

**When telephoning, please ask for:** Member Services  
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**Email** memberservices@rushliffe.gov.uk

**Our reference:**  
**Your reference:**  
**Date:** 27 August 2014

To all Members of the Council

Dear Councillor

A meeting of the CABINET will be held on Tuesday 9 September 2014 at 7.00 pm in the Council Chamber, Civic Centre, Pavilion Road, West Bridgford to consider the following items of business.

Yours sincerely



Executive Manager Operations and Corporate Governance

### **AGENDA**

1. Apologies for absence.
2. Declarations of Interest.
3. Minutes of the Meeting held on Tuesday 1 July 2014 (previously circulated).

#### **Key Decisions**

4. **Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012**

It is RECOMMENDED that the public be excluded from the meeting for consideration of the following item of business pursuant to Regulation 4 (2) of the above Regulations on the grounds that it is likely that exempt information may be disclosed as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

5. Investment Opportunity - Potential Site Acquisition

The report of the Chief Executive is attached (pages 1 - 7).

#### **Non Key Decisions**

6. Review of Leisure Specification

The report of the Chief Executive is attached (pages 8 - 12).

7. Designation of Radcliffe on Trent Parish Neighbourhood Area

The report of the Executive Manager - Communities is attached (pages 13 - 18).

**Budget and Policy Framework Items**

8. Revenue and Capital Budget Monitoring 2014/15 – Quarter 1 Update

The report of the Executive Manager – Finance and Commercial is attached (pages 19 - 26).

**Matters referred from Scrutiny**

There are no matters referred.

Membership

Chairman: Councillor J N Clarke

Vice-Chairman: Councillor J A Cranswick

Councillors R L Butler, J E Cottee, N C Lawrence, D J Mason, S J Robinson

|                              |
|------------------------------|
| <b>Meeting Room Guidance</b> |
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**Fire Alarm Evacuation:** in the event of an alarm sounding please evacuate the building using the nearest fire exit, normally through the Council Chamber. You should assemble in the Nottingham Forest car park adjacent to the main gates.

**Toilets** are located opposite Committee Room 2.

**Mobile Phones:** For the benefit of others please ensure that your mobile phone is switched off whilst you are in the meeting.

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**MINUTES  
OF THE MEETING OF THE  
CABINET  
TUESDAY 1 JULY 2014**

Held At 7.00pm in the Council Chamber, Civic Centre, Pavilion Road, West Bridgford

**PRESENT:**

Councillors J N Clarke (Chairman), R L Butler, J E Cottee, J A Cranswick, N C Lawrence, D J Mason, S J Robinson

**ALSO IN ATTENDANCE:**

Councillors Mrs D M Boote, S J Boote and A MacInnes

**OFFICERS PRESENT:**

|               |   |
|---------------|---|
| A Graham      | Chief Executive   |
| P Linfield    | Service Manager – Finance and Commercial                |
| K Marriott    | Executive Manager - Transformation                      |
| V Nightingale | Senior Member Support Officer                           |
| P Steed       | Executive Manager – Finance and Commercial              |
| D Swaine      | Executive Manager - Operations and Corporate Governance |

**APOLOGIES FOR ABSENCE:**

There were no apologies for absence

**5. Declarations of Interest**

There were none declared.

**6. Minutes**

The minutes of the meeting held on Tuesday 10 June 2014 were approved as a correct record and signed by the Chairman.

**7. Streetwise Environmental Limited**

Councillor Clarke presented a report which identified the need to appoint a Strategic Board for the newly formed company Streetwise Environmental Limited. He stated that this was the culmination of a great deal of work that had been carried out by the Environment and Waste Management Member Group. The establishment of the Strategic Board would give an appropriate governance structure which would ensure that the Council in its role as owner would be able to make key decisions and exercise control in order that the company could benefit from the 'Teckal' exemption.

The report highlighted those matters that would be reserved to the Council as the controlling member of the company. He also informed Members that the newly appointed Managing Director had taken up his post today.

With regard to the reserved matters further clarification was sought on item 3 – ‘Any person or organisation as a member of Streetwise’. The Chief Executive explained that the Strategic Board had to agree to any other organisation, sole trader or local authority becoming a partner in the company.

Councillor Mason stated that she had been the chairman of the cross party Member Group and that everyone’s views had been taken into consideration. The work of the Group had been supported by officers and also external help had been brought in. This had been a very interesting and challenging project especially as this was the first time a Council had sought to work this way. She felt that this was an innovative method of working that would help Streetwise to improve and become financially viable. She said that this would save money for the Council whilst ensuring that high standards were maintained. She stated that it was very important that this was a strategic and not an operational board.

The Chief Executive explained that other local authorities had used the ‘Teckal’ exemption but that this project was different as the company was being set up as a mutual company that would operate as a social enterprise. He reminded Members that the Council had also received assistance from the Cabinet Office. He informed the group that Mr Carter had supported the Member Group throughout the process and had been seconded in to the new company; he stated that Mr Carter would continue to work with the company to drive the business forward and to assist the new Managing Director.

Following a question Members were informed that the work undertaken by the new company on behalf of the Council would be scrutinised on an annual basis. Initially this would be via the Partnership Delivery Group and then by the Performance Management Board when the partnership was embedded.

In conclusion Councillor Clarke stated that this was an exciting project for the Council and he thanked all the Members and officers involved for their hard work.

RESOLVED that Cabinet

- a) Approved the establishment of a strategic board, comprising 4 Council members chosen by the Leader, to make decisions on behalf of the Council in its role as the sole subscriber and member of the newly formed company, Streetwise Environmental Limited.
- b) Approved the proposed reserved matters schedule, attached as **Appendix 1** to the report.

## 8. **Financial Outturn 2013/14 Report**

Councillor Robinson presented the report of the Executive Manager – Finance and Commercial regarding the year-end financial outturn position for 2013/14. He stated that the Statement of Accounts had been agreed by the 30 June deadline and that these had been placed on the Council’s website. The formal auditing process would be undertaken by KPMG and the final accounts would be presented to Council on 25 September 2014.

In regard to the General Fund Councillor Robinson stated that, although these were difficult times and Government funding was being reduced, the Council had made an underspending of £1.93m for the year. This figure included £341,000 that had been identified as part of a comprehensive review of balances and £350,000 grant for Small Business Rates Relief.

Councillor Robinson referred to the report and highlighted the expenditure in respect of the Capital Programme. He stated that Section 106 contributions had been used to develop health facilities in Bingham. He explained to Members that the Council's vehicle replacement programme had been innovatively considered and some vehicles had been revamped rather than replaced. He stated that this was a good example of asset utilisation. There would be a carry forward of £1.56m which was mainly due to the delay in the Alford Road Pavilion Redevelopment Project, which he was pleased to announce was now underway.

Following a request for clarification the Executive Manager – Finance and Commercial explained that the £100,000 related to potential costs in relation to claims by companies of unfair charges levied for property searches. There had been two court cases, one of which had been settled. The Executive Manager - Operations and Corporate Governance explained work had been undertaken by the Local Government Association to model the costs for all local authorities. Councillor Clarke stated that, as the Council was a subscribing member to the Association it had enabled the costs to be kept to a minimum.

RESOLVED that Cabinet

- a) Noted the 2013/14 underspend position and approves the associated changes to the earmarked reserves (**Appendix B**)
- b) Approved the Capital Carry Forwards outlined in section 4.8 of the report and **Appendix C**.

9. **Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012**

RESOLVED that

the public be excluded from the meeting for consideration of the following item of business pursuant to Regulation 4 (2) of the Regulations on the grounds that it is likely that exempt information may be disclosed as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

10. **Future of Bridgford Hall**

Councillor Robinson presented the report of the Chief Executive regarding the future options for this iconic, Grade II listed building in West Bridgford.

RESOLVED that Cabinet

- a) Considered the outcomes of the marketing exercise for the Hall
- b) Agreed that the Council proceeds with the option of registry office and apart-hotel including the development and submission of a planning application for converting the Hall to an apart-hotel.
- c) Agreed for the development and submission of a bid to secure a Heritage Enterprise Grant accepting that this may result in a delay in the programme for refurbishment, and there is no guarantee that a grant will be awarded.
- d) Increased the allocation in the Capital Programme to £1.3m to cover the refurbishment of the Hall and the conversion to an apart-hotel should the HLF grant money not be forthcoming.
- e) Continued to track the Local Enterprise Partnership funding to see if any future funding strands could be utilised for this scheme.

The meeting closed at 7.35 pm.

CHAIRMAN

## Report of the Chief Executive

### Cabinet Portfolio Holder Councillor J N Clarke

#### 1. Summary

- 1.1 In light of potential increases in Rushcliffe's older population, the Leader has requested a report be presented to reconsider the indoor bowling element of the proposed Arena redevelopment. This report therefore covers the options available to reconsider the bowling element.

#### 2 Recommendation

It is RECOMMENDED that Cabinet requests the Leisure and Civic Relocation Member Group to:

- a) Review the requirements for indoor bowling at the Arena in light of representations made regarding the current and future demand, demographic changes, cost and other information.
- b) Provide a report of its findings to Cabinet at its meeting on 14 October. This report to identify and recommend the level of bowling facilities required in the design together with the likely cost and any planning or other implications of accommodating any changes.

#### 3 Reasons for Recommendation

- 3.1 To ensure that the specification for the Arena redevelopment meets current and future needs for indoor bowling within Rushcliffe.

#### 4 Supporting Information

- 4.1 As previously reported to Cabinet the Arena redevelopment will provide a combined leisure and administrative hub for the Council incorporating a range of sporting facilities including swimming, squash, health and fitness, a sports hall, snooker and indoor bowling.
- 4.2 As detailed at **Appendix One** a specification for the development was agreed by Cabinet on 13 May 2014 and plans, including a four lane indoor bowling hall, have been developed on this basis.
- 4.3 Since this decision the Leader and officers of the Council have continued to engage with users and this consultation, combined with proposed future increases in housing outlined in the Core Strategy, has led to Members wanting to revisit the design of the leisure centre to be sure they have made

the right provision for indoor bowling. As such it is recommended that Cabinet reviews its previous decision regarding bowling provision within the Arena development.

- 4.4 As part of the previous design process Cabinet was informed by information and recommendations provided by cross party groups. The terms of reference for the Leisure and Civic Relocation Member Group agreed by Cabinet on the 13 March 2014 are attached at **Appendix Two**. Cabinet is now asked to consider if the Leisure and Civic Relocation Member Group should be reconvened to review the specification for indoor bowling before reporting its findings to Cabinet in October. This would be in line with the fourth aspect of the Group's agreed terms of reference: *"To receive further reports as appropriate regarding the Transformation programme for the Arena site development."*

## **5 Other Options Considered**

- 5.1 Cabinet could determine that it wishes to make changes to the specification that would increase (or potentially decrease) the number of lanes available for bowling without referral of this aspect of the design to a dedicated Member Group. However as detailed in paragraph 4.4, Cabinet has previously worked cooperatively on this project with a cross party working group.

## **6 Risk and Uncertainties**

- 6.1 Due to the significance of the development it is important that the specification for bowling is fit for purpose and consistent with potential demand arising from proposed increases in housing and an older population. Conversely it is also important to give due regard to the current and forecasted usage of the facility and its viable lifespan especially as the inflexibility of the current space was identified as a key issue when the Leisure and Civic Relocation Member Group reported to Cabinet in May 2014.
- 6.2 The referral of the indoor bowling provision to the Leisure and Civic Relocation Member Group presents a further opportunity to examine in detail the demographic, demand and comparative information available at this time which should reduce future risks of under or over provision.
- 6.3 Any reconsideration of the plans will undoubtedly affect the timescales of the project previously reported to Cabinet and it will be unlikely that the Arena project will meet the previous timeline. Equally, it is important that Members are comfortable with their decision making on this flagship project.

## **7 Implications**

### **7.1 Finance**

- 7.1.1 To progress this project the Council has engaged an external design team who have been developing plans for planning and construction purposes. While significant elements of this work would be unaffected by changes to the indoor bowling hall the Council may incur costs in relation to the development of additional options and the subsequent rework of existing designs.



7.1.2 It should also be noted that any increase from the proposed four lane bowling hall could result in increases to the capital costs of the scheme. Full cost implications of recommendations by the Member Group will be reported back to Cabinet. As a result should Cabinet determine that it wishes to change the specification then work will be undertaken with the design team to minimise the impact on overall costs probably through the retention and reuse of the existing bowling hall.

## 7.2 Legal

7.2.1 None

## 7.3 Corporate Priorities

7.3.1 The Arena redevelopment is a key element of the Leisure Facilities Strategy and supports delivery of the Council's corporate priority of maintaining and enhancing residents' quality of life.

## 7.4 Other Implications

7.4.1 **Planning.** In order to enable the specification for indoor bowling to be reconsidered the Council's planning application will be deferred from the September meeting of the Development Control Committee.

7.4.2 **Diversity and Equality.** In determining the level of bowling provision within the Arena redevelopment Cabinet needs to consider the proposed increase in housing in the Borough and how such facilities can support demographic changes in communities and how such facilities can enhance the quality of life of older people.

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| <b>For more information contact:</b>               | Name: Peter Steed<br>Executive Manager -Finance and Commercial<br>0115 914 8567<br>email <a href="mailto:psteed@rushcliffe.gov.uk">psteed@rushcliffe.gov.uk</a>                            |
| <b>Background papers Available for Inspection:</b> | Cabinet Agenda 13 May 2014   |
| <b>List of appendices (if any):</b>                | <ol style="list-style-type: none"> <li>1. Current Specification for Arena Redevelopment</li> <li>2. Terms of Reference for Leisure and Civic Facilities Relocation Member Group</li> </ol> |

**Specification for Arena Redevelopment  
Agreed by Cabinet 13 May 2014**

**Office**

- Capacity to support 200 employees operating under flexible working conditions
- Mayor's Parlour, Leaders Office, Members Room
- Flexible Committee Rooms
- Flexible Council Chamber

**Leisure**

Swimming Hall

- 6 Lane 25m main pool
- 13m x 8m learner pool
- 13m x 5m beach area including fixed play equipment
- No movable floors
- Primary spectator seating from viewing area linked to the cafe.

Sports Hall

- Retention of Current 4 Court Sports Hall
- Explore possible linkage to bowling hall

Squash courts

- 3 courts including removable internal walls.

Health and Fitness

- Gym area sufficient to support between 125 and 150 stations
- 3 Dedicated fitness studios
- Sauna and Steam Room
- Provision of wellness studio space

Indoor Bowling

- 4 lane bowling arena including possibility of slight additional space to outside lanes.
- Ceiling height sufficient to enable out of season use as sports hall
- Explore possible linkage to sports hall

Other areas

- Café provision retained and improved
- No permanent licensed bar
- Shop and display space for leisure operator
- Multi-function room to support events / children's parties
- Retention of 2 snooker tables

**Draft Terms of Reference:  
Leisure and Civic Relocation Member Group  
Agreed by Cabinet: 11 March 2014**

Comprising 9 Members – 6 Con 1 Lib 1 Lab 1 Green

Chairman: Leader of the Council

No substitutes permitted

- To consider the options report on the Civic Centre received by the Chief Executive, and make recommendations of the preferred options to Cabinet by May 2014,
- To oversee delivery and development of the Arena site development making recommendations to Cabinet by May 2014 giving due regard to:
  - (i) affordability constraints and the proposed core and optional elements of any new facilities including options for bowls, squash and swimming, and
  - (ii) the financing proposals for the new Leisure Centre and Civic Centre facility,
- To further consider and appraise the business case for the options for the future use or disposal of the Civic Centre building,
- To receive further reports as appropriate regarding the Transformation programme for the Arena site development and the relocation of the Council services operated from the Civic Centre.

## Report of the Executive Manager - Communities

### Cabinet Portfolio Holder Councillor R L Butler

#### 1. Summary

- 1.1. Radcliffe on Trent Parish Council has made an application to Rushcliffe Borough Council proposing to designate the parish of Radcliffe on Trent as a Neighbourhood Area under Section 61G of the Town and Country Planning Act 1990 and in accordance with the requirements of the Neighbourhood Planning Regulations 2012.

#### 2. Recommendation

It is RECOMMENDED that, in accordance with section 61G of the Town and Country Planning Act 1990, Cabinet approve the application to designate the parish of Radcliffe on Trent as a Neighbourhood Area.

#### 3. Reasons for Recommendation

- 3.1. Under the Section 61G of the Town and County Planning Act 1990, and in accordance with the Neighbourhood Planning Regulations 2012, the Borough Council has a duty to consider Neighbourhood Area applications, taking into account the submission made to it and any representations received during a period of consultation.

#### 4. Supporting Information

- 4.1. The ability for a town or parish council to produce a Neighbourhood Plan is contained within the Localism Act 2011. The Neighbourhood Planning Regulations 2012 provide guidance as to how the Neighbourhood Plan process will work.
- 4.2. Neighbourhood Plans can include planning policies and allocations of land for different uses. They can be produced by town or parish councils in consultation with their communities, but must be consistent with legislation and national and local planning policies. If a neighbourhood plan is formally adopted following an examination by an Inspector and there is overall support for it in a community referendum, then decisions on future planning applications must be in general conformity with it.
- 4.3. If a town or parish council decides to develop a neighbourhood plan, one of the first steps is to submit to the local planning authority an application for the designation of the area to be covered by the plan. A town or parish council may choose to produce a Neighbourhood Plan that covers all or part of their parish. They must submit to the local planning authority the following:

- A map which identifies the area to be covered by the neighbourhood plan; and
  - A statement explaining why the area concerned is appropriate.
- 4.4. Radcliffe on Trent Parish Council is seeking to progress work on a Neighbourhood Plan for the parish. An application to the Borough Council has now been made to designate the whole of the civil parish of Radcliffe on Trent (see **Appendix 1**) as the neighbourhood area for this purpose.
- 4.5. The letter and map showing the area proposed by Radcliffe on Trent Parish Council have been available to be viewed by members of the public and others on the Borough Council's website. A copy was available at Radcliffe on Trent Parish Council's offices and on the Radcliffe on Trent Parish Council website. The consultation period ran for six weeks, from 30 June to 11 August 2014. No responses were received to the consultation.
- 4.6. Radcliffe on Trent civil parish is the area for which Radcliffe on Trent Parish Council is the elected body and the area for which it is appropriate for them to make plans and policies. The area defined for designation is justified to enable the Neighbourhood Plan to meet the strategic objectives for the village set out in the Rushcliffe Local Plan. It is therefore considered appropriate to designate the whole of Radcliffe on Trent civil parish as a Neighbourhood Area.
- 4.7. Should Cabinet decide to approve the application, a record of this decision will be sent to Radcliffe on Trent Parish Council and placed on the Planning Policy pages of the Borough Council's website. If the decision is taken to refuse to designate the Plan Area, then the Borough Council will need to publish its reasons for making that decision.

## **5. Other Options Considered**

None

## **6. Risk and Uncertainties**

None

## **7. Implications**

### **7.1. Finance**

There are no direct financial implications arising from this report

### **7.2. Legal**

The Council has a statutory duty to consider Neighbourhood Area applications and decide whether to designate Neighbourhood Areas. Failing to do so will put the Council at risk of failing to meet its statutory requirements.

### 7.3. Corporate Priorities

The designation of Radcliffe on Trent Parish as a Neighbourhood Area will enable the Parish Council to produce a Neighbourhood Plan for the development of their area. The production of a Neighbourhood Plan for Radcliffe on Trent may assist in delivering the Borough Council's wider corporate priority to support economic growth to ensure a sustainable, prosperous and thriving local economy.

### 7.4. Other Implications

The Localism Act 2011 places a statutory duty to support the production of Neighbourhood Plans within their area. The Neighbourhood Planning Regulations 2012 provides further information on where the Local Planning Authority has a statutory duty to support in the production of Neighbourhood Plans. The preparation of a Neighbourhood Plan for Radcliffe on Trent will initially require input and time from officers of the Planning Policy team.

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| <b>For more information contact:</b>               | Name Phillip Marshall<br>Principal Policy Planner<br>0115 914 8568<br>email <a href="mailto:pmarshall@rushcliffe.gov.uk">pmarshall@rushcliffe.gov.uk</a> |
| <b>Background papers Available for Inspection:</b> | None   |
| <b>List of appendices (if any):</b>                | Supporting letter from Radcliffe on Trent Parish Council. Map of proposed Neighbourhood area designation.  |



# Radcliffe on Trent Parish Council

Parish Clerk: Mrs J. Grice  
 The Grange, Vicarage Lane  
 Radcliffe on Trent  
 Nottingham  
 NG12 2FB

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Mr Phillip Marshall  
 Principal Policy Planner  
 Planning Policy Team  
 Rushcliffe Borough Council  
 Civic Centre,  
 Pavillion Road  
 West Bridgford  
 Nottingham. NG2 5FE

Date: 24 June 2014

Dear Mr Marshall

## **APPLICATION FOR DESIGNATION OF A NEIGHBOURHOOD AREA: RADCLIFFE ON TRENT**

Radcliffe on Trent Parish Council, being a 'relevant body' as required by legislation under Neighbourhood Planning (General) Regulations, wishes to prepare a Neighbourhood Development Plan and formally applies for the Parish to be designated as a Neighbourhood Area. We confirm that Radcliffe on Trent Parish Council is a relevant body for the purposes of Section 61G of the 1990 Town and Country Planning Act due to it being a local authority in its own right, bound by statute and accountable to the community that it serves.

The Neighbourhood Area defined by the Parish Council is the whole of the civil parish of Radcliffe on Trent as outlined on the attached Parish Map.

We consider the defined area to be an appropriate area for designation as a Neighbourhood area for the following reasons:

1. The area defined is covered by Radcliffe on Trent Parish Council in its entirety. The Neighbourhood Area will sit comfortably with the electorate and the existing sense of community that currently exists can continue to be built upon as the Plan is created.

2. The area defined has been the subject of a recent Community led Radcliffe on Trent Community Plan which is programmed for publication at the end of September 2014.
3. The Parish Council works actively to include residents from all parts of the Parish in its workings.

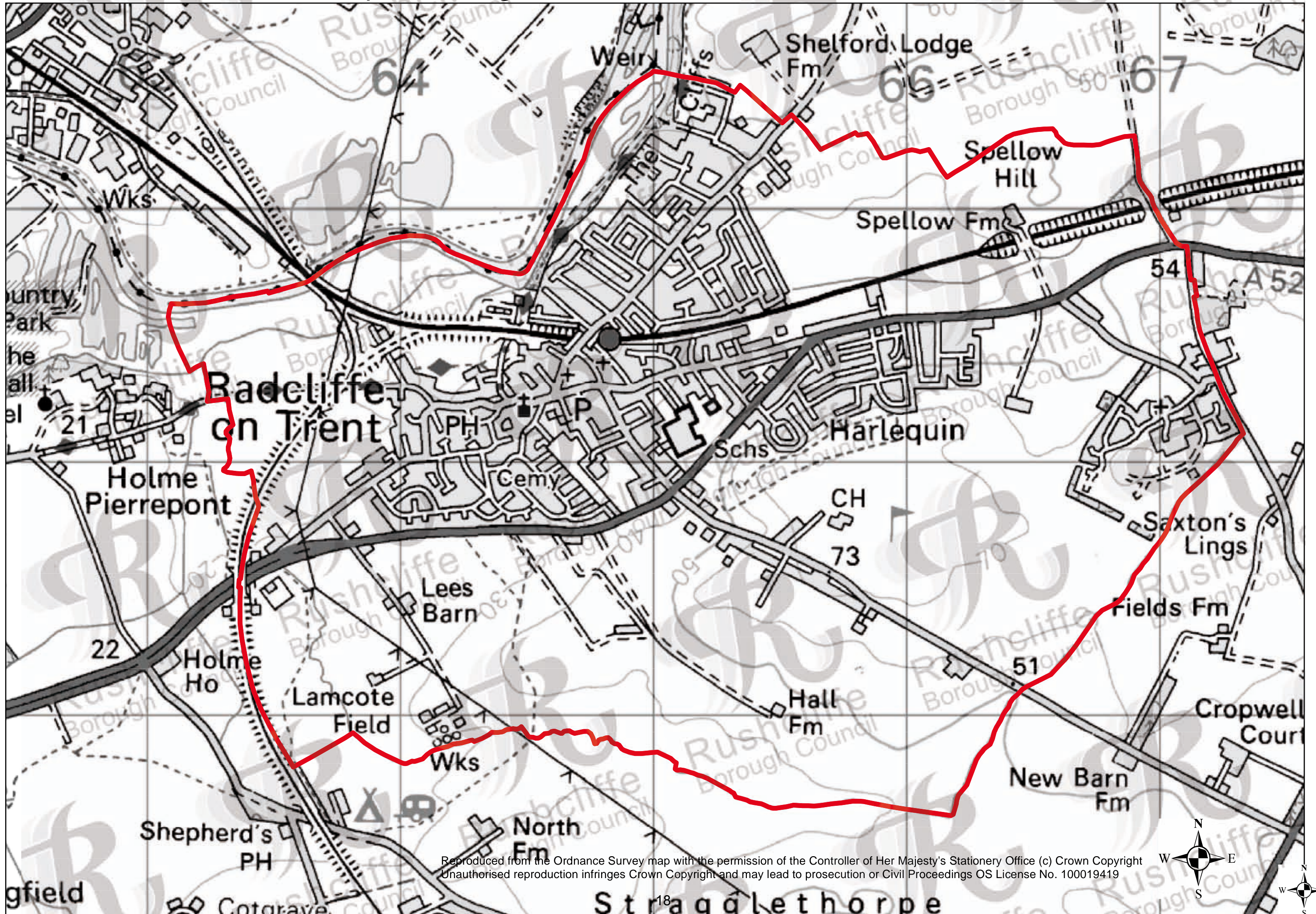
Yours sincerely

A handwritten signature in black ink, appearing to read 'Jacki Grice', with a stylized flourish above the name.

Mrs Jacki Grice  
Parish Clerk



# Proposed Neighbourhood Area Radcliffe on Trent



## Report of the Executive Manager - Finance and Commercial

### Cabinet Portfolio Holder – Councillor S J Robinson

#### 1. Summary

- 1.1 This report presents the budget position for revenue and capital as at 30 June 2014. Given the current financial climate it is imperative that the Council maintains due diligence with regards to its finances and ensures necessary action is taken to maintain a robust financial position. This report has already been considered by the Corporate Governance Group on 4 September 2014.

#### 2 Recommendation

It is RECOMMENDED that Cabinet:

- a) note the projected revenue and capital underspend positions for the year of £605k and £1,858k respectively;
- b) approve the increase to the Members' Community Support Scheme budget from £25k to £50k, to be funded from the New Homes Bonus; and
- c) approve the new capital budgets of £500k for Funding Circle and £516k for the loan to Streetwise Environmental Ltd.

#### 3 Reasons for Recommendation

- 3.1 To demonstrate good governance in terms of scrutinising the Council's on-going financial position and compliance with Council Financial Regulations.

#### 4 Supporting Information

##### *Revenue Monitoring*

- 4.1 The revenue monitoring statement by service area is attached at **Appendix A** with detailed variance analysis as at 30 June 2014 attached at **Appendix B**. This shows an underspend against profiled budget to date of £431,000 and a projected underspend for the year of £605,000. It is anticipated that this will continue to improve throughout the remainder of the year as managers continue to drive cost savings, and raise income, against existing budgets.
- 4.2 As documented at **Appendix B** the underspend to date reflects a number of positive variances including significant income from planning fees arising from a number of major applications, green waste income and the lack of current

calls made on the contingency budget. It should be noted that the Members' Community Support Scheme budget will increase by £25k to £50k which will be funded from the New Homes Bonus Reserve.

- 4.3 A number of additional grants have also been received (totalling £162k) to assist the Council in meeting specific service expenditure pressures due to statutory changes being introduced by the Government. These are in relation to Small Business Rates Relief (SBRR), and both welfare and electoral reform.

#### *Capital Monitoring*

- 4.4 The updated Capital Programme monitoring statement as at June 2014 is attached at **Appendix C**. A summary of the projected outturn and funding position is shown in the table below:-

| <b>CAPITAL PROGRAMME MONITORING - JUNE 2014</b> |                       |                         |                           |
|---|-----------------------|-------------------------|---------------------------|
| <b>EXPENDITURE SUMMARY</b>                      | <b>Current Budget</b> | <b>Projected Actual</b> | <b>Projected Variance</b> |
|   | <b>£000</b>           | <b>£000</b>             | <b>£000</b>               |
| Transformation                                  | 1,840                 | 1,973                   | 133                       |
| Neighbourhoods                                  | 1,668                 | 1,326                   | (342)                     |
| Communities                                     | 724                   | 678                     | (46)                      |
| Corporate Governance                            | 339                   | 339                     | 0                         |
| Finance & Commercial                            | 4,420                 | 3,061                   | (1,359)                   |
| Contingency                                     | 244                   | 0                       | (244)                     |
|   | <b>9,235</b>          | <b>7,377</b>            | <b>(1,858)</b>            |
| <b>FINANCING ANALYSIS</b>                       |                       |                         |                           |
| Capital Receipts                                | (5,186)               | (3,343)                 | 1,843                     |
| Government Grants                               | (340)                 | (340)                   | 0                         |
| Other Grants/Contributions                      | (592)                 | (544)                   | 48                        |
| Use of Reserves                                 | (3,117)               | (3,150)                 | (33)                      |
|   | <b>(9,235)</b>        | <b>(7,377)</b>          | <b>1,858</b>              |
| <b>NET EXPENDITURE</b>                          | <b>-</b>              | <b>-</b>                | <b>-</b>                  |

- 4.5 The projected outturn on the capital programme remains lower than the budget, with a £1.858m underspend predicted largely due to the expected loan to Nottinghamshire County Cricket Club having not yet been requested. Further variance explanations are detailed below.

#### 4.6 **Transformation**

The projected actual of £1.9million is in excess of the current approved budget (£1.8million) primarily as a result of changes to the plans for the re-development of Bridgford Hall. This was the subject of a Cabinet report on 1 July 2014. Heritage Lottery funding of £2million is currently being sought for this scheme. In the event that this is not successful, potential expenditure could be £1.3million and this sum has been provisionally included in the projected actual. Formal adjustments will need to be made to the programme when the outcome of the bid is known. Offsetting this additional expenditure is

potential slippage on the acquisition of strategic properties on the Cotgrave Masterplan project as negotiations continue.

#### **4.7 Neighbourhoods**

A variance of just over £300,000 is currently projected, the majority of which relates to investment in Social Housing. The projected actual is based on grants for known social housing scheme commitments. Any unspent balance in this provision will be carried forward to support new schemes in future years. Expenditure on Disabled Facilities Grants continues to be steady and regularly monitored. One 32 tonne refuse freighter has been purchased so far under the vehicle replacement programme.

#### **4.8 Communities**

Projected expenditure is largely in line with the current programme with the exception of Capital Grant Funding. The projected actual for this is based on known grant commitments but claims continue to be assessed during the year and new grants could still be approved. A contract has been awarded for the redevelopment of Alford Road Pavilion (£307,000). Work started on site in July and should be completed by late November.

#### **4.9 Corporate Governance**

The in-year provision of £220,000 has been supplemented by a brought forward of £119,000 from 2013/14 to support infrastructure and Channel shift web enhancement commitments together with technologies arising from the Leisure Strategy capital project. Expenditure to date includes: ICT replacement kit, technical infrastructure and applications.

#### **4.10 Finance & Commercial**

A significant variance of £1.39million is currently showing primarily due to the uncertainty in the timing of the release of a loan to Nottinghamshire County Cricket Club for re-development of their facilities and the payment of a contribution towards the work on the A453. The projected actual for these two schemes will be reassessed when more information is known. The potential underspend on these two schemes is partially offset by the variance of £516,000 showing for the Streetwise loan. This is the amount required to enable the company Streetwise Environmental Ltd to purchase vehicles from the fleet for service delivery. To meet accounting requirements an allowance of £500,000 is also required in relation to potential investments via Funding Circle which represents part of the Council's commitment to economic development and the aim of providing loans to local businesses. Over time such loans will be repaid resulting in a cost neutral impact on overall capital resources. There is always the risk of bad debts although this is mitigated by the credit rating of organisations and the high levels of interest payable on commercial loans. The scheme is due to commence in mid-September and is in accordance with the Council's Treasury Management Strategy. The capital programme will need to be adjusted to approve budgets totalling £1,016,000 to be funded in the short term from capital receipts. Work will commence later in the year on the Leisure Strategy and Office Accommodation project. There have been no requests made on capital contingency at this stage.

#### **4.11 Summary**

The report overall projects underspends for both revenue and capital. It should be noted it is early in the financial year and opportunities and challenges can arise which may impact on the projected year-end position.

There remain external financial pressures from developing issues such as the impact of the localisation of business rates, welfare reform, and continued financial pressures on individuals, businesses and partners. Against such a background it is imperative that the Council continues to keep a tight control over its expenditure, identifies any impact from income streams and maintains progress against its Transformation Strategy.

## 5 Other Options Considered

5.1 There are no other options.

## 6 Risk and Uncertainties

6.1 Failure to comply with Financial Regulations in terms of reporting on both revenue and capital budgets could result in criticism from stakeholders, including both Members and the Council's external auditors.

## 7 Implications

### 7.1 Finance

Financial implications are covered in the body of the report.

### 7.2 Legal

None

### 7.3 Corporate Priorities

Changes to the budget enable the Council to achieve its corporate priorities.

### 7.4 Other Implications

None

|  |  |
|--|--|
| <b>For more information contact:</b>               | Name; Peter Linfield<br>Service Manager- Finance and Commercial<br>0115 914 8439<br>email <a href="mailto:plinfield@rushcliffe.gov.uk">plinfield@rushcliffe.gov.uk</a>         |
| <b>Background papers Available for Inspection:</b> | Nil  |
| <b>List of appendices (if any):</b>                | Appendix A –Revenue Outturn Position 2014/15 – Quarter 1<br>Appendix B – Revenue Variance Analysis Explanations<br>Appendix C – Capital Programme 2014/15 – Quarter 1 Position |

## Revenue Outturn Position 2014/15 – Quarter 1

|                                     | Q1 Position - excl recharges |                     |                    | Total Costs     |                               |                             |                | Explanation   |
|-------------------------------------|------------------------------|---------------------|--------------------|-----------------|-------------------------------|-----------------------------|----------------|---|
|                                     | Budget YTD<br>£'000          | Actual YTD<br>£'000 | Variation<br>£'000 | Budget<br>£'000 | Projected<br>Outturn<br>£'000 | Total<br>Variation<br>£'000 | Variation<br>% |   |
| Corporate Governance and Operations | 854                          | 820                 | -34                | 1,401           | 1,417                         | 16                          | 1.14           | Increase in Members' Community Support Scheme funded by New Homes Bonus (NHB) (see below); and electoral registration costs funded by grant (see below) |
| Communities                         | 246                          | -56                 | -302               | 2,572           | 2,330                         | -242                        | -9.41          | Additional Planning Income  |
| Neighbourhoods                      | 172                          | 13                  | -159               | 4,266           | 4,139                         | -127                        | -2.98          | Additional Green waste, home alarms and depot income  |
| Finance & Commercial                | 5662                         | 5793                | 131                | 3,736           | 3,646                         | -90                         | -2.41          | Assumes no call on contingency  |
| Transformation                      | 240                          | 198                 | -42                | 3               | 3                             | 0                           | 0              |   |
| <b>Sub-total</b>                    | <b>7,174</b>                 | <b>6,768</b>        | <b>-406</b>        | <b>11,978</b>   | <b>11,535</b>                 | <b>-443</b>                 | <b>-3.7</b>    |   |
| Capital Accounting Adjustments      | -1,514                       | -1,514              | 0                  | -1,514          | -1,514                        | 0                           | 0              |   |
| Grant Income (including NHB)        | -1,981                       | -1,981              | 0                  | -1,981          | -2,143                        | -162                        | -8.18          | £100k SBRR, £48k elections, £14k welfare reform   |
| Transfer to/from (-) reserves       | 1,279                        | 1,254               | -25                | 1,254           | 1,254                         | 0                           | 0              | Reduction £25k to fund Members' Community Support Scheme  |
| Revenue contribution to capital     | 277                          | 277                 | 0                  | 277             | 277                           | 0                           | 0              |   |
|                                     |                              |                     |                    |                 |                               |                             |                |   |
| <b>Total</b>                        | <b>5,235</b>                 | <b>4,804</b>        | <b>-431</b>        | <b>10,014</b>   | <b>9,409</b>                  | <b>-605</b>                 | <b>-6</b>      |   |

## Revenue Variance Analysis Explanations

| <b>ADVERSE VARIANCES</b>  | <b>Variance<br/>YTD<br/>£'000</b> | <b>Projected<br/>Outturn<br/>£'000</b> |
|---|-----------------------------------|--|
| <b>Corporate Governance</b>   |                                   |  |
| Electoral Registration – Agency & IER <sup>1</sup> costs – funded by Government Grant | 12                                | 20                                     |
| <b>Finance &amp; Commercial</b>   |                                   |  |
| Finance – Agency costs partially offset by salary savings                             | 21                                | 40                                     |
| <b>Total Adverse Variances</b>  | 33                                | 60                                     |
| <br><b>FAVOURABLE VARIANCES</b>   |                                   |  |
|   | <b>Variance<br/>YTD<br/>£'000</b> | <b>Projected<br/>Outturn<br/>£'000</b> |
| <b>Communities</b>  |                                   |  |
| Development Control - Increased Application Fees                                      | -202                              | -164                                   |
| Building Control - Write back of unused provision                                     | -43                               | -6                                     |
| <b>Finance &amp; Commercial</b>   |                                   |  |
| Finance - Contingency dependant on risks identified                                   | 0                                 | -111                                   |
| <b>Neighbourhoods</b>   |                                   |  |
| Home Alarms - Increase in Metropolitan Housing Trust customers                        | -7                                | -29                                    |
| Waste Collection - Green Waste invoices.  | -34                               | -57                                    |
| Depot –Nottinghamshire County Council lease of Garage                                 | 0                                 | -40                                    |
| <b>Total Favourable Variances</b>   | -286                              | -407                                   |
| <b>Sum of Minor Variances</b>   | -153                              | -96                                    |
| <b>TOTAL VARIANCE</b>   | -406                              | -443                                   |

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<sup>1</sup> Individual Electoral Registration

## Capital Programme 2014/15 – Quarter 1 Position

| <b>CAPITAL PROGRAMME MONITORING - JUNE 2014</b> |                       |                           |                             |                 |
|---|-----------------------|---------------------------|-----------------------------|-----------------|
|   | <b>Actual<br/>YTD</b> | <b>Current<br/>Budget</b> | <b>Projected<br/>Actual</b> | <b>Variance</b> |
|   | <b>£000</b>           | <b>£000</b>               | <b>£000</b>                 | <b>£'000</b>    |
| <b>TRANSFORMATION</b>                           |                       |                           |                             |                 |
| Cotgrave Masterplan                             | 149                   | 729                       | 363                         | (366)           |
| The Point Enhancements                          | 0                     | 80                        | 30                          | (50)            |
| Civic Centre Vacant Space Works                 | 75                    | 120                       | 120                         | 0               |
| Civic Centre Enhancements - External Works      | 11                    | 41                        | 25                          | (16)            |
| Cotgrave Precinct Enhancements                  | 0                     | 50                        | 50                          | 0               |
| Bingham Market Place Improvements               | 0                     | 60                        | 60                          | 0               |
| Bridgford Hall Refurbishment                    | 4                     | 650                       | 1,300                       | 650             |
| Civic Centre Enhancements - General             | 0                     | 85                        | 0                           | (85)            |
| Footpath Enhancements                           | 0                     | 25                        | 25                          | 0               |
|   | <b>239</b>            | <b>1,840</b>              | <b>1,973</b>                | <b>133</b>      |
| <b>NEIGHBOURHOODS</b>                           |                       |                           |                             |                 |
| Discretionary Support Grants                    | 8                     | 60                        | 30                          | (30)            |
| Support for Registered Housing Providers        | 3                     | 840                       | 565                         | (275)           |
| Wheeled Bins Acquisition                        | 12                    | 60                        | 55                          | (5)             |
| Disabled Facilities Grants                      | 106                   | 408                       | 408                         | 0               |
| Vehicle Replacement                             | 170                   | 300                       | 268                         | (32)            |
|   | <b>299</b>            | <b>1,668</b>              | <b>1,326</b>                | <b>(342)</b>    |
| <b>COMMUNITIES</b>                              |                       |                           |                             |                 |
| Community Partnership Reward Grants             | 3                     | 28                        | 28                          | 0               |
| Nottinghamshire County Cricket Club - Grant     | 0                     | 90                        | 90                          | 0               |
| Alford Road Pavilion Redevelopment              | 0                     | 350                       | 350                         | 0               |
| Rushcliffe Country Park - Play Area             | 82                    | 86                        | 86                          | 0               |
| Capital Grant Funding                           | 27                    | 105                       | 59                          | (46)            |
| Play Areas - Special Expense                    | 0                     | 62                        | 62                          | 0               |
| The Hook - Multi Use Games Area                 | 3                     | 3                         | 3                           | 0               |
|   | <b>115</b>            | <b>724</b>                | <b>678</b>                  | <b>(46)</b>     |
| <b>CORPORATE GOVERNANCE</b>                     |                       |                           |                             |                 |
| IS Strategy                                     | 35                    | 339                       | 339                         | 0               |
|   | <b>35</b>             | <b>339</b>                | <b>339</b>                  | <b>0</b>        |
| <b>FINANCE &amp; COMMERCIAL</b>                 |                       |                           |                             |                 |
| Keyworth Leisure Centre - Pitch Upgrade         | 25                    | 25                        | 25                          | 0               |
| Leisure Strategy/Office Accommodation           | 35                    | 2,020                     | 2,020                       | 0               |



**CAPITAL PROGRAMME MONITORING - JUNE 2014**

|  | <b>Actual</b> | <b>Current</b> | <b>Projected</b> |                |
|--|---------------|----------------|------------------|----------------|
| Nottinghamshire County Cricket Club - Loan | 0             | 2,000          | 0                | (2,000)        |
| Funding Circle Loan                        |               |                | 500              | 500            |
| Streetwise Loan                            | 0             | 0              | 516              | 516            |
| Dualling of A453 - Contribution            | 0             | 375            | 0                | (375)          |
|  | <b>60</b>     | <b>4,420</b>   | <b>3,061</b>     | <b>(1,359)</b> |
| <b>CONTINGENCY</b>                         |               |                |                  |                |
| Contingency                                | 0             | 244            | 0                | (244)          |
|  | <b>0</b>      | <b>244</b>     | <b>0</b>         | <b>(244)</b>   |
| <b>TOTAL</b>                               | <b>748</b>    | <b>9,235</b>   | <b>7,377</b>     | <b>(1,858)</b> |