



Friday, 14 November 2025

Dear Sir/Madam

A meeting of the Governance, Audit and Standards Committee will be held on Monday, 24 November 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

Zulfiqar Darr
Interim Chief Executive

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

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 - 16)

The Committee is asked to confirm as a correct record the minutes of the meeting held on 22 September 2025.

4. Audit of Accounts 2024/25 and Associated Matters (Pages 17 - 256)

To approve the letter of representation and the process for the approval of the Statement of Accounts for 2024/25 and to receive the Audit Completion Report from the Council's external auditors following their work on these accounts.
5. Internal Audit Progress Report (Pages 257 - 264)

To inform the Committee of the recent work completed by Internal Audit.
6. Review of Strategic Risk Register (Pages 265 - 280)

To consider amendments to the Constitution and to recommend these to full Council to be adopted.
7. Annual Constitution Review (Pages 281 - 296)

To consider amendments to the Constitution and to recommend these to Full Council to be adopted.
8. Quarterly Complaint Report (Pages 297 - 322)

To provide Members with a summary of complaints made against the Council.
9. Member Code of Conduct Annual Complaints Report (Pages 323 - 330)

To report to the Committee a summary of complaints under the Members' Code of Conduct between 1 April 2024 to 31 March 2025 and declarations of Gifts and Hospitality.
10. Findings of Fault Determinations Reported from the Ombudsman (Pages 331 - 352)

To provide Members with the recent findings of fault determinations made by the Local Government and Social Care Ombudsman and the Housing Ombudsman

11. Work Programme

(Pages 353 - 354)

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

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

No

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

No

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:

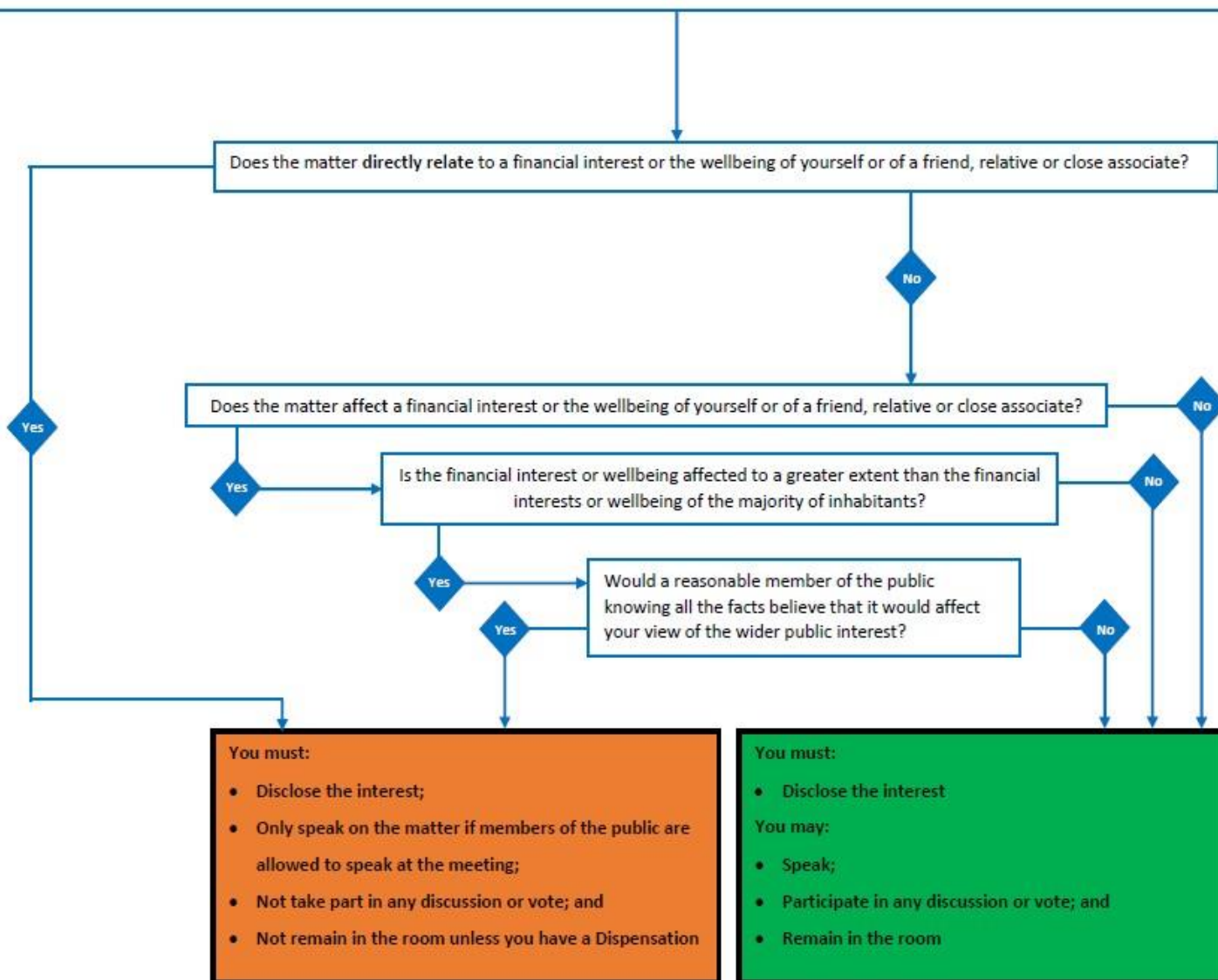
- Disclose the interest;
- Only speak on the matter if members of the public are allowed to speak at the meeting;
- Not take part in any discussion or vote; and
- Not remain in the room unless you have a Dispensation

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, 22 SEPTEMBER 2025

Present: Councillor S J Carr, Chair

Councillors: K Woodhead
M Brown
R Bullock
J Couch
K A Harlow
A Kingdon
S P Jeremiah
W Mee (substitute)
J M Owen
P J Owen (ex-officio)
P Smith (substitute)
E Winfield

Apologies for absence were received from Councillors A Cooper, S Dannheimer and S Webb.

17. **DECLARATIONS OF INTEREST**

There were no Declarations of Interest.

18. **MINUTES**

The minutes of the meeting held on 21 July 2025 were confirmed and signed as a correct record.

19. **AUDIT OF ACCOUNTS AND ASSOCIATED MATTERS**

The Committee considered the latest Audit Progress Report from the Council's external auditors and noted progress made with the 2024/25 audit.

20. **ANNUAL COUNTER FRAUD REPORT**

The Committee were provided with the Annual Counter Fraud Report update.

It was reported that no successful fraudulent activity within the Council has been noted during the financial year 2024/25.

21. **INTERNAL AUDIT PROGRESS REPORT**

The Committee noted the recent work completed by Internal Audit.

It was noted that Internal Audit had also reviewed progress made by management in implementing agreed actions within six months of the completion of the respective audits.

22. GOING CONCERN STATEMENT

The Committee noted the Going Concern Report.

The concept of a 'going concern' assumes that a local authority, its functions and services will continue in operational existence for the foreseeable future.

The Council's financial outturn position 2024/25 showed a £1.369m underspend against revised budget which culminated with a £521k withdrawal from General Fund balances. The General Fund revenue reserves amounted to £5.557m as at 31 March 2025. In addition, the Council held earmarked reserves of £3.048m to meet specific identified pressures, but which ultimately may be diverted to support general expenditure by the Section 151 Officer should the need arise.

23. REVIEW OF STRATEGIC RISK REGISTER

The Committee considered the Strategic Risk Register and the action plans identified to mitigate risks.

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.

RESOLVED that the amendments to the Strategic Risk Register and the actions to mitigate risks as set out be approved.

24. QUARTERLY COMPLAINT REPORT

The Committee noted the summary of complaints made against the Council.

Of the 163 stage one complaints received overall, 25 were investigated under the stage 2 complaints procedure and three were investigated by the LGO.

Under the stage 2 complaints procedure, 13 complaints were not upheld, 12 complaints were upheld.

The Ombudsman investigated seven complaints made against the Council. Three complaints were recorded as not upheld, resulting in no further action being required by the Council, four complaints were upheld.

25. WORK PROGRAMME

The Committee considered the work programme.

RESOLVED that the Work Programme be approved.

26. EXCLUSION OF THE PUBLIC AND PRESS

RESOLVED that, under Section 100A of the Local Government Act, 1972, the public and press be excluded from the meeting for the following item of

business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act.

27. INTERNAL AUDIT PROGRESS REPORT - CONFIDENTIAL

The Committee noted the confidential Internal Audit Progress Report.

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Report of the Interim Deputy Chief Executive

Audit of Accounts 2024/25 and Associated Matters

1. Purpose of Report

To approve the letter of representation and the process for the approval of the Statement of Accounts for 2024/25 and to receive the Audit Completion Report and the draft Auditor's Annual Report for 2024/25 from the Council's external auditors following their work on these accounts.

2. Recommendation

The Committee is asked to receive the Audit Completion Report for the year ended 31 March 2025 and the draft Auditor's Annual Report for 2024/25 and RESOLVE that:

- (i) the updated Statement of Accounts 2024/25 and letter of representation, as circulated, be approved; and**
- (ii) delegation be given to the Interim 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 2024/25.**

3. Detail

Further to earlier updates, the Council's appointed external auditors, Forvis Mazars, have almost concluded their work on the Statement of Accounts 2024/25. Forvis Mazars has published its Audit Completion Report, which is included at **Appendix 2**. It is pleasing to report that the auditors anticipate issuing an unqualified audit opinion on the 2024/25 accounts. A number of changes have been made to the draft accounts. A summary is set out in **Appendix 1**, which includes the management responses to the auditors' internal control recommendations.

Forvis Mazars have also completed their work in respect of the Value for Money conclusion for the year ended 31 March 2025. The auditors are required to consider whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The reporting criteria are:

- Financial sustainability – How the Council plans and manages its resources to ensure it can continue to deliver its services.
- Governance – How the Council ensures that it makes informed decisions and properly manages its risks.

- Improving economy, efficiency and effectiveness – How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

Again, it is pleasing to report that the auditors have not identified any significant weaknesses in the Council's arrangements that would require it to make a recommendation. Further details are provided in the draft Auditor's Annual Report for 2024/25 which is presented and included at **Appendix 3**.

In accordance with the regulations, the Council's letter of representation in respect of the 2024/25 accounts must be approved by the Committee charged with governance. The draft letter, as prescribed, is included at **Appendix 4**.

The updated Statement of Accounts for 2024/25, including any amendments agreed with the auditors, is included at **Appendix 5**. It is proposed that any further amendments to the accounts be delegated to the Interim Deputy Chief Executive to resolve, in conjunction with the Chair of this Committee.

A representative from Forvis Mazars will be available at the meeting to introduce the Audit Completion Report and respond to any enquiries.

4. Financial Implications

The comments from the Interim Deputy Chief Executive and Section 151 Officer were as follows:

There are no direct financial implications arising from this report.

5. Legal Implications

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

The legislation in the Accounts and Audit Regulations (2015) 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

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

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

11. Background Papers

Nil.

Appendix 1**Audit of Accounts 2024/25 and Associated Matters**

In May 2025, this Committee received the Audit Strategy Memorandum for the year ending 31 March 2025 which set out Forvis Mazars' approach to the audit of the 2024/25 accounts, highlighting the significant audit risks and areas of key judgements.

The draft Statement of Accounts 2024/25 were approved and presented to the auditors for review on 26 June 2025. This fully met the requirements of the Accounts and Audit Regulations 2015. The public inspection period commenced on 1 July 2025 and ended on 11 August 2025 with details placed on the Council's website.

Forvis Mazars subsequently commenced their audit review of the 2024/25 accounts from September 2025. This involved scrutinising working papers and other supporting documentation and liaising as necessary with officers and associated third parties. The auditors work focused upon the following significant risks:

- Management override of controls;
- Net defined benefit pension liability valuation; and
- Valuation of land, buildings, council dwellings and investment properties.

Forvis Mazars have substantially completed their work on the accounts and have produced their Audit Completion Report (ACR). The auditors have stated in the Executive Summary at Section 1 that, at the time of preparing the report, there are no significant matters remaining outstanding. It is pleasing to note that the auditors are anticipating issuing an unqualified opinion on the financial statements.

Section 2 of the report details the status of the audit which is nearing full completion, with only a small number of residual queries to resolve with officers. Section 3 provides a summary of the audit approach, in accordance with the agreed Audit Strategy Memorandum, and risk summary.

Section 4 of the report details the significant findings from Forvis Mazars' work with conclusions identified. The audit observations and conclusions have resulted in four internal control recommendations in Section 5 relating to capital accounting processes and control framework; asset valuation instructions and review controls; Minimum Revenue Provision; and journals authorisation. The recommendations have been acknowledged and agreed, with details including the management responses being set out further below.

The auditors identified several misstatements in the draft 2024/25 accounts, with full details being set out in section 6. There were two misstatements that were not considered to be material and for which no adjustment has been made. These are listed within the Letter of Representation that is included with this report.

Section 7 sets out its fraud considerations. It is pleasing to report that the auditors did not identify any actual or suspected fraud involving management, employees with significant roles in internal control or others, where the fraud resulted in a material misstatement in the financial statements.

Section 8 sets out progress made with the auditor's conclusion on the Council's arrangements to achieve economy, efficiency and effectiveness in its use of resources i.e. the Value for Money (VFM) conclusion. The auditors have completed their work in respect of the Council's arrangements for the year ended 31 March 2025 and have not identified any significant weaknesses in arrangements that would require it to make a recommendation.

This opinion is also provided in the draft Auditor's Annual Report (AAR) 2024/25 at Appendix 3.

Internal Control Recommendations

The auditors have made four internal control recommendations in their ACR, plus one follow-up recommendation in their draft AAR.

These are categorised as 'significant deficiencies in internal control' whereby the auditors, consider these issues have a potential for financial loss, damage to reputation, or a loss of information. This may have implications for the achievement of business strategic objectives. The audit recommendations should therefore be considered by management for immediate action.

1. Weaknesses in Capital Accounting Processes and Control Framework

During the audit, the auditors identified a significant deficiency in the Council's capital accounting processes, evidenced by multiple issues including discrepancies between the Fixed Asset Register and the general ledger, incorrect calculation and posting of asset disposals, failure to clear revaluation reserve balances, misclassification of capital transactions, and inconsistent application of CIPFA Code requirements for statutory adjustments. These weaknesses increase the risk of material misstatement in Property, Plant and Equipment (PPE) balances and related reserves, and indicate inadequate review controls and reconciliation procedures within the capital accounting function.

The potential effects are the increased risk of material misstatement in PPE balances and reserves due to inadequate controls and non-compliance with CIPFA Code.

Recommendation – The Council should implement robust reconciliations, strengthen review controls ensure appropriate arrangements are in place to produce complex notes in the accounts that are of a high quality.

Management response – Agreed. The Deputy Chief Executive and Section 151 Officer remains satisfied with the levels of competency and technical knowledge within the Accountancy team.

Whilst time was included in the year-end schedule for quality assurance, the late completion of asset valuations compromised the time available to support this review. This will be rectified in the timetable for future years with the earlier scheduling of asset valuations and the associated actions.

A full review of working papers will be undertaken with the aim of improving the quality and consistency of these to provide evidence of the figures included in the financial statements and to support the enquiries from the auditors.

2. Weaknesses in Asset Valuation Instructions and Review Controls

The Council's asset valuation process lacked adequate controls, as instructions to the external valuer of Council dwellings omitted certain beacon assets and the Council failed to identify a significant input error by the external valuer when recording the results of the valuation. This demonstrates insufficient review and validation procedures over valuation data and postings, increasing the risk of material misstatement in Property, Plant and Equipment balances.

There were weaknesses in the processes for the internal valuation of other assets, and there were significant delays in providing the valuation reports including the supporting valuation calculation for individual assets that had been revalued.

The Council does not assess whether there is a potential material impact on assets that have not been revalued in the year.

The potential effects are the increased risk of material misstatement in asset valuations due to incomplete instructions and lack of review controls over valuation data.

Recommendation – Strengthen review procedures for valuation inputs and postings, ensure comprehensive instructions to valuers, and implement validation checks before recording valuations. Ensure all valuation reports are in place prior to preparing the accounts. Specifically assess whether there is a potential material misstatement relating to assets not valued in the year, and whether some form of indexation is required between revaluations to avoid potential material misstatements occurring.

Management response – Agreed. The process to complete the required asset valuations and its input into the financial statements fell below the levels expected. The late and incomplete instructions sent to the external valuers and the subsequent delayed receipt of those valuations did not allow time for the level of quality assurance that would have been anticipated.

The future timetable will include the planning of asset valuations much earlier in the process, well before the financial year-end. This will allow the Chief Accountant more time to effectively communicate and formally quality check instructions with the Estates Manager and/or external valuers. The Estates Manager will then be responsible for ensuring that valuations are completed, as required, and submitted to Finance Services in accordance with agreed timescales. This should provide adequate time for completing working papers and quality checking entries into the accounts and the notes to the financial statements

The comments regarding whether indexation is required between revaluations to avoid potential material misstatements occurring is noted and will be considered further with the Estates Manager for 2025/26.

3. Minimum Revenue Provision

The Council has not fully adhered to its formal MRP Policy. While adopting Option 3 – Asset Life Method under statutory guidance, the asset lives used in MRP calculations do not align with those recorded in the asset register and applied for depreciation. This inconsistency resulted in immaterial misstatements and indicated a need to ensure MRP is calculated in strict accordance with statutory guidance and the CIPFA Code.

In relation to the Housing Revenue Account, the Council has not made a voluntary revenue provision, meaning that the outstanding capital finance requirement relating to the HRA will never be reduced. Making such provision is not a requirement, but it would be prudent.

The potential effect is that the MRP charge is not appropriate. In relation to the HRA the Council is not making a prudent voluntary provision to reduce outstanding indebtedness.

Recommendation – Align asset lives used in MRP calculations with those in the asset register and depreciation schedules and implement a formal review process to ensure strict adherence to the Council's MRP Policy and statutory requirements.

The Council should consider whether a prudent voluntary revenue provision is made to reduce HRA indebtedness.

Management response – Agreed. A full review of MRP calculations will be undertaken as part of the budget setting process to ensure compliance and accuracy. The impact is not considered to be material.

In terms of the HRA, there is not a statutory requirement to make prudent provision for the repayment of debt. Whilst no provision has been made to date in respect of the historic debts relating to the Housing Finance reforms in 2012, all new borrowing to support the Council's housing delivery programme do have elements of Voluntary Revenue Provision (VRP) set aside within the business cases for each respective scheme. These are expected to come into effect from 2026/27 and will be kept under review by the Deputy Chief Executive and Section 151 Officer.

4. Journals Testing

During our testing of journals, we identified certain users that had self-authorised journal entries when they should not have. We extended our testing with no issues arising. Additionally, we identified an instance where a user who does not have formal authorisation rights in the system was able to post and self-authorise a journal without any review mechanism in place. There is an increased risk of error in the accounts.

Recommendation – The Council should refresh authorisation and ledger access rights to ensure access and authorisation are relevant and up-to-date.

Management response – Agreed. A full review of users' access rights to the general ledger, including journal authorisation, has been undertaken and is now scheduled for regular review. The audit matter identified occurred prior to the above review being undertaken and involved junior officers in the Finance Services team self-authorising internal journal transfers. Whilst there was an increased risk of error without the assurances provided by review and authorisation, the risk of financial loss and/or fraud was considered to be low.

5. Follow-up on previous year recommendations – Employment Contracts

During earlier testing of pay costs, auditors identified several employees that did not have a signed contract of employment on file. A similar issue has arisen during 2024/25, and the Council was unable to provide the signed employment contracts. There is a risk of incorrect terms or conditions being applied.

Recommendation – The Council should conduct a risk-based review of employment contracts to ensure signed copies are retained in personnel files.

Management response – Agreed. A new process has been implemented with a transactional record maintained of each new contract produced, signed and returned. For new starters, any contract that has not been returned will be signed in person as part of employee induction process.

All but one of the cases identified in the audit are historical and therefore had not been collected as part of the new process. The one exception related to a contract for an existing employee who has recently moved onto new ‘compressed hours’ which did not have an impact in terms of pay or budget. Finance Services will continue to liaise with the Human Resources and Payroll teams to evaluate the extent of work required and the associated risks to the Council.

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Audit Completion Report

Broxtowe Borough Council – year ended 31 March 2025

12 November 2025

Members of the Governance, Audit and Standards Committee
Broxtowe Borough Council
Town Hall
Foster Avenue
Beeston
Nottingham
NG9 1AB

12 November 2025



Forvis Mazars
Bank Chambers
26 Mosley Street
Newcastle upon Tyne
NE1 1DF

Dear Governance, Audit and Standards Committee Members

Audit Completion Report – Year ended 31 March 2025

We are pleased to present our Audit Completion Report for Broxtowe Borough Council (the 'Council') for the year ended 31 March 2025. The purpose of this report is to summarise our audit findings and conclusions.

This report is intended solely for the Governance, Audit and Standards Committee for the purpose of communicating certain matters that, in our professional judgement, are relevant to your oversight of the financial reporting process. To the fullest extent permitted by law Forvis Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk.

We appreciate the courtesy and co-operation extended to us by Broxtowe Borough Council throughout our audit. We would be happy to discuss the contents of this report, or any other matters regarding our audit, with you in more detail.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Gavin Barker', written over a light blue horizontal line.

Gavin Barker

Forvis Mazars LLP

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Our reports are prepared in the context of the 'PSAA Statement of Responsibilities of Auditors and of Audited Bodies' and the 'Appointing Person Terms of Appointment' issued by Public Sector Audit Appointments Limited. This document is to be regarded as confidential to Broxtowe Borough Council. It has been prepared for the sole use of the Governance, Audit and Standards Committee as the appropriate sub-committee charged with governance. We do not accept any liability or responsibility to any other person in respect of the whole or part of its contents.

01

Executive Summary

Executive summary

Scope

We have been engaged to audit the financial statements of Broxtowe Borough Council for the year ended 31 March 2025 which are prepared in accordance with the 2024/25 Code of Practice on Local Authority Accounting.

We have conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs'), relevant ethical and professional standards, our own audit methodology and in accordance with the Code of Audit practice.

Audit status

Our audit procedures are now substantially complete for the year ended 31 March 2025.

Please refer to the '*Status of our audit*' section for a list of significant audit matters outstanding at the date of this report. We will provide an update to the Governance, Audit and Standards Committee on completion of those outstanding matters by way of a follow-up letter.

Areas of focus and audit approach, and significant findings

We have not made any changes to our initial risk assessment and planned audit approach that was communicated to the Audit and Governance Committee in our Audit Strategy Memorandum.

Our significant risks and other areas of focus are set out in the '*Audit approach and risk summary*' section, with a summary of our audit approach over those areas. Significant findings from our audit are set out in the '*Significant findings*' section.

Significant control deficiencies

We identified significant deficiencies in internal control. Please refer to the '*Significant control deficiencies*' section. We have not identified any non-significant control observations to date.

Audit misstatements

A summary of the adjusted and unadjusted misstatements above our reporting threshold we have identified to date is set out in the '*Summary of misstatements*' section.

Audit opinion

At the time of issuing this report and subject to the satisfactory conclusion of our remaining audit work, we anticipate issuing an unqualified opinion, without modification, as set out in Appendix C.

Value for Money

We have completed our work, but we will continue to assess arrangements up to the point of reporting which is planned by the end of November 2025.

We anticipate having no significant weaknesses in arrangements to report in relation to the arrangements that the Council has in place to secure economy, efficiency and effectiveness in its use of resources.

Wider reporting powers

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the Council and to consider any objection made to the accounts. We did receive some questions from one individual in relation to stock. These questions were more appropriate for the Council to deal with, so officers provided a response to the complainant. No further audit action was required in relation to the issues raised.

Reporting to the group auditor

We have not yet received group instructions from the National Audit Office in respect of our work on the Council's WGA submission. We are unable to commence our work in this area until such instructions have been received.

Executive summary

Qualitative aspects of Council’s accounting practices

We have reviewed the Council’s accounting policies and disclosures and conclude that they comply with the 2024/25 Code of Practice on Local Authority Accounting, appropriately tailored to the Council’s circumstances.

Draft accounts were received from the Council on 20 August 2025 and were of a good quality. The working papers supporting the financial statements were also of good quality and were comprehensive. However, we identified significant deficiencies in capital accounting processes, including issues with asset valuations and reconciliations, which required audit adjustments. These findings highlight weaknesses in internal controls within the capital accounting function.

Significant matters discussed with management

During our audit, we discussed the following significant matters with management:

- We discussed the Council’s financial position, including development of the medium-term financial plan: During the year, we have met with officers to discuss the Council’s financial position and budget setting process and pressures to enable us to reflect on the Council’s financial resilience and sustainability, and to conclude whether the going concern basis of accounting in the preparation of the financial statements is appropriate;
- Ongoing preparations for Local Government Reorganisation and the effect on Broxtowe Borough Council.
- We discussed significant deficiencies identified in the Council’s capital accounting processes, including errors in asset valuation instructions, incorrect postings, and lack of robust review controls. These weaknesses required audit adjustments and highlight the need for strengthened internal controls and compliance with CIPFA Code requirements.

Significant difficulties during the audit

We have not encountered any significant difficulties and we have had the full co-operation of management.

Other matters of significance

We encountered no significant difficulties during our audit and had no significant disagreements with management. There was effective co-operation and communication between Forvis Mazars, management, and the Governance, Audit and Standards Committee during our audit. All requested information and explanations were provided to us.






Other matters we are required by ISA (UK) 260 *Communication with Those Charged with Governance* to communicate to you have been set out in Appendix E

02





Status of the audit

Status of our audit

Our audit work is substantially complete and there are currently no matters of which we are aware that would require modification of our audit opinion, subject to the satisfactory resolution of the outstanding matters set out below.

<p>PPE Valuations</p> <p>Awaiting updated responses from valuers, including the internal valuer, at the time of writing this report.</p>	
<p>Capital Commitments</p> <p>Awaiting a response from the Council to queries we have raised.</p>	
<p>Other areas of work</p> <p>There are a number of other procedures that we need to complete.</p>	
<p>Completion procedures</p> <p>Completion procedures will continue up to the point where we receive the final signed set of financial statements and the signed letter of representation from management. These procedures include ongoing completion and review of our audit file, checking the final version of the financial statements and considering any events after the balance sheet date up to the point that we issue our audit opinion.</p>	
<p>Value for money arrangements</p> <p>We have completed our work, but we will continue to assess arrangements up to the point of reporting which is planned by the end of November 2025.</p>	

Status

	Likely to result in a material adjustment or a significant change to disclosures in the financial statements.
	Potential to result in a material adjustment or a significant change to disclosures in the financial statements.
	Not considered likely to result in a material adjustment or a change to disclosures in the financial statements.
	Work on value for money arrangements

03

Audit approach and risk summary

Audit approach and risk summary

Changes to our audit approach

There have been no changes to the audit approach we communicated in our Audit Strategy Memorandum, issued on 7 May 2025.

Materiality

Our provisional materiality at the planning stage of our audit was set at: £1.110m using a benchmark of 2% of gross operating expenditure as per the Audit Strategy Memorandum. For the group financial statements, materiality was £1.160m based on the same benchmark.

Based on the final financial statement figures and other qualitative factors, the final overall materiality we applied was £1.480m (final performance materiality: £1.110m; final clearly trivial threshold: £44k). For the group financial statements, the final materiality we applied was overall materiality of £1.532m (final performance materiality: £1.149m; final clearly trivial threshold: £46k).

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Audit approach and risk summary

	Audit risk / key area of judgement	Fraud risk	Judgement	Error	Substantive audit procedures	Tests of controls	Misstatement identified	Control recommendations	Conclusion	Page ref to finding
Significant risks	Management override of controls	●	●	○	●	○	○	●	Risk satisfactorily addressed. At the date of this report, we have not identified any significant issues to report. There is an internal control recommendation on page 23.	13
	Net defined benefit liability valuation	○	●	●	●	○	●	○	Risk satisfactorily addressed. We have identified an unadjusted misstatement as set out in section 06, our work obtained the assurances required and there are no further matters to report.	14
	Valuation of Council dwellings and land and buildings	○	●	●	●	○	●	●	Risk satisfactorily addressed. We identified significant issues with the Council's valuation processes, and this has resulted in a number of significant internal control deficiencies (reported on pages 20 to 22). In addition, a number of material adjustments were required to the Council's draft financial statements (reported on pages 26 to 29).	15
Other key areas of judgement, and enhanced risks	Application of IFRS 16, leases, for the first time	○	●	●	●	○	○	○	Risk satisfactorily addressed. We have not identified any significant issues to report.	16

Significant findings

Significant findings

The significant findings from our audit include our conclusions regarding the significant risks we identified and other key areas of judgement, which are set out in this section.

Significant risks

Management override of controls

Description of the risk

This is a mandatory significant risk on all audits due to the unpredictable way in which such override could occur.

Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits.

How we addressed this risk

We addressed this risk through performing audit work over:

- Accounting estimates impacting amounts included in the financial statements;
- Consideration of identified significant transactions outside the normal course of business; and
- Journal entries recorded in the general ledger and other adjustments made in preparation of the financial statements.

Audit conclusion

At the date of this report, we have not identified any significant issues to report.

ISA 240 in relation to fraud identifies a presumed risk of fraud in revenue recognition, but allows for this to be rebutted. We have rebutted the presumed risk on the grounds that the culture and ethical framework and the systems of internal control mean that the opportunities to manipulate the recognition of revenue at the Council are limited, and based on our assessment of the current financial position there is little incentive to do so. We still test the cut-off of revenue before and after the year end to ensure that revenue is recognised in the correct financial year, but we have not elevated this to a significant risk.

Significant findings

Significant risks (continued)

Net defined benefit liability valuation

Description of the risk

The Council is an employer in the Local Government Pension Scheme, administered on a local level by the Nottinghamshire Pension Fund.

The defined benefit assets and liabilities are significant items in the Council's balance sheet and the Council engages an actuary to perform an annual valuation in accordance with the requirements of IAS 19 Employee Benefits. Due to the high degree of estimation uncertainty associated with this valuation, we have identified a significant risk in this area.

We will also complete audit procedures on the net benefit liability held by Liberty Leisure Ltd.

How we addressed this risk

- We addressed this risk by:
- Critically assessing the competency, objectivity and independence of Nottinghamshire Pension Fund's Actuary, Barnett Waddingham
 - Liaising with the auditors of Nottinghamshire Pension Fund to gain assurance over the design and implementation of the controls in place at the Pension Fund. This included the processes and controls in place to ensure data provided to the Actuary by the Pension Fund for the purposes of the IAS19 valuation is complete and accurate;
 - Reviewing the appropriateness of the pension asset and liability valuation methodologies applied by the Pension Fund Actuary, and the key assumptions included within the valuation. This included comparing them to expected ranges, utilising information from PwC the consulting actuary engaged by the National Audit Office; and
 - Agreeing the data in the IAS 19 valuation report provided by the Fund Actuary for accounting purposes to the pension accounting entries disclosures in the Council's financial statements. As there was a pension surplus arising in 2024/25, we considered the accounting treatment required under IFRIC 14.

Audit conclusion

We have identified unadjusted misstatement as set out in section 06, arising from the report received from the auditor of Nottinghamshire Pension Fund; our work obtained the assurances required and there are no further matters to report.

Significant findings

Significant risks (continued)

Valuation of land and buildings, surplus assets and investment properties

Description of the risk

The financial statements contain material entries on the Balance Sheet as well as material disclosure notes in relation to the Council’s holding of Council dwellings and land and buildings. Although the Council uses a valuation expert to provide information on valuations, there remains a high degree of estimation uncertainty associated with the revaluation of PPE due to the significant judgements and number of variables involved in providing revaluations.

We have therefore identified the valuation of Council dwellings, and land and buildings to be an area of significant risk.

How we addressed this risk

We addressed this risk by:

- Critically assessing the Council’s valuer’s scope of work, qualifications, objectivity and independence to carry out the required programme of revaluations;
- Considering whether the overall revaluation methodologies used by the Council’s valuers were in line with industry practice, the CIPFA Code of Practice and the Council’s accounting policies; and
- Assessing whether valuation movements are in line with market expectations by using third party information to provide information on regional valuation trends; and
- Critically assessing the approach that the Council adopts to ensure that assets not subject to revaluations in 2024/25 are materially fairly stated, including considering the robustness of the approach in light of the valuation information reported by the Council’s valuers.

Audit conclusion

We identified significant issues with the Council’s valuation processes, and this has resulted in a number of significant internal control deficiencies (reported on pages 20 to 23). In addition, a number of material adjustments were required to the Council’s draft financial statements (reported on pages 26 to 29). As stated in the audit progress section, the work in this area is still ongoing.

We have no further matters to report.

Significant findings

Other key areas of management judgement / enhanced risks

Application of IFRS 16 for the 2024-25 financial year

Description of the risk

IFRS 16 is applicable from 1 April 2024, designed to report information that better shows lease transactions and provides a better basis for users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. The Council is required to account for its lease arrangements in line with this new standard for the first time in the 2024/25 accounts. This requires the Council to re-classify their leases and account for a right of use asset.

How we addressed this risk

We substantively tested lease balances recognised under IFRS 16 and sought evidence to support that they have been correctly classified and accurately measured under the new standard.

We also:

- obtained an understanding of the approach taken by the Council in valuing the right of use assets;
- sample tested the valuation of the right of use asset; and
- agreed the valuation to underlying data and reviewed the underlying valuation assumptions.

Audit conclusion

At the date of this report, we have not identified any significant issues to report.

Significant findings

Wider responsibilities

Our powers and responsibilities under the 2014 Act are broad and include the ability to:

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

We have not exercised any of these powers as part of our 2024/25 audit.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. We did receive some questions from one individual in relation to stock. These questions were more appropriate for the Council to deal with, so officers provided a response to the complainant. No further audit action was required in relation to the issues raised.

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Internal control conclusions

Significant control deficiencies

As part of our audit, we obtained an understanding of the Council's internal control environment and control activities relevant to the preparation of the financial statements, which was sufficient to plan our audit and determine the nature, timing, and extent of our audit procedures. Although our audit was not designed to express an opinion on the effectiveness of the Council's internal controls, we are required to communicate to the Audit and Governance Committee any significant deficiencies in internal controls that we identified in during our audit.

Deficiencies in internal control

A deficiency in internal control exists if:

- A control is designed, implemented, or operated in such a way that it is unable to prevent, detect, and/ or correct potential misstatements in the financial statements; or
- A control that is necessary to prevent, detect, and/ or correct misstatements in the financial statements on a timely basis is missing.

The purpose of our audit was to express an opinion on the financial statements. As part of our audit, we have considered the Council's internal controls relevant to the preparation of the financial statements to design audit procedures to allow us to express an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal controls or to identify any significant deficiencies in their design or operation.

The matters reported in this section of our report are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and which we consider to be of sufficient importance to merit being reported.

If we had performed more extensive procedures on internal control, we might have identified more deficiencies to report or concluded that some of the reported deficiencies need not in fact have been reported.

Our comments in this section should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Significant deficiencies in internal control

A significant deficiency in internal control is one which, in our professional judgement, has the potential for financial loss, damage to reputation, or a loss of information which may have implications on the achievement of business strategic objectives. Our view is that observations categorised as a significant deficiency is of sufficient importance to merit the attention of the Audit and Governance Committee.

The significant deficiencies in the Council's internal controls that we have identified as at the date of this report are in set out on the following pages.

Other observations

We also record our observations on the Council's internal controls where, in our professional judgement, there is a need to strengthen internal control or enhance business efficiency that do not constitute significant deficiencies in internal control but which we view as being important for consideration by management.

We have not identified any such control deficiencies as at the date of this report.

We have followed up on the two internal control recommendations highlighted in the prior year audit. These are considered in Appendix A.

Significant control deficiencies

Significant deficiencies in internal control

In our view, the deficiencies in internal control set out in this section result in a potential for financial loss, damage to reputation, or a loss of information. This may have implications for the achievement of business strategic objectives. Our recommendations should be considered for immediate action.

Weaknesses in Capital Accounting Processes and Control Framework

Description of deficiency

During the audit, we identified a significant deficiency in the Council's capital accounting processes, evidenced by multiple issues including discrepancies between the Fixed Asset Register and the general ledger, incorrect calculation and posting of asset disposals, failure to clear revaluation reserve balances, misclassification of capital transactions, and inconsistent application of CIPFA Code requirements for statutory adjustments. These weaknesses increase the risk of material misstatement in Property, Plant and Equipment balances and related reserves, and indicate inadequate review controls and reconciliation procedures within the capital accounting function.

Potential effects

Increased risk of material misstatement in PPE balances and reserves due to inadequate controls and non-compliance with CIPFA Code.

Recommendation

The Council should implement robust reconciliations, strengthen review controls ensure appropriate arrangements are in place to produce complex notes in the accounts that are of a high quality.

Management response

Agreed. The Deputy Chief Executive and Section 151 Officer remains satisfied with the competency and technical knowledge of the Accountancy team.

Whilst time was included in the year-end schedule for quality assurance, the late completion of asset valuations compromised the time available to support this review. This will be rectified in the timetable for future years with the earlier scheduling of asset valuations and the associated actions.

A full review of working papers will be undertaken with the aim of improving the quality and consistency of these to provide evidence of the figures included in the financial statements and to support the enquiries from the auditors.

Significant control deficiencies

Significant deficiencies in internal control

In our view, the deficiencies in internal control set out in this section result in a potential for financial loss, damage to reputation, or a loss of information. This may have implications for the achievement of business strategic objectives. Our recommendations should be considered for immediate action.

Weaknesses in Asset Valuation Instructions and Review Controls

Description of deficiency

The Council's asset valuation process lacked adequate controls, as instructions to the external valuer of Council dwellings omitted certain beacon assets and the Council failed to identify a significant input error by the external valuer when recording the results of the valuation. This demonstrates insufficient review and validation procedures over valuation data and postings, increasing the risk of material misstatement in Property, Plant and Equipment balances.

There were weaknesses in the processes for the internal valuation of other assets, and there were significant delays in providing the valuation reports including the supporting valuation calculation for individual assets that had been revalued. The Council does not assess whether there is a potential material impact on assets that have not been revalued in the year.

Potential effects

Increased risk of material misstatement in asset valuations due to incomplete instructions and lack of review controls over valuation data.

Recommendation

Strengthen review procedures for valuation inputs and postings, ensure comprehensive instructions to valuers, and implement validation checks before recording valuations. Ensure all valuation reports are in place prior to preparing the accounts. Specifically assess whether there is a potential material misstatement relating to assets not valued in the year, and whether some form of indexation is required between revaluations to avoid potential material misstatements occurring.

Management response

Agreed. The process to complete the required asset valuations and its input into the financial statements fell below the levels expected. The late and incomplete instructions sent to the external valuers and the subsequent delayed receipt of those valuations did not allow time for the level of quality assurance that would have been anticipated.

The future timetable will include the planning of asset valuations much earlier in the process, well before the financial year-end. This will allow the Chief Accountant more time to effectively communicate and formally quality check instructions with the Estates Manager and/or external valuers.

The Estates Manager will then be responsible for ensuring that valuations are completed, as required, and submitted to Finance Services in accordance with agreed timescales. This should provide adequate time for completing working papers and quality checking entries into the accounts and the notes to the financial statements

The comments regarding whether indexation is required between revaluations to avoid potential material misstatements occurring is noted and will be considered further with the Estates Manager for 2025/26.

Significant control deficiencies

Significant deficiencies in internal control

In our view, the deficiencies in internal control set out in this section result in a potential for financial loss, damage to reputation, or a loss of information. This may have implications for the achievement of business strategic objectives. Our recommendations should be considered for immediate action.

Minimum Revenue Provision

Description of deficiency

The Council has not fully adhered to its formal MRP Policy. While adopting Option 3 – Asset Life Method under statutory guidance, the asset lives used in MRP calculations do not align with those recorded in the asset register and applied for depreciation. This inconsistency resulted in immaterial misstatements and indicates a need to ensure MRP is calculated in strict accordance with statutory guidance and the CIPFA Code.

In relation to the Housing Revenue Account, the Council has not made a voluntary revenue provision, meaning that the outstanding capital finance requirement relating to the HRA will never be reduced. Making such provision is not a requirement, but it would be prudent.

Potential effects

The MRP charge is not appropriate. In relation to the Housing Revenue Account the Council is not making a prudent voluntary provision to reduce outstanding indebtedness.

Recommendation

Align asset lives used in MRP calculations with those in the asset register and depreciation schedules, and implement a formal review process to ensure strict adherence to the Council's MRP Policy and statutory requirements. The Council should consider whether a prudent voluntary revenue provision is made to reduce HRA indebtedness.

Management response

Agreed. A full review of MRP calculations will be undertaken as part of the budget setting process to ensure compliance and accuracy. The impact is not considered to be material.

In terms of the HRA, there is not a statutory requirement to make prudent provision for the repayment of debt. Whilst no provision has been made to date in respect of the historic debts relating to the Housing Finance reforms in 2012, all new borrowing to support the Council's housing delivery programme do have elements of Voluntary Revenue Provision (VRP) set aside within the business cases for each respective scheme. These are expected to come into effect from 2026/27 and will be kept under review by the Deputy Chief Executive and Section 151 Officer.

Significant control deficiencies

Significant deficiencies in internal control

In our view, the deficiencies in internal control set out in this section result in a potential for financial loss, damage to reputation, or a loss of information. This may have implications for the achievement of business strategic objectives. Our recommendations should be considered for immediate action.

Journals Testing

Description of deficiency

During our testing of journals, we identified certain users that had self-authorised journal entries when they should not have. We extended our testing with no issues arising. Additionally, we identified an instance where a user who does not have formal authorisation rights in the system was able to post and self-authorise a journal without any review mechanism in place.

Potential effects

Increased risk of error in the accounts

Recommendation

The Council should refresh authorisation and ledger access rights to ensure access and authorisation are relevant and up-to-date.

Management response

Agreed. A full review of users' access rights to the general ledger, including journal authorisation, has been undertaken and is now scheduled for regular review. The audit matter identified occurred prior to the above review being undertaken and involved junior officers in the Finance Services team self-authorising internal journal transfers. Whilst there was an increased risk of error without the assurances provided by review and authorisation, the risk of financial loss and/or fraud was considered to be low.

06

Summary of misstatements

Summary of misstatements

Unadjusted misstatements

Our overall materiality, performance materiality, and clearly trivial (reporting) threshold were reported in our Audit Strategy Memorandum, issued on 7 May 2025. Any subsequent changes to those figures are set out in the 'Audit approach and risk summary' section of this report.

Management has assessed the misstatements in the table below as not being material, individually or in aggregate, to the financial statements and does not plan to adjust. We only report to Governance, Audit and Standards Committee unadjusted misstatements that are either material by nature or which exceed our reporting threshold.

Description	Entity	Nature	Comprehensive Income and Expenditure Statement		Balance Sheet	
			Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
Dr. General Fund and Earmarked Reserves Cr. Capital Adjustments Account Misstatement identified due to incorrect asset lives within its calculation of its MRP charge for the year. This represents an undercharge of MRP.					119	119
Dr. Net pension Liability Cr. Pensions Reserve The Pension Fund auditor identified an unadjusted difference in asset values during their audit of the Pension Fund. The above is our estimation of the impact on the Council's asset valuations based on the Council's share of Pension Fund assets. This is an understatement of asset values.					143	143
Aggregate effect of unadjusted misstatements					262	262

We will obtain written representations confirming that, after considering the unadjusted misstatements, both individually and in aggregate, in the context of the financial statements taken as a whole, no adjustments are required.

Summary of misstatements

Unadjusted misstatements (continued)

Our overall materiality, performance materiality, and clearly trivial (reporting) threshold were reported in our Audit Strategy Memorandum, issued on 7 May 2025. Any subsequent changes to those figures are set out in the 'Audit approach and risk summary' section of this report.

Management has assessed the misstatements in the table below as not being material, individually or in aggregate, to the financial statements and does not plan to adjust. We only report to Governance, Audit and Standards Committee unadjusted misstatements that are either material by nature or which exceed our reporting threshold.

Description	Entity	Nature	Comprehensive Income and Expenditure Statement		Balance Sheet	
			Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
Brought forward from page 25					262	262
Dr Revaluation Reserve					371	
Cr Property, plant and Equipment						371
Enter in the valuation methodology utilised by the internal valuer in the valuation of car parks.						
Aggregate effect of unadjusted misstatements					633	633

We will obtain written representations confirming that, after considering the unadjusted misstatements, both individually and in aggregate, in the context of the financial statements taken as a whole, no adjustments are required.

Summary of misstatements

Adjusted misstatements

The misstatements in the table below have been adjusted by management. We report all individual misstatements above our reporting threshold that we identify during our audit and which management had adjusted and any other misstatements we believe Governance, Audit and Standards Committee should be made aware of.

Description	Entity	Nature	Comprehensive Income and Expenditure Statement		Balance Sheet	
			Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
Dr. Depreciation, Amortisation and Impairment Cr. Housing Revenue account (Useable Reserve) We identified that HRA depreciation has been calculated using the beacon values as at 31/03/2022 instead of 31/03/2024 and an incorrect number of council dwellings resulting in an undercharge of depreciation.			386			386
Dr Other operating expenditure Cr Taxation and non specific grant income We identified that the Council has incorrectly recorded its notional income in respect of its receipt of a donated asset as 'Other Operating Expenditure' as part of Note 12 instead of 'Taxation and Non-Specific Grant Income' as part of Note 14.)			65	65		
Dr Revaluation Reserve (Unusable Reserve) Cr Capital Adjustment Account (Unusable Reserve) Revaluation Reserve balances relating to disposed non-current assets had not been written out. This has now been corrected by transferring from the Revaluation Reserve to the Capital Adjustment Account.					78	78
Aggregate effect of adjusted misstatements			451	65	78	464

Summary of misstatements

Adjusted misstatements (continued)

The misstatements in the table below have been adjusted by management. We report all individual misstatements above our reporting threshold that we identify during our audit and which management had adjusted and any other misstatements we believe Governance, Audit and Standards Committee should be made aware of.

Description	Entity	Nature	Comprehensive Income and Expenditure Statement		Balance Sheet	
			Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
Brought forward from page 27			451	65	78	464
<div> <div> <div>Dr. Revaluation Reserve</div> <div>Dr. Housing revenue account</div> <div>Cr. Gains and Losses on Disposal on Non-Current Assets</div> <div>Cr. Capital Adjustment accounts</div> </div> <div> <div>The Council have incorrectly calculated the net book value of its council house disposals written out of PPE as part of the gain/loss on disposal of non-current assets.</div> </div> </div>				1,174		1,174
<div> <div>Dr. Capital receipts reserve</div> <div>Dr. Gains and Losses on Disposal on Non-Current Assets</div> <div>Cr. Assets under construction (Cost)</div> <div>Cr. Housing Revenue account</div> </div> <div> <div>The Council have incorrectly treated a reduction in the purchase price of a capital addition (Field Farm) as a capital receipt rather than as a reduced PPE addition.</div> </div>			96		96	96
Aggregate effect of adjusted misstatements			547	1,239	2,522	1,830

Summary of misstatements

Adjusted misstatements (continued)

The misstatements in the table below have been adjusted by management. We report all individual misstatements above our reporting threshold that we identify during our audit and which management had adjusted and any other misstatements we believe Governance, Audit and Standards Committee should be made aware of.

Description	Entity	Nature	Comprehensive Income and Expenditure Statement		Balance Sheet	
			Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
Brought forward from page 28			547	1,239	2,522	1,830
Dr. Revaluation Reserve Cr. Council Dwellings Due to cumulative impact of a number of errors in the valuation of council dwellings. This is a net reduction in the value of Council dwellings.					43,618	43,618
Dr. Receivable Dr. Payables Cr. Other service expenses Due to incorrect accrual of expenses instead of treating as prepayment				48	32 16	
Aggregate effect of adjusted misstatements			547	1,287	46,188	45,448

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Summary of misstatements

Disclosure misstatements

We identified the following disclosure misstatements during our audit that have been corrected by management:

- Note 36, Defined Benefit Pension Schemes: Note has been updated to include the disclosure of the Virgin media case. Minor corrections also made in the assumptions used.
- Disclosure amendment in cashflow for reclassification between investing activities and Operating Activities .
- Disclosure amendment in note 29 officers Remuneration for figures incorrectly transposed.
- Collection fund note 2 Non- Domestic Rateable Value and Non-Domestic Rate Multiplier amended for minor changes.
- Classification error between employee benefit expenses and other service expenses within note 9 Expenditure and Income Analysed by Nature.
- Various minor disclosure amendments in Movement in Reserves Statement, note 15 Property, Plant and Equipment, note 23 Capital Adjustment Account, note 10 Adjustments between Accounting Basis and Funding Basis under Regulations.
- Minor disclosure amendment in Note 33 Capital Expenditure and Capital Financing.
- Various minor disclosure amendments in housing revenue account notes.

We will obtain written representations confirming that, after considering any unadjusted disclosure misstatements, both individually and in aggregate, in the context of the financial statements taken as a whole, no further adjustments are required.

07

Fraud considerations

Fraud considerations

We have a responsibility to plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatement, whether due to fraud or error.

Your responsibilities

Management has primary responsibility for the prevention and detection of fraud. It is important that management, with Governance, Audit and Standards Committee oversight, place a strong emphasis on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and punishment. This involves a commitment to creating a culture of honesty and ethical behaviour which is reinforced by Governance, Audit and Standards Committee's active oversight.

Our responsibilities

We have a responsibility for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether due to fraud or error. The distinguishing factor between fraud and error is whether the underlying action that results in a misstatement is intentional or unintentional. Two types of intentional misstatements are relevant to us – misstatements resulting from fraudulent financial reporting, and misstatements resulting from the misappropriation of assets.

ISA presumed fraud risks

As set out in the 'Audit approach and risk summary' section, the risks of fraud as a result of management override of controls was identified as a significant risk.



08

Value for Money

Value for Money

Approach to Value for Money

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

This is the first audit year where we have undertaken our value for money (VFM) work under the full 2024 Code of Audit Practice (the Code). Our responsibility remains to be satisfied that the Council has proper arrangements in place, and to report in the auditor's report where we are not satisfied that arrangements are in place. Where we have issued a recommendation in relation to a significant weaknesses this indicates we are not satisfied that arrangements are in place. Separately we provide a commentary on the Council's arrangements in the Auditor's Annual Report.

A key change in the 2024 Code of Audit Practice is the requirement for us to issue our Auditor's Annual Report for the year ending 31st March 2025 to you in draft by the 30th November 2025. This is required whether our audit is complete or not. Should our work not be complete, we will report the status of our work and any findings to up to that point (and since the issue of our previous Auditor's Annual Report).

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

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

At the planning stage of the audit, we undertake work to understand the arrangements that the Council has in place under each of the reporting criteria and we identify risks of significant weaknesses in those arrangements. Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest significant weaknesses in arrangements exist.

In our Audit Strategy Memorandum issued on 7 May 2025, we reported that we had not identified any risks of significant weaknesses in arrangements.

Where our risk-based procedures identify actual significant weaknesses in arrangements we are required to report these and make recommendations for improvement. Where such significant weaknesses are identified, we report these in the audit report by exception. We will also highlight emerging issues or other matters that do not represent significant weaknesses but still require attention from the Council.

The primary output of our work on the Council's arrangements is the commentary on those arrangements that forms part of the Auditor's Annual Report. This commentary will provide a summary of the work we have undertaken and our judgements against each of the specified reporting criteria. We intend to issue the Auditor's Annual Report in draft by the end of November 2025.

Status of our work

We have completed our work, but we will continue to assess arrangements up to the point of reporting which is planned by the end of November 2025.

We anticipate having no significant weaknesses in arrangements to report in relation to the arrangements that the Council has in place to secure economy, efficiency and effectiveness in its use of resources.

We have completed our work in respect of the Council's arrangements for the year ended 31 March 2025 and we have not identified any significant weaknesses in arrangements that have required us to make a recommendation. Our draft audit report at Appendix C confirms that we have no matters to report in respect of significant weaknesses. As noted above, our commentary on the Council's arrangements will be provided in the Auditor's Annual Report planned to be issued by the end of November 2025.

Appendices

- A: Internal control conclusions
- B: Draft management representation letter
- C: Draft audit report
- D: Confirmation of our independence
- E: Other communications

Appendix A: Internal control conclusions

Other deficiencies in internal control

A deficiency in internal control exists if:

- A control is designed, implemented, or operated in such a way that it is unable to prevent, detect, and/ or correct potential misstatements in the financial statements; or
- A control that is necessary to prevent, detect, and/ or correct misstatements in the financial statements on a timely basis is missing.

The purpose of our audit was to express an opinion on the financial statements. As part of our audit, we have considered the Council’s internal controls relevant to the preparation of the financial statements to design audit procedures to allow us to express an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council’s internal controls or to identify any significant deficiencies in their design or operation.

The matters reported in Appendix A are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and which we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control, we might have identified more deficiencies to report or concluded that some of the reported deficiencies need not in fact have been reported. Our comments in Appendix A should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

We have not identified any internal control observations as at the date of this report.

We have followed up on the two internal control recommendations highlighted in the prior year audit, and this is set out on page 37. There are no residual matters relating to the prior year recommendations.

Appendix A: Internal control conclusions

Follow up on previous internal control points

We set out below an update on internal control points raised in prior periods.

Related Parties

Description of deficiency

During the testing of related party transactions, we noted two missing declarations of interest from Members
A similar control deficiency was reported in our 2022/23 report.

Current year update:

There has been no recurrence of this issue during 2024/25 audit testing.

Potential effects

Whilst there are compensating controls, such as declarations of interest at each committee meeting, related party transactions could go undetected which would lead to disclosure errors in the financial statements.

Recommendation from last year

The Council should ensure that all declaration forms are completed on an annual basis. These must be used as a basis to complete the related party note in the accounts.

Employment Contracts

Description of deficiency

During our testing of pay costs, we identified four employees that did not have a signed contract of employment on file.

Current year update:

We came across the same issue during 2024/25 and the Council was unable to provide the signed employment contracts.

Potential effects

There is a risk of incorrect terms or conditions being applied.

Recommendation from last year

The Council should conduct a risk-based review of employment contracts to ensure signed copies are retained in personnel files.

Management Response

Agreed. A new process has been implemented with a transactional record maintained of each new contract being produced, signed and returned. For new starters, any contract that has not been returned will be signed in person as part of employee induction process.

All but one of the cases identified in the audit are historical and therefore had not been collected as part of the new process. The one exception related to a contract for an existing employee who has recently moved onto new 'compressed hours' which did not have an impact in terms of pay or budget. Finance Services will continue to liaise with the Human Resources and Payroll teams to evaluate the extent of work required and the associated risks to the Council.

Appendix B: Draft management representation letter

TO BE PROVIDED ON CLIENT LETTERHEAD

The client should provide this letter to us on client headed note paper, it should be signed by the Chief Financial Officer and dated as close to (but not after) the date of the audit report as possible.

Address to:

Gavin Barker

Audit Director

Forvis Mazars LLP

Dear Mr Barker

Brentowe Borough Council - Audit for Period Ended 31 March 2025

This representation letter is provided in connection with your audit of the financial statements of the Council for the year ended 31 March 2025 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the Code), and applicable law.

I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy myself that I can properly make each of the following representations to you.

My responsibility for the financial statements and accounting information

I believe that I have fulfilled my responsibilities for the true and fair presentation and preparation of the financial statements in accordance with the Code, as amended by applicable law.

My responsibility to provide and disclose relevant information

I have provided you with:

- access to all information of which I am aware that is relevant to the preparation of the financial statements such as records, documentation and other material;
- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to individuals within the Council team you determined it was necessary to contact in order to obtain audit evidence.

Appendix B: Draft management representation letter

I confirm as Chief Financial Officer that I have taken all the necessary steps to make you aware of any relevant audit information and to establish that you, as auditors, are aware of this information.
As far as I am aware there is no relevant audit information of which you, as auditors, are unaware.

Accounting records

I confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all Council and committee meetings, have been made available to you.

Accounting policies

I confirm that I have reviewed the accounting policies applied during the year in accordance with International Accounting Standard 8 and consider these policies to faithfully represent the effects of transactions, other events or conditions on the Council's financial position, financial performance and cash flows.

Accounting estimates, including those measured at current and fair value

I confirm that the methods, significant assumptions and the data used by the Council in making the accounting estimates, including those measured at current and fair value, are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework.

I confirm:

- that the significant judgments made in making the accounting estimates have taken into account all relevant information of which management is aware;
- the consistency and appropriateness in the selection or application of the methods, assumptions and data used by management in making the accounting estimates;
- that the assumptions appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the entity, when relevant to the accounting estimates and disclosures;
- that disclosures related to accounting estimates, including disclosures describing estimation uncertainty, are complete and are reasonable in the context of the applicable financial reporting framework;
- that appropriate specialised skills or expertise has been applied in making the accounting estimates; and
- that no subsequent event requires adjustment to the accounting estimates and related disclosures included in the financial statements.

Appendix B: Draft management representation letter

Contingencies

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired or a liability had been incurred at the balance sheet date; and
- the amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date.

There are no contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the Council have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the Code, as amended by applicable law.

Laws and regulations

I confirm that I have disclosed to you all those events of which I am aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

The Council has complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.

Fraud and error

I acknowledge my responsibility as Chief Financial Officer for the design, implementation and maintenance of internal control to prevent and detect fraud and error and I believe I have appropriately fulfilled those responsibilities.

I have disclosed to you:

- all the results of my assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the Council involving:
 - management and those charged with governance;
 - employees who have significant roles in internal control; and
 - others where fraud could have a material effect on the financial statements.

Appendix B: Draft management representation letter

I have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the Council’s financial statements communicated by employees, former employees, analysts, regulators or others.

Related party transactions

I confirm that all related party relationships, transactions and balances, have been appropriately accounted for and disclosed in accordance with the requirements of the Code, as amended by applicable law.

I have disclosed to you the identity of the Council’s related parties and all related party relationships and transactions of which I am aware.

Impairment review

To the best of my knowledge, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the property, plant and equipment assets and intangible assets below their carrying value at the balance sheet date. An impairment review is therefore not considered necessary.

Charges on assets

All the Council's assets are free from any charges exercisable by third parties except as disclosed within the financial statements.

Future commitments

The Council has no plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.

Service Concession Arrangements

I am not aware of any material contract variations, payment deductions or additional service charges in 2024/25 in relation to the Council’s service concession arrangements that you have not been made aware of.

Appendix B: Draft management representation letter

Subsequent events

I confirm all events subsequent to the date of the financial statements and for which the Code, as amended by applicable law, require adjustment or disclosure have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, I will advise you accordingly.

Impacts of Russian Forces entering Ukraine

I confirm that I have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the Council, including the impact of mitigation measures and uncertainties, and no disclosures are required in the financial statements.

Tariffs

I confirm that I have carried out an assessment of the potential impact of changes in US trade policy in respect of tariffs, including the impact of reciprocal tariffs by other countries, including the impact of mitigation measures and uncertainties, and no disclosures are required in the financial statements.

Going concern

To the best of my knowledge there is nothing to indicate that the Council will not continue as a going concern in the foreseeable future. The period to which I have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

Annual Governance Statement

I am satisfied that the Annual Governance Statement (AGS) fairly reflects the Council’s risk assurance and governance framework and I confirm that I am not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

The disclosures within the Narrative Report fairly reflect my understanding of the Council’s financial and operating performance over the period covered by the financial statements.

Appendix B: Draft management representation letter

Unadjusted misstatements [only include this section if applicable]

We confirm that the effects of the uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this letter as an Appendix.

Arrangements to achieve economy, effectiveness and efficiency in Use of Resources (Value for Money arrangements)

I confirm that I have disclosed to you all findings and correspondence from regulators for previous and ongoing inspections of which I am aware. In addition, I have disclosed to you any other information that would be considered relevant to your work on value for money arrangements.

Yours faithfully

Page 69
Martin Paine
Interim Deputy Chief Executive and Section 151 Officer

Date: To be confirmed [as close to the sign-off of the audit as possible]

Appendix C: Draft audit report

Independent auditor’s report to the members of Broxtowe Borough Council

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Broxtowe Borough Council (‘the Council’) and its subsidiaries (‘the Group’) for the year ended 31 March 2025, which comprise the Council and Group Comprehensive Income and Expenditure Statement, the Council and Group Movement in Reserves Statement, the Council and Group Balance Sheet, the Council and Group Cash Flow Statement, Housing Revenue Account, Collection Fund and notes to the financial statements, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Council and Group as at 31st March 2025 and of the Council and Group’s expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the financial statements” section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Interim Deputy Chief Executive and Section 151 Officer’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, and taking into account the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Council’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Interim Deputy Chief Executive and Section 151 Officer with respect to going concern are described in the relevant sections of this report.

Appendix C: Draft audit report

Other information

The other information comprises the Annual Governance Statement and information included in the Statement of Accounts, other than the financial statements and our auditor’s report thereon. The Interim Deputy Chief Executive and Section 151 Officer is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Interim Deputy Chief Executive and Section 151 Officer for the financial statements

As explained more fully in the Statement of Responsibilities, the Interim Deputy Chief Executive and Section 151 Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, and for being satisfied that they give a true and fair view. The Interim Deputy Chief Executive and Section 151 Officer is also responsible for such internal control as the Interim Deputy Chief Executive and Section 151 Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Interim Deputy Chief Executive and Section 151 Officer is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 and prepare the financial statements on a going concern basis on the assumption that the functions of the Council will continue in operational existence for the foreseeable future. The Interim Deputy Chief Executive and Section 151 Officer is responsible for assessing each year whether or not it is appropriate for the Council to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Appendix C: Draft audit report

Based on our understanding of the Council, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: data protection and information governance regulation, employment regulation, health and safety regulation, procurement regulation, anti-money laundering regulation, and anti-fraud and corruption and anti-bribery regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- gaining an understanding of the legal and regulatory framework applicable to the Council, the environment in which it operates, and the structure of the Council, and considering the risk of acts by the Council which were contrary to the applicable laws and regulations, including fraud;
- inquiring with management and the Governance, Audit and Standards Committee, as to whether the Council is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- reviewing relevant meeting minutes in the year;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Council which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Local Government Act 2003 (and associated regulations made under section 21), the Local Government Finance Acts of 1988, 1992 and 2012, and the Accounts and Audit Regulations 2015.

In addition, we evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to land and buildings valuations and pension disclosures, revenue recognition, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management, Internal Audit and the Governance, Audit and Standards Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud, rests with both management and the Governance, Audit and Standards Committee.

As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

Appendix C: Draft audit report

We are also required to conclude on whether the Interim Deputy Chief Executive and Section 151 Officer’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, (Revised 2024) and Supplementary Guidance Note 01, issued by the National Audit Office in November 2024.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Report on the Council’s arrangements for securing economy, efficiency, and effectiveness in its use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our view we are not satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

We have nothing to report in this respect.

Responsibilities of the Council

The Council is responsible for putting in place proper arrangements to secure economy, efficiency, and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor’s responsibilities for the review of arrangements for securing economy, efficiency, and effectiveness in the use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Council’s arrangements for securing economy, efficiency, and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024.

Appendix C: Draft audit report

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

Use of the audit report

This report is made solely to the members of Broxtowe Borough Council, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of the Council those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of the Council, as a body, for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work required in relation to consolidation returns and received confirmation from the NAO that the group audit of the Whole of Government Accounts has been completed and that no further work is required to be completed by us.

[Signature]

Gavin Barker, Key Audit Partner
For and on behalf of Forvis Mazars LLP (Local Auditor)

The Corner
Bank Chamber
26 Mosley Street
Newcastle upon Tyne
NE1 1DF





[Date: To be confirmed]

Appendix D: Confirmation of our independence



We communicate any matters which we believe may have a bearing on the independence or the objectivity of Forvis Mazars LLP and the audit team. As part of our ongoing risk assessment, we monitor our relationships with you to identify any new actual or perceived threats to our independence within the regulatory or professional requirements governing us as your auditors.

We confirm that no new threats to independence have been identified since issuing our Audit Strategy Memorandum and therefore we remain independent.


Appendix E: Other communications

Other communication		Response
	Compliance with Laws and Regulations	We have not identified any significant matters involving actual or suspected non-compliance with laws and regulations. We will obtain written representations from management that all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements have been disclosed.
	External confirmations	We did not experience any issues with respect to obtaining external confirmations.
	Related parties	<p>We did not identify any significant matters relating to the audit of related parties.</p> <p>We will obtain written representations from management confirming that:</p> <ul style="list-style-type: none">a. they have disclosed to us the identity of related parties and all the related party relationships and transactions of which they are aware; andb. they have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of the applicable financial reporting framework.
	Going Concern	<p>We have not identified any evidence to cause us to disagree with Chief Financial Officer that the Council will be a going concern, and therefore we have not identified any evidence to cause us to consider that the use of the going concern assumption in preparation of the financial statements is not appropriate.</p> <p>We will obtain written representations from management, confirming that all relevant information covering a period of at least 12 months from the date of approval of the financial statements has been taken into account in assessing the appropriateness of the going concern basis of preparation of the financial statements.</p>

Appendix E: Other communications

Other communication		Response
	Subsequent events	<p>We are required to obtain evidence about whether events occurring between the date of the financial statements and the date of the auditor’s report that require adjustment of, or disclosure in, the financial statements are appropriately reflected in those financial statements in accordance with the applicable financial reporting framework.</p> <p>We will obtain written representations from management that all events occurring subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.</p>
	Matters related to fraud	<p>Our audit was designed to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement due to fraud. Please refer to the section titled ‘Fraud considerations’ for our fraud considerations and conclusion.</p> <p>We will obtain written representations from management and, where appropriate, the Governance, Audit and Standards Committee, confirming that:</p> <ol style="list-style-type: none"> they acknowledge their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud; they have disclosed to the auditor the results of management’s assessment of the risk that the financial statements may be materially misstated as a result of fraud; they have disclosed to the auditor their knowledge of fraud or suspected fraud affecting the entity involving: <ol style="list-style-type: none"> management; employees who have significant roles in internal control; or others where the fraud could have a material effect on the financial statements; and they have disclosed to the auditor their knowledge of any allegations of fraud, or suspected fraud, affecting the entity’s financial statements communicated by employees, former employees, analysts, regulators or others.

Appendix E: Other communications

Other communication		Response
 Page 78	System of Quality Management	<p>To address the requirements of ISQM (UK) 1, our firm’s System of Quality Management team completes, as part of an ongoing and iterative process, a number of key steps to assess and conclude on our firm’s System of Quality Management, including:</p> <ul style="list-style-type: none">• Ensuring there is an appropriate assignment of responsibilities under ISQM (UK) 1 and across Leadership• Establishing and reviewing quality objectives each year, ensuring ISQM (UK) 1 objectives align with our firm's strategies and priorities• Identifying, reviewing, and updating quality risks each quarter, taking into consideration a number of input sources (such as FRC / ICAEW review findings, internal monitoring findings, findings from our firm’s root cause analysis and remediation functions, etc.)• Identifying, designing, and implementing responses as part of the process to strengthen our firm's internal control environment and overall quality• Evaluating responses and remediating control gaps or deficiencies <p>We perform an evaluation of our system of quality management on an annual basis. Our latest evaluation was performed as of 31 August 2024. Details of that assessment and our conclusion are set out in our 2023/2024 Transparency Report, which is available on our website here.</p>

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Auditor’s Annual Report
Broxtowe Borough Council – year ended 31 March 2025

12 November 2025 – **DRAFT FOR MEMBERS OF THE GOVERNANCE, AUDIT & STANDARDS COMMITTEE**

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Our reports are prepared in the context of the ‘PSAA Statement of Responsibilities of Auditors and of Audited Bodies’ and the ‘Appointing Person Terms of Appointment’ issued by Public Sector Audit Appointments Limited. This document is to be regarded as confidential to Broxtowe Borough Council. It has been prepared for the sole use of the Governance, Audit and Standards Committee as the appropriate sub-committee charged with governance. We do not accept any liability or responsibility to any other person in respect of the whole or part of its contents.

01

Introduction

Introduction

Purpose of the Auditor’s Annual Report

Our Auditor’s Annual Report (AAR) summarises the work we have undertaken as the auditor for Broxtowe Borough Council (‘the Council’) for the year ended 31 March 2025. Although this report is addressed to the Council, it is designed to be read by a wider audience including members of the public and other external stakeholders.

Our responsibilities are defined by the Local Audit and Accountability Act 2014 and the Code of Audit Practice (‘the Code’) issued by the National Audit Office (‘the NAO’). The remaining sections of the AAR outline how we have discharged these responsibilities and the findings from our work. These are summarised below.

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Opinion on the financial statements

We expect to issue our audit report before the end of November 2025. We anticipate issuing an unqualified audit opinion.

Reporting to the group auditor

We have not yet received group instructions from the National Audit Office in respect of our work on the Council’s WGA submission. We are unable to commence our work in this area until such instructions have been received.



Value for Money arrangements At this stage, we have not identified any significant weaknesses in the Council’s arrangements to secure economy, efficiency and effectiveness in its use of resources. Section 3 provides our commentary on the Council’s arrangements. We have provided a commentary based on our work up to the date of this report. We reserve the right to amend our findings to reflect additional information that is relevant up to the date of issuing our audit opinion on the financial statements.

Audit of the financial statements

Audit of the financial statements

Our audit of the financial statements

Our audit was conducted in accordance with the requirements of the Code, and International Standards on Auditing (UK) (ISAs). The purpose of our audit is to provide reasonable assurance to users that the financial statements are free from material error. We do this by expressing an opinion on whether the statements are prepared, in all material respects, in line with the financial reporting framework applicable to the Council and whether they give a true and fair view of the Council’s financial position as at 31 March 2025 and of its financial performance for the year then ended. Our audit report, issued on [insert date, to be confirmed] gave an unqualified opinion on the financial statements for the year ended 31 March 2025.

A summary of the significant risks we identified when undertaking our audit of the financial statements and the conclusions we reached on each of these is outlined in Appendix A. In this appendix we also outline the uncorrected misstatements we identified and any internal control recommendations we made.

Qualitative aspects of the Council’s accounting practices

We have reviewed the Council’s accounting policies and disclosures and conclude that they comply with the 2024/25 Code of Practice on Local Authority Accounting, appropriately tailored to the Council’s circumstances.

Draft accounts were received from the Council on 20 August 2025 and were of a good quality. The working papers supporting the financial statements were also of good quality and were comprehensive. However, we identified significant deficiencies in capital accounting processes, including issues with asset valuations and reconciliations, which required audit adjustments. These findings highlight weaknesses in internal controls within the capital accounting function.

Significant difficulties during the audit

We have not encountered any significant difficulties and we have had the full co-operation of management.

Other reporting responsibilities

Reporting responsibility	Outcome
Narrative Report	We did not identify any significant inconsistencies between the content of the annual report and our knowledge of the Authority.
Annual Governance Statement	We did not identify any matters where, in our opinion, the governance statement did not comply with the guidance issued by CIPFA/LASAAC Code of Practice on Local Authority Accounting.

03

Our work on Value for Money
arrangements

VFM arrangements

Overall Summary


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VFM arrangements – Overall summary

Approach to Value for Money arrangements work

We are required to consider whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The National Audit Office (NAO) issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:

- 

Financial sustainability - How the Council plans and manages its resources to ensure it can continue to deliver its services.
- 

Governance - How the Council ensures that it makes informed decisions and properly manages its risks.
- 

Improving economy, efficiency and effectiveness - How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

Our work is carried out in three main phases.

Phase 1 - Planning and risk assessment

At the planning stage of the audit, we undertake work so we can understand the arrangements that the Council has in place under each of the reporting criteria; as part of this work we may identify risks of significant weaknesses in those arrangements.

We obtain our understanding of arrangements for each of the specified reporting criteria using a variety of information sources which may include:

- NAO guidance and supporting information
- Information from internal and external sources, including regulators
- Knowledge from previous audits and other audit work undertaken in the year
- Interviews and discussions with officers

Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest there are further risks of significant weaknesses.

Phase 2 - Additional risk-based procedures and evaluation

Where we identify risks of significant weaknesses in arrangements, we design a programme of work to enable us to decide whether there are actual significant weaknesses in arrangements. We use our professional judgement and have regard to guidance issued by the NAO in determining the extent to which an identified weakness is significant.

We outline the risks that we have identified and the work we have done to address those risks on page 10.

Phase 3 - Reporting the outcomes of our work and our recommendations

We are required to provide a summary of the work we have undertaken and the judgments we have reached against each of the specified reporting criteria in this Auditor's Annual Report. We do this as part of our Commentary on VFM arrangements which we set out for each criteria later in this section.




We also make recommendations where we identify weaknesses in arrangements or other matters that require attention from the Council. We refer to two distinct types of recommendation through the remainder of this report:

- **Recommendations arising from significant weaknesses in arrangements** - we make these recommendations for improvement where we have identified a significant weakness in the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources. Where such significant weaknesses in arrangements are identified, we report these (and our associated recommendations) at any point during the course of the audit.
- **Other recommendations** - we make other recommendations when we identify areas for potential improvement or weaknesses in arrangements which we do not consider to be significant, but which still require action to be taken.

The table on the following page summarises the outcome of our work against each reporting criteria, including whether we have identified any significant weaknesses in arrangements, or made other recommendations.

VFM arrangements – Overall summary

Overall summary by reporting criteria

Reporting criteria	Commentary page reference	Identified risks of significant weakness?	Actual significant weaknesses identified?	Other recommendations made?
 Financial sustainability	11	No	No	No
 Governance	14	No	No	No
 Improving economy, efficiency and effectiveness	18	No	No	No

VFM arrangements

Financial Sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services



VFM arrangements – Financial Sustainability

Overall commentary on the Financial Sustainability reporting criteria

Position brought forward from 2023/24

We reported in our Annual Auditor’s Report for 2023/24, that we had:

- reviewed the 2023/24 financial performance and forecasts during the year and considered the Council’s financial outturn position as presented in the financial statements;
- reviewed the 2024/25 General Fund Budget; and
- reviewed the Council’s Annual governance Statement for any significant issues and considered the general findings from our audit work in other areas.

There were no indications of a significant weakness in the Council’s arrangements for financial sustainability brought forward from 2023/24. The Council’s underlying arrangements in relation to financial sustainability are not significantly different in 2024/25, with an established set of processes for budget setting, monitoring and financial control, including arrangements for scrutiny, consultation and integration with business plans to produce the annual budget.

Overall responsibilities for financial governance

We have reviewed the Council’s overall governance framework, including Council and committee reports, the Annual Governance Statement, and Statement of Accounts for 2024/25. These confirm the Council fulfilled its responsibility to define its strategic aims and objectives, approve budgets and monitor financial performance against budgets and plans to best meet the needs of the Council’s service users.

The Council’s financial planning and monitoring arrangements

The Council monitors performance by service, integrating finance and performance management to provide a complete overview against Business Plan objectives. We have reviewed reports provided to Cabinet. Our review of reports confirms that Members receive information that adequately explains the main variances to budget on the Housing Revenue Account and the General Fund, and which allows Members to challenge and gain assurance on financial delivery.

2024/25 Budget Setting and the Medium-Term Financial Strategy

We considered the 2024/25 budget setting process, including the Medium-Term Financial Strategy (MTFS) as part of our work on the 2023/24 review of arrangements, with no significant concerns arising:

- we were satisfied that the Budget Report for 2024/25 adequately explained revenue and capital budgets, with a link to specific business units, as well as an explanation of the impact to the general fund balance;

- the Council’s budget setting and MTFS is prepared by the Cabinet in line with the Budget and Policy Framework rules, and is then reviewed by the Overview & Scrutiny Committee and approved by the Council. The arrangements in place for budget setting and updating the MTFS are as expected for a District Council, with arrangements for the evaluation of financial risk, alignment to business plans and sources of funding;
- there is no indication of inappropriate use of capital flexibilities to support revenue expenditure. Furthermore, there is no indication that the Council’s MTFS and budget setting process is not aligned to supporting plans;
- we reviewed the Council’s balanced budget for 2024/25 where it was confirmed that the s151 Officer was satisfied that the budget was appropriately prudent and, if delivered, would leave the Council’s General Fund Working Balance at £4.08m by the end of 2024/25, which is above the £1.5m minimum level recommended by the Section 151 Officer and reflects the cumulative impact of financial pressures. We read the Medium-Term Financial Strategy (MTFS) as included in reports to Cabinet and Council in February 2024.
- As in previous years, it covered five financial years. In our view, it includes an appropriate level of detail over the assumptions and cost pressures facing the Council, which are consistent with our experience at similar sized authorities and not unreasonable. In addition, there is sufficient narrative to explain the rationale and key financial risks. After taking into account all those risks and factors, the general fund reserves balance is estimated to be completely depleted by the end of 2027/28, being the last year in MTFS; The Council is actively reviewing its financial strategy to address this shortfall and ensure long-term sustainability; and
- in both the 2023/24 MTFS and the 2024/25 MTFS, the Council has shown the final year of the MTFS to be the year after which the general fund working balance falls below the Council’s acceptable levels. The MTFS is clear that work and action will take place to manage the financial position over the five years to ensure that balances remain above the minimum level, which provides time to develop and implement any actions that are necessary.

2024/25 Financial Statement performance

The Council reported its financial outturn position in the 2024/25 Statement of Accounts. The General Fund outturn was £1.402m under budget, mainly caused by £0.9m underspend on salaries through vacancy savings and £0.8m additional central government grants as compared to original anticipation.

VFM arrangements – Financial Sustainability

Overall commentary on the Financial Sustainability reporting criteria - continued

2024/25 Financial Statement performance (continued)

In 2024/25, the Council spent £31.4m on capital expenditure as per Note 33 of the financial statements. Our testing of these balances did not identify any concerns. Furthermore, there is no indication of excessive use of capital flexibilities to support revenue expenditure, nor has our work on the financial statements highlighted any concerns regarding the Council's policy for setting the Minimum Revenue Provision.

We have carried out a high-level analysis of the audited financial statements, including the Comprehensive Income and Expenditure Statement, the Balance Sheet and Movement in Reserves Statement. The Council's balance sheet position does not highlight any concerns. The Council's useable reserves have decreased from £18.3m to £15.6m in 2024/25, with:

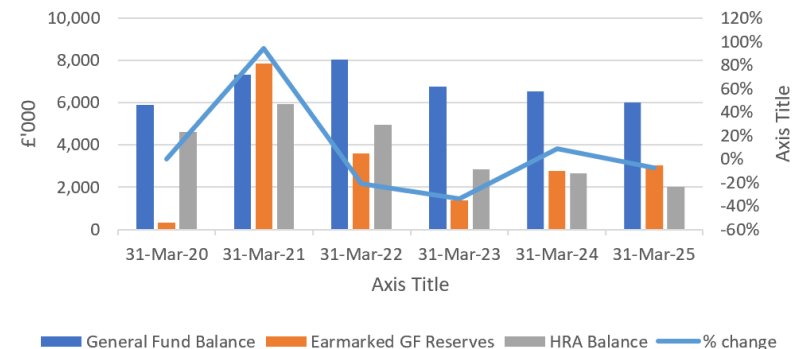
- the combined General Fund & Earmarked Reserves of £8.6m, down from £8.8m in the prior year;
- a Housing Revenue Account (HRA) Reserve of £2m, down from £2.6m compared to 2023/24; and
- the Capital Receipts Reserve of £4.7m, down from £6.3m in 2023/24 in line with the funding of capital expenditure.

The purpose of the Council's general fund reserve is to meet costs arising from any unplanned or emergency events. It also acts as a financial buffer to help mitigate against the financial risks the Council faces and can be used to a limited degree to 'smooth' expenditure on a one-off basis across years. Whereas earmarked reserves are set aside for specific purposes.

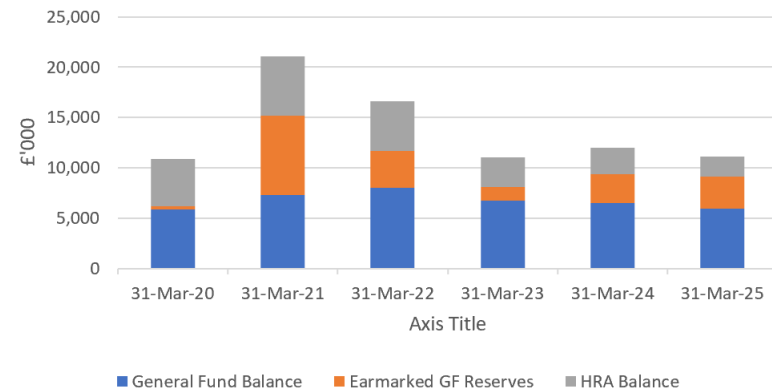
Through a review of the financial statements, we have considered the Council's revenue reserves over time as shown in the charts on this page. Overall, we are satisfied that the Council's Reserves position does not give rise to an immediate risk of significant weakness in arrangements to secure financial sustainability. It is however, an area of particular focus for the Council to consider as part of its 2025/26 outturn process and to assess the impact on the MTFS for 2026/27 onwards and the Council will need to ensure that any use of reserves to smooth the financial position over the next few years is properly planned because the use of reserves cannot be relied on to provide a long-term solution to funding gaps.

Based on the above considerations we are satisfied there is not a significant weakness in the Council's arrangements in relation to financial sustainability for the year ended 31 March 2025.

Useable Revenue Reserves: Broxtowe Borough Council



Useable Revenue Reserves: Broxtowe Borough Council



VFM arrangements

Governance

How the body ensures that it makes informed decisions and properly manages its risks

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VFM arrangements – Governance

Overall commentary on the Governance reporting criteria

Position brought forward from 2023/24

There were no indications of a significant weakness in the Council's arrangements for governance brought forward from the previous year and the Council's arrangements in 2024/25 have not significantly changed.

The Council's governance structure

The Council has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. In doing this it is responsible for putting in place proper arrangements for the governance of its affairs, effective exercise of its functions and arrangements for the management of risk.

Based on our work, we are satisfied that the Council has established governance arrangements, consistent with previous years, in place throughout 2024/25. These are detailed in the Statement of Accounts and Annual Governance Statement. We have considered both documents against our understanding of the Council as part of our audit.

There have been recent changes in management arrangements following the retirement of the previous Chief Executive. The interim replacement and other changes that have been made as a consequence have utilised existing senior management, ensuring continuity in understanding of the Council and its plans.

2024/25 financial statements

Although the 2024/25 audit of the accounts has gone well overall, we identified a number of deficiencies in disclosures and internal controls. This was in relation to valuations and related capital accounting. These findings have been reported in our Audit Completion Report. Addressing our recommendations needs to be a priority when preparing for the 2025/26 audit.

Risk management and internal control

The Council has an established risk management strategy and systems in place which are built into the governance structure of the organisation. The Council's Risk Management Strategy was recently revised in July 2025 and it sets out a five-step process for risk management:

- identification;
- analysis;

- treatment;
- completing the risk register; and
- monitoring, reporting and reviewing risk.

The Council's arrangements to execute the Risk Management Strategy include a Strategic Risk Management Group that meets frequently prior to updating the Strategic Risk Register and presenting the outcome to Members. The Annual Governance Statement is a critical component of the Council's governance arrangements. It is an evidenced self-assessment by the Council on the Council's governance, assurance and internal control frameworks for the financial year. The Governance, Audit & Standards Committee are responsible for review of the Council's Annual Governance Statement. No significant weaknesses in internal control have been identified from our work to date and Internal Audit has not identified or raised any significant concerns. We reviewed the Annual Governance Statement as part of our work on the financial statements with no significant issues arising.

Internal Audit

We have met with management during the year, reviewed Governance, Audit & Standards Committee reports and attended Committee meetings to observe the reporting by Internal Audit to the Committee. We also confirmed that the Chief Audit and Control Officer's Opinion has been adequately reflected in the Annual Governance Statement. No issues arose from our review to indicate there is a significant weakness in the Council's arrangements for governance.

Governance, Audit & Standards Committee

In our view, good governance forms the foundation of resilient and sustainable organisations and enhances stakeholder confidence.

The Council has an established Governance, Audit & Standards Committee that incorporates the functions of an Audit Committee. We have confirmed that the Committee meets regularly and reviews its programme of work to maintain focus on key aspects of governance and internal control. We have attended Committee meetings and reviewed supporting documents and are satisfied that the programme of work is appropriate for the Council's requirements. Based on the work, the Committee is adequately serviced and attended by officers as required, and there is evidence of challenge by members of the Committee.

VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - continued

Governance, Audit & Standards Committee (continued)

However, our attendance at committee has identified occasions where discussions have turned to political debate and strayed from the agenda and we would draw attention to the MHCLG published policy paper “Local authority financial reporting and external audit: government response to the independent review” in December 2020, which included a recommendation that “The governance arrangements within local authorities be reviewed by local councils with the purpose of... consideration being given to the appointment of at least one independent member, suitably qualified, to the Audit Committee.”

In addition, the Local Government Association’s Ten questions for audit committees, sets out that:

“The role of the audit committee is normally to seek assurance that the council’s financial reporting, internal controls, governance, and risk management are effective and can be relied upon by councillors and citizens...”

“The audit committee is most effective when it is unencumbered by other tasks, such as scrutiny, ‘general purposes’ or standards...”

“The audit committee is also independent and, as the matters it deals with are normally apolitical, it should rise above politics. The Chair of Audit needs to ensure that the committee is not used to make political points.”

More recently, Government has indicated that it plans to require at least one independent Member for every Audit Committee in the near future, meaning that the Council should start planning for this.

Medium Term Financial Strategy 2025/26

The Council has an established set of arrangements in place for budget setting and control including updating the Medium-Term Financial Strategy (MTFS). The process is set out and approved through the Constitution, which encompasses the budget setting rules and financial procedures. We have reviewed the budget setting arrangements through observation and discussions with management and no matters have been identified indicating a significant weakness in arrangements.

An updated MTFS was presented to Cabinet in February 2025 which highlighted a potential shortfall in resources of £7.2m from 2025/26 through to 2028/29. In order to mitigate the effect of the shortfall of resources, the Council annually updates its Business Strategy (November 2024) and uses this to build in efficiencies and additional sources of income. There is no evidence of inappropriate use of one-off means to balance the budget, nor inappropriate assumptions as indicators of a significant weakness in arrangements.

The Business Strategy included proposals to either reduce costs or generate additional income. This approach provides time to develop and implement further measures to address the shortfalls in the medium-term levels of reserves and allow implementation of appropriate measures before reserves are depleted to or below the minimum prudent levels that have been identified.

The Council’s financial position, does not present an immediate risk of significant weakness in arrangements, however there is an increasing need to identify, agree and implement a plan to close the widening financial gap.

Local Government Reorganisation (LGR)

In February 2025, the Government wrote to local authorities in Nottinghamshire formally inviting them to submit proposals to create new structures of unitary authorities – which are a single tier of local government responsible for all local services in an area. All nine Nottinghamshire councils collaborated on an interim submission, submitted to Government on 21 March 2025, that outlined three core options:

- A new unitary authority combining Nottingham City, Broxtowe, and Gedling, with a second new unitary authority for the rest of Nottinghamshire;
- A new unitary authority combining Nottingham City, Broxtowe, and Rushcliffe, with a second new unitary authority for the rest of Nottinghamshire; and
- Nottingham City remains a unitary authority, with a new single unitary authority for the rest of Nottinghamshire.

We have held ongoing discussions with management throughout the year as the situation has evolved.

The options that have been taken forward for further consideration are the first two options which combine Broxtowe with Nottingham City. The Council does not currently support either of these options and have made their views known.

Despite this, the Council has acted responsibly and has continued to work with the other authorities impacted by these changes, and management are involved in representing the Council’s position as further details are worked through.

We understand that there is an ambitious timetable for implementation in April 2028.

VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - continued

Local Government Reorganisation (LGR) (continued)

The future uncertainty presents a significant challenge for the Council. The Council can only ensure that it continues to act responsibly, continues to deliver its services for local people and performs its other duties until reorganisation is complete, including ensuring it maintains appropriate standards of governance and does not make decisions that impact adversely on any successor organisation, whatever form that takes.

With further announcements on LGR expected in winter 2025, we will consider developments further in our 2025/26 audit, and this is likely to include consideration of potential transition planning risks, including:

- financial risks and sustainability, including transitional costs, plans to bridge budget gaps and the impact to the capital programme;
- Governance and legal complexity, such as asset ownership, contract novation and how the Council is assured over plans;
- workforce planning and retention strategies;
- IT system compatibility, data protection and cyber risk protection; and
- quality of post integration planning.

Based on the above considerations we are satisfied there is not a significant weakness in the Council's arrangements in relation to governance for the year ended 31 March 2025.

VFM arrangements

Improving Economy, Efficiency and Effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services



VFM arrangements – Improving Economy, Efficiency and Effectiveness

Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria

Position brought forward from 2023/24

There were no indications of a significant weakness in the Council's arrangements brought forward from the previous year.

Corporate Plan

The Council's arrangements are consistent with the prior year, with the Council's Corporate Plan setting out what it wants to achieve for local residents and communities through to 2029.

The Corporate Plan for 2024-2029 was approved in 2024 and sets out the Council's priorities to achieve its vision to make "A Greener, Safer and Healthier Broxtowe where everyone prospers." Over the period, the Council will focus on the priorities of Housing, Business Growth, Community Safety, Health and Environment. The Corporate Plan prioritises local community needs and resources are directed toward the things they considered to be the most important. These needs are aligned with other local, regional and national plans to ensure the ambitions set out in the Corporate Plan are realistic and achievable.

We have discussed performance monitoring arrangements with management and reviewed a selection of business plans and monitoring reports. The Council monitors its performance using the Pentana Risk performance management system. Members have been provided with access to the system enabling them to interrogate the system on a 'view only' basis.

Business Plans detail the projects and activities undertaken in support of the Corporate Plan for each priority area. These cover a three-year period and are revised and updated annually. Detailed monitoring of progress against key tasks and outcome measures in the Business Plans is undertaken regularly by the relevant Committee. This includes an annual report where performance management and financial outturn are considered together following the year-end as part of the Council's commitment to closely align financial and performance management.

With the prospect of Local Government Reorganisation (LGR) now looming, the Council will want to ensure that its plans for the Borough, based on its knowledge to the local community, are taken forward as priorities in any new arrangements that are developed.

Regulators / Inspections

Our work has not identified any adverse findings from inspectors leading to any intervention action at the Council.

The Regulator of Social Housing (RSH) put into effect new standards for social housing landlords, designed to protect tenants and improve the service they receive from 1 April 2024. The Council is currently under inspection by the RSH, with the outcomes expected to be published in January 2026.

Partnerships

The Council plays an active part in many partnerships.

The Council is a non-constituent member of the East Midlands Mayoral Combined Authority, following the mayoral election in 2024. The Council's Leader is one of four district councillors representing the other districts in Nottinghamshire and Derbyshire.

The Council has a number and partnerships for the delivery of services which are outlined in the next section.

Local Government Reorganisation (LGR) provides the most significant test for the Council working in partnership going forward, ensuring that the Council's views are properly reflected in the structures of any successor organisation, and the priorities of that organisation, and ensuring that the best outcome is achieved for the residents of Broxtowe.

The fact that the Council does not currently support either of the two options being considered poses a significant challenge, but makes it all the more important that the Council plays its part in what happens next.

Commissioning and procurement

The Council has a number of arrangements in place for commissioning and procuring services including:

- Liberty Leisure Limited – this is the Council's wholly owned company for Leisure Services;
- Bramcote Bereavement Services Joint Committee, with Erewash Borough Council;

VFM arrangements – Improving Economy, Efficiency and Effectiveness

Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria - continued

Commissioning and procurement (continued)

- monitoring and maintaining the surveillance camera estate, alongside some other Notts districts.
- a long-established partnership with Ashfield District Council in respect of Business Rates administration; and
- Erewash Borough Council providing Broxtowe's Building Control services. This service also provided to other Nottinghamshire districts during 2024/25 and is managed through a steering group. This arrangement has been reviewed in the light of the Building Safety Act requirements.

For ongoing procurement, the Council utilises the services of Nottingham County Council to manage its procurement activity. The Council has found this beneficial, utilising the wider expertise that can be secured from this arrangement rather than the Council relying on a single in-house Procurement Officer.

The Council continues to deliver significant investment in the borough, including:

- The Stapleford Towns Fund Board oversees the implementation of the Towns fund bid for that area (reporting to Cabinet as required). The Stapleford Towns Fund has a group to keep tight focus on delivery of the projects granted funding by the government;
- The Kimberley Means Business Board met during 2024/25 to oversee the delivery of significant regeneration funding for Kimberley. Delivery meetings took place to discuss individual projects, and key decisions were referred to the Cabinet when required; and
- The Housing Delivery Plan is being implemented and is managed internally through the Housing Delivery Group of cross departmental officers, and reports to Cabinet for key decisions.

Based on the above considerations we are satisfied there is not a significant weakness in the Council's arrangements in relation to improving economy, efficiency and effectiveness for the year ended 31 March 2025.

Other reporting responsibilities

Other reporting responsibilities

Wider reporting responsibilities

Matters we report by exception

The Local Audit and Accountability Act 2014 provides auditors with specific powers where matters come to our attention that, in their judgement, require specific reporting action to be taken. Auditors have the power to:

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

We have not exercised any of these statutory reporting powers.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. We did receive some questions from one individual in relation to stock. These questions were more appropriate for the Council to deal with, so officers provided a response to the complainant. No further audit action was required in relation to the issues raised.

Reporting to the group auditor

Whole of Government Accounts (WGA)

The National Audit Office (NAO), as group auditor, requires us to complete the WGA Assurance Statement in respect of its consolidation data. **We have not yet received group instructions from the National Audit Office in respect of our work on the Council's WGA submission. We are unable to commence our work in this area until such instructions have been received.**

Audit fees and other services

Audit fees and other services

Fees for our work as the Council's auditor

We reported our proposed fees for the delivery of our work under the Code of Audit Practice in our Audit Strategy Memorandum, dated 7 May 2025 and presented to the Governance, Audit and Standards Committee on 19 May 2025. Having completed our work for the 2024/25 financial year, we can confirm that our fees are as follows: **THE ADDITIONAL FEES FOR THE 2024/25 AUDIT ARE STILL TO BE CONFIRMED.**

Area of work	2024/25 fees	2023/24 fees
PSAA Scale fee	£159,380	£144,729
Additional fees in respect of additional work from the introduction of new auditing standards (ISA 315)	-	£9,410
Additional fees in respect of testing of land and buildings, including Council dwelling buildings	To be confirmed	£7,600
Additional testing – group accounts in 2023/24 (in 2024/25 application of revised ISA 600 relating to groups)	To be confirmed	£5,400
Additional work in respect of IFRS16	To be confirmed	-
Total fees	£xxx	£167,139

Fees for other work

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

Appendices

Appendix A: Further information on our audit of the Council's financial statements

Appendix A: Further information on our audit of the Council’s financial statements

Significant risks and audit findings

As part of our audit of the Council we identified significant risks to our opinion on the financial statements during our risk assessment. We will update this on completion of our audit of the financial statements.

Risk	Our audit response and findings
Management override of controls This is a mandatory significant risk on all audits due to the unpredictable way in which such override could occur. Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits.	Risk satisfactorily addressed. We did not identify any significant issues to report. We did make an internal control recommendation.
Valuation of property, plant and equipment (PPE) The financial statements contain material entries on the Balance Sheet as well as material disclosure notes in relation to the Council's holding of Council dwellings and land and buildings. Although the Council uses a valuation expert to provide information on valuations, there remains a high degree of estimation uncertainty associated with the revaluation of PPE due to the significant judgements and number of variables involved in providing revaluations.	Risk satisfactorily addressed. We identified significant issues with the Council's valuation processes, and this has resulted in a number of significant internal control recommendations. In addition, a number of material adjustments were required to the Council's draft financial statements.
Defined benefit pension valuation The Council is an employer in the Local Government Pension Scheme, administered on a local level by the Nottinghamshire Pension Fund. The defined benefit assets and liabilities are significant items in the Council's balance sheet and the Council engages an actuary to perform an annual valuation in accordance with the requirements of IAS 19 Employee Benefits. Due to the high degree of estimation uncertainty associated with this valuation, we have identified a significant risk in this area. We will also complete audit procedures on the net benefit liability held by Liberty Leisure Ltd.	Risk satisfactorily addressed. We identified an unadjusted misstatement and there are no further matters to report.
Implementation of IFRS 16, Leases (Other key areas of management judgement / enhanced risks) IFRS 16 is applicable from 1 April 2024, designed to report information that better shows lease transactions and provides a better basis for users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. The Council is required to account for its lease arrangements in line with this new standard for the first time in the 2024/25 accounts. This requires the Council to re-classify their leases and account for a right of use asset.	Risk satisfactorily addressed. We did not identify any significant issues to report.

Appendix A: Further information on our audit of the Council’s financial statements

Summary of uncorrected misstatements for the Council

Management has assessed the misstatements in the table below as not being material, individually or in aggregate, to the financial statements and did not adjust.

Description	Entity	Nature	Comprehensive Income and Expenditure Statement		Balance Sheet	
			Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
Dr. General Fund and Earmarked Reserves Cr. Capital Adjustments Account Misstatement identified due to incorrect asset lives within its calculation of its MRP charge for the year. This represents an undercharge of MRP.					119	119
Dr. Net pension Liability Cr. Pensions Reserve The Pension Fund auditor identified an unadjusted difference in asset values during their audit of the Pension Fund. The above is our estimation of the impact on the Council's asset valuations based on the Council's share of Pension Fund assets. This is an understatement of asset values.					143	143
Aggregate effect of unadjusted misstatements			0	0	262	262

Appendix A: Further information on our audit of the Council’s financial statements

Summary of uncorrected misstatements for the Council

Management has assessed the misstatements in the table below as not being material, individually or in aggregate, to the financial statements and did not adjust.

Description	Entity	Nature	Comprehensive Income and Expenditure Statement		Balance Sheet	
			Dr (£ '000)	Cr (£ '000)	Dr (£ '000)	Cr (£ '000)
Brought forward from page 27					262	262
Dr. Revaluation Reserve					371	
Cr. Property, plant and Equipment						371
Error in the valuation methodology utilised by the internal valuer in the valuation of car parks.						
Aggregate effect of unadjusted misstatements			0	0	633	633

Appendix A: Further information on our audit of the Council’s financial statements

Significant deficiencies in internal control

In our view, the deficiencies in internal control set out in this section result in a potential for financial loss, damage to reputation, or a loss of information. This may have implications for the achievement of business strategic objectives. Our recommendations should be considered for immediate action.

Weaknesses in Capital Accounting Processes and Control Framework

Description of deficiency

During the audit, we identified a significant deficiency in the Council’s capital accounting processes, evidenced by multiple issues including discrepancies between the Fixed Asset Register and the general ledger, incorrect calculation and posting of asset disposals, failure to clear revaluation reserve balances, misclassification of capital transactions, and inconsistent application of CIPFA Code requirements for statutory adjustments. These weaknesses increase the risk of material misstatement in Property, Plant and Equipment balances and related reserves, and indicate inadequate review controls and reconciliation procedures within the capital accounting function.

Potential effects

Increased risk of material misstatement in PPE balances and reserves due to inadequate controls and non-compliance with CIPFA Code.

Recommendation

The Council should implement robust reconciliations, strengthen review controls ensure appropriate arrangements are in place to produce complex notes in the accounts that are of a high quality.

Management response

Agreed. The Deputy Chief Executive and Section 151 Officer remains satisfied with the competency and technical knowledge of the Accountancy team.

Whilst time was included in the year-end schedule for quality assurance, the late completion of asset valuations compromised the time available to support this review. This will be rectified in the timetable for future years with the earlier scheduling of asset valuations and the associated actions.

A full review of working papers will be undertaken with the aim of improving the quality and consistency of these to provide evidence of the figures included in the financial statements and to support the enquiries from the auditors.

Appendix A: Further information on our audit of the Council’s financial statements

Significant deficiencies in internal control

In our view, the deficiencies in internal control set out in this section result in a potential for financial loss, damage to reputation, or a loss of information. This may have implications for the achievement of business strategic objectives. Our recommendations should be considered for immediate action.

Weaknesses in Asset Valuation Instructions and Review Controls

Description of deficiency

The Council’s asset valuation process lacked adequate controls, as instructions to the external valuer of Council dwellings omitted certain beacon assets and the Council failed to identify a significant input error by the external valuer when recording the results of the valuation. This demonstrates insufficient review and validation procedures over valuation data and postings, increasing the risk of material misstatement in Property, Plant and Equipment balances.

There were weaknesses in the processes for the internal valuation of other assets, and there were significant delays in providing the valuation reports including the supporting valuation calculation for individual assets that had been revalued. The Council does not assess whether there is a potential material impact on assets that have not been revalued in the year.

Potential effects

Increased risk of material misstatement in asset valuations due to incomplete instructions and lack of review controls over valuation data.

Recommendation

Strengthen review procedures for valuation inputs and postings, ensure comprehensive instructions to valuers, and implement validation checks before recording valuations. Ensure all valuation reports are in place prior to preparing the accounts. Specifically assess whether there is a potential material misstatement relating to assets not valued in the year, and whether some form of indexation is required between revaluations to avoid potential material misstatements occurring.

Management response

Agreed. The process to complete the required asset valuations and its input into the financial statements fell below the levels expected. The late and incomplete instructions sent to the external valuers and the subsequent delayed receipt of those valuations did not allow time for the level of quality assurance that would have been anticipated.

The future timetable will include the planning of asset valuations much earlier in the process, well before the financial year-end. This will allow the Chief Accountant more time to effectively communicate and formally quality check instructions with the Estates Manager and/or external valuers.

The Estates Manager will then be responsible for ensuring that valuations are completed, as required, and submitted to Finance Services in accordance with agreed timescales. This should provide adequate time for completing working papers and quality checking entries into the accounts and the notes to the financial statements

The comments regarding whether indexation is required between revaluations to avoid potential material misstatements occurring is noted and will be considered further with the Estates Manager for 2025/26.

Appendix A: Further information on our audit of the Council’s financial statements

Significant deficiencies in internal control

In our view, the deficiencies in internal control set out in this section result in a potential for financial loss, damage to reputation, or a loss of information. This may have implications for the achievement of business strategic objectives. Our recommendations should be considered for immediate action.

Minimum Revenue Provision

Description of deficiency

The Council has not fully adhered to its formal MRP Policy. While adopting Option 3 – Asset Life Method under statutory guidance, the asset lives used in MRP calculations do not align with those recorded in the asset register and applied for depreciation. This inconsistency resulted in immaterial misstatements and indicates a need to ensure MRP is calculated in strict accordance with statutory guidance and the CIPFA Code.

In relation to the Housing Revenue Account, the Council has not made a voluntary revenue provision, meaning that the outstanding capital finance requirement relating to the HRA will never be reduced. Making such provision is not a requirement, but it would be prudent.

Potential effects

The MRP charge is not appropriate. In relation to the Housing Revenue Account the Council is not making a prudent voluntary provision to reduce outstanding indebtedness.

Recommendation

Align asset lives used in MRP calculations with those in the asset register and depreciation schedules, and implement a formal review process to ensure strict adherence to the Council’s MRP Policy and statutory requirements. The Council should consider whether a prudent voluntary revenue provision is made to reduce HRA indebtedness.

Management response

Agreed. A full review of MRP calculations will be undertaken as part of the budget setting process to ensure compliance and accuracy. The impact is not considered to be material.

In terms of the HRA, there is not a statutory requirement to make prudent provision for the repayment of debt. Whilst no provision has been made to date in respect of the historic debts relating to the Housing Finance reforms in 2012, all new borrowing to support the Council’s housing delivery programme do have elements of Voluntary Revenue Provision (VRP) set aside within the business cases for each respective scheme. These are expected to come into effect from 2026/27 and will be kept under review by the Deputy Chief Executive and Section 151 Officer.

Appendix A: Further information on our audit of the Council’s financial statements

Significant deficiencies in internal control

In our view, the deficiencies in internal control set out in this section result in a potential for financial loss, damage to reputation, or a loss of information. This may have implications for the achievement of business strategic objectives. Our recommendations should be considered for immediate action.

Journals Testing

Description of deficiency

During our testing of journals, we identified certain users that had self-authorized journal entries when they should not have. We extended our testing with no issues arising. Additionally, we identified an instance where a user who does not have formal authorisation rights in the system was able to post and self-authorise a journal without any review mechanism in place.

Potential effects

Increased risk of error in the accounts

Recommendation

The Council should refresh authorisation and ledger access rights to ensure access and authorisation are relevant and up-to-date.

Management response

Agreed. A full review of users’ access rights to the general ledger, including journal authorisation, has been undertaken and is now scheduled for regular review. The audit matter identified occurred prior to the above review being undertaken and involved junior officers in the Finance Services team self-authorising internal journal transfers. Whilst there was an increased risk of error without the assurances provided by review and authorisation, the risk of financial loss and/or fraud was considered to be low.

Appendix A: Further information on our audit of the Council’s financial statements

Follow up on previous year recommendations to the Council

Related Parties

Description of deficiency

During the testing of related party transactions, we noted two missing declarations of interest from Members
A similar control deficiency was reported in our 2022/23 report.

Current year update:

There has been no recurrence of this issue during 2024/25 audit testing.

Potential effects

Whilst there are compensating controls, such as declarations of interest at each committee meeting, related party transactions could go undetected which would lead to disclosure errors in the financial statements.

Recommendation from last year

The Council should ensure that all declaration forms are completed on an annual basis. These must be used as a basis to complete the related party note in the accounts.

Employment Contracts

Description of deficiency

During our testing of pay costs, we identified four employees that did not have a signed contract of employment on file.

Current year update:

We came across the same issue during 2024/25 and the Council was unable to provide the signed employment contracts.

Potential effects

There is a risk of incorrect terms or conditions being applied.

Recommendation from last year

The Council should conduct a risk-based review of employment contracts to ensure signed copies are retained in personnel files.

Management Response

Agreed. A new process has been implemented with a transactional record maintained of each new contract being produced, signed and returned. For new starters, any contract that has not been returned will be signed in person as part of employee induction process.

All but one of the cases identified in the audit are historical and therefore had not been collected as part of the new process. The one exception related to a contract for an existing employee who has recently moved onto new ‘compressed hours’ which did not have an impact in terms of pay or budget. Finance Services will continue to liaise with the Human Resources and Payroll teams to evaluate the extent of work required and the associated risks to the Council.

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Ask for: Martin Paine
Ext: 3229
Email: martin.paine@broxtowe.gov.uk
Our Ref: MEP/LOR24-25
Your Ref:
Date: To be confirmed



Appendix 4
Broxtowe
Borough
COUNCIL

Gavin Barker
Audit Director
Forvis Mazars LLP

Dear Mr Barker

Broxtowe Borough Council – Audit for period ended 31 March 2025

This representation letter is provided in connection with your audit of the financial statements of the Council for the year ended 31 March 2025 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the Code), and applicable law.

I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy myself that I can properly make each of the following representations to you.

My responsibility for the financial statements and accounting information

I believe that I have fulfilled my responsibilities for the true and fair presentation and preparation of the financial statements in accordance with the Code, as amended by applicable law.

My responsibility to provide and disclose relevant information

I have provided you with:

- access to all information of which I am aware that is relevant to the preparation of the financial statements such as records, documentation and other material;
- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to individuals within the Council team you determined it was necessary to contact in order to obtain audit evidence.

Continued.



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I confirm as Chief Financial Officer that I have taken all the necessary steps to make you aware of any relevant audit information and to establish that you, as auditors, are aware of this information.

As far as I am aware there is no relevant audit information of which you, as auditors, are unaware.

Accounting records

I confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all Council and committee meetings, have been made available to you.

Accounting policies

I confirm that I have reviewed the accounting policies applied during the year in accordance with International Accounting Standard 8 and consider these policies to faithfully represent the effects of transactions, other events or conditions on the Council's financial position, financial performance and cash flows.

Accounting estimates, including those measured at current and fair value

I confirm that the methods, significant assumptions and the data used by the Council in making the accounting estimates, including those measured at current and fair value, are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework.

I confirm:

- that the significant judgments made in making the accounting estimates have taken into account all relevant information of which management is aware;
- the consistency and appropriateness in the selection or application of the methods, assumptions and data used by management in making the accounting estimates;
- that the assumptions appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the entity, when relevant to the accounting estimates and disclosures;
- that disclosures related to accounting estimates, including disclosures describing estimation uncertainty, are complete and are reasonable in the context of the applicable financial reporting framework;
- that appropriate specialised skills or expertise has been applied in making the accounting estimates; and
- that no subsequent event requires adjustment to the accounting estimates and related disclosures included in the financial statements.

Contingencies

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired or a liability had been incurred at the balance sheet date; and
- the amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date.

There are no contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the Council have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the Code, as amended by applicable law.

Laws and regulations

I confirm that I have disclosed to you all those events of which I am aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

The Council has complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.

Fraud and error

I acknowledge my responsibility as Chief Financial Officer for the design, implementation and maintenance of internal control to prevent and detect fraud and error and I believe I have appropriately fulfilled those responsibilities.

I have disclosed to you:

- all the results of my assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the Council involving:
 - management and those charged with governance;
 - employees who have significant roles in internal control; and
 - others where fraud could have a material effect on the financial statements.

I have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the Council's financial statements communicated by employees, former employees, analysts, regulators or others.

Related party transactions

I confirm that all related party relationships, transactions and balances, have been appropriately accounted for and disclosed in accordance with the requirements of the Code, as amended by applicable law.

I have disclosed to you the identity of the Council's related parties and all related party relationships and transactions of which I am aware.

Impairment review

To the best of my knowledge, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the property, plant and equipment assets and intangible assets below their carrying value at the balance sheet date. An impairment review is therefore not considered necessary.

Charges on assets

All the Council's assets are free from any charges exercisable by third parties except as disclosed within the financial statements.

Future commitments

The Council has no plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.

Service Concession Arrangements

I am not aware of any material contract variations, payment deductions or additional service charges in 2024/25 in relation to the Council's service concession arrangements that you have not been made aware of.

Subsequent events

I confirm all events subsequent to the date of the financial statements and for which the Code, as amended by applicable law, require adjustment or disclosure have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, I will advise you accordingly.

Impacts of Russian Forces entering Ukraine

I confirm that I have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the Council, including the impact of mitigation measures and uncertainties, and no disclosures are required in the financial statements.

Tariffs

I confirm that I have carried out an assessment of the potential impact of changes in US trade policy in respect of tariffs, including the impact of reciprocal tariffs by other countries, including the impact of mitigation measures and uncertainties, and no disclosures are required in the financial statements.

Going concern

To the best of my knowledge there is nothing to indicate that the Council will not continue as a going concern in the foreseeable future. The period to which I have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

Annual Governance Statement

I am satisfied that the Annual Governance Statement (AGS) fairly reflects the Council's risk assurance and governance framework and I confirm that I am not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

The disclosures within the Narrative Report fairly reflect my understanding of the Council's financial and operating performance over the period covered by the financial statements.

Unadjusted misstatements

We confirm that the effects of the uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this letter as an Appendix.

Arrangements to achieve economy, effectiveness and efficiency in Use of Resources (Value for Money arrangements)

I confirm that I have disclosed to you all findings and correspondence from regulators for previous and ongoing inspections of which I am aware. In addition, I have disclosed to you any other information that would be considered relevant to your work on value for money arrangements.

Yours faithfully

Martin Paine
Interim Deputy Chief Executive and Section 151 Officer

c.c. Governance, Audit and Standards Committee

Unadjusted Misstatements

The Council's management, following consultation with the Chair of the Governance, Audit and Standards Committee, decided not to adjust the Statement of Accounts for the following items on the grounds of materiality. This was confirmed in the Letter of Management Representations we received before we gave our Audit Opinion.

Details of adjustment	Comprehensive Income and Expenditure Statement		Balance Sheet	
	Dr (£000)	Cr (£000)	Dr (£000)	Cr (£000)
Dr. General Fund and Earmarked Reserves Cr. Capital Adjustments Account Misstatement identified due to incorrect asset lives within its calculation of its MRP charge for the year. This represents an undercharge of MRP.			119	119
Dr. Net pension Liability Cr. Pension Reserve Pension Fund auditor identified an unadjusted difference in asset values during their audit of the Pension Fund. This is the estimation of the impact on the Council's asset valuations based on the Council's share of Pension Fund assets. This is an understatement of asset values.			143	143
Dr. Revaluation Reserve Cr. Property, Plant and Equipment Error in the valuation methodology utilised by the internal valuer in the valuation of car parks.			371	371
Aggregate effect of unadjusted misstatements	-	-	633	633

BROXTOWE BOROUGH COUNCIL ANNUAL STATEMENT OF ACCOUNTS 2024/25

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NARRATIVE STATEMENT BY THE CHIEF FINANCE OFFICER

1. Introduction – The Shape of Broxtowe

Broxtowe Borough Council's vision is that the Borough should be

“A greener, safer, healthier Broxtowe where everyone prospers”

Near to the city of Nottingham, and with excellent communication and transport links as well as thriving business areas, local Universities and amenities, the Borough of Broxtowe is well-placed to fulfil this vision.



Broxtowe is one of the most densely populated districts in the East Midlands with a population of around 110,000 living in an area of 81 square kilometres (approximately 31 square miles). The district is characterised by a largely urban south with the separate settlements of Beeston, Chilwell, Bramcote, Stapleford, Attenborough, Toton and part of Trowell comprising over 60% of the Borough's population. The north of the Borough is more rural, with the largest settlements being the towns of Eastwood and Kimberley.

Nearly two thirds of the land in Broxtowe is open countryside with a number of areas preserved as conservation areas. The Council's Green Infrastructure Strategy 2015-2030 identified 25 green corridors and a wealth of green space assets, including urban and rural parks, natural and semi-natural open spaces, allotments and cemeteries along with a rich mix of waterways, lakes and wildlife including the nationally designated Site of Special Scientific Interest at Attenborough Nature Reserve and parts of the Trent and Erewash Valley river corridors.



The Council's Corporate Plan 2024-29 seeks to make the most of these natural assets and transport links focusing on key five priorities to enhance the lives of people living in Broxtowe:

Our priorities and objectives



Housing

A good quality home for everyone

- Build more houses, more quickly on under used or derelict land.
- Invest to ensure our homes are safe and more energy efficient.
- Regulate housing effectively and respond to housing needs.



Business Growth

Invest in our towns and people

- Develop and implement area regeneration.
- Support business employment and skills.



Community Safety

A safe place for everyone

- Reduce anti-social behaviour.
- Improve public safety.
- Drug and alcohol use



Health

Healthy and supported communities

- Promote active and health lifestyles in every area of Broxtowe.
- Develop plans to renew our leisure facilities in Broxtowe.
- Support people to live well with dementia and support those who are lonely or have mental health issues.



Environment

Protect the environment for the future

- Reduce carbon emissions and improve air quality.
- Continue to invest in our parks and open spaces.
- Reduce the amount of waste disposed of in the black-lidded bin and increase recycling and composting.

Some of the key corporate plan achievements during 2024/25 were as follows:

Housing: A good quality home for everyone

- Planning permissions secured for 1,106 new homes with 446 new homes being delivered in 2024/25.
- Purchased 11 former Council dwellings as part of a buy-back programme, with consultations on other possible purchases. The Council acquired three other houses and 16 existing flats across four blocks on the open market to boost the Council's social housing stock.
- Purchased the Council's first four shared ownership homes, located in Stapleford.
- Progressing with the construction of affordable homes for social rent on Council owned land including former garage sites. These schemes included the Inham Nook development site in Chilwell providing 15 affordable homes and a further five affordable homes being built at the Farm Cottage site in Bramcote, both with capital grant contributions from Homes England.
- Completed the first audit process as part of the development funding agreement with Homes England, who are part-funding the Council's housing development programme with capital grants.
- Signed a Memorandum of Understanding to confirm eligibility for capital funding from the Local Authority Housing Fund.
- Appointed two Degree Apprentices to train as Development Project Managers.
- Completed 2,500 stock condition surveys on the HRA housing stock, with a further 2,000 surveys procured to be delivered in 2025/26.
- Delivered capital works of £8.3m to the Council's housing stock including kitchen and bathroom installations, energy efficiency and heating system upgrades, roof replacements, windows and door replacements and disabled adaptations.
- Successfully obtained £1.2m from the Social Housing Decarbonisation Fund which will help the Council to upgrade energy efficiency measures to around 315 homes over the next three years.
- Completed significant energy efficiency works to some of the greatest need stock in Eastwood, both enabling residents to pay less for their energy, but also completely transforming the street scene in the area.
- Progressed with works to install wall insulation to 84 properties across Broxtowe, with the majority being located on Princes Street and Wellington Street in Eastwood, an area of conservation known for its Victorian terraced housing.
- Reviewed and implemented additional measures for managing asbestos and fire safety to improve compliance and make residents safer.

- The Housing Options team successfully intervened or prevented 470 instances where households had the threat of homelessness, made up of 92 preventions and 378 interventions at an annual average of 78% of cases.
- Continued the excellent performance with the collection of Housing rents collecting 99.5% of the rent due.
- A total of 13,376 appointments were made for reactive repairs in 2024/25 to which 12,972 appointments were kept (97.9%).
- Activities Coordinators at the Independent Living Schemes organised 997 activities and supervised a further 220 tenant led activities.

Business Growth: Invest in our towns and people

- Ongoing redevelopment of Beeston town centre including the cinema, leisure and food and beverage retailers, as well as public realm space and new changing places public toilets.
- Plans are being developed for a health and wellbeing quarter in Beeston town centre as part of The Square Phase 2 development.
- Adopted a new Economic Development and Regeneration Strategy highlighting the important things Broxtowe must achieve to secure continued economic growth and property and tackle disadvantage communities.
- Continued to deliver the £21.1m secured for Stapleford as part of the Towns Deal Fund. Following the completion of the town grants fund and the refurbishment of Stapleford Library Learning Centre, the latest year saw a new car park opening called Derby Road Central and work accelerate on the new Hickings Lane Community Pavilion.
- Construction continued with the state-of-the-art £7.5m Community Pavilion and Football Facilities which was supported by a further £1.4m grant funding from the Football Foundation.
- Architects' drawings helped to bring the £6.2m Stapleford 'Pencil Works' project to life. The construction contract has since been tendered and awarded, with the contractor now working with the Council on the Pre-Construction Services Agreement (PCSA) stage prior to the scheduled start in summer 2025.
- Work commenced on the £1.5m Bennerley Viaduct Visitor Centre and with the development of a new Community Hub and Sports Facilities as part of the £16.5m 'Kimberley Means Business' programme. The programme also distributed £600k of grant funding to businesses in the town centre, including the 'Business Booster' scheme to help attract people back into Kimberley. The illuminations and animations project boosted interest and footfall, whilst local businesses affected by the impact of major gas main works were supported through the programme.

- Completed the UK Shared Prosperity Fund (UKSPF) Year 2 projects and then went on to deliver a further £1.6m of projects in Year 3. Highlights included £240k in grant support to local businesses and over £270k for communities, with investment in Eastwood town centre and safeguarding the future of Raleigh's HQ in Eastwood. Further funding of £1.0m has since been secured for Year 4 of UKSPF with funding coming via EMCCA.
- Launched the Broxtowe Business Forums with events in Beeston, Eastwood, Kimberley and Stapleford.
- Launched a Retailer Customer Loyalty Programme and preparing to develop income raising assets to support the establishment of a Broxtowe Local Enterprise Agency working across Beeston, Eastwood, Kimberley and Stapleford.
- A new Start Portal was launched to help jobseekers, businesses and charities across Broxtowe.
- The Council launched its High Street Rental Auctions (HSRA) in Stapleford as one of eleven early adopters and is exploring a roll-out into Eastwood too.
- Ongoing recruitment and development of apprentices receiving vocational and professional training with the Council.
- Being a Disability Leader as part of the Disability Confident Scheme.

Community Safety: A safe place for everyone

- Action plans in place to make Broxtowe safer, including Knife Crime, Anti-Social Behaviour, Children and Young People, Purple Flag and Hate Crime.
- Installed state-of-the-art surveillance cameras across Beeston town centre, following a successful bid for Secured Safer Streets funding of £99k, which marked a significant step forward in enhancing public safety and tackling crime.
- In order to reduce violence and improve the safety of women and girls, one of the busiest pedestrian areas in Beeston was given a round-the-clock safety boost with the installation of two new 'Help Points' featuring instant access to the Police Control Room and dedicated surveillance cameras.
- Achieved reaccreditation to the White Ribbon Scheme for the Council's work to tackle domestic abuse, with 16 days of action delivered as part of the White Ribbon Action Plan 2024/25.
- Developed a new Sanctuary Policy and associated procedures to provide victims of domestic abuse with safer and more secure homes and preventing the need to be rehoused.
- Refreshed the Community Trigger Policy enabling victims to challenge agencies on the outcomes of their reports.
- Refreshed the Serious Violence Strategy and delivered the Serious Violence Response Plan with the future plan for 2025/26 and beyond being developed.

- Developed the Anti-Social Behaviour protocol and policy and implemented actions to tackle ASB which helped to secure a reduction in crime rates.
- Launched a summer programme of 'Friday18' providing an hour of free live music in Beeston Square for residents, helping to tackle ASB in the area.
- Delivered an intensive programme to support young people involved in or at risk from crime, child criminal exploitation and ASB in the north of the Borough with life skills enabling them to re-enter education/training and to develop aspirations for their futures.
- Delivered awareness sessions on ASB and healthy relationships in targeted primary schools.
- Held cycle marking events and cycle and walking safety resources issued to primary school children.

Health: Healthy and supported communities

- Launched exciting plans to replace the aging Bramcote Leisure Centre with a brand-new leisure facility, following due diligence studies in relation to the financial and planning aspects of developing the site and the development of RIBA 4 design and work on the planning application.
- Works underway to revamp the football facilities at Hickings Lane in Stapleford with an additional £1.4m grant through the Premier League, the Football Association and the Football Foundation.
- Developed an online directory signposting to health and wellbeing services, with updated details on mental health support listing resources and groups for people to seek help.
- Supported the design of suicide prevention information for key premises at point-of-sale areas to signpost to emotional support for those in mental health crisis.
- Worked in partnership to design the 'Nott Alone' website for adults who require support for their mental health.
- Supported the Mental Health Support Conference and Workshop to identify improvements service delivery.
- Supported Public Health to develop a Self-harm and Suicide Strategy for Nottinghamshire.
- Developed a Broxtowe Dementia Directory which was distributed to key locations to support professionals deal with queries concerning dementia.
- Held a dementia conference to support professionals, carers and people living with dementia to address issues for how to live well. Over 50 new Dementia Friends were recruited at dementia information sessions.
- Three carers roadshows were held in Eastwood, Beeston and Stapleford to support carers and address their needs.

- Distributed public Health information on vaccination, fluoridation and health screening for lung, breast and bowel cancer through communications channels.
- Refurbished premises on Nottingham Road in Eastwood to create a new hub called CEDARS, delivering primary care services that residents would otherwise need to travel miles to receive. CEDARS will launch in 2025/26 and begin to support people who are carers and longer-term unemployed with their local needs. Work is being undertaken on a business case for a new health and wellbeing centre in the heart of the town.
- The Council has been at the forefront of supporting local households with the cost of living. The Cost-of-Living Working Group has worked to maximise support for residents to ensure people receive appropriate benefits, grants and financial support. The Council has worked with an external charity to understand and develop a more systematic approach to support for those using food projects within the Borough. In addition, part of the UKSPF grant allocation has been used to support Warm Spaces and Place of Welcome initiatives which will help to support social inclusion and people keeping warm over the winter months.
- Worked to ensure the availability of food clubs in local towns, securing funding for food banks and warm spaces projects. Families in debt have been supported through the Housing Furniture Project, including support with white goods.
- Ongoing development of the successful GP referral active lifestyle projects to support people's health through Liberty Leisure Limited, with delivery in the north of the Borough now operating in partnership with the Greasley Sports and Community Centre.
- The 'Wise Moves' falls prevention classes set up by Liberty Leisure Limited are now well established in the community and will continue beyond the funding stream ending in 2025/26.
- Funded the repair of the Beeston Unity Centre roof, enabling the provision of free female-only exercise classes in 2025, with support through the UKSPF.

Environment: Protect the environment for the future

- Over £440k of investment in play area improvements across the Borough as part of the Pride in Parks initiative, including refurbishing three play areas at Bramcote Hills Park, at Queen Elizabeth Park in Stapleford and at the Hetley Pearson Recreation Ground in Beeston.
- Five Parks and Open Spaces in Broxtowe proudly retained their Green Flag Award status, showcasing the high quality of the green spaces.
- Created a new green space at Fields Farm in Stapleford and a new hay meadow and memorial orchard at Brinsley Headstocks.
- Further works to create new ponds at Brinsley Headstocks site to benefit local wildlife and the nationally endangered water vole, as part of the Council's restoration project have been completed.
- Transitioned to Hydrotreated Vegetable Oil (HVO) to replace the diesel previously used in the Council's fleet vehicles. Fleet emissions now account for just 2% of the Council's

operational carbon footprint and by changing from diesel to HVO, achieving a 95% reduction on fleet emissions and a carbon saving of 772 tCO_{2e}.

- Achieved a 57% reduction in own operation carbon emissions compared against the 2018/19 baseline.
- Over 3,200 residents signed up to the Green Rewards scheme, an online platform designed to encourage Broxtowe residents to undertake sustainable actions, which in turn helps reduce their carbon footprint. Collectively they have avoided emitting over 511 tonnes of carbon by undertaking 198,303 sustainable actions to reduce their carbon footprint.
- 2,179 trees were planted across Broxtowe with 500 free trees and fruiting plants given away to residents. The Council has planted over 135,000 trees since the start of the tree planting programme in 2008, more than one for every resident.
- Undertaken 381 environmental engagement events, being a five-fold increase on the previous year.
- Rolled out the 'Simpler Recycling' scheme and a weekly food waste collection service for the Council's Trade Waste Customers.
- Achieved around 22,500 subscriptions to the garden waste collection service, which generated over £1m from subscriptions for the first time.
- Collected nearly six million bins and bags over four waste streams across the Borough, with the percentage of missed bins reducing from previous years.

External Recognition

- Institute of Cemetery and Crematorium Management Gold award for the Burials and Cremation Service.
- Green Flag Awards retained at all five of its Green Flag parks and open spaces.
- Highly commended in the Municipal Journal and winner at the APSE awards for the 'trailblazing' approach to tackling climate change and partnership working.
- Council successfully gained reaccreditation of its White Ribbon status for engaging men and boys to prevent violence against women and girls.
- Winner of the East Midlands Social Justice Apprenticeship Employer Award and a runner-up at the equivalent National Awards.
- The Broxtowe Learning Disability Collaborative, a partnership between Liberty Leisure Limited and Nottingham West which supports people with mental and physical disabilities gain access to a range of health and wellbeing services, successfully won the award in the category of 'Health Inequalities' at the Nottinghamshire Integrated Care Board annual awards in November.

2. Governance – The Changing Shape of the Council

Governance Structures

The Council operates a Cabinet structure to govern policy development, performance management and spending, with Cabinet Members responsible for different portfolios. This, alongside the Planning Committee and the Licencing and Appeals Committee are designed to drive progress on the key objectives in the Corporate Plan.

More details about the operation of the Council's governance structures are provided in the Annual Governance Statement which accompanies the Statement of Accounts.

Liberty Leisure Limited



Liberty Leisure Limited is the wholly owned leisure services company of Broxtowe Borough Council, incorporated on 1 October 2016. The Company is overseen by a Board of Directors which consists of three Broxtowe Borough Council elected Members, two Council officers, one local business person (currently vacant) and the Business Director of the company.

Liberty Leisure Limited was established, amongst other things, to:

- provide leisure, sports, cultural and heritage services for the benefit of the public (culture and heritage services have since been brought back under the control of the Council)
- ensure sustainability of services by maximising income and by seeking all possible avenues of funding for the services
- promote, maintain and improve access to suitable services, activities and facilities.
- improve health and well-being, by promoting increased participation to reduce obesity, anti-social behaviour and the health inequality gap.
- promote jobs and strengthen the local economy.

The company includes the management and delivery of services at Bramcote Leisure Centre and Chilwell Olympia Sports Centre. The Council retains ownership of Bramcote Leisure Centre, whilst operating with a joint-use agreement with Chilwell School for Chilwell Olympia.

The company previously delivered services from Kimberley Leisure Centre, however the Licence to Occupy agreement with Kimberley School for the company to operate Kimberley Swim and Gym was terminated on 31 March 2024.

The Council maintains control over the company through retained decision-making powers and the scrutiny at the Advisory Shareholder Sub-Committee, which reviews the financial and operational performance of the company.

As Liberty Leisure Limited is a wholly owned company of Broxtowe Borough Council, the accounts for the company have been consolidated into the Council's own accounts to form separate group accounts. However, separate financial accounts for the company are filed at Companies House in accordance with the regulations governing Limited Companies.

Jointly-Owned Operation

The Council's accounts also include financial information relating to Bramcote Crematorium, which is jointly owned by Broxtowe and Erewash Borough Councils. Its operation is overseen by the Bramcote Bereavement Services Joint Committee although the management of all operations is undertaken by Broxtowe Borough Council, to which the Joint Committee pays for this arrangement.

In accordance with International Accounting Standard 31, which deals with investments in joint ventures, 50% of the relevant financial transactions of the Joint Committee have been included in these accounts.

Income increased during 2024/25 by 3% compared to 2023/24 to £2.062m. Expenditure increased by 2% to £1.465m. After deducting the distribution to the constituent authorities there was a surplus for the year of £0.494m. The levels of usable reserves at 31 March 2025 decreased by £0.011m to £0.497m. The levels of unusable reserves in year increased by £0.488m to £4.19m. The financial statements of the Bramcote Bereavement Services Joint Committee are published separately and were presented to the Joint Committee meeting on 19 June 2025.

East Midlands Development Company

The East Midlands Development Company ('DevCo') was established as an interim organisation to take forward propositions for a new era of growth across the regional economy. The vehicle was incorporated on 4 May 2021 and was funded initially by contributions from Broxtowe Borough Council and four other local authorities.

The company worked with partners from business, academia and government to supercharge the local economy and create tens of thousands of new jobs via three landmark developments of national significance. The three developments of regeneration sites were the Toton and Chetwynd East Midlands Hub; the Ratcliffe-on-Soar Power Station area; and the East Midlands Airport area.

The recent establishment of the East Midlands County Combined Authority (EMCCA) has now provided additional regional devolution with an elected Mayor. Given the origins of the DevCo, as part of a regional conversation about large scale development and infrastructure, this was particularly significant.

The creation of EMCCA brought with it alternative options for creating a development corporation if the need and appetite emerges. Given this, together with the fact that the company's work had gravitated towards working with local authorities within the region, the member local authorities encouraged closer working with the newly formed EMCCA. In this context it was agreed that the DevCo should explore the scope for closer alignment with EMCCA.

The outcome of the review was that, in the circumstances, the Board of Directors considered the time was right for the local authority members to take the necessary steps to close the company. This would be with a view to materials and activities created by, and on behalf of, the DevCo being transferred to EMCCA as well as being available to the member authorities.

At the Cabinet meeting on 5 November 2024, it was duly resolved to support the necessary steps being taken by the Board of Directors to bring forward the voluntary dissolution of the East Midlands Development Company Limited and to delegate authority to the Chief Executive and the Leader of the Council to consent and sign the resolutions to enable to dissolution of the company.

Pensions

The Council makes payments into the Nottinghamshire County Council Pension Fund, which, in turn, provides its members with benefits related to their previous pay and service with the Council. In 2024/25, the Council made a contribution equivalent to 19% of pensionable pay into the Pension Fund to help ensure there are sufficient resources within the Pension Fund to meet future liabilities.

The contribution rate is determined by the Pension Fund's Actuary based on an actuarial valuation every three years. The last actuarial valuation was in 2022 and covers the three year period 1 April 2023 to 31 March 2026. Details about how the costs are identified and financed are given in note 36 to the accounts while the value of the Council's net liability in the Pension Fund is detailed within the Balance Sheet. Based on the latest actuarial valuation the Council will make a contribution of 19% into the Pension Fund in 2025/26.

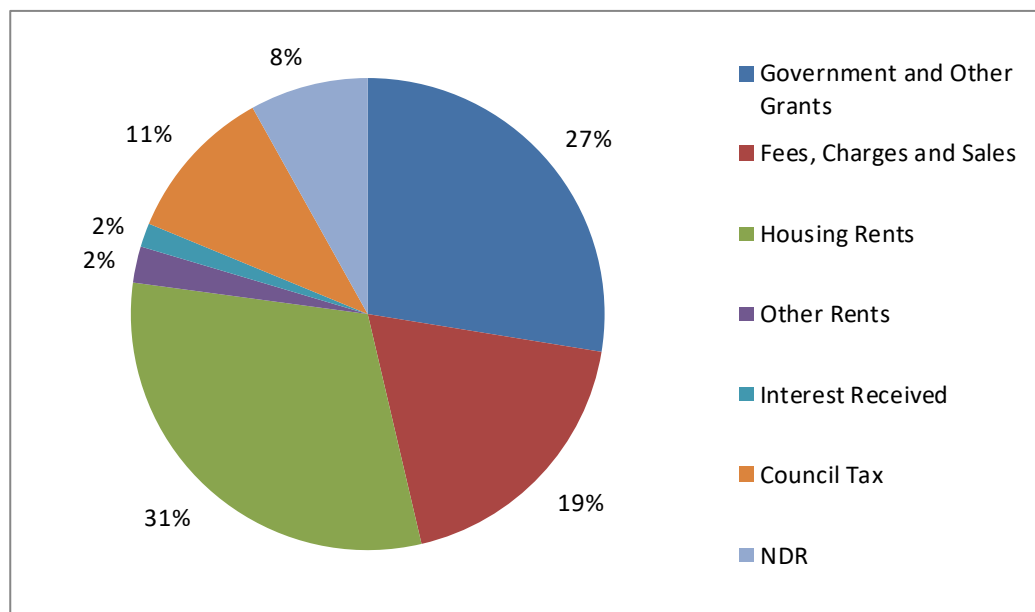
3. Spending and Performance

This section provides a brief explanation of the financial aspects of the Council's activities and draws attention to the main characteristics of the Council's financial and business performance over the year.

Income and Expenditure on Services

The Council is largely dependent on income from its business operations, Council Tax, and Business Rates to fund its services. Income from Housing Rents forms the largest source of income, but this is reserved for spending on housing only. Figure 1 shows the main sources of income in 2024/25, when 19% of the Council's income was derived from fees, charges and sales, compared to 17% in 2023/24.

Figure 1: Sources of income 2024/25



Changes in spending highlight the increased focus on the corporate objectives but the table above also reflects the extent to which the Council is generating income from new sources and/or from enhancements to existing services with income from trade waste and garden waste collection, for example, and rental income from the Beeston Square development.

Table 1 shows the balance of spending on the main corporate priorities compared to the previous year. This analysis provides the outturn position and, as such, excludes notional pension charges. The position will be reported to Cabinet on 1 July 2025.

Table 1: Changes in gross expenditure 2023/24 to 2024/25

Gross expenditure	Actual 2023/24 £	Actual 2024/25 £	Change £
Housing	869,292	1,125,726	256,434
Business Growth	5,808,507	5,814,151	5,644
Community Safety	3,141,311	3,107,565	(33,746)
Health	2,238,121	2,092,337	(145,784)
Environment	12,885,630	13,714,283	828,653
Resources	26,271,265	27,224,225	952,960

The management of the Council's finances in 2024/25 means that it has retained sufficient balances to help meet its financial challenges over the coming years while maintaining spending at the levels required to deliver the desired standard of service. The Council has general reserves of £5.557m and earmarked reserves of £3.048m, which amounts to £8.605m in total as at 31 March 2025. This compares to general reserves of £6.078m and earmarked reserves of £2.778m as at 31 March 2024.

Financial Performance

General Fund

The outturn, which is to be presented to Cabinet on 1 July 2025, reported a net revenue budget underspend of £1.402m on services.

In terms of financing, the income received from Council Tax, Non-Domestic Rates ('Business Rates') and grant funding as part of the local government finance settlement was broadly in line with budgets.

Since April 2013, the Council has had a more direct relationship with local businesses through the retention of a greater share of business rates generated locally. This does increase the risks to the Council's finances as changes in the amount of business rates collectable can have a significant impact on its income. In order to mitigate such risks and to maximise funding opportunities, the Council is a member of the Nottinghamshire Business Rates Pool, along with other local authorities in Nottinghamshire. The Council pays a growth levy into the Pool based on the proportion over which it is above its financial baseline funding formula. The amount of levy paid to the Pool at £1.215m was lower than forecast by £96k. The Pool generated an overall surplus in the year which has provided Broxtowe with an additional £742k. Whilst this was lower than forecast by £58k, the net levy position was £38k in the Council's favour.

Table 2 shows the actual net spend compared to the budgeted spend. The position will be reported to Cabinet on 1 July 2025.

Table 2 – General Fund financial performance 2024/25

General Fund (excluding Bramcote Bereavement Services)	Revised Budget £'000	Actual £'000	Difference £'000
Net Expenditure on Services	14,104,790	12,735,308	(1,369,482)
Funded by:			
Council Tax	(6,607,621)	(6,607,621)	0
Non Domestic Rates	(5,156,273)	(5,001,639)	154,634
Lower Tier and Services Grants	(874,925)	(874,925)	0
	(12,638,819)	(12,484,185)	154,634
Net Balance for Year	1,465,971	251,123	(1,214,848)
Transfer to/(from) Other Reserves	270,584	270,284	(300)
Balance Brought Forward	(6,078,790)	(6,078,790)	0
Balance Carried Forward	(4,342,235)	(5,557,383)	(1,215,148)

The main savings/underspends against the revised budget resulted from:

- A net underspending of £949k on employees related expenses, after the vacancy target, which includes the cost of the pay award, senior manager pay review, interim and agency staff used to cover vacancies within the establishment, pension strain, training and the cost of recruitment. The cost of election staffing in year was covered by the respective external bodies.

- A net underspending of £284k on premises related costs, which was largely due to lower than anticipated revenue spends on repairs and maintenance across all sites (£151k). There was an overspend of £24k on gas and electricity due to energy prices, although this was more than offset by lower than anticipated water charges (£32k) and Business Rates (£28k) paid on Council premises, including vacant units.
- A net underspending of £122k on all transport related budgets was mainly achieved due to lower than anticipated fuel prices, which were relatively stable, and vehicle fleet maintenance costs and insurances.
- Total net budget variance on supplies and services and third-party payments (non-recharges) was £520k across a range of services. The main underspends included ICT supplies, telephones, local area energy plan (funded by EMCCA) and others supplies, whilst audit fees and planning appeal fees were overspent. This variation included a significant budget saving of £96k on the cost of insurances, following a successful tender exercise.
- The net cost of Housing Benefits was £108k higher than originally budgeted, which was largely offset by an increase in the Benefits Subsidy received from central government.
- Fees and charges income received by the Council were generally on budget, although a decrease in the volume of planning applications received in the year resulted in planning fees income being £168k below the target budget. This activity is directly impacted by the economy and local building market conditions.
- There was also a £132k budget shortfall of income generated from car parking. This was linked to the reduced fee income being received over the Christmas period, as part of a 'free parking' initiatives, and the concessions offered in Kimberley during gas main replacement works. This shortfall was partially offset by additional income received from Network Rail for using car park facilities during construction works. The outturn also included a provision of £98k linked to the full recognition of VAT on car parking income receipts over recent years.
- The General Fund element of additional borrowing interest costs to finance the capital programme was £375k higher than the original budget due to borrowing rates being higher than anticipated.
- The General Fund element of additional investment income being generated in year was £311k over budget as a result of positive cash flow management and movements in interest rates during the year.
- There was a net additional amount of £875k received during the year from central government grants, other grants, local authority contributions and miscellaneous income. These included contributions in respect of homelessness, planning policy, cyber risk, community safety and crime reduction amongst others. These contributions were either used to support in year spending on specified activities or transferred into earmarked reserves for application in future years.
- An overall net reduction of £932k in corporate recharges compared to the original budgets. This included recharges to the HRA (£128k lower due to underspend in central support services including finance, HR, legal and ICT); capital salaries recharges to the

capital programme (£426k mainly lower due to recharges from Capital Works and Estates) and central support recharges to the General Fund.

Housing Revenue Account (HRA)

In addition to spending on strategic housing through the Council's general resources, the Council also operates a Housing Revenue Account (HRA) which captures all rental income and spend on managing the Council's housing stock and looking after tenants. There was a net underspend of £532k in the year when compared with the revised estimate for the year which resulted in a lower deficit of £669k being drawn from balances for 2024/25.

Table 3 shows the financial performance on the HRA for the year. This analysis provides the outturn position to be reported to Cabinet on 1 July 2025. Depreciation and impairment charges are excluded as these are notional amounts which are not budgeted for and do not impact upon the outturn position.

Table 3: Housing Revenue Account financial performance 2024/25

Housing Revenue Account	Revised Budget 2024/25 £	Actual 2024/25 £	Variance from Budget	
			£	%
Expenditure	17,787,040	18,239,091	452,051	3
Income	(20,107,000)	(20,712,944)	(605,944)	3
Other HRA Operating Expenditure and Income	3,520,700	3,480,299	(40,401)	(1)
Deficit/(Surplus)	1,200,740	1,006,446	(194,294)	(16)

The main variances are due to the following:

- An underspend of £609k on employee related costs due to vacancies across the whole service, particularly within the Strategy and Performance section and the Housing Repairs team. Repairs services have been maintained by the continued use of sub-contractors.
- An overspend on premises related expenses of £392k included a net budget overspend of £320k on costs associated with housing disrepair claims. There was also an overspend of £180k on Independent Living utilities costs. These were partially offset by several underspends most notably a £103k savings on works to Independent Living scheme communal areas.

- An overspend on Supplies and Services of £526k was largely due to additional spending of £570k on sub-contractors. Post vacancies in Housing Repairs have resulted in an increased use of sub-contractors to complete necessary works. There was also an overspend of £102k on Court costs related to Housing Dis-repairs. The use of sub-contractors has reduced the levels of materials required by £48k to partially offset this overspend. Other non-service related costs were underspent including contingency, consultancy fees, energy performance certificates, write offs, and council tax charges void properties. The net variation included a significant budget saving of £74k on the cost of property insurances, following a successful tender exercise. There were also a number of smaller underspends that partially netted off the overspends to £526k.
- An underspend of £84k for other expenditure primarily for Grounds Maintenance.
- The recharge of central support services is dependent on costs in Support Services (Finance, HR, ICT etc..) and can change if there are variances in those areas. In 2024/25 the underspend on these areas amounted to £506k.
- The cost of capital financing exceeded budget by £720k. This was mainly due to depreciation charges to the HRA being higher than initially expected because of delays in receiving dwelling valuations in 2023/24.
- Housing rents income was £605k higher than the original budget forecast. Several assumptions are made when setting the rent budget, such as estimating revenue lost due to void properties and the impact of Right to Buy sales. Given the income from rents is over £18m, even a small percentage change from one of the budget assumptions can lead to a large variance in income.
- The HRA also paid £72k less in borrowing interest on budgeted due to cash flow management and the level of rents received.

Business Performance

In terms of business performance, the Council did well against its priorities in reviewing the critical success indicators and key performance indicators. The Council always seeks continuous improvement in the delivery of services and the Corporate Plan is designed to encourage this by focusing on key areas of activity.

This will require investment, for example, in the ongoing regeneration of Beeston town centre; in Stapleford through the successful Towns Fund bid; in Kimberley through the delivery of the Kimberley Means Business project; in the development of services to support healthy lifestyles through Liberty Leisure Limited; in the development of new affordable homes; and through improvements to the Council's parks and open spaces as part of the 'Pride in Parks' programme.

In addition to the key achievements already highlighted above, some further performance highlights for 2024/25 were:

- Council Tax collection rates improving to 97.7% which is moving closer to pre-pandemic levels.

- NDR collection increased to 99.2% with Business Rates charges increasing and collection rates remaining consistent.
- Housing Benefit processing times remaining amongst the best in the country with new claims averaging 7.5 days to process and changes in circumstances averaging just 3.6 days.

More detail on performance relating to the Council's five priorities is available on the Council's website at <https://www.broxtowe.gov.uk/>.

4. Spending on Assets

The Council's capital spending is on items which are of use beyond the year being accounted for, such as acquisitions and improvements to Council owned dwellings, housing renovation grants, improvements to recreation grounds, environmental improvements, vehicles and plant, ICT equipment and infrastructure and industrial development. Further details can be found in note 15 to the accounts.

In 2024/25, the Council funded capital items to the value of £31.419m, which compares with a total capital programme of £64.835m after taking account of items brought forward from earlier years. The net underspending of £33.416m was mainly due to slippage, much of which was outside the Council's control, with spending on schemes now continuing and budgets being requested to carried forward into the following year.

In 2024/25, £2.692m of housing capital receipts were used to finance HRA capital expenditure, with the balance of the HRA spend being funding from the HRA Major Repairs Reserve at £5.310m, prudential borrowing of £9.888m, capital grants of £1.825m and section 106 contributions of £463k.

Capital expenditure on the General Fund was financed by capital receipts of £669k, prudential borrowing of £3.175m, capital grants of £6.207m, section 106 receipts of £132k, contributions from third parties of £978k and direct revenue financing at £82k.

Total loans repayable by the Council to external parties as at 31 March 2025 for capital expenditure amounted to £110.301m (including loans relating to Bramcote Bereavement Services Joint Committee). Much of the balance comprises the remaining balance of the £66.4m of loans in respect of the one-off debt settlement arising from the introduction of self-financing within the HRA in March 2012.

In overall terms capital expenditure increased in comparison with 2023/24 by £13.541m. This was primarily due increased spending on the housing delivery programme and the grant funded economic regeneration schemes.

This Council's share of capital expenditure in respect of Bramcote Bereavement Services amounted to £304k in 2024/25 (£22k in 2023/24). This capital spend was incurred on the replacement of cremators and the audio-visual system.

In order to reflect changing property prices, the Council's property assets are revalued on the basis of a five-year revaluation programme with all assets revalued at least once every five years.

Council dwellings are valued on the existing use value – social housing (EUV-SH) basis using an appropriate discount factor. The discount factor used to value Council dwellings as at 31 March 2025 was 42% as set out in the updated Guidance on Stock Valuation for Resource Accounting published in November 2016. The valuation of the housing stock as at 31 March 2025 resulted in a total gain of £52.82m. The valuation of other property assets at 31 March 2025 resulted in upward revaluations of £1.058m and downward revaluations of £0.862m. Further details on these revaluations can be found in notes 15 and 35 to the accounts.

5. Outlook

An updated Medium Term Financial Strategy (MTFS) was presented to Cabinet on 4 February 2025 which highlighted a potential shortfall in resources of £7.202m from 2025/26 through to 2028/29. This was based upon several significant assumptions including generating a further £750k per annum from savings on vacant posts over the duration of the MTFS.

The accounts of Bramcote Bereavement Services show a revenue account balance of £330k as at 31 March 2025 which represents a nominal decrease of £5k from the previous year-end position. This outturn was a worsened position when compared to mid-year forecasts, due to demand. This has impacted upon the distribution of the surplus to the Council from the Bramcote Bereavement Services Joint Committee which reduced to £350k in 2024/25.

Liberty Leisure Limited achieved a surplus of £17k for 2024/25. The management fee paid by the Council to the company for 2024/25 was £246k (£519k in 2023/24).

The Council has a Business Strategy that is designed to ensure that it will be:

- Lean and fit in its assets, systems and processes.
- Customer focused in all its activities.
- Commercially minded and financially viable
- Making best use of technology.

The Business Strategy comprises a range of initiatives across all areas of the Council to either reduce costs or generate additional income and designed to ensure that the best use is being made of available resources. An updated Business Strategy was presented to Cabinet on 5 November 2024. This will be refreshed to reflect recent developments and a revised version will be presented to Cabinet in November 2025.

The Council will be carefully monitoring events in the external environment and assessing potential future financial implications arising from these accordingly. The ongoing impact of the economy on the Council's services and finances will continue to be closely monitored. Other issues include the Spending Review, the move towards the increased localisation of Business Rates and the Fair Funding Review.

The General Fund balance as at 31 March 2025 was £5.557m. This was more than the projection of £4.347m reported to Cabinet on 4 February 2025 and the final revised estimate of £4.342m following later budget adjustments agreed by Cabinet. This reflects measures taken to address the Council's financial position. The Medium-Term Financial Strategy will

be updated to reflect the outturn position and other recent changes including those set out above for presentation to Cabinet in November 2025.

Work will continue to be undertaken across all areas to ensure that the Council is equipped to meet the challenges ahead and can do so in a sustainable manner based upon a sound financial footing.

6. The Statement of Accounts

The Council's statutory accounts for the year 2024/25 are set out on pages 31 to 34. They have been compiled in accordance with accounting policies that comply with the relevant recommended accounting practices and which are set out in the notes to the accounts from page 35 onwards.

The financial statements consist of the:

- Statement of Responsibilities, which sets out the responsibilities on the Council and on the Interim Deputy Chief Executive and Section 151 Officer (as the Council's chief financial officer).
- Movement in Reserves Statement, which shows the movement in the year on the different reserves held by the Council, analysed between those that are usable and other reserves.
- Comprehensive Income and Expenditure Statement, as the summary revenue account, covering expenditure and income on all services and showing how activities have been financed. This shows the Council's actual financial performance for the year, measured in terms of the resources consumed and generated over the last 12 months. The Council is required to raise council tax on a different accounting basis.
- Balance Sheet, which sets out the Council's financial position as at 31 March 2025.
- Cash Flow Statement, which summarises the total movement of the Council's funds.
- Housing Revenue Account, which shows income and expenditure on the Council's housing services.
- Collection Fund, which includes income received from council tax payers, business rate payers and central government and the payments made by the fund in precepts to Broxtowe Borough Council, Nottinghamshire County Council, Nottinghamshire Police and Crime Commissioner, Nottinghamshire Fire and Rescue and the Parish and Town Councils.
- Group accounts incorporating the financial performance of Liberty Leisure Limited which is wholly owned by the Council.

These accounts are supported by the Statement of Accounting Policies and various notes to the accounts. In addition, an Annual Governance Statement, as presented to the Governance, Audit and Standards Committee on 19 May 2025, has been included. The accounts for 2024/25 are presented in a form that is based upon the best accounting practices recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The accounts include all of the Council's financial activities and also incorporate 50% of the activities of the Bramcote Bereavement Services Joint Committee.

The Council's Statement of Accounts for 2024/25 were issued and certified by Martin Paine (Interim Deputy Chief Executive and Section 151 Officer) on 11 November 2025 for approval to the Governance, Audit and Standards Committee on 24 November 2025 in accordance with the Accounts and Audit (England) Regulations 2015 and Accounts and Audit (Amendment) Regulations 2021.

7. Further Information

Further information about the accounts is available from the Interim Deputy Chief Executive and Section 151 Officer at the Council Offices, Foster Avenue, Beeston, Nottingham NG9 1AB. This is part of the Council's policy of providing full information about the Council's affairs.

ANNUAL GOVERNANCE STATEMENT

Corporate Values

The Council's governance arrangements are reflected in our corporate values which are:

- Integrity and professional competence
- A strong caring focus on the needs of communities
- Continuous improvement and delivering value for money
- Valuing employees and enabling the active involvement of everyone
- Innovation and readiness for change.

Competency Framework and Employee Performance Appraisal

These values are consistent with the SOLACE/CIPFA governance code and act as the basis for the Council's competency framework and the assessment of individual employee performance appraisal.

The Constitution, Standing Orders and Delegated Authority

The Council's Constitution sets out the roles of Members and officers and the terms of reference of the Council's Cabinet and Committees. Officer's delegated powers to take decisions are set out in this document, as are the protocols and codes of conduct regulating the way employees and Members should behave and relate to each other, and how debate is conducted at Council meetings. Limits of financial expenditure are set out in standing orders and in standing orders relating to contracts.

The main checks and balances on the respective power of officers and Members is summarised in the table below. The table provides some of the key ways in which officers and Members are held accountable to local residents.

Officer checks/balances	Member checks/balances	Accountability to residents
<ul style="list-style-type: none"> • Officer delegations within Constitution • Pay Policy underpinned by Job evaluation policy • Disciplinary Policies • Employee Code of Conduct • Statutory Officers (Chief Executive as Head of Paid Service; Interim Deputy Chief Executive as Section 151 Officer; Monitoring Officer); Chief Information Officer - Executive Director • Financial standing orders within Constitution 	<ul style="list-style-type: none"> • Elections • Independent Remuneration Panel • Members Allowances scheme • Governance Audit and Standards Committee • Statutory Officers (Chief Executive as Head of Paid Service; Interim Deputy Chief Executive as Section 151 Officer; Monitoring Officer); Chief Information Officer - Executive Director • Questions to Members at Council meetings 	<ul style="list-style-type: none"> • Communications Strategy 2023-26 • Publication Scheme • Open Data • Transparency framework • Publication of Committee decisions • Tenant and Leaseholder Matters • Broxtowe Parks Standard • Public satisfaction surveys • External audit annual letter to Governance Audit and Standards Committee • Internal and external audit progress reports at

Officer checks/balances	Member checks/balances	Accountability to residents
<ul style="list-style-type: none"> • Contract standing orders within Constitution • Fraud Prevention Policy • Treasury Management policy • Business Continuity Plans • Whistleblowing Policy • Strategic Risk Register • Risk Management Policy • Health & Safety Policy; Procedures; Health & Safety Group • Information Management Arrangements • Employee engagement exercises • Complaints and compliments procedure • Licensing and Appeals Committee (employment and grievance appeals) • Statement of Internal Control (SIC) 	<ul style="list-style-type: none"> • Member Code of Conduct • Reports at Council by Members of Outside Bodies at Council meetings • Ward Member reports at Council meetings • Public Consultations • Register of Members Interests • Declaration of interests at all meetings • Protocol for Councillor/ Officer Relationships 	<ul style="list-style-type: none"> • Governance and Audit Committee • Periodic external inspections e.g. EFLG/ IIP/IIE/LGA • Peer review • Benchmarking through APSE/CIPFA/SOCITIM/ Housemark • Finance Data online • Licensing and Appeals Committee (Taxi, alcohol, licensing matters) • Commenting on planning applications and speaking to Planning Committee

Corporate Plan and Business Plans

The Council's Corporate Plan sets out the Council's Vision and Priorities. The vision is "Broxtowe – a greener, safer healthier place where everyone prospers".

The priorities are succinctly expressed:

Housing: A good quality home for everyone

Environment: Protect the environment for the future

Business: Invest in our towns and our people

Leisure and Health: Healthy and supported communities

Community safety: A safe place for everyone

Communities and Engagement: Improve the way in which we listen to and engage with residents

Strategy and Policy Framework

Within each priority area, a range of strategies and policies are devised to guide the decision making of officers and Members. These are approved by Cabinet or the respective committees apart from those which are reserved for full Council for determination.

The Council

- Consists of 44 Elected Members.
- Approves the budget and policy framework including setting the Council Tax.
- Approves the Constitution (including Standing Orders and Financial Procedure Rules).
- Establishes Committees to discharge non-executive functions.

Cabinet

- The main decision-making body of the Council responsible for executive functions.
- Leader of the Council appointed by the Council with responsibility for executive functions and who appoints a Deputy Leader and Cabinet Members with responsibility for particular portfolios.

Governance, Audit and Standards Committee

- Provides independent assurance to the Council on the adequacy and effectiveness of the governance arrangements, risk management framework and internal control environment
- Approves the Annual Statement of Accounts and the Annual Governance Statement.

Scrutiny Committee

- The Council has an Overview and Scrutiny Committee which has the ability to appoint Task and Finish Groups
- The Committee holds Cabinet and Officers to account and scrutinises performance.

Head of Paid Service

- Overall corporate management and operational responsibility for the Council, including overall management for responsibility for all employees
- The provision of professional advice to all parties in the decision making process and, representing the Council on partnerships and outside bodies
- The Head of Paid Service will determine how the Council's functions are discharged, the number and grade of Officers required to discharge the functions and how Officers are organised.

Chief Finance Officer (s151)

- Accountable for developing and maintaining the Council's governance, risks and control framework
- Ensuring lawfulness and financial prudence of decision-making and the administration of financial affairs
- Providing advice to all Councillors on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues, and will support and advise Councillors and Officers in their respective roles
- Contributes to the effective corporate management and governance of the Council.

Executive Director

- Responsible for the Council's Information Governance, Environment Service, Payroll, Administration, Communication, Health and Safety and Emergency Planning Services
- Contributes to the effective corporate management and governance of the Council.

Monitoring Officer

- Monitoring, reviewing and maintaining the Constitution
- Ensuring lawfulness and fairness of decision-making

- Supporting the Standards processes
- Contributes to the effective corporate management and governance of the Council.

Chief Audit and Control Officer

- Provides independent assurance and opinion on the adequacy and effectiveness of the Council's risk management and control framework
- Through the internal audit service delivers an annual programme of risk based activity, including counter fraud and investigation activity and makes recommendation for the improvement in the management of risk and control.

General Management Team

- Implements the policy and budgetary framework set by the Council and provides advice to Cabinet and the Council on the development of future policy and budgetary issues.
- Oversees the delivery of the Council's Corporate Plan and implementation of Council policy.

Assistant Directors/Heads of Service

- Responsible for developing, maintaining and implementing the Council's governance, risk and control framework
- Contribute to the effective corporate management and governance of the Council.

Two joint committees exist – the Economic Prosperity, which consists of the Leaders of all Councils in Nottinghamshire to consider countywide development matters; and the Bramcote Bereavement Service Joint Committee which oversees the operation of Bramcote Crematorium, which is jointly owned with Erewash Borough Council.

Two internal committees recommend changes to employee and Member conditions – the Local Joint Consultative Committee which considers employee related matters before making recommendations to Cabinet, and the Independent Remuneration Panel, which considers matters relating to the remuneration of Members before making recommendations to Council. The Independent Remuneration Panel reviewed Members' Allowances in January 2025 and decided to recommend an increase in the allowance in-line with the employee pay award, in addition to an increase in the basic Members' allowance of £600 in order to bring Broxtowe Members closer to Council with the next lowest allowances in Nottinghamshire. Full Council received the report of the Panel's findings on 5 March 2025 and accepted the recommendation.

Delegation arrangements to officers are set out in detail within the Constitution. In order to ensure that decisions are made in compliance with the law and approved policy, Chief Officers are charged with responsibility for the operation of controls within their areas of responsibility and for statutory functions as necessary. They make an annual declaration of compliance through the annual statement of internal control.

Regular meetings take place between relevant senior officers and Members of the Council to discuss and propose policy.

The Constitution also includes sections on the conduct of meetings, Financial Regulations, Financial Regulations (Contracts) and Codes of Conduct for Members and officers.

The Council established a wholly owned leisure services company, Liberty Leisure Limited, from October 2016. These arrangements have delivered cost reductions and increased income through the company operating as a commercial entity and opportunities to better fulfil the Council's aims through increased flexibility in day-to-day operations.

Full control of the company is maintained by the Council through the governance arrangements that are in place, with the Advisory Shareholder Sub-Committee maintaining an oversight of the company.

Strategies, Policies and Business Plans

The Council has a suite of strategies, policies and business plans which mirror its corporate priority themes and ensures that service delivery follows a clearly set out, politically approved and strategically led approach.

Electoral Arrangements

Elections for the Nottinghamshire Police and Crime Commissioner were held during 2024/25 in addition to the Parliamentary election. There was also a by-election for the Chilwell East Ward and the Chetwynd: Toton and Chilwell Neighbourhood Plan Referendum. The Council operates an 'all out' system of elections every four years.

Statutory Officers

The Council's statutory Officers are the Chief Executive (as the 'Head of Paid Service'), the Interim Deputy Chief Executive (as the 'Section 151 Officer') and the Monitoring Officer. All three Officers are members of the General Management Team and have the authority to place reports in front of an appropriate Member body where an aspect of concern and within their statutory remit comes to their attention.

In particular, they are responsible for ensuring that the Council acts within the law and in accordance with established policies and procedures. The Section 151 Officer is specifically responsible for the proper discharge of financial arrangements and must advise the Council where any proposal might be unlawful or where expenditure is likely to exceed resources.

Regular discussions are held at weekly meetings of the General Management Team about issues where governance is of concern and periodically a specific discussion takes place to identify areas of concern on the horizon, whether these may arise from such as legislative changes, changing service demands, political matters or financial problems, risk assessment that has been undertaken and any changes in the risk environment in which the Council is operating, and matters to be reported to future Committees.

The Interim Deputy Chief Executive is the appointed Section 151 Officer and is a key member of the General Management Team. Being part of the General Management Team, together with meeting with leading Members and attending full Council, Cabinet and other appropriate Committees, as required, ensures that the Section 151 Officer can provide corporate financial advice to the Council at the appropriate level and that financial implications and risks are properly taken into account.

All reports to decision making Committees incorporate a statement on financial implications where appropriate which are subject to review by the Section 151 Officer and the Assistant Director – Finance Services. As such the Council's financial arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016).

The Monitoring Officer also attends the General Management Team. Part of their responsibilities include ensuring that any legislative changes are known about and implemented as appropriate, together with monitoring that the Council does not act unlawfully.

Chief Officers are responsible for ensuring that legislation and policy relating to service delivery and health and safety are implemented in practice. Each Chief Officer signs a Statement of Internal Control to acknowledge responsibility in maintaining and operating functions in accordance with the Council's procedures and practices that uphold the internal control and assurance framework.

Internal Audit

The Chief Audit and Control Officer is the Council's designated 'Head of Internal Audit' and is under the management of the Interim Deputy Chief Executive and Section 151 Officer. Whilst the Chief Audit and Control Officer is not a member of the General Management Team, in all other respects the role is in accordance with guidance as laid down in the Public Sector Internal Audit Standards and the CIPFA Statement on the Role of the Head of Internal Audit, including their attendance at the Governance, Audit and Standards Committee and presenting reports in their own name.

The Chief Audit and Control Officer is responsible for the review of the systems of internal control and for giving an opinion on both the corporate and service specific standards in place. As reported to the Governance, Audit and Standards Committee, he has undertaken such a review and concluded that, in his opinion, "the current internal control environment is satisfactory such as to maintain the adequacy of the governance framework".

The Internal Audit Charter covers all activities of the Council at a level and frequency determined using a risk management methodology. The approach is designed to be risk-based so that it can focus resources on the key areas of risk facing the Council.

In advance of each financial year the Governance, Audit and Standards Committee is responsible for approving the Internal Audit Plan that governs each year's activity. Upon completion of each audit assignment, a report is produced for management with agreed actions for improvement. Regular progress reports on Internal Audit activity are submitted to the Governance, Audit and Standards Committee for scrutiny. This Committee can request further reviews to be undertaken and can request other committees to further investigate matters arising from any activities within their remit.

External Audit

The external auditor reviews the Council's arrangements for:

- preparing accounts in compliance with statutory and other relevant requirements

- ensuring the proper conduct of financial affairs and monitoring their adequacy and effectiveness in practice
- securing economy, efficiency and effectiveness.

The external auditor gives their opinion on the Council's accounts and whether or not proper arrangements exist to secure value for money. The Council continues to examine the use of its financial systems to help produce information for financial management, the capacity of the Finance Services teams and the financial reporting processes used to advise Members during the course of the year.

Fraud and Corruption

The Department of Work and Pensions established a Single Fraud Investigation Service (SFIS) to manage benefit fraud investigation on a national basis. Officers employed by the Council to investigate benefit fraud transferred to SFIS in November 2015.

The Chief Audit and Control Officer is the central contact for non-benefit fraud allegations. The role of Internal Audit has been extended to act as a co-ordinating and investigating service for all non-benefit related fraud and corruption reports and to manage the Council's response to such reports.

Partnerships

The Governance, Audit and Standards Committee has the responsibility to examine further procurement and collaborative working opportunities with the private sector and other local authorities. Cabinet has included in its remit the power to direct the work of any delivery vehicles established to deliver services within their remit. This may include partnership arrangements, including those with the voluntary and community sector. Where grants are provided to voluntary sector organisations, conditions are applied regarding the reporting of the activities of the grant receiving body and its financial standing. In particular, where grant funding exceeds a given value a service level agreement may be used to gain assurance over the use of funds.

Significant Governance Issues – Action Plan


We propose over the coming year to take steps to address the matters listed as “opportunities for improvement” to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Actions

- Review Plans and Policies for:
 - Whistleblowing
 - Disciplinary Process
 - Grievance
 - Anti-Bullying and Harassment
 - Employee Code of Conduct
- Develop or refresh strategies for:
 - Blue and Green Infrastructure
 - Play Strategy
 - Waste Strategy
 - Climate and Green Futures Strategy
- Develop or refresh strategies for:
 - Asset Management
- Develop or refresh strategies for:
 - Substance Misuse
- Greater Nottingham Strategic Plan review
- Review the Business Strategy for the Council and the MTFS to reduce the budget gap
- Participate in the process for Local Government Reorganisation as required by the Government
- Develop and implement a checklist for fraud risks to identify potential and early warning signs for fraud and plans to mitigate risk
- Improve assurance arrangements for contract management
- Ensure there are transparent decision logs for all delegated decisions



Councillor M Radulovic MBE
Leader of the Council
Broxtowe Borough Council
19 May 2025



R Hyde OBE
Chief Executive
Broxtowe Borough Council
19 May 2025

STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

The Authority's Responsibilities

The authority is required:

- under section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this authority, that officer is the Interim Deputy Chief Executive and Section 151 Officer
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets
- to approve the statement of accounts.

The Interim Deputy Chief Executive and Section 151 Officer's Responsibilities

The Interim Deputy Chief Executive and Section 151 Officer is responsible for the preparation of the authority'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 Code of Practice).

In preparing this Statement of Accounts, the Interim Deputy Chief Executive and Section 151 Officer has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgments and estimates that were reasonable and prudent;
- Complied with the Code of Practice.

The Interim Deputy Chief Executive and Section 151 Officer has also:

- Kept proper accounting records which were up to date
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

This statement of accounts is that upon which the auditor should enter his certificate and opinion and has been prepared under the Local Government Finance Act 2003. It gives a true and fair view of the financial position of the authority at 31 March 2025 and its income and expenditure for the year then ended.



M Paine

Interim Deputy Chief Executive and Section 151 Officer

11 November 2025

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

Year Ended 31 March 2024				Year Ended 31 March 2025			Notes
Gross Expend £'000	Income £'000	Net Expend £'000		Gross Expend £'000	Income £'000	Net Expend £'000	
803	(505)	298	Housing	991	(983)	8	
4,749	(2,982)	1,767	Business Growth	4,615	(3,403)	1,212	
2,688	(610)	2,078	Community Safety	2,672	(766)	1,906	
2,058	(257)	1,801	Health	1,805	(716)	1,089	
8,966	(4,290)	4,676	Environment	9,672	(4,766)	4,906	
15,437	(14,485)	952	Revenues, Benefits & Customer Services	15,691	(14,517)	1,174	
6,604	(1,780)	4,824	Resources	7,230	(2,150)	5,080	
1,070	(385)	685	ICT & Business Transformation	1,105	(420)	685	
1,863	(18,664)	(16,801)	Local Authority Housing (HRA)	18,138	(20,711)	(2,573)	
44,238	(43,958)	280	Cost of Services – Continuing Operations	61,919	(48,432)	13,487	
		8,218	Other Operating Expenditure			8,333	12
		1,932	Financing and Investment Income and Expenditure			2,510	13
		(16,969)	Taxation and Non-Specific Grant Income			(24,754)	14
		(6,539)	(Surplus) or Deficit on Provision of Services			(424)	
		(25,656)	(Surplus) or Deficit on Revaluation of Property, Plant and Equipment Assets			(9,156)	
		(3,555)	Remeasurement of the Net Defined Benefit Liability/(Asset)			415	37
		(29,211)	Other Comprehensive Income and Expenditure			(8,741)	
		(35,750)	Total Comprehensive Income and Expenditure			(9,165)	

MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on the different reserves held by the authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The statement shows how the movements in year of the authority's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax (or rents) for the year. The Net Increase/Decrease line shows the statutory General Fund Balance and Housing Revenue Account Balance movements in the year following those adjustments.

	General Fund & Earmarked Reserves £'000	Housing Revenue Account £'000	Capital Receipts Reserve £'000	Major Repairs Reserve £'000	Bramcote Bereav't Services £'000	Total Usable Reserves £'000	Unusable Reserves £'000	Total Reserves £'000
Balance at 31 March 2023 Carried Forward	(7,658)	(2,830)	(7,617)	0	(290)	(18,395)	(148,202)	(166,597)
Movement in Reserves during 2023/24								
Total Comprehensive Income and Expenditure	30	(6,620)	0	0	51	(6,539)	(29,211)	(35,750)
Adjustments between accounting basis & funding basis under regulations (Note 10)	(1,229)	6,777	1,305	(212)	(15)	6,626	(6,626)	0
(Increase)/decrease in 2023/24	(1,199)	157	1,305	(212)	36	87	(35,837)	(35,750)
Balance at 31 March 2024 Carried Forward	(8,857)	(2,673)	(6,312)	(212)	(254)	(18,308)	(184,039)	(202,347)
Movement in Reserves during 2024/25								
Total Comprehensive Income and Expenditure	(8,407)	8,229	0	0	(246)	(424)	(8,741)	(9,165)
Adjustments between accounting basis & funding basis under regulations (Note 10)	8,659	(7,222)	1,657	(174)	252	3,172	(3,172)	0
(Increase)/decrease in 2024/25	252	1,007	1,657	(174)	6	2,748	(11,913)	(9,165)
Balance at 31 March 2025 Carried Forward	(8,605)	(1,666)	(4,655)	(386)	(248)	(15,560)	(195,952)	(211,512)

BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority. Reserves are reported in two categories, usable and unusable. Usable reserves are those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). Unusable reserves are those that the authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line Adjustments between accounting basis and funding basis under regulations.

31 March 2024 £'000		31 March 2025 £'000	Notes
304,758	Property, Plant & Equipment	326,334	15
522	Heritage Assets	511	16
62	Intangible Assets	744	
5,677	Long Term Investments	5,592	17
59	Long Term Debtors	58	
311,078	Long Term Assets	333,239	
0	Assets Held for Sale	112	
245	Inventories	238	
5,822	Short Term Debtors	7,210	18
8,298	Cash and Cash Equivalents	12,912	19
14,365	Current Assets	20,472	
(8,349)	Short Term Borrowing	(12,192)	17
(7,084)	Short Term Creditors	(8,823)	20
(294)	Provisions	(590)	21
(141)	Revenue Grants Receipts in Advance	0	31
(15,868)	Current Liabilities	(21,605)	
0	Long Term Creditors	(11)	
(1,159)	Provisions	(229)	21
(87,337)	Long Term Borrowing	(98,495)	17
(260)	Net Pension Liability	(233)	37
(18,472)	Capital Grants Receipts in Advance	(21,626)	31
(107,228)	Long Term Liabilities	(120,594)	
202,347	Net Assets	211,512	
(18,308)	Usable Reserves	(15,560)	22
(184,039)	Unusable Reserves	(195,952)	23
(202,347)	Total Reserves	(211,512)	

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (ie borrowing) to the authority.

2023/24 £'000		2024/25 £'000	Notes
6,539	Net surplus or (deficit) on the provision of services	424	
(1,176)	Adjustments to net surplus or deficit for non-cash movements	14,486	24
(4,825)	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	(11,596)	24
538	Net cash flows from operating activities	3,314	
(3,676)	Investing activities	(14,651)	25
4,599	Financing activities	15,951	26
1,461	Net increase or (decrease) in cash and cash equivalents	4,614	
6,837	Cash and cash equivalents at the beginning of the reporting period	8,298	
8,298	Cash and cash equivalents at the end of the reporting period	12,912	19

NOTES TO THE CORE FINANCIAL STATEMENTS

1. 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 local 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.
- The effect of the asset ceiling (limitation of the recognition of a surplus on the pension fund to be recognised to the extent that the organisation can gain economic benefit from that surplus) 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 Instruments**Financial 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 to manage 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 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 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 Governance, Audit and Standards Committee 17 March 2025.
- 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.

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/components are de-recognised when an asset/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.

A provision exists in relation to outstanding insurance claims, based upon information supplied by the Council's insurers. All insurance claims transactions during the course of the year are passed through the provision with the appropriate charge being made against the service lines within the Comprehensive Income and Expenditure Statement.

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.

2. Accounting Standards that have been Issued but not yet Adopted

The 2024/25 Code of Practice requires changes in accounting policy to be applied retrospectively unless alternative transitional arrangements are specified in the Code. The Code also requires the Authority to disclose information relating to the impact of an accounting

change that will be required by a new standard that has been issued but not yet adopted by the Code for the relevant year.

The additional disclosures that may be required in the financial statements in respect of accounting changes that are introduced in the 2025/26 Code of Practice relate to:

- IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability)
- IFRS 17 Insurance Contracts
- IAS 16 Property Plant and Equipment
- IAS 38 Intangible Assets

It is not anticipated that the above amendments will have a material impact on the information provided in the Council's financial statements.

3. Critical Judgements in applying Accounting Policies

In applying the accounting policies set out earlier in this document the authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. No critical judgements have been required for the 2024/25 financial year.

4. Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made by taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Council's Balance Sheet at 31 March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results differ from Assumptions
Expected Credit Losses	It is recognised that a proportion of the Council's short term debt will not be collected. To allow for this a provision for expected credit loss is calculated to ensure the balance shown in the accounts reflect the income likely to be received. The loss is calculated on the basis of the age of the debt and the likelihood of recovery. In addition, significant balances are assessed individually.	The expected credit loss on short term debtors is £1.124m. If collection rates were to deteriorate an increase in the amount of loss would be required. The Council also has an additional £0.245m credit loss in respect of the Council's proportion of the Council Tax and Non Domestic Rates Collection Fund.

Item	Uncertainties	Effect if Actual Results differ from Assumptions
Council House Rent Arrears	At 31 March 2025, council house rent arrears (including former tenants) amounted to £0.358m.	If collection rates were to deteriorate by 10%, this would increase arrears by £36k and further credit loss would need to be provided for within the Housing Revenue Account.
Property, Plant and Equipment	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to some assets.	If the useful life of assets is reduced, depreciation increases and the carrying amount of the assets falls. It is estimated that the annual depreciation charge for Other Land and Buildings would increase by £14,504 for every year that useful lives of these assets were to be reduced.
Pensions Liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.	The effects on the net pensions liability of changes in individual assumptions can be measured. For example, a 0.1% increase in the discount rate assumption and an increase of one year in the mortality age rating assumption would result in a decrease of £1.445m and an increase of £4.175m respectively in the present value of the defined benefit obligation. An increase in the discount rate would, if all other factors remained unchanged, result in a decrease in the present value of the defined benefit obligation.
Appeals on Non Domestic Rates valuations	Businesses are able to challenge valuations involved in setting Business Rates. The current approach is based upon appeals lodged with the Valuation Office. The current provision for appeals is £0.573m.	If the value of successful appeals were to increase by 10% an increase in provision of £0.057m would be required which would be shared with preceptors and the Government. Broxtowe's element would be £0.023m. There is also uncertainty as to how appeals will be managed under 75% business rate retention once introduced.

This list does not include assets and liabilities that are carried at fair value based on a recently observed market price.

5. Material Items of Income and Expense

There are no material items of income or expenditure that have not been disclosed else.

6. Prior Period Adjustment

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made by taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

No prior period adjustments were made for the 2023/24 figures within the statement.

7. Events After the Reporting Period

The draft Statement of Accounts was authorised for issue by the Interim Deputy Chief Executive and Section 151 Officer on 30 June 2025. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing on 31 March 2025, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

For the purposes of consideration, Post Balance Sheet events can occur up to the approval of the Statements on 24 November 2025 by the Governance, Audit and Standards Committee.

8. Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how expenditure is allocated for decision making purposes between the council's committees. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2023/24				2024/25		
Net Expenditure Chargeable to the General Fund and HRA balances £'000	Adjustments between the Funding and Accounting Basis £'000	Net Expenditure in the Comprehensive Income and Expenditure Statement £'000		Net Expenditure Chargeable to the General Fund and HRA balances £'000	Adjustments between the Funding and Accounting Basis £'000	Net Expenditure in the Comprehensive Income and Expenditure Statement £'000
			Corporate Priority			
298	0	298	Housing	4	4	8
69	1,698	1,767	Business Growth	6	1,206	1,212
1,115	963	2,078	Community Safety	891	1,015	1,906
1,678	123	1,801	Health	888	201	1,089
3,754	922	4,676	Environment	3,675	1,231	4,906
953	(1)	952	Revenues, Benefits and Customer Services	1,153	21	1,174
4,660	164	4,824	Resources	5,052	28	5,080
482	203	685	ICT and Business Transformation	529	156	685
(7,560)	(9,241)	(16,801)	Local Authority Housing (HRA)	(6,688)	4,115	(2,573)
5,449	(5,169)	280	Net Cost of Service	5,510	7,977	13,487
(6,455)	(364)	(6,819)	Other Income and Expenditure	(4,245)	(9,666)	(13,911)
(1,006)	(5,533)	(6,539)	Surplus or Deficit	1,265	(1,689)	(424)
10,778			Opening General Fund and HRA balances at 1 April	11,784	The respective increase/decrease on the General Fund and HRA are detailed in the Movement on Reserves Statement on page 32	
1,006			Less/Plus Surplus or (Deficit) on General Fund and HRA Balance in Year	(1,265)		
11,784			Closing General Fund and HRA Balance at 31 March	10,519		

Adjustments between Funding and Accounting Basis

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes £'000	Net change for Pensions Adjustments £'000	Other Statutory Adjustments £'000	Total Adjustments £'000
<u>2024/25</u>				
Housing	0	4	0	4
Business Growth	1,175	31	0	1,206
Community Safety	994	21	0	1,015
Health	196	5	0	201
Environment	1,151	80	0	1,231
Revenues, Benefits & Customer Services	0	21	0	21
Resources	277	(249)	0	28
ICT & Business Transformation	149	7	0	156
Local Authority Housing (HRA)	4,035	80	0	4,115
Net Cost of Services	7,977	0	0	7,977
Other income and expenditure from the Expenditure and Funding Analysis	(8,075)	(442)	(1,149)	(9,666)
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	(98)	(442)	(1,149)	(1,689)
<u>2023/24</u>				
Housing	0	0	0	0
Business Growth	1,699	(1)	0	1,698
Community Safety	964	(1)	0	963
Health	123	0	0	123
Environment	925	(3)	0	922
Revenues, Benefits & Customer Services	0	(1)	0	(1)
Resources	155	9	0	164
ICT & Business Transformation	203	0	0	203
Local Authority Housing (HRA)	(9,238)	(3)	0	(9,241)
Net Cost of Services	(5,169)	0	0	(5,169)
Other income and expenditure from the Expenditure and Funding Analysis	(2,520)	149	2,007	(364)
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	(7,689)	149	2,007	(5,533)

Adjustments for Capital Purposes

Adjustments for capital purposes – this column adds in depreciation and impairment and revaluation gains and losses in the services line, and for:

- Other operating expenditure - adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
- Financing and investment income and expenditure – the statutory charges for capital financing i.e. Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.
- Taxation and non-specific grant income and expenditure – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

Net Change for Pension Adjustments

Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

- For Services this represents the removal of the employer pension contributions made by the Council as allowed by statute and the replacement with current service costs and past service costs.
- For Financing and investment income and expenditure – the net interest on the defined benefit liability is charged to the CIES.

Other Statutory Adjustments

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- For Financing and investment income and expenditure the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts.
- The charge under Taxation and non-specific grant income and expenditure represents the difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.

9. Expenditure and Income Analysed by Nature

The authority's expenditure and income is analysed as follows:

2023/24 £'000		2024/25 £'000
	Expenditure	
17,826	Employee Benefits Expenses	19,165
468	Expenditure on Joint Associates	514
30,900	Other Services Expenses	32,716
(4,956)	Depreciation, Amortisation & Impairment	9,524
3,036	Interest Payments	3,683
985	Precepts and Levies	1,135
0	Payments to Housing Capital Receipts Pool	0
7,233	(Gain)/Loss on the Disposal of Assets	7,198
119	Pensions Interest Cost	(222)
(57)	(Gain)/Loss on Revaluation of Financial Instruments	60
55,554	Total Expenditure	73,773
	Income	
(27,893)	Fees, Charges and Other Service Income	(31,778)
(403)	Income on Joint Associates	(462)
(1,166)	Interest and Investment Income	(1,011)
(12,512)	Income from Council Tax & Non Domestic Rates	(13,922)
(20,119)	Government Grants & Contributions	(26,959)
0	Donated Asset	(65)
(62,093)	Total Income	(74,197)
(6,539)	Surplus or Deficit on Provision of Services	(424)

10. Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the authority in the year, in accordance with proper accounting practice, to the resources that are specified by statutory provisions as being available to the authority to meet future capital and revenue expenditure. The following sets out a description of the reserves that the adjustments are made against:

General Fund Balance

The General Fund is the statutory fund into which all the receipts of the authority are required to be paid and out of which all liabilities of the authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund balance, which is not necessarily in accordance with proper accounting practice. The General Fund balance therefore summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the Council is required to recover) at

the end of the financial year. However, the balance is not available to be applied to funding HRA services.

Housing Revenue Account Balance

The Housing Revenue Account balance reflects the statutory obligation to maintain a revenue account for local authority council housing provision in accordance with Part VI of the Local Government and Housing Act 1989. It contains the balance of income and expenditure as defined by the 1989 Act that is available to fund future expenditure in connection with the Council's landlord function or (where in deficit) that is required to be recovered from tenants in future years.

Capital Receipts Reserve

The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources available to be applied for these purposes at the year end.

Major Repairs Reserve

The Council is required to maintain a Major Repairs Reserve. Depreciation charges made to the HRA are matched with accompanying credits to the Major Repairs Reserve. These are then used to assist in the financing of HRA capital expenditure.

Capital Grants Unapplied

The Capital Grants Unapplied Account (Reserve) holds the grants and contributions received towards capital projects for which the Council has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

Bramcote Bereavement Services

The Bramcote Bereavement Services Account holds a 50% share of the balance relating to the Bramcote Bereavement Services Joint Committee, the other 50% being held by Erewash Borough Council. The Joint Committee is a separate entity but is regarded by the Council as a jointly controlled operation such that a 50% share of the accounts has been incorporated into those of this Council. The balance on the account is 50% of the available resources of the Joint Committee at the financial year end but the use is restricted to that approved by the Joint Committee.

<u>2024/25</u>	Usable Reserves				
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Bramcote Bereavement Services
	£'000	£'000	£'000	£'000	£'000
Adjustments to the Revenue Resources					
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:					
Pension costs (transferred to (or from) the Pensions Reserve)	274	157	0	0	11
Financial Instruments (transferred to the Financial Instruments Adjustment Account)	32	0	0	0	0
Financial Instruments (transferred to the Pooled Fund Adjustment Account)	(60)	0	0	0	0
Council Tax and NDR (transfers to (or from) Collection Fund Adjustment Account)	1,177	0	0	0	0
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	5,563	(14,318)	0	0	227
Total Adjustments to Revenue Resources	6,986	(14,161)	0	0	238
Adjustments between Revenue and Capital Resources					
Transfer of non current asset sale proceeds from revenue to the Capital Receipts Reserve	248	1,455	(1,703)	0	0
Payments to the government housing receipts pool (funded by a transfer from the Capital Receipts Reserve)	0	0	0	0	0
Posting of HRA resources from revenue to the Major Repairs Reserve	0	5,484	0	(5,484)	0
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	1,343	0	0	0	0
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	82	0	0	0	14
Total Adjustments between Revenue and Capital Resources	1,673	6,939	(1,703)	(5,484)	14
Adjustments to Capital Resources					
Use of the Capital Receipts Reserve to finance capital expenditure	0	0	3,360	0	0
Use of the Major Repairs Reserve to finance capital expenditure	0	0	0	5,310	0
Application of capital grants to finance capital expenditure	0	0	0	0	0
Total Adjustments between Revenue and Capital Resources	0	0	3,360	5,310	0
Total Adjustments	8,659	(7,222)	1,657	(174)	252

2023/24	Usable Reserves				
	General Fund Balance	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Bramcote Bereavement Services
	£'000	£'000	£'000	£'000	£'000
Adjustments to the Revenue Resources					
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:					
Pension costs (transferred to (or from) the Pensions Reserve)	(127)	(35)	0	0	13
Financial Instruments (transferred to the Financial Instruments Adjustment Account)	32	0	0	0	0
Financial Instruments (transferred to the Pooled Fund Adjustment Account)	58	0	0	0	0
Council Tax and NDR (transfers to (or from) Collection Fund Adjustment Account)	(2,097)	0	0	0	0
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(377)	726	0	0	(50)
Total Adjustments to Revenue Resources	(2,511)	691	0	0	(37)
Adjustments between Revenue and Capital Resources					
Transfer of non current asset sale proceeds from revenue to the Capital Receipts Reserve	62	1,038	(1,100)	0	0
Payments to the government housing receipts pool (funded by a transfer from the Capital Receipts Reserve)	0	0	0	0	0
Posting of HRA resources from revenue to the Major Repairs Reserve	0	5,048	0	(5,048)	0
Statutory provision for the repayment of debt (transfer from the Capital Adjustment Account)	1,220	0	0	0	0
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	0	0	0	0	22
Total Adjustments between Revenue and Capital Resources	1,282	6,086	(1,100)	(5,048)	22
Adjustments to Capital Resources					
Use of the Capital Receipts Reserve to finance capital expenditure	0	0	2,405	0	0
Use of the Major Repairs Reserve to finance capital expenditure	0	0	0	4,836	0
Application of capital grants to finance capital expenditure	0	0	0	0	0
Total Adjustments between Revenue and Capital Resources	0	0	2,405	4,836	0
Total Adjustments	(1,229)	6,777	1,305	(212)	(15)

11. Movements in Earmarked Reserves

This note sets out the amounts set aside from the General Fund and Housing Revenue Account (HRA) balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund and HRA expenditure.

	Balance at 31 March 2023 £'000	Movement in Year £'000	Balance at 31 March 2024 £'000	Movement in Year £'000	Balance at 31 March 2025 £'000
General Fund:					
Elections Reserve	(231)	179	(52)	(30)	(82)
Homelessness Grant Initiatives	(180)	(125)	(305)	18	(287)
Stapleford Town Fund Reserve	(664)	(418)	(1,082)	0	(1,082)
Leisure Development	0	0	0	(123)	(123)
Collection Fund Equalisation	(66)	(1,214)	(1,280)	1,005	(275)
Shared Prosperity Fund	(174)	174	0	0	0
Unapplied Revenue Grants	0	0	0	(996)	(996)
Other Balances	(58)	(1)	(59)	(144)	(203)
Total	(1,373)	(1,405)	(2,778)	(270)	(3,048)

Apart from a small amount held on a charities account within Other Balances, all of the above reserves shown under the General Fund can be used to fund any General Fund expenditure. The prime intent of each of the reserves is given below:

- Elections Reserve - Yearly amounts are paid into the reserve in order to spread out the high costs of council elections when they occur once every four years. Grant monies received from the government in respect of the Individual Electoral registration initiative are also held in this reserve.
- Homelessness Grant Initiatives - Funding received from the Government to fund initiatives specific to preventing and managing homelessness within the Borough.
- Stapleford Town Fund Reserve – Grant received as part of the Government's Towns Funds scheme. The purpose of which is to regenerate town centres, boost businesses and improve infrastructure.
- Leisure Development – Funding set aside to support future developments in the provision of leisure services.
- Collection Fund Equalisation – Surpluses made within the Collection Fund in previous years has been set aside to offset the deficits anticipated in future years.
- Shared Prosperity Fund (SPF) – Part of the government's levelling up agenda for local investment which includes supporting Local Businesses, Communities and People and Skills.
- Unapplied Revenue Grants – Grants received from the Government which are to be applied to future schemes and initiatives in support of the Council's priorities.

12. Other Operating Expenditure

2023/24 £'000		2024/25 £'000
985	Parish Council Precepts	1,135
0	Payments to the Government Housing Capital Receipts Pool	0
7,233	Gains/losses on the disposal of non-current assets	7,198
8,218	Total	8,333

13. Financing and Investment Income and Expenditure

2023/24 £'000		2024/25 £'000
3,036	Interest payable and similar charges	3,683
119	Net interest on the net defined benefit liability/(asset)	(222)
(1,166)	Interest receivable and similar income	(1,011)
(57)	Gains/losses on revaluation of financial instruments	60
1,932	Total	2,510

14. Taxation and Non Specific Grant Income

2023/24 £'000		2024/25 £'000
(7,307)	Council tax income	(7,716)
(5,205)	Non-Domestic Rates (NDR)	(6,206)
(732)	Lower Tier Services Grant and Services Grant	(875)
(3,725)	Capital grants and contributions	(9,892)
0	Donated Asset	(65)
(16,969)	Total	(24,754)

15. Property, Plant and Equipment

Movements in 2024/25	Council Dwellings £'000	Other Land and Buildings £'000	Vehicles, Plant, Furniture & Equipment £'000	Community Assets £'000	Surplus Assets £'000	Assets Under Construction £'000	Infrastructure Assets £'000	Total Property, Plant & Equipment £'000
Cost or Valuation:								
At 1 April 2024	260,658	35,662	7,789	356	19	3,816	4,985	313,285
Additions	12,288	1,225	797	0	0	13,903	496	28,709
Donations	0	65	0	0	0	0	0	65
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	3,570	(157)	0	0	0	0	0	3,413
Revaluation increases/ (decreases) recognised in the Surplus/Deficit on the Provision of Services	0	(34)	6	0	0	0	0	(28)
Derecognition – Disposals	(8,819)	(70)	(25)	0	0	0	0	(8,914)
Derecognition – Other	0	0	0	0	0	0	0	0
Assets reclassified (to)/from Held for Sale	0	(96)	0	0	(19)	0	0	(115)
Other movements in Cost or Valuation	0	(529)	0	0	0	484	0	(45)
At 31 March 2025	267,697	36,066	8,567	356	0	18,203	5,481	336,370
Accumulated Depreciation and Impairment:								
At 1 April 2024	(82)	(1,653)	(4,917)	(65)	0	0	(1,809)	(8,526)
Depreciation charge	(5,308)	(558)	(987)	0	0	0	(131)	(6,984)
Depreciation written out	5,390	353	0	0	0	0	0	5,743
Derecognition – Disposals	0	12	0	0	0	0	0	12
Impairment losses/(reversals) recognised in the SDoPS	(16)	(312)	0	0	0	0	0	(328)
Assets reclassified (to)/from Held for Sale	0	2	0	0	0	0	0	2
Other movements in Depreciation and Impairment	0	45	0	0	0	0	0	45
At 31 March 2025	(16)	(2,111)	(5,904)	(65)	0	0	(1,940)	(10,036)
Net Book Value:								
At 31 March 2025	267,681	33,955	2,663	291	0	18,203	3,541	326,334
At 31 March 2024	260,576	34,009	2,872	291	19	3,816	3,175	304,758

Movements in 2023/24	Council Dwellings £'000	Other Land and Buildings £'000	Vehicles, Plant, Furniture & Equipment £'000	Community Assets £'000	Surplus Assets £'000	Assets Under Construction £'000	Infrastructure Assets £'000	Total Property, Plant & Equipment £'000
Cost or Valuation:								
At 1 April 2022	224,033	33,983	6,715	312	19	1,824	4,901	271,787
Additions	11,787	679	1,073			2,219	82	15,840
Revaluation increases/ (decreases) recognised in the Revaluation Reserve	23,822	1,667	32	44	0	0	0	25,565
Revaluation increases/ (decreases) recognised in the Surplus/Deficit on the Provision of Services	14,064	0	0	0	0	0	0	14,064
Derecognition – Disposals	(8,300)	0	(32)	0	0	0	0	(8,332)
Derecognition – Other	(14)	(894)	0	0	0	0	0	(908)
Assets reclassified (to)/from Held for Sale	0	0	0	0	0	0	0	0
Other movements in Cost or Valuation	(4,816)	227	0	0	0	(227)	0	(4,816)
At 31 March 2024	260,576	35,662	7,788	356	19	3,816	4,983	313,200
Accumulated Depreciation and Impairment:								
At 1 April 2024	0	(1,484)	(4,010)	(65)	0	0	(1,677)	(7,236)
Depreciation charge	(4,840)	(537)	(906)	0	0	0	(131)	(6,414)
Depreciation written out	0	368	0	0	0	0	0	368
Derecognition – Disposals	0	0	0	0	0	0	0	0
Derecognition – Other	0	0	0	0	0	0	0	0
Assets reclassified (to)/from Held for Sale	0	0	0	0	0	0	0	0
Other movements in Depreciation and Impairment	4,840	0	0	0	0	0	0	4,840
At 31 March 2024	0	(1,653)	(4,916)	(65)	0	0	(1,808)	(8,442)
Net Book Value:								
At 31 March 2024	260,576	34,009	2,872	291	19	3,816	3,175	304,758
At 31 March 2023	224,033	32,499	2,705	247	19	1,824	3,224	264,551

Capital Commitments

As at 31 March 2025, the authority has entered into a number of contracts for the construction or enhancement of Property, Plant & Equipment in 2025/26 and future years budgeted to cost £26.855m. Similar commitments at 31 March 2024 were £18.705m. The major commitments are:

	£'000
Housing Modernisation Programme	7,386
Heating Replacements/Energy Efficiency Works	4,597
Aids and Adaptations	1,155
External Pre-Paint Repairs & Redecoration Programme	1,613
Electrical Periodic Improvement Works	690
Fire Safety Assessment and Remedial Work	6,338
Window and Door Replacement	1,926
External Works- Paths Pavings & Hard Standings	1,230
Structural Remedial Repairs	450
Asbestos Surveys and Remedial Works	1,470

Effects of Changes in Estimates

There have been no changes in estimated asset life or residual asset values in 2024/25 that would have a material effect.

Revaluations and other changes

The authority carries out a rolling programme that ensures that all property, plant and equipment required to be measured at fair value is revalued at least every five years, although material changes to asset valuations will be adjusted as they occur. General Fund properties, with the exception of Beeston Square, and council garages were valued by R. Leggett, Assoc RICS, RICS Registered Valuer (employed by the Council). Beeston Square was valued by external valuers Lambert Hampton Smith. HRA dwellings were valued by external valuers HEB.

Bramcote Quarry was last revalued at 31 March 2004. The site is currently leased to a contractor and should have been returned to the Council. However, the contractor has encountered delays in restoring the site to an acceptable condition and the site has not yet been formally handed back to the Council. The site will be revalued once it has been returned to the Council. The asset is shown in the balance sheet with a value of £0.024m as at 31 March 2024.

The valuation of council dwellings at 31 March 2025 resulted in a net revaluation gain of £8.96m. This was added to the revaluation reserve.

The valuation figures incorporated in the accounts are the aggregate of separate valuations of parts of the portfolio, not a valuation of the portfolio valued as a whole. Valuations of vehicles, plant, furniture and equipment are based on current prices where there is an active second hand market or latest list prices adjusted for the condition of the asset.

The significant assumptions applied in estimating the fair values based upon the type of property are:

- Market Value – Non-operational property (investment, surplus and development property) (where applicable)
- Existing Use Value – Operational non specialised property
- Depreciated Replacement Cost – Operational specialised property
- Existing Use Value (Social Housing) – Council housing stock

	Council Dwellings	Other Land and Buildings	Vehicles, Plant, Furniture & Equipment	Infrastructure Assets	Community Assets	Assets Under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Carried at historical cost	0	1,004	2,663	3,541	247	18,203	25,658
Valued at fair values as at:							
31 March 2025	267,657	13,257	0	0	0	0	280,914
31 March 2024	0	5,117	0	0	44	0	5,161
31 March 2023	0	3,093	0	0	0	0	3,093
31 March 2022	24	10,794	0	0	0	0	10,818
31 March 2021	0	602	0	0	0	0	602
31 March 2020	0	88	0	0	0	0	88
Total Cost or Valuation	267,681	33,955	2,663	3,541	291	18,203	326,334

16. Heritage Assets

DH Lawrence Birthplace Museum

This asset is a Victorian building in Eastwood that was the birthplace of the author DH Lawrence in 1885. The museum allows visitors to learn about his family life and how growing up in a mining community was to shape his future years through the display of furniture and other artefacts including some of DH Lawrence's water colour paintings and personal items. The asset is held for its historical and artistic significance and to promote knowledge and culture.

DH Lawrence Museum Collection

The collection is made up of 129 pieces including art, ornaments, and other objects of artistic, historic, and cultural value.

Painting

The painting by Dr Ala Bashir was donated to the Council free of charge in 2008. In 2022/23 a revaluation was received from the Museums Officer at the D.H Lawrence Museum (employed by the Council). This revaluation is in compliance with the Code which states "Valuations may be made by any method that is appropriate and relevant. There is no requirement for valuations to be carried out or verified by external valuers, nor is there any prescribed minimum period between valuations." as it is deemed that the opinion of an experienced Museums Officer, who has a strong knowledge of this piece and similar pieces, is appropriate and relevant. No depreciation is charged on the painting. There are no specific conditions attached to this donation. This asset has artistic content and could be considered to be making a strong contribution towards knowledge and culture.

17. Financial Instruments

Categories of financial instruments

A financial asset is a right to future economic benefits controlled by the Council. The financial assets held by the Council during the year are accounted for under the following classifications:

- Amortised cost (where cash flows are solely payments of principal and interest and the Council's model is to collect those cash flows) comprising:
 - cash in hand
 - bank current and deposit accounts.
 - trade receivables for goods and services provided.
 - short term investments with other local authorities
- Fair value through profit and loss (all other financial assets) comprising:
 - money market funds managed by Northern Trust International Fund Administration Services, Royal London Investment Management, Federated Investors (UK) LLP and Aberdeen Global Services S.A.
 - property funds managed by CCLA Fund Managers Ltd held as strategic investments.

A financial liability is an obligation to transfer economic benefits controlled by the Council. All of the Council's financial liabilities held during the year are measured at amortised cost and comprised:

- long term loan with Barclays Bank plc
- long term loans from the Public Works Loan Board (PWLB)
- short term loan from Bramcote Crematorium Joint Committee

The following categories of financial instruments are carried in the Balance Sheet:

	Long Term		Current	
	2023/24 £'000	2024/25 £'000	2023/24 £'000	2024/25 £'000
Investments				
Amortised cost	0		2,452	5,597
Fair value through profit or loss	5,677	5,592	5,846	7,315
Total Investments	5,677	5,592	8,298	12,912
Debtors				
Amortised cost	59	58	2,026	2,875
Total included in Debtors	59	58	2,026	2,875
Borrowings				
Amortised cost	(87,337)	(98,495)	(8,349)	(12,192)
Total Borrowings	(87,337)	(98,495)	(8,349)	(12,192)
Creditors				
Amortised cost	0	(11)	(3,330)	(1,948)
Total included in Creditors	0	(11)	(3,330)	(1,948)

Total investments shown in the table above consist of short term investments and cash and cash equivalents as shown in the balance sheet.

Short term debtors as shown on the balance sheet include £4.303m debtors (£3.796m 2023/24) which do not meet the definition of a financial asset as they relate to non-exchange transactions.

Short term creditors as shown on the balance sheet includes £6.891m (£3.754m 2023/24) that does not meet the definition of a financial liability as they relate to non-exchange transactions.

Where loans are advanced at below market rates they are classed as 'soft loans'. The Council had soft loans to employees at less than market rates for the purchase of motor vehicles which totalled £0.061m at 31 March 2025 (£0.061m at 31 March 2024) and which are included under debtors in the table above. 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.

The following table reflects the composition of investments and debt as recorded on the Balance Sheet:

	Long Term		Current	
	2023/24 £'000	2024/25 £'000	2023/24 £'000	2024/25 £'000
Borrowing				
Nominal Amount	(87,065)	(98,110)	(8,344)	(12,154)
Accrued Interest	(272)	(385)	(5)	(38)
Total Borrowings as per Balance Sheet	(87,337)	(98,495)	(8,349)	(12,192)
Investments				
Nominal Amount	5,632	5,553	8,259	12,857
Accrued Interest	45	39	39	55
Total Investments as per Balance Sheet	5,677	5,592	8,298	12,912

The portion of long-term liabilities and investments due to be settled within 12 months of the Balance Sheet date are presented in the Balance Sheet under 'current liabilities' or 'current assets'. Investments placed in accounts "on call" are included within 'cash and cash equivalents' and are reflected in the table above. This also includes accrued interest for long term investments and borrowings as well as accrued interest for cash and cash equivalents. Cash in transit or at bank is included in investments in the tables above. Any bank overdrafts are included within borrowing in the tables above.

Income, Expense, Gains and Losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments consist of the following:

31 March 2024 £'000		31 March 2025 £'000
	Net gains/losses on:	
(57)	Financial assets measured at fair value through profit or loss	60
(57)	Total net gains/losses	60
	Interest and investment income	
(140)	Financial assets measured at amortised cost	0
(981)	Financial assets measured at fair value through profit or loss	(990)
(45)	Other interest received	(21)
(1,166)	Total interest and investment income	(1,011)
	Interest payable	
3,036	Financial liabilities measured at amortised cost	3,683
3,036	Total interest payable	3,683

Financial Instruments - Fair Values

Financial instruments, except those classified at amortised cost, are carried on the balance sheet at fair value. The fair value of a financial instrument is the price that would be received or paid to another market participant in an arm's length transaction. For the Council's

investments in money market funds and other pooled funds the fair value is taken from the market price.

Financial instruments classified at amortised cost are carried in the balance sheet at amortised cost. Their fair values can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- estimated ranges of interest rates at 31 March 2025 of 4.48% to 5.95% for loans from the PWLB and 5.76% for other loans receivable and payable, based on new lending rates for equivalent loans at that date.
- no early repayment or impairment is recognised.
- where an instrument will mature in the next 12 months, the carrying amount is assumed to approximate to fair value.
- the fair value of trade and other receivables is taken to be the invoiced or billed amount.

Fair values are shown in the table below, split by their level in the fair value hierarchy:

- Level 1- fair value is only derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 – fair value is calculated from inputs other than quoted process that are observable for the asset or liability.
- Level 3 – fair value is determined using unobservable inputs.

Fair values of assets:

Balance Sheet 31 Mar 24 £'000	Fair Value 31 Mar 24 £'000		Fair Value Level	Balance Sheet 31 Mar 25 £'000	Fair Value 31 Mar 25 £'000
		Financial assets held at fair value:			
7,846	7,846	Money market funds	1	12,334	12,334
5,677	5,677	Property funds	1	5,592	5,592
		Financial assets held at amortised cost:			
0	0	Loans with other local authorities		0	0
451	451	Bank deposits	2	577	577
60	60	Car loans		61	61
2,026	2,026	Trade Receivables		2,873	2,873
16,060	16,060	Total		21,437	21,437
3,796		Assets for which fair value is not disclosed		4,335	
19,856	16,060	Total Financial Assets		25,772	21,437
		Recorded on balance sheet as:			
5,677		Long term investments		5,592	
59		Long term debtors		58	
0		Short term investments		0	
5,822		Short term debtors		7,210	
8,298		Cash and cash equivalents		12,912	
19,856		Total Financial Assets		25,772	

The fair value of short term financial assets held at amortised cost, including trade receivables, is assumed to approximate to the carrying amount on the balance sheet.

Fair value of liabilities:

Balance Sheet 31 Mar 24 £'000	Fair Value 31 Mar 24 £'000		Fair Value Level	Balance Sheet 31 Mar 25 £'000	Fair Value 31 Mar 25 £'000
		Financial liabilities held at amortised cost:			
(84,318)	(78,137)	Long term loans from PWLB	2	(95,476)	(85,482)
(3,019)	(2,721)	Other long term loans	2	(3,019)	(2,257)
(8,171)	(7,988)	Short term loans from PWLB		(12,003)	(11,892)
(178)	(178)	Other short term loans		(189)	(189)
(3,330)	(3,330)	Short term creditors		(1,932)	(1,948)
0	0	Long term creditors		(11)	(11)
(99,016)	(92,354)	Total		(112,630)	(101,779)
(3,754)		Liabilities for which fair value is not disclosed		(6,891)	
(102,770)	(92,354)	Total Financial Liabilities		(119,521)	(101,779)
		Recorded on balance sheet as:			
(8,349)		Short Term Borrowing		(12,192)	
(7,084)		Short Term Creditors		(8,823)	
0		Long Term Creditors		(11)	
(87,337)		Long Term Borrowing		(98,495)	
(102,770)		Total Financial Liabilities		(119,521)	

The fair value of short term financial liabilities held at amortised cost, including trade payables is assumed to approximate to the carrying amount on the balance sheet.

The fair value of financial liabilities held at amortised cost is lower than their balance sheet carrying amount because the Council's portfolio of loans includes a number of loans where the interest rate payable is lower than the current rates available for similar loans as at the balance sheet date.

18. Debtors

Short-Term Debtors

2023/24 £'000		2024/25 £'000
457	Trade Receivables	723
315	Prepayments	347
4,402	Other Receivable Amounts	5,511
	Local Taxation	
359	Council Tax	373
289	Non Domestic Rates	256
5,822	Total	7,210

Short Term Debtors include expected credit losses totalling £1.369m as at 31 March 2025 (£1.348m as at 31 March 2024). Provisions for rent arrears, housing benefit overpayments and sundry debtors are calculated on an annual basis and take into account existing levels of debt and an assessment of expected recovery rates.

19. Cash and Cash Equivalents

Cash comprises cash on hand and in demand deposits. Cash will also include bank overdrafts that are repayable on demand and that are integral to the authority's cash management. Balances classified as 'Cash Equivalents' fit the definition of being short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2023/24 £'000		2024/25 £'000
1	Cash in hand	0
450	Bank current accounts	577
7,847	Money Market Funds	12,335
8,298	Total	12,912

20. Creditors

Short-Term Creditors

2023/24 £'000 Restated		2024/25 £'000
(3,437)	Trade Payables	(3,366)
(1,953)	Receipts in Advance	(1,862)
(1,694)	Other Payables	(3,595)
(7,084)	Total	(8,823)

21. Provisions

Short-Term Provisions

	Insurance Claims £'000	Housing Disrepair £'000	Total £'000
Balance at 1 April 2024	(294)	0	(294)
Additional provisions made	(638)	(302)	(940)
Amount used	644	0	644
Unused amounts reversed	0	0	0
Balance at 31 March 2025	(288)	(302)	(590)

Long-Term Provisions

Non Domestic Rates Appeals	Total £'000
Balance at 1 April 2024	(1,159)
Additional provisions made	0
Amount used	213
Unused amounts reversed	717
Balance at 31 March 2025	(229)

As part of the National Business Rates Retention scheme, the billing authority (Broxtowe Borough Council) is responsible for refunding business ratepayers who successfully appeal against the rateable value of properties on their rating list. A provision has been made for the possible settlement of refunds, based on consideration of the type and history of appeals awarded in the past and the length of time normally taken for the appeal process. The above represents the Council's share of the provision as the total provision is disaggregated as part of the Collection Fund arrangements.

22. Usable Reserves

Movements in the authority's usable reserves are detailed in the Movement in Reserves Statement, note 10 and note 11.

23. Unusable Reserves

2023/24 £'000		2024/25 £'000
(47,605)	Revaluation Reserve	(56,271)
(138,620)	Capital Adjustment Account	(140,691)
75	Financial Instruments Adjustment Account	43
260	Pensions Reserve	233
1,472	Collection Fund Adjustment Account	295
379	Pooled Investment Funds Adjustment Account	439
(184,039)	Total	(195,952)

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Council arising from increases in the value of its property, plant and equipment (and intangible assets). The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost.
- used in the provision of services and the gains are consumed through depreciation; or
- disposed of and the gains are realised.

The reserve contains only revaluation gains accumulated since 1 April 2007, the date the reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	General Fund £'000	Housing Revenue Account £'000	Bramcote Cremat- orium £'000	Total £'000
Balance at 31 March 2023 Carried Forward	(20,699)	(767)	(921)	(22,387)
Revaluation Gain 2023/24	(3,068)	(23,822)	(17)	(26,907)
Less:				
Impairment Losses 2023/24	1,251	0	0	1,251
Accumulated gains on assets sold or scrapped	32	0	0	32
Excess current value over historic cost depreciation	389	0	17	406
Balance at 31 March 2024 Carried Forward	(22,095)	(24,589)	(921)	(47,605)
Revaluation Gain 2024/25	(1,058)	(8,960)	0	(10,018)
Less:				
Impairment Losses 2024/25	862	0	0	862
Accumulated gains on assets sold or scrapped	58	86	0	144
Excess current value over historic cost depreciation	322	0	24	346
Balance at 31 March 2025 Carried Forward	(21,911)	(33,463)	(897)	(56,271)

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or subsequent costs as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The account is credited with the amounts set aside by the authority as finance for the costs of acquisition, construction and subsequent costs.

The account contains accumulated gains and losses on investment properties and gains recognised on donated assets that have yet to be consumed by the authority.

The account also contains revaluation gains accumulated on property, plant and equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

2023/24 £'000		2024/25 £'000
(129,400)	Balance as at 1 April	(138,620)
	<u>Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement</u>	
6,940	Charges for depreciation and impairment of non-current assets	7,326
(13,974)	Revaluation (gains)/losses on Property, Plant and Equipment	28
98	Amortisation of intangible assets	8
2,029	Revenue expenditure funded from capital under statute	2,225
8,333	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	8,901
0	Donated asset written out on acquisition	(65)
3,426 (438)	Adjusting amounts written out of the Revaluation Reserve	18,423 (491)
2,988	Net written out amount of the cost of non-current assets consumed in the year	17,932
	<u>Capital financing applied in the year:</u>	
(2,405)	Use of the Capital Receipts Reserve to finance new capital expenditure	(3,360)
(4,836)	Use of the Major Repairs Reserve to finance new capital expenditure	(5,310)
(3,725)	Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	(9,893)
(1,220)	Statutory provision for the financing of capital investment charged against the General Fund, Housing Revenue Account and Bramcote Crematorium balances	(1,343)
(22)	Capital expenditure charged against the General Fund, Housing Revenue Account and Bramcote Crematorium balances	(97)
(9,220)		(2,071)
(138,620)	Balance as at 31 March	(140,691)

Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefiting from gains per statutory provisions. The authority uses the account to manage premiums paid on the early redemption of loans. Premiums are debited to the Comprehensive Income and Expenditure Statement when they are incurred but reversed out of the General Fund Balance to the account in the Movement in Reserves Statement. Over time, the expense is posted back to the General Fund Balance in accordance with statutory arrangements for spreading the burden on council tax. In the authority's case, this period is the unexpired term that was outstanding on the loans when they were redeemed. As a result, the balance on the account at 31 March 2025 will be charged to the General Fund over the next 2 years.

	General Fund £'000
Balance at 31 March 2023 Carried Forward	107
Charge to balances in 2023/24	(32)
Balance at 31 March 2024 Carried Forward	75
Charge to balances in 2024/25	(32)
Balance at 31 March 2025 Carried Forward	43

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2023/24 £'000		2024/25 £'000
3,666	Balance as at 1 April	260
(3,555)	Remeasurements of the net defined benefit liability/(asset)	415
2,613	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	2,279
(2,464)	Employer's pensions contributions and direct payments to pensioners payable in the year	(2,721)
260	Balance as at 31 March	233

Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax and non-domestic rates income in the Comprehensive Income and Expenditure Statement as it falls due from council tax payers and business rates payers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

2023/24 £'000		2024/25 £'000
(625)	Balance as at 1 April	1,472
2,097	Amount by which council tax and non-domestic rates income credited to the Comprehensive Income and Expenditure Statement is different from council tax and non-domestic rates income calculated for the year in accordance with statutory	(1,177)
1,472	Balance as at 31 March	295

Pooled Investment Funds Adjustment Account

The Pooled Investment Funds Adjustment Account contains the gains made by the authority arising from increases in the value of its investments that have quoted market prices or otherwise do not have fixed or determinable payments and have been classified as fair value through profit/loss. The balance is reduced when investments with accumulated gains are:

- revalued downwards or impaired and the gains are lost.
- disposed of and the gains are realised.

2023/24 £'000		2024/25 £'000
437	Balance as at 1 April	379
(58)	Changes in Fair Value of long and short term investments	60
379	Balance as at 31 March	439

24. Cash Flow Statement – Operating Activities

The cash flows for operating activities include the following items:

2023/24 £'000		2024/25 £'000
(1,160)	Interest received	(1,017)
2,985	Interest paid	3,519

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

2023/24 £'000		2024/25 £'000
6,423	Depreciation	7,326
(13,457)	Impairment and revaluations	28
98	Amortisation	8
(2,635)	Increase/decrease in creditors	312
(315)	Increase/decrease in debtors	(1,034)
(8)	Increase/decrease in inventories	7
149	Pension liability	(442)
250	Contributions to/from provisions	(634)
8,333	Carrying amount of non current assets sold	8,901
(14)	Other non cash items	14
(1,176)	Total Adjustments	14,486

The surplus or deficit on the provision of services has been adjusted for the following items that are investing or financing activities.

2023/24 £'000		2024/25 £'000
(3,725)	Capital grants credited to surplus or deficit on the provision of services	(9,893)
(1,100)	Proceeds from the sale of property, plant and equipment and intangible assets	(1,703)
(4,825)	Total Operating Activities	(11,596)

25. Cash Flow Statement – Investing Activities

2023/24 £'000		2024/25 £'000
(15,870)	Purchase of property, plant and equipment, investment property and intangible assets	(29,401)
0	Purchase of short-term and long-term investments	0
1,100	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	1,703
11,094	Other receipts from investing activities	13,047
(3,676)	Total Investing Activities	(14,651)

26. Cash Flow Statement - Financing Activities

2023/24 £'000		2024/25 £'000
15,437	Cash receipts of short- and long-term borrowing	23,524
(7,899)	Repayments of short- and long-term borrowing	(8,687)
(2,939)	Other payments for financing activities	1,114
4,599	Total Financing Activities	15,951

27. Reconciliation of Liabilities arising from Financing Activities

2024/25	1 April £'000	Financing Cash Flows £'000	Non Cash Changes		31 March £'000
			Transfers £'000	Other Non Cash Changes £'000	
Long term borrowings	(87,337)	(23,000)	11,965	(123)	(98,495)
Short term borrowings	(8,349)	8,163	(11,965)	(41)	(12,192)
Lease liabilities	0	0	0	0	0
Total liabilities from financing activities	(95,686)	(14,837)	0	(164)	(110,687)

2023/24	1 April £'000	Financing Cash Flows £'000	Non Cash Changes		31 March £'000
			Transfers £'000	Other Non Cash Changes £'000	
Long term borrowings	(80,441)	(15,000)	8,166	(62)	(87,337)
Short term borrowings	(7,656)	7,462	(8,166)	11	(8,349)
Lease liabilities	0	0	0	0	0
Total liabilities from financing activities	(88,097)	(7,538)	0	(51)	(95,686)

28. Members Allowances

The Council paid the following amounts to members of the Council during the year:

2023/24 £'000		2024/25 £'000
298	Salaries (including national insurance)	303
21	Allowances	21
2	Expenses	2
321	Total Members Allowances	326

29. Officers Remuneration

The remuneration paid to those responsible for the management of the authority are as follows:

Post Title	Salary (Including Fees and Allowances)	Benefit in Kind	Total Remuneration excluding pension contributions	Pension Contributions	Total Remuneration including Pension Contributions 2024/25	Total Remuneration including Pension Contributions 2023/24
	£	£	£	£	£	£
Chief Executive	126,226	0	126,226	25,907	152,133	147,592
Deputy Chief Executive (s151 Officer)	106,519	0	106,519	20,239	126,758	123,666
Executive Director	111,203	0	111,203	20,225	131,428	125,021
Monitoring Officer	91,213	0	91,213	17,330	108,543	93,364

The authority's other employees receiving more than £50,000 remuneration for the year (excluding employer pension contributions) were paid the following amounts:

	Number of employees	
	2023/24	2024/25
£50,000 - £54,999	7	7
£55,000 - £59,999	2	1
£60,000 - £64,999	1	5
£65,000 - £69,999	3	4
£80,000 - £84,999	0	1

The numbers of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

Exit packages cost band	Number of compulsory		Number of other departures		Total number of exit packages		Total cost of exit packages	
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25
£0 - £15,000	0	0	1	1	1	1	9,500	10,823
Total	0	0	1	1	1	1	9,500	10,823

The exit packages for 2024/25 were in respect of employees based in the Chief Executive's Department. No other benefits were paid to an employee as a result of a decision to terminate their employment.

30. External Audit Costs

During 2024/25 the Authority has incurred costs of £0.159m in relation to the audit of the Statement of Accounts (£0.145m in 2023/24). In addition, audit fees of £44,209 were paid which related to work undertaken in prior financial years.

31. Grant Income

The Council credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement:

2023/24 £'000		2024/25 £'000
	Credited to Taxation and Non Specific Grant Income	
(2,871)	Non Domestic Rates	(2,957)
(121)	Revenue Support Grant	(129)
(362)	Funding Guarantee	(471)
(132)	New Homes Bonus Grant	(255)
(117)	Services Grant	(20)
(65)	Developer Contributions	(594)
0	Bramcote Crematorium	(289)
(958)	Disabled Facilities Grants	(978)
(10)	Notts PCC - Wireless Network Project	0
(68)	Shared Prosperity Fund (Capital)	(749)
(1,307)	Stapleford Towns Fund	(2,817)
(378)	Homes England	(898)
(3)	Devolution Grant	(114)
(50)	Social Housing Decarbonisation Fund	(689)
(886)	Levelling Up (Kimberley) Funding	(2,586)
0	Elections	(124)
0	Food Waste Collection	(19)
0	Safer Streets	(34)
0	Local Authority Housing Fund	(2)
(7,328)	Total	(13,725)
	Credited to Services	
(154)	Crime Reduction	(99)
(325)	Homelessness Prevention	(563)
(13,607)	Housing and Council Tax Benefits	(13,533)
(212)	Council Tax and Non-Domestic Rates Administration	(208)
(540)	Shared Prosperity Funding	(821)
(449)	Stapleford Towns Fund (Revenue)	0
(76)	Levelling Up Fund (Revenue)	0
0	Food Waste Collection	(217)
0	Green Belt Review	(70)
(299)	Other Grants	(681)
(15,662)	Total	(16,192)

The Council has received a number of grants, contributions and donations that have yet to be recognised as income as they have conditions attached to them that may require the monies or property to be returned to the giver. The balances at the year-end are as follows:

2023/24 £'000	Revenue Grants Receipts in Advance	2024/25 £'000
(141)	Small Business covid grant	0
(141)	Total	0

2023/24 £'000	Capital Grants Receipts in Advance	2024/25 £'000
(636)	Developer Contributions – Open Spaces	(652)
(150)	Developer Contributions – Transport Measures	(160)
(3,152)	Developer Contributions - Affordable Housing	(3,270)
(5)	Developer Contributions – Education	0
(100)	Developer Contributions – Health	(223)
(2)	Environment Agency – Erewash Valley Trail	(2)
(67)	Growth Point	(67)
(3)	Park Improvements	(3)
(59)	Other	(48)
(838)	Disabled Facilities Grants	(967)
(4,249)	Levelling Up Fund	(6,642)
(7,698)	Stapleford Town Fund	(7,570)
(54)	FCC Communities Foundation	(54)
(40)	CCTV Camera Upgrade	(40)
(32)	Shared Prosperity Fund	(83)
(73)	FCC Dovecote Park	(73)
(701)	Nottingham City - LAD2 Funding	(701)
(114)	Devolution	0
0	EV Grant	(16)
0	Food Waste	(1,055)
(499)	Social Housing Decarbonisation Fund	0
(18,472)	Total	(21,626)

32. Related Parties

The Council is required to disclose material transactions with related parties. These are bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows users of the accounts to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council to be assessed.

Central Government

Central government has significant influence over the general operations of the Council. It is responsible for providing the statutory framework within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the

transactions that the Council has with other parties (e.g. council tax bills, housing benefits). Grant receipts outstanding at 31 March 2025 are shown in note 31.

The Council makes and receives payments to and from HMRC in respect of employer taxes and VAT.

Members

Members of the Council have direct control over the Council's financial and operating policies and receive an approved allowance for their work. The total of members allowances paid in 2024/25 is shown in note 28. During 2024/25 the Council maintained a register of members' interests together with a record of interests declared at committee and Council meetings. In addition, a specific declaration of any transactions with related parties was required. These records have been reviewed and material transactions with organisations referred to in these records were as follows:

- Payment of £0.208m to Citizens Advice Broxtowe
- Payment of £0.173m to Kimberley Institute Cricket Club

Where grants were given, they were made with proper consideration of declarations of interest and the relevant Members did not take part in any discussion or decision relating to the grants.

The Register of Members' Interests shows potential financial and other interests, including involvement with voluntary organisations, public authorities and representation on various bodies. A copy of the register of Members' Interests is available on the Council's website and further information can be obtained from Member Services via committees@broxtowe.gov.uk or telephone 0115 917 7777.

Officers

Employer's pension contributions are paid into the Local Government Pension Scheme that is administered locally by Nottinghamshire County Council. Further details can be found in note 36. As stated in note 17, the Council provides subsidised car loans to officers that meet certain eligibility criteria.

Officers of the Council may have positions on the board or operational committee of external companies and organisation which have been declared as related party transactions. These records have been reviewed and there were no material transactions with organisations referred to in these records.

Liberty Leisure Ltd

Liberty Leisure Limited is the wholly owned leisure services company of Broxtowe Borough Council, incorporated on 1 October 2016. The Company is overseen by a Board of Directors which consists of three Broxtowe Borough Council elected Members, two Council officers, one local businessperson (currently vacant) and the Business Director of the company. During the year Liberty Leisure Ltd paid £0.22m to the Council in respect of administration costs and owed them £0.002m at 31 March 2025. The Council paid £0.246m management

fees to Liberty Leisure Ltd during the year. The consolidated group accounts which include the accounts of Liberty Leisure Ltd are included in this statement on page 113.

Other Public Bodies

The most significant related party transactions with other public bodies are disclosed elsewhere in the Statement of Accounts, as follows:

- Precepts from other local authorities – Collection Fund Accounts
- Partners in capital projects (contributions) - Notes 31 and 33 to the accounts

33. Capital Expenditure and Capital Financing

The total amount of capital expenditure incurred in the year is shown in the table below together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed. The CFR is analysed in the second part of this note.

2023/24 £'000		2024/25 £'000
113,426	Opening Capital Financing Requirement	119,117
	<u>Capital Investment</u>	
15,848	Property, Plant and Equipment	28,709
0	Investment Properties	0
0	Intangible Assets	690
2,029	Revenue Expenditure Funded from Capital under Statute	2,225
	<u>Sources of Finance</u>	
(2,405)	Capital Receipts	(3,361)
(3,725)	Government Grants and Other Contributions	(9,893)
0	Direct Revenue Contributions	(96)
(4,836)	Major Repairs Reserve	(5,310)
(1,220)	Minimum Revenue Provision	(1,343)
119,117	Closing Capital Financing Requirement	130,738
	<u>Explanation of Movements in Year</u>	
0	Increase in underlying need to borrow (supported by government financial assistance)	0
5,691	Increase in Underlying need to borrowing (unsupported by government financial assistance)	11,621
5,691	Increase/(decrease) in Capital Financing Requirement	11,621

34. Leases

Change in Accounting Policy and Transition to IFRS 16 Lease Accounting

In 2024/25 the Council adopted IFRS 16 Leases in accordance with the Code of Practice for Local Authority Accounting in the United Kingdom. The main impact of the new requirements is that for arrangements previously accounted for as operating leases (ie without recognising the leased property as an asset and future rents as a liability) a right of use asset and a lease liability are to be brought into the balance sheet at 1 April 2024. Leases for items of low value and leases that expire on or before 31 March 2025 are exempt from the new arrangements.

IFRS 16 has been applied retrospectively but with the cumulative effect recognised at 1 April 2024. This means that right of use assets and lease liabilities have been calculated as if IFRS 16 had always applied but recognised in 2024/25 and not by adjusting prior year figures. However, some practical expedients have been applied as required or permitted by the Code:

- No liability has been added to the balance sheet. This is because all leases where the Council is Lessee are nil or peppercorn leases and therefore no liability is created.
- As above, all leases where the Council is lessee are nil/Peppercorn leases and therefore all Right of use assets have been recognised as Donated assets at Fair Value as per The Code.

This has resulted in the following additions to the balance sheet:

- £65,000 Property, plant and equipment – land and buildings (right of use assets)

Authority as Lessee

Right-of-use assets

This table shows the change in the value of right-of-use assets held under leases by the authority:

	Land and Buildings £'000
Balance at 1 April	42
Additions	65
Revaluations	0
Depreciation and amortisation	0
Disposals	0
Balance at 31 March	107

Transactions under leases

The authority incurred no expenses and cash flows in relation to leases during 2024/25.

Authority as Lessor

Finance Leases

No leases were granted under finance leases in 2023/24 or 2024/25 and the Council held no finance leases as at 31 March 2025.

Operating Leases

The Council has granted leases in respect of a range of industrial and office units, shops and land. All are accounted for as operating leases, and all the leases where the Council is the lessor are land and buildings. The Council does not currently lease vehicle, plant or equipment.

The future minimum lease payments receivable in future years are:

31 March 2024 £'000		31 March 2025 £'000
878	Not later than one year	858
2,708	Later than one year but not later than five years	2,872
7,599	Later than five years	7,868
11,185	Total	11,598

Transactions under leases

Total lease income on operating leases held as a lessor during the year was £1.318m (£1.27m in 2023/24)

35. Impairment Losses

The Valuers valuation of a number of General Fund property assets in line with the rolling 5 year asset valuation programme resulted in upward valuations totalling £0.711m and downward valuations totalling £0.896m. The total of these was charged to the Revaluation Reserve, except for a loss of 0.034m where there was no balance to offset the loss of the Revaluation Reserve and the loss was therefore charged to the Capital adjustment Account and the CIES.

36. Defined Benefit Pension Schemes**Participation in Pension Schemes**

As part of the terms and conditions of its employees, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Council has a commitment to make the payments and disclose them at the time that employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme, administered locally by Nottinghamshire County Council. This is a funded defined benefit final salary scheme, meaning that both the Council and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

Arrangements for the award of discretionary post-retirement benefits upon early retirement is an unfunded defined benefit arrangement under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities and cash has to be generated to meet actual pension payments as they fall due.

The Local Government Pension Scheme in Nottinghamshire is operated under a regulatory framework and the governance of the scheme is the responsibility of the Pension Fund Committee at Nottinghamshire County Council. Policy is determined in accordance with the Pensions Fund Regulations.

The principal risks to this Council of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund and Housing Revenue Account the amounts required by statute as described in the accounting policies in note 1.

Transactions Relating to Post-Employment Benefits

The cost of retirement benefits is recognised in the reported cost of services within the Comprehensive Income and Expenditure Statement when they are earned by employees rather than when the benefits are eventually paid as pensions. However, the charge that is required to be made against council tax and housing rents is based on the cash payable during the year and therefore the real cost of retirement benefits is reversed out of the General Fund and Housing Revenue Account in the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the Movement in Reserves Statement:

2023/24 £'000		2024/25 £'000
	Comprehensive Income and Expenditure Statement	
	Cost of Services:	
	<u>Service Cost comprising:</u>	
2,438	Service Cost	2,438
57	Administration Expenses	63
	<u>Financing and Investment Income and Expenditure:</u>	
118	Net Interest Expense	(223)
2,613	Total Post Employment Benefits Charged to the Surplus or Deficit on the Provision of Services	2,278
	Other Post Employment Benefits Charged to the Comprehensive Income and Expenditure Statement	
	<u>Remeasurement of the Net Defined Benefit Liability comprising:</u>	
4,207	Return on plan assets (excluding the amount included in the net interest expense)	(1,614)
0	Other actuarial gain/(losses) on assets	0
1,881	Changes in financial assumptions	15,644
1,698	Change in demographic assumptions	321
(659)	Experience loss/(gain) on defined benefit obligation	(54)
(3,572)	Changes in effect of asset ceiling	(14,712)
6,168	Total Post Employment Benefits Charged to the Comprehensive Income and Expenditure Statement	1,863
	Movement in Reserves Statement	
(2,613)	Reversal of net charges made to the Surplus or Deficit for the Provision of Services for Post Employment Benefits in accordance with the Code	(2,278)
	Actual amount charged against the General Fund Balance for pensions in the year	
2,464	Employers' contributions payable to the scheme	2,721

Pension Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Council's obligation in respect of its defined benefit plans is as follows:

2023/24 £'000		2024/25 £'000
120,152	Present Value of the Defined Benefit Obligation	108,190
(123,660)	Fair Value of Plan Assets	(126,594)
(3,508)	Sub-Total	(18,404)
196	Other Movements in the Liability (Asset)	171
3,572	Impact of Asset Ceiling	18,466
260	Net Liability Arising From Defined Benefit Obligation	233

Reconciliation of the Movement in the Fair Value of Scheme Assets

Opening and closing balances of the fair value of the scheme assets are reconciled as:

2023/24 £'000		2024/25 £'000
115,925	Opening Fair Value of Scheme Assets	123,660
5,519	Interest Income	6,257
	<u>Remeasurement gain/(loss):</u>	
4,207	The return on plan assets (excluding the amount included in the net interest expense)	(1,614)
0	Other actuarial gains/(losses)	0
2,464	Contributions from employer	2,721
817	Contributions from employees into the scheme	897
(5,215)	Estimated Benefits Paid (plus unfunded net of transfers in)	(5,264)
(57)	Administration expenses	(63)
123,660	Closing Fair Value of Scheme Assets	126,594

Reconciliation of Present Value of the Scheme Liabilities (Defined Benefit Obligation)

Opening and closing balances of the fair value of the scheme liabilities are reconciled as:

2023/24 £'000		2024/25 £'000
119,591	Opening Balance at 1 April	120,348
2,438	Current Service Cost	2,393
5,637	Interest Cost	5,853
817	Contribution from Scheme Participants	897
(1,881)	Change in Financial Assumptions	(15,644)
(1,698)	Change in demographic assumptions	(321)
659	Experience loss/(gain) on defined benefit obligation	54
0	Liabilities assumed/(extinguished) on settlements	0
0	Past Service Cost (including curtailments)	45
(5,197)	Benefits Paid (net of transfers in)	(5,245)
(18)	Unfunded Pension Payments	(19)
120,348	Closing Balance at 31 March	108,361

Local Government Pension Scheme Assets

The fair value of the Local Government Pension Scheme assets was:

2023/24 £'000		2024/25 £'000
7,445	Cash and Cash Equivalents	6,894
85,033	Equity Instruments	78,789
2,962	Gilts	10,513
6,135	Other Bonds	8,144
13,145	Property	12,977
8,940	Infrastructure	9,277
123,660	Total Assets	126,594

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about factors such as mortality rates and salary levels. The Nottinghamshire County Council Pension Fund liabilities have been assessed by Barnett Waddingham, an independent firm of actuaries, with estimates based on the latest full valuation of the scheme as at 31 March 2022.

The principal assumptions used by the actuary have been:

2023/24 %		2024/25 %
	<u>Mortality Assumptions:</u>	
	Longevity at 65 for current pensioners:	
20.4	- Men	20.4
23.3	- Women	23.3
	Longevity at 65 for future pensioners:	
21.7	- Men	21.7
24.7	- Women	24.7
	<u>Financial Assumptions:</u>	
3.25	Rate of Inflation	3.20
3.90	Rate of Increase in Salaries	3.90
2.90	Rate of Increase in Pensions	2.90
4.90	Rate for Discounting Scheme Liabilities	5.80

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme i.e. on an actuarial

basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

The impact on the defined benefit obligation in the scheme of changes in assumptions is as follows:

	Increase in Assumption £'000	Decrease in Assumption £'000
Longevity (increase or decrease in 1 year)	4,208	(4,023)
Rate of increase in salaries (increase or decrease by 0.1%)	83	(83)
Rate of increase in pensions (increase or decrease by 0.1%)	1,451	(1,418)
Rate for discounting scheme liabilities (increase or decrease by 0.1%)	(1,459)	1,492

Impact on the Council's Cash Flows

The Council anticipates paying contributions of £2.736m to the scheme in 2024/25.

The weighted average duration of the defined benefit obligation for scheme members is 14 years in 2024/25 (16 years for 2023/24).

Virgin Media Legal Case

The Government Actuaries Department is reviewing historic amendments to the LGPS following a court case in June 2023 and a Court of Appeal ruling in July 2024 which 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 view of HM Treasury is that the relevant amendments in the LGPS would have to be made by legislation and, therefore, would remain valid until revoked or repealed by subsequent legislation or declared void by a court. On 5 June 2025 the DWP announced plans to introduce legislation to address issues arising from the case. At this point in time there is insufficient information to assess the potential impact so it no disclosure or provision has been included in the accounts.

37. Contingent Liabilities

The Council had two material contingent liabilities as at 31 March 2025:

- A claim for unfair dismissal by a former employee has been received by the Council. This is an employment claim where ACAS proceedings have commenced. The claim is for two years pay plus enhanced pension to retirement age. A decision was made to not engage with conciliation. The conciliation certificate was issued in February 2025. No claim has yet been received from the Employment Appeals Tribunal.
- The Council has two planning appeals pending in respect of addresses at Attenborough and Stapleford. The potential value of these claims in terms of any third-party costs is not known at this stage. This will depend upon the outcome of the appeal and a cost award being made against the Council.

38. Contingent Assets

The Council had two contingent assets as at 31 March 2025:

- The Council is party to a legal claim by the Local Government Association on behalf of a group of 138 local councils and fire and rescue authorities, for damages and/or other relief in respect of loss and damage suffered as a result of inflated pricing for medium and heavy trucks between 1997 and 2011. As purchasers of refuse collection vehicles, the Council is part of the claim for overcharging due to prices which were inflated compared to what they otherwise would have been. This is a protracted legal claim with many claimants which is likely to continue for a further two years. In terms of evidence, the Tribunal wanted the parties to produce positive cases by October 2024, led by an economic expert on each issue. Due to the large amount of work to be undertaken by the parties' experts, the deadline for positive cases has been extended to May 2025, with negative cases due December 2025. The timetable for the expected three-month trial has been pushed back to September 2026.
- In 2011/12, Nottingham City Council used an Act of Parliament to compulsorily acquire or temporarily use 127 plots of Broxtowe Borough Council land to construct and operate the tram extension from Nottingham Station to Toton Lane. The most significant land take was at Beeston Square but other land was also taken including car parks, retirement living schemes and public open spaces. Broxtowe and its advisors have been in ongoing discussion with the City Council regarding an appropriate level of compensation for the use of Broxtowe land. Total compensation received up to 31 March 2025 amounted to £3.9m. The matter is nearing resolution and a final sum of £100k is still considered to be due. Nottingham City Council has confirmed it will pay on completion of the outstanding land transfers, with an anticipated completion in October 2025.

39. Nature and Extent of Risks Arising from Financial Instruments

The Council's activities expose it to a variety of financial risks. The most significant of these risks are:

- Credit risk - the possibility that the counterparty might fail to pay amounts due to the Council. Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers.
- Liquidity risk - the possibility that the Council might not have funds available to meet its commitments to make payments.
- Market risk - the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates and stock market movements.

The Council's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by a central treasury team, under policies approved by the Council in the annual Treasury Management Strategy. The Council provides written principles for overall risk management, as well as written policies covering specific areas such as interest rate risk, credit risk and the investment of surplus cash. The

Council complies with CIPFA's Code of Practice on Treasury Management and Prudential Code for Capital Finance in Local Authorities.

Credit Risk: Treasury Investments

The risk is minimised through the annual Investment Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum long-term ratings of BBB+ (or equivalent) set by the three main credit rating agencies. The annual Investment Strategy also permits maximum sums to be invested with financial institutions located within each category.

The table below summarises the credit risk exposure of the Council's treasury investment portfolio by credit rating and remaining time to maturity:

31 March 2024		Credit Rating	31 March 2025	
Long Term £'000	Short Term £'000		Long Term £'000	Short Term £'000
0	0	AAA	0	0
0	0	AA+	0	0
0	0	AA	0	0
0	0	AA-	0	5,000
0	0	A+	0	5,458
0	5,826	A	0	0
0	0	A-	0	0
0	0	BBB+	0	0
0	0	Unrated local authorities	0	0
0	5,826	Total	0	10,458
6,000	2,000	Credit risk not applicable	6,000	2,000
6,000	7,826	Total Investments	6,000	12,458

Credit risk is not applicable to pooled funds where the Council has no contractual right to receive any sum of money.

Loss allowances on treasury investments have been calculated by reference to historic default data published by credit rating agencies multiplied by 52% to adjust for current and forecast economic conditions. A two-year delay in cash flows is assumed to arise in the event of default. Investments are determined to have suffered a significant increase in credit risk where they have been downgraded by three or more credit rating notches or equivalent since initial recognition unless they can retain an investment grade credit rating. They are determined to be credit impaired when awarded a "D" credit rating or equivalent. At 31 March 2025 there were no loss allowances related to treasury investments.

Credit Risk: Trade and Lease Receivables

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the Council.

The Council does not generally allow credit for customers. The past due but not impaired amount for the Council's major customers covered by sundry debts and housing rents can be analysed by age as follows:

2023/24 £'000		2024/25 £'000
811	Up to 6 months	542
170	Above 6 months and up to 12 months	351
146	Above 12 months and up to 24 months	221
91	Above 24 months and up to 36 months	107
110	Over 36 months	181
1,328	Total	1,402

Loss allowances on trade and lease receivables have been calculated by reference to the Council's historic experience of default. Receivables are written off to the Surplus or Deficit on the Provision of Services when they are two years past due.

A loss allowance of £0.701m has been made for gross trade receivables of £1.402m.

Liquidity Risk

The Council has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. If unexpected movements happen, the Council has ready access to borrowings from the money markets and the Public Works Loan Board. There is no significant risk that the Council will be unable to raise finance to meet its commitments under financial instruments. Instead, the risk is that the Council will be bound to replenish a significant proportion of its borrowings at a time of unfavourable interest rates. The Council sets limits on the proportion of its fixed rate borrowing during specific periods.

The Council's strategy is to ensure that no more than 50% of the total loans are due to mature in under 12 months. This is achieved through a combination of careful planning of new loans taken out and making early repayments. The Council would only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme or to finance future debt maturities.

The Council has adopted a measure to manage its exposure to liquidity risk by monitoring the amount of liquid financial assets that can be withdrawn or sold at short notice if required to meet cash outflows on financial liabilities. This is set at £10.0m within a rolling three-month period.

The maturity analysis of the nominal value of the Council's debt at 31 March 2025 (including temporary borrowing on behalf of Bramcote Crematorium) was as follows:

31 March 2024			31 March 2025	
£'000	% of total debt portfolio		£'000	% of total debt portfolio
8,507	9	Short Term Borrowing Less than 1 year	9,279	8
		Long Term Borrowing		
8,900	9	Over 1 but not over 2	7,900	7
24,400	26	Over 2 but not over 5	28,200	26
43,780	46	Over 5 but not over 10	56,922	51
2,000	2	Over 10 but not over 15	0	0
0	0	Over 15 but not over 20	0	0
0	0	Over 20 but not over 25	0	0
5,000	5	Over 25 but not over 30	5,000	5
0	0	Over 30 but not over 35	0	0
0	0	Over 35 but not over 40	0	0
0	0	Over 40 but not over 45	0	0
3,000	3	Over 45	3,000	3
87,080	91	Total Long Term Borrowing	101,022	92
95,587	100	Total Borrowing	110,301	100

The source of the Council's loan liabilities and the associated sums are as follows:

2023/24 £'000		2024/25 £'000
92,230	Public Works Loans Board	106,922
3,000	Barclays Bank Plc	3,000
0	Other Local Authorities	0
357	Temporary Borrowing (Bramcote Crematorium)	379
95,587	Total	110,301

All trade and other payables are due to be paid in less than one year.

Market Risk

(i) Interest Rate Risk

The Council is exposed to risks in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the Surplus or Deficit on the Provision of Services will rise.
- borrowings at fixed rates – the fair value of the liabilities will fall.
- investments at variable rates – the interest income credited to the Surplus or Deficit on the Provision of Services will rise.
- investments at fixed rates – the fair value of the assets will fall.

Investments measured at amortised cost and loans borrowed are not carried at fair value, so changes in their fair value will have no impact on the Comprehensive Income and Expenditure Statement. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance. Movements in the fair value of fixed rate investments measured at fair value will be reflected in Other Comprehensive Income and Expenditure or the Surplus or Deficit on the Provision of Services as appropriate.

The Council has strategies in place for managing interest rate risk and refinancing risks. The Treasury Management Strategy includes an indicator which is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise/fall in interest rates is £1.0m. In addition, 100% of the Council's long-term debt portfolio was held in fixed rate instruments and 0% in variable rate instruments as at 31 March 2025.

During periods of falling interest rates, and where economic circumstances make it favourable, the early repayment of fixed rate loans will be considered in order to limit exposure to losses. The risk of loss is ameliorated by the fact that a proportion of government grant payable on financing costs will normally move with prevailing interest rates or the Council's cost of borrowing and provide compensation for a proportion of any higher costs.

The treasury management team has an active strategy for assessing interest rate exposure that feeds into the setting of the annual budget and which is used to update the budget during the year. This allows any adverse changes to be accommodated and is also used to advise whether any new borrowing taken out is on a fixed or variable basis.

Investments are also subject to movements in interest rates. As investments are made at fixed rates, but for shorter periods of time than borrowings, there is greater exposure to interest rate movements. This risk has to be balanced against actions taken to mitigate credit risk.

If all interest rates had been 1% higher (with all other variables held constant) the financial effect would be:

2023/24 £'000		2024/25 £'000
0	Increase in interest receivable on variable rate investments	0
159	Decrease in fair value of investments held at FVPL	22
159	Impact on Surplus or Deficit on the Provision of Services	22
0	Decrease in fair value of loans and investments at amortised cost	0
4,672	Decrease in fair value of fixed rate borrowing	4,324

The approximate impact of a 1% fall in interest rates would be as above but with the movements being reversed.

(ii) Price Risk

The market prices of the Council's units in pooled funds are governed by prevailing interest rates. The price risk associated with these instruments is managed alongside interest rate risk.

The Council's investment in a pooled property fund is subject to the risk of falling commercial property prices. This risk is limited by the Council's maximum exposure to property investments of £5m. A 5% fall in commercial property prices to 31 March 2025 would result in a £0.09m (£0.089m at 31 March 2024) charge to the Surplus or Deficit on Provision of Services which would then be transferred to the Pooled Investment Funds Adjustment Account.

The Council's investment in pooled equity funds is subject to the risk of falling share prices. This risk is limited by the Council's maximum exposure to equity investments of £5m. A 5% fall in share prices at 31 March 2025 would result in a £0.043m (£0.05m at 31 March 2024) charge to the Surplus or Deficit on Provision of Services which would then be transferred to the Pooled Investment Funds Adjustment Account.

HOUSING REVENUE ACCOUNT

HOUSING REVENUE ACCOUNT INCOME AND EXPENDITURE STATEMENT

The HRA Income and Expenditure Statement shows the economic cost in the year of providing housing services in accordance with generally accepted practices, rather than the amount to be funded from rents and government grants. Authorities charge rents to cover expenditure in accordance with regulations; this may be different from the accounting cost. The increase or decrease in the year, on the basis of which rents are raised, is shown in the Movement on the HRA Statement.

2023/24 £'000		2024/25 £'000
4,962	Repairs and Maintenance	6,442
5,859	Supervision and Management	6,072
81	Rents, Rates, Taxes and Other Charges	117
(9,025)	Depreciation, Impairment and Revaluation Losses of Non Current Assets	5,499
(14)	Movement in Allowance for Bad Debts	8
1,863	Total Expenditure	18,138
	Income	
(17,179)	Dwelling Rents (gross)	(19,062)
(280)	Non-Dwellings Rents (gross)	(222)
(468)	Charges for Services and Facilities	(616)
(737)	Contribution towards Expenditure	(811)
(18,664)	Total Income	(20,711)
(16,801)	Net expenditure or income of HRA services as included in the Comprehensive Income and Expenditure Statement	(2,573)
474	HRA services' share of Corporate and Democratic Core	536
(16,327)	Net Income for HRA Services	(2,037)
	HRA share of the operating income and expenditure included in the Comprehensive Income and Expenditure Statement	
7,263	(Gain)/Loss on sale of HRA non current assets	7,363
2,805	Interest Payable and Similar Charges	3,293
(391)	Interest and Investment Income	(333)
30	Net interest on the net defined benefit liability	(57)
(6,620)	(Surplus)/Deficit for the year on HRA Services	8,229

MOVEMENT ON THE HOUSING REVENUE ACCOUNT STATEMENT

The overall objectives for the Movement on the HRA Statement and the general principles for its construction are the same as those generally for the Movement in Reserves Statement into which it is consolidated. The statement takes the outturn on the HRA Income and Expenditure Statement and reconciles it to the surplus or deficit for the year on the HRA balance, calculated in accordance with the requirements of the Local Government and Housing Act 1989.

2023/24 £'000 Updated		2024/25 £'000
(2,830)	HRA Balance brought forward	(2,673)
(6,620)	(Surplus)/Deficit on the HRA Income and Expenditure Statement	8,229
	<u>Adjustments between Accounting Basis and Funding Basis under Regulations:</u>	
	<u>Adjustments to the Revenue Resources</u>	
(35)	HRA share of contributions to or from the Pension Reserve	157
726	Transfers to/(from) the Capital Adjustment Account	(14,318)
	<u>Adjustments between Revenue and Capital Resources</u>	
1,038	Transfer of non current asset sale proceeds to Capital Receipts Reserve	1,456
5,048	Transfer of resource to Major Repairs Reserve	5,483
0	Capital expenditure charged against HRA balance	0
6,777	Total Adjustments between Accounting Basis and Funding Basis under Regulations	(7,222)
157	(Increase)/Decrease in year in the HRA	1,007
(2,673)	HRA Balance carried forward	(1,666)

The format of the Movement on the Housing Revenue Account Statement has been amended from that published in the Council's 2023/24 Statement of Accounts. The revised format is in line with supporting notes and allows for easier interpretation of the figures across the whole statement of accounts.

Specifically, the 2023/24 HRA Balance carried forward has been updated from £2.885m in the 2023/24 Statement of Accounts to £2.673m as above. This is due to an error in presentation in the 2023/24 statement and has no impact on the actual balances held by the Council.

NOTES TO THE HOUSING REVENUE ACCOUNT

1. Housing Stock

The Council was responsible for managing an average stock of 4,366 dwellings during 2024/25 (4,360 during 2023/24). The stock at 31 March 2025 was made up as follows:

Houses	1,542
Flats	2,134
Bungalows	691
Total	4,367

The change in stock can be summarised as follows:

2023/24		2024/25
4,355	Stock at 1 April	4,363
(16)	Less Sales	(16)
25	Plus Additions	20
4,364	Stock at 31 March	4,367

In addition to the above, the Council has a stock of 785 garages (828 at 31 March 2024). These were valued at £2.725m at 31 March 2025 (£2.268m at 31 March 2024).

2. Value of the Housing Stock

The value of the Council's housing stock (not including HRA owned garages) at 31 March 2025 was £264.931m (£258.283m at 31 March 2024). A full revaluation of the housing stock was undertaken as at 31 March 2025 and each year the dwellings are valued on the basis of a social housing adjustment factor which was 42% as at 31 March 2025.

The vacant possession value of dwellings at 31 March 2025 was £630.789m (£614.960m at 31 March 2024). The difference between the vacant possession value and the balance sheet value, amounting to £365.857m, represents the economic cost to government of providing council housing at less than open market rents. Revaluations of the housing stock are undertaken on 31 March each year with the next full revaluation taking place on 31 March 2026.

3. Major Repairs Reserve

The movements in the Major Repairs Reserve during the year were as follows:

2023/24 £'000		2024/25 £'000
0	Balance at 1 April	(212)
(5,048)	Depreciation charge to Housing Revenue Account	(5,483)
4,836	Expenditure financed from Major Repairs Reserve	5,310
(212)	Balance at 31 March	(385)

4. Capital Expenditure and Capital Receipts

Capital expenditure on dwellings within the Housing Revenue Account, together with the sources of financing, can be summarised as follows:

2023/24 £'000		2024/25 £'000
12,811	Capital Expenditure	20,080
	Financed by:	
5,142	Borrowing	9,791
2,405	Capital Receipts	2,692
428	Government/Other Grants	1,825
0	Section 106 Contributions	462
4,836	Major Repairs Reserve	5,310
0	Revenue Contributions	0
12,811		20,080

Proceeds from the sale of dwellings within the Housing Revenue Account amounted to £1.303m for 2024/25 (£1.036m for 2023/24).

5. Depreciation

The Council's Estates Officer has determined that the assessed land value within council dwellings should not be depreciated. A 20-year depreciation period has been applied in respect of garages. Adjustments are made for improvement expenditure and sales occurring during the year. The total depreciation charge in 2024/25 was £5.308m (£4.84m in 2023/24).

The depreciation charge for 2024/25 in respect of the Council's housing stock was based upon the principle of component accounting. The valuation of council dwellings at 31 March identifies significant components within the total valuation that are given estimated values and useful lives. These components are then depreciated, separately from the remainder of the council dwellings, each year.

Depreciation is also charged to the Housing Revenue Account in respect of vehicles dedicated to the activity of maintaining Council dwellings and garages. The vehicle depreciation in 2024/25 was £0.175m (£0.1m in 2023/24).

Further depreciation is charged in respect of information technology assets along vehicles and mobile devices that have subsequently been purchased. The acquisition of these assets was financed through the Housing Revenue Account. The charge in 2024/25 was nil (£0.063m in 2023/24).

6. Impairment and Revenue Expenditure Funded from Capital under Statute

Impairment charges are identified by examining records of insurance claims made during the year for damage to Council dwellings together with a review of asset values by the Council's internal valuer.

A review of the Council's housing stock at 31 March 2025 resulted in an increase of £8.96m in the value of the Council's housing stock. This was added to the revaluation reserve.

7. Rent Arrears

The total amount of rent arrears as at 31 March 2025 was £0.358m (£0.327m in 2023/24). The provision for doubtful debts is £0.179m (£0.177m in 2023/24).

8. Contribution from Pensions Reserve

International Accounting Standard 19 requires the services within the Housing Revenue Account to be charged with 'current service' pension costs. The Council's superannuation rate paid to the Nottinghamshire County Council Pension Fund in 2024/25 was 19% in respect of future service. An adjustment is therefore made below net operating expenditure in order that the net cost charged against rent income is equal to the value of payments made to Nottinghamshire County Council. In 2024/25 the contribution from the pensions reserve amounted to £0.157m (£0.035m in 2023/24).

9. Interest Payable

In 2011/12 the HRA acquired additional debt of £66.446 million as part of the transactions necessary to bring about the ending of the HRA subsidy system. The interest cost in respect of servicing this and other HRA loan debt is included within the HRA Income and Expenditure Statement.

COLLECTION FUND

The Collection Fund is an agent's statement that reflects the statutory obligation for billing authorities to maintain a separate Collection Fund. The statement shows the transactions of the billing authority in relation to the collection from taxpayers and distribution to local authorities and the government of council tax and non-domestic rates.

2023/24			2024/25		
Non Domestic Rates £'000	Council Tax £'000		Non Domestic Rates £'000	Council Tax £'000	Total £'000
		<u>Income</u>			
0	(79,575)	Council Tax Receivable	0	(84,628)	(84,628)
0	(435)	Government Grant - Transitional Relief	0	(188)	(188)
(1,416)	0	Transitional Protection Payment	0	0	0
(26,336)	0	Business Rates Receivable	(28,882)	0	(28,882)
		Contributions Towards Previous Year's Deficit			
0	0	Central Government	(1,492)	0	(1,492)
0	(46)	Broxtowe Borough Council	(1,194)	0	(1,194)
0	(369)	Nottinghamshire County Council	(269)	0	(269)
0	(19)	Nottinghamshire Fire Authority	(30)	0	(30)
0	(57)	Nottinghamshire Police Authority	0	0	0
(27,752)	(80,501)		(31,867)	(84,816)	(116,683)
		<u>Expenditure</u>			
		Council Tax Precepts and Demands/ Shares of NDR Income:			
14,538	0	Central Government	15,095	0	15,095
3,683	6,347	Broxtowe Borough Council	3,780	6,601	10,381
10,564	60,090	Nottinghamshire County Council	11,013	63,653	74,666
291	3,123	Nottinghamshire Fire Authority	302	3,248	3,550
0	9,384	Nottinghamshire Police Authority	0	9,939	9,939
0	960	Parish/Town Councils	0	1,110	1,110
0	25	Beeston Special Expenses Area	0	26	26

2023/24			2024/25		
Non Domestic Rates £'000	Council Tax £'000		Non Domestic Rates £'000	Council Tax £'000	Total £'000
		Distribution of Previous Year's Surplus			
1,517	0	Central Government	0	0	0
1,214	0	Broxtowe Borough Council	0	6	6
273	0	Nottinghamshire County Council	0	48	48
30	0	Nottinghamshire Fire Authority	0	2	2
0	0	Nottinghamshire Police Authority	0	8	8
121	353	Provision for Uncollectable Debts	84	476	560
681	0	Provision for Appeals	(2,324)	0	(2,324)
0	0	Transitional Protection Payment	708	0	708
16	0	Interest on Refunds	71	0	71
15	0	Renewable Energy Schemes	25	0	25
104	0	Cost of Collection Allowance	103	0	103
33,047	80,282		28,857	85,117	113,974
5,295	(219)	Deficit/(Surplus) for the year	(3,010)	301	(2,709)
(1,670)	464	Deficit/(Surplus) b/fwd at 1 April	3,625	245	3,870
3,625	245	Deficit/(Surplus) at 31 March	615	546	1,161

NOTES TO THE COLLECTION FUND

1. The Collection Fund

General

The Collection Fund is an agent's statement that reflects the statutory obligation for billing authorities such as Broxtowe Borough Council to maintain a separate Collection Fund. The statement shows the transactions of the billing authority in relation to the collection from taxpayers and distribution to local authorities and the Government of Council Tax and Non-Domestic Rates (business rates).

Council Tax

The Council Tax precepts and demands of this Council, Nottinghamshire County Council, the Nottinghamshire Police Authority and the Nottinghamshire Fire Authority are paid out from the Collection Fund and collected from taxpayers. The Council Tax requirement of this Council includes funding for Parish/Town Councils and Beeston Special Expenses Area, totalling £1.135m in 2024/25 (£0.985m in 2023/24) which is distributed to these bodies from the Council's General Fund. Any balance generated on the Fund attributable to Council Tax, for example due to any difference between forecast and actual Council Tax base and collection rates, will be distributed or recovered in future years in proportion to the value of the respective precepts and demands.

Business Rates

Under the Business Rates retention scheme there is a direct link between the business rates growth and the amount of income local authorities have to spend on services. Local authorities can keep a proportion of their business rates collected in their area after certain contributions to the Government have been made.

The amount of Non-Domestic Rates receivable is set by the Non-Domestic Rate Multiplier – see note 2. Under the system of business rates retention, Non-Domestic Rates income is distributed between Central Government (50%), Broxtowe Borough Council (40%), Nottinghamshire County Council (9%) and Nottinghamshire Fire Authority (1%). In 2024/25, of the Non-Domestic Rates income the Council received, £8.297m (£7.947m in 2023/24) is paid as a tariff to Nottinghamshire County Council in accordance with the Business Rates retention scheme.

This Council is a member of the Nottinghamshire Business Rates Pool along with the six other Nottinghamshire district councils, Nottinghamshire Fire Authority and Nottinghamshire County Council. The pool is administered by Nottinghamshire County Council and has the advantage of potentially generating additional business rates growth through collaborative working. It also smooths out the impact of volatility across a wider economic area.

2. Non Domestic Rateable Value and Non-Domestic Rate Multiplier

The total Non-Domestic Rateable Value at 31 March 2025 amounted to £75.523m (£74.712m as at 31 March 2024) and the Non-Domestic Rate Multiplier for 2024/25 was 54.6p in the pound (51.2p in 2023/24). In 2024/25 the Small Business Rate Relief multiplier was 49.9p where applied.

3. Council Tax Base 2024/25

Band	Total Dwellings	Ratio to Band D	Number of Dwellings (Band D Equivalents)
A DPR	25.69	5/9	14.27
A	11,081.86	6/9	7,387.91
B	11,187.40	7/9	8,701.31
C	9,847.69	8/9	8,753.50
D	5,682.93	9/9	5,682.93
E	2,575.15	11/9	3,147.41
F	741.15	13/9	1,070.55
G	482.03	15/9	803.38
H	16.50	18/9	33.00
	41,640.40		35,594.26
Council Tax losses on Collection at Collection Rate of 98.5%			(533.91)
Class 'O'			163.90
Total			35,224.25

The Band D equivalent figures are derived by multiplying the number of dwellings in each band (adjusted for discounts) by the ratios shown above. The Band D charge for 2024/25 was £187.42.

GROUP ACCOUNTS

Introduction

The authority is required to adhere to proper accounting practices comprised primarily of the Code of Practice on Local Authority Accounting in the United Kingdom 2023/24, supported by International Financial Reporting Standards (IFRS), International Accounting Standards and statutory guidance issued under section 12 of the Local Government Act 2003.

An authority with interests in subsidiaries, associates and/or joint ventures is required to prepare Group Accounts in addition to their single entity financial statements unless these interests are not considered to be material.

Group Accounts are the financial statements of a group in which the assets, liabilities, reserves, income, expenses and cash flows of the parent (reporting authority) and its subsidiaries plus the investments in associates and interests in joint ventures are presented as those of a single economic entity.

Liberty Leisure Limited is a company limited by guarantee and is wholly owned by Broxtowe Borough Council. The company commenced trading on 1 October 2016. Its objectives include the provision of leisure and sports services for the benefit of the public. The Company is overseen by a Board of Directors which consists of three Broxtowe Borough Council elected Members, two Council officers, one local businessperson (currently vacant) and the Business Director of the company.

In addition to paying a management fee to the company, the Council maintains control of the company's activities through retained decision making powers and through the scrutiny of the Leisure and Health portfolio holder and Cabinet which reviews the financial and operational performance of the company.

Liberty Leisure Limited produce accounts with a year-end date of 31 March. The accounts for the period from 1 April 2024 to 31 March 2025 have been prepared by TC Group of Stapleford, Nottingham in accordance with the Financial Reporting Standard for Smaller Entities. The accounts are filed at Companies House in accordance with the Companies Act 2006.

The accounts of Liberty Leisure are exempt from audit under section 479 of the Companies Act 2006. This allows a guarantee from the parent company ie Broxtowe Borough Council on the condition that Liberty Leisure Limited's accounts are included within the consolidated accounts of the parent company.

Accounting Policies

The notes which follow the main statements detail any variations from the accounting policies used by the authority and should be read in conjunction with the relevant notes to authority's accounts. The consolidation has been done on a merger basis as Liberty Leisure Limited is wholly owned by the Council.

Liberty Leisure Limited is subject to a charge for taxation which is based upon its results for the year and takes into account taxation deferred because of the timing differences between the treatment of certain items for taxation and accounting purposes. Except where otherwise required, full provision is made without discounting in respect of all timing differences which have arisen but are not reversed at the balance sheet date.

GROUP COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

Year Ended 31 March 2024				Year Ended 31 March 2025		
Gross Expend £'000	Income £'000	Net Expend £'000		Gross Expend £'000	Income £'000	Net Expend £'000
803	(505)	298	Housing	991	(983)	8
4,749	(2,982)	1,767	Business Growth	4,615	(3,403)	1,212
2,688	(610)	2,078	Community Safety	2,672	(766)	1,906
4,433	(3,126)	1,307	Health	4,450	(3,110)	1,340
8,966	(4,290)	4,676	Environment	9,672	(4,766)	4,906
15,437	(14,485)	952	Revenues, Benefits & Customer Services	15,691	(14,517)	1,174
6,604	(1,780)	4,824	Resources	7,230	(2,150)	5,080
1,070	(385)	685	ICT & Business Transformation	1,105	(420)	685
1,863	(18,664)	(16,801)	Local Authority Housing (HRA)	18,138	(20,711)	(2,573)
46,613	(46,827)	(214)	Cost of Services – Continuing Operations	64,564	(50,826)	13,738
		8,218	Other Operating Expenditure			8,333
		1,924	Financing and Investment Income and Expenditure			2,490
		(16,969)	Taxation and Non-Specific Grant Income			(24,754)
		(7,041)	(Surplus) or Deficit on Provision of Services			(193)
		(1)	Corporation Tax			(2)
		(7,042)	Group (Surplus)/Deficit			(195)
		(25,656)	(Surplus) or Deficit on Revaluation of Property, Plant and Equipment Assets			(9,156)
		(3,053)	Remeasurement of the Net Defined Benefit Liability/(Asset)			185
		(28,709)	Other Comprehensive Income and Expenditure			(8,971)
		(35,751)	Total Comprehensive Income and Expenditure			(9,166)

GROUP MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on the different reserves held by the authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The statement shows how the movements in year of the authority's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax (or rents) for the year. The Net Increase/Decrease line shows the statutory General Fund Balance and Housing Revenue Account Balance movements in the year following those adjustments.

	General Fund & Earmarked Reserves £'000	Housing Revenue Account £'000	Capital Receipts Reserve £'000	Major Repairs Reserve £'000	Bramcote Bereav't Services £'000	Total Usable Reserves £'000	Unusable Reserves £'000	Total Reserves £'000
Balance at 31 March 2023 Carried Forward	(8,145)	(2,830)	(7,617)	0	(290)	(18,882)	(148,156)	(167,038)
Movement in Reserves during 2023/24								
Total Comprehensive Income and Expenditure	(473)	(6,620)	0	0	51	(7,042)	(28,709)	(35,751)
Adjustments between accounting basis & funding basis under regulations	(681)	6,777	1,305	(212)	(15)	7,174	(7,174)	0
(Increase)/decrease in 2023/24	(1,154)	157	1,305	(212)	36	132	(35,883)	(35,751)
Balance at 31 March 2024 Carried Forward	(9,299)	(2,673)	(6,312)	(212)	(254)	(18,750)	(184,039)	(202,789)
Movement in Reserves during 2024/25								
Total Comprehensive Income and Expenditure	(8,178)	8,229	0	0	(246)	(195)	(8,971)	(9,166)
Adjustments between accounting basis & funding basis under regulations	8,429	(7,222)	1,657	(174)	252	2,942	(2,942)	0
(Increase)/decrease in 2024/25	251	1,007	1,657	(174)	6	2,747	(11,913)	(9,166)
Balance at 31 March 2025 Carried Forward	(9,048)	(1,666)	(4,655)	(386)	(248)	(16,003)	(195,952)	(211,955)

GROUP BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority. Reserves are reported in two categories, usable and unusable. Usable reserves are those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). Unusable reserves are those that the authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line Adjustments between accounting basis and funding basis under regulations.

31 March 2024 £'000		31 March 2025 £'000
304,778	Property, Plant & Equipment	326,353
522	Heritage Assets	511
65	Intangible Assets	746
5,677	Long Term Investments	5,592
59	Long Term Debtors	58
311,101	Long Term Assets	333,260
0	Short Term Investments	0
0	Assets Held for Sale	112
257	Inventories	247
5,970	Short Term Debtors	7,231
9,012	Cash and Cash Equivalents	13,475
15,239	Current Assets	21,065
(8,349)	Short Term Borrowing	(12,192)
(7,533)	Short Term Creditors	(8,990)
(294)	Provisions	(590)
(141)	Revenue Grants Receipts in Advance	0
(16,317)	Current Liabilities	(21,772)
0	Long Term Creditors	(11)
(1,165)	Provisions	(233)
(87,337)	Long Term Borrowing	(98,495)
(260)	Net Pension Liability	(233)
(18,472)	Capital Grants Receipts in Advance	(21,626)
(107,234)	Long Term Liabilities	(120,598)
202,789	Net Assets	211,955
(18,750)	Usable Reserves	(16,003)
(184,039)	Unusable Reserves	(195,952)
(202,789)	Total Reserves	(211,955)

GROUP CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (ie borrowing) to the authority.

2023/24 £'000		2024/25 £'000
7,042	Net surplus or (deficit) on the provision of services	195
(1,514)	Adjustments to net surplus or deficit for non-cash movements	14,564
(4,825)	Adjustments for items included in the net surplus or deficit on the provision of services that are investing and financing activities	(11,596)
703	Net cash flows from operating activities	3,163
(3,676)	Investing activities	(14,651)
4,599	Financing activities	15,951
1,626	Net increase or (decrease) in cash equivalents	4,463
7,386	Cash and cash equivalents at the beginning of the reporting period	9,012
9,012	Cash and cash equivalents at the end of the reporting period	13,475

GROUP ACCOUNT NOTES

Introduction

The following notes have been prepared on an exception basis with only those items which have changed from the Borough Council's Statement of Accounts being included. For all other items, reference should be made to the Council's Comprehensive Income and Expenditure Statement on page 31 and Balance Sheet on page 33 and the appropriate note.

1. Inter Company Transactions

<u>Comprehensive Income and Expenditure Statement</u>	Broxtowe Adjusted 2024/25 £'000	Liberty Leisure Adjusted 2024/25 £'000	Group 2024/25 £'000
(Surplus)/Deficit on Continuing Operations	13,487	251	13,738
Financing and Investment Income and Expenditure	2,510	(20)	2,490
(Surplus)/Deficit on Provision of Services	(424)	231	(193)

<u>Balance Sheet</u>	Broxtowe Adjusted 2024/25 £'000	Liberty Leisure Adjusted 2024/25 £'000	Group 2024/25 £'000
Short Term Debtors	7,210	21	7,231
Short Term Creditors	(8,823)	(167)	(8,990)

2. Reconciliation of the Single Entity (Surplus)/Deficit to the Group (Surplus)/Deficit

2023/24 £'000		2024/25 £'000
(6,539)	(Surplus)/Deficit on the Council's Comprehensive Income and Expenditure Statement	(424)
(503)	Adjustments for transactions with other Group entities	229
(7,042)	(Surplus)/Deficit for the year on the Group Comprehensive Income and Expenditure Statement	(195)

3. Expenditure and Funding Analysis

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how expenditure is allocated for decision making purposes between the council's committees. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

2023/24				2024/25		
Net Expenditure Chargeable to the General Fund and HRA balances £'000	Adjustments between the Funding and Accounting Basis £'000	Net Expenditure in the Comprehensive Income and Expenditure Statement £'000		Net Expenditure Chargeable to the General Fund and HRA balances £'000	Adjustments between the Funding and Accounting Basis £'000	Net Expenditure in the Comprehensive Income and Expenditure Statement £'000
			Corporate Priority			
298	0	298	Housing	4	4	8
69	1,698	1,767	Business Growth	6	1,206	1,212
1,115	963	2,078	Community Safety	891	1,015	1,906
1,724	(417)	1,307	Health	915	425	1,340
3,754	922	4,676	Environment	3,675	1,231	4,906
953	(1)	952	Revenues, Benefits and Customer Services	1,153	21	1,174
4,660	164	4,824	Resources	5,052	28	5,080
482	203	685	ICT and Business Transformation	529	156	685
(7,560)	(9,241)	(16,801)	Local Authority Housing (HRA)	(6,688)	4,115	(2,573)
5,495	(5,709)	(214)	Net Cost of Service	5,537	8,201	13,738
(6,456)	(372)	(6,828)	Other Income and Expenditure	(4,273)	(9,660)	(13,933)
(961)	(6,081)	(7,042)	Surplus or Deficit	1,264	(1,459)	(195)
11,265			Opening General Fund and HRA balances at 1 April	12,226		
961			Less/Plus Surplus or (Deficit) on General Fund and HRA Balance in Year	(1,264)		
12,226			Closing General Fund and HRA Balance at 31 March	10,962		

Adjustments between Funding and Accounting Basis

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts	Adjustments for Capital Purposes £'000	Net change for Pensions Adjustments £'000	Other Statutory Adjustments £'000	Total Adjustments £'000
<u>2024/25</u>				
Housing	0	4	0	4
Business Growth	1,175	31	0	1,206
Community Safety	994	21	0	1,015
Health	196	229	0	425
Environment	1,151	80	0	1,231
Revenues, Benefits & Customer Services	0	21	0	21
Resources	277	(249)	0	28
ICT & Business Transformation	149	7	0	156
Local Authority Housing (HRA)	4,035	80	0	4,115
Net Cost of Services	7,977	224	0	8,201
Other income and expenditure from the Expenditure and Funding Analysis	(8,075)	(436)	(1,149)	(9,660)
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	(98)	(212)	(1,149)	(1,459)
<u>2023/24</u>				
Housing	0	0	0	0
Business Growth	1,699	(1)	0	1,698
Community Safety	964	(1)	0	963
Health	123	(540)	0	(417)
Environment	925	(3)	0	922
Revenues, Benefits & Customer Services	0	(1)	0	(1)
Resources	155	9	0	164
ICT & Business Transformation	203	0	0	203
Local Authority Housing (HRA)	(9,238)	(3)	0	(9,241)
Net Cost of Services	(5,169)	(540)	0	(5,709)
Other income and expenditure from the Expenditure and Funding Analysis	(2,520)	141	2,007	(372)
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services	(7,689)	(399)	2,007	(6,081)

Adjustments for Capital Purposes

Adjustments for capital purposes – this column adds in depreciation and impairment and revaluation gains and losses in the services line, and for:

- Other operating expenditure - adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
- Financing and investment income and expenditure – the statutory charges for capital financing ie Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.
- Taxation and non-specific grant income and expenditure – capital grants are adjusted for income not chargeable under generally accepted accounting practices. Revenue grants are adjusted from those receivable in the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied in the year.

Net Change for Pensions Adjustments

Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

- For Services this represents the removal of the employer pension contributions made by the Council as allowed by statute and the replacement with current service costs and past service costs.
- For Financing and investment income and expenditure – the net interest on the defined benefit liability is charged to the CIES.

Other Statutory Adjustments

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- For Financing and investment income and expenditure the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts.
- The charge under Taxation and non-specific grant income and expenditure represents the difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.

4. Short Term Debtors

2023/24 £'000		2024/25 £'000
605	Trade Receivables	729
315	Prepayments	362
4,402	Other Receivable Amounts	5,511
0	Local Taxation	0
359	Council Tax	373
289	Non Domestic Rates	256
5,970	Total	7,231

5. Cash and Cash Equivalents

2023/24 £'000		2024/25 £'000
1	Cash in hand	0
1,164	Bank current accounts	1,140
7,847	Money Market Funds	12,335
9,012	Total	13,475

6. Short Term Creditors

2023/24 £'000 Reclassified		2024/25 £'000
(3,886)	Trade Payables	(3,387)
(1,953)	Receipts in Advance	(1,985)
(1,694)	Other Payables	(3,618)
(7,533)	Total	(8,990)

7. Retirement Benefits

Retirement benefits to all employees within the Group are provided by the Local Government Pension Scheme. This is a defined benefit scheme. A pension liability of £0m at 31 March 2025 (£0m at 31 March 2024) in respect of Liberty Leisure has been consolidated within the Group Accounts.

8. Cash Flow Statement

The cash flows in respect of Liberty Leisure Limited have been consolidated within a cash flow statement for the group. All Liberty Leisure Limited's cash flows in 2023/24 and 2024/25 arose from operating activities. There were no investing or financing activities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROXTOWE BOROUGH COUNCIL

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion on the financial statements

We have audited the financial statements of Broxtowe Borough Council ('the Council') and its subsidiaries ('the Group') for the year ended 31 March 2025, which comprise the Council and Group Comprehensive Income and Expenditure Statement, the Council and Group Movement in Reserves Statement, the Council and Group Balance Sheet, the Council and Group Cash Flow Statement, Housing Revenue Account, Collection Fund and notes to the financial statements, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Council and Group as at 31st March 2025 and of the Council and Group's expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Interim Deputy Chief Executive and Section 151 Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, and taking into account the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Interim Deputy Chief Executive and Section 151 Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the Annual Governance Statement and information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. The Interim Deputy Chief Executive and Section 151 Officer is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Interim Deputy Chief Executive and Section 151 Officer for the financial statements

As explained more fully in the Statement of Responsibilities, the Interim Deputy Chief Executive and Section 151 Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, and for being satisfied that they give a true and fair view. The Interim Deputy Chief Executive and Section 151 Officer is also responsible for such internal control as the Interim Deputy Chief Executive and Section 151 Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Interim Deputy Chief Executive and Section 151 Officer is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 and prepare the financial statements on a going concern basis on the assumption that the functions of the Council will continue in operational existence for the foreseeable future. The Interim Deputy Chief Executive and Section 151 Officer is responsible for assessing each year whether or not it is appropriate for the Council to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Council, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: data protection and information governance regulation, employment regulation, health and safety regulation, procurement regulation, anti-money laundering regulation, and anti-fraud and corruption and anti-bribery regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- gaining an understanding of the legal and regulatory framework applicable to the Council, the environment in which it operates, and the structure of the Council, and considering the risk of acts by the Council which were contrary to the applicable laws and regulations, including fraud;
- inquiring with management and the Governance, Audit and Standards Committee, as to whether the Council is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- reviewing relevant meeting minutes in the year;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Council which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Local Government Act 2003 (and associated regulations made under section 21), the Local Government Finance Acts of 1988, 1992 and 2012, and the Accounts and Audit Regulations 2015.

In addition, we evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to land and buildings valuations and pension disclosures, revenue recognition, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management, Internal Audit and the Governance, Audit and Standards Committee on whether they had knowledge of any actual, suspected or alleged fraud;

- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud, rests with both management and the Governance, Audit and Standards Committee.

As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

We are also required to conclude on whether the Interim Deputy Chief Executive and Section 151 Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, (Revised 2024) and Supplementary Guidance Note 01, issued by the National Audit Office in November 2024.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on the Council's arrangements for securing economy, efficiency, and effectiveness in its use of resources

Matters on which we are required to report by exception

We are required to report to you if, in our view we are not satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

We have nothing to report in this respect.

Responsibilities of the Council

The Council is responsible for putting in place proper arrangements to secure economy, efficiency, and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency, and effectiveness in the use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency, and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency, and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

Use of the audit report

This report is made solely to the members of Broxtowe Borough Council, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of the Council, as a body, for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work required in relation to consolidation returns and received confirmation from the NAO that the group audit of the Whole of Government Accounts has been completed and that no further work is required to be completed by us.

Gavin Barker, Key Audit Partner
For and on behalf of Forvis Mazars LLP (Local Auditor)
The Corner
Bank Chamber
26 Mosley Street
Newcastle upon Tyne
NE1 1DF
November 2025

GLOSSARY OF TERMS

PLEASE NOTE: This glossary provides an explanation of terms, not precise definitions. It should not be used as a substitute for the more detailed and specific definitions given in statute, codes of practice and technical guidance. It should be used in conjunction with explanations provided within and supporting the accounting statements.

ACCOUNTING POLICIES

Those principles, basis, conventions, rules and practices applied by an entity that specify how the effects of transactions and other events are to be reflected in its financial statements through:

- Recognising
- Selecting measurement bases for, and
- Presenting assets, liabilities, gains, losses and changes to reserves

Accounting policies do not include estimation techniques but define the process whereby transactions and other events are reflected in financial statements.

ACCRUALS

Sums included in the final accounts of the Council to cover income or expenditure attributable to the accounting period for which payments have not been received/made in the financial year. Local authorities accrue for both revenue and capital expenditure.

AMORTISATION

The measure of the consumption or other reduction in the useful life of an intangible asset, charged annually to service revenue accounts.

ASSET

An asset is something the Council owns. Assets can be either current or non-current. A current asset is one that will be used or cease to have a material value by the end of the next financial year. A non-current asset provides a benefit to the Council for a period greater than one year.

BALANCES

These are surpluses of income over expenditure that may be used to finance future expenditure. Balances can be earmarked in the accounts for specific purposes. Those that are not represent resources set aside for such purposes as general contingencies and cash flow management.

BILLING AUTHORITY

Broxtowe Borough Council is classed as a Billing Authority as it has the responsibility of collecting the Council Tax and non-domestic rates. It collects the Council Tax on behalf of the County Council, Fire, Police and Crime Commissioner and Parish Councils and the non-domestic rates on behalf of the central government.

BUDGET

A statement defining the Council's policies over a specified period of time which is expressed in financial terms.

CAPITAL CHARGES

A charge to service revenue accounts to reflect the cost of fixed assets used in the provision of services.

CAPITAL EXPENDITURE

Expenditure on the acquisition or improvement of assets which will have a long-term value to the Council, e.g. land, buildings, furniture, equipment, etc. Definitions are set out in Section 40 of the Local Government and Housing Act 1989. Any expenditure that does not fall within the definition must be charged to a service revenue account.

CAPITAL PROGRAMME

The capital projects an authority proposes to undertake over a set period of time.

CAPITAL RECEIPTS

The proceeds from the sale of fixed assets such as land and buildings. Capital receipts can be used to repay any outstanding debt on fixed assets or to finance new capital expenditure within rules set down by central government. Capital receipts cannot however be used to finance revenue expenditure.

CHARTERED INSTITUTE OF PUBLIC FINANCE AND ACCOUNTANCY (CIPFA)

The professional accountancy body concerned with local authorities and the wider public sector.

COLLECTION FUND

The Collection Fund is a statutory fund set up under the provisions of the National Local Government Finance Act 1988. It includes the transactions of the charging Council in relation to Non-Domestic Rates and Council Tax and illustrates the way in which the fund balance is distributed to Central Government, preceptors and the General Fund.

COMMUNITY ASSETS

These are assets that the local Council intends to hold in perpetuity, which have no determinable useful life and that may have restrictions on their disposal. Examples of community assets are parks and historic buildings not used in the direct provision of services.

CONTINGENCY

An amount set aside to meet unforeseen items of expenditure or shortfalls in income.

CONTINGENT LIABILITIES AND ASSETS

A contingent liability/asset is either: a possible obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Council's control, or a present obligation arising from past events where it is not probable that a transfer of economic benefits will be required, or the amount cannot be measured with sufficient reliability.

CORPORATE AND DEMOCRATIC CORE (CDC)

The Corporate and Democratic Core is defined by the Service Reporting Code of Practice and consists of two elements, Democratic Representation and Management (DRM) and Corporate Management.

Democratic Representation and Management includes all aspects of members' activities including corporate programme and service policy making, together with officer time in support of these functions. Examples of costs charged to DRM include all members' allowances and expenses.

Corporate Management concerns those activities and costs which allow services to be provided, whether by the authority or not, and the information which is required for public accountability. Costs properly charged to this heading include time spent in allocating corporate resources and producing the annual accounts, treasury management activities and external audit fees for the statutory audit.

COUNCIL TAX

The main source of local taxation to local authorities. Council Tax is levied on households within its area by the billing Council and the proceeds are paid into its Collection Fund for distribution to precepting authorities and for use by its own General Fund.

The Council Tax Base of an area is based upon the number of band D equivalent properties. To work this out, the Council counts the number of properties in each band and works out an equivalent number of band D properties. For example, one band H property is equivalent to two band D properties because it pays twice as much tax.

There are eight council tax bands. The amount of council tax each household pays depends on the value of the dwellings. The bands are set out below.

	Value of home estimated at April 1991	Proportion of the tax due relative to a band D property
Band A	Under £40,000	6/9
Band B	£40,001-£52,000	7/9
Band C	£52,001-£68,000	8/9
Band D	£68,001-£88,000	9/9
Band E	£88,001-£120,000	11/9
Band F	£120,001-£160,000	13/9
Band G	£160,001-£320,000	15/9
Band H	Over £320,001	18/9

Discounts are available to people who live alone and owners of homes that are not anyone's main home. Council Tax is not charged for certain properties, known as exempt properties, such as those lived in only by students.

DEPRECIATION

The measure of the cost or revalued amount of the benefits of a fixed asset that are consumed during a particular period. Consumption includes the wearing out, using up or other reduction in the useful life of the asset.

DIRECT REVENUE FINANCING

The financing of capital expenditure directly from revenue. The Council may determine that certain capital projects should be financed in this way or, alternatively, may include in the revenue budget a prescribed sum for this purpose.

EARMARKED RESERVES

These are reserves set aside for a specific purpose or a particular service or type of expenditure.

EXTERNAL AUDIT

The independent examination of the activities and accounts of local authorities to ensure that the accounts have been prepared in accordance with legislative requirements and proper practices and to ensure that the Council has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

FEES AND CHARGES

In addition to income from the government, local authorities charge for numerous services including the use of leisure facilities and provision of car parks.

FINANCE LEASE

Arrangement whereby the lessee is treated as owner of the leased asset and is required to include such assets within fixed assets on the Balance Sheet.

FINANCIAL INSTRUMENT

A contract which gives rise to a financial asset for one organisation and to a financial liability for another organisation.

FINANCIAL REGULATIONS

The rules within which the Council's financial affairs are operated.

FINANCIAL YEAR

The Council's financial year commences on 1 April and ends on 31 March of the following year.

GENERAL FUND

The main revenue fund of the Council with the exception of council housing, all day to day spending and receipts are met from or paid into this fund. Spending and receipts with regard to council housing are charged to a separate Housing Revenue Account (HRA).

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)

GAAP is the standard framework of guidelines for financial accounting. It includes the standards, conventions and rules accountants follow in recording and summarising transactions and in the preparation of financial statements.

GOVERNMENT GRANTS

Payments by central government towards the cost of local authority services. These are either for particular purposes or services (specific grants) or in aid of local services generally (non specific).

GROSS EXPENDITURE

The total cost of providing Council services before taking into account income from government grants and fees and charges for services.

HERITAGE ASSETS

Heritage assets are those assets that are intended to be preserved for future generations because of their cultural, environmental or historical associations. They include historical buildings, archaeological sites, civic regalia, museum and gallery collections and works of art.

HOUSING BENEFIT

This scheme provides financial assistance towards the domestic rent payments of tenants in council or privately owned accommodation, whose incomes fall below prescribed amounts.

The borough council effects such assistance by offsetting amounts due from council tenants with the appropriate amounts of benefit (rent rebate). In the case of private tenants, a payment (rent allowance) is made to the tenant or to the landlord if requested by the claimant.

The borough council is reimbursed by the government for the cost of housing benefits. The government also contributes towards the costs of administering the scheme. Some authorities choose to operate a 'local scheme' whereby allowances in excess of the standard payments are granted.

HOUSING REVENUE ACCOUNT (HRA)

The statutory account into which are charged the revenue costs of providing, maintaining and managing council house dwellings. These are financed by rents charged to tenants.

IMPAIRMENT

Impairment occurs when the value of an asset has reduced. This can be either as a result of a general fall in process or by a clear consumption of economic benefits such as by physical damage to the asset.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Accounting standards adopted from 1 April 2010 for local government bodies.

INFRASTRUCTURE ASSETS

Expenditure on works of construction or improvement but which have no tangible value, such as the construction of, or improvement to highways.

INTANGIBLE ASSETS

These are identifiable non-monetary assets without physical substance that are expected to produce future economic benefits or which have service potential. The most common class of intangible asset is computer software.

INTERNAL AUDIT

An independent appraisal function established by the management of an organisation for the review of the internal control system as a service to the organisation. It objectively examines, evaluates and reports on the adequacy of internal control as a contribution to the proper economic, efficient and effective use of resources. Every Council is required to maintain an adequate and efficient internal audit. A review of the effectiveness of the internal audit function of a council has to be considered and approved by the Council's members each year.

INVESTMENTS

Deposits with approved institutions.

JOINT COMMITTEE

Two or more local authorities may make arrangements to discharge any of their functions through a Joint Committee. Joint arrangements may be set up under the Local Government Act 1972, the financing arrangements being determined by the participating authorities. A Joint Committee of this authority and Erewash Borough Council run Bramcote Crematorium.

LEASING

A method of financing capital expenditure where a rental charge for an asset is paid for a specific period. There are two forms of lease arrangement. "Finance leases" are where the risks and rewards of ownership are transferred to the lessee. All other leases are "operating leases".

MEDIUM TERM FINANCIAL STRATEGY

This is a statement of the Council's policies for more than one year expressed in financial terms. The objective is to enable proactive management of the budget and enable better forecasting and long term financial planning.

MINIMUM REVENUE PROVISION

The minimum annual provision from revenue towards a reduction in the Council's overall borrowing requirement.

NET EXPENDITURE

Gross expenditure less specific service income, but before deduction of central government grants and council tax.

NON-DOMESTIC RATES (NDR)

The Council collects Non Domestic Rates for its area based on local rateable values multiplied by a national uniform rate. With the introduction of the Business Rates Retention Scheme on 1 April 2013, billing authorities act as agents and collect non domestic rates on behalf of the major preceptors and central government, as principals for themselves.

NON-OPERATIONAL ASSETS

Assets that are held by the Council but are not directly use or consumed in the delivery of its services. This includes assets that are held for sale and surplus assets.

OPERATIONAL ASSETS

Assets that are held by the Council and used or consumed in the delivery of its services.

OPERATIONAL LEASE

An arrangement whereby the risks and rewards of ownership of the leased asset remain with the leasing company, or lessor.

OUTTURN

Actual income and expenditure.

PENSION FUND

An employees' pension fund that is maintained by a council, or a group of authorities, in order to make pension payments upon the retirement of participants. It is financed from contributions from the employing council, the employee and investment income.

PRECEPT

This is the amount of council tax income county councils, police authorities, fire authorities and parish councils need to provide their services. The amounts for all local authorities providing services in an area appear on one council tax bill, which comes from the billing authority.

PRECEPTING AUTHORITIES

Those authorities that are not billing authorities (i.e. do not collect Council Tax or NDR) and precept upon the billing Council, which then collects it on their behalf. Nottinghamshire County Council, Nottinghamshire Police and Crime Commissioner, Nottinghamshire Fire and Rescue Authority and Parish Councils all precept upon Broxtowe Borough Council.

PROVISIONS

These are amounts set aside for specific future expenses that are likely or certain to be incurred but uncertain as to the amounts or dates they will arise.

PRUDENTIAL CODE

The Prudential Framework for Capital Finance requires local authorities to have regard to the Prudential Code for Capital Finance, developed by CIPFA, when carrying out their capital budgeting and treasury management activities.

The Code allows local authorities to borrow without government restriction as long as capital investment decisions are affordable, prudent and sustainable and provide value for money. Local authorities are required to calculate and monitor a number of prudential indicators to ensure that the objectives of the code are being met.

PUBLIC WORKS LOAN BOARD (PWLB)

A government agency that provides long-term loans to local authorities at interest rates slightly higher than those at which the Government itself can borrow.

RATEABLE VALUE

A value placed on all non-domestic properties subject to rating to which a uniform rate poundage is applied to arrive at rates payable. The value is based on a notional rent that property could be expected to yield after deducting the cost of repairs.

RELATED PARTIES

Two or more parties are related parties when at any one time in the financial period:

- One party has direct or indirect control of the other party.
- The parties are subject to common control from the same source.
- One party has influence over the financial or operational policies of the other party to an extent that the other party might be inhibited from pursuing at all times its own separate interests.
- The parties, in entering a transaction are subject to influence from the same source to such an extent that one of the parties to the transaction has subordinated its own separate interests.

REVENUE EXPENDITURE

This is expenditure mainly on recurring items and consists principally of salaries and wages, capital charges and general running expenses.

REVENUE EXPENDITURE FUNDED FROM CAPITAL UNDER STATUTE (REFCUS)

This is expenditure of a capital nature for which there is no asset acquired by the Council. This would include capital grants or renovation grants to private persons.

SOFT LOANS

A “soft loan” is where a loan has been made for policy reasons, rather than as a financial instrument. These loans may be interest free or at rates below prevailing market rates.

SPECIFIC GRANTS

Government grants to local authorities in aid of particular projects or services, e.g. collection of non-domestic rates.

STANDING ORDERS

Rules and procedures determined by the Council to assist in the efficient performance of its activities.

SUPPORTING PEOPLE

Local Authorities and other social housing providers have provided specific support services such as warden services and community alarms to address the needs of vulnerable tenants as part of their housing service. From 1 April 2003 these services and their funding were brought together under the Supporting People regime to ensure that co-ordinated services are in place. All services for Supporting People are now operated and funded via contracts with the County Council.

UNUSABLE RESERVES

Represent gains and losses yet to be realised and which are not available to support services.

USABLE RESERVES

Amounts set aside in the accounts for future purposes that fall outside the definition of provisions. They include general balances and reserves that have been earmarked for specific purposes. Expenditure is not charged directly to a reserve, but to the appropriate service revenue account.

VOIDS

An amount of rent or rates not collectable because for part of the financial year the property was not occupied.

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 2025/26 will be presented to this Committee in July 2026.

4. Financial Implications

The comments from the Interim Deputy Chief Executive and Section 151 Officer 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

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

The following table summarises the audit assignments and similar work completed by Internal Audit since the last meeting of this Committee.

Audit Title	Report Issued	Assurance Opinion	Actions (High Priority)	Actions (Other)
Climate Change	03/09/25	Substantial	-	-
Financial Appraisal – UKSPF Grant Applicants	09/09/25	Advisory Report Only		
Financial Appraisal – Capital Works	12/09/25	Advisory Report Only		
Anti-Social Behaviour	12/09/25	Substantial	-	1
Housing Repairs (Reactive)	15/09/25	Reasonable	-	-
Data Quality Reviews (x3)	30/09/25	Reasonable	-	2
Financial Appraisal – Potential Tenant	30/09/25	Advisory Report Only		
Treasury Management	22/10/25	Substantial	-	1
Benefits	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 will be provided by the Chief Audit and Control Officer at this meeting.			
Licensing				
Committee Management System				
Payroll				

Remaining Internal Audit Plan 2025/26

Audit Title	Progress
Capital Works	In Progress
Information Management	In Progress
Bramcote Leisure Centre - Governance Review	In Progress
Kimberley Depot - Compliance	In Progress
Bank Reconciliation System	Not yet commenced
Business Rates (NNDR)	Not yet commenced
Creditors and Purchasing	Not yet commenced
Fire and Asbestos Risk Management	Not yet commenced
Hickings Lane Pavilion	Not yet commenced
Housing Disrepair	Not yet commenced
Housing Lettings	Not yet commenced
Human Resources	Not yet commenced
Rents	Not yet commenced
Surveillance	Not yet commenced

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. **Climate Change** **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/or procedure documentation may not be in place.
- Appropriate management and delivery structures may not be in place.
- Performance reporting may be made in an inappropriate manner and/or be based on unreliable and/or inconsistently prepared data.

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.

2. **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.

3. Anti Social Behaviour**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 procedures may not be in place.
- Reports received may not be responded to in an appropriate manner and/or in line with approved policy and procedures.
- Training arrangements may be inadequate.
- Performance monitoring and reporting, both internal and external, may be inadequate.

Internal Audit was pleased to report that no significant issues were identified in the course of this review with a single recommendation ('best practice') relating to the review of policy and procedure documentation being proposed to and agreed with management.

4. Housing Repairs (Reactive)**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:

- Appropriate and up-to-date policy and procedure documentation may not be in place.
- Repair works may not be completed in a timely and appropriate manner.
- Performance in relation to Housing Repairs may not be appropriately monitored and reported.

Internal Audit was pleased to report that no significant issues were identified in the course of this review. Three observations, relating to the review of the Housing Repairs Policy, Key Performance Indicators and the recording of job completion dates were made. However, as a new housing management system is due to be implemented over the course of Winter 2025, no formal recommendations relating to the current system were deemed necessary.

5. Data Quality Reviews**Assurance Opinion – Reasonable**

Following consideration of the Annual Assessment of Performance Data Quality Assurance Report by the Council's General Management Team, Internal Audit was asked to perform some sample testing of the results reported by Assistant Directors, Heads of Service and other relevant Senior Managers.

Internal Audit was pleased to report that no significant issues were identified in the course of this review with a one recommendation ('medium priority') relating to the collection of system data within the Environmental Heath Department and one recommendation ('medium priority') relating to the retention of calculations and other supporting documentation being made.

6. Treasury Management**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:

- Governance arrangements, including policies, procedures, performance reporting and monitoring for compliance with the CIPFA Code of Practice for Treasury Management in the Public Services, may not be adequate.
- Cash flow (including overdraft management and the timing of loans and investments) may not be optimised.
- Treasury transactions may not be subject to appropriate review and authorisation prior to execution.
- Accounting arrangements (including reconciliations) may not be adequate.
- System access rights (including relevant authorisation levels) may not be appropriate.

Internal Audit was pleased to report that no significant issues were identified in the course of this review with a single recommendation ('best practice') relating to the review of reconciliations being proposed to and agreed with management.

Current Audit Performance

Progress on the Internal Audit Plan for 2025/26 is considered to be satisfactory, taking into account a significantly higher than usual number of Financial Appraisals undertaken during April and June.

A final report on the performance of the Internal Audit Service for 2025/26 will be presented to this Committee in July 2026.

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	Agreed Actions	Progress
Damp and Mould	27/01/25	Reasonable	2	1 Outstanding
Stores	08/04/25	Limited	3	1 Outstanding
Waste Management (Recycling)	08/04/25	Substantial	1	Complete
Rents	08/05/25	Substantial	1	Complete

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. Damp and Mould****1.1 Procurement**Agreed Action (High Priority)

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

Managers Responsible

Assistant Director Housing

Housing Repairs and Compliance Manager

Target Date: 31 March 2025

Update from the Assistant Director - Housing Services

This is still in progress. The Repairs team have a number of contracts requiring procurement and have prioritised those with the highest value.

Revised Target Date: 31 March 2026

2. Stores**2.1 Policy and Procedure Documents**Agreed Action (High Priority)

Appropriate and up-to-date policy and procedural documents for the Stores will be produced at the earliest opportunity.

Managers Responsible

Assistant Director - Environment

Transport and Stores Manager

Target Date: 31 July 2025

Update from the Assistant Director - Environment

Progress on the Stores Procedure document is ongoing. While initial drafting has taken place, further work is required before it can be finalised. The Transport and Stores Manager has confirmed that the document will be completed by 31 December 2025. It has been agreed that a separate Stores Policy is not necessary, with efforts focused on ensuring procedural clarity.

It is acknowledged that the development of processes has taken longer than initially anticipated. However, all outstanding actions are now scheduled for completion by Christmas.

Revised Target Date: 31 December 2025

Report of the Interim Deputy Chief Executive

Review of the 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 as set out be approved.

3. Detail

In accordance with the corporate Risk Management Strategy, the Strategic Risk Management Group met on 30 October 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**.

4. Financial Implications

The comments from the Assistant Director 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 and Deputy Monitoring Officer 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

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 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 corporate Risk Management Strategy 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>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk. The challenges of LGR and changes at GMT could impact on this risk.</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>Ongoing uncertainty surrounding the annual local government financial settlement means that this remains as a high-rated residual risk.</p> <p>The government has consulted on the long-awaited Fair Funding Review, which along with an associated Business Rates reset could have a significant impact upon the Council's finances. Figures will be confirmed as part of the Local Government Financial Settlement in December.</p> <p>The monitoring of compliance with grant funding conditions was added as a risk indicator.</p>
<p>3. Failure to deliver the Housing Revenue Account (HRA) Business Plan</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>	25	<p>12</p>  <p>Amber</p>	<p>The Regulator for Social Housing inspection is live. This presents a significant risk to the Council as a social housing provider.</p> <p>The action to prepare for the RSH inspection and to consider and respond to its outcomes was updated to consider and respond to the outcomes of the Regulator for Social Housing inspection.</p> <p>Stock condition surveys were added as a risk indicator.</p>

Risk	Inherent Risk	Residual Risk	Changes
<p>3a. Failure to deliver a Housing Repairs and Compliance Service which meets Right to Repair and Compliance legislation</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>12</p> <p> Amber</p>	<p>A new action was added to ensure ongoing compliance with new legislation in the Social Housing (Regulation) Act 2023.</p> <p>The action to prepare for the RSH inspection and to consider and respond to its outcomes was updated to consider and respond to the outcomes of the Regulator for Social Housing inspection.</p> <p>The action to implement the agreed management actions following an Internal Audit review of the Housing Repairs and Compliance service was 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>A new action was added to develop the outline proposals for a new Healthy Lifestyle Centre complex at Walker Street in Eastwood.</p> <p>The action to consider the outcomes of the asbestos survey at Bramcote Leisure Centre and to agree a robust management plan for the site in conjunction with Liberty Leisure has been completed and will be delivered as part of business-as-usual activity.</p>
<p>5. Failure of Liberty Leisure (LLL) trading company</p> <p><i>The position with regards to this risk is unchanged.</i></p>	25	<p>8</p> <p> Amber</p>	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
<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>	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
<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> Amber</p>	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.

Risk	Inherent Risk	Residual Risk	Changes
<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>Green</p>	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
<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>Amber</p>	<p>The action to participate with other local authorities/agencies in a review of the eligibility of individuals claiming the single person council tax discount was successfully completed. This would be revisited in future years.</p> <p>A new action was added to refresh and approve the Income Collection Policy, Financial Inclusion Policy and Rent Setting Policy which are due for update as part of the three-year cycle, along with the Corporate Debt Policy.</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>Red</p>	<p>This remains a high rated risk given the national/global 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>
<p>11. Failure to implement Private Sector Housing Strategy in accordance with Government and Council expectations</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>9</p>  <p>Amber</p>	<p>A new action was added to monitor the impact of the new Renters' Rights Act 2025.</p> <p>A new action was added to monitor the impact of planned changes to the Disabled Facilities Grants (DFG) funding formula.</p> <p>A report on an extension to Article 4 for Houses in Multiple Occupation (HMO) is being considered at POWG and Cabinet. Any changes could increase the risk of legal challenges, although these may be mitigated with the 12-month notice period.</p> <p>In view of the circumstances relating to new legislation and with DFG and HMO, it was agreed that the residual risk score be increased from 4 to 9 (Amber Risk).</p>

Risk	Inherent Risk	Residual Risk	Changes
<p>12. Failure to engage with partners/community to implement the Broxtowe Borough Partnership Statement of Common Purpose</p> <p><i>The position with regards to this risk is unchanged</i></p>	15	<p>4</p>  <p>Green</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>13. Failure to contribute effectively to dealing with crime and disorder</p> <p><i>The position with regards to this risk is unchanged</i></p>	15	<p>3</p>  <p>Green</p>	<p>No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.</p>
<p>14. Failure to provide housing in accordance with the Local Development Framework</p> <p><i>The position with regards to this risk is unchanged</i></p>	20	<p>12</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>15. Natural disaster or deliberate act, which affects major part of the Authority</p> <p><i>The position with regards to this risk is unchanged</i></p>	15	<p>12</p>  <p>Amber</p>	<p>A new action was added to monitor the performance of the out-of-hours/ call out services</p>
<p>16. Failure to mitigate the impact of the Government's welfare reform agenda</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 monitor the outcome of the potential merger of the Discretionary Housing Payments (DHP) and Household Support Fund into a new Crisis Resilience Fund was no longer applicable.</p>
<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>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 position with regards to this risk is unchanged</i></p>	20	<p>12</p>  <p>Amber</p>	<p>The action to implement necessary interim executive management arrangements from September 2025 had been completed.</p>

Risk	Inherent Risk	Residual Risk	Changes
19. High levels of sickness <i>The position with regards to this risk is unchanged</i>	16	6  Amber	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
20. Inability to recruit and retain staff with required skills and expertise to meet increasing demands and expectations. <i>The position with regards to this risk is unchanged.</i>	20	8  Amber	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.
21. Failure to comply with duty as a service provider and employer to groups such as children, the elderly, vulnerable adults etc. <i>The position with regards to this risk is unchanged</i>	20	4  Green	A new action was added to monitor the impact on resources available to respond to the increasing scope of Domestic Homicide Reviews being completed by the Community Safety Partnership.
22. Unauthorised access of data <i>The position with regards to this risk is unchanged</i>	20	6  Amber	No significant changes were proposed to the key controls, risk indicators and action points for this strategic risk.
23. High volumes of employee or client fraud <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.
24. <i>Failure to achieve commitment of being carbon neutral for the Council's own operations by 2027</i> <i>The position with regards to this risk is unchanged</i>	20	12  Amber	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.
25. Failure to respond to the outcomes of Local Government Reorganisation in Nottingham and Nottinghamshire <i>The position with regards to this risk is unchanged</i>	25	20  Red	The action to undertake a Broxtowe residents survey on LGR to gauge local public views had been completed and the results published.

Appendix 3

Extract from the Strategic Risk Register – November 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 Assistant Director Finance Services	20	16

Key Controls

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

Risk Indicators

- Local Government Finance Settlement
- Budget gap
- Fuel and energy prices
- Fees and charges and other income levels
- Failed bids for external funding
- General economic indicators
- Interest rates
- Fluctuations in planning application fee income
- Cost of planning appeal decisions
- Compliance with grant funding conditions.

Action Points

1. Review service objectives in response to changing resources.
2. Identify and assess external funding opportunities and ensure accompanying targets are met.
3. Investigate and develop opportunities for shared service collaboration.
4. Monitor the impact of the collection of Business Rates on the 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 regeneration initiatives and other capital investment schemes.
7. Identify potential budget savings and maximise income generating opportunities.
8. Maximise income from commercial properties 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 that will support the Business Strategy being refreshed as part of the annual budget setting process.
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. 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.
18. Monitor progress made by the DWP on the migration of existing Housing Benefit cases onto Pension Credit.
19. Be mindful of budget risks arising from planning appeal decisions and to report any uplift in costs to GMT at the earliest opportunity.
20. Review trade waste operations and its pricing structure to remain effective and competitive in the market and to report the findings to Cabinet.
21. Monitor the funding implications of the increasing scope of Domestic Homicide Reviews being completed by the Community Safety Partnership.

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 the Capital Programme
- Events impacting upon any 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. Utilise external legal advice and support as required.
4. Work with Chilwell School to assess leisure facilities options at Chilwell Olympia Sports Centre and report back to Cabinet.
5. 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.
6. Complete the planning application and development of the detailed design (RIBA4) for a new replacement Bramcote Leisure Centre.
7. 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.
8. Progress with the development of the new Community Pavilion and Young People's Centre on Hickings Lane.
9. Develop the outline proposals for a new Healthy Lifestyle Centre complex at Walker Street in Eastwood.

Risk 10 - Failure of key ICT systems

Risk Owner(s)	Inherent Risk	Residual Risk
Chief Executive Assistant Director 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 officer 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.

Risk 25 – Failure to respond to the outcomes of Local Government Reorganisation in Nottingham and Nottinghamshire

Risk Owner(s)	Inherent Risk	Residual Risk
Chief Executive / All Chief Officers	25	20

Key Controls

- Council and Cabinet (Members)
- Leader of the Council and the Chief Executive
- LGR Management and Planning Groups
- Nottinghamshire Finance Officers Association (NFOA)
- External Consultants reports from PWC and CIPFA

Risk Indicators

- Political acceptance or non-acceptance of the LGR option proposals
- Recent MHCLG ministerial letter outlining spending restrictions on local authorities progressing through LGR (Structural Change Order) expected next year, including requirements for approvals for capital expenditure over £1m, recruitment to senior permanent roles and limits on surplus/disposal assets
- Potential pause/slowdown in the delivery key strategic priorities, e.g. new leisure centre, affordable housebuilding, economic regeneration
- Potential challenge in recruiting to vacant senior posts – impact on service delivery and additional agency costs
- Potential to pause/slowdown of investment in ICT, thereby impacting on improvements to efficiency and output productivity.

Action Points

1. Seek Council representation on the various Nottinghamshire LGR programme groups covering option 1b, option 1e, and the potential City option when developed.
2. Establishment of an internal LGR Implementation Group to plan and co-ordinate the Council's response to LGR.
3. Regular update reports provided to Members through Cabinet and Council.
4. Council LGR intranet webpages developed to continually engage with staff.
5. Staff engagement sessions planned to provide updates on LGR developments.
6. Chief Executive staff weekly briefings to includes regular updates on LGR.

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Report of the Monitoring Officer

Annual Constitution Review

1. Purpose of Report

To consider amendments to the Constitution and to recommend these to full Council to be adopted.

2. Recommendation

The Committee is asked to RECOMMEND to Council that the amendments to the Constitution, as detailed in the Appendix 3, be approved.

3. Detail

Under its terms of reference, this Committee is tasked with an overview of the Council's Constitution, consideration of proposed amendments or revisions and to recommend to Council amendments to this Constitution. A Task and Finish Group (the Group) was formed to consider a review of the Constitution. A number of issues were raised which have resulted in recommendations for consideration at this meeting, these are the order of business at full Council meetings, the method by which appointments are made to Committees and working groups, urgent items procedural rules revisited, business considered at Budget Council meetings, the terms of reference of the Advisory Shareholder Sub-Committee, the use of a proforma for motions submitted to full Council and increasing the number of objectors that could speak on a planning item and supplementary clarification questions to be permitted via the Chair. Further detail is included in **Appendix 1** and the proforma in included at **Appendix 2**.

Further consideration was given to the role of ex-officio members at meetings and how urgent business was defined and conducted. However, agreement was not reached by the Group and further consideration will be given to these topics at future meetings.

The Group also raised concerns about allowing planning agents to speak at Planning Committee meetings. It was considered that this may intimidate members of the public who would otherwise speak and possibly cause some reluctance to speak. The Head of Legal services consulted the Assistant Director of Planning and Economic Development who raised concerns over removing agents speaking at Planning Committee, as it was thought that agents were able to offer professional assistance to the Committee. After further consideration the Group agreed that agents could continue to speak and this would be reviewed when the Constitution was next revised. A change table reflecting these amendments is included at **Appendix 3**.

The Council meeting held on 14 May 2025 agreed changes to the Scheme of Delegation which reflected changes to a number of Officers' job titles. The amendments which were agreed were included in an updated version of the Constitution.

4. Financial Implications

The comments from the Interim Deputy Chief Executive were as follows:

There are no additional financial implications to consider as part of this report, with any costs being contained within existing budgets.

5. Legal Implications

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

Section 37 of the Local Government Act 2000 requires local authorities operating executive arrangements to prepare and keep up to date a document which contains: (a) such information as the Secretary of State may direct (b) the authority's standing orders (i.e. rules of procedure) (c) the code of conduct for members (d) such information as the authority considers appropriate. Broxtowe Borough Council's Constitution is available on the Council's website.

6. Human Resources Implications

There were no comments from the Human Resources Manager.

7. Union Comments

There were no comments necessary from the Unions.

8. Climate Change Implications

There are no climate change implications 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

This is not a change to policy so an Equality Impact Assessment is not required.

11. Background Papers

Nil.

Appendix 1

Recommendations from the Member Task and Finish Group**Order of Business**

The Constitution under Chapter 2 Part 2 point 2, sets out the order of an ordinary meeting, which also allows for any variation to the programme as decided at a previous meeting of full Council. The Task and Finish Group (the Group) suggested the order of business be changed, as set out below. These changes were recommended to address concerns that at long meetings Councillors were not always able to stay for substantive items of business that are placed towards the end of agenda.

- Elect a person to preside if the Mayor and Deputy Mayor are not present;
- Receive any apologies for absence from Members;
- Receive any declarations of interest from Members;
- To approve the minutes of the last meeting;
- Receive any announcements from the Mayor;
- Receive a presentation from the Youth Mayor, as appropriate, (and/or the Deputy Youth Mayor), by invitation, for up to five minutes on the activities of Broxtowe Youth Voice (the Youth Mayor and/or the Deputy Youth Mayor will have the right to speak, but not to vote, on any item on the agenda at a full Council meeting whether annual or ordinary with the rules on speaking being as per these Council Procedure Rules);
- To receive a report from the Leader and receive questions and answers on the report if any;
- To deal with questions from Councillors in accordance with Rule 10;
- To receive questions from Councillors to those representing the Council on outside bodies;
- To receive reports from the Cabinet Portfolio Holders and receive questions and answers on the reports;
- To receive questions from, and provide answers to, the public in relation to matters which in the opinion of the Chief Executive are relevant to the Council's functions (subject to Rule 8.5);
- To consider motions;
- To receive reports from the Committees and receive questions and answers on the reports;
- To consider business which, in the opinion of the Chair or Vice-Chair of the Overview & Scrutiny Committee, or in their absence, the Mayor or Deputy Mayor, or in their absence the Chief Executive or their nominee's should be considered at the meeting as a matter of urgency;
- To receive petitions in relation to matters which in the opinion of the Chief Executive are relevant to the Council's functions;
- To receive items referred from the Committees or questions from Members on the business of the Committees;

- To approve a programme of ordinary meetings of the Council and Committees for the year at an appropriate time. The Council meeting to consider the budget shall be limited to only that substantive item unless by agreement of the Mayor; or the criteria for urgent business, at 2.1.21, is met.
- To approve amendments to the membership of Committees.
- receive updates from the Chair or Vice Chair of the Overview and Scrutiny Committee on the Scrutiny work programme.
- Receive an Annual Review of Scrutiny report at an appropriate time.
- To consider any other business specified in notice convening the meeting, including proposals from the Cabinet in relation to the Budget and Policy Framework and reports from the Overview and Scrutiny Committee;
- To consider urgent business.

It was further suggested by the Group that Portfolio Holders' need only introduce their reports if reporting on new updates or changes that had arisen since their reports had been published, speeches would be limited to 2 minutes. This recommendation would allow more time to be spent on portfolio holders providing answers to Member questions.

Appointments to Committees and Working Groups

The Group considered the method by which Members are currently appointed to Committees and Working Groups. It was suggested that this can often be rushed between the period of group meetings and the Council meeting that approves the appointments. It was suggested that an alternative method would be for the Council meeting to approve the proportionality at the annual Council meeting and a resolution be passed authorising the Head of Democratic Services to make changes in the standing appointments to Committees and Sub Committees on the instructions of political groups. This ensures that the power to appoint remains with the groups as required by the Local Government (Committees and Political Groups) Regulations 1990, but the administrative action is carried out by the Head of Democratic Services. Nominations would have to be confirmed in writing at least a week before the meeting to allow for agendas to be despatched and substitutes to be informed.

Budget Council

Concern was raised that due to the schedule of meetings, and the business of budget and mayor-making Council meetings, there was no opportunity for other business between Council meetings held on December and July the following year. It was suggested that there be additions to the budget meeting to allow for Members' Questions and Portfolio Holders' Reports to allow for updates to be given on the business of the Council.

Advisory Shareholder Sub-Committee

The meetings of the Advisory Shareholder Sub-Committee were considered to be light. It was suggested that a recommendation be made to remove the Advisory Shareholder

Sub-Committee from the Councils Committee structure and the terms of reference be subsumed into the Governance, Audit and Standards Committee to reduce the need for a separate meeting to be held and better utilise Councillors' time.

The Sub-Committee is currently scheduled for three meetings each year and the terms of reference are as follows:

1. Number of Members: 7 (politically proportionate)
2. The Advisory Shareholder Sub-Committee may co-opt and / or otherwise engage the services of such external consultants and advisors as may be required from time to time, including but not limited to, auditors.
3. Meetings shall be held as necessary and not less than once each year. The quorum for meetings is 3.
4. The Advisory Shareholder Sub-Committee acts in an advisory capacity and is not a decision-making body.
5. The Advisory Shareholder Sub-Committee shall assist, support and advise the Portfolio Holder for Resources and Personnel Policy and the Cabinet in its exercise of the Council's function as the shareholder of the Council's companies.
6. Without prejudice to the generality of clause 5 above, the Advisory Shareholder Sub-Committee shall consider the business plans and financial performance of the Council's companies in respect of which it may advise and make recommendations to the Portfolio Holder for Resources and Personnel Policy and the Cabinet in respect of its exercise of the shareholder function.

Proforma for Motions

Dual hatted Members on the Constitution Group raised examples of proforma being used for Council motions at other authorities. The proforma was received favourably as it was suggested that it would bring consistency of approach to motions submitted to full Council. It was further suggested that an amended proforma could be used for Public Questions, Members' Questions, Urgent Items and petitions submitted to full Council meetings. The draft proforma is attached at Appendix 2.

Planning Committee

The Group considered a number of issues regarding Planning Committee procedures. New paragraphs covering bias and predetermination at Planning Committee have been inserted to ensure Members are aware of the principles of bias and predetermination and to ensure accuracy in their decision making.

The number of speakers allowed to speak at Planning Committee has been amended. The Group considered that the current arrangements were too restrictive and ambiguous as they only allowed multiple speakers for large applications. This has now changed to two objectors and two supporters being allowed to speak on any type of

application. This is to ensure fairness and impartiality when considering each application.

Supplementary questions, (to be put through the Chair only), are now proposed to be allowed once each speaker has spoken, this is something that the Members of Planning Committee were not allowed to do previously. The Group felt this was important to aid their understanding of the application and to ensure informed and accurate decision making. These amendments are included in the change table at Appendix 3.

Appendix 2

NOTICE OF MOTION FOR FULL COUNCIL	
Title of Motion:	
Date of Council meeting:	
Proposer of Motion: (Name and signature)	
Seconder of Motion: (Name and signature)	
Background/supporting information (maximum 100 words):	
Motion to be proposed (active section):	
Date and time received: (for completion by Democratic Services)	

Appendix 3

Change Table

Constitution Chapter and Number	Current Wording/Suggested Change	Reason for Change
Chapter 2 Part 2 Ordinary Meetings	<p>To set the order of business at ordinary Council meetings as follows:</p> <ul style="list-style-type: none"> • Elect a person to preside if the Mayor and Deputy Mayor are not present; • Receive any apologies for absence from Members; • Receive any declarations of interest from Members; • To approve the minutes of the last meeting; • Receive any announcements from the Mayor; • Receive a presentation from the Youth Mayor, as appropriate, (and/or the Deputy Youth Mayor), by invitation, for up to five minutes on the activities of Broxtowe Youth Voice (the Youth Mayor and/or the Deputy Youth Mayor will have the right to speak, but not to vote, on any item on the agenda at a full Council meeting whether annual or ordinary with the rules on speaking being as per these Council Procedure Rules); • To receive a report from the Leader and receive questions and answers on the report if any; • To deal with questions from Councillors in accordance with Rule 10; • To receive questions from Councillors to those representing the Council on outside bodies; • To receive reports from the Cabinet Portfolio Holders and receive questions and answers on the reports; 	<p>To set the order for full Council meetings.</p> <p>To include Portfolio Holders' reports and Questions by Members at budget meetings.</p>

	<ul style="list-style-type: none"> • To receive questions from, and provide answers to, the public in relation to matters which in the opinion of the Chief Executive are relevant to the Council's functions (subject to Rule 8.5); • To consider motions; • To receive reports from the Committees and receive questions and answers on the reports; • To receive updates on the work of Scrutiny Committees • To consider business which, in the opinion of the Chair or Vice-Chair of the Overview & Scrutiny Committee, or in their absence, the Mayor or Deputy Mayor, or in their absence the Chief Executive or their nominee's should be considered at the meeting as a matter of urgency; • To receive petitions in relation to matters which in the opinion of the Chief Executive are relevant to the Council's functions; • To receive items referred from the Committees or questions from Members on the business of the Committees; • To consider any other business specified in notice convening the meeting, including proposals from the Cabinet in relation to the Budget and Policy Framework and reports from the Overview and Scrutiny Committee; • To approve a programme of ordinary meetings of the Council and Committees for the year at an appropriate time. The Council meeting to consider the budget shall be limited to only that substantive item with the addition of Portfolio Holders' Reports and Questions by Members unless by agreement of the Mayor; or the criteria for urgent business, at 2.1.21, is met. • To approve amendments to the membership of Committees. • receive updates from the Chair or Vice Chair of the Overview and Scrutiny Committee on the Scrutiny work programme. • Receive an Annual Review of Scrutiny report at an appropriate time. • To consider urgent business. 	
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Chapter 2 Part 2 1.17 Appointments to Committees	Suggested wording Delegate to the Head of Democratic Services to make changes in the standing appointments to Committees and Sub Committees on the instructions of political groups Nominations to be confirmed in writing at least a week before the meeting	
Chapter 2 Part 8 1.17	To remove the Advisory Shareholder Sub-Committee and transfer the terms of reference to the Governance, Audit and Standards Committee's terms of reference.	
Appendices	To include a proforma for Members' Questions, Public Questions, Motions and Petitions.	
Chapter 5 Part 3 (Probity in Planning)	<p>Insertion of new paragraph to deal with Bias and Predetermination:</p> <p>Bias and Pre-determination Members of the Planning Committee need to take account of the general public's expectation that a planning application will be processed and determined in a transparently open and fair manner, in which members taking the decision will take account of all the evidence presented before arriving at a decision, not take into account irrelevant evidence or representations and that to commit themselves one way or the other before hearing all the arguments and evidence makes them vulnerable to an accusation of partiality. A Member may voice their concerns publicly before a meeting, but they should make it clear that they will not form a final opinion until they have considered all the information.</p> <p>Members must not prejudice their ability to participate in planning decisions at a Planning Committee by making up their mind or clearly appearing to have made up their mind on how they will vote on any planning matter prior to formal consideration of the matter at the relevant</p>	Ensure Members are aware of the principles of bias and predetermination. Ensure accuracy in their decision making.

	<p>Planning Committee and hearing the officer's presentation and evidence and arguments on both sides.</p> <p>Pre-determining a matter in this way and then taking part in the decision will put the Council at risk of a finding of maladministration and of legal proceedings on the grounds of there being a danger of bias or a failure to take into account all of the factors enabling the proposal to be considered on its merits.</p> <p>If a Member has made up their mind prior to the meeting or have made public comments which indicate that they might have done and is not able to reconsider their previously held view, then they will not be able to participate on the matter.</p> <p>Members who are members of a Planning Committee and who in that capacity attend any ancillary meeting or Committee need to avoid any appearance of bias or of having predetermined their views before taking a decision on a planning application or on planning policies. Section 25 of the Localism Act 2011 provides that a Member should not be regarded as having a closed mind simply because they previously did or said something that, directly or indirectly, indicated what view they might take in relation to any particular meeting, provided they remain open to listening to all the arguments and changing their mind in the light of all the information presented at a relevant meeting. A Member in this position will always be judged against an objective test of whether the reasonable onlooker with knowledge of the relevant facts, would consider that the Member was biased.</p> <p>Circumstances may also arise where a Member has had significant personal involvement with an applicant, agent or interested party (whether or not in connection with the particular matter before the Planning Committee), which could lead an observer who knows the relevant facts to reasonably think the Member's interest is so significant that it is likely to prejudice the Member's judgement of the public interest.</p>	
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	For advice on bias and predetermination, Members should seek the advice of the Monitoring Officer and/ or Deputy Monitoring Officers.	
Chapter 5 Part 3 Paragraph 4: Public Speaking at Planning Committee	<p>Existing wording:</p> <p>one person objecting and the applicant or a supporter may speak. Where an application is a major planning application and affects a large area, additional speakers will be allowed, at the discretion of the Head of Legal and Head of Planning and Economic Development, if it is felt there is justification on the basis of a multiplicity of viewpoints and issues.</p> <p>If more than one person wishes to speak in objection to a particular application then, subject to the above discretion, the person living closest, or most likely to be affected by the development, will be allowed to speak. Head of Planning and Economic Development and the Head of Legal will make that decision. Other people may be put in touch with the chosen person in order that they may co-ordinate the views of others.</p> <p>A supporter may only speak if the applicant chooses not to. Following the registration deadline, the people selected to speak will be notified by Democratic Services</p> <p>Suggested wording</p> <p>Two people objecting and two people supporting an application may speak. one person objecting and the applicant or a supporter may speak. Where an application is a major planning application and affects a large area, additional speakers will be allowed, at the discretion of the Head of Legal</p>	To ensure fairness and impartiality.

	<p>and Head of Planning and Economic Development, if it is felt there is justification on the basis of a multiplicity of viewpoints and issues.</p> <p>If more than one person wishes to speak in objection to a particular application then, subject to the above discretion, the person living closest, or most likely to be affected by the development, will be allowed to speak. Head of Planning and Economic Development and the Head of Legal will make that decision. Other people may be put in touch with the chosen person in order that they may co-ordinate the views of others.</p> <p>A supporter may only speak if the applicant chooses not to. Following the registration deadline, the people selected to speak will be notified by Democratic Services.</p>	
Chapter 5 Part 3 Paragraph 4: Public Speaking at Planning Committee	<p>Insertion of new paragraph</p> <p>Speakers may be asked supplementary questions from the Committee where clarification is required, these supplementary questions will be asked via the Chair.</p>	To ensure informed and accurate decision making.
Chapter 2 Part 1, paragraph 2.	<p>Suggested wording:</p> <p>2.1.21 The Council may deal with business even though it is not on the Agenda if that business is considered to be urgent. Urgent business means business that requires the urgent attention of Council in connection with a matter that affects the Borough, which needs to be dealt with before the next Ordinary meeting.</p> <p>The procedure for urgent business is as follows:</p> <ul style="list-style-type: none"> • the business is raised by a Motion on Notice under Rule 11 	Added again as dropped out of last adopted version.

	<p>(Motions on Notice);</p> <ul style="list-style-type: none">• For the motion to be considered as urgent business, the issue will be expected to have arisen between 12 noon seven clear working days before the Council meeting and 12 noon midday on the day before the meeting• The Mayor at the meeting, or the Voting Councillors, decide that the business is urgent and• the agenda relating to the meeting states that the Council may deal with urgent business at that meeting. <p>The Chief Executive in discussion with the Leader of the Council may reject the motion if it:</p> <ul style="list-style-type: none">• does not meet the definition of urgent business;• is vexatious, abusive or otherwise inappropriate;• relates to a planning decision;• relates to a licensing decision;• relates to any other matter relating to an individual or entity in respect of which that individual or entity has a right of recourse to a review or right of appeal conferred by or under any enactment;• requires the disclosure of confidential or exempt information; <p>the Mayor shall refer the urgent motion to the voting Councillors. the voting</p> <p>Councillors will then decide whether or not the motion on notice is urgent and required to be debated. if they decide that it is urgent, they will debate it under rule 13 rules of debate. if they decide that the matter is not urgent, the motion shall be deferred to the next ordinary Council meeting (i.e. not to an extraordinary Council meeting, an annual meeting, or a meeting to set the budget).</p>	
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Chapter 2 Part 1, paragraph 2.	11. Motions on Notice New wording highlighted in bold below: 11.1 Except for motions which can be moved without notice under Rule 12 and Urgent Business under Rule 2.1.21 above , written notice of every motion, must be delivered to the Chief Executive not later than 12 noon seven clear working days before the Council meeting at which it is to be considered. Motions received will be recorded and open to public inspection.	Added to accommodate allowing Urgent Business under rule 2.1.21
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Report of the Monitoring Officer

Quarterly Complaints 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 two, managed by the Complaints and Compliments Officer and at stage three 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 two of the Council's formal complaint procedure.
- **Appendix 3** provides a summary of the complaints determined by the Ombudsman.

Of the 167 stage one complaints received overall, 31 were investigated under the stage 2 complaints procedure and three were investigated by the LGO.

Under the stage two complaints procedure, 16 complaints (53%) were not upheld, 13 complaints (41%) were upheld and two (6%) were withdrawn during the course of the investigation. Further details can be found in **Appendix 2**.

The Ombudsman investigated five complaints made against the Council. Two complaints were recorded as not upheld, resulting in no further action being required by the Council, and three complaints were upheld. Further details can be found in **Appendix 3**.

4. Financial Implications

The comments from the Interim Deputy Chief Executive 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 Head of Legal Services were as follows:

Whilst there are no direct legal implications arising from this report, 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).

6. Human Resources Implications

Not applicable.

7. Union Comments

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.

Appendix 1

**Summary of complaints and compliments
1 July 2025 – 30 September 2025**

Complaints and Compliments received

	Total	Chief Executive	Deputy Chief Executive	Executive Director	Monitoring Officer	Leisure
Number of Stage One complaints	167	88	11	66	0	2
No. of complaints concluded under Stage Two	31	21	3	7	0	0
No. of complaints determined by the Ombudsman	5	5	0	0	0	0
Number of compliments received	74	63	0	11	0	0

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

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Development Control	7	3	2	0
Housing and Income	9	1	0	7
Housing Repairs	32	5	3	12
Housing Operations	33	8	0	39
Housing Strategy	3	1	0	5
Environmental Health	4	3	0	0
Total	88	21	5	63

Deputy Chief Executive's Department

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Customer Services	0	0	0	0
Capital Works	2	1	0	0
Revenues	9	2	0	0
Total	11	3	0	0

Executive Director's Department

Service Areas	Stage 1 Complaints	Stage 2 Complaints	Ombudsman Complaints	Compliments
Communications	0	0	0	3
Environment	4	0	0	0
Waste and Recycling	60	6	0	4
Bereavement	0	0	0	4
Information Governance	2	1	0	0
Total	66	7	0	11

Monitoring Officer's Department

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

Liberty Leisure Ltd

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

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
Time taken to acknowledge complaints – 1 to 5 days	167	88	11	66	0	2
Time taken to acknowledge complaints - more than 5 days	0	0	0	0	0	0

Time taken to respond to stage one complaints:

	Total	Chief Executives	Deputy Chief Executive	Executive Director	Monitoring Officer	Liberty Leisure Ltd
Less than 10 working days	126	47	11	66	0	2
Over 10 working days	41	41	0	0	0	0

Directorate / Section	Chief Executive	
	Number responded to outside of 10 working days	Number of complaints where an extension was sought
Housing Income	2	2
Housing Operations	17	17
Housing Repairs	19	19
Housing Strategy	3	3
TOTAL	41	41

Stage 2 - Formal Complaints

32 formal complaints have been responded to in the first quarter; all of which were acknowledged within the 5 working day timescale, and 100% were responded to within the 20 working day timescale.

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	31	21	3	7	0	0
Over 20 working days	0	0	0	0	0	0

Planning**1. Complaint against Planning**

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Planning Team had not correctly enforced a Tennis Club's operating hours.

Council's response

It was determined that an appropriate level of service was provided as the Planning Team had correctly investigated the concerns raised about the tennis club and the increased running time.

As the tennis club does not have a restrictive condition on the length of the club activities there has been no breach in planning conditions. Therefore, the Council was unable to take any further action.

Assistant Director Comments

The Planning Team had correctly assessed the operating hours of the tennis club.

2. Complaint against Planning

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Planning Team had incorrectly authorised a massage business under Class E.

Council's response

It was determined that an appropriate level of service was provided as the Planning Team had appropriately used Government Guidance in designating the massage business under Class E.

Class E allows for a premises to be changed from offering a professional service to one that offers medical or health services.

Assistant Director Comments

The Planning Team had correctly applied Government Guidance when designating the massage business.

3. Complaint against Planning

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Planning Team had not correctly investigated a breach of their right of way to their property.

Council's response

It was determined that an appropriate level of service was provided as the Planning Team had appropriately investigated the alleged breach.

The works undertaken have occurred on private land and would not require planning permission. Therefore, no further action could be undertaken.

Assistant Director Comments

The Planning Team had correctly investigated the issued. This remains a civil dispute between two private land owners.

Housing Repairs

1. Complaint against Housing Repairs

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that an issue of damp and mould had not been rectified at their property.

Council's response

It was determined that an appropriate level of service was not provided as the Housing Repairs Team did not correctly schedule a damp survey with a specialist contractor in a timely manner.

While the Housing Repairs Team had inspected the property and the damp, by not booking a survey with the specialist damp contractor this further extended the period in which the complainant had reside in the property with a damp issue.

Furthermore, the Housing Repairs Team incorrectly booked a treatment for the damp that would not tackle the root cause of this problem.

The correct survey was booked and the works were undertaken to remove the damp and mould from the property.

An apology and £2,000 compensation was offered and accepted.

Assistant Director Comments

The Council recognises the inconvenience caused by not correctly booking the works to remove the damp and mould at the property.

Complaint Team Recommendations/actions

- The Housing Repairs Team has been reminded of their responsibility to effectively communicate with individuals.
- The Housing Repairs Team has been reminded of their responsibility to correctly identify and book works, especially where specialist contractor involvement is required, in a timely manner.
- The Housing Repairs Team has been reminded of the necessity to identify any damp issue before the commencement of an individual's tenancy.

2. Complaint against Housing Repairs

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that they were not notified of works to the communal lighting that caused them disruption.

Council's response

It was determined that an appropriate level of service was not provided as the Housing Repairs Team did not notify the complainant of the works to replace the communal lighting at the Whiteley Close flats.

The responsibility of informing residents of the need to replace this lighting was passed to the contractor. However, the Housing Repairs Team did not monitor this communication and subsequently the complainant was not informed of the works taking place.

An apology and £250 compensation was offered and accepted.

Assistant Director Comments

The Council recognises the inconvenience caused by not communicating with resident correctly.

Complaint Team Recommendations/actions

- The Housing Repairs Team have been reminded of their responsibility to notify Leaseholders as per the clauses set out in their leases.
- The Housing Repairs Team have been reminded of their responsibility to effectively communicate with Leaseholders where access and works are required.
- The Housing Repairs Team have been instructed to continue to review their communication methods in order to ensure that this service improves.

3. Complaint against Housing Repairs

Response – 20 working days

Withdrawn

Complaint

The complainant contacted the Council and complained that an issue of damp and mould had not been rectified at their property.

Council's response

This complaint was withdrawn during the course of the investigation.

4. Complaint against Housing Repairs

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that an issue of a crack at the their property had not been correctly investigated.

Council's response

It was determined that an appropriate level of service was provided as the Housing Repairs Team had promptly investigated the issue of cracking at the complainant's home.

The Housing Repairs Team had attended the property and reviewed the cracks. These cracks were cross-referenced with the previous inspection and it was noted that they had not gotten any worse.

Assistant Director Comments

The correct actions were undertaken to review the cracks. The property remains structurally sound and no further action is required.

5. Complaint against Housing Repairs

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that their property was in a state of disrepair when let.

Council's response

The Housing Repairs Team had completed all major works and cleaning of the property before it was let.

The Council's records show that the cleaning was completed to a satisfactory standard.

Furthermore, additional works identified during the viewing of the property were completed in a timely manner following the signing of the tenancy. The Council's records indicate that the complainant agreed that these works would be completed once they had signed the tenancy and moved into the property. The works were subsequently completed in a timely manner following the signing of the tenancy.

Assistant Director Comments

The Housing Repairs Team had appropriately undertaken the cleaning and repairs to the property before it was let.

Housing Operations

1. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Council had not dealt with an issue of Anti-Social Behaviour.

Council's response

It was determined that an appropriate level of service was provided as the Tenancy Services Team are unable to act upon instances of Anti-Social Behaviour (ASB) without the necessary evidence.

In this instance, as the complainant had not provided any evidence to substantiate the alleged ASB they were experiencing, the Tenancy Services Team were unable to undertake any action.

Assistant Director Comments

The Council had acted appropriately and inline with Policies to investigate the Anti-Social Behaviour reports.

2. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Council had inappropriately registered their housing needs as requiring one bedroom.

Council's response

It was determined that an appropriate level of service was provided as the Housing Allocations Team have determined the application in line with the information the complainant had submitted.

The information the complainant had submitted did not support that a two-bed property was required.

Assistant Director Comments

The Council had acted appropriately and inline with the Allocations Policy.

3. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Council had not dealt with an issue of Anti-Social Behaviour and the removal of a fence.

Council's response

It was determined that an appropriate level of service was provided as the Tenancy Services Team had acted appropriately in removing the fence and returning it to its original position.

The Council recognises that this was undertaken due to the complainant's safety concerns. However, as this was undertaken without permission and was causing access issues for other residents, this could not be allowed to remain in the new position.

The Council's records indicate that the reports of Anti-Social Behaviour had been investigated promptly.

Assistant Director Comments

The Council had acted appropriately and inline with Policies to investigate the Anti-Social Behaviour reports.

4. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Council had inappropriately entered their temporary accommodation property to check on their wellbeing.

Council's response

It was determined that an appropriate level of service was provided as the Temporary Accommodation Team acted upon reports of the complainant's property being unsecure and the fire alarm sounding in a prompt manner.

The Temporary Accommodation Team undertook this action due to genuine concerns for the complainant's safety and acted appropriately to ensure they and their child were safe.

Assistant Director Comments

The Council had acted appropriately on safeguarding concerns to ensure that the resident and their family was safe.

5. Complaint against Housing Operations

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that the Council had recorded inappropriate comments about them.

Council's response

It was determined that an appropriate level of service was not provided as the Housing Options Team inappropriately included an opinion based record on to the complainant's housing file which stated that they were a racist.

These entries onto housing application should not have taken place as there is no evidence to suggest that this record required entry.

The record has now been deleted from the housing application.

However, due to the language used in the complainant's complaints of Anti-Social Behaviour (ASB) there was sufficient concern from the Housing Department to make a note of their submissions.

An apology was offered to the complainant.

Assistant Director Comments

It is recognised that the opinion based evidence should not be placed on to individual's housing files if these cannot be substantiated.

6. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the banding decision from their Housing Application has been made incorrectly.

Council's response

The information submitted by the complainant does not support that a two-bed property is required. They are currently appropriately banded.

Assistant Director Comments

The Housing Allocations Team had appropriately banded the complainant in line with the Allocations Policy.

7. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that their tenancy as ended despite no termination form, valid notice or key return.

Council's response

The Tenancy Service attempted to make contact with the complainant on multiple occasions to determine if they are still residing at the property. As no contact had been made by complainant, over several months, it was determined that they were no longer living at the property.

The Tenancy Services Team served the correct Notices against the complainant to notify of them of the intention to terminate their tenancy and dispose for the remaining items at the property should they not confirm their residence.

Assistant Director Comments

The Housing Allocations Team appropriately contacted the tenant to determine their tenancy. As no confirmation had been received and the property was empty, the tenancy was terminated.

8. Complaint against Housing Operations

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Housing Allocations Team has refused to award them a band 1 priority on the Housing Register twice.

Council's response

The Housing Options Team have determined that the complainant was not in priority need for housing and have subsequently discharged its homelessness duty.

Assistant Director Comments

The Housing Allocations Team had appropriately banded the complainant in line with the Allocations Policy.

Housing Strategy

1. Complaint against Housing Strategy

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that they had been issued a warning for installing a fence at their Leasehold Property despite having planning permission.

Council's response

It was determined that an appropriate level of service was provided as the Housing Strategy Team had appropriately enforced the conditions of the Lease.

The alterations the complainant had made to the property were not permitted as per the terms of the Lease.

Assistant Director Comments

The correct actions were undertaken to enforce the terms of the Lease. While planning permission may have been granted, the Council remain the owner of the land and permission has not been granted to alter the property.

Housing Income

1. Complaint against Housing Income

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that they had not received a response to their enquiry over a bedroom size. Furthermore, they believed the bedroom was too small to qualify for the spare room subsidy they were paying.

Council's response

It was determined that an appropriate level of service was not provided as the outcome of the review of the spare bedroom was not provided in an appropriate amount of time.

The full response was subsequently provided as part of the stage 1 complaint response.

The spare bedroom meets the minimum required standard as set by the Houses in Multiple Occupation guidance.

While the complainant lives in a Council property, these standards are applied to the Council's housing stock.

As the spare bedroom exceeds the standard bedroom size as set out by the Houses in Multiple Occupation guidance it is considered that this room is acceptable and is not exempt from spare room subsidy.

An apology was offered for the delayed communication.

Assistant Director Comments

The Council recognises the inconvenience of not providing the response to the enquiry in a timely manner.

Environmental Health

1. Complaint against Environmental Health

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Licensing Team inappropriately granted a license to a massage business.

Council's response

It was determined that an appropriate level of service was provided as the Licensing Team had appropriately considered the application for the massage and special treatment business.

No objections were raised by Nottinghamshire Police and as part of this process the Environmental Health Team considered the application and had no objections.

Due to this, there was no justification for the license to be refused.

Assistant Director Comments

The correct actions were undertaken to review the license. There was no evidence to suggest that the license should be refused.

2. Complaint against Environmental Health

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Environmental Health Team have not dealt with an issue of rubbish accumulation in a neighbouring garden.

Council's response

It was determined that an appropriate level of service was provided as the Environmental Health Team have appropriately investigated the issues raised regarding the neighbour's garden.

The Environmental Health Team had undertaken the appropriate visits in a timely manner and had issued the correct warnings and notices following the investigation of the garden.

Assistant Director Comments

The correct actions had been taken to investigate the issue raised. These were undertaken promptly and Notices were issued to ensure that the garden is tidied.

3. Complaint against Environmental Health

Response – 20 working days

Complaint upheld**Complaint**

The complainant contacted the Council and complained that the Licensing Team had extended a pubs closing time.

Council's response

It was determined that an appropriate level of service was not provided as the Licensing Team had not provided responses to the complainant's enquiries.

Repetitious or similar issues that had been raised were not responded to.

The Licensing Team had not increased the Pubs closing times to 1am. This closing time had been established since 2005 and a minor amendment has been agreed by the Environmental Health Team to limit the length of time the garden can be used by patrons.

An apology was offered for the poor communication.

Assistant Director Comments

While the correct actions had been taken to investigate the issue raised, it is recognised that the communication had been poor.

Capital Works**1. Complaint against Capital Works**

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Capital Works have refused to install a fence at their property to protect their privacy and their new build property had been built incorrectly.

Council's response

It was determined that an appropriate level of service was provided as the Council and its contractors have correctly built the property in accordance with the approved plans. The Council was unable to erect a fence around the property as this would interfere with the public highway, the communal access to the properties and would sit flush with the windows.

Furthermore, a fence can only be installed up to 1m on a public highway. Any fence higher than 1m would require planning permission.

There was no information to suggest that the Council had acted inappropriately when constructing the property or in contravention of the Housing Ombudsman Guidance and Housing Act 1996.

Assistant Director Comments

The property has been constructed in accordance with the approved plans and remains a safe place to reside.

Revenues, Benefits and Customer Services**1. Complaint against Council Tax**

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Council Tax Team did not appropriately update a forwarding address which resulted in enforcement action being undertaken.

Council's response

It was determined that an appropriate level of service was provided as the Council Tax Team had correctly issued the Council Tax bills to the address that had been provided.

As notification had not been received of the need to change the forwarding address, the bills continued to be sent to the last known address.

Assistant Director Comments

The Council Tax acted appropriately by continuing to send the Council Tax bills to the last known address.

2. Complaint against Benefits

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that the Benefits Team had failed to undertake their duties in relation to sections 1, 2, 9, 18 and 42-44 of the Care Act 2014 and has failed to make reasonable adjustments under the Equality Act 2010.

Council's response

It was determined that an appropriate level of service was provided as the Benefits Team had correctly provided the complainant with assistance when making a benefit claim.

There was no evidence information to suggest that the Benefit Team had acted inappropriately toward the complainant or acted outside of the scope of the Care Act and Equality and Diversity Act.

Assistant Director Comments

There is no evidence to suggest the complainant had been treated poorly during their benefit claim.

Environment

1. Complaint against Environment

Response – 20 working days

Withdrawn

Complaint

The complainant contacted the Council and complained that grass cutting had taken place on their property that they did not request.

Council's response

This complaint was withdrawn during the course of the investigation.

Assistant Director Comments

N/A

2. Complaint against Environment

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that the Waste Team had failed to collect their garden waste bin on the correct day.

Council's response

It was determined that an appropriate level of service was not provided as the garden waste bin had not been collected correctly.

While the Council had attempted to collect the bin, access issues have prevented this from occurring.

Assistant Director Comments

The Council recognises the inconvenience of not collecting the bin on the designated day.

3. Complaint against Environment

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that the Waste Team had failed to collect their waste bin on the correct day.

Council's response

It was determined that an appropriate level of service was not provided as the garden waste bin had not been collected on the correct day.

This was a service error and the bin was collected following its reporting.

Assistant Director Comments

The Council recognises the inconvenience of not collecting the bin on the designated day.

4. Complaint against Environment

Response – 20 working days

Complaint not upheld

Complaint

The complainant contacted the Council and complained that they had been inappropriately given a littering fine.

Council's response

It was determined that an appropriate level of service was provided as the WISE Team were correct in issuing the Fixed Penalty Notice as they had observed the complainant incorrectly disposing of a cigarette.

The body camera footage showed the complainant incorrectly disposing of the cigarette.

Assistant Director Comments

The Council issued the fine correctly as there was clear evidence of littering having occurred.

5. Complaint against Environment

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that the Waste Team had failed to collect their waste bin on the correct day.

Council's response

It was determined that an appropriate level of service was not provided as the garden waste bin had not been collected on the correct day.

This was a service error and the bin was collected following its reporting.

Assistant Director Comments

The Council recognises the inconvenience of not collecting the bin on the designated day.

6. Complaint against Environment

Response – 20 working days

Complaint upheld

Complaint

The complainant contacted the Council and complained that the Waste Team had failed to collect their waste bin on the correct day.

Council's response

It was determined that an appropriate level of service was not provided as the waste bin had not been collected on the correct day.

This was a service error and the bin was collected following its reporting.

Assistant Director Comments

The Council recognises the inconvenience of not collecting the bin on the designated day.

Appendix 3

**STAGE 3 – COMPLAINTS TO THE LOCAL GOVERNMENT OMBUDSMAN (LGO)
/HOUSING OMBUDSMAN (HO)****Stage 3 - Ombudsman Complaint****1. Complaint against Housing Repairs (complaint concluded in 2023/24)****Complaint Upheld.**Complaint

The concern raised was that the Council did not repair a leaking ceiling in a timely manner.

Ombudsman's conclusion

The HO found that in accordance with paragraph 53(b) of the Housing Ombudsman Scheme, the Council had made an offer of redress prior to investigation which, in the Ombudsman's opinion, satisfactorily resolves the complaint about its handling of a roof leak at the resident's property.

There was a lack of attention to detail in the stage 1 response as the wrong block number was referred to and the Council addressed some unrelated issues that had been mentioned in the December 2015 email that had already been resolved some time ago.

Given it accepted some failings it would have been appropriate for the Council to have offered compensation in its stage 1 response. It is noted however that this was remedied in the Council's stage 2 response where it made an appropriate offer of compensation in line with the remedies guidance for the delays in resolving the roof leak.

The Council was ordered to pay £300 for the handling of the stage 1 complaint. This has been completed.

2. Complaint against Housing Repairs (complaint concluded in 2024/25)**Complaint Upheld.**Complaint

The concern raised was that the Council did not handle a boiler repair appropriately.

Ombudsman's conclusion

The HO found that In accordance with paragraph 53(b) of the Housing Ombudsman Scheme, the Council provided reasonable redress in response to the resident's complaint about its handling of boiler repairs. A payment of £250 compensation was issued at stage 2 of the Council's complaint process.

The resident raised concerns about whether the Council considered her mother's vulnerabilities when it responded to the boiler issues. The HO would expect the Council to consider a resident's needs and vulnerabilities when responding to a boiler not working. The Council attended a day earlier than was required and this indicates that the Council had given the repair an additional priority but did not communicate this clearly to the resident.

The Council acknowledged there were failures in how it responded to the boiler issues and these include:

- The out of hours phone line did not work on the Easter bank holiday Friday.
- Its contractor did not bring overshoes to appointments.
- There was poor communication about when the contractor would be coming for follow up appointments.
- Its contractor did not initially identify why the new boiler was not working.

Overall, the HO were satisfied that the acknowledgement of its failures, apology, and compensation provided by the Council represents reasonable redress for the failures in respect to its handling of the boiler repairs. The compensation that it had paid is in line with what the HO may have awarded for this type of issue and, in their opinion, is proportionate to the impact to the residents.

3. Complaint against Housing Repairs (complaint concluded in 2024/25)

Complaint Upheld.

Complaint

The concern raised was that the Council did not handle a report of a blocked drain.

Ombudsman's conclusion

The HO found that in accordance with paragraph 52 of the Scheme, there was maladministration in the landlord's handling of the repair of blocked drain.

Despite the multiple reports of the same issue and different contractors attending the property, the issue was not resolved to the resident's satisfaction.

It is reasonable for Council to rely on independent and professional contractor's advice. However, as this issue was repeatedly reported and there was a clear dispute on what was causing the blockage, the Council should have considered at an earlier stage an alternative approach or done more to investigate the resident's concerns.

This is particularly important as the resident reported significant inconvenience that they were unable to use their shower for months and the inconvenience caused by the multiple visits. Despite a contractor recommending cameras should be used, this was not done. It would have been appropriate to follow the expert advice. Its failure to consider an escalated response was therefore unreasonable in the circumstances.

The Council was ordered to pay £300 for the handling of the reports of the blocked drain. This has been completed.

4. Complaint against Planning (complaint concluded in 2024/25)**Complaint not Upheld.**Complaint

The concern raised was that the Council did not consider a planning application correctly.

Ombudsman's conclusion

The LGO would not investigate this complaint about how the Council dealt with a planning application. This is because they were unlikely to find fault.

In this case, the LGO were satisfied the Council properly assessed the acceptability of the development, including the impact on the complainant's, the character of the area and the impact on highway visibility, before granting planning permission. The case officer's report referred to the objections received and explains why the Planning Officer considers the proposal overcomes these.

5. Complaint against Planning (complaint concluded in 2024/25)**Complaint not Upheld.**Complaint

The concern raised was that the Council did not consider a planning application correctly.

Ombudsman's conclusion

The LGO would not investigate the complainant's complaint because they have the right to appeal to the Planning Inspector.

The complainant has complained about how the Council dealt with his planning application.

They disagreed with how the Council reached its decision to request additional information to support the application and believes it has been dishonest. The complainant says the Council has misinterpreted planning policies and it has approved similar applications in the area.

However, the complainant can choose not to provide the information requested if they does not agree with the Council's reasons for requesting it.

The complainant would have the right to appeal to the Planning Inspector if the Council subsequently decides to refuse permission for the development. The LGO consider it would be reasonable for the complainant to use their right to appeal.

The Ombudsman will not usually investigate when someone has a right to appeal to the Planning Inspector, even if the appeal would not address all the issues complained about.

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Report of the Monitoring Officer

Member Code of Conduct Annual Complaints Report

1. Purpose of Report

To report to the Committee a summary of complaints under the Members' Code of Conduct between 1 April 2024 to 31 March 2025 and declarations of Gifts and Hospitality.

2. Recommendation

The Committee is asked to NOTE the report.

3. Detail

The Localism Act 2011 section 27 places the Council under a duty to promote and maintain high standards of conduct. In discharging this duty, the Council is required to adopt a Code dealing with the conduct that is expected of its Members and Co-opted Members.

The Council adopted, with minor variation, the new model Code of Conduct developed by the Local Government Association on 12 July 2023. This Code continues to be considered fit for purpose, provides clarity on the behaviour expected of Members and reflects public expectation.

A summary of complaints under the Members' Code of Conduct between 1 April 2024 to 31 March 2025 is attached at the **Appendix**, this appendix also includes information on declarations of Gifts and Hospitality.

4. Financial Implications

The comments from the Interim Deputy Chief Executive were as follows:

There are no financial implications to consider for this report.

5. Legal Implications

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

Section 27 of the Localism Act 2011 places the Council under a duty to have a code of conduct for Members. A review of the above summary allows the Council to ensure its current ethical framework is met within the parameters of the Localism Act 2011. It is also conducive to promoting and maintaining the standards expected by the public.

6. Human Resources Implications

Not applicable.

7. Union Comments

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

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

11. Background Papers

Nil.

Appendix

Update on Member Complaints and Gifts and Hospitality Declarations

The LGA states:

'More than 100,000 people give their time as councillors. The majority do so with the very best motives, and they conduct themselves in a way that is beyond reproach. However, public perception tends to focus on a minority who in some way abuse their positions or behave badly.

Even where behaviour does fall short most issues are resolved easily through a simple apology or through swift action from an officer, a political group or meeting chair. Reference to the Code of Conduct and a formal complaint are very much the last resort where issues remain unresolved.'

The Seven Principles of Public Life and the associated standards expected (The Nolan Principles) are: honesty, integrity, objectivity, accountability, selflessness, openness and leadership.

Section 28(7) of the Localism Act 2011 put in place a requirement for the authority to appoint at least one Independent Person whose views are to be sought, and taken into account, by the authority before it makes its decision on an allegation against a Member that it has decided to investigate.

However, the Council has taken on two Independent Persons, in line with Best Practice Recommendations to ensure the effective and timely handling of Code of Conduct complaints and to ensure the appropriate check and challenge is in place throughout the complaints process.

Code of Conduct Complaints Update for 2024/25

The number of Member Complaints received in 2024/25 has shown a decrease in both Borough and Parish complaints from those received in 202/24. Further detail is provided in the tables below. Information on number of complaints for earlier three years has also been provided.

Number of Code of Conduct Complaints				
Type	2021/22	2022/23	2023/24	2024/25
Borough	8	2	7	2
Parish	16	6	17	7
Total	24	8	24	9

Origin of Borough Code of Conduct Complaints				
Type	2021/22	2022/23	2023/24	2024/25
Public	5	0	4	2
Member	3	1	3	0
Officer	0	1	0	0
Total	8	2	7	2

Origin of Parish Code of Conduct Complaints				
Type	2021/22	2022/23	2023/24	2024/25
Public	12	1	6	1
Member	4	2	6	6
Officer	0	3	5	0
Total	16	6	17	7

Type of Borough Code of Conduct Complaints (Multiple breaches can be alleged in one complaint)				
Type	2021/22	2022/23	2023/24	2024/25
Respect	6	0	3	
Bullying, Harassment & Discrimination	1	1	1	0
Impartiality of Officers of the Council	0	1	4	0
Confidentiality & Access to Information	0	0	0	0
Disrepute	0	1	2	0
Use of Position	0	1	1	0
Use of Council Resources & Facilities	0	0	0	0
Making Decisions	0	0	2	2
Complying with the Code of Conduct	0	0	3	0
Interests	0	1	1	2
Gifts & Hospitality	0	0	0	0
Other (not an obligation under the Code)	1	0	0	0

Type of Parish Code of Conduct Complaints (Multiple breaches can be alleged in one complaint)				
Type	2021/22	2022/23	2023/24	2024/25
Respect	11	2	13	7
Bullying, Harassment & Discrimination	2	5	13	6
Impartiality of Officers of the Council	0	0	0	3
Confidentiality & Access to Information	0	0	9	2
Disrepute	0	1	8	4

Type of Parish Code of Conduct Complaints (Multiple breaches can be alleged in one complaint)				
Use of Position	0	0	10	3
Use of Council Resources & Facilities	0	0	0	0
Making Decisions	0	0	0	2
Complying with the Code of Conduct	0	1	10	5
Interests	0	0	2	0
Gifts & Hospitality	0	0	0	0
Other (not an obligation under the Code)	11	0	0	0

Outcome of Complaint				
Type	2021/22	2022/23	2023/24	2024/25
Failed initial intake test	3	1	1	0
No Further Action	11	2	17	5
Informal Resolution	0	2	2	4
Other Action	0	0		0
Formal Investigation	0	0	0	0
Ongoing	0	2	0	0
Withdrawn	2	1	4	0

The Independent Persons were involved in consideration of all the Member Code of Conduct complaints in line with the adopted arrangements for dealing with Member Code of Conduct complaints.

Gifts and Hospitality

Gifts and Hospitality acceptance rules and procedures are incorporated in the Member Code of Conduct at Chapter 5 – Part 1 of the constitution - obligation 11:

11.1 You will not accept gifts or hospitality, irrespective of estimated value, which could give rise to real or substantive personal gain or a reasonable suspicion of influence on my part to show favour from persons seeking to acquire, develop or do business with the Council or from persons who may apply to the Council for any permission, licence or other significant advantage.

11.2 You will register with the Monitoring Officer any gift or hospitality with an estimated value of at least £25 within 28 days of its receipt.

11.3 You will register with the Monitoring Officer any significant gift or hospitality with an estimated value of at least £25 that you have been offered but have refused to accept.

The intention of the rules governing Gifts and Hospitality are in place to ensure that the Council can demonstrate that no undue influence has been applied or could be said to have been applied by any service user, supplier or anyone else dealing with the Council and its stewardship of public funds.

There was one declaration made during 2024/25 by a Member and the value of the gift was £50, which was donated to the Mayor's fund.

Member Gifts and Hospitality Declarations:

Year	No of Member Declarations	Total Value
2024/2025	1	£50
2023/2024	1	*£120
2022/2023	2	£35
2021/2022	3	£110

*The gift was to attend an event on behalf of the Council.

Officers are also subject to restrictions on Gifts and Hospitality that are deemed to be acceptable under the Officers' Code of Conduct, which is set out in Chapter 5 Part 2 of the Constitution.

Each employee is personally responsible for the initial decision concerning the propriety of hospitality or gifts. Employees may accept offers of modest hospitality or gifts appropriate to the occasion and provided it is normal and reasonable in the circumstances. If there is any suggestion that improper motives may be construed they must be refused or employees must seek advice from a more senior member of management or the Chief Officer. There is no requirement to declare any gift or hospitality below the value of £25. Offers to attend purely social or sporting functions may be accepted when these are part of the life of the community or where the Council should be seen to be represented. All hospitality and gifts received personally (other than general token items, pens, diaries, etc) must be declared to the Monitoring Officer, who will note it in a register kept for that purpose.

When receiving authorised hospitality and gifts, employees must be particularly sensitive as to its timing in relation to decisions which the Council may be taking affecting those providing the hospitality or gifts. Acceptance by employees of hospitality through attendance at relevant conferences and courses is acceptable where it is clear the hospitality is corporate rather than personal.

There were seven declarations made during 2024/25 by Officers. These were small token gifts, with the total value £110. There is no requirement to declare gifts and hospitality under £25, however, the declarations made by Officers often are for gifts and hospitality received under £25 and this information has been included in the update.

Officer Gifts and Hospitality Declarations

Year	No of Officer Declarations	Total Value
2024/2025	7	£110
2023/2024	25	£264
2022/2023	18	£332
2021/2022	4	£20

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Report of the Monitoring Officer

Findings of Fault Determinations Reported from the Ombudsman

1. Purpose of Report

To provide Members with the recent findings of fault determinations made by the Local Government and Social Care Ombudsman and the Housing Ombudsman

2. Recommendation

The Committee is asked NOTE the report.

3. Detail

This report outlines the recent determinations made by the Housing Ombudsman (HO) where a finding of fault has been recorded. The full reports by the HO are attached at Appendices 1 to 3.

4. Financial Implications

The comments from the Assistant Director Finance Services were as follows:

The cost of compensation is charged either directly to the service or recognised in a central corporate budget. Any significant financial implications relating to compensation and/or the operational recommendations from the Ombudsmen, over and above existing budgets and virement limits, would require approval by Cabinet.

5. Legal Implications

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

Under s5A of the Local Government and Housing Act 1989 the council's Monitoring Officer is legally obliged to report to Cabinet any findings of fault by the Local Government and Social Care Ombudsman.

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.

Housing

Ombudsman Service

REPORT

COMPLAINT 202330775

Broxtowe Borough Council

30 May 2025

Our approach

The Housing Ombudsman's approach to investigating and determining complaints is to decide what is fair in all the circumstances of the case. This is set out in the Housing Act 1996 and the Housing Ombudsman Scheme (the Scheme). The Ombudsman considers the evidence and looks to see if there has been any 'maladministration', for example whether the landlord has failed to keep to the law, followed proper procedure, followed good practice or behaved in a reasonable and competent manner.

Both the resident and the landlord have submitted information to the Ombudsman, and this has been carefully considered. Their accounts of what has happened are summarised below. This report is not an exhaustive description of all the events that have occurred in relation to this case, but an outline of the key issues as a background to the investigation's findings.

The complaint

1. The complaint is about the landlord's:
 - a. Handling of reports of a drain blockage.
 - b. Complaint handling.

Background

2. The resident is an assured tenant of the landlord. The property is a 1-bedroom ground floor flat.
3. On 11 August 2023, the resident reported to the landlord that the shower drain in her wet room was blocked and she was unable to use the shower. On the same day, a plumber inspected the property and undertook a repair to unblock the drain and restore the water flow.
4. Between August 2023 and January 2024, the resident reported a blocked shower drain on 10 occasions and that she was unable to use her shower during this period. The landlord responded to each request, and contractors inspected the property, cleaned the drain, and restored the flow before leaving. The resident disputed that the blockages were due to hair or wipes.
5. The resident made a formal complaint to the landlord on 15 November 2023. She was dissatisfied that despite multiple inspections, the blockage remained unresolved. She advised that she had not been able to use her shower since August 2023. She believed the problem was caused by work done to the building's drainage system. She has not had any further contact since 30 October 2023, when an inspector mentioned a drainage engineer would be

sent. She repeatedly called the repairs team and left voicemails. She also raised concerns about missed repair deadlines and lack of communication.

6. The landlord did not provide a formal stage 1 response within the expected timeframe and the resident contacted this Service for assistance. This Service wrote to the landlord on 6 February 2024 directing it to provide a response to the complaint by 13 February 2024.
7. The landlord issued its stage 1 complaint response on 12 February 2024. It stated it had provided an appropriate level of service based on number of visits. It found no fault with the drains beyond hair or wipes blocking the drain and reported no other related issues in the building. The complaint was not upheld.
8. The resident was unhappy with the landlord's complaint response and requested the escalation of her complaint on 19 February 2024. In addition to the stage 1 concerns, the resident stated that there had been a lack of communication regarding the repair. On 6 March 2024, a support worker helped the resident submit a further complaint about the repeated unaddressed reports of blockage. She disputed the stage 1 finding that this issue has been dealt with appropriately as the blockage was reoccurring. She considered that she was living in unsanitary conditions and had not been able to use her shower since August 2023.
9. The landlord issued its stage 2 response on 15 March 2024. It reaffirmed its earlier decision that an appropriate level of service had been provided. It stated that the repairs were attended to in a timely manner, with the majority attended to within 1 to 2 working days. The housing repairs team and 2 independent drainage and plumbing contractors found no issue with the drain. All inspections were completed, and drains were left in working order following unblocking and cleaning. The landlord stated there was no information to suggest the housing repairs team have not appropriately attended to the drain issue. It did, however, recognise that the drain issue caused the resident significant distress and apologised if it contributed to the distress.
10. The resident was not satisfied with the landlord's response and considered that the problem was still ongoing. She referred the complaint to the Ombudsman on 5 April 2024.

Assessment and findings

Scope of investigation

11. The resident has advised that the issues have been ongoing for a number of years. The Ombudsman may only investigate complaints that were brought to the attention of the landlord as a formal complaint within a reasonable period of the resident becoming aware of the issue, normally being within 12 months.

12. Therefore, this investigation has focused on the period from August 2022 onwards, being 12 months prior to the resident's formal complaint in August 2023.

Blocked drain

13. The tenancy agreement states that the landlord's repair obligations. The landlord is responsible for repairing drains, gutters and external pipes. However, the resident is responsible for clearing any hairs in the shower tray.
14. The landlord's repairs policy sets out the repair categories and timeframes for repairs. Urgent repairs will be attended to within 3-7 working days. Routine repairs within 20 working days.
15. The landlord's complaints compensation policy states that the landlord will pay compensation to residents if there has been a service failure or maladministration.
16. The landlord responded to the reports of blocked drain between August 2023 till January 2024 in 1 to 2 days. Prior to the contractors leaving the property, the drain would be cleared and water flow restored. This was appropriate given the nature of the issue and in line with the repair timescales mentioned in the repairs policy. It also demonstrated that the landlord took the resident's concern seriously and took appropriate action.
17. On one occasion, on 26 October 2023, there was no access to the property according to landlord. This is disputed by the resident, who explained that no one attended. There was no follow up on this. Given that the landlord was aware of an outstanding repair issue, the resident should have been contacted to discuss the no access and rearrange the appointment. The resident is also elderly and vulnerable, and this issue had been ongoing for months. Furthermore, the resident reported inconvenience in that she was unable to use the shower and was washing hair in the sink. It was therefore unreasonable that it failed to follow this up.
18. It is evident that multiple contractors determined that the issue was being caused by hairs and wipes blocking the drain. It was therefore reasonable for the landlord to inform the resident that this was her responsibility, as per the tenancy agreement.
19. Despite the multiple reports of the same issue and different contractors attending the property, the issue was not resolved to the resident's satisfaction. It is reasonable for landlords to rely on independent and professional contractor's advice. However, as this issue was repeatedly reported and there was a clear dispute on what was causing the blockage, the landlord should have considered at an earlier stage an alternative approach or done more to

investigate the resident's concerns. This is particularly important as the resident reported significant inconvenience that she was unable to use her shower for months and the inconvenience caused by the multiple visits. Despite a contractor recommending cameras should be used, this was not done. It would have been appropriate to follow the expert advice. Its failure to consider an escalated response was therefore unreasonable in the circumstances.

20. The resident also raised concerns about lack of communication during the repair. In the stage 2 response, the repairs were discussed; however, there was no consideration of communication failings or the impact on the resident. The resident's concerns about whether the property was unsanitary was also not addressed. The landlord therefore failed to use its formal responses as an opportunity to demonstrate that it had acted appropriately, or otherwise to have identified failings and offered a remedy. This was a failing in the circumstances.
21. While the landlord's repair responses were mostly timely, its failure to follow up a repair following access issues caused distress and inconvenience to the resident. It also failed to consider an escalated response given the repeated issue and the resident's vulnerabilities. Finally, it failed to address the resident's concerns about communication and the safety of her property.
22. A finding of maladministration has therefore been made in the circumstances, for which an order for £200 has been made. This is made up of £100 for distress and inconvenience, and £100 for the resident's time and trouble chasing the issues.

Complaint handling

23. The landlord's complaints policy states that the landlord operates a 2-stage process. At stage 1, it will respond within 10 working days of acknowledging the complaint and at stage 2, within 20 working days of acknowledging the complaint. At any stage, if it needs further time, it will update the resident.
24. These timeframes match this Service's Complaint Handling Code (the Code). The Code also states that complaints and escalations should be acknowledged within 5 working days.
25. The landlord failed to provide a formal stage 1 response within the expected timeframe. The response was sent on 12 February 2024, almost 3 months after the complaint was made on 15 November 2023. The resident was not updated during this period and therefore submitted a further complaint in late January 2024. Furthermore, the resident referred the complaint to the Service for assistance. The Service wrote to the landlord on 6 February 2024 directing it to provide a response to the complaint by 13 February 2024. The landlord provided a response on 12 February 2024; however, it did not acknowledge the

delay and inconvenience caused in its response. This was inappropriate and amounts to a service failure. Landlords must provide responses to complaints according to its complaints policy and the Code without direction from this Service. The landlord has therefore been ordered to pay the resident £100 compensation for failing to provide a response to her complaint in line with its policy and our guidance.

Determination (decision)

- 26. In accordance with paragraph 52 of the Scheme, there was maladministration in the landlord's handling of the repair of blocked drain.
- 27. In accordance with paragraph 52 of the Scheme, there was service failure in the landlord's handling of the complaint.

Orders and recommendations

Orders

- 28. Within 4 weeks, the landlord is ordered to:
 - a. Provide a written apology to the resident for the failures identified in this report.
 - b. Pay £200 compensation directly to the resident in recognition of the impact caused by its handling of the drain issues.
 - c. Pay £100 compensation directly to the resident in recognition of the time and trouble caused by the landlord's failures in the complaint handling identified by this report.
 - d. Contact the Service within 4 weeks to provide evidence of compliance with the above orders.

Recommendations

- 29. The Ombudsman recommends that the landlord reviews its processes to ensure that reoccurring repairs are monitored, and alternative investigations are explored in a timely manner.

Housing

Ombudsman Service

REPORT

COMPLAINT 202415587

Broxtowe Borough Council

28 August 2025

Our approach

The Housing Ombudsman's approach to investigating and determining complaints is to decide what is fair in all the circumstances of the case. This is set out in the Housing Act 1996 and the Housing Ombudsman Scheme (the Scheme). The Ombudsman considers the evidence and looks to see if there has been any 'maladministration', for example whether the landlord has failed to keep to the law, followed proper procedure, followed good practice or behaved in a reasonable and competent manner.

Both the resident and the landlord have submitted information to the Ombudsman and this has been carefully considered. Their accounts of what has happened are summarised below. This report is not an exhaustive description of all the events that have occurred in relation to this case, but an outline of the key issues as a background to the investigation's findings.

The complaint

1. The resident's complaint is about the landlord's handling of boiler repairs.

Background

2. The resident and her mother are secure tenants of the landlord. The property is a 3-bedroom house. The family moved into the property in 1968 when it was newly built. The resident was added to her mother's tenancy as a joint tenant on 18 January 2021, and they are the current residents of the home. The resident's mother has health issues and requires 24-hour care, which her daughter provides.
3. The resident raised a complaint on 30 March 2024 with additional information and updates provided on 5 April 2024 and 8 April 2024 to raise all complaint issues. The resident said:
 - a. She tried to call the out of hours repair line about the boiler on 29 March 2024 (a bank holiday) and could not get through.
 - b. The repair to the boiler was delayed because the operatives coming to the house did not bring overshoes, despite her requests due to her mother's health.
 - c. That she was told the landlord did not prioritise emergency repairs based on vulnerabilities of household members.
 - d. There were missed appointments and appointments that did not fix the issue, causing a period of no hot water in the home.
4. The landlord provided its stage 1 response on 26 April 2024. The resident's complaint was upheld and the landlord apologised. It said:

- a. There was a problem with the out of hours repair line not transferring on Friday and Monday of the Easter weekend.
 - b. That operatives should always carry overshoes with them, and it had raised this with the contractor.
 - c. That the boiler was beyond economical repair and was replaced on 5 April 2024.
 - d. That the new boiler did not work following installation due to a blocked condensate pipe. This was fixed on 8 April 2024.
5. The resident escalated the complaint to stage 2 on 27 April 2024. She said:
- a. That when she phoned in, she was told that emergencies are dealt with in the order received and not prioritised based on vulnerability. She asked for confirmation of whether this is the case.
 - b. She did not feel that the landlord took her mother's vulnerabilities into consideration regarding the lack of hot water and asked if it was a legal requirement for residents to have hot water.
 - c. There was a failed callback by the boiler manufacturer.
 - d. There were missed appointments.
 - e. That the operative who attended one of the appointments failed to identify the issue, causing a further delay in the boiler working.
 - f. That operatives had been inconsistent regarding their willingness to remove their footwear if they do not have overshoes with them.
6. The landlord provided its stage 2 response on 28 May 2024. It said:
- a. That residents' vulnerabilities are part of its repairs prioritisation and apologised if the resident believed the out of hours operator did not take these into account.
 - b. That it attended for repairs within its required timescales when a boiler is not working and had offered alternative heating.
 - c. That the boiler manufacturer is not contracted by the landlord, so it was not able to guarantee a call.
 - d. It apologised that there were appointments the resident expected that were not attended. It said that for one of the appointments, the operative had the wrong phone number for the resident and may have tried to attend the wrong property.
 - e. It apologised that the operative who came out on 6 April 2024 did not identify why the new boiler was not working and had turned it off.

- f. That operatives should not take off their shoes for health and safety reasons.
 - g. That to ensure the landlord learned from the complaint the Housing Repairs Team had been asked to:
 - i. Ensure condensate pipes are reviewed in the first instance.
 - ii. Monitor the out of hour phone line to make sure it is working correctly.
 - iii. Remind operatives and contractors to always carry overshoes with them and not to take shoes off during repairs.
 - iv. Correctly manage the expectations of individuals regarding repairs.
 - h. To resolve the complaint the landlord offered £250 for delays, distress, and hardship caused by its failings.
7. The resident escalated her complaint to this Service as her concerns about the phone issues and operatives not wearing overshoes were not resolved. She does not feel that the landlord has provided assurance that the issues will not happen again.

Assessment and findings

8. The landlord's repair policy says:
- a. It will attend emergency repairs, which includes boilers, within one working day.
 - b. That the repair priority will be reviewed for tenants with additional care and support needs and an additional priority can be agreed.
 - c. That the out of hours service is coordinated by a third party and if the repair cannot wait until the next working day, it will be defined as an 'emergency out of hours repair'.
9. The landlord attended the property on the weekend and on a bank holiday, which is earlier than the one working day required by its timeframes. It also offered alternative heating, which was a reasonable thing to do.
10. The resident raised concerns about whether the landlord considered her mother's vulnerabilities when it responded to the boiler issues. We would expect a landlord to consider a resident's needs and vulnerabilities when responding to a boiler not working. The landlord attended a day earlier than was required and this indicates that the landlord had given the repair an additional priority but did not communicate this clearly to the resident.
11. The landlord acknowledged there were failures in how it responded to the boiler issues and these include:

- a. The out of hours phone line did not work on the Easter bank holiday Friday.
 - b. Its contractor did not bring overshoes to appointments.
 - c. There was poor communication about when the contractor would be coming for follow up appointments.
 - d. Its contractor did not initially identify why the new boiler was not working.
12. When a landlord admits failings, the Ombudsman's role is to consider whether it resolved the resident's complaint satisfactorily in the circumstances and offered appropriate redress. In considering this, we assess whether the landlord's actions were in line with the Ombudsman's Dispute Resolution Principles: Be fair, put things right and learn from outcomes.
13. The failings in the handling of the boiler repairs had an impact on the resident:
- a. She and her mother were delayed in reporting the boiler issue because the out of hours line was not working.
 - b. The first appointment was delayed by two days due to the operative not having overshoes. She continued to have problems with operatives showing up without overshoes. This was understandably upsetting to the resident as it made her feel that the landlord did not respect her home and was not taking her mother's health issues seriously.
 - c. She was caused inconvenience due to the confusing communication and missed appointments.
 - d. She and her mother did not have a working boiler for periods, including the first weekend the new boiler was installed. This caused inconvenience and frustration.
14. In its stage 2 response, the landlord offered the resident £250 in compensation for the delays, distress, and hardship caused by its failings. The resident has confirmed that she received this compensation.
15. Overall, we are satisfied that the acknowledgement of its failures, apology, and compensation provided by the landlord represents reasonable redress for the failures in respect to its handling of the boiler repairs. The compensation that it has paid is in line with what we may have awarded for this type of issue and, in our opinion, is proportionate to the impact to the residents.
16. In its stage 2 response on 28 May 2024 the landlord stated it had reminded its repairs team and contractor to wear overshoes when attending properties. It was reasonable for the landlord to make this reminder, so that it learned from the resident's complaint.

17. However, the resident let us know that, in July 2024, an operative from the landlord's caretaking team attended an appointment and did not have overshoes. The resident notified the landlord of this. In our view, this shows that the efforts the landlord made did not fully fix the problem. This will have been particularly frustrating for the resident, given the commitment that the landlord had made in its stage 2 reply. Therefore, we will make a recommendation that the landlord remind its repairs team, caretaking team, and contractors to bring overshoes to appointments.
18. The landlord said it would monitor to ensure that the out of hours phone line worked as it should, including on bank holidays. Following this complaint, the resident had reason to call the out of hours repairs line again on 27 May 2024 (a bank holiday) and was not able to get through. She reported the issue to the landlord again and it said it would try to fix the problem. To ensure that residents are able to reach the landlord to report emergency repair needs on bank holidays, we will include a recommendation for it to monitor the out of hours phone line to ensure it is working correctly on bank holidays.

Determination

19. In accordance with paragraph 53.b of the Housing Ombudsman Scheme, the landlord provided reasonable redress in response to the resident's complaint about its handling of boiler repairs.

Recommendations

20. It is recommended that the landlord remind its repairs team, caretaking team, and contractors to bring overshoes to appointments.
21. It is recommended that the landlord monitor the out of hours phone line to ensure it is working correctly on bank holidays. This could include carrying out test calls and checking call data to ensure calls are received and answered.

Housing

Ombudsman Service

REPORT

COMPLAINT 202315685

Broxtowe Borough Council

3 September 2025

Our approach

The Housing Ombudsman's approach to investigating and determining complaints is to decide what is fair in all the circumstances of the case. This is set out in the Housing Act 1996 and the Housing Ombudsman Scheme (the Scheme). The Ombudsman considers the evidence and looks to see if there has been any 'maladministration', for example whether the landlord has failed to keep to the law, followed proper procedure, followed good practice or behaved in a reasonable and competent manner.

Both the resident and the landlord have submitted information to the Ombudsman and this has been carefully considered. Their accounts of what has happened are summarised below. This report is not an exhaustive description of all the events that have occurred in relation to this case, but an outline of the key issues as a background to the investigation's findings.

The complaint

1. The complaint is about the landlord's:
 - a. Handling of a roof leak at the resident's property.
 - b. Complaint handling.

Background

2. The resident is a secure tenant of the landlord. The property is a 2 bedroom first floor flat.
3. On 8 July 2023 the resident contacted the Ombudsman to advise that he had been reporting a roof leak that was causing water ingress into his property since December 2015. He said it had still not been resolved despite him complaining about it to the landlord on 29 March 2023. He later provided a copy of the 29 March 2023 email, in which he asked the landlord to take action as the issue had been ongoing for over 7 years and a ceiling that contained asbestos was still awaiting repair.
4. The resident also provided a copy of an email dated 28 December 2015 which explained the wall in the kitchen and ceilings in both bedrooms were wet. Therefore, on 28 September 2023 the Ombudsman sent copies of both emails to the landlord and instructed it to open a formal complaint in response to the 29 March 2023 email. The deadline for the response was 5 October 2023, which was then extended to 12 October 2023.
5. In its stage 1 response on 12 October 2023 the landlord said it had carried out roof repairs in 2019 and 2020 but this had not fully resolved the problem. It confirmed that it would be replacing the roofs of all blocks from 23rd October

2023, which would resolve the leaks into the property and it would make [block A] a priority. It confirmed polythene had been placed in the ceiling of the bathroom to enable the resident to continue to use it whilst it was awaiting replacement. The landlord confirmed that it had now offered the resident temporary accommodation or the option of a permanent move to an upcoming property, but the resident had declined these. It upheld the complaint as it said it had failed to provide an appropriate level of service.

6. In his escalation request on 16 October 2023 the resident explained the unrelated issues had been addressed long ago. He also expressed concern that [block A] was being prioritised as he was in [block B]. He explained that he was worried about the presence of asbestos in the ceiling that was awaiting replacement and that workmen had used scrapers on it after he was reassured it would be dealt with safely. He explained why he had refused the temporary and permanent moves offered.
7. In its stage 2 response on 13 November the landlord:
 - a. Acknowledged that the resident initially reported the leak on 29 December 2015 and confirmed that that inspection was abandoned but it was unable to locate any information to indicate why.
 - b. Said that further repairs in 2019 and 2020 had failed to permanently resolve the leak.
 - c. Apologised that the leak had not been resolved in the first instance and for the subsequent delays in resolving it.
 - d. Confirmed that the roof repair works had been re-scheduled for 15 November 2023 as the original date in October had been inconvenient for the resident.
 - e. Confirmed that the plastic sheet was due to be removed and the ceiling replastered on 15 November 2023 and apologised if it had caused any distress.
 - f. Agreed to carry out internal decorative work to the areas affected by the leak.
 - g. Offered a total of £2000 compensation, comprised of £1000 for the delays in repairing the roof leak and its failure to repair it in the first instance, £1000 for the inconvenience and distress caused, including any negative impact the leak may have had on his families health.
 - h. Confirmed it had undertaken a restructure and review of the repair processes and created a new role of Repairs Customer Services Manager. It had also provided refresher training to its Housing Department.

8. The resident referred his complaint to the Ombudsman as he did not think the amount of compensation paid was sufficient as he was worried that he and his family may have suffered long term health consequences as a result of the ongoing leak.

Assessment and findings

Scope of investigation.

9. The resident has referred to the landlord's actions impacting on his own and his family's physical and mental health. Although we would consider any distress and inconvenience the resident experienced as a result of any errors by the landlord, it is outside the Ombudsman's role to draw conclusions on the causation of, or liability for, impacts on health and wellbeing. This is because we cannot establish whether there was a direct link between the landlord's actions and/or inaction and a resident's health. This would be more appropriately dealt with as a personal injury claim through the courts or the landlord's liability insurer. The resident may want to seek legal advice in relation to this aspect. This is in line with paragraph 42(f) of the Scheme which states:
10. 'The Ombudsman may not consider complaints which, in the Ombudsman's opinion concern matters where the Ombudsman considers it quicker, fairer, more reasonable, or more effective to seek a remedy through the courts, other tribunal or procedure'.

The landlord's handling of a roof leak at the resident's property.

1. It is important to note that this Service will not generally investigate complaints which were not brought to the attention of the landlord as a formal complaint within a reasonable period (which is usually within 12 months of the matter occurring). However, in this case, both the resident and the landlord previously agreed that the issues had been ongoing since 2015, and the landlord admitted its failings and offered compensation in the stage two response letter dated 19 December 2023. As such, this Service considers it reasonable that the historical matters can be considered in this case.
2. However, due to incomplete historical records it has not been possible to investigate the historical matters as thoroughly as we would like. The lack of records as far back as 2015 is not necessarily a failing on the landlord's part as landlords are not expected to keep records indefinitely and General Data Protection Regulation (GDPR) advises that data should not be kept longer than necessary for the intended purpose.
3. Though the historical records the landlord provided between 2015-2021 were not complete, it was clear from the ones that were provided that the resident

contacted the landlord on a regular basis to report the roof leaks during that time. It is also clear that despite attempts to resolve the issue it remained ongoing.

4. On 15 December 2021 the resident contacted the landlord again to advise that the leak was still ongoing. The records show that a job was raised that would require scaffolding, with a target completion date of 9 February 2022. As scaffolding was required the target time was reasonable. However, the landlord then failed to keep to the target date. On 8 February 2022 the resident contacted the landlord for an update. The landlord advised the job had been raised and it would chase it up with its planner.
5. The job was completed on 23 February 2022. However, the following day the resident emailed the landlord to advise it had made the leak worse rather than resolving it. The landlord replied immediately to say it would send follow on notes to the contractor and the resident would be contacted with an appointment date. However, the landlord failed to contact the resident which led to him having to ask for an update again on 23 May 2022. He was advised that the issue would be escalated. However, he had to contact the landlord again on 26 July 2022 as the issue had still not been resolved. It is not clear from the records provided what action, if any the landlord took at this point to resolve the leak.
6. The next record of the resident contacting the landlord about the leak was on 29 March 2023. The landlord's records on 30 March mention that it had already received a quote to repair the roof and would be consulting with leaseholders. This action was appropriate and normal practice when a large repair is being undertaken. However, it would also have been appropriate to have responded to the resident to communicate this and the landlord failed to do so.
7. When booking his annual gas check on 10 August 2023 the resident again reported that the leak was still unresolved. Records show that the landlord took appropriate steps to arrange for the property to be inspected on 1 September 2023 to assess the asbestos. It confirmed in its records on 12 September 2023 that the consultation for the repair of the roof was complete and it was awaiting a date for the work to be carried out.
8. As discussed in the complaint handling section of this report, on 28 September 2023 the Ombudsman advised the landlord to open a formal complaint for the resident. Following this the landlord took appropriate steps to confirm to the resident the date that it would be repairing the roof. Its decision to offer the resident temporary and permanent alternative accommodation while repairs were taking place was also appropriate. The landlord has confirmed that the roof repairs were completed in November 2023 and internal repairs were completed in February 2024, once it was confirmed that the leak had fully resolved and the interior had dried out.

11. In its stage 2 response on 13 November 2023 the landlord offered total compensation of £2000, comprised of £1000 for the delays in repairing the roof leak and its failure to repair it in the first instance and £1000 for the inconvenience and distress caused, including any negative impact the leak may have had on his families health.
12. It is important to note that the Ombudsman accepts that there were severe failings by the landlord and this had a significant impact on the resident and his family over a significant period of time. However, in the Ombudsman's opinion the landlord has now taken appropriate steps to put things right and the £2000 compensation offer was reasonable. As previously explained the Ombudsman does not investigate whether the landlord's actions or inaction impacted on a resident's health. However, the £2000 is in line with our remedies guidance for cases where there was a severe long-term impact and the failures accumulated over a significant period of time. The landlord also offered to undertake decorative works to the areas affected by the leak, which the Ombudsman considers fair under the circumstances.
13. The landlord has also shown learning from the complaint which included refresher training for its housing department and a review of its repair processes. Therefore, the Ombudsman will not be making any recommendations regarding this aspect of the complaint. However, we will be recommending the landlord pay the £2000 compensation to the resident if it has not already done so.

Complaint handling.

14. Once the Ombudsman instructed the landlord to raise the complaint on 28 September 2023 its complaint responses were issued in line with the timeframes in its complaints policy. However, it is concerning that no formal complaint was raised until the Ombudsman intervened. There was a missed opportunity for the landlord to have raised a formal complaint on receipt of the resident's email on 29 March 2023. There were also numerous opportunities before then where it would have been appropriate for the landlord to have considered raising a formal complaint to address the issues that the resident was repeatedly reporting over a number of years.
15. There was a lack of attention to detail in the stage 1 response as the wrong block number was referred to and the landlord addressed some unrelated issues that had been mentioned in the December 2015 email that had already been resolved some time ago. Given it accepted some failings it would have been appropriate for it to have offered compensation in its stage 1 response. It is noted however that this was remedied in its stage 2 response where it made an appropriate offer of compensation in line with our remedies guidance for the delays in resolving the roof leak.

16. Although the complaint responses referred to what action it had taken to try to resolve the leak in 2019 and 2020 , it would also have been appropriate for it to have detailed what action it had taken after 2020 and it failed to do so. Instead, it just acknowledged that it should have resolved the leak sooner and advised that the roof was due to be repaired in October 2023.
17. The resident had also made it clear in his escalation request that he had safety concerns about the asbestos contained in the ceiling. Therefore, it would have been appropriate for the landlord to have addressed these concerns in its stage 2 response as well. Although the landlord apologised for any distress that had been caused by the plastic covering on the ceiling, it failed to address the resident's safety concerns about the asbestos directly in its complaint response.
18. In light of the above failings which caused additional distress and inconvenience to the resident, the Ombudsman's finding for this aspect of the complaint is one of maladministration. In line with our remedies guidance for cases where there was a failure which adversely affected the resident and the landlord failed to acknowledge its failings, we will be ordering the landlord to pay £300 compensation for this aspect of the complaint. We will also be ordering the landlord to apologise to the resident for the impact of these failings.

Determination

19. In accordance with paragraph 53(b) of the Housing Ombudsman Scheme, the landlord has made an offer of redress prior to investigation which, in the Ombudsman's opinion, satisfactorily resolves the complaint about its handling of a roof leak at the resident's property.
20. In accordance with paragraph 52 of the Scheme, there was maladministration in respect of the landlord's complaint handling.

Orders

21. Within 4 weeks of the date of this report the landlord is ordered to:
 - a. Apologise to the resident for the complaint handling failing
 - b. Pay £300 compensation for the impact of this failing on the resident.

Recommendations

22. The finding of reasonable redress for the landlord's handling of a roof leak at the resident's property was based in part on the landlord having offered £2000 compensation to the resident. Therefore, the landlord is recommended to pay this to the resident if it has not already done so.

Report of the Interim 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.

23 March 2026	<ul style="list-style-type: none"> • External Audit Plan 2025/26 • Statement of Accounts 2025/26 – Accounting Policies • Statement of Accounts 2025/26 – Underlying Pension Assumptions • Internal Audit Plan 2026/27 • Internal Audit Progress Report • Review of Strategic Risk Register • Complaints Report Quarter 3
(tbc) May 2026	<ul style="list-style-type: none"> • Annual Constitutional Review • Corporate Governance Arrangements • Internal Audit Progress Report • Employee Code of Conduct • Whistleblowing Policy

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.