officers in leisure, property and regeneration, to identify leisure opportunities in the north of the Borough.
9. Monitor progress with the development of the new Community Pavilion and Young People's Centre on Hickings Lane.

Risk 10 - Failure of key ICT systems

Risk Owner(s)	Inherent Risk	Residual Risk
Executive Director Head of ICT and Corporate Services	25	15

Key Controls

- ICT Strategy
- Service agreements
- Systems mainly supplied by external supplier
- Back-up server offsite
- Security Policies
- System availability
- Server virtualisation
- Provision of emergency power supply
- Identification of failure at points of entry
- Shared service arrangements with other local authorities
- Geo-location blocking on the firewall
- Warning, Advice and Reporting Point (WARP) service
- Cyber Security Information Sharing Partnership (CISP)
- Business Continuity Plans

Risk Indicators

- Viruses
- Computer downtime
- Overrun/failure of overnight processing
- Key financial reconciliation processes
- Customer complaints
- Backlog of works
- Appropriate staffing resources to support key systems
- Number of security incidents
- Public Services Network (PSN) compliance

Action Points

1. Monitor implementation of and regularly test the Business Continuity Plan for ICT Services
2. Pursue partnership working initiatives, where appropriate
3. Assess the impact of the National Cyber Security Standard.
4. Address the matters raised by the independent LGA specialist review of the Council's cyber-risk arrangements and key controls.

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Report of the Deputy Chief Executive

Work Programme

1. Purpose of Report

To consider items for inclusion in the Work Programme for future meetings.

2. Recommendation

The Committee is asked to consider the Work Programme and RESOLVE accordingly.

3. Detail

Items which have already been suggested for inclusion in the Work Programme of future meetings are given below. Members are asked to consider any additional items that they may wish to see in the Programme.

19 May 2025	<ul style="list-style-type: none"> • Corporate Governance Arrangements • Internal Audit Progress Report • External Audit Plan 2024/25 Broxtowe Audit Strategy Memorandum • Annual Constitutional review • Annual Code of Conduct Review
21 July 2025	<ul style="list-style-type: none"> • Audit of Accounts 2024/25 and Associated Matters • Statement of Accounts 2024/25– Going Concern • Internal Audit Progress Report • Internal Audit Review 2024/25 • Review of Strategic Risk Register • Annual Complaints Report • Employee Code of Conduct from LJCC ref reports TBC • Whistle blowing Policy from LJCC ref reports TBC
22 September 2025	<ul style="list-style-type: none"> • Annual Audit Letter – External Auditors Report on the Statement of Account 2024/25 • Internal Audit Progress Report • Annual Counter Fraud Report 2024/25 • Governance Dashboard – Major Projects • Review of Strategic Risk Register • Complaints report Quarter 1

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no financial implications as a result of this report.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

The terms of reference are set out in the Council's constitution. It is good practice to include a work programme to help the Council manage the portfolios.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:

Not applicable.

7. Union Comments

The Union comments were as follows:

Not applicable.

8. Climate Change Implications

The climate change implications are contained within the report.

9. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As this is not a change to policy and no Equality Impact Assessment is required.

11. Background Papers

Nil.