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Our reference:
Your reference:
Date: Monday, 6 December 2021

To all Members of the Cabinet

Dear Councillor

A Meeting of the Cabinet will be held on Tuesday, 14 December 2021 at 7.00 pm in the Council Chamber, Rushcliffe Arena, Rugby Road, West Bridgford to consider the following items of business.

This meeting will be accessible and open to the public via the live stream on YouTube and viewed via the link: <https://www.youtube.com/user/RushcliffeBC>
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Yours sincerely



Sanjit Sull
Monitoring Officer

AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. Minutes of the Meeting held on 23 November 2021 (Pages 1 - 8)
4. Citizens' Questions
To answer questions submitted by citizens on the Council or its services.
5. Opposition Group Leaders' Questions
To answer questions submitted by Opposition Group Leaders on items on the agenda.

NON-KEY DECISIONS

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Monday, Tuesday and Thursday
8.30am - 5pm
Wednesday
9.30am - 5pm
Friday
8.30am - 4.30pm

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6. Review of Investment Assets (Pages 9 - 20)

The report of the Director – Finance and Corporate Services is attached.

7. Streetwise Annual Report 2021 (Pages 21 - 52)

The report of the Chief Executive is attached.

8. Ratcliffe on Soar Update (Pages 53 - 58)

The report of the Chief Executive is attached.

9. Climate Change Strategy 2021-2030 (Pages 59 - 74)

The report of the Director – Neighbourhoods is attached.

10. Revenue and Capital Budget Monitoring 2021/22 - Q2 (Pages 75 - 98)

The report of the Director – Finance and Corporate Services is attached.

Membership

Chairman: Councillor S J Robinson

Vice-Chairman: Councillor A Edyvean

Councillors: A Brennan, R Inglis and G Moore

Meeting Room Guidance

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**MINUTES
OF THE MEETING OF THE
CABINET
TUESDAY, 23 NOVEMBER 2021**

Held at 7.00 pm in the Council Chamber, Rushcliffe Arena,
Rugby Road, West Bridgford
and live streamed on the Rushcliffe Borough Council YouTube channel

PRESENT:

Councillors S J Robinson (Chairman), A Edyvean (Vice-Chairman), A Brennan,
R Inglis and G Moore

ALSO IN ATTENDANCE:

Councillors Jones and J Walker

OFFICERS IN ATTENDANCE:

L Ashmore	Director of Development and Economic Growth
P Linfield	Director of Finance and Corporate Services
K Marriott	Chief Executive
S Sull	Monitoring Officer
H Tambini	Democratic Services Manager

APOLOGIES:

There were no apologies

32 Declarations of Interest

There were no declarations of interest.

33 Minutes of the Meeting held on 12 October 2021

The minutes of the meeting held on Tuesday, 12 October 2021, were declared a true record and signed by the Chariman.

34 Citizens' Questions

The following question was submitted by Ms Susan Edwards. Ms Edwards was unable to attend the meeting, so her question was read out by the Chairman.

“Do you consider that the presence of an Energy from Waste incinerator three times the size of the local Eastcroft incinerator on the Ratcliffe on Soar site will have a positive or negative effect on attracting future businesses to the site?”

Councillor Edyvean responded by stating that the although the answer was unknown, the Council was confident that the Energy from Waste plant was part of Uniper’s vision for the future of the site, which the Council expected to include a mix of different energy generating schemes, as we moved away from

coal powered electricity. The site was likely to be of huge interest to businesses that were delivering energy and technologies for the future.

35 Opposition Group Leaders' Questions

Question from Councillor J Walker to Councillor Edyvean.

“What are the “very special circumstances” Cabinet feels will outweigh the potential harm to the Green Belt should its status be removed on the Ratcliffe-on-Soar site?”

Councillor Edyvean responded by stating that the Council was not in a position to comment on this, the work would be done as part of the Local Development Order (LDO) process and to comment in advance would not be appropriate. The Local Development Framework Group, a cross-party group, would be part of the process and it would have the opportunity to discuss this matter prior to the LDO coming forward for determination.

Councillor J Walker asked the following supplementary question to Councillor Edyvean.

“Would the “very special circumstances” be decided locally and then discussed by Councillors?”

Councillor Edyvean responded by reiterating that the issue would be discussed as part of the lengthy timetable by the Local Development Framework Group.

Question from Councillor Thomas to Councillor Edyvean. Councillor Thomas was unable to attend the meeting, so her question was read out by the Chairman.

“Does the infrastructure item “indoor leisure provision” include village halls and community centres that are used for a range of physical activities such as badminton, exercise classes and dancing as well as other leisure pursuits, or is it just the large Rushcliffe leisure centres that can benefit?”

Councillor Edyvean responded by stating that the Borough did have a leisure provision and strategy, which included indoor leisure. The indoor leisure provision primarily referred to indoor sports rather than broader community uses. The larger leisure centres managed by the Council were the primary areas, which had been identified as the priority for this infrastructure category. The focus of the infrastructure list in the Community Infrastructure Levy document was on strategic priorities, and it was unlikely that items such as village halls would be included.

36 Electoral Review of Rushcliffe - Draft Recommendations

The Leader, Councillor Robinson presented the report of the Chief Executive outlining the draft response to the second stage of the Local Government Boundary Commission for England (LGBCE) consultation, in respect of the electoral review of Rushcliffe.

The Leader advised that in March 2021, the Council had participated in a boundary review, which had been submitted to the LGBCE. Cabinet was advised that the LGBCE had decided that Rushcliffe should retain its 44 Councillors, and that a first stage consultation had taken place between May and July, asking for feedback on where the Borough's ward boundaries should be drawn. The second stage of the consultation had commenced on 5 October, with Councillors being given the opportunity to comment on the LGBCE's draft recommendations, and Cabinet noted that the Appendix to the report detailed the Council's draft response to that second stage of the consultation.

The Leader summarised the LGBCE recommendations, details of which were highlighted in the report at paragraph 4.2 and confirmed that the document would be presented to Council, before its submission to the LGBCE by 13 December. Cabinet also noted the detailed responses made by Councillors, details of which were highlighted in paragraph 4.4 of the report.

The Leader acknowledged that due to Covid 19, the LGBCE had been forced to undertake this exercise from a distance, and whilst the Council agreed with many of the proposed recommendations, there were a number, including the suggested loss of the Lady Bay ward and changes to Bingham that could not be supported, and the LGBCE should be urged to undertake site visits to those areas and reconsider those recommendations.

In conclusion, the Leader thanked Councillors for their comprehensive responses to such an important issue.

In seconding the recommendation, Councillor Brennan referred to the importance of undertaking such reviews, especially where many wards were experiencing considerable growth, to ensure that the population of the Borough was properly reflected in the democratic process. However, it was reiterated that the proposals for Rushcliffe had essentially been a desk-based exercise and therefore had failed to capture some of the important characteristics of the area, or to understand the way that different settlements and communities within it interacted and were related.

Councillor Brennan stated that rural areas would be particularly impacted, as was often the case, and referred to the suggested changes to East Bridgford, which would become so extended geographically that members would be required to attend over 15 parish council meetings usually every month, which was unsustainable. The importance of maintaining natural communities including those at Tollerton and Lady Bay was also emphasised, and those areas would not be well served by the suggested proposals.

In conclusion, Councillor Brennan, referred to the importance of all elected representatives maintaining close connections to their local areas, and whilst welcoming the opportunity to comment on the proposals, it was reiterated that there were some aspects that did need to be re-examined.

Councillor Moore reiterated the comments made by Councillor Brennan, in particular to the difficulties experienced by having to cover a large sized geographical ward. Cabinet noted the benefits of smaller wards served by a

single Councillor, which had proved to work very effectively, and the LGBCE was urged to undertake site visits before finalising its proposals.

The Leader advised that the main issue related to ensuring that the ratio of residents to Councillor representation in each ward was correct; however, the important links with parish and town councils needed to be considered.

It was RESOLVED that the draft response to the second stage of the Local Government Boundary Commission for England consultation be endorsed as the Council's response, and it be recommended for approval to Full Council.

37 **Community Infrastructure Levy Allocation and Spend Process**

The Cabinet Portfolio Holder for Business and Growth, Councillor Edyvean presented the report of the Director for Development and Economic Growth outlining the draft Community Infrastructure Levy (CIL) Framework Appraisal document and the proposed allocation and spend process.

Councillor Edyvean confirmed that the CIL had now been in force in the Borough for two years, and the proposals being considered had been scrutinised by the Growth and Development Scrutiny Group. Cabinet noted that the report set out the criteria for using CIL money, details of which were highlighted in the Appendix to the report.

Councillor Edyvean advised that additional money would be made available to both parished and non-parished areas without a Neighbourhood Plan, giving them an additional 10% of locally collected CIL, to bring that up to the 25% currently allocated to parish and town councils with a Neighbourhood Plan. Cabinet noted that the additional 10% would have to be spent locally, within the strategic spend priorities.

In seconding the recommendation, Councillor Moore referred to the importance of spending this money wisely, and that the increased percentage to areas without a Neighbourhood Plan, including West Bridgford, and smaller parish councils would be welcomed.

The Leader agreed that the proposal would result in a welcome levelling up and make the process much fairer for all.

It was RESOLVED that the draft Community Infrastructure Levy Framework Appraisal document and proposed allocation and spend procedure be approved, and it be recommended to Full Council for adoption.

38 **Ratcliffe on Soar Power Station Local Development Order**

The Cabinet Portfolio Holder for Business and Growth, Councillor Edyvean presented the report of the Director for Development and Economic Growth providing an update on the Ratcliffe on Soar Power Station Local Development Order (LDO).

Councillor Edyvean advised that this report constituted further steps in planning terms in creating opportunities for the redevelopment of the Ratcliffe on Soar

Power Station site. Cabinet was reminded of the importance of this significant strategic site, as a key component of both the East Midlands Freeport and the East Midland Development Corporation (EMDC). The Council had worked closely with the site owners, and after looking at all of the options, it was considered that an LDO would be the best route to secure the future redevelopment of the site, as a multi-use complex with a low carbon energy focus.

Councillor Edyvean reminded Cabinet that in order to meet the requirements to qualify for Freeport benefits, businesses would need to be established by 30 September 2026, and the LDO was the best vehicle to meet this target. Cabinet noted that the Government guidelines also recommended the use of LDOs for this purpose.

The report detailed that consideration was being given to the removal of the site from the Green Belt in preparation for the Greater Nottingham Strategic Plan; however, it was noted that the timescale for that Plan did not facilitate the required timetable to bring the site forward for the Freeport process. Cabinet was reminded that consideration of this report was only the first step, and this draft document would be considered by the cross-party Local Development Framework Group (LDFG) and Full Council. To allow this to happen, an amendment to the Council's Constitution would be required to the LDFG terms of reference.

Councillor Edyvean stated that a clear vision for the redevelopment of the site had already been outlined, in accordance with the terms of reference for both the East Midlands Freeport and the EMDC, and details of the reasons for the suitability of the LDO as a correct vehicle, together with an outline of the process were highlighted in sections 4.7 to 4.17 of the report. Cabinet was reminded that the LDO would give the Council, as the Local Planning Authority, considerable control to ensure that the site was developed as envisaged, and to bring economic prosperity and opportunity for the future.

In conclusion, Councillor Edyvean referred to the huge opportunities that lay ahead, to increase the prosperity of the area and transform it to a greener economy.

In seconding the recommendation, Councillor Inglis stated that the report provided a strong case for approving the preparation of the LDO and referred to the significance of this important strategic site. Cabinet was reminded that the LDO was a tool, recommended by the Planning Advisory Service, and which was also encouraged within the Government's Freeport prospectus, to expediate the future development of the site, within the necessary timescales.

Councillor Inglis reiterated that this would be the first stage in the process, which would incorporate public consultation, early engagement with the community and stakeholders, together with scrutiny through the Council's cross-party LDFG, before finally being presented to Full Council.

In conclusion, Councillor Inglis referred to the considerable opportunities that the development of this site would create, for new and major business activity, together with the creation of substantial employment, which could be achieved

by the early delivery of this project with its low carbon energy focus.

The Leader commented that undoubtedly this site was a significant strategic site not just for the East Midlands but the country, given its unique strategic importance, with its location, close to East Midlands Airport, the M1, and with the recent confirmation that HS2 would be coming to this site. Cabinet was reminded that the East Midlands Freeport and the EMDC were also planned for this area, and so it was key that as a Council, Rushcliffe helped to facilitate this process.

The Leader confirmed that the National Planning Policy Framework encouraged Local Planning Authorities to use LDOs to set the planning framework, where it was deemed that the impacts would be acceptable, and in particular where this would promote economic, social or environmental gains for the area. Cabinet noted that green technology would be an important aspect of this site, so it was likely to meet the criteria.

The Leader reiterated that Cabinet was not considering granting planning permission, it was looking at the framework, hence the consideration of the LDO. The LDO was a tool, and Cabinet was reminded that this was the first time that Rushcliffe Borough Council had done this, and it reflected the importance both locally and nationally for this site.

In conclusion, the Leader reminded everyone that this was the start of the process, including extensive consultation, scrutiny by the LDFG, further reports to Cabinet, and it was hoped a final report to Full Council in December next year. Cabinet noted that the six week public consultation would commence on Monday, 29 November, and everyone was asked to get involved and have a say in this important issue.

Councillor Brennan reiterated the comments made and stated that it was pleasing to see this really useful tool coming forward, given the potential for this site, together with its possible uniqueness, in respect of its transport connectivity, particularly given the recent news about the HS2 project. It was hoped that there would be a considerable demand to use the site going forward, and it was vital that as a Council, Rushcliffe had the best tool to utilise that potential.

It was RESOLVED that:

- a) the preparation of a Local Development Order for the Ratcliffe on Soar Power Station site be approved;
- b) it be agreed that the Council enters into a Memorandum of Understanding with the site owner and works with them to prepare a draft Local Development Order, to be brought back to the Cabinet for approval;
- c) the draft timetable contained in Appendix A of the report be approved;
- d) the following additions to the terms of reference for the Local Development Framework Group in the Council's Constitution be

approved: “The Local Development Framework Group shall consider and make recommendations to cabinet or Council on all draft Local Development Orders and any other relevant documents”; and

- e) it be agreed that the Director for Development and Economic Growth act as project Director for the Local Development Order and oversee its preparation and all associated consultations.

39 **Covid 19: Update Report**

The Leader, Councillor Robinson presented the report of the Chief Executive providing an update on the work completed to date on response and recovery due to the Covid 19 pandemic since July 2021.

The Leader highlighted the key headlines in the report, which reflected the work undertaken both internally and externally by the Council during the pandemic and referred to the lifting of restrictions, which had taken place on 19 July, details of which were highlighted in the report.

The Leader referred to the £106k European Regional Development Welcome Back funding, which had been used for a number of events. Cabinet was advised that a temporary High Street/Town Centre Manager had been appointed, and that £10k had been ringfenced for each of the six larger town/parish councils.

In respect of leisure, the significant impact to this sector could not be underestimated and the Leader was pleased to note that since the lifting of restrictions, usage was up to about 80% of pre-pandemic levels. Work was currently underway at the Arena to convert the indoor bowls facility into a new sports and exercise hall and bring that back into full use.

The Leader acknowledged the £37k allocation from the County Council, which had focused on providing healthy food and enriching activities to children aged five to 16, and that had been very well received.

In respect of staff sickness or those having to self-isolate, Cabinet was advised that to date 31 employees had tested positive, and 97 employees had self-isolated.

The Leader reaffirmed the incredible success of the Council in supporting local businesses, with over 6,500 payments being made, which equated to over £15m and the Director – Finance and Corporate Services and his team were thanked again for their hard work and diligence during this challenging time.

Details of the events programme which had taken place, were highlighted at 4.8 in the report, with over 77,000 people attending those events, which had been well received, and Cabinet noted that it was the Christmas lights switch on in West Bridgford on Saturday.

In respect of other notable updates, the Leader confirmed that the Council had signed up to the new Nottingham and Nottinghamshire Compact, which had been developed to build upon the successful response by the voluntary and

community sector during the pandemic. In relation to commercial properties, occupation levels of council owned commercial property remained high at around 96% and Cabinet noted that in respect of rent holidays, that had now been reduced from £134k to £65k as people were able to pay that money back.

In conclusion, the Leader referred to track and trace and mass vaccinations, with booster vaccinations now being rolled out to the over 40s age group. On 18 October, Gamston Community Hall, which had played such a pivotal role in the initial vaccination programme had been handed back to the Council, and Cabinet acknowledged the work of officers in helping to run such an important operation. The Leader also referred to the important work being undertaken at the mobile testing centres at Cotgrave and Bingham, which continued to be well received.

In seconding the recommendation, Councillor Brennan thanked officers for their continued hard work to support the Borough's recovery as regulations had been relaxed. Reference was made to the fantastic events, which had taken place over the summer and autumn, which had been well attended, with very positive feedback, and it was also pleasing to note that the Council had continued to support local town and parish Councils to do the same.

Councillor Brennan was pleased to note the positive steps that had taken place, including improved attendance at leisure centres, supporting local children with nutritious meals throughout the school holidays, the quick and efficient payment of grants to businesses, and bringing back services as quickly as possible.

In conclusion, Councillor Brennan advised that the Council would continue to respond flexibly to changing circumstances as we moved into winter and it was pleasing to highlight in the report the excellent progress to date in responding to the pandemic.

The Leader agreed that the threat from Covid remained and referred to the importance of the vaccination programme and emphasised that the Council was resilient and would remain so and continue to support local residents and businesses.

It was RESOLVED that the work of officers of the Council and partners in responding to and supporting the recovery from Covid 19 be noted.

The meeting closed at 7.37 pm.

CHAIRMAN



Cabinet

Tuesday, 14 December 2021

Review of Investment Assets

Report of the Director – Finance and Corporate Services

Cabinet Portfolio Holder for Finance and Customer Access, Councillor G Moore

1. Purpose of report

- 1.1. This report is an update on the performance of the commercial property estate and provides a methodology for the ongoing performance of the Council's commercial assets to help inform any potential disposal in the future.
- 1.2. The Asset Investment Strategy was launched four years ago, and so it is the right time to review the performance of the now expanded property portfolio. The objective of the asset review was to assess all of the Council's commercial property portfolio, how individual properties are performing and what the expectations are for the next five to 10 years in terms of income and costs.
- 1.3. The report was presented to the Governance Scrutiny Group at its meeting on 25 November 2021, and the Group was fully supportive of the proposed approach within this report.

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) supports the methodology of assessing the Council's commercial property portfolio on an ongoing basis; and
- b) agrees that a review of the commercial property portfolio be undertaken every two years reporting back to the Governance Scrutiny Group and Cabinet.

3. Reasons for Recommendation

- 3.1. It is important that the Council takes a proactive approach to managing its assets to avoid any issues in the future. The review, and this accompanying report, provides transparency for members on the performance of the portfolio and allows the opportunity for review and challenge so options for the future can be considered in detail.

- 3.2. The report states that there are currently no high-risk properties and, therefore, no immediate action is deemed to be required. However, the proposed ongoing monitoring and review will ensure that should action be required this will be brought to the attention of members in a timely manner as appropriate.

4. Supporting Information

- 4.1. The Asset Investment Strategy was launched four years ago and to ensure the Council's property portfolio is still performing well it was identified that a detailed review should be carried out. It is particularly important in light of Covid-19, which has had a significant impact on commercial property although the legacy implications of this are still to be determined.
- 4.2. The Council's Asset Investment Strategy in relation to commercial investments from the outset always paid due attention to market conditions. The focus of investments has tended to be industrial, warehouse and office based rather than retail, hospitality or leisure (as detailed below). Whilst this report highlights some risk, as there is with all asset investments, ultimately the highest risk detailed below is considered to be no more than a medium rating.
- 4.3. The Council's property portfolio is made up of industrial estates and multi let / single let buildings, incorporating 99 investment interests, 54 of which are industrial, 25 offices, 16 retail and four leisure. The total portfolio generates an annual return from rental income of approximately £1,600,000, of which around 35% is attributable to the more recently purchased investment properties. As reported in performance updates, occupancy levels are at 96%, this is slightly down on previous years (99% at the same time in 2020) but is very positive given the current market conditions. The privately owned commercial property in the Borough is also performing well with occupancy levels of 94.9%.
- 4.4. The property portfolio also includes car parks, mast sites and land but these have not been included as part of the review as the focus is on the commercial property portfolio which is leased to businesses. These are, therefore, out of scope for this review.
- 4.5. To facilitate the review a detailed spreadsheet has been produced and completed by the Property Team with the support of colleagues in Finance. This includes details of all commercial property owned by the Council, the information includes for each property:
- Value (current and projected in 2026);
 - Rent (current and projected in 2026);
 - Yield;
 - Maintenance costs (over the next 10 years);
 - Lease length;
 - Age of asset;
 - EPC rating; and

- A risk rating which is based on four factors; statutory risk (e.g. not meeting EPC rating), condition risk, tenant covenant risk and economic obsolescence risk (e.g. changes in terms of the market). Scoring 1 – 10 (low to high risk).
- 4.6. It is important to note that the information on matters such as risk is subjective and based on informed estimates (officer's professional knowledge and expertise as well as insights from agents). It is also based on the current market and Covid has had an impact on commercial property. The scale of this is to be determined, as such, much of this information must be caveated to reflect that wider context and the ongoing impact of Covid, particularly in some sectors.
- 4.7. A summary graph and table have been produced from the spreadsheet (Appendices A and B); they provide an at a glance view of the property portfolio.
- 4.8. The graph included at Appendix A shows the properties comparing projected maintenance costs over the next 10 years with average risk score. To make values comparable the maintenance costs have been changed to a scale as shown below the graph.
- 4.9. The table shown at Appendix B provides a summary of the spreadsheet and it includes more information about the specific reasons why a property may appear on the graph in a certain place. It also includes information on 'Net Estimated Return' and 'Net Rent Trends', not contained within the graph and highlights properties using a traffic light system. As this demonstrates there are no properties currently rated high (or a red) risk.
- 4.10. The salient points are as follows:
- No property has an average risk score higher than 4.75 (scale is 1 to 10).
 - A high proportion of properties have low maintenance costs over the next 10 years (less than £50k).
 - Some maintenance costs are high but generally this is for commercial estates rather than individual assets, with the exception of Unit 1 Bardon; Unit 10 Moorbridge Road and The Point.
 - Properties requiring significant maintenance costs have seen reductions of between 8% and 22% to Net Rent values; however, are still considered to provide good or acceptable annual returns compared with asset value, ranging from 5.3% to 9.4%.
 - Unit 1, Bardon is the only one of the recently purchased investment properties that is identified as a risk (for reasons outlined below) and all of the others are performing well, particularly the two units at Edwalton Business Park and the Co-op at Trent Boulevard.
- 4.11. As can be seen the graph and table (Appendices A and B) highlight that there are a number of properties that are considered to be more of a risk than others. As already stated, though these are not considered to be high risk and the following table sets out some further detail on some of those properties:

Property	Reason
Manvers Business Park (MBP)	<p>Due to the high projected property maintenance costs over the next 10 years (£495k), net rent will decline for a period however annual return on asset value still remains at a good return of around 7%. Returns will regain present values in the longer term (post 10 years).</p> <p>No significant capital costs have been spent on MBP since their construction and those highlighted in this report are attributable to new roofing and upgrading required to meet EPC legislation, which are understandable outlays for property of this age and type.</p> <p>MBP meets many of the Councils priorities, providing new and small companies flexible lease terms, which reduce business risk thereby supporting new growth and local employment.</p>
The Point	<p>As well as the significant maintenance costs, this property could be considered to be a greater risk as it is an office building and there may be a reduced requirement for this type of space from businesses resulting from the pandemic (noting two tenants have vacated suites in the last 12 months). However, marketing agents have confirmed there is evidence that suggests there are also businesses downsizing from larger office spaces and The Point still provides an attractive opportunity to these businesses.</p> <p>No significant capital costs have been spent on the property since construction and those highlighted are attributable to new roofing works; upgrading of Air Conditioning (and other plant in years six to 10), as well as refurbishment of suites to meet EPC legislation, which are understandable outlays for property of this age and type.</p> <p>Return on investment going forward is projected to reach around 7%, which still remains a good return on asset value. It is anticipated these rates of return will rebound to former levels once the upgrade works have been completed.</p>
Unit 10, Moorbridge Road	<p>Due to the projected property maintenance costs over the next 10 years (£75k), net rent will decline although return on asset value remains at a good level of around 7%. The maintenance costs are attributable to upgrading required to meet EPC legislation, which is understandable for this type and age of property.</p> <p>Demand for commercial industrial / warehouse property remains strong and is a sector which has fared well during the pandemic. Despite the limited current outlay, the property remains a good asset.</p>
Phase 1, Colliers Business Park	<p>Due to the projected property maintenance costs over the next 10 years (£65k), net rent will decline although return on asset value remains strong at around 9%. The maintenance costs are attributable to roofing and upgrading required to meet EPC legislation and are understandable outlays for property of this type and age profile.</p> <p>Demand for commercial industrial / warehouse property remains</p>

	strong and is a sector which has fared well during the pandemic and the property remains a good asset.
Boundary Court, Castle Donnington	<p>Similar to The Point, Boundary Court has been affected by the pandemic and one of the two tenants has vacated as a direct result of the company's new 'working from home' policies.</p> <p>The marketing agent has however confirmed Heads of Terms have been provisionally agreed with a strong covenanted national company who are attracted to the area and the good location. Should the new letting proceed to completion, at the proposed rental, the risk score will decrease considerably and our current downward assumption on achievable rental income will be reversed.</p>
Unit 1, Bardon 22, Coalville	Due to the projected property maintenance costs over the next 10 years (£130k), net rent will decline although return on asset value remains at around 5.3%. The maintenance costs are attributable to general upgrading and improvement works required to meet EPC legislation and are understandable outlays for property of this type and age profile.
Others	<p>Unit 1/2 and Unit 3 Walkers Yard are respectively let as a micro-pub and offices. Unit 1 will require upgrade work in years six to 10, in order to meet EPC legislation (£41k). Unit 3 will require upgrade works in years six to 10, again to meet EPC legislation (£30k).</p> <p>Candleby Lane, Cotgrave and Debdale Lane, Keyworth are industrial estates in which the Council holds the freehold interest of the ground, being paid 11.5% of annual rental income derived by the long leaseholders via their sub-tenancies. Income may be at risk going forward as the long leaseholders will need to meet EPC standards for 2027.</p>

4.12. As the above table outlines those properties identified as higher risk than others in the portfolio are not of particular concern. The risk ratings are associated with required maintenance much of which is due to the age of some of the properties as well as the new requirements on energy performance standards.

4.13. The situation with commercial property can change relatively quickly due to tenants leaving, unexpected maintenance costs etc. Through the ongoing monitoring of the Council's assets though this is not anticipated to cause significant challenges over the coming months. It is important that members are kept informed of the property portfolio so any required decisions can be made in a timely fashion and this review is an integral part of that.

5. Risks and Uncertainties

5.1. As set out there are no specific properties that are identified as high risk and that shows that the Council's chosen strategy to asset investment is performing well. There are however risks with managing any commercial property and this includes; the changing market particularly since the start of the pandemic and the uncertainty that still remains around that; vacant units

that are challenging to relet; future requirements around energy performance of buildings and the associated costs and unforeseen maintenance costs.

- 5.2. By carrying out this asset review and continuing with the regular monitoring of the performance of our properties including vacancy rates, required inspections, condition reports etc the Council can ensure it mitigates these risks as much as is possible.

6. Implications

6.1. Financial Implications

The projected enhancement costs of the assets covered in the report form part of the Council's current and proposed Capital Programme. Funding of these enhancements comes from the investment property reserve. Appropriate budget provision will be provided to ensure any future liabilities are met. Provisions are made for general repairs in the revenue budget, and these are assessed on an ongoing basis.

6.2. Legal Implications

There are no direct legal implications associated with this report. A review of assets demonstrates good governance.

6.3. Equalities Implications

There are no equalities implications associated with this report.

6.4. Section 17 of the Crime and Disorder Act 1998 Implications

There are no crime and disorder implications associated with this report.

7. Link to Corporate Priorities

Quality of Life	
Efficient Services	Generating a revenue return to help fund the Council's budget
Sustainable Growth	The Council's property portfolio provides space for small businesses in the Borough to start up and grow.
The Environment	Ensuring properties have adequate energy ratings.

8. Recommendation

It is RECOMMENDED that Cabinet:

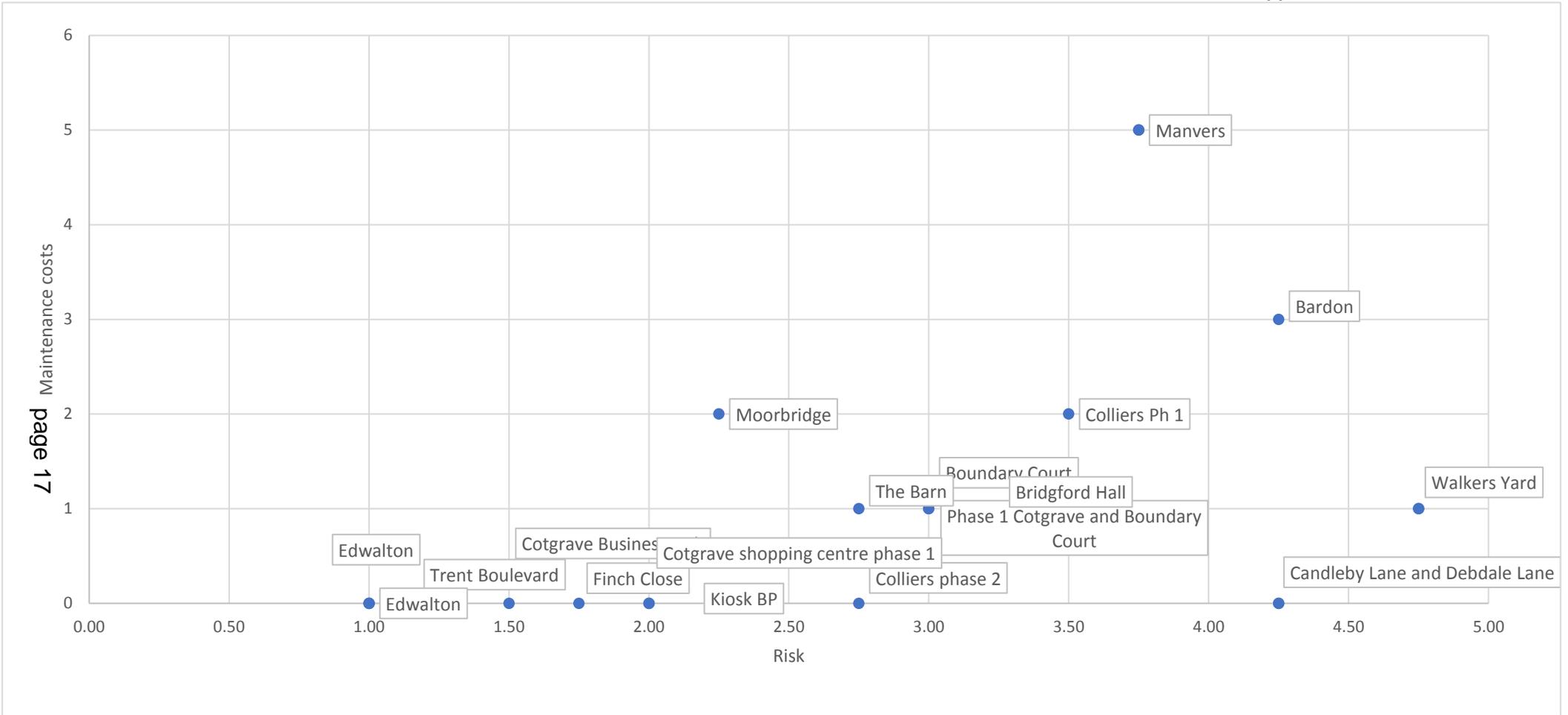
- a) supports the methodology of assessing the Council's commercial property portfolio on an ongoing basis; and

- b) agrees that a review of the commercial property portfolio be undertaken every two years reporting back to Governance Scrutiny Group and Cabinet.

For more information contact:	Peter Linfield Director of Finance and Corporate Services plinfield@rushcliffe.gov.uk
Background papers available for Inspection:	
List of appendices:	Appendix A – Cost vs Risk Graph Appendix B – Property Asset Table

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Appendix A – Cost vs risk



- 0 = £0
- 1 = £1 to £50k
- 2 = £51k to £100k
- 3 = £101k to £150k
- 4 = £151 to £200k
- 5 = £200k +

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Appendix B – Property Asset Table

ADDRESS	Property Maintenance Costs 1 to 5 Years (TOTAL)	Property Maintenance Costs 6 to 10 Years (TOTAL)	Estimated Annual Return 2021 - 2026	Estimated Annual Net Rent Trend 2021 - 2026	Property Maintenance Costs 1 to 5 Years (PA)	Next 5 Years Average Risk 1 to 10 1 = Lowest Risk 10 = Highest Risk
UNITS 1 TO 30, MANVERS BUSINESS PARK	£345,000	£150,000	7.17%	-22.14%	69,000	3.75
UNIT 1, BARDON 22, COALVILLE	£130,000	£0	5.29%	-21.67%	26,000	4.25
UNIT 10, MOORBRIDGE ROAD, BINGHAM	£60,000	£15,000	7.81%	-18.75%	12,000	2.25
SUITES A TO I, THE POINT	£140,000	£299,000	7.37%	-13.88%	28,000	3.75
6F, BOUNDARY COURT	£15,000	£5,000	7.32%	-9.69%	3,000	3.00
PHASE 1, COLLIERS BUSINESS PARK	£50,000	£15,000	9.41%	-8.90%	10,000	3.50
Unit 3, WALKERS YARD	£0	£30,000	9.48%	0.00%	0	4.75
UNIT 1, WALKERS YARD	£0	£41,000	12.86%	0.00%	0	4.75
CANDLEBY LANE INDUSTRIAL ESTATE	£0	£0	5.76%	0.00%	0	4.25
DEBDALE LANE INDUSTRIAL ESTATE	£0	£0	4.37%	0.00%	0	4.25
PHASE 1, COTGRAVE SHOPPING CENTRE	£0	£18,000	11.87%	0.00%	0	3.00
PHASE 2, COTGRAVE SHOPPING CENTRE	£0	£0	9.41%	0.00%	0	2.00
UNIT 3, FINCH CLOSE, LENTON LANE	£0	£0	7.26%	0.00%	0	1.75
UNIT 1, EDWALTON BUSINESS PARK	£0	£0	5.64%	0.00%	0	1.00
UNIT 3, EDWALTON BUSINESS PARK	£0	£0	5.59%	0.00%	0	1.00
GROUND & FIRST FLOOR, BRIDGFORD HALL	£20,000	£20,000	9.04%	0.57%	4,000	3.25
PHASE 2, COLLIERS BUSINESS PARK	£0	£0	9.47%	5.00%	0	2.75
KIOSK, BRIDGFORD PARK	£0	£0	7.17%	5.00%	0	2.00

Appendix B – Property Asset Table

SUITES A TO I, COTGRAVE BUSINESS HUB	£0	£0	9.10%	5.00%	0	1.50
111, TRENT BOULEVARD, LADY BAY	£0	£0	4.88%	5.00%	0	1.25
OFFICE, COTGRAVE MULTISERVICE CENTRE	£0	£0	9.54%	10.00%	0	1.00

Actual Net Rent	Actual Gross Rent with Property Maintenance Costs deducted.
Estimated Net Rent	Estimated Gross Rent with Property Maintenance Costs deducted.
	Estimated reduction in net income.
	Net income estimated as stable.



Cabinet

Tuesday, 14 December 2021

Streetwise Annual Report

Report of the Chief Executive

Cabinet Portfolio Holder for Strategic and Borough-wide Leadership, Councillor S J Robinson

1. Purpose of report

- 1.1. This report is to present the annual report of Streetwise Enterprises Ltd and Streetwise Enterprises Trading Ltd, wholly owned companies of Rushcliffe Borough Council.
- 1.2. Streetwise provide the grounds maintenance and street cleansing services for the Borough Council as well as for other clients in Rushcliffe and the surrounding area.
- 1.3. Following a review of the governance of Streetwise Environmental Limited and Streetwise Enterprises Trading Ltd, it was agreed that an annual report of the companies should be presented to the Governance Scrutiny Group and then Cabinet each year. The report has been considered by Governance Scrutiny Group at its meeting on 25 November where the Group also received a presentation by the Managing Director of Streetwise.

2. Recommendation

It is RECOMMENDED that Cabinet accepts the Streetwise Annual report 2020-21 and considers the comments made by the Governance Scrutiny Group.

3. Reasons for recommendation

It was agreed by Cabinet in January 2021 to simplify the reporting procedures for Streetwise and to make them more transparent. The previous holding company Rushcliffe Enterprises Ltd has been made dormant and the companies will now report to an Oversight Board made up of three Cabinet members and three officers on an (at least) biannual basis. In addition, the annual report will be submitted to the Governance Scrutiny Group for comment before being passed on the Cabinet.

4. Supporting information

- 4.1. The annual report is attached. Mr Nigel Carter, Managing Director attended Governance Scrutiny Group on 25 November to present to the scrutiny group

and take questions. Councillors questioned Mr Carter on the report and covered the following issues:

- 4.1.1. How Streetwise will reduce its carbon footprint.
 - 4.1.2. What the level of social value being delivered by the company is, as it was set up as a social enterprise.
 - 4.1.3. The future recruitment to the Board (following the death of Mr Mitchell, there are only two directors).
 - 4.1.4. The quality of service provided across the Borough.
 - 4.1.5. The ability to secure work following the loss of the Metropolitan Housing contract.
- 4.2. Governance Scrutiny Group agreed that the company continues to be well run and did not raise any serious concerns around its governance (with the exception of the Board membership – too few directors) or its status as a going concern.

5. Risks and uncertainties

This is a backward-looking review to consider the financial year 2020/21. Governance Scrutiny Group highlighted the need to recruit to the vacant director post.

6. Implications

6.1. Financial implications

- 6.1.1. Streetwise have been awarded the Council's grounds maintenance and street cleansing contract to Summer 2022 when it will be up for renewal.
- 6.1.2. The prime contract sum is £1.77m.
- 6.1.3. Governance Scrutiny Group satisfied themselves that the company is financially sound.

6.2. Legal implications

Streetwise Enterprise Ltd and Streetwise Enterprise Trading Ltd are wholly owned companies of Rushcliffe Borough Council and operate pursuant to the governance arrangements as approved by their articles. The Council is the sole shareholder of the company. The Council's oversight of the company is set out within the body of the report.

6.3. Equalities implications

There are no equalities implications arising from this report.

6.4. Section 17 of the Crime and Disorder Act 1998 Implications

There are no S17 implications arising from this report.

7. Link to Corporate Priorities

Quality of Life	Streetwise provide grounds maintenance and street cleansing services for RBC and therefore are directly involved with ensuring the borough looks good and that the quality of life for residents is maintained.
Efficient Services	The contract should be operated efficiently to ensure maximum benefit for residents.
Sustainable Growth	
The Environment	Streetwise should be following sound environmental practices to ensure that their services enhance the environment and biodiversity wherever possible.

8. Recommendation

It is RECOMMENDED that Cabinet accepts the Streetwise Annual report 2020-21 and considers the comments made by the Governance Scrutiny Group.

For more information contact:	Kath Marriott Chief Executive Tel: 0115 9148291 kmarriott@rushcliffe.gov.uk
Background papers available for Inspection:	None
List of appendices:	Streetwise Annual Report and Appendices

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Governance Scrutiny Group
25 November 2021

Streetwise Annual Report 2020/2021

Report of the Managing Director

1. Purpose of report

- 1.1. This report provides a summary of our key operational and financial performance for the year 2020/2021. In addition, it provides details of the governance arrangements for the Streetwise companies and the measures in place to minimise the operational and reputational risks to the Borough Council.

2. Background

- 2.1. Streetwise Environmental Limited (SEL) was incorporated in 2014, is wholly owned by Rushcliffe Borough Council, and is limited by guarantee and with maximum liability of £1. Streetwise Environmental Trading Limited (SETL) was established in 2018 to expand the trading capability. SETL is limited by shares (£100) and again is wholly owned by Rushcliffe Borough Council via Rushcliffe Enterprises Limited.
- 2.2. SEL was awarded Rushcliffe's street cleansing and grounds maintenance five year contract in 2014 under the then TECKAL regulations (Public Contract Regulations 2015). The contract was extended by a further three years and expires in September 2022.
- 2.3. In 2019 Streetwise acquired a grounds maintenance company and this has been successfully incorporated into SETL.
- 2.4. In terms of the extent of operations and services provided and as part of the Rushcliffe contract, Streetwise:
- a) cleans all town and major village centres in Rushcliffe by 10am each day;
 - b) mechanically sweeps 1,018 miles of roads multiple times each year with 1,212 tonnes of waste collected;
 - c) collects 413 tonnes of rubbish from litter picking and bin emptying in the Borough;
 - d) undertakes hedge cutting and shrub pruning for Rushcliffe generating 84 tonnes of green waste which is recycled;
 - e) removes over 1,000 fly tips around the Borough. The largest last year was over 30 tonnes;
 - f) cuts grass in parks and open spaces up to 18 times p.a.;
 - g) maintains all the trees on Rushcliffe owned land; and
 - h) maintain 20 sports pitches which are line marked weekly during the various playing seasons.
- 2.5. In addition to the Rushcliffe Borough Council contract, Streetwise has contracts with and undertakes regular work with over 90 Parish and Town Councils, local authorities, schools and sports clubs across Nottinghamshire, Lincolnshire and Leicestershire.

- 2.6. Recently Streetwise has been awarded a 5-year (starting 2021) contract to manage and maintain the Romans' Quarter development at Bingham with over 1,000 properties.
- 2.7. Streetwise operates from three sites including West Bridgford, Bingham (main office) and Sproxton.

3. Governance Arrangements

- 3.1. The companies are managed by a joint board, currently comprising, an external non-executive director (Chairman) and the Managing Director. The Streetwise Board reports to the Oversight Board. New for this year is the annual report being scrutinised by the Governance Group and considered by Cabinet.
- 3.2. As you would expect the Articles of Association for the companies set out the governance arrangements. Appointment of the Directors is determined by Rushcliffe Borough Council as owner. The Articles also contain "Reserved Matters" which means that key decisions are referred to the Oversight Board ensuring that RBC maintains strategic control.
- 3.3. In terms of mitigating risk the Reserved Matters require Oversight Board approval of the annual Business Plan, plus key matters such as acquisitions and mergers, entering into financial commitments exceeding £20k, changing bank arrangements, and entering into significant contracts.
- 3.4. Due to their size the Streetwise companies are not required to have an annual external audit. However, Streetwise decided to commission an annual external audit to provide an additional layer of scrutiny and assurance. Streetwise uses the same external auditors as the Borough Council to improve efficiency and coordination.

4. External Accreditations

- 4.1. Over the last two years Streetwise has pursued and been successful in gaining a number of nationally recognised accreditations, including: UKAS accredited ISO9001 and ISO 14001 (Environmental Management); the Contractors' Health and Safety Assessment premium scheme (CHAS); Construction Line Gold status; and the Considerate Constructors Scheme. These are important not only to show that we have been externally validated and recognised but to enable us to win contracts. Without these accreditations the opportunity to work for Barratt Homes, Wates and G F Tomlinson and other developers would not be possible.

5. Business Plan

- 5.1. An annual three-year rolling business plan is produced which is reviewed by the SEL Board and reviewed and approved by the Rushcliffe Enterprises Limited Board, now Oversight Board. The plan is commercially confidential and sets the strategic direction, the supporting tactical plan and funding plan to deliver the strategy.
- 5.2. Progress is monitored regularly by the SEL Board and Oversight Board.

6. Risks and business continuity

- 6.1. Strategic and operational risks are identified and monitored by the SEL Board. A risk register is maintained and reviewed regularly. Streetwise purchases services from the Borough Council to provide expertise and resilience to our management team. For example, Streetwise has access to the RBC ICT infrastructure and business continuity measures. This was particularly beneficial at the start of the first lockdown where our office-based employees were able to work remotely with a seamless transition.

- 6.2. Whilst not relating to the review year 2020/21, it is important to note that Metropolitan Thames Valley Housing Association (MTV) decided not to renew the contract with Streetwise in 2021/22. The contract finished on 31 August 2021. MTV was the second largest client and does therefore create challenges. These are being actively managed to minimise risk and impact on business continuity. This does not impact Streetwise's ability to deliver services and in particular the RBC prime contract.

7. Environmental Credentials

- 7.1. Playing our part in becoming carbon clever and reducing our carbon footprint is recognised as an issue of growing importance. As referred to above Streetwise gained ISO 14001 accreditation for the first time in 2020/21. A Carbon Reduction Plan has been produced with the aim of reducing our carbon footprint and working closely to support the Borough Council's carbon reduction targets. Initiatives within the plan include:
- a) updating our fleet, moving towards alternative low emission fuel, hybrid and electric vehicles;
 - b) increasing the number of battery powered hand tools;
 - c) installation of trackers in all vehicles to improve route efficiency and driver behaviour;
 - d) increased recycling; and
 - e) planting trees to offset carbon emission.
- 7.2. Streetwise is proud to be sponsor of the Celebrating Rushcliffe Awards, Environmental Group or Project of the Year, for the last 5 years.

8. Finance and financial standing– Draft Statutory Accounts 2020/2021

- 8.1. The draft Statutory Accounts for 2020/2021 are attached. Ordinarily the accounts would have been audited in June, however, due to Covid Mazars could not undertake the audit until week commencing 20 September 2021. The accounts have to be signed off and submitted to Companies House by 31 December.
- 8.2. Turnover for SEL amounted to £3.1m, an increase of 7.9% on the previous year. Cost of sales was £2.3m representing a 14.6% increase on the previous year. Part of the increase was incurred supporting the increased turnover. However, it was an exceptional year with Covid-19 having a significant impact in terms of increased cost of personal protective equipment (PPE), employee absence, and the hire of additional vehicles to comply with Government guidelines for safe working. The impact of Covid was circa £84k which the company has had to absorb.
- 8.3. The main reason for the year on year increase in expenses is an increase in depreciation charged. The policies for depreciating assets were formed when the companies were established and have been considered fair and consistent. However, the disposal of a number of vehicles and equipment in the year revealed that the market value was consistently lower than the net book value. It was therefore prudent to undertake an impairment review of the assets. As a result, the depreciation rate has been increased on plant and equipment from 15% to 20% through to 33% depending on the category, plus adjustments made on residual value of vehicles, which includes the road sweepers purchased in 2015. In total the adjustments amount to £108k and puts the company on a better footing moving forward into 2021/22.
- 8.4. The accounting adjustments to comply with IAS19 (International Accounting Standard) in relation to the Local Government Pension Scheme have a significant impact on the accounts. For example, the net pension liability has increased by

£705k to £1.8m for 2020/21. An unforeseen consequence of SEL being created was that it became exposed to the volatility of actuarial risks in respect of liabilities within the LGPS fund as opposed to these being retained by the Council. A “pass through” arrangement has been agreed in principle with Rushcliffe Borough Council and the external Auditors. It is planned that this will be implemented in 2021/22, therefore removing the liability and the volatility from Streetwise accounts.

- 8.5. The cashflow position remains positive with £498k cash at bank and in hand as at 31 March 2021.
- 8.6. Overall, this has been an exceptionally challenging year with Covid, the impairment review and the impact of the LGPS resulting in a total comprehensive loss for the year of £333k.
- 8.7. SETL turnover increased to £374k in 2020/21 from £107k in the previous year. This is due to the first full year of trading since the purchase of a grounds maintenance company in November 2019. Covid-19 impacted sales with most schools and sports clubs reducing maintenance and line marking of pitches during the lockdown. It is estimated this reduced income by £40k.
- 8.8. Similarly, costs have increased as a consequence of the first full year of trading.
- 8.9. Overall, operating profit, after taxation, amounted to £74k.
- 8.10. Consolidating the two companies’ accounts results in a combined turnover of £3.5m and a total comprehensive loss for the financial year, after tax, of £260k.
- 8.11. Despite this loss Streetwise is a viable going concern with an underlying financial standing and profitability moving forward.

9. Ability to win contracts - Business Development

- 9.1. Business development is reviewed at SEL monthly Board meetings. Sales targets from the 2020/21 Business Plan have been monitored. 2020/21 was an extremely challenging year due to Covid-19. Revised targets were set to reflect the uncertainty. The initial lockdown in March 2020 saw clients suspend services for a number of weeks. Despite this, Streetwise achieved the revised sales target of £3.5m combined turnover.
- 9.2. Segmented market analysis is undertaken. Marketing and business development is tailored for each segment. This ranges from basic advertising, flyers, social media, targeted visits, and relationship management through to monitoring tender portals for the identification and submission of larger tenders.
- 9.3. Grounds maintenance is a mature and competitive market. However, it is a large market and Streetwise is competitive with small to medium contracts (sub £50K).
- 9.4. A new website was launched in 2020/21 aimed at commercial and domestic markets. Traffic and enquires has increased by 200% on the previous year.
- 9.5. Despite the challenging conditions Streetwise has continued to win contracts and develop positive relationships with developers and clients. Year on year an average of 7% growth has been achieved.

10. Performance monitoring

- 10.1. The RBC contract is monitored by service users and the central RBC client hub. A framework of performance indicators is measured and monitored on a monthly basis. The framework includes a monthly review with the client hub team and quarterly meetings with the service users. In addition, the SEL Board monitors contract performance at its monthly meetings.

10.2. Key services were delivered during April, however due to the national lockdown there were no RBC performance inspections.

10.3. Inspections resumed in May, with the tables below showing the percentage of services on or above target.

Month	%	Comment
May	92.5%	Phased return to services
June	100%	
July	100%	
August	94%	
September	75%	Unfortunately, performance dropped during September to 75% of services at tolerance or above. Areas for improvement included Zone 1s (town centres), litter cleansing and detritus management. Immediate action was taken, with toolbox talks to remind employees of the standards required and additional temporary resource deployed to bring sites back to standard.
October	100%	
November	92%	

Month	%	Comment
December	100%	
January	100%	
February	90%	
March	95.5%	

10.4. As shown in the tables above overall performance for the RBC contract has been maintained at a high standard. However, there have been a number of improvement areas which we have been addressing. These areas include: the town centres; detritus management and pavement sweeping. Employee absence and agency cover was a contributing factor at the height of Covid. We have been working in close partnership with colleagues at Rushcliffe to deliver long term improvement in these areas, including additional training, revised working systems, and additional resources.

For more information contact:	Nigel Carter Managing Director, Streetwise 0115 914 8379 ncarter@streetwiseenvironmental.co.uk
Background papers Available for Inspection:	None
List of appendices (if any):	Appendix A – A1 SETL – Draft Statutory Accounts for YE 31/03/2021 Appendix B – A1 SEL – Draft Statutory Accounts for YE 31/03/2021

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
STREETWISE ENVIRONMENTAL TRADING LIMITED

Draft V4.0 - For Review

STREETWISE ENVIRONMENTAL TRADING LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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Statement of Financial Position	2
Notes to the Financial Statements	3

Draft V4.0 - For Review

STREETWISE ENVIRONMENTAL TRADING LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021**

DIRECTORS: N Carter
K T F Daniell

REGISTERED OFFICE: Unit 10, Moorbridge Industrial Estate
Moorbridge Road
Bingham
Nottingham
Nottinghamshire
NG13 8GG

REGISTERED NUMBER: 11360352 (England and Wales)

AUDITORS: Mazars LLP
Chartered Accountants and Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

STREETWISE ENVIRONMENTAL TRADING LIMITED (REGISTERED NUMBER: 11360352)

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2021**

	Notes	31/3/21 £	£	31/3/20 £	£
FIXED ASSETS					
Intangible assets	4		84,754		120,141
Tangible assets	5		234,468		295,312
			<u>319,222</u>		<u>415,453</u>
CURRENT ASSETS					
Stocks		-		17,374	
Debtors	6	56,766		47,457	
			<u>56,766</u>	<u>64,831</u>	
CREDITORS					
Amounts falling due within one year	7	233,215		390,677	
				<u>390,677</u>	
NET CURRENT LIABILITIES			<u>(176,449)</u>		<u>(325,846)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			142,773		89,607
CREDITORS					
Amounts falling due after more than one year	8		-		(41,667)
PROVISIONS FOR LIABILITIES	9		(28,600)		(8,133)
NET ASSETS			<u>114,173</u>		<u>39,807</u>
CAPITAL AND RESERVES					
Called up share capital	10		100		100
Retained earnings	11		114,073		39,707
SHAREHOLDERS' FUNDS			<u>114,173</u>		<u>39,807</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on and were signed on its behalf by:

.....
N Carter - Director

.....
K T F Daniell - Director

The notes form part of these financial statements

STREETWISE ENVIRONMENTAL TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. STATUTORY INFORMATION

Streetwise Environmental Trading Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis. The directors have considered the impact of the COVID-19 pandemic on the company from both a financial and economic perspective. As part of this review the directors have considered cash flow forecasts for a period of at least 12 months from the date of signing of these financial statements and are confident that the company can meet its liabilities as they fall due. As such, the directors do not believe that COVID-19 will have any material or adverse impact on the company's ability to continue as a going concern.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes in accordance with the company's principal activity.

In respect of service contracts turnover represents the value of work done and services performed in the period.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2019, is being amortised evenly over its estimated useful life of five years. After initial recognition, goodwill is measured at cost less any accumulated amortisation and any accumulated impairment losses.

Business combinations

Business combinations are accounted for under the purchase method.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 50% on reducing balance, 25% on reducing balance and 15% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was NIL (2020 - NIL).

STREETWISE ENVIRONMENTAL TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

4.	INTANGIBLE FIXED ASSETS		Goodwill £
	COST		
	At 1 April 2020		124,284
	Impairments		<u>(10,530)</u>
	At 31 March 2021		<u>113,754</u>
	AMORTISATION		
	At 1 April 2020		4,143
	Amortisation for year		<u>24,857</u>
	At 31 March 2021		<u>29,000</u>
	NET BOOK VALUE		
	At 31 March 2021		<u>84,754</u>
	At 31 March 2020		<u><u>120,141</u></u>
5.	TANGIBLE FIXED ASSETS		Plant and machinery £
	COST		
	At 1 April 2020		315,000
	Additions		13,672
	Disposals		<u>(5,093)</u>
	At 31 March 2021		<u>323,579</u>
	DEPRECIATION		
	At 1 April 2020		19,688
	Charge for year		70,457
	Eliminated on disposal		<u>(1,034)</u>
	At 31 March 2021		<u>89,111</u>
	NET BOOK VALUE		
	At 31 March 2021		<u>234,468</u>
	At 31 March 2020		<u><u>295,312</u></u>
6.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		31/3/21	31/3/20
		£	£
	Trade debtors	56,666	47,357
	Other debtors	<u>100</u>	<u>100</u>
		<u>56,766</u>	<u>47,457</u>
7.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		31/3/21	31/3/20
		£	£
	Trade creditors	13,022	11,829
	Amounts owed to group undertakings	162,110	310,819
	Social security and other taxes	23,787	6,696
	Other creditors	31,136	58,333
	Accruals and deferred income	<u>3,160</u>	<u>3,000</u>
		<u>233,215</u>	<u>390,677</u>

STREETWISE ENVIRONMENTAL TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

8.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			31/3/21 £	31/3/20 £
	Other creditors			-	41,667
				<u> </u>	<u> </u>
9.	PROVISIONS FOR LIABILITIES			31/3/21 £	31/3/20 £
	Deferred tax				
	Accelerated capital allowances			44,549	50,203
	Deferred tax on taxable losses c/f in the year			(15,949)	(42,070)
				<u> </u>	<u> </u>
				28,600	8,133
				<u> </u>	<u> </u>
					Deferred tax £
	Balance at 1 April 2020				8,133
	Accelerated capital allowances				(5,654)
	Deferred tax on taxable losses c/f in the year				26,121
					<u> </u>
	Balance at 31 March 2021				28,600
					<u> </u>
10.	CALLED UP SHARE CAPITAL				
	Allotted, issued and fully paid:				
	Number:	Class:	Nominal value:	31/3/21 £	31/3/20 £
	100	Ordinary	£1	100	100
				<u> </u>	<u> </u>
11.	RESERVES				Retained earnings £
	At 1 April 2020				39,707
	Profit for the year				74,366
					<u> </u>
	At 31 March 2021				114,073
					<u> </u>
12.	DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006				
	The Auditors' Report was unqualified.				
	David Hoose (Senior Statutory Auditor) for and on behalf of Mazars LLP				
	Mazars LLP				
13.	RELATED PARTY DISCLOSURES				
	The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.				

STREETWISE ENVIRONMENTAL TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

14. ULTIMATE CONTROLLING PARTY

The Members of the Rushcliffe Borough Council are the ultimate controlling party. The Company is a subsidiary undertaking of Rushcliffe Enterprises Limited which is in turn a subsidiary undertaking of Rushcliffe Borough Council which operates from the Rushcliffe Arena, Rugby Road, West Bridgford, Nottingham, NG2 7YG. The accounts for Rushcliffe Borough Council can be viewed on their website at www.rushcliffe.gov.uk.

Draft V4.0 - For Review

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
STREETWISE ENVIRONMENTAL LIMITED**

Draft V4.0 - For Review

STREETWISE ENVIRONMENTAL LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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Draft V4.0 - For Review

STREETWISE ENVIRONMENTAL LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021**

DIRECTORS: N Carter
K T F Daniell

REGISTERED OFFICE: Unit 10, Moorbridge Industrial Estate
Moorbridge Road East
Bingham
Nottingham
Nottinghamshire
NG13 8GG

REGISTERED NUMBER: 09042551 (England and Wales)

INDEPENDENT AUDITORS: Mazars LLP
Chartered Accountants and Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

STREETWISE ENVIRONMENTAL LIMITED (REGISTERED NUMBER: 09042551)

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2021**

	Notes	31/3/21 £	£	31/3/20 £	£
FIXED ASSETS					
Tangible assets	4		313,247		398,730
CURRENT ASSETS					
Stocks		87,025		32,214	
Debtors: amounts falling due within one year	5	645,737		612,639	
Debtors: amounts falling due after more than one year	5	955,000		583,000	
Cash at bank and in hand		498,324		370,468	
		<u>2,186,086</u>		<u>1,598,321</u>	
CREDITORS					
Amounts falling due within one year	6	690,712		570,212	
NET CURRENT ASSETS			<u>1,495,374</u>		<u>1,028,109</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,808,621		1,426,839
CREDITORS					
Amounts falling due after more than one year	7		(300,984)		(286,913)
PENSION LIABILITY	12		<u>(1,817,000)</u>		<u>(1,116,000)</u>
NET (LIABILITIES)/ASSETS			<u><u>(309,363)</u></u>		<u><u>23,926</u></u>
RESERVES					
Retained earnings	10		<u>(309,363)</u>		<u>23,926</u>
MEMBERS' FUNDS			<u><u>(309,363)</u></u>		<u><u>23,926</u></u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on and were signed on its behalf by:

.....
N Carter - Director

.....
K T F Daniell - Director

The notes on pages 3 to 11 form part of these financial statements

STREETWISE ENVIRONMENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. STATUTORY INFORMATION

Streetwise Environmental Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis. The directors have considered the impact of the COVID-19 pandemic on the company from both a financial and economic perspective. As part of this review the directors have considered cash flow forecasts for a period of at least 12 months from the date of signing of these financial statements and are confident that the company can meet its liabilities as they fall due. As such, the directors do not believe that COVID-19 will have any material or adverse impact on the company's ability to continue as a going concern.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes in accordance with the company's principal activity.

In respect of service contracts turnover represents the value of work done and services performed in the period.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery	- 33% on reducing balance, 25% on reducing balance and 20% on reducing balance
Motor vehicles	- 33% on reducing balance and 25% on reducing balance
Computer equipment	- 33% on cost

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

STREETWISE ENVIRONMENTAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company participates in the Local Government Pension Scheme (LGPS). The scheme is a defined benefit scheme based on career average re-valued salary and length of service on retirement.

The company also operates a defined contribution pension scheme. Contributions payable to the company's defined contribution pension scheme are charged to the profit and loss account in the period to which they relate. The pension scheme is operated by People's Pension and it is available for employees that do not qualify for the LGPS.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

Grants relating to revenue are recognised in profit and loss on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are received in respect of expenses or losses already incurred by the company are recognised in profit and loss in the period when the grant becomes receivable.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 64 (2020 - 63).

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2020	283,147	452,310	13,698	749,155
Additions	67,157	8,915	199	76,271
Disposals	(28,770)	(173,565)	-	(202,335)
At 31 March 2021	<u>321,534</u>	<u>287,660</u>	<u>13,897</u>	<u>623,091</u>
DEPRECIATION				
At 1 April 2020	89,520	247,471	13,434	350,425
Charge for year	51,942	37,842	138	89,922
Eliminated on disposal	(17,074)	(113,429)	-	(130,503)
At 31 March 2021	<u>124,388</u>	<u>171,884</u>	<u>13,572</u>	<u>309,844</u>
NET BOOK VALUE				
At 31 March 2021	<u>197,146</u>	<u>115,776</u>	<u>325</u>	<u>313,247</u>
At 31 March 2020	<u>193,627</u>	<u>204,839</u>	<u>264</u>	<u>398,730</u>

5. DEBTORS

	31/3/21 £	31/3/20 £
Amounts falling due within one year:		
Trade debtors	243,288	234,794
Amounts owed by group undertakings	162,110	310,819
Other debtors	11,287	9,264
Tax	22,986	4,435
Deferred tax asset	174,942	22,311
Prepayments	31,124	31,016
	<u>645,737</u>	<u>612,639</u>

STREETWISE ENVIRONMENTAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

5.	DEBTORS - continued		
		31/3/21	31/3/20
		£	£
	Amounts falling due after more than one year:		
	Amount due from Rushcliffe		
	Borough Council in respect		
	of Pension Deficit	955,000	583,000
		<u>955,000</u>	<u>583,000</u>
	Aggregate amounts	<u>1,600,737</u>	<u>1,195,639</u>
6.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		31/3/21	31/3/20
		£	£
	Other loans (see note 8)	127,179	85,948
	Trade creditors	185,571	161,975
	Social security and other taxes	175,404	100,048
	Other creditors	10,108	9,908
	Amount due to Rushcliffe		
	Borough Council	173,929	176,026
	Accruals	18,521	36,307
		<u>690,712</u>	<u>570,212</u>
7.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
		31/3/21	31/3/20
		£	£
	Other loans (see note 8)	<u>300,984</u>	<u>286,913</u>
8.	LOANS		
	An analysis of the maturity of loans is given below:		
		31/3/21	31/3/20
		£	£
	Amounts falling due within one year or on demand:		
	RBC Loan	<u>127,179</u>	<u>85,948</u>
	Amounts falling due between one and two years:		
	RBC Loan - Amount falling due		
	between one and two years	<u>123,396</u>	<u>84,679</u>
		<u>123,396</u>	<u>84,679</u>
	Amounts falling due between two and five years:		
	RBC Loan - Amount falling due		
	between two and five years	<u>177,588</u>	<u>202,234</u>
		<u>177,588</u>	<u>202,234</u>

Interest is charged on the RBC loan at a rate of 4.25% per annum.

STREETWISE ENVIRONMENTAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

9.	DEFERRED TAX	
		£
	Balance at 1 April 2020	(22,311)
	Provided during year	(8,781)
	Tax credit on pension liability movements	(143,850)
	Balance at 31 March 2021	<u>(174,942)</u>
10.	RESERVES	
		Retained earnings
		£
	At 1 April 2020	23,926
	Deficit for the year	(185,529)
	Actuarial Gains and Losses arising on changes in assumptions	(1,043,000)
	Return on Pension Plan Assets	401,000
	Deferred tax on Pension Liability	122,240
	Net liability assumed on settlements	372,000
	At 31 March 2021	<u>(309,363)</u>
11.	DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006	
	The Auditors' Report was unqualified.	
	David Hoose (Senior Statutory Auditor) for and on behalf of Mazars LLP	

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STREETWISE ENVIRONMENTAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

12. EMPLOYEE BENEFIT OBLIGATIONS

Participation in Pension Schemes

As part of the terms and conditions of employment of its officers and other employees, the Company offers retirement benefits. Although these benefits will not be payable until employees retire, the Company has the commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

On 31 August 2014, the pension deficit in relation to the employees that were transferred from Rushcliffe Borough Council to the Company was £583,000 and this amount is reflected as both an opening pension deficit liability (see below) and as an amount due after more than one year (see note 8). During the year ended 31 March 2021 a further pension deficit liability of £372,000 was transferred from RBC to the Company relating to employees transferred to the Company from RBC in the previous financial year. These amounts are underwritten by Rushcliffe Borough Council.

The Company participates in two post employment schemes:

The Local Government Pension Scheme, administered locally by Nottinghamshire County Council is a funded defined benefit scheme and until 31 March 2014 was a final salary scheme. Changes came into effect on 1 April 2014 and any benefits accrued from this date are based on career average revalued salary and length of service on retirement, meaning that the Company and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

Arrangements for the award of discretionary post retirement benefits upon early retirement, is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pensions liabilities, and cash has to be generated to meet actual pensions payments as they fall due.

The principal risks to the Company of the scheme are:

* Investment risk. The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges

* Interest rate risk. The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cash flows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way.

* Inflation risk. All of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation.

* Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

* Statutory changes to the scheme.

* Structural changes to the scheme (ie large-scale withdrawals from the scheme)

* In addition, as many unrelated employers participate in the Nottinghamshire County Council Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

Transactions relating to retirement benefits.

The liabilities of the fund are valued using a discount rate based on corporate bond yields that match the duration of the employer's liabilities and the Merrill Lynch AA-rated corporate bond yield curve. As a result of this approach, the company reports an actuarial loss of £1,043k reported in the 2020/21 accounts (2019/20: gain of £442k).

The return on assets reported in the accounts is a gain of £401k (2019/20: loss of £198k).

STREETWISE ENVIRONMENTAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

Value of scheme assets and liabilities

	31/3/21	31/03/20
	£	£
Market value of assets comprise:		
Equities	1,659,000	1,195,000
Gilts	86,000	86,000
Other Bonds	175,000	190,000
Property	261,000	309,000
Cash	116,000	84,000
Inflation-linked pooled fund	124,000	77,000
Infrastructure	138,000	129,000
	<u>2,559,000</u>	<u>2,070,000</u>

	31/3/21	31/03/20
	£	£
Market value of assets	2,559,000	2,070,000
Present value of scheme liabilities	(4,376,000)	(3,186,000)
Net pension liability	<u>(1,817,000)</u>	<u>(1,116,000)</u>

Movement in deficit during the year

	31/3/21	31/03/20
	£	£
Deficit in scheme at start of year	(1,116,000)	(823,000)
Current service cost	(83,000)	(98,000)
Past service cost	-	(45,000)
Contributions	51,000	43,000
Net interest expense	(26,000)	(64,000)
Administration expense	(1,000)	(1,000)
Return on plan assets	401,000	(198,000)
Actuarial (loss)/gain	(1,077,000)	389,000
Change in demographic assumptions	34,000	53,000
Net liability assumed on settlements	-	(372,000)
Deficit in scheme at end of year	<u>(1,817,000)</u>	<u>(1,116,000)</u>

Other finance costs as reported in the Income Statement comprise:

	31/3/21	31/03/20
	£	£
Current service cost	82,956	98,402
Past service cost	-	45,000
Net interest expense	26,000	64,000
Administration expense	1,000	1,000
Other finance costs	<u>109,956</u>	<u>208,402</u>

STREETWISE ENVIRONMENTAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

From the information we have received from the administering authority, we understand that;

Of the Equities allocation, 40.5% are UK investments, 59.5% are overseas investments
100.0% of the above are listed in a market..

Of the Gilts allocation above, 100% are UK fixed interest Gilts

Of the Other Bonds allocation above, 24.6% are UK corporates, 75.4% are overseas corporates

Of the Property and Cash allocations 100% are unquoted

Of the Inflation linked pooled fund 100% were listed in an active market This was included in equities.

Basis for Estimating Assets & Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years that is dependent on assumptions about mortality rates, salary levels, etc. Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Barnett Waddingham, an independent firm of actuaries, estimates for the fund being based on the latest full valuation of the scheme as at 31 March 2021.

The principal assumptions used by the actuary have been:

	LGPS & Disc. Benefits	
	31/3/21	31/3/20
Mortality Assumptions		
Longevity at 65 for current pensioners		
Men	21.6	21.8
Women	24.3	24.4
Longevity at 65 for future pensioners		
Men	22.9	23.2
Women	25.7	25.8
Rates of Inflation		
CPI (Real)	-0.35%	-0.80%
CPI (Per Annum)	2.85%	1.85%
RPI (Per Annum)	3.20%	2.65%
Rate of Increase in Salaries		
(Per Annum)	3.85%	2.85%
(Real)	0.65%	0.20%
Rate of Increase in Pensions		
(Per Annum)	2.85%	1.85%
(Real)	-0.35%	-0.80%
Rate for Discounting Scheme Liabilities		
(Per Annum)	2.00%	2.35%
(Real)	-1.20%	-0.30%

STREETWISE ENVIRONMENTAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

Additional Assumptions

- * Members will exchange half of their commutable pension for cash at retirement.
- * Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age.
- * 10% of active members will take up the option under the new LGPS to pay 50% of contributions for 50% of benefits.

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Impact on the Defined Benefit Obligation in the Scheme

	Increase in Assumption £'000	Decrease in Assumption £'000
Longevity (increase or decrease in 1 year)	182	(175)
Rate of increase in salaries (increase or decrease by 0.1%)	16	(16)
Rate of increase in pensions (increase or decrease by 0.1%)	82	(80)
Rate for discounting scheme liabilities (increase or decrease by 0.1%)	(96)	99

Impact on the Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions. The employer contribution rate for 2020/21 is 20.6% (2019/20 20.6%) and the Company anticipates paying £51,000 in expected contributions to the scheme in 2021/22. Funding levels are monitored on an annual basis. The next triennial valuation is due to be completed on 31 March 2022. The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and the other main existing public service schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

The estimated duration of the defined benefit obligation for scheme members is 23 years (2020 - 23 years).

Projected Pension Expense for the Year to 31 March 2022

	£'000
Service cost	115
Net Interest on the defined liability (asset)	35
Administration Expenses	1
Total	151
Employer contributions	51

Note: These figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2021.

These projections are based on the assumptions as at 31 March 2021, as described in the Barnett Waddington actuary report.

13. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

STREETWISE ENVIRONMENTAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

14. ULTIMATE CONTROLLING PARTY

The Members of the Rushcliffe Borough Council are the ultimate controlling party. The Company is a subsidiary undertaking of Rushcliffe Enterprises Limited which is in turn a subsidiary undertaking of Rushcliffe Borough Council which operates from the Rushcliffe Arena, Rugby Road, West Bridgford, Nottingham, NG2 7YG. The accounts for Rushcliffe Borough Council can be viewed on their website at www.rushcliffe.gov.uk.

15. LIMITED BY GUARANTEE

The company is limited by guarantee. The amount guaranteed is £1.

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Cabinet

Tuesday, 14 December 2021

Ratcliffe on Soar Update

Report of the Chief Executive

**Cabinet Portfolio Holder for Strategic and Borough-wide Leadership,
Cllr S J Robinson**

1. Purpose of report

- 1.1. In light of the Integrated Rail Plan announcements on 19 November, in relation to High Speed 2 (HS2) and progress with the Freeport Business Case and Local Development Order (as reported to November Cabinet) it is timely that a report comes back to Cabinet to update members.
- 1.2. As previously presented to Cabinet and Council, the Ratcliffe on Soar Power Station site is one of the three sites in the East Midlands Development Corporation (EMDC) and the East Midlands Freeport (EMF). It is also on the shortlist in the STEP (Spherical Tokamak for Energy Production) site nomination process with the UK Atomic Energy Authority, and a Local Development Order (LDO) is being progressed for the site. This report provides an update to Members on all of these areas of work.

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) notes the progress on the programmes in place to support the redevelopment of Ratcliffe on Soar; and
- b) endorses the Council's continued involvement in all programmes.

3. Reasons for Recommendation

The EMF, EMDC and STEP have the potential to attract investment and spur local and regional economic growth as well as enhancing international trade. This means new jobs and associated infrastructure to benefit our local residents and communities. It should also mean accelerated delivery of a soon to be largely redundant site in the Borough.

4. Supporting Information

Integrated Rail Plan

- 4.1. On Thursday 18 November, Government presented the Integrated Rail Plan (IRP), this included announcements on changes to HS2. These changes will have a significant impact on the Borough and particularly the redevelopment of the Ratcliffe on Soar site due to its adjacency to the East Midlands Parkway station.
- 4.2. The previous plans for HS2 phase 2b Eastern Leg was for it to run from the West Midlands to an East Midlands Hub at Toton. Trains would then continue north, serving Chesterfield and Sheffield via a spur to the Midlands Main Line, or continue on a new high-speed line to a new station at Leeds, with a spur to the East Coast Main Line to serve York, Darlington, Durham and Newcastle. However, in light of cost increases, concerns about intermediate markets, development of plans for other schemes, and analysis indicating a longer delivery time, the Government had to consider whether similar or better benefits could be obtained in a similar way.
- 4.3. The new plans from Government are to build HS2 from the West Midlands to East Midlands Parkway based largely on the existing safe guarded route. From there HS2 will continue to Nottingham, Derby, Chesterfield and Sheffield on the upgraded and electrified Midland Mainline. Therefore, unlike previous plans HS2 will serve Nottingham and Derby city centres directly. This would allow journeys from Derby and Nottingham to London in under 60 minutes and from Nottingham to Birmingham in 26 minutes.
- 4.4. This means that the previous planned HS2 station at Toton is no longer going ahead but Government have committed to further investment in local transport in that area. This could include a station for local/regional services but is subject to private sector match funding on a 50:50 basis.
- 4.5. By around 2030, passengers could see electrification of the remaining sections of Midlands Main Line to Leicester, Nottingham, Derby, Chesterfield and Sheffield. This would bring forward decarbonisation of existing diesel service and lay the groundwork for future high speed rail services. By the early 2040's passengers could see the new high-speed line connecting the West Midlands to the East Midlands.

East Midlands Development Corporation

- 4.6. In addition to the above announcements in the IRP, Government also committed to accelerating plans for the EMDC. There was; however, no further detail than this in the IRP, this is currently awaited. It is expected that there will be more on this in the forthcoming Planning Bill.
- 4.7. The focus for EMDC has been on the submission to the Comprehensive Spending Review, recruitment to the non-executive director posts on the Board and the refresh of the Alchemy Board.

- 4.8. The refresh of the Alchemy Board includes developing it into an East Midlands partnership for collaboration on pan-regional matters. This could mean partners could use the Alchemy Board as the conduit for the East Midlands to speak with one voice on pan-regional matters and to coordinate engagement with the Midlands Engine and Midlands Connect. In an initial paper five key themes/areas of focus for the Board have been identified which are:
- Connectivity and HS2
 - Natural capital – net gains
 - Energy
 - Health and NHS
 - Skills
- 4.9. Further detail on this is being worked up and will be brought back to the Board for further consideration. The work streams would link into and not duplicate existing work going on in those areas.

East Midlands Freeport

- 4.10. The outline business case for the Freeport was submitted in September. The final business case is now nearing completion and is due for submission at the end of January 2022, the deadline for this has been pushed back (previously early December) by Government. The Board have continued to meet regularly; the Leader and Chief Executive attend these meetings. In addition to this officers from the Council are involved in various workstreams including infrastructure and retained business rates.
- 4.11. Bevan Brittan have drafted a constitution for the Board which will be considered by all members of the Board. In addition, governance arrangements for the Freeport are being developed, this includes the positions required within the executive delivery team once the Freeport is established. This includes development of required job descriptions for paid roles and the appointment of a permanent Chair and Board as these are in place on an interim basis.
- 4.12. The County Councils and Borough Councils are working with AECOM to look at transport modelling for the sites. This is a lengthy and complex process which will need to continue after the Freeport designation is secured. For the FBC this will include requirements with the Freeport and without to highlight the anticipated additional requirements. Locally retained business rates from the site will be available for 25 years which can be used to invest in infrastructure.
- 4.13. The projections on business rates are now complete and the proposals on no detriment have been developed and discussed initially by S151 Officers from the local authorities. There is a general agreement on this, but further work is required to clarify baselines for the sites.
- 4.14. The Board are keen to see greater alignment between the plans for EMF and EMDC especially since the announcements in the IRP that Government wants to accelerate EMDC.

STEP

- 4.15. Ratcliffe on Soar has made it to the final five sites nominated for the STEP programme. As previously reported to Cabinet in March 2021, Ratcliffe on Soar was nominated by Nottinghamshire County Council (NCC). This was in response to Governments call for sites to design and build a prototype fusion power plant.
- 4.16. The UK Atomic Energy Authority (UKAEA) who are leading the nomination process are now going through the next round of assessments of the site. Following on from the information supplied in the initial bid document, more detailed socio-economic and environmental evidence is required from the nominating body. This will include a wide range of information such site specific detail, wider environmental and cultural information, and socio- economic data.
- 4.17. The UKAEA also wants to build good relationships with the host community and is proposing to hold a range of consultation events with stakeholders and local communities. This is likely to be in February/March 2022 . This will be led by UKAEA with the support of the County Council and Borough Council. It is anticipated that this will include an in person event to be held in Rushcliffe. The timeline for the programme is as follows:
- End of 2022 – announcement made by Secretary of State on site selected
 - 2024 – concept designs for the plant produced
 - 2030's – construction starts on site
 - 2040 – works completed
- 4.18. NCC are taking a report to their Policy Committee to update members on the next stage of assessments and gain endorsement for the site's continued involvement in the process. In addition, agreement is being sought for NCC to set aside a funding requirement of up to £100,000 from the major programmes delivery work budget to further the necessary work to support the selection process.
- 4.19. The UK Government recently published a Fusion Strategy, which sets out how the UK aims to use its leadership in fusion research and development to commercialise fusion energy technology. Alongside this, the Government has also published a Green Paper setting out its proposals for the regulation of future fusion energy facilities. The consultation on these proposals will run until the deadline of 11.45 pm on 24 December 2021. NCC as the nominating body for the STEP programme siting process are preparing a response to the consultation.

5. Alternative options considered and reasons for rejection

For each of the programmes, alternative options for redevelopment of the site are being continuously explored as a part of the business case development. This includes scenarios for a do-nothing option and also for options with differing levels of financial and resource intervention.

6. Risks and Uncertainties

- 6.1. There is a risk that one or all of the programmes will not be progressed due to a lack of Government or partners support or funding. There is however a strong partnership in place across all programmes and work is ongoing to ensure strong and clear links between them. With the recent announcements in the IRP there is a clear priority being placed on development in the East Midlands and therefore it is felt the risk of lack of Government support is low.
- 6.2. Each programme has a detailed risk register associated with it that covers risk for all aspects of the programmes and delivery.

7. Implications

7.1. Financial Implications

There are no financial implications associated with this report. A further technical update on the forecasted implications relating to business rates, proposals around borrowing for the Freeport and the Development Corporation and the governance arrangements will be brought in the New Year.

7.2. Legal Implications

The EMF constitution and governance arrangements are currently being developed and will be shared once available. The governance arrangements for the EMDC interim vehicle have previously received endorsement from Cabinet and Council. There are, therefore, no specific legal implications associated with this report.

7.3. Equalities Implications

Inclusive growth is a key theme for all the programmes ensuring that, as far as possible, they bring benefits for all. As well as creating jobs the focus is on the quality as well as the accessibility of those jobs.

7.4. Section 17 of the Crime and Disorder Act 1998 Implications

There are no crime and disorder implications associated with this report.

8. Link to Corporate Priorities

Quality of Life	The EMDC and EMF has the potential to benefit local residents' quality of life through the provision of new jobs, open space, and green infrastructure.
Efficient Services	
Sustainable Growth	The development of Ratcliffe on Soar Power Station through the Development Corporation and Freeport could attract a significant number of new businesses and approximately 20,000 jobs.

	The Development Corporation could deliver significant improvements to connectivity enabling more people to access opportunities at the three sites and in the wider region.
The Environment	<p>Beyond the economic benefits, the developments will enhance and improve the environment, take account of the need to reduce emissions and achieve net gains in natural capital.</p> <p>An integral part of the proposition is the connectivity between the sites and more broadly across the region. The focus of this is green infrastructure and public transport, minimising the impact on the environment.</p> <p>In terms of the STEP programme Fusion energy is an integral part of meeting the global net zero challenge.</p> <p>Fusion offers a secure and abundant source of supply for many thousands of years. Once commercialised, fusion will have a key role to play in the energy market of the future.</p>

9. Recommendation

It is RECOMMENDED that Cabinet:

- a) notes the progress on the programmes in place to support the redevelopment of Ratcliffe on Soar; and
- b) endorses the Council's continued involvement in all programmes.

For more information contact:	Catherine Evans Service Manager Economic Growth and Property 0115 914 8552 cevens@rushcliffe.gov.uk
Background papers available for Inspection:	Report to Cabinet 11 February 2020 Report to Council 5 March 2020 Report to Cabinet 10 November 2020 Report to Council 3 December 2020 Report to Cabinet on 9 March 2021 (STEP) Report to Cabinet on 11 May 2021 (Freeport) Report to Cabinet 14 September 2021 (exempt)
List of appendices:	



Cabinet

Tuesday, 14 December 2021

Climate Change Strategy 2021 – 2030

Report of the Director – Neighbourhoods

Cabinet Portfolio Holder for Communities and Climate Change, Councillor A Brennan

1. Purpose of report

- 1.1. This report presents the new Climate Change Strategy 2021-2030, replacing the Climate Change Strategy 2009-2020, which was last updated in 2013.
- 1.2. A decision is required whether the new Strategy meets the needs of the Council and whether the Council should adopt this Strategy.
- 1.3. This overarching Strategy forms part of a suite of documents, strategies, and action plans all focused on mitigating the impacts of Climate Change and promoting environmental sustainability throughout the Borough. This will be achieved by setting policies and targets to tackle climate change and providing leadership to our communities by supporting residents and business to reduce their emissions to mitigate and adapt to the impacts of Climate Change.

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) adopts the Climate Change Strategy 2021 – 2030 as a Strategy of the Council;
- b) grants the Director – Neighbourhoods delegated authority to make minor revisions to the Strategy to ensure it meets the Council's objectives; and
- c) confirms the Council's commitment to work in partnership to ensure that the Borough of Rushcliffe will be Net Zero for its emissions by 2050, in line with National Government's Net Zero targets.

3. Reasons for Recommendation

- 3.1. The environment is one of the Council's Corporate Priorities and in order to align with National Government's Net Zero Strategy: Build Back Greener (October 2021), the adoption of this Climate Change Strategy will provide a clear demonstration of how the Council will work with its communities and partners towards making Rushcliffe a carbon neutral Borough by 2050.

- 3.2. This new Strategy will frame the current actions and work streams outlined in the Council's Carbon Management Plan, which seeks to make the Council's operational services carbon neutral by 2030.
- 3.3. The current adopted Climate Change Strategy ran to the end of 2020, and needs updating for its work to continue in line with the Environment Act 2021.

4. Supporting Information

- 4.1. The Environment Act 2021, makes provision about targets, plans and policies for improving the natural environment; environmental protection; waste and resource efficiency; air quality; environmental standards about water, nature, and biodiversity and for conservation covenants.
- 4.2. The new Climate Change Strategy 2021-2030 aligns with the Environment Act 2021 and provides a comprehensive set of Council documents and strategies with their own individual policies and targets, which we will continue to adapt and develop to contribute to the overarching Climate Change Strategy aims and objectives.
- 4.3. Climate change is a global issue that requires dramatic action on a local level. The introduction of this Climate Change Strategy sets out our path to achieve these goals. The Climate Change Committee (2020), states that 'Local authorities have a crucial role to play in achieving the UK's 2050 Net Zero greenhouse gas emissions target. Whilst local authorities are directly responsible for only 2-5 per cent of local emissions, through their policies and partnerships they have strong influence over more than a third of emissions in their area.'
- 4.4. A Climate Change Strategy for Rushcliffe was first produced in 2009, and then updated in 2013, and these were adopted by the Council.

5. Alternative options considered and reasons for rejection

The Council could choose not to adopt the Climate Change 2021-2030; however, this would not accord with the government Net Zero Strategy 2021 or the Environment Act 2021. Further if the Climate Change Strategy 2021 – 2030 is not approved the Council may not be able to deliver on its commitment to a carbon neutral Borough.

6. Risks and Uncertainties

Not adopting the Strategy could result in Climate Change being inadequately considered during new policies or strategies and beneficial management not being undertaken.

7. Implications

7.1. Financial Implications

7.1.1. Tackling climate change by improving the environment and reducing carbon emissions represents a significant challenge for the authority requiring both revenue and capital commitment. As part of the Medium-Term Financial Strategy presented to Council on 3 March 2020, Council approved a £1m Climate Change Action Reserve. Ongoing costs and savings will be identified as part of the business case for potential climate change and carbon reduction measures which will be included in the budget going forward.

7.1.2. In February 2021, Cabinet approved a £50,000 grant scheme over a four-year period to support tree protection and wildflower planting in Rushcliffe which will enable the continued delivery of the Rushcliffe Free Tree Scheme and Community Tree Scheme as part of its commitment to nature conservation, biodiversity and tackling climate change.

7.2. Legal Implications

Whilst there are not direct legal implications, the Strategy supports the Council in exercising its duty to have regard, so far as is consistent with the proper exercise of those functions, to the purpose of tackling climate change.

7.3. Equalities Implications

Implementing strategies and interventions that will improve the capacity and resilience of vulnerable people and communities to climate change is vital especially where these groups may incorporate those with protected characteristics under the Equality Act.

7.4. Section 17 of the Crime and Disorder Act 1998 Implications

Section 17 highlights that local authorities, when carrying out their core activities, can significantly contribute to reducing crime and improving the quality of life in their area. It is therefore important to give due consideration to community safety issues in the development of Climate Change strategies.

8. Link to Corporate Priorities

Quality of Life	Although climate change is usually discussed within the context of sustainability, it is equally important for an individual's quality of life. Indeed, environmental conditions not only affect human health and well-being directly, but also indirectly, as they may have adverse effects on ecosystems, biodiversity, or even more extreme consequences such as natural disasters
Efficient Services	Climate change will have significant impacts on levels of service delivery. The decisions made in service delivery

	planning are important and practical opportunities to improve community resilience. Integrating climate considerations into service delivery planning can help the authority manage risk, adapt service levels, and manage costs.
Sustainable Growth	It is critically important that the significant growth projected in the Borough is sustainable and takes into consideration climate change targets from developments as required by the Net Zero 2050 Strategy
The Environment	The report supports all aspects of the Environment theme of the Corporate Strategy

9. Recommendation

It is RECOMMENDED that Cabinet

- a) adopts the Climate Change Strategy 2021 – 2030 as a Strategy of the Council;
- b) grants the Director – Neighbourhoods delegated authority to make minor revisions to the Strategy to ensure it meets the Council’s objectives; and
- c) confirms the Council’s commitment to work in partnership to ensure that the Borough of Rushcliffe will be Net Zero for its emissions by 2050, in line with National Government’s Net Zero targets.

For more information contact:	David Banks Director – Neighbourhoods and Deputy Chief Executive 0115 914 8438 dbanks@rushcliffe.gov.uk
Background papers available for Inspection:	Cabinet 9 February 2021 – Rushcliffe Nature Conservation Strategy 2021 -2025 Cabinet 10 March 2020 - Carbon Management Rushcliffe Climate Change Strategy 2009-2020
List of appendices:	Rushcliffe Climate Change Strategy 2021 -2030

Rushcliffe Borough Council

Climate Change Strategy

2021 - 2030



Carbon Neutral by 2030 and beyond!

Publish Date: November 2021
Review Date: November 2023

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Forward

There is a global climate emergency. The evidence is irrefutable, and the science is clear. Warnings have been issued about the damage human beings are causing to the planet and how that damage has accelerated over the past 50 years. The impacts of climate change are having a serious effect across the globe. We believe that it's not too late for us to turn things around but to do so requires transformative change and immediate action.

The interim report published by Framework Convention on Climate Change (UNFCCC) was a red alert for our planet. "It shows governments are nowhere close to the level of ambition needed to limit climate change to 1.5 degrees and meet the goals of the Paris Agreement", Secretary-General António Guterres said on the report's findings.

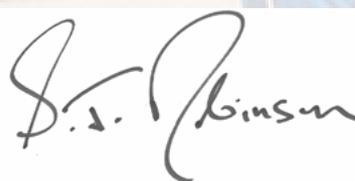
In light of this and in line with the government Net Zero Strategy: Build Back Greener released in October 2021, Rushcliffe Borough Council has resolved to take action to make all our Council Services Carbon Neutral by 2030 and to work with our communities and partners towards making Rushcliffe a carbon neutral borough.

Climate change is a global issue that requires dramatic action on a local level. The introduction of this Climate Change Strategy sets out our path to achieve these goals.

This strategy runs from December 2021 to December 2030 and, along with our Carbon Management Action Plan, will be regularly reviewed by the Council's Community Scrutiny Group on an annual basis.



Kath Marriott
Chief Executive



Cllr Simon Robinson
Leader

What is climate change?

The earth is surrounded by a blanket of gases, which keeps its surface warm and able to sustain life. These gases, usually referred to as greenhouse gases, include carbon dioxide (CO₂), methane, nitrous oxide and fluorocarbons.

There is solid scientific evidence to show our climate is changing because of emissions of greenhouse gases resulting from human activity.

*The bulk of emissions derive from our demand for energy. The largest contributor is carbon dioxide (CO₂), emitted when fossil fuels are burnt to meet those demands. There are also other emissions attached to industrial processes and agriculture.

At the same time, increased deforestation means that the trees which help to absorb CO₂ from the atmosphere are being cut down

"Climate change is the greatest threat to our existence in our short history on this planet. Nobody's going to buy their way out of its effects."

Mark Ruffalo, Actor & Environmentalist

The National Position

In June 2019 the UK became the first major economy in the world to pass laws to end its contribution to global warming by 2050. The target will require the UK to bring all greenhouse gas emissions to net zero by 2050, compared with the previous target of at least 80% reduction from 1990 levels.

The UK's 2050 net zero target – one of the most ambitious in the world – was recommended by the Committee on Climate Change, the UK's independent climate advisory body.



Why do we need a Climate Change Strategy for Rushcliffe?

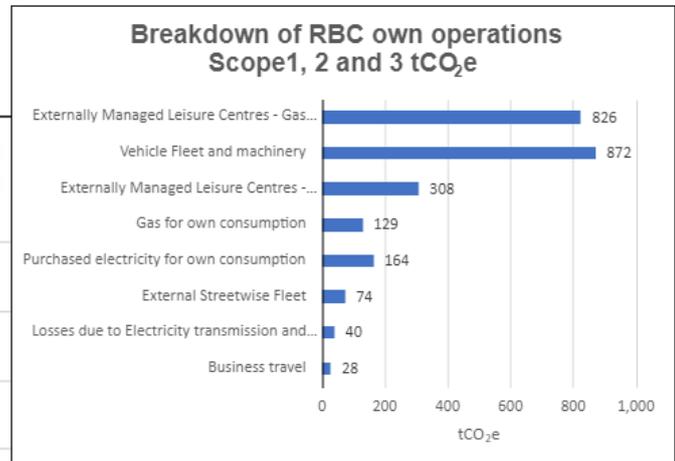
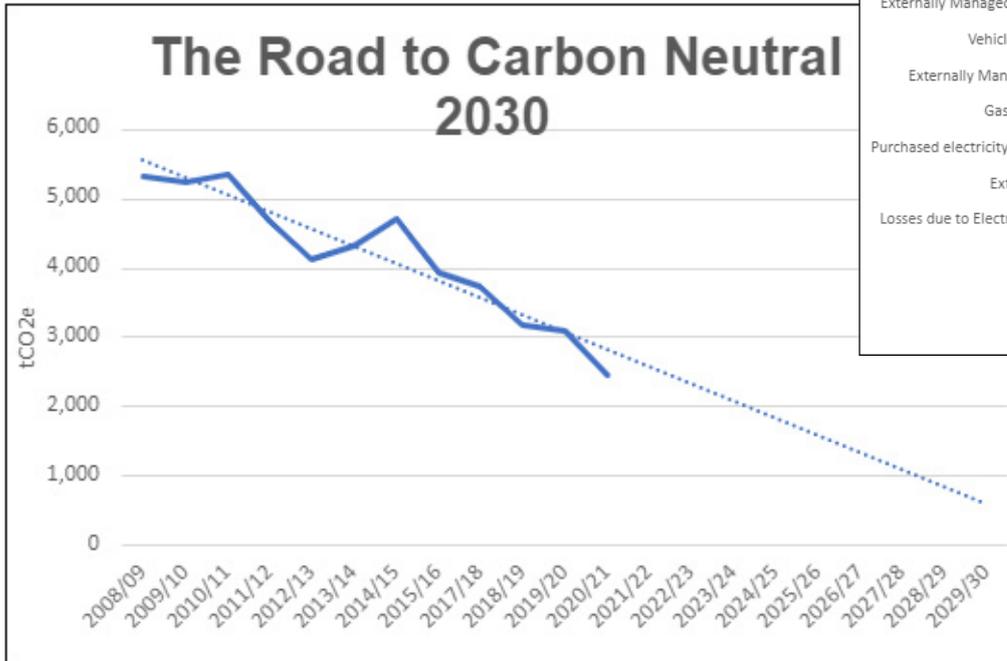
There will always be a demand for energy, but the way we use it, and the amount we use, needs to change.

A study of the Local Climate Impacts Profile for Nottinghamshire states Climate change is expected to increase the frequency and intensity of some of the extreme weather events which we already experience, such as heat waves, flooding and drought, though it may reduce the occurrence of severe winter cold spells.

The impact of these changes will affect all our residents and businesses with increased flooding, increased energy costs and interruptions to supply as well as impacting upon the wider determinants of health.

Rushcliffe Borough Council is committed to tackling climate change and to making a major contribution to reducing greenhouse gas emissions for the Borough. We recognise the challenge we all face and the action that we need to take to ensure Rushcliffe remains a great place to live now and in the future. This Strategy and its associated Carbon Management Action Plan outline the steps we will take.

Council's own emissions



Our climate change journey so far

2017

Rushcliffe Arena - £15m new energy efficient leisure centre and civic offices opened reducing our carbon footprint



Free tree scheme for residents and Parish Councils begins and continues for four years

2018

Dual stream recycling bins installed across the Borough



Refill Rushcliffe plastic bottle reduction initiative
page 68

Work begins on energy efficient Bingham Leisure Centre and Enterprise Centre

18.2% reduction in Council greenhouse gas emissions since 2008/9

2019

2021+

Green Rewards app launched

2020

£1m climate change action reserve allocated to reach carbon neutral status

Climate strategy developed

New glass recycling facility in Lady Bay, West Bridgford

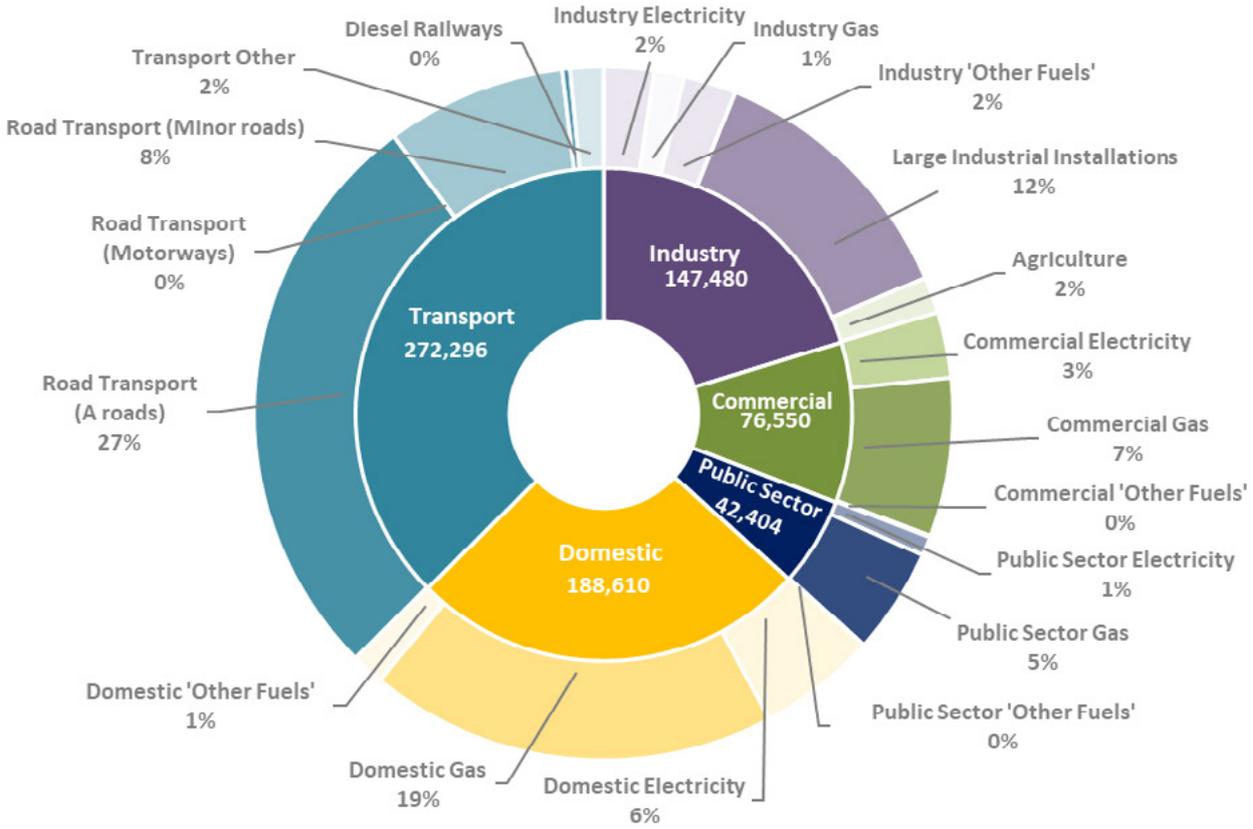
250 trees planted at Collington Common

"I think we should all be more concerned about the environment and the effects of global warming. It will be pointless to talk about all the issues that divide us when it's 300 degrees outside."

Don Cheadle, Actor

Rushcliffe Borough Emissions

Rushcliffe Borough Local Authority territorial CO2 emissions estimates 2005-2019 (t CO2)*



These are the emissions generated by all residents, business and local authority activity in the Rushcliffe Borough area.

- **37%** of emissions came from transportation, from travel by individuals and transportation of goods.
- **20%** from industry
- **11%** from commercial operations
- **6%** of emissions came from the public sector
- **26%** of carbon emissions were emitted from domestic properties, i.e. heating, lighting and use of household appliances

Total emissions for these activities is 727,340 tonnes of CO2 which equated to approximately 6.1 tonnes person per year in 2019.

*Data taken from [BEIS "National Atmospheric Emissions Inventory"](#)

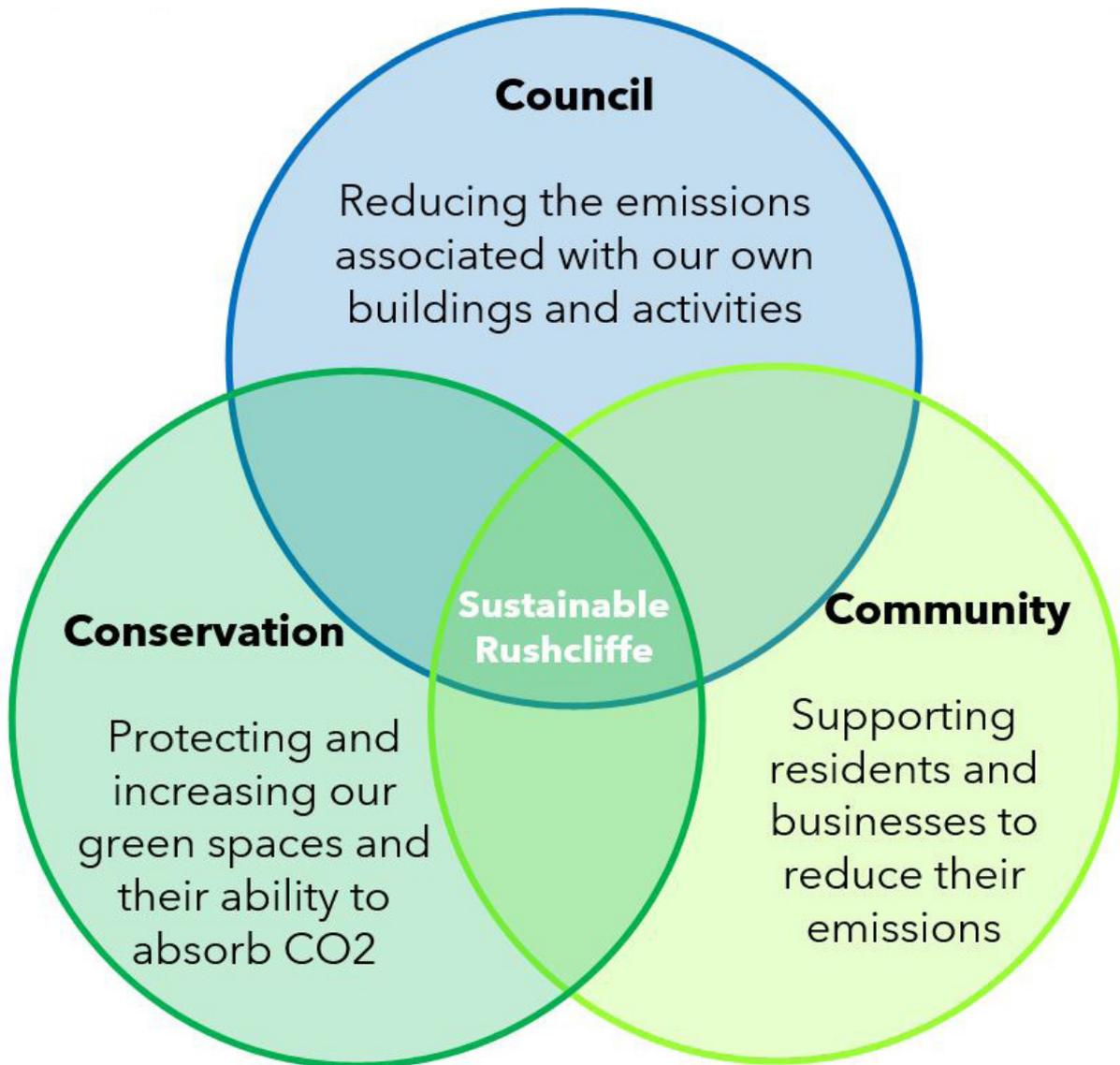
Why do we need a Climate Change Strategy for Rushcliffe?

In [March 2020, Rushcliffe Borough Council made a commitment](#) to work towards becoming carbon neutral by 2030 for its own operations*. The Council is also committed to supporting local residents and businesses reduce their own carbon footprint.

In addition, this strategy confirms our commitment to continuously improve our strategy to ensure the whole of Rushcliffe Borough will be Net Zero for our emissions by 2050 in line with government outcome from COP26.

This document forms part of a suite of documents, strategies, management, and action plans, all focused on environmental sustainability throughout the council, for more detail on any of our plans you can follow the embedded links or visit www.rushcliffe.gov.uk/energy.

Our strategy focuses on three key areas...



"Every action matters. Every bit of warming matters. Every year matters. Every choice matters"

-Hoesung Lee, IPCC Chair

*Our full action plan can be viewed online at www.rushcliffe.gov.uk/energy.

Rushcliffe Borough Council's Cabinet approved plans on in March 2020 to become Carbon Clever and work towards our direct operations becoming carbon neutral by 2030. Our strategy is broken down into the following key areas and deliverables.

Buildings and assets

Reduction of carbon in our owned buildings through switching to green tariffs, installation of Solar panels, sustainable heating systems, low energy lighting and low water use facilities where practicable.

Community and business

Making changes to how we manage our activities to deliver sustainable events to the community; working to reduce physical waste, increase recycling and find sustainable ways to supply energy to all our events.

Fleet and transport

Reducing the emissions from our owned vehicles by; running waste refuse vehicles on biofuel to reduce emissions by 90% as a step change to fully zero emission technology, installing greater numbers of electric vehicle charging points in car parks across the borough, and switching to electric work buggies at our country parks where possible.

Waste and Recycling

Improving how we manage waste through our Waste and Recycling Strategy

Supply Chain

Inclusion of Sustainable Procurement in our Procurement policy

We also aim to deliver in house carbon awareness training to all staff to ensure everyone at the council is doing their part to be Carbon Clever.



For more details on the councils plans and commitments visit below:

[Environment Policy](#)
[Carbon Management Action Plan](#)
[Carbon Neutral strategy](#)

Conservation of Biodiversity

As part of our [Rushcliffe Nature Conservation Strategy](#) we aim to safeguard existing nature conservation, encourage the creation of new sites, while seeking to address the Climate Emergency and Biodiversity Crisis.

The changing climate impacts on the natural world. Man-made carbon emissions need to be reduced; however, ecosystems such as trees and woodlands, hedgerows, long term diverse grasslands and some wetlands can help by absorbing carbon.

The council's land currently 'sequesters' 1724.27 Tonnes CO₂e per year. Natural habitats also help to absorb heavy rain, reducing flooding, which is increasing as the climate changes.

We will seek to: maintain as diverse a natural environment as we can. Find opportunities to create re-wilding areas to act as carbon 'sinks'. Increase linkages between habitats to allow movement of species. Be prepared to adapt our efforts as the climate changes.

The council plan includes:

- **Tree management** - establishing and managing trees on council-controlled land where appropriate and supplying trees to communities and the public.
- **Grassland management** - managing council-controlled grasslands as wild-flower rich meadows and avoiding mowing other grasslands during the summer where appropriate
- **Community support** - working with partners to support community nature conservation action, including providing training, grants, and specialist equipment.
- **Development Control** - ensuring that climate change impact reduction and biodiversity are appropriately managed, protected and enhanced in new developments through the planning system



"If we pollute the air, water and soil that keep us alive and well, and destroy the biodiversity that allows natural systems to function, no amount of money will save us"

-David Suzuki, Canadian geneticist, broadcaster and environmental activist

Community

Beyond our target to become carbon neutral for our own emissions, the council is supporting the Rushcliffe community to reduce their own carbon emissions...

Supporting Residents

By applying for funding and grants for residents to adopt energy saving measures - such as external wall insulation and solar panels.

Or through activities such as our Green rewards scheme - working with other councils to encourage residents to take action to reduce their carbon footprint

Monitoring and regulating activities to reduce air pollution as outlined in our [Air Quality Strategy](#).

Supporting Businesses

Partners from across Rushcliffe have come together to create the [Big Business Carbon Club](#); sharing learning, views and skills to make even greater impact on their carbon reduction journeys.

As a council we have updated all our service level agreements with delivery partners to ensure that they incorporate carbon reduction and climate change targets.

Supporting the community

Rushcliffe Borough Council monitor and provide guidance on [air quality](#) in the borough and we are working to adopt a walking and cycling action plan with the aim to further reduce air pollution. We are preparing to adapt to the ever increasing extremes of local weather and have issued a policy statement for localised [flood defence](#).

Existing infrastructure will be used to deliver environmental education in the community where possible.

You can do your part by seeing how you can reduce the energy you use in your home, how you travel, the types of food and goods you buy and by avoiding producing waste wherever possible. Advice is provided on our website:

- [Energy Efficiency, Grants and Renewables](#)
- [Reducing your carbon footprint - householders](#)
- [Reducing your carbon footprint - business](#)
- [Green Rewards](#)



"Never before have we had such an awareness of what we are doing to the planet, and never before have we had the power to do something about that...The future of humanity and indeed, all life on earth, now depends on us."

-Sir David Attenborough, Broadcaster, historian, and writer

Summary

Rushcliffe Borough Council will continue to adapt our strategy and action plans in line with best available data and technology, we will continue to set ambitious targets beyond 2030 towards being Net Zero by 2050 and will work to influence businesses, our residents, other councils, and government to help tackle climate change.

This is an issue that affects us all, how we act now; every choice we make or don't make, will be felt for decades to come. Humans have collectively damaged, destroyed and depleted our planets natural resources, it is now the responsibility of each and every one of us of us to repair, restore and rebuild our natural world for ourselves and future generations.

Together we have the power to do just that.



References and sources

- [Rewilding Britain](#)
- [Chartered Institute of Environmental Management CIEEM](#)
- [Framework Convention on Climate Change \(UNFCCC\)](#)

Photography

- Front cover: Rushcliffe Country Park (RCP), courtesy of Luke Hart RCP Volunteer
- Butterfly on flower and RCP lake (left), courtesy of Gary Hart RCP Volunteer
- Oak tree (Ratcliffe Power Station) courtesy of Paul Phillips RBC employee
- Barn Owl - courtesy of Sr Julien from Holy Cross Convent



Cabinet

Tuesday, 14 December 2021

Revenue and Capital Budget Monitoring 2021/22 – Q2

Report of the Director – Finance and Corporate Services

**Cabinet Portfolio Holder for Finance and Customer Access,
Councillor G Moore**

1. Purpose of report

- 1.1. This report presents the budget position for revenue and capital as at 30 September 2021. This report provides an update to the report to Cabinet on 14 September 2021, and includes the in-year variances along with variances resulting from Covid-19.
- 1.2. Given the current financial climate, and the recovery from Covid-19 lock down measures, it is imperative that the Council maintains due diligence with regards to its finances and ensures necessary action is taken to ensure a balanced budget is maintained.
- 1.3. The current budget was set anticipating an adverse impact of Covid on the Council's finances. However, a combination of service budget efficiencies, Business Rates and Government funding have helped mitigate against the financial impact of Covid income losses. Ultimately the budget efficiencies identified are a reflection of the positive 'bounce back' of the local economy to Covid. We cannot be complacent though. One thing Covid has taught us is that at any given time the situation can quickly change.
- 1.4. At Quarter 2, a budget efficiency of £0.673m (net of reserve commitments) is anticipated although this position could change as further variances are identified during the year. The increase from Quarter 1 is mainly due to an expected Business Rates Nottinghamshire Pool surplus of £0.622m and the potential non-utilisation of £0.25m in relation to Edwalton Golf Course (a further report is due to Cabinet in January 2022).
- 1.5. The report requests approval to the use of £0.1m in budget efficiencies from 2021/22 to boost the Strategic Growth Board budget in 2022/23, to support businesses recover from Covid (a separate report is to be presented to the Strategic Growth Board).
- 1.6. Given the Council's capital challenges going forward, it is proposed to utilise at least £1m of the expected budget efficiencies towards vehicle replacement, with a vehicle replacement reserve proposed. This will be recommended in the forthcoming Medium Term Financial Strategy reports to Cabinet and Full Council in 2022. Any remaining budget efficiencies will be appropriated to the Organisation Stabilisation Reserve.

- 1.7. Going forward there are significant budget risks such as potential changes to the Business Rates system (now not expected in 2022/23), Fairer Funding and Government policy in relation to waste collection. In addition there is the potential impact of the power station closure (2024), and the Council's commitment to the Freeport and Development Corporation. Maintaining sufficient reserves to address significant risks remains a key objective of the Council's Medium Term Financial Strategy and is good financial practice.
- 1.8. The Capital Programme currently shows a planned underspend of £10.2m largely due to slippage in two major schemes (Bingham Hub and Crematorium) and uncommitted grant monies available for Registered Housing Providers.
- 1.9. As a result of this, the report will request approval to formally carry forward Capital Provisions totalling £8.420m. Of which £8.295m to 2022/23 Capital Programme and £125k to 2025/26 Capital Programme.
- 1.10. The report will also request approval to accelerate £40k from the 2022/23 Capital Programme to 2021/22 to meet Play Area Commitments.

2. Recommendation

It is RECOMMENDED that Cabinet approves the attached report both noting and agreeing to:

- a) the expected revenue budget efficiency for the year £0.673m incorporating the potential appropriation of £1m to a Vehicle Replacement Reserve (to be included in the MTFS report to Full Council in 2022);
- b) the use of £0.1m in budget efficiencies from 2021/22, to boost the Strategic Growth Board budget in 2022/23, to support the community recovery from Covid (paragraph 4.4);
- c) the capital underspend of £10.204m of which £8.420m is to be carried forward: £8.295m to 2022/23 Capital Programme and £0.125m to 2025/26 Capital Programme;
- d) the acceleration of £40k capital provision for Play Areas from 2022/23 to 2021/22 to meet commitments;
- e) the expected outturn position for Special Expenses of £10.2k deficit; and
- f) the planned use of reserves at paragraph 4.2.

3. Reasons for Recommendation

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

4. Supporting Evidence

Revenue Monitoring

- 4.1 The Revenue Monitoring Statement by service area is attached at **Appendix A** with detailed variance analysis as at 30 September 2021, attached at **Appendix B**. For this financial year, the overall budget variance including Covid related pressures and in-year efficiencies, is expected to result in a budget efficiency of £0.673m. Loss of income and additional costs as a result of Covid (£0.129m) are more than offset by grant income and net efficiencies (£0.845m). In the current year we are anticipating a surplus of £3.113m on Business Rates (including a Nottinghamshire pool surplus of £0.622m) but a significant proportion of this will need to be put into reserves (£1.765m) to cover future year's Business Rates deficit. Given capital pressures in relation to future vehicle replacement (a combination of growth in the Borough, generally rising costs, the commitment to the carbon neutral agenda and declining resources), it will be recommended to Full Council (in the MTFS report) to appropriate £1m from 2021/22 budget efficiencies and create a Vehicle Replacement Fund.
- 4.2 Table 1 below summarises the main variations from revenue efficiencies and Covid related pressures. It should be noted that since the Quarter 1 report, the Council has been awarded an extra £34k Homelessness Prevention Grant. The reserves commitment total of £3.120m includes £1.765m relating to business rates deficit anticipated next year; £1m proposed Vehicle Replacement Reserve; £0.25m underspend for the Edwalton Golf Course Feasibility Study; £0.1m Strategic Growth Boards (paragraph 4.4) and £5k contribution to setting up the Bingham Improvement Board (reported to December Full Council).

Table 1: Main Items Impacting on the Current Revenue Budget

	Pressure/ (Saving) 2021/22 (£m)
Covid costs/(savings):-	
Waste Collection (Agency)	0.039
Licence Income	0.037
COMF Grant income	(0.088)
COMF Enforcement Expenditure	0.088
Room Hire Gamston	0.012
Rental on Commercial Properties	0.041
Total Covid related budget pressure (A)	0.129
Projected in year costs/(savings):-	
Waste Collection - Hire of Transport	0.030
Waste Collection - HGV Market Supplement	0.027
Agency Staff - Planning	0.210
Interest Payments	(0.085)
Planning Fees	(0.420)
Grant Income (Homelessness Prevention)	(0.058)
Edwalton GC	(0.070)

General Contingency	(0.134)
Econ Dev Feasibility Study	0.050
Edwalton GC Feasibility Study	(0.250)
Other minor variances	(0.145)
Total projected in year savings (B)	(0.845)
Net Revenue Efficiencies (A) + (B)	(0.716)
Grant Income	0.036
Business Rates	(3.113)
Reserve Commitments	3.120
Total Net Projected Budget Variance	(673)

- 4.3 Cabinet (9 March 2021), agreed to the provision of £300k for EGC Feasibility. £50k for technical risk assessment and £250k for further master planning work. Current projections show the intention to spend the £50k in 2021/22, which leaves the £250k for master planning work forming part of the overall revenue budget efficiencies. A further report will be presented to Cabinet in January 2022, when we will know more about whether some or all of the £250k will be required.
- 4.4 Given the impact of Covid and the need to help revitalise the local economy it is recommended that £0.1m be allocated from predicted underspends at the end of the year to support and enhance the work of the Strategic and Local Growth Boards in 2022-23. It is suggested that this is accessible to other areas across the Borough, such as Ruddington. In addition to the above, a separate allocation has been made of £50k towards a feasibility study for Central Avenue, approved by Cabman and discussed in the Quarter 1 report. This is a project that has been identified as a priority by the West Bridgford Growth Board and is separately identified in Table 1.
- 4.5 **Appendix A** shows the original estimate for Grant Income of £2.762m (revised to £2.599m), Collection Fund £4.045m and also includes a Minimum Revenue Provision (MRP) of £1.074m. **Appendix B** gives further explanations of both positive and adverse variances, in addition to those detailed at Table 1.
- 4.6 **Appendix E** shows the Quarter 2 position on the Special Expenses budget which has also been affected by Covid in Quarter 1, mostly income from hire of venues and bar sales mainly at Gamston, which was, until September, being used as a vaccination centre. These projections are included in the total Covid related budget pressure of £0.129m. The expected budget deficit for the year is £10.2k which is net of a proportion of SFC grant and reimbursement for closure of Gamston. It was agreed by the West Bridgford CIL and Special Expenses Group on 25 September 2020 that the previous year's cumulative deficit (£0.087m) would be repaid by way of a loan. Other alternatives are currently being explored and will be included as part of the budget setting process.

Capital Monitoring

- 4.7 The updated summary of the Capital Programme monitoring statement and funding position is shown at **Appendix C** as at 30 September 2021. **Appendix D** provides further details about the progress of the, any necessary re-phasing and highlights efficiencies.

4.8 The original Capital Programme of £28.158m has been supplemented by a net brought forward of £6.533m and in-year adjustments of £0.911m giving a revised total of £35.602m. The net expenditure efficiency position of £10.2m is primarily due to the following:

- a) Bingham Leisure Hub £18.2m – £2m to carry forward to 2022/23;
- b) Crematorium £7m – £3m to carry forward to 2022/23;
- c) Support for RSLs: £1.1m – Commitments total £420k of which £237k will be released in 2021/22. £0.875m of the projected underspend to carry forward to 2022/23;
- d) Total carry forwards of £8.420m are requested: £8.295m to 2022/23 and £125k to 2025/26;
- e) Acceleration of £40k is requested from the 2022/23 Capital Programme to 2021/22 to meet commitments on Play Areas.

4.9 The Council was due to receive capital receipts of £15.2m in the year, primarily from the disposal of surplus operational and investment property: Abbey Road Depot; land at Hollygate Lane; and also from an overage agreement in place for Sharphill Wood site. Covid-19 impacted on the progress of these schemes with receipts projected to be £7.9m in 2021/22 (Hollygate Lane and a portion of the Depot receipt now expected in 2022/23). The current projected overall variance is likely to mean that any borrowing requirement can be met from internal resources with no recourse to borrow externally this financial year. Savings resulting from interest costs now not anticipated to be incurred are included in the projected overall revenue budget efficiency saving of £0.673m

Covid-19 Update

4.10 The country came out of lockdown earlier this year (19 July 2021), and whilst the Council budgeted for an adverse impact on the budget, additional Government funding and services continuing to perform, the Council’s budget remains in a relatively healthy position.

4.11 With the economy slowly starting to recover and bounce back, uncertainty still remains about the future so budget projections may change with time and risk.

4.12 The Government’s Sales, Fees and Charges reimbursement claim has been submitted at £81k. This is lower than originally anticipated but is reflective of better performance on income receipts particularly relating to planning. Part of the total estimated reimbursement has been allocated to the Special Expense fund to support the lost income from closure of facilities in the West Bridgford area (see paragraph 4.6). Table 2 below shows the Covid-related grants for 2021/22. It is not anticipated that there will be any further funding this year.

Table 2 : Covid Related Grants

£'000	Grant
370	Covid Grant funding Tranche 5
300	Lower Tier Services Grant
102	Local Council Tax Support grant
187	Homelessness Funding
102	COMF (Contain)

81	SFC reimbursement Q1 2021/22*
156	Reopening Highstreets safely*
1,298	Total

*Grants estimated but not yet received in full

- 4.13 At Quarter 1 it was reported that the fair value of the Council's diversified funds had recovered against the losses resulting from Covid of £1.238m. The position at Quarter 2 shows that these assets have fully recovered and are now valued at £1.262m which exceeds March 2020 values. At the end of July, a further £2m was invested in Kames and Investec (£1m in each). These funds will continue to fluctuate in value but are being held long term.

Conclusion

- 4.14 The financial position in the revenue budget is positive, projecting a net budget efficiency of £0.673m. Covid risks could prevail in the future such as further restrictions imposed as we enter the winter period with the financial impact unknown. The Council must ensure it can support any adverse budgetary impact.
- 4.15 The position on capital is currently positive and, although some provisions have been re-phased, no major delays are anticipated on the completion of larger schemes. It is also anticipated that there will be no need to externally borrow this financial year. Challenges can arise during the year, such as sourcing materials and inflated costs which may still impact on the projected year-end position and this will continue to be reported throughout the year. Given the growth in the Borough, rising costs, the desire to be carbon neutral and reducing capital resources, there are particular risks with regards to the replacement of the Council's vehicle fleet it makes sense to ensure a Vehicle Replacement Reserve is created to help mitigate against such risks.
- 4.16 There remain external financial pressures from existing issues such as the uncertainty surrounding Business Rates retention, the Fair Funding and Comprehensive Spending reviews, which although have now been delayed further still present a significant risk. The longer term impact of BREXIT is yet to be seen as the negative effects of Covid has made assessing the impact of BREXIT difficult. Furthermore, there are the Council's own challenges such as meeting its own environmental objectives and upside risks as opportunities present themselves such as the Freeport and Development Corporation. Against such a background, it is imperative that the Council continues to keep a tight control over its expenditure, identifies any impact from changing income streams, maintains progress against its Transformation Strategy and retains a healthy reserves position.

5. Alternative options considered and reasons for rejection

There are no other options proposed for consideration.

6. Risks 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 Councillors and the Council's external auditors.
- 6.2 Areas such as income can be volatile and are particularly influenced by public confidence and the general economic climate and Government legislation. This has been clearly evidenced by the impact of Covid and highlighted in Table 1.
- 6.3 Business Rates is subject to specific risks given the volatile nature of the taxbase with a small number of properties accounting for a disproportionate amount of tax revenue, notably in Rushcliffe Ratcliffe-on-Soar Power Station. Furthermore, changes in Central Government policy influences Business Rates received and their timing, for example policy changes on Small Business Rates Relief. Again Covid is likely to have a large impact on the Business Rates position as reported in the Quarter 1 report to Cabinet, hence the need to appropriate the in-year Business Rates surplus to smooth deficits in later years.
- 6.4 The Council is committed to improving the environment and reducing its carbon footprint. Addressing such risks will require funding with the Climate Change Reserve to facilitate such opportunities.
- 6.5 The Council needs to be properly insulated against such risks hence the need to ensure it has a sufficient level of reserves, as well as having the ability to use such reserves to support projects where there is 'upside risk' or there is a change in strategic direction.

7. Implications

7.1. Financial Implications

Financial implications are covered in the body of the report.

7.2. Legal Implications

There are no direct legal implications arising from this report. It supports the delivery of a balanced budget.

7.3. Equalities Implications

None.

7.4. Section 17 of the Crime and Disorder Act 1998 Implications

None.

8. Link to Corporate Priorities

Quality of Life	The budget resources the Corporate Strategy and therefore resources all Corporate Priorities.
Efficient Services	
Sustainable Growth	
The Environment	

9. Recommendation

It is RECOMMENDED that Cabinet approves the attached report both noting and agreeing to:

- a) the expected revenue budget efficiency for the year £0.673m incorporating the potential appropriation of £1m to a Vehicle Replacement Reserve (to be included in the MTFS report to Full Council in 2022);
- b) the use of £0.1m in budget efficiencies from 2021/22, to boost the Strategic Growth Board budget in 2022/23, to support the community recovery (paragraph 4.4);
- c) the capital underspend of £10.204m of which £8.420m is to be carried forward: £8.295m to 2022/23 Capital Programme and £0.125m to 2025/26 Capital Programme;
- d) the acceleration of £40k capital provision for Play Areas from 2022/23 to 2021/22 to meet commitments;
- e) the expected outturn position for Special Expenses of £10.2k deficit; and
- f) the planned use of reserves at paragraph 4.2.

For more information contact:	Peter Linfield Director – Finance and Corporate Services 0115 914 8439 plinfield@rushcliffe.gov.uk
Background papers Available for Inspection:	Council 4 March 2021 – 2021-22 Budget and Financial Strategy; Cabinet 7 July 2021 – Financial Outturn Report
List of appendices (if any):	Appendix A – Revenue Outturn Position 2021/22 – September 2021 Appendix B – Revenue Variance Explanations Appendix C – Capital Programme 2021/22 – September 2021 Position Appendix D – Capital Variance Explanations Appendix E – Special Expenses Monitoring

Revenue Outturn Position 2021/22 – September 2021

	Original Budget £'000	Recharges Adjustment £'000	Original Budget excluding Recharges £'000	Revised Budget £'000	Projected Outturn £'000	Projected Outturn Variance £'000
Chief Execs	480	1,576	2,055	1,958	1,956	-1
Development and Economic Growth	1,281	-1,275	6	212	120	-92
Finance & Corporate Services	2,765	1,528	4,292	4,570	4,239	-331
Neighbourhoods	8,747	-1,828	6,919	7,350	7,058	-292
Sub Total	13,273	0	13,273	14,090	13,374	-716
Capital Accounting Reversals	-1,768		-1,768	-1,768	-1,768	0
Minimum Revenue Provision	1,074		1,074	1,074	1,074	0
Total Net Service Expenditure	12,579	0	12,579	13,396	12,680	-716
Grant Income (including New Homes Bonus & rsg)	-2,762		-2,762	-2,599	-2,563	36
Business Rates (including SBRR)	-2,820		-2,820	-2,820	-5,933	-3,113
Council Tax	-7,255		-7,255	-7,255	-7,255	0
Collection Fund Deficit	4,045		4,045	4,045	4,045	0
Total Funding	-8,792	0	-8,792	-8,629	-11,706	-3,077
Net Transfer to/(-)from Reserves	-3,787	0	-3,787	-4,767	-974	3,793
Amount Committed from Reserves						
Business Rates Deficit						-1,765
Edwalton Golf Course Feasibility						-250
Net Budget (Deficit)/Surplus	0	0	0	0	0	1,778

Adverse Revenue Variance Explanations (over £25k)

Service	Income / Expenditure Type	Reason	Projected Outturn Variance £'000
Community Development	Income	Loss of events income & Gamston Hall hire income due to being used as vaccination centre	26
Depot & Contracts	Employee Expenses	Waste Collection - Overtime and agency	69
Depot & Contracts	Transport Related Expenses	Waste Collection - Repairs to ageing vehicles £25k, Diesel £25k, Transport hire £30k	80
Economic Development	Supplies & Services	Contribution to feasibility study in relation to pedestrainisation of West Bridgford Town Centre	50
Environmental Health	Supplies & Services	Covid Enforcement backlog (COMF)	88
Financial Services	Premises Related Expenses	Additional properties added to the insurance policy	34
Planning & Growth	Employee Expenses	Agency cover for vacancies and extra work covered by increased income from planning applications	210
Property Services	Supplies & Services	Additional costs at the Point to be recovered from previous tenant	28
Property Services	Income	Rental Income at The Point	25
TOTAL ADVERSE VARIANCES > £25k			610

Favorable Revenue Variance Explanations (over £25k)

Service	Income / Expenditure Type	Reason	Projected Outturn Variance £'000
Depot & Contracts	Third Party Payments	Edwalton Golf Club, forecasting to break even	-70
Depot & Contracts	Supplies & Services	Edwalton Golf Club Feasibility Study	-250
Environmental Health	Income	COMF grant income (146k)	-146
Financial Services	Capital Financing Costs	Savings from interest which would have been incurred on external borrowing	-45
Financial Services	Income	Holding larger investment balances and the average rate of return on these balances is higher than budgeted for	-40
Financial Services	Supplies & Services	Original contingency not planned to use. Decrease in insurance premium for land charges and laptops	-143
ICT	Employee Expenses	Saving due to vacant ICT Services Support Manager. Replacement starts in November.	-26
Planning & Growth	Income	Income levels have increased to pre covid levels some of this income will fund extra staff costs needed to accommodate the extra work	-420

Property Services	Income	Costs recovered at The Point from previous tenant	-28
Revenues & Benefits	Net Income	Revised mid year rent allowances offset by housing benefits subsidy	-35
Strategic Housing	Income	£27k COMF grant, £59k Additional Homelessness Support Grant income, £5k additional CBL income, offset by £10k under achievement Home Alarms	-81
TOTAL ADVERSE VARIANCES > £25k			-1,284
OTHER MINOR VARIANCES			-42
TOTAL VARIANCE			-716

Capital Programme Summary September 2021

EXPENDITURE SUMMARY	Current Budget £000	Projected Actual £000	Projected Variance £000	Explanations
Development and Economic Growth	27,016	19,800	(7,216)	The projected actual for Bingham Hub and the Crematorium will continue to be revised as schemes progress. Final expenditure on both projects will be in 22/23. Some enhancement schemes for Council Properties are able to be deferred to 22/23 without any Health and Safety risks. This will enable priority schemes to be delivered.
Neighbourhoods	7,726	5,022	(2,704)	Support for RHPs not fully committed, options continue to be explored. Potential underspend on BCF funds as additional allocated in both 20/21 (which was carried forward) and 21/22. Some enhancement schemes for Council Properties are able to be deferred to 22/23 without any Health and Safety risks. This will enable priority schemes to be delivered.
Finance & Corporate Services	610	546	(64)	
Contingency	250	30	(220)	Capital Contingency balance not yet allocated.
	35,602	25,398	(10,204)	
FINANCING ANALYSIS				
Capital Receipts	(8,199)	(6,492)	1,707	Some of the deferred schemes have to be financed by capital receipts.

Government Grants	(3,360)	(3,256)	104	
Use of Reserves	(797)	(279)	518	
Grants/Contributions	(530)	(530)	-	
Section 106 Monies	(4,716)	(3,841)	875	Support for RHPs not fully committed.
Borrowing	(18,000)	(11,000)	7,000	Deferral of Hollygate Lane capital receipt
	(35,602)	(25,398)	10,204	
NET EXPENDITURE	-	-	-	

Capital Programme 2020/21 – September 2021 Position

CAPITAL PROGRAMME MONITORING - SEPTEMBER 2021								
	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
DEVELOPMENT AND ECONOMIC GROWTH								
Manvers Business Park Surface/Drain		10	10	10		10		Work to upgrade an additional section of the drain has been completed.
Energy Efficiency LED Lighting Schemes		103	103	95	(8)	103		Works nearing practical completion. Spend projected at budget.
Colliers BP Enhancements		14	14	5	(9)	14		Provision to support any emerging enhancements as Colliers BP.
Cotgrave Phase 2	570	1,047	524	116	(408)	547	(500)	Main contract works to be completed early 21/22. Peripheral works still to be commissioned: car charging points, teen shelters, landscaping, and frontage works. £500k deferred to meet final costs expected 22-23.

Bingham Leisure Hub	16,000	18,240	9,120	3,277	(5,843)	15,000	(3,240)	Main contractor has started on site and works progressing. Re-profiling of expenditure in line with Project Management Cash flow. £2m deferred to meet final expenditure in 22/23. Total costs expected to be within the £20m total provision made.
Manvers Business Park Roof Refurbishment	200	200					(200)	Deferred to 22/23
Manvers Business Park Roller Shutters	100	100					(100)	Deferred to 22/23
Water Course Improvements	210	61					(61)	£60k deferred to 22/23
The Point	150	150		1	1	50	(100)	Car Park Roller Shutter/Waterproofing to be done 21/22. Upgrade office lighting; balcony waterproofing; auto doors deferred.
Bingham Market Place Improvements		68		1	1	68		Tender documentation being prepared for remedial works to the Buttercross.
Bridgford Hall Enhancements		11	11	8	(3)	8	(3)	Roofing enhancement works complete.
The Crematorium	6,500	7,012	500	158	(342)	4,000	(3,012)	Total provision including purchase of the land £8.5m. Design works undertaken, contract awarded. Potential cost pressures for materials and skilled labour. Projected actual will continue to be refined from Project Management cash flow. Final construction costs and fit-out expected in summer 22. £3m deferred.
	23,730	27,016	10,282	3,671	(6,611)	19,800	(7,216)	
NEIGHBOURHOODS								

Vehicle Replacement	730	730	730	375	(355)	563	(167)	3 Refuse Vehicles acquired, 2 payments processed. £165k to be deferred to 22-23 to allow research to source 2 electric box vans .
Support for Registered Housing Providers	500	1,112				237	(875)	Commitments comprise: £160k for 10 units of affordable housing on Garage Sites Ph 2; £53k for accommodation Next Steps Rough Sleepers; and 207k to provide a 3 bedroomed adapted bungalow to meet a local housing need. Of this £420k, £237k will be released in 21/22. RBC is due up to £3.8m for land north of Bingham. £2.3m already received and the balance in May 22. The future capital programme will be adjusted to reflect these additional resources. Options are being assessed for commitment of these resources. £875k deferred to 22-23.
Assistive Technology	16	16	8		(8)	20	4	Proposal to purchase Smart Hubs for £40k. Likely in-year spend £20k. Can be contained in the BCF allocation.
Discretionary Top Ups	57	57	28		(28)	57		Proposal to increase Discretionary threshold from £10k to £20k. If approved, can be contained in BCF allocation.

Disabled Facilities Grants	515	858	429	349	(80)	750	(108)	Additional BCF funds awarded in 21/22. Grant releases are picking up following Covid delays. A second grant officer has been recruited to help deal with the increase in allocation and expected demand in the system held over during the pandemic. Potential underspend.
Hound Lodge Access Control System		25					(25)	Scheme deferred pending outcome of asset review.
Bowls Hall Replacement Furniture	15							Cabinet 13.07.21 approved £15k virement to Bowls Hall Conversion scheme.
Arena Enhancements		80	38	2	(36)	25	(55)	Enhancement works to corridor walls complete; chemical store tanking/overflow works planned.
Car Park Resurfacing		215				120	(95)	Scope of works being finalised - estimated cost of work identified for 21-22 is £120k; £95k deferred to 22/23.
CLC Changing Village Enhancements	300	310					(310)	Deferred to 22/23
CLC Refurbish Roofs to Sports and Pool Halls	150	150					(150)	Deferred to 22/23
KLC Refurbish Pool Hall and Changing Village	250	250					(250)	Deferred to 22/23

Bowls Centre Conversion/Enhancements	75	90					(90)	Cabinet 13.07.21 approved £15k virement from Bowls Hall Replacement Furniture and committed £60k for conversion of Bowls Hall to multi-functional space. Parkwood have now agreed to fund the conversion. Reception and corridor floor upgrade £75k still required and deferred to 22-23.
BLC Improvements		104	52	4	(48)	9	(95)	Roofing enhancement works and glazing upgrade. Balance to support any emerging Health and Safety enhancements.
KLC Refurb Pitched/Flat Roof Areas	220	220					(220)	Deferred to 22/23
RBC EV Network		13				13		Committed, awaiting completion and sign off to release this payment. This scheme is fully funded by Government Grant.
Gresham Sports Park Redevelopment		1,258	612	537	(75)	1,258		Design works undertaken, main contractor started on site early 21-22. Scheme funded by S106 Developer Contributions and Football Foundation (FF) Grant. First claim for payment by main contractor £114k and first grant claim submitted to the FF for £64k and monies received. 2nd grant claim imminent.
Gamston Community Centre Enhancements Special Expense	115	115				115		Works due to commence Nov for 4 weeks.

Lutterell Hall Enhancements Special Expense	225	275		1	1	150	(125)	Tender documentation being prepared: site delivery dependent upon securing of listed building consent - application won't be determined before mid October; revised site delivery programme being reviewed. Refurbishment of main hall floor and thermal wall upgrade deferred to 25/26.
LAD2 Green Energy Grants		635	127		(127)	635		Newly emerge spending opportunity, fully funded by Government Grant. Scheme to facilitate external wall insulation, solar PV panels, and loft insulation in homes of non-standard construction. Commencing October, to be delivered in partnership with EON.
Gresham Sports Pavilion	125	125	90	47	(43)	125		Provision comprises: £100k refurbishment, and £25k plant upgrade. Majority of enhancement works have been instructed and are targeted for completion Autumn/early Winter.
RCP Front Footpath Improvements	15	15				15		Aim to procure this work at the same time as substantive development.
RCP Visitor Centre	285	344	67	5	(62)	344		Consultation event with Friends of RCP. Final design sent to members. Current consultation with planning and NCC as landowners regarding footpath diversion. Wind turbines decommissioned. Spend/completion may run into 22/23.

Extnal Door/Window Upgrades Various Sites	50	50				12	(38)	Gamston CH replacements £6k; Eaton Place £6k. £35k to be carried forward for works in 22-23.
Abbey Park Play Area Special Expense		35				75	40	Acceleration of £40k needed from the 22-23 capital programme to meet the cost of works. VIA commissioned for Project Management.
Alford Rd Play area Special Expense		75				75		VIA commissioned for Project Management
Covid Memorial Garden		20				15	(5)	Cabinet 8 June 2021 refers. Order placed and works to be completed 21/22.
Capital Grant Funding		40	20	10	(10)	35	(5)	£10k committed, £10k provisionally awarded; and £15k earmarked for a pending application. Potential saving of £5k.
RCP Vehicle Access Controls	15	15				15		Scope of works being finalised: tender preparation to follow alongside main works.
Play Areas - Special Expense	50							Allocated to Abbey Park and Alford Road Play Areas.
Boundary Rd Cycle Track Special Expense		78				78		Project due to start on site mid-October.
RCP Skatepark		144	144	136	(8)	144		ROSPA Safety report signed off and final contract payment processed. Potential for a small cost towards fencing improvement to the swale (awaiting quotes for this work)
West Park Public Toilet Upgrade Special Expense		20					(20)	Deferred to 22/23

West Park Julien Cahn Pavilion Special Expense	115	115					(115)	Scheme to be reviewed and re-appraised; deferred to 22/23 capital programme. The amount required may need to be £300k.
Skateboard Parks		112				112		£72k committed for RCP Skatepark; £40k earmarked for Keyworth. (Keyworth have submitted some grant bids in an effort to get match funding and established a go fund me page).
Warm Homes on Prescription	25	25	13	1	(12)	25		Grant approvals beginning to be processed.
	3,848	7,726	2,358	1,467	(891)	5,022	(2,704)	
FINANCE & CORPORATE SERVICES								
Information Systems Strategy	330	460	89	47	(42)	446	(14)	Anticipated savings from Skype for Business Migration.
Streetwise Loan 21/22	150	150				100	(50)	Streetwise unlikely to need full amount of this loan.
	480	610	89	47	(42)	546	(64)	
CONTINGENCY								
Contingency	100	250				30	(220)	Allocation for security measures at Unit 10, Moorbridge pending.
	100	250				30	(220)	
TOTAL	28,158	35,602	12,729	5,185	(7,544)	25,398	(10,204)	

Budget Monitoring for Special Expense Areas - Quarter 2				
	2021/22 Original £	Forecast P6 £	Forecast Variance £	Reasons for variance
West Bridgford				
Parks & Playing Fields	413,600	423,900	10,300	Play Area Repairs
West Bridgford Town Centre	91,400	91,400	0	
Community Halls	56,900	76,700	19,800	Gamston Community Hall - loss of income due to being used as a Covid Vaccination Centre
Annuity Charges	80,700	80,700	0	
RCCO	50,000	50,000	0	
Sinking Fund (The Hook)	20,000	20,000	0	
Government Income Loss reimbursement	0	-19,900	-19,900	
Total	712,600	722,800	10,200	
Keyworth				
Cemetery	7,900	7,900	0	
Annuity Charge	1,300	1,300	0	
Total	9,200	9,200	0	
Ruddington				
Cemetery & Annuity Charges	11,100	11,100	0	
Total	11,100	11,100	0	
TOTAL SPECIAL EXPENSES	732,900	743,100	10,200	

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