



**WEST NORTHAMPTONSHIRE
DEVELOPMENT CORPORATION**

**Annual Report
and Accounts**

For the year ended 31 March 2009

Presented to the House of Commons pursuant to section 7 of the Government

Resources and Accounts Act 2000

Ordered by the House of Commons to be printed: 16 July 2009



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Areas covered by West Northamptonshire Development Corporation



GENERAL INFORMATION

BOARD MEMBERS

John Markham (Chair) (From 1 December 2008)

Keith Barwell (Chair) (to 27 June 2008)

John Weir (Deputy Chair) (Interim Chair from 28 June 2008 to 30 November 2008)

John Farrow

Mary Burrows

David Dickinson

Ann Tate

Nick Thompson

Lee Barron

Cllr Ben Smith

Cllr Chris Millar

Cllr Sandra Barnes

Cllr Tony Woods

Cllr Richard Church

EXECUTIVE DIRECTORS

CHIEF EXECUTIVE OFFICER

Mike Hayes (to 9 September 2008)

DEPUTY CHIEF EXECUTIVE

Roger Mendonca
(Interim CEO from 10 September 2008)

PLANNING AND DEVELOPMENT DIRECTOR

Stephen Kelly

DIRECTOR OF INFRASTRUCTURE DELIVERY

Harj Dhaliwal

ACCOUNTING OFFICER

Mike Hayes (to 9 September 2008)

Roger Mendonca (from 10 September 2008)

EXTERNAL AUDITOR

Comptroller and Auditor General

THE BOARD



WNDC's Board is made up of 13 members, including the Chair and Deputy Chair. Six members were nominated by local authorities, the other seven members including the Chair and Deputy Chair, were selected in open competition. All thirteen members were selected on merit by the Secretary of State in accordance with the rules for Ministerial appointments set out by the Office of the Commissioner for Public Appointments (OCPA).

The Chair was appointed on 1 December 2008, the remainder of the Board were appointed on 15 March 2005 for two and three year terms. In March 2007, six members previously appointed for a two year term had their contracts extended for a further three years by the Secretary of State.



In March 2008 two Board members, Cllrs Phil Larratt and Arthur McCutcheon's contracts ended. They were replaced by Cllr's Tony Woods and Richard Church, nominees from Northampton Borough Council and Northamptonshire County Council respectively. The remaining four Board Members on three year contracts were reappointed for a second and final term. Board member biographies are available on the WNDC website, www.wndc.org.uk under the 'About Us/Board Members' section.



WNDC Board Meeting

The previous Chair's contract ended on 27 June 2008 and the Deputy Chair, John Weir was confirmed by CLG as Interim Chair from 28 June 2008 until 1 December 2008 when the new Chair John Markham (OBE) was appointed for a three year term.

Board members are collectively responsible for the conduct of all business undertaken by WNDC. In addition to the statutory powers and duties of WNDC, members have both fiduciary duties and general duties of skill and care. This means that they are responsible for the Board's strategic direction and policies, and for ensuring that WNDC is properly and effectively managed. In particular, members are responsible for the stewardship of the public funds entrusted to the Board.

Register of Declarable Interests

The Register of Declarable Interests for the Board members of WNDC is available on the WNDC website, www.wndc.org.uk under the 'About Us/Board Members' section.



John Markham OBE
Chair

CHAIR'S REPORT

The work of WND in Northampton, Daventry and Towcester is pivotal to the long term prospects of what is designated as the UK's largest growth area. Over 60,000 new homes have been identified for West Northamptonshire between 2001 and 2026, and progress has been encouraging with over 15,000 new homes delivered so far.

Nationally, 2008/09 was a challenging year for the UK economy, with the housing and regeneration sector feeling the brunt of the overall slowdown. However, at a local level, WND has been well placed to maintain momentum, investing a total of £13.4m into infrastructure projects across the area and progressing planning applications for around 20,000 new homes, accompanied by major commercial development.

This year new facilities have been unveiled, and changes to the local landscape are starting to unfold, including new roads, such as the award winning Cross Valley Link Road, as well as public realm improvements, youth and community facilities and business opportunities, such as the Portfolio Innovation Centre.

Important new developments have continued, including the new European Headquarters of Avon Cosmetics in Northampton town centre and the construction of the new Abbey Retail Centre in Daventry.

Looking ahead, WND has secured a further £32 million of Government and European funding to invest in the area from 2009 to 2011. We will continue with our programme of work which will transform Northampton from a traditional market town into a dynamic city of 300,000 people. Land acquisition and masterplanning activities will progress as we seek to redevelop Castle Station and bring major mixed use development to the Waterside and wider Avon Nunn Mills area. Meanwhile, in Daventry and Towcester we are delivering an established vision for each town, helping Daventry to double in population and emerge as a national centre for green technologies and sustainable construction.

2008/09 has seen some significant achievements across our area. I'm confident that with the ambition, talent, and drive of our team it will enable us to achieve significant improvements in the area in the coming years. I'd like to thank both our Board and staff for their efforts over the past year.

A handwritten signature in black ink, appearing to read 'John Markham', with a long horizontal line underneath it.

SIGNATURE

John Markham
Chair

Date: 30 June 2009



Roger Mendonca
Interim Chief Executive

Development Control



Construction at
Westlake, Northampton



Construction of the Royal
Mail Depot, Northampton

CHIEF EXECUTIVE'S REPORT

2008/09 was a key year in WNDC's drive to bring new homes, new jobs and extra investment to Northampton, Daventry and Towcester.

It saw a number of achievements in terms of housing and commercial development, while infrastructure including transport and community facilities has also been delivered.

Overall, it has been a positive period for the planning team, with our annual performance indicators showing that 2008/09 was our best year yet in terms of speed and efficiency.

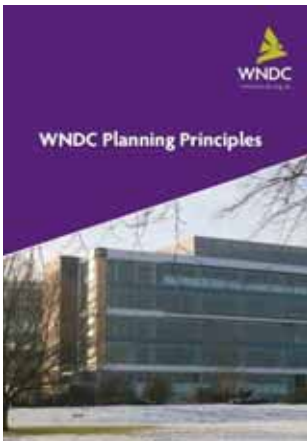
- 40% of 'Major' applications were determined within 13 weeks, an improvement of over 20% compared to last year.
- 82% of 'Minor' applications were determined within 8 weeks, exceeding the government's target by 17%.
- 82% of 'Other' applications were determined within 8 weeks, exceeding the government's target by 2%.

WNDC provided outline planning approval for around 1,500 new homes in 2008/09 as well as 36,000 sq m of commercial floor space. Significant planning approvals included:

- Princess Marina Hospital: this development will deliver 550 new homes and provide developer contributions of nearly £9m to local and strategic infrastructure. It was the first deal to be completed in line with WNDC's standardised charging system.
- Northampton school sites: a process which saw us work closely with the owners, Northamptonshire County Council, while consulting with the local community. 857 new homes were given approval, accompanied by a Section 106 contribution of £6.2 million towards local and strategic infrastructure.

Many more approvals have been made at WNDC's planning committees and will be granted full permission once legal agreements are signed. This includes:

- Upton Lodge: potential for a new community of over 1,700 new homes, as well as new employment space and community facilities.
- Grange Park: an application for around 450 new homes, together with commercial development that could provide around 700 new jobs.
- Royal Mail: a major new sorting office at Swan Valley in Northampton, with the potential to provide up to 1,000 new jobs.



WNDC's Planning Principles

In Daventry, the majority of WNDC's development control activity has focused on three major applications for Churchfields, Monksmoor and Danetree. In total, they propose new development amounting to over 10,000 new homes, with five new schools, various retail and business units, community buildings, health centres and public open spaces.

Following a holding direction from the Highways Agency, the applicants for Churchfields and Monksmoor lodged an appeal on the basis of non-determination, joining Danetree who previously lodged an appeal in April 2008. The public inquiry commenced in January and WNDC has been working closely with all parties to ensure a satisfactory resolution.



Artist's impression of iCon, Daventry

One of WNDC's most significant achievements during the year was the launch of our Planning Obligations Strategy. Following consultation with local partners, including developers, it introduced a standard charge at a discounted rate equivalent to £20,000 per dwelling for new developments. It provides certainty to developers and reassurance to the local community about contributions to new infrastructure. The first deal in line with the charge was completed for the Princess Marina development.

2008/09 also saw the launch of WNDC's 'Planning Principles' which, reflecting the results of previous consultation, state the intentions of WNDC to deliver quality service, shape quality places, ensure a sustainable environment and deliver key infrastructure.

The planning service has been actively putting these principles into practice. We used design reviews, in co-operation with CABE and OPUN, to help create places that local people can be proud of and others will want to visit, work and invest in. We carried out a range of reviews throughout the year including the Monksmoor, Churchfields and iCon applications.

Infrastructure delivery

2008/09 saw WNDC manage the investment of our full £13.4m growth funding allocation across Northampton, Daventry and Towcester. This means we have invested just under £45m since being established, helping to deliver new homes and jobs as well as better facilities for the existing and future residents of the area. During the year, we marked our transition from a funding organisation to a delivery organisation by introducing a best practice approach to programme management and adopting the Office of Government Commerce's 'Managing Successful Programmes' framework.

Northampton

On the outskirts of the town centre, the Cross Valley Link Road is now complete, while the adjoining Sandy Lane Relief Road has also commenced construction, supported by £1.7m of funding by WNDC. Together, these new roads will help deliver a wider vision for the South West district of Northampton, supporting a community of up to 5,000 new homes.

Meanwhile, in the centre of the town, major public realm works are almost complete and improvements to walking and cycle paths along the waterside have started. In March 2009, WNDC committed £1.8 million to the development of a marina at Becket's park, further strengthening the future of Northampton's waterside.

Daventry

Daventry is making swift progress, with WNDC benefiting from a productive partnership with Daventry District Council. In 2008/09, WNDC awarded over £2m to the Daventry iCon, which will be the home of the Sustainable Construction Innovation Network (iNet) and will be a national and international business centre for the sector. WNDC has secured an additional £6.4m for the scheme from the East Midlands Development Agency (EMDA) and the European Regional Development Fund (EDRF), reflecting the international standing of the project. Alongside this, we have been helping to progress several other regeneration projects across the town, including a new 'learning quarter', which will bring together further and higher education campuses in the town.

Towcester

WNDC has been working towards a vision for the redevelopment of Towcester town centre, providing new civic, commercial and community facilities in the heart of the town. In 2008/09 we took our investment in this scheme to £2m, supporting South Northamptonshire District Council to acquire strategic sites in the 'Moat Lane Area' of the town and prepare the way for future development.

Community

WNDC's work in the community started to show results in 2008/09. Funded by WNDC, new community facilities at the Kings Park Youth and Conference Centre have opened, while the Stronger Communities Fund was launched, with an £800k pledge from WNDC. The fund is supporting a wide cross section of society, including not for profit groups in growing communities. Over £200k has been awarded to projects ranging from sports facilities at the Northampton Sikh Centre to the refurbishment of local artists' studios.

Another WNDC community scheme, which has attracted national interest, was launched by the then Communities Minister Iain Wright this year. 'Construction Futures' will use developer contributions to enable young people to receive practical construction skills training on new developments, alongside a tailored college programme. It is one of the only schemes of its kind in the UK and will help local people to realise the benefits of growth.

Economy

Funded by £1.7m from WNDC, an extension to Northampton's Portfolio Innovation Centre has opened, providing first class office accommodation and a supportive network for young creative companies. In 2008, we also awarded one million pounds to Northamptonshire Enterprise Limited (NEL), the county's economy development agency, to bring forward new commercial floor space and jobs in the area.

Conclusion

It has been a successful year in difficult times. The current economic climate may be challenging and beyond our control, but WNDC, with its partners in the public and private sectors, has an opportunity to build on the momentum we have gathered over the past 12 months.

There is still a great deal to be achieved, but we are clear about our priorities and have established the robust working practices and delivery partnerships to succeed.

I am extremely grateful to have had the opportunity to work with my predecessor, Mike Hayes, whose lifetime of public service was recognised by a CBE in the Queen's Birthday Honours List in 2008, and would like to thank our tireless and committed team, as well as our energetic and supportive Board. Together, we are looking forward to an important chapter in our growth and regeneration programme.



Northampton Town Centre



Daventry Town Centre



Towcester Town Centre

MANAGEMENT COMMENTARY

Accounts Direction

The financial statements contained within this Report and Accounts have been prepared under the Accounts Direction given by the Secretary of State, with the consent of the Treasury in accordance with Paragraph 10(3) of Schedule 31 to The Local Government, Planning and Land Act 1980. The full document, together with the attached Schedules 1 & 2, is reproduced on pages 44-48.

Background information

“Sustainable Communities: building for the future” (ODPM, February 2003) set out the Government’s aim of achieving a step change to deliver successful, thriving and inclusive communities. As part of the Plan, four Growth areas were identified as the focus for policy led growth with additional support from Government on infrastructure and stronger delivery arrangements. West Northamptonshire is a key area within the Milton Keynes/South Midlands (MKSM) Growth Area and the West Northamptonshire Development Corporation (WNDC) is the delivery vehicle established to drive delivery forward.

The Order² establishing an Urban Development Corporation (UDC) for West Northamptonshire – specifically the towns of Northampton, Daventry and Towcester – was approved by Parliament in December 2004.

Operational approach

WNDC has developed an Infrastructure Delivery Programme (IDP) based on robust data analysis, transparent processes and evidence-based decision making. This programme enables WNDC and its partners to focus on the priority infrastructure projects, understand issues of affordability and risk, and identify what projects can be delivered in the short, medium and long term.

In 2008/09 WNDC adopted a best practice approach to the delivery of projects within our over arching IDP. We introduced the Office of Government Commerce’s ‘Managing Successful Programmes’ model and strengthened our programme delivery function. We are now in the process of sharing this model with our partners to ensure a cohesive and focused approach to delivery.

²Statutory Instrument (SI/2004/3370)

Aims and objectives

By 2021, Northampton will be transformed into a prosperous and dynamic regional city, with a growing knowledge economy. Daventry and Towcester will become distinctive market towns. West Northamptonshire will be better connected to regional, national and international markets, capitalising on its position at the centre of England.

In our Prospectus (“Realising the Opportunity”, December 2005), we identified ten areas where action would be required from the public sector to deliver our mission. These were:

Improving and diversifying the economic base

Transforming the town centres

Providing a greater number and range of well-designed, eco-friendly and diverse housing

Establishing a more recognisable sense of place and identity

Improving connectivity

Creating inclusive communities

Developing high quality skills

Achieving quality in the natural and built environment

Improving the management of environmental assets and resources

Helping West Northamptonshire’s rural communities

Within these ten areas, three key actions fall to WNDC. These are:

Delivering housing growth and infrastructure.

Ensuring new housing meets design and environmental quality standards and is integrated with existing communities

Ensuring new housing is supported by appropriate infrastructure, employment and town centre regeneration

Social and community issues

With the delivery of Sustainable Communities at the heart of WNDC’s objectives, we place great importance on the quality and effectiveness of our relationships with community and voluntary sector partners.

WNDC acknowledges the importance of new and existing social and community infrastructure. As a consequence we continue to support the development plans of local community groups as they prepare their services and buildings for population growth. Through our £800,000 Stronger Communities Fund, we offer direct financial support for community and voluntary sector groups planning to provide new services in areas likely to be affected by growth.

Our work in 2008/09 included leading on the development of the West Northamptonshire Cultural Investment Plan (CIP) – a forward plan for investment in arts and culture against a background of growth and change. The steering group overseeing the CIP included senior officers from all four West Northamptonshire Local Authorities, Arts Council England, the University of Northampton, English Heritage and Museums, Libraries and Archive and the Plan has already been incorporated into many of their activities. WNDC will continue to progress that work throughout 2009/10 and beyond.

Financial performance

The net expenditure for the period 1 April 2008 to 31 March 2009 was £19,450,000 (2007/08 £16,630,000). This net expenditure is not a loss but instead will be fully met by 'grant-in-aid'.

The Income and Expenditure report states the individual figures for WNDC Core activities and those relating to Development Control activities, in line with a request from Communities and Local Government.

The Balance Sheet at 31 March 2009 shows Net Current Assets of £503,000 and Net Assets of £218,000. This reflects the level of debtors at 31 March 2009. Income in respect of these debtors was received in April 2009.

Going concern basis of accounting

Grant-in-aid for 2009-10, taking into account the amounts required to meet WNDC's liabilities falling in that year, has already been included in CLG's estimates for that year, which have been approved by Parliament. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

WNDC is in the process of a Quinquennial review by CLG in conjunction with the other UDC's which is due to conclude in December 2009.

Payment performance

The Corporation's policy is to pay a supplier within 30 days of the submission date of a valid invoice unless the terms of contract dictate otherwise, however in line with government requirement our aim is to pay invoices within 10 days.

During the period under review WNDC did not incur any interest charges with respect to late payments against submitted invoices (as defined by the Payment of Commercial Debts (Interest) Act 1988).

Environmental policy

WNDC aims to be carbon-neutral over our lifetime. We aim to minimise our impact on the environment by reducing our consumption, re-using resources wherever possible, and recycling what cannot be re-used. Current working practices include participating in an approved recycling programme, whereby all discarded office stationery and packaging is collected and passed to recycling contractors each week, and wherever possible, all new office stationery is ordered from sustainable or recycled products.

Corporate governance

The Corporation has developed key corporate policies and has an internal audit programme, which is provided under a service level agreement by the internal audit service of CLG and carried out to Government Internal Audit Standards.

Employee policies

The Corporation aims to be a responsible employer and to this end has produced and distributed to all staff a guidance document (The Corporation's 'Employee Handbook') modelled on the terms and conditions of employment of other non-departmental public bodies and CLG.

The Corporation is fully committed to a policy of equal opportunities in respects of employment and to ensure the fair and equal treatment of all employees, customers and contractors regardless of race, colour, age, nationality, ethnic or national origin, disability, sex or marital status, sexual orientation, religion or belief.

Our sickness level per employee per annum is 5.4 days.

Information on personal data related incidents is given on page 23.



Public Realm Improvements
Marefair, Northampton



Cross Valley Link Rd, Northampton



Becket's Park, Northampton

KEY PERFORMANCE INDICATORS

		Target (as revised in WNDC 2008/09 Business Plan)	Result (using latest available figures as of May 2009)
Housing	No. of outline residential planning permissions (affordable)	1,991 (697)	1,431 (501)
	No. of reserved matters residential planning permissions (affordable)	400 (140)	400 (140)
	No. of housing starts—with planning permissions from WNDC (affordable)	382 (133)	328 (0)
	No. of housing completions—with planning permissions from WNDC (affordable)	263 (92)	263 (0)
	No. of housing units enabled by WNDC's Growth Fund	0	0
Infrastructure	Commercial floor space (m ²) given planning permission	117,072	35,964
	Commercial floor space (m ²) given reserved matters planning permission	90,373	81,976
	Commercial floor space (m ²) started (with planning permission from WNDC)	43,731	43,731
	Commercial floor space (m ²) completions (with planning permission from WNDC)	22,197	22,197
	Commercial floor space (m ²) created by WNDC's Growth Fund	21,921	13,534
	No. of jobs created by WNDC's Growth Fund	333	333
	Planning contributions secured (£m)	12.5	12.5
	Planning contributions invested in infrastructure (£m)	0	0
Quality	Building for Life Silver Standard achieved on 100% of developments over 50 units		
	Code Level 3 achieved on 100% of residential developments to be delivered post-2010		
	Code Level 4 achieved on 100% of residential developments to be delivered post-2013		
	Code Level 6 achieved on 100% of residential developments to be delivered post-2016		

Disclosures to Auditors

The Comptroller and Auditor General is the statutorily appointed auditor under the provisions of the Local Government, Planning and Land Act 1980 and the Government Resources and Accounts Act 2000.

So far as I am aware there is no relevant audit information of which the Corporation's auditor is unaware. I have taken all the steps I should as Accounting Officer in order to make myself aware of any relevant audit information and to establish that the Corporation's auditor is aware of that information.

The cost of work performed by the auditors in respect of the year ended 31 March 2009 is as follows:

Fee for statutory audit work:	£24,000
Fee for IFRS Transition Audit	£ 5,200
Fee to CLG for Internal Audit Services	£10,530

REMUNERATION REPORT

Corporate performance committee membership

Nick Thompson	Chair
Richard Church	Deputy Chair
Ann Tate	Board member
David Dickinson	Board member
Cllr Chris Millar	Board member

Policy

1. As set out in section 12 of Schedule 26 of the Local Government, Planning and Land Act 1980, the WNDC Board is responsible for determining the remuneration for WNDC staff.
2. During 2008, the Corporate Performance Committee was established in place of the Remuneration Committee, to provide advice and support to the Chief Executive and assurance to the Board. The Committee is not a decision-making body.
3. The Committee's remit includes:
 - All aspects of Corporate Support
 - Corporate Policies
 - Communications and Stakeholder Management
 - Governance
 - Programme Management System
4. The Committee will report their findings to the Board Members and produce a formal written report to the Board every six months

Performance related pay

The performance related pay will be a maximum of 10% of gross annual salary.

Duration of contracts

Directors Fixed 5 year contracts
3 months notice for both parties
No contractual termination payment

Directors' contracts

Chief Executive

Commenced 12 September 2005
Terminated 9 September 2008

Directors' contracts

Deputy Chief Executive/ Interim Chief Executive	Commenced 1 August 2005 Expires 31 July 2010 Unexpired term 1 year 4 months
Planning and Development	Commenced 17 December 2005 Expires 16 December 2010 Unexpired term 1 year 8.5 months
Infrastructure Delivery	Commenced 14 January 2008 Expires 01 January 2013 Unexpired term 3 years 9 months

Board members' costs

Name	2008-09 £ Salary	Pension Contributions	2007-08 £ Salary
Keith Barwell – Chair to 27 June 2008	2,890	-	11,560
John Markham – Chair to 1 December 2008	15,544	-	-
John Weir – Deputy Chair	39,985	-	34,344
John Farrow	11,791	-	11,560
Mary Burrows	11,791	-	11,560
David Dickinson	11,791	-	11,560
Ann Tate	11,791	-	11,560
Nick Thompson	11,791	-	11,560
Lee Barron	11,791	-	11,560
Cllr Ben Smith	11,791	-	11,560
Cllr Chris Millar	11,791	-	11,560
Cllr Sandra Barnes	11,791	-	11,560
Cllr Tony Woods	11,791	-	482
Cllr Richard Church	11,791	-	482
Cllr Phil Larratt	-	-	11,078
Cllr Arthur McCutcheon	-	-	11,078

Keith Barwell's contract as chair ended on 27 June 2008 and the Deputy Chair was confirmed by CLG as Interim Chair from 28 June 2008 until the appointment of a new Chair on 1 December 2008.

The Barwell Corporation (Chair and CEO Keith Barwell) also invoiced WNDP for the use of the Chair's office and amount of £9,375 until 27 June 2008 (2007/08 annual cost - £37,501)

John Markham, as Chair had not taken up the offer of a 'by analogy' pension by 31 March 2009. The Deputy Chair has declined to take up the offer of a 'by analogy' pension scheme.

No other Board Members were entitled to any by-analogy pension arrangements.

The information on board members' costs above is subject to audit.

Salaries of Senior Managers

	2008-09			2007-08
	Salary £'000	Bonus £,000	Total £'000	Salary £'000
Michael Hayes Chief Executive	80-85 (120-125 full year)	0	80-85 (120-125 Full year)	125-130
Roger Mendonca Deputy Chief Executive/Interim Chief Executive	100-105	10-15	110-115	90-95
Stephen Kelly Planning & Development Director	70-75	5-10	80-85	80-85
Harj Dhaliwal Director of Infrastructure Delivery	105-110	10-15	115-120	20-25

There were no benefits in kind in the year ended 31 March 2009 (2008 £Nil)

Awards or Compensation made to Past Managers

Compensation has been paid to a former member of the senior management team under a compromise agreement; however, the payments have not been disclosed because the details of the agreement are confidential.

Pensions

WNDC is an admitted body within the Local Government Pension Scheme (LGPS) as administered by Northamptonshire County Council (NCC). The LGPS is a contributory defined benefit final salary scheme. The appointed Actuaries to the scheme are Hymans Robertson LLP. The Corporation and its employees pay contribution into the fund at rates intended to meet the growth in pension liabilities over the longer term.

The Service Level Agreement between NCC and Hymans Robertson LLP requires the provision of full FRS 17 disclosure details to each of the admitted bodies. The full disclosure of the WNDC scheme details is given in Note 16 to the Accounts.

As regards to individual members of the scheme, the following details apply to senior management:

	Accrued pension at age 65 as at 31/03/09 and related lump sum	Real increase in pension and related lump sum at age 65	CETV At 31/03/2009	CETV at 31/03/2008	Real Increase in CETV
	£'000	£'000	£'000	£'000	£'000
Michael Hayes Chief Executive	5-10 plus lump sum of 10-15	2.0-2.5 plus lump sum of 0-0.5	105	60	45
Roger Mendonca Deputy Chief Executive	15-20 Plus lump sum of 40-45	2.0-2.5 plus lump sum of 1.5-2.0	207	150	57
Stephen Kelly Planning & Development Director	15-20 plus lump sum of 45-50	1.5-2.0 plus lump sum of 2.0-2.5	250	185	65
Harj Dhaliwal Director of Infrastructure Delivery	10-15 plus lump sum of 25-30	10-15 plus lump sum of 25-30	151	3	148

The information on senior managers' pensions above is subject to audit.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the members' accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

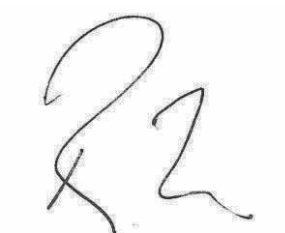
The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which is disclosure applies.

The CETV figures also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

**Real
Increase in
CETV**

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



SIGNATURE

Roger Mendonca
Accounting Officer and Interim Chief Executive

Date: 30 June 2009



Construction of Abbey Retail Park,
Daventry



Duston St Luke's, Northampton



Artist's impression of Avon
Cosmetics HQ, Northampton

STATEMENT OF THE BOARD'S AND ACCOUNTING OFFICER'S RESPONSIBILITIES

The Accounts were prepared as at 31 March 2009 in accordance with the Accounts Direction provided by the Secretary of State. A copy of the Accounts Direction is provided on page 44 to 48 of this document.

On the 10 September 2008, Roger Mendonca was appointed Interim Chief Executive and subsequently resumed responsibility of Accounting Officer. The relevant responsibilities of the Accounting Officer, including the responsibilities for the propriety and regularity of the public finances for which an Accounting Officer is answerable and for the keeping of proper records, are set out in the Non-Departmental Public Bodies Accounting Officer Memorandum.

The accounts were prepared on an accruals basis and show a true and fair view of the WNDC's state of affairs at the period-end and of its income and expenditure and cash flows for the financial period.

In drawing up these accounts the Board is required to:

Observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;

Make judgements and estimates on a reasonable basis;

State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements; and;

Prepare financial statements on a going concern basis, unless it is inappropriate to presume that the WNDC will continue in operation.

STATEMENT ON INTERNAL CONTROL

1 Scope of responsibility

The Board is accountable for internal control. As Accounting Officer and Interim Chief Executive of the Corporation, I have responsibility for maintaining a sound system of internal control which supports the achievement of WNDC's policies, aims and objectives, whilst safeguarding the public funds and departmental assets in accordance with the responsibilities assigned to me in "Managing Public Money". This brings with it responsibility for governance issues and includes custodianship of risk management and its adoption throughout the organisation.

The Chief Executive provides Board level leadership for corporate governance and risk management. The Board committee that oversees these processes, namely the Audit and Risk Committee, is chaired by a non-executive Board member of the West Northamptonshire Development Corporation. The Chief Executive and Head of Finance attend the committee to ensure an effective and integrated governance process.

2 The Purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to:

Identify and prioritise the risks to the achievement of the Organisation's policies, aims and objectives;

Evaluate the likelihood of those risks being realised and assess their impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in WNDC for the year ended 31 March 2009, and up to the date of approval of the annual report and accounts, and accords with Treasury guidelines.

3 Capacity to handle risk

I have given clear leadership to the risk management approach of WNDC, sponsoring and leading a piece of work to rewrite the Risk Management Policy in line with the Office of Government Commerce's guidance 'Management of Risk 2007'(MoR), developing a new risk management process and a Risk Management Strategy for the organisation.

I have undertaken with the executive management team and a group of senior managers, a one day workshop in risk management based on MoR and the new policy and process of the organisation. We have reviewed and updated our understanding of our risk capacity and appetite and our stated tolerance for risk in a number of categories

A significant number of our managers and staff have received risk management training based on MoR, as a module of the current delivery of training in programme management based on Managing Successful Programmes, and there is a plan in place and work commissioned to follow that up with formal and accredited training.

4 The Risk and Control Framework

In support of the risk management training detailed above WNDC now have a clear and up to date Risk Management Policy and Risk Management Process. A Risk Management Strategy has been drafted which will guide all involved in WNDC activities to ensure that they adhere to the compliance of all activities with the WNDC policy and process. All involved in activities within the scope of this strategy will be given appropriate levels of training about the framework, tools and techniques to ensure their competence. Non compliance with this strategy is not acceptable within WNDC.

All individuals and teams with identified risk management roles and responsibilities will have to refer to our WNDC Risk Management Process Guide for implementing the steps in the Risk Management Processes.

The WNDC Risk Management Process gives clarity on the activities to be carried out, and the tools and techniques that should be used at each stage in the process.

The executive team have assessed their capacity and appetite for risk and have created the following scales for likelihood and impact to be used in the risk assessment process.

The risk matrix below provides a visual representation of the Impact and Likelihood scores:

Risk/tolerability matrix

Likelihood	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
Impact						

The scores shown in RED will be allocated as High risk, YELLOW/ORANGE are medium risk and GREEN is low risk.

The rules and criteria for the escalation and delegation of risks between strategic, programme, project and operational levels are clearly stated in the Risk Management Process Guide, and our process and policy will be applied to all four perspectives. Our Programme Management Office will ensure that the escalation and delegation of risks takes place, and assure the effective management of risk across all areas of the organisation.

5 Information risk

I have commissioned a piece of work to carry out a high-level security review to identify where WNDC need to improve information risk management processes and controls to meet Cabinet Office requirements relating to the handling of information assets holding personal data. As an output of this report, we have now in place roles and responsibilities statement for Senior Information Risk Officer and Information Asset Owners, security classification for information assets, an Information Security Risk Level Matrix, an Information Security Policy and an Information Charter.

It is a requirement to report information risk related incidents to the Information Commissioner's Office and the Corporation takes a serious approach to the way it handles the information that is generated and received by the Organisation.

We are aware of no protected personal data related incidents and there were none formally reported to the Information Commissioner's office in 2008-09.

6 Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Corporation who have the responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place. The risk management approach of WNDC has the full support of the Board. The Audit and Risk Committee of the Board have clear terms of reference and meet regularly. The focal point for risk management is a senior manager with appropriate skills and training, and a specific member of the executive team is the sponsor for risk management effectiveness on a day to day basis.

In specialist areas we have identified a need for expertise in Health and Safety, and specific training has been identified for appropriate staff. In addition a review of our Business Continuity arrangements has revealed that, whilst the key elements are in place, this is not deemed sufficient for operational purposes and specific steps are being taken to address the issue as part of the organisational review of risk policies.

In order to fulfil my responsibilities to the Board and the Public, a system of governance is in place that provides the necessary challenge and scrutiny of the functions of West Northamptonshire Development Corporation. As part of an objective assessment of this process, we continue to work with the National Audit Office and the Internal Audit Service of Communities and Local Government which hold the Board, and myself, to account for financial probity and corporate governance.

There are no significant control issues to report on this occasion.



SIGNATURE

Roger Mendonca

Accounting Officer and Interim Chief Executive

Date: 30 June 2009



Artist's impression of Bury Mount,
Towcester



Stronger Communities Fund
Project – Bants Lane Allotment's
Secure Office, Northampton



Chair, John Markham, with Iain
Wright MP launching WNDC's
Construction Futures

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT AND TO THE BOARD OF THE WEST NORTHAMPTONSHIRE DEVELOPMENT CORPORATION

I certify that I have audited the financial statements of the West Northamptonshire Development Corporation for the year ended 31 March 2009 under the Local Government, Planning and Land Act 1980. These comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and Statement of Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the remuneration report that is described in that report as having been audited.

Respective responsibilities of the West Northamptonshire Development Corporation Board, Chief Executive and auditor

The West Northamptonshire Development Corporation and Chief Executive as Accounting Officer are responsible for preparing the Annual Report, the Remuneration Report and the financial statements in accordance with the Local Government, Planning and Land Act 1980 and Secretary of State directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of the Board's and Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Local Government, Planning and Land Act 1980 and Secretary of State directions made thereunder. I report to you whether, in my opinion, the information which comprises the 'General Information', the 'Chief Executive's Report', and the 'Management Commentary', included in the Annual Report is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the West Northamptonshire Development Corporation has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the West Northamptonshire Development Corporation's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the West Northamptonshire Development Corporation's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the 'Chair's Report', and the un-audited parts of the Remuneration Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinions

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practises Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the West Northamptonshire Development Corporation and Accounting Officer in the preparation for the financial statements, and of whether the accounting policies are most appropriate to the West Northamptonshire Development Corporation's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy for the presentation of the information in the financial statements and the part of the Remuneration Report to be audited.

Opinions

In my opinion:

- ❖ The financial statements give a true and fair view, in accordance with the Local Government, Planning and Land Act 1980 and directions made thereunder by the Secretary of State, of the West Northamptonshire Development Corporation's affairs as at 31 March 2009 and of its net expenditure, recognised gains and losses and cash flows for the year then ended;
- ❖ The financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Local Government, Planning and Land Act 1980 and Secretary of State directions made thereunder; and
- ❖ Information, which comprises the 'General Information', the 'Chief Executive's Report', and the 'Management Commentary', included within the Annual Report, is consistent with the financial statements

Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

*Amyas C E Morse
Comptroller and Auditor General
National Audit Office
151 Buckingham Palace Road
Victoria
London
SW1W 9SS*

Date: 7 July 2009

FINANCIAL STATEMENTS

INCOME AND EXPENDITURE ACCOUNT for the year ended 31 March 2009

	Note	Core £'000	DC £'000	Total 2008-09 £'000	Total 2007-08 £'000
Income					
Grants from other public bodies	2a	1,926	0	1,926	168
Other Operating Income	2b	612	659	1,271	1,485
		2,538	659	3,197	1,653
Expenditure					
Staff Costs	3	2,362	568	2,930	2,180
Other Administration Costs	4a	2,537	198	2,735	2,875
Appeal Costs	4b	0	1,535	1,535	0
Project Costs	5	15,501	0	15,501	13,278
		20,400	2,301	22,701	18,333
Net Operating Expenditure		(17,862)	(1,642)	(19,504)	(16,680)
Interest receivable		9	9	18	24
Finance charge for pensions		(44)	0	(44)	2
Cost of Capital	1d	54	0	54	185
Net expenditure on ordinary activities for the year		(17,843)	(1,633)	(19,476)	(16,469)
Corporation Tax	14	(4)	0	(4)	(5)
Net expenditure after tax for the year		(17,847)	(1,633)	(19,480)	(16,474)
Transfer to pension reserve	16	84	0	84	29
Reversal of Cost of Capital		(54)	0	(54)	(185)
Net expenditure retained for the year		(17,817)	(1,633)	(19,450)	(16,630)

Funding received from government as Grant-In-Aid in respect of the above net expenditure for the year is included in Balance Sheet reserves.

WNDC has responsibility for the Development Control (DC) in respect of planning applications in addition to its statutory function (Core) and the Income and Expenditure Account reflects this.

STATEMENT OF RECOGNISED GAINS AND LOSSES

	2008-09 £'000	2007-08 £'000
Actuarial Gain/(Loss) on pension liabilities	342	(699)
Recognised gains and losses relating to the year	342	(699)

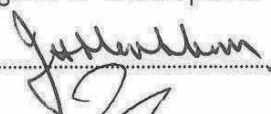
The notes on pages 31 to 43 from part of these accounts

FINANCIAL STATEMENTS

BALANCE SHEET as at 31 March 2009

	Note	2008-09 £'000	2007-08 £'000
Fixed Assets			
Tangible Assets	7	302	304
Intangible Assets	8	143	174
		445	478
Debtors: amounts falling due after one year	9	1	2
Current Assets			
Debtors and prepayments	9	1,175	556
Stocks, Land & Buildings	10	450	500
Cash at bank and in hand	11	3,348	3,704
		4,973	4,760
Current Liabilities			
Creditors: amounts falling due within one year	12a	(4,470)	(7,498)
Net Current Assets/(Liabilities)		503	(2,738)
Creditors: amounts falling due after more than one year	12b	(14)	(57)
Total assets less liabilities (before pension liability)		935	(2,315)
Pension Liability	16	(717)	(975)
Net Assets/(Liabilities)		218	(3,290)
Capital & Reserves			
General Reserve	15	935	(2,315)
Pension Reserve	16	(717)	(975)
		218	(3,290)

The notes on pages 31 to 43 form part of these accounts

(Signed)  (Chair)

(Signed)  (Accounting Officer)

Date 30.06.09

FINANCIAL STATEMENTS

CASH FLOW STATEMENT for the period ended 31 March 2009

	Note	2008-09 £'000	2007-08 £'000
Net cash outflow from operating activities	i	(23,507)	(20,174)
Returns on investments and servicing of finance			
Interest Received		18	24
Capital Expenditure			
Payments to acquire tangible fixed assets		(100)	(152)
Payments to acquire intangible fixed assets		(33)	(50)
Financing			
GIA received		22,700	21,338
(Decrease) / Increase in debt		(43)	57
Increase in cash from S106 agreements		609	2,135
(Decrease) / Increase in cash in the period	ii	(356)	3,178

The notes on pages 31 to 43 from part of these accounts.

FINANCIAL STATEMENTS

Notes to the Cash Flow Statement

	Note	2008-09 £'000	2007-08 £'000	
RECONCILIATION OF OPERATING DEFICIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES	i			
Net operating expenditure from I&E Account		(19,504)	(16,680)	
Depreciation / amortisation / impairment charges		166	130	
Pension cost as valued for FRS 17		253	193	
Pension contribution made in year		(213)	(162)	
Decrease / (Increase) in stock		50	(500)	
Increase in debtors due within one year		(619)	(64)	
Decrease in debtors due after one year		1	2	
Decrease in creditors payable within one year		(3,641)	(3,093)	
Net cash outflow from operating activities		(23,507)	(20,174)	
RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET FUNDS	ii			
(Decrease) / Increase in cash in the period		(356)	3,178	
Cash outflow / (inflow) from decrease in debt		43	(57)	
Movement in net funds in the period		(313)	3,121	
Net funds at 1 April		3,647	526	
Net funds at 31 March		3,334	3,647	
ANALYSIS OF NET FUNDS		At 1 April 2008	Cash Flow	At 31 March 2009
Cash in Bank and in hand		3,704	(356)	3,348
Debt due after 1 year		(57)	43	(14)
		3,647	(313)	3,334

FINANCIAL STATEMENTS

Notes to the Accounts

1 (a) Statement of accounting policies

These financial statements have been prepared in accordance with the 2008-09 Government Financial Reporting Manual (FReM) issued by H.M. Treasury. The accounting policies contained in the FReM follow UK generally accepted accounting practice for companies (UK GAAP) to the extent that it is meaningful and appropriate to the public sector.

Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Corporation for the purpose of giving a true and fair view has been selected.

The Corporation's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1 (b) Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of fixed assets where material.

a) Project Management Recharge

1 (c) Recognition of income

As part of the funding awarded to projects WNDC agrees with the applicant an amount in respect of WNDC programme management costs, which will be recharged to the grant funding recipient. This income and the related costs fall due over the life of the project and are recognised in the accounts on a matching accruals basis.

b) Planning Fees

WNDC receives a statutory fee for each Planning Application lodged. The accounting policy adopted by WNDC in respect of these fees is to apportion the fee over the period from receipt of application to final determination. Any balance of fees received not credited to income by the end of the accounting period is shown as deferred income in creditors: amounts falling due within one year. (note 12)

c) S106 Income

All monies received by WNDC from S106 agreements which includes those signed by WNDC and those inherited on the granting of WNDC's planning powers are held in a separate bank account. These funds are solely for the provision of infrastructure and services as specified in the various S106s agreement and as such are not treated as WNDC income but included within creditors.

d) Grant income

WNDC may receive grants from various bodies as contributions towards the provision of specific projects. This income and the related costs fall due over the life of the project and are recognised in the accounts on a matching accruals basis. Any balance of grant received not credited to income by the end of the accounting period is shown as deferred income. At the end of the project any grant not spent may be repayable.

1 (d) Capital charge

To comply with HM Treasury guidance, the Corporation is required to charge a nominal cost of capital charge against the Income and Expenditure Account to reflect the use of capital in the business in the year. This charge is reversed out again at the bottom of the Income and Expenditure Account. The charge is calculated as 3.5% of the average carrying value of net assets during the period (2007/08: 3.5%)

1 (e) Pensions

WNDC employees are invited to join the Local Government Pension Scheme (LGPS) administered by Northampton County Council which is a final salary, defined benefit scheme. Pension costs are accounted for under FRS 17 as calculated by the scheme appointed actuaries, Hymans Robertson LLP.

1 (f) Tangible fixed assets

Tangible fixed assets comprise computer and office equipment which are deemed to have a useful economic life of 4 years and furniture and fittings which are deemed to have a useful economic life of 8 years. All are valued on an historical cost basis.

The capitalisation threshold is £2,500. Items below this amount will be grouped into a single asset where they form part of a distinct or specific project.

Depreciation is provided to write off the costs of individual assets over their useful economic life on a straight line basis at the following rates;

Computer equipment	25%
--------------------	-----

Office Equipment	25%
------------------	-----

Furniture & Fittings integral to the building	are written off over the length of the lease.
Other movable items	12.5%

1 (g) Intangible fixed assets

Intangible fixed assets comprise software licences and are deemed to have a useful economic life of 4 years and are valued on an historical cost basis.

The capitalisation threshold is £2,500. Items below this amount will be grouped into a single asset where they form part of a distinct or specific project.

Amortisation is provided to write off the costs of individual assets over their useful economic life on a straight line basis at the following rates:

Computer Software	25%
-------------------	-----

1 (h) Stock

Stock held by WNDC is recognised in the accounts at the lower of estimated replacement cost and estimated net realisable value.

1 (i) Operating leases

Expenditure under operating leases is recognised in the Income & Expenditure account on a straight line basis over the period of the lease.

1 (j) VAT

WNDC is registered for VAT. On 1 January 2007 WNDC brought in-house the Development Control function in respect of planning applications received by WNDC and as a result the Planning Fees for those applications are paid direct to WNDC. Such fees are deemed 'Out of Scope' for VAT purposes. A partial recovery of VAT has been agreed with HM Revenue & Customs whereby WNDC expenditure is matched to the relevant income stream and the VAT dealt with accordingly. Income and expenditure will be included in the accounts either gross or net depending upon the VAT recovery for that particular item.

1 (k) Project costs

WNDC deems that project costs are payable only when the terms of the grant have been met.

		2008-09 £'000	2007-08 £'000
2 Other Operating Income	2a Grants from other public bodies	1,926	168
	2b Other Operating Income:		
	Other Income	110	(13)
	Project Management Recharge	574	743
	Planning Fees	587	779
	Planning Contribution	-	(24)
	Total Other Operating Income for year	1,271	1,485

Staff costs comprise

3 Staff numbers and related costs

	Permanent Staff	Agency & Temporary Staff	Board Members	Total 2008-09 £'000	Total 2007-08 £'000
Wages and Salaries	2,126	167	188	2,481	1,798
Social Security Costs	179	-	14	193	152
Other Pension Costs	256	-	-	256	230
Total Net Costs	2,561	167	202	2,930	2,180

No staff costs were capitalised during the year (2007-08: nil)

Past and present employees are covered by the provisions of the LGPS. WNDC is an admitted member of the Scheme as administered by NCC.

LGPS is a contributory final salary, defined benefit scheme with a variable contribution rate, between 5.5% and 7.5% from employees and a 14.7% contribution rate from WNDC.

Loans to employees

There is 1 loan to an employee for £2,590 (2008: 3 loans £8,747)

Average number of persons employed

The average number of full-time equivalent persons employed during the year was as follows:

	Permanent Staff	Agency & Temporary Staff	Board Members	2008-09 Number Total	2007-08 Number Total
WNDC Staff Numbers	52	4	2	58	47

		2008-09 £'000	2007-08 £'000
4 (a) Other Administration Costs	External consultancy fees	1,123	1,187
	Office running costs	44	89
	Communication & PR	174	231
	Rentals under operating leases & licences	154	110
	Recruitment	124	129
	Other	126	183
	Legal fees	172	333
	Professional fees	404	263
	Training	99	147
	Travel & Subsistence	59	36
	Auditors' remuneration for audit work:		
	National Audit Office – statutory audit work	24	23
	National Audit Office – IFRS transition work	5	-
	CLG Internal Audit Service	11	14
	<i>Non-Cash Items</i>		
	Depreciation	96	79
	Amortisation	64	51
	Impairment of Fixed Assets	6	-
	Impairment of Stock	50	-
		2,735	2,875
4 (b) Appeal costs	Appeal Costs	1,535	-

5 Project costs		2008-09 £'000	2007-08 £'000
	Grants payable to the public sector in respect of the following approved growth area projects:		
	I Net Revenue	200	-
	Daventry Library	542	-
	Northampton Waterside	500	-
	Northampton, University Portfolio Centre	1,746	-
	Northampton, SNEAP Implementation Project	1,000	-
	Northampton, Community Foundation	208	-
	Northampton, Sandy Lane Relief Road	1,716	-
	Northampton, Public Realm	2,393	1,134
	Towcester, Moat Lane	4,359	602
	Towcester, Bury Mount & Mill Streams	870	-
	Northampton, CCTV Systems Digital Upgrade	345	239
	Northampton, Land Acquisition Southbridge	-	80
	Northampton, joint Brownfield initiative	-	4,409
	Daventry Town Centre Regeneration Phase 1	-	2,988
	Northampton, flood mitigation Phase 3	-	2,699
	Northampton, Kings Park Development	-	758
	Northampton, Cultural Strand	-	223
		13,879	13,132
	Amounts payable directly to suppliers for WNDC projects:		
	WNDC Project Northampton Castle Station	285	-
	WNDC Project Northampton Avon Nunn Mills	133	-
	WNDC Project Northampton Waterside	232	-
	WNDC Project Daventry iHub	760	-
	Construction futures	122	65
	Sport England	45	-
	Arts council Arts Delivery plan	45	-
	Other Projects	-	81
		1,622	146
	Total Project costs	15,501	13,278

6 Leases

Operating lease in respect of office premises with Northampton RFC Limited (Company registered in England: number 3139409).

Full Term of lease from 1 February 2005 to 14 December 2014, with provision for a mutual break rights on 31 March 2011.

Operating lease in respect of office premises with Daventry District Council.

Full term of lease from 3 March 2008 to 3 March 2013, with an option to break on the 3 March 2011.

Various operating leases in respect of office equipment, expiring between December 2009 and March 2015.

The following annual amounts were committed at the balance sheet date.

Leases which expire:	2008-09 £'000	2007-08 £'000
Within 1 year	3	-
Between 2 and 5 years	149	94
Over 5 years	3	-

The corporation had no finance leases during either period

	Fixtures & Fittings £'000	Information Technology £'000	Total £'000
7 Tangible fixed assets			
Cost or Valuation			
At 1 April 2008	179	271	450
Additions	15	85	100
Disposals	-	-	-
At 31 March 2009	194	356	550
Depreciation & Impairment			
At 1 April 2008	22	124	146
Charged in year	30	72	102
Disposals	-	-	-
At 31 March 2009	52	196	248
Net Book Value at 31 March 2009	142	160	302
Net Book Value at 31 March 2008	157	147	304
Asset Financing			
Owned	142	160	302
8 Intangible fixed assets			Total £'000
Intangible fixed assets comprise software licences			
Cost of valuation			
At 1 April 2008			238
Additions			33
Disposals			-
At 31 March 2009			271
Amortisation			£'000
At 1 April 2008			64
Charged in year			64
Disposals			-
At 31 March 2009			128
Net book value 31 March 2009			143
Net book value 31 March 2008			174

9 Debtors	Analysis by type	2008-09 £'000	2007-08 £'000
9 (a) Amounts falling due within one year	Trade debtors	876	220
	Grant receivable	71	87
	Other debtors – VAT	181	172
	Prepayments and accrued income	45	70
	Loans to employees	2	7
		<u>1,175</u>	<u>556</u>
	Loan to employees	1	2
	Amounts falling due after more than one year		
9 (b) Bad debt provision	No bad debt provision was made in the year ended 31 March 2009 (2008-£Nil)		
		2008-09 £'000	2007-08 £'000
9 (c) Intra Government balances	Balances with other central government bodies	976	319
	Balances with local authorities	59	113
	Balances with bodies external to government	140	124
		<u>1,175</u>	<u>556</u>
		2008-09 £'000	2007-08 £'000
10 Stock of development assets	At 1 April	500	-
	Additions in the year	-	500
	Impairment	(50)	-
	At 31 March	<u>450</u>	<u>500</u>
	WNDC will seek to purchase land where appropriate for development and regeneration purposes		
		2008-09 £'000	2007-08 £'000
11 Cash at bank and in hand	At 1 April	3,704	526
	Net change in cash balances	(356)	3,178
	At 31 March	<u>3,348</u>	<u>3,704</u>
	The following balances at 31 March were held at:		
	Commercial banks and cash in hand	3,348	3,704
	Note that the cash at bank and in hand balance includes S106, £2,781,550 (2008: £2,172,110) & planning £157,117 (2008: £169,187) monies held. It also holds £Nil (2008: £2,726) worth of Euros.		

12 Creditors		Analysis by type	
		2008-09 £'000	2007-08 £'000
12 (a) Amounts falling due within one year	PAYE, NIC and Taxation	107	94
	Trade Creditors	721	1,133
	Grant payable – Growth Area Funding	-	3,539
	Other Creditors S106	2,762	2,170
	Accruals and deferred income	880	562
	Total	4,470	7,498

12 (b) Amounts falling due after more than one year		2008-09 £'000	2007-08 £'000
	Deferred income	14	57
		14	57

12 (c) Intra Government balances		2008-09 £'000	2007-08 £'000
	Balance with other central government bodies	103	2,777
	Balance with local authorities	46	1,129
	Balance with bodies external to government	4,321	3,592
		4,470	7,498

13 Provisions for liabilities and charges There are no provisions for liabilities and charges as at 31 March 2009 (None as at 31 March 2008)

**14
Corporation
Tax**

	2008-09 £'000	2007-08 £000
Corporation tax @ 21% (2008: 20%)	4	5

15 Reserves

General Reserve	2008-09 £'000	2007-08 £'000
Balance at 1 April	(2,315)	(7,023)
Net Expenditure	(19,450)	(16,630)
Grant-in-Aid received towards Resource expenditure	5,850	3,773
Growth Area fund received towards Project expenditure	16,850	17,565
Balance at 31 March	935	(2,315)

**16 Pension
cost**

The Local Government Pension Scheme run by NCC to which WNDC belongs is a defined benefit final salary scheme.

A full actuarial valuation was carried out at 31 March 2009 by a qualified independent actuary.

The major assumptions used by the actuary were:

	At 31/03/2009
Rate of increase in salaries	4.6%
Rate of increase in pensions/inflation	3.1%
Discount rate	6.9%
Expected Return on Assets	6.4%

The assets in the scheme and the expected rate of return at 31 March 2009

	£'000
Equities	1,012
7.0%	
Government Bonds	275
5.4%	
Property	101
4.9%	
Cash/Liquidity	58
4.0%	
Total market value of assets	1,446

Pension cost	Present Value of scheme (Deficit) in the scheme	£'000 (2,163) (717)
	Analysis of the amount charged to operating profit	£'000
	Current service cost	(253)
	Past service/Curtailment/Settlement (gain)	-
	Total operating charge	(253)
	Analysis of the amount charged to other finance income	£'000
	Expected return on pension scheme assets	118
	Interest on pension scheme liabilities	(162)
	Net Charge	(44)
	Analysis of amount recognised in statement of recognised gains and losses (SRGL)	£'000
	Actual return less expected return on pension scheme assets	(484)
	Experience gains arising on scheme liabilities	826
	Changes in assumptions underlying the present value of the scheme liabilities	-
	Actuarial gain recognised in SRGL	342
	Movement in deficit during the year	
	Deficit at 1 April 2008 (restated *)	(975)
	Current Service Cost	(253)
	Employer contributions	213
	Past service costs	-
	Other finance charge	(44)
	Actuarial gain	342
	Deficit at 31 March 2009	(717)

* Comparatives have been restated to reflect a change in FRS 17 requirements. The impact of this change has been to increase the brought forward pension liability by £6,000.

At 31/03/2009
£'000

Pension cost

History of experience gains and losses

Difference between the expected and actual return on schemes assets	(484)
Percentage of scheme assets	(33.5%)
Actuarial gains and losses on scheme liabilities	826
Percentage of the present value of the scheme liabilities	(38.2%)
Total amount recognised in statement or recognised gains and losses	342
Percentage of the present value of the scheme liabilities	(15.8%)

	2008-09 £'000	2007-08 Restated £'000
Pension Reserve		
Balance at 1 April	(975)	(246)
Actuarial Liability loss	826	(459)
Movement on change in actuarial assumption	-	(72)
Actuarial calculation of asset gain during the year	(484)	(169)
Transfer from I&E	(84)	(29)
Balance at 31 March	(717)	(975)

17 Financial instruments

Financial Reporting Standard (FRS) 29 requires WNDC to disclose information on the significance of financial instruments to its financial position and performance.

WNDC is exposed to very little credit risk resulting from the non payment of debts relating to the private sector. Payment for planning applications is received up front and Project Management Recharges are received from third parties via the Growth Area Fund.

As a non-departmental public body (NDPB) funded almost exclusively by CLG and with no borrowings, WNDC is not exposed to any market or liquidity risk.

WNDC has no material deposits in interest bearing accounts given that the majority of cash held on the balance sheet relates to S106 agreements. As all material assets and liabilities are denominated in sterling, WNDC is not exposed to any significant interest rate or currency risk.

18 Contingent liability

Planning appeals

In 2008/09 3 planning applications were subject to a conjoined appeal process. WNDC does not hold a specific contingency for planning appeals, but was able to call on a central reserve held by our sponsor Department (CLG) to meet the costs of the appeal. The appeal is due to be concluded in August 2009 and unbudgeted costs continue to be incurred.

VAT on land sale

WNDC recognises that the VAT recovered on the land acquired in 2007/08 may be repayable to HM Revenue & Customs if sold, depending upon the VAT status of the subsequent purchaser.

19 Related party transactions

As WNDC is a Non-Departmental Public Body sponsored by CLG, CLG is regarded as a related party, as are other entities that it sponsors.

Keith Barwell (Chair—to 27 June 2008) is a major shareholder of Northampton Rugby Club Ltd. WNDC incurred cost of £34,000 during his period as Chair relating to the use of the WNDC offices and meeting facilities which are provided by Northampton Rugby Football Club Ltd.

WNDC incurred costs of £9,375.24 to the 27 June 2008 for the use of the Chair's office which was invoiced by the Barwell Corporation Ltd. Keith Barwell (Chair) is Chairman and CEO of the Barwell Corporation Ltd.

WNDC had transactions during the normal course of its business with Northampton Borough Council, Northamptonshire County Council, Daventry District Council and South Northamptonshire Council. Cllrs Sandra Barnes (South Northamptonshire) Chris Millar (Daventry) Ben Smith (Northamptonshire) Tony woods (Northampton), Richard Church (Northamptonshire) and Lee Barron (nominated by Northampton Borough Council) are Board Members of the corporation nominated by those local authorities.

No other Board member, key management staff or other related parties have undertaken any material transactions with WNDC during the year.

20 Commitments

At the balance sheet date WNDC has no grant or capital commitments.

21 Liquid Resources

WNDC operates current account facilities with Lloyds TSB plc. There were no other financial instruments maintained by the Corporation during the year.

22 Post Balance Sheet events

WNDC's financial statements are laid before the House of Parliament by the Secretary of State for Communities and Local Government. FRS21 requires WNDC to disclose the date on which the accounts are authorised for issue. This is the date on which the certified accounts are despatched to the Secretary of State for Communities and local Government.

The authorised date for issue is 7 July 2009

ACCOUNTS DIRECTION

WEST NORTHAMPTONSHIRE DEVELOPMENT CORPORATION

ACCOUNTS DIRECTION GIVEN BY THE SECRETARY OF STATE WITH THE CONSENT OF THE TREASURY, IN ACCORDANCE WITH PARAGRAPH 10(3) OF SCHEDULE 31 TO THE LOCAL GOVERNMENT, PLANNING AND LAND ACT 1980

1. The annual accounts of West Northamptonshire Development Corporation (hereafter in this accounts direction referred to as "the Corporation") shall give a true and fair view of the income and expenditure and cash flows for the year and the state of affairs at the year end. Subject to this requirement, the annual accounts for 2006/07 and for subsequent years shall be prepared in accordance with:-

- a. The accounting and disclosure requirements given in *Government Accounting* and in, the *Government Financial Reporting Manual* issued by the Treasury ("the FReM") as amended or augmented from time to time, and subject to Schedule 1 to this direction;
- b. Any other relevant guidance that the Treasury may issue from time to time;
- c. Any other specific disclosure requirements of the Secretary of State;

Insofar as these requirements are appropriate to the Corporation and are in force for the year for which the accounts are prepared, and except where agreed otherwise with the Secretary of State and the Treasury, in which case the exception shall be described in the notes to the accounts.

2. Schedule 1 to this direction gives clarification of the application of the accounting and disclosure requirements of the Companies Act and accounting standards and also gives any exceptions to standard Treasury requirements. Additional disclosure requirements of the Secretary of State and further explanation of Treasury requirements are set out in Schedule 2.

3. This direction shall be reproduced as an appendix to the annual accounts.

4. This direction replaces all previously issued directions.

Signed by authority of the Secretary of State



Henry Cleary

An officer in the Department for
Communities and Local Government

Accounts Direction

SCHEDULE 1

1. Stocks and work in progress shall be included in the balance sheet at the lower of estimated replacement cost and estimated net realisable value.
2. The annual accounts shall be signed and dated by the chairman on behalf of the board members, and by the accounting officer.

SCHEDULE 2

ADDITIONAL DISCLOSURE REQUIREMENTS

The following information shall be disclosed in the annual accounts, as a minimum, and in addition to the information required to be disclosed by paragraphs 1 and 2 of this direction.

1. **The notes to the annual accounts**
 - a. An analysis of grants from:
 - i. Government departments
 - ii. European Community funds
 - iii. Other sources identified as to each source;
 - b. For grants from the Department for Communities and Local Government, the following information shall also be shown:
 - i. The amount that the Corporation is entitled to receive for the year
 - ii. The amount received during the year
 - iii. The amount released to the income and expenditure account for the year
 - iv. The amount used to acquire or improve fixed assets in the year
 - v. Movements on amounts carried forward in the balance sheet

And the note should make it possible to reconcile any of the amounts in (i) to (v) above, to each of the other amounts;
 - c. An analysis of grants included as expenditure in the income and expenditure account and a statement of the total value of grant commitments not yet included in the income and expenditure account;

Accounts Direction

- d. Details of employees, other than board members, showing:-
 - i. The average number of persons employed during the year, including part-time employees, agency or temporary staff and those on secondment or loan to the Corporation, but excluding those on secondment or loan to other organisations, analysed between appropriate categories (one of which is those whose costs of employment have been capitalised)
 - ii. The total amount of loans to employees
 - iii. Employee costs during the year, showing separately:-
 - 1. Wages and salaries
 - 2. Early retirement costs
 - 3. Social security costs
 - 4. Contributions to pension schemes
 - 5. Payments for unfunded pensions
 - 6. Other pension costs
 - 7. Amounts recoverable for employees on secondment or loan to other organisation

(The above analysis shall be given separately for the following categories:

- I. Employed directly by the Corporation
- II. On secondment or loan to the Corporation
- III. Agency or temporary staff
- IV. Employee costs that have been capitalised);

- e. An analysis of liquid resources, as defined by accounting standards;
- f. In the note on debtors, prepayments and payments on account shall each be identified separately;
- g. A statement of debts written off and movements in provisions for bad and doubtful debts;
- h. A statement of losses and special payments during the year, being transactions of a type which Parliament cannot be supposed to have contemplated. Disclosure shall be made of the total of losses and special payments if this exceeds £250,000, with separate disclosure and particulars of any individual amounts in excess of £250,000.
Disclosure shall also be made of any loss or special payment of £250,000 and below if it is considered material in the context of the Corporation's operations.

Accounts Direction

- i. Particulars, as required by the accounting standard on related party disclosures, of material transactions during the year and outstanding balances at the yearend (other than those arising from a contract of service or of employment with the Corporation), between the Corporation and a party that, at any time during the year, was a related party. For this purpose, notwithstanding anything in the accounting standard, the following assumptions shall be made:
 - ii. Transactions and balances of £5,000 and below are not material
 - iii. Parties related to board members and key managers are as notified to the Corporation by each individual board member or key manager
 - iv. The following are related parties:
 1. Subsidiary and associate companies of the Corporation
 2. Pensions funds for the benefit of employees of the Corporation or its subsidiary companies (although there is no requirement to disclose details of contributions to such funds)
 3. Board members and key managers of the Corporation
 4. Members of the close family of board members and key managers
 5. Companies in which a board member or a key manager is a director
 6. Partnerships and joint ventures in which a board member or a key manager is a partner or venture
 7. Trusts, friendly societies and industrial and provident societies in which a board member or a key manager is a trustee or committee member
 8. Companies, and subsidiaries of companies, in which a board member or a key manager has a controlling interest
 9. Settlements in which a board member or a key manager is a settlor or beneficiary
 10. Companies, and subsidiaries of companies, in which a member of the close family of a board member or of a key manager has a controlling interest

Accounts Direction

11. Partnerships and joint ventures in which a member of the close family of a board member or of a key manager is a partner or venture
12. Settlements in which a member of the close family of a board member or of a key manager is a settlor or beneficiary
13. The Department for Communities and Local Government, as the sponsor department for the Corporation.

For the purposes of this sub-paragraph:

- i. A key manager means members of the Corporation's management board.
- ii. The close family of an individual is the individual's spouse, the individual's relatives and their spouses, and relatives of the individual's spouse. For the purposes of this definition, "spouse" includes personal partners, and "relatives" means brothers, sisters, ancestors, lineal descendants and adopted children.
- iii. A controlling shareholder of a company is an individual (or an individual acting jointly with other persons by agreement) who is entitled to exercise (or control the exercise of) 30% or more of the rights to vote at general meetings of the company, or who is able to control the appointment of directors who are then able to exercise a majority of votes at Corporation meetings of the company.

- ❖ Note to paragraph 1(i) of Schedule 1: under the Data Protection Act 1998 individuals need to give their consent for some of the information in these sub-paragraphs to be disclosed. If consent is withheld, this should be stated next to the name of the individual.



Water Meadows, Towcester



Stronger Communities Fund
Project – Sikh Community
Centre, Northampton receives
a cheque from Chair, John
Markham



Construction at Billing Lane,
Northampton

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