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Email democraticservices@rushcliffe.gov.uk

Our reference:
Your reference:
Date: Monday, 2 February 2026

To all Members of the Cabinet

Dear Councillor

A Meeting of the Cabinet will be held on Tuesday, 10 February 2026 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>
Please be aware that until the meeting starts the live stream video will not be showing on the home page. For this reason, please keep refreshing the home page until you see the video appear.

Yours sincerely



Sara Pregon
Monitoring Officer

AGENDA

1. Apologies for Absence
2. Declarations of Interest

[Link to further information in the Council's Constitution](#)

3. Minutes of the Meeting held on 13 January 2026 (Pages 1 - 6)
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.

Email:
customerservices
@rushcliffe.gov.uk

Telephone:
0115 981 9911

www.rushcliffe.gov.uk

Postal address
Rushcliffe Borough
Council
Rushcliffe Arena
Rugby Road
West Bridgford
Nottingham
NG2 7YG

NON-KEY DECISIONS

6. 2026/2027 Budget and Financial Strategy (Pages 7 - 152)

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

7. Article 4 Direction - Houses of Multiple Occupancy (HMOs) (Pages 153 - 258)

The report of the Director – Development and Economic Growth is attached.

Membership

Chair: Councillor N Clarke

Vice-Chair: Councillor A Brennan

Councillors: R Inglis, R Upton, D Viridi and J Wheeler

Meeting Room Guidance

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Recording at Meetings

National legislation permits filming and recording by anyone attending a meeting. This is not within the Council's control.

Rushcliffe Borough Council is committed to being open and transparent in its decision making. As such, the Council will undertake audio recording of meetings which are open to the public, except where it is resolved that the public be excluded, as the information being discussed is confidential or otherwise exempt



MINUTES OF THE MEETING OF THE CABINET TUESDAY, 13 JANUARY 2026

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

PRESENT:

Councillors N Clarke (Chair), A Brennan (Vice-Chair), R Inglis, R Upton, D Virdi
and J Wheeler

ALSO IN ATTENDANCE:

Councillors S Calvert, J Chaplain, P Gowland, L Plant and J Walker

OFFICERS IN ATTENDANCE:

L Ashmore	Director of Development and Economic Growth
R Clack	Deputy Monitoring Officer
A Hill	Chief Executive
P Linfield	Director of Finance and Corporate Services
H Tambini	Democratic Services Manager

49 Declarations of Interest

There were no declarations of interest made.

50 Minutes of the Meeting held on 25 November and 9 December 2025

The minutes of the meetings held on Tuesday, 25 November and 9 December 2025 were agreed as a true record and signed by the Chair.

51 Citizens' Questions

There were no Citizens' questions.

52 Opposition Group Leaders' Questions

Question from Councillor J Walker to Councillor Upton

"The mention of the site investigation and remediation in paragraph 4.22 of the report is welcome. What assurance can the Portfolio Holder for Planning and Housing provide that the local planning authority, Rushcliffe Borough Council will seek to ensure the site is investigated for contamination and any necessary remediation carried out?"

Councillor Upton advised that this matter will be considered during the planning application process. In consultation with the technical consultees, officers will

consider the wording of, and need for, any planning condition(s) relating to mitigating any potential contamination at that stage, as part of the planning process. When dealing with land potentially affected by contamination, planning conditions require the assessment and management of potential contamination to be undertaken in accordance with the well-established risk management framework provided in the Environment Agency's "Land Contamination Risk Management" guidance. Technical consultees will ensure that the information submitted to discharge the planning conditions is sufficiently robust to identify and address potential risks to human health and the environment.

Councillor Walker asked a supplementary question.

"The UK Health Security Agency (UKHSA) wrote to Rushcliffe Borough Council on 7 November, stating that there was suitable justification for further radiation survey at Tollerton Park because Radium 226 was detected in Rushcliffe Borough Council's 2008 survey, and that subsequent ground disturbance, including new homes and services may have moved the detected contamination or exposed new contamination. UKHSA advised this to ensure that health risks remain low.

Can Cabinet confirm whether this survey has been scheduled and then provide the date, and if not, explain why this recommendation has not yet been acted upon?"

Councillor Upton stated that he was well aware of the 2008 report and the UKHSA's comments and advised that he was not aware that the survey had been undertaken yet, and that he would respond in 14 days if that information needed updating. He also questioned if Tollerton Park formed part of the airfield planning application.

53 East of Gamston/North of Tollerton Development Framework Supplementary Planning Document

The Cabinet Portfolio Holder for Planning and Housing, Councillor Upton, presented the report of the Director – Development and Economic Growth, which detailed the East of Gamston/North of Tollerton Development Framework Supplementary Planning Document.

Before Councillor Upton introduced the item, the Leader advised that this report was not seeking to grant approval of any planning application, it was to consider approval of a framework, under which planning applications would be determined in the future. Matters including potential flooding and land contamination would be considered during the planning application process, they were not part of this particular process.

Councillor Upton referred to the significant public interest generated in the proposed redevelopment and reiterated the Leader's comments. It was noted that in 2014 this strategic site was adopted as part of the Rushcliffe Local Plan Part 1 for around 4,000 new homes, employment land and supporting infrastructure. The site was also included in the draft Greater Nottingham Strategic Plan, which would be publicly examined in the Spring. Councillor

Upton stated that during the last 11 years, discussions had taken place involving the Council, various consultees and stakeholders to develop a single-site Masterplan; however, progress had been slow, and limited to the last few years, resulting in the production of a Development Framework Supplementary Planning Document (SPD). It was not necessary to have a Masterplan or an SPD; however, the Council felt that it was better to have a Plan, to coordinate development and avoid random development without any site planning. Councillor Upton confirmed that the SPD had been considered and unanimously supported at the cross-party Local Development Framework Group meeting last week. He advised that the SPD had to be approved by 30 June, to avoid the Government's cut-off date, missing that deadline would delay the process, causing significant delay to this site's vital contribution to maintaining the Borough's five year housing supply, which the Council required to manage development in the Borough. Councillor Upton stated that without the five year supply, the Council could not resist unplanned development, which had happened before, and it would also allow developers to submit appeals to the Planning Inspectorate for non-determination. He referred to the National housing crisis and the Government's ambition to build 1.5 million homes during this Parliament.

Nevertheless, Councillor Upton advised that the Council had listed to comments made following the public consultation, and it was proposed that the decision to adopt the SPD should be paused, to request more detailed information and he proposed the following revised recommendation:

It is RECOMMENDED that Cabinet:

- a) continues to support the principle of a Development Framework Supplementary Planning Document (SPD) for the Gamston/Tollerton Sustainable Urban Extension;
- b) pauses the current SPD approval process in response to comments made to the public consultation, whilst more detailed information is requested on highways, especially the connectivity of the site to and across the A52;
- c) requests the Leader of the Council to write to:
 - the site owners/developers/promoters, including Nottinghamshire County Council as landowner of part of the site, to ask them to urgently provide the outstanding highways solution; and
 - Nottinghamshire County Council as Highways Authority and National Highways to work proactively and at pace to reach a satisfactory highways solution;

so that this SPD can be brought back to Cabinet by 10 March 2026 for further consideration.
- d) requires that any further detailed highways and Infrastructure Delivery Plan information is published for public consultation if appropriate;
- e) considers any future recommendations made by the Local Development

Framework Group; and

- f) thanks Council officers and others for the significant amount of work that has been done.

In seconding the revised recommendation, Councillor Brennan referred to the considerable misunderstanding regarding what this document actually represented and stated that if agreed, it did not mean that planning applications would automatically be approved. The SPD was not designed to address issues of potential contamination, flooding or highway matters, which would come forward in the Infrastructure Delivery Plan (IDP). The Masterplan was designed to impose some order, to avoid uncoordinated development and to ensure high standards of development and timely infrastructure provision. She reiterated that officers had been working for years to encourage developers to work together, and to engage with National Highways; however, this had proved extremely challenging, hence not all information was currently available. Councillor Brennan referred to the potential risks of not taking a decision tonight, and that if the Secretary of State intervened, she was in no doubt that going forward housing development would take place on this site, with the Council no longer having any control or input. As Councillor Upton had mentioned, the Council had listened to and reflected on the concerns raised by local residents, and it was willing to pause approval and redouble its efforts to urge relevant parties to provide the outstanding information.

Councillor J Wheeler reiterated the importance of having a Masterplan for the site, referred to the hard work, time and resources taken to reach this stage, and expressed disappointment that important information was still unavailable. He stated that a decision had to be taken, or the Council could lose control, as had happened in the past, including the wider Gamston extension built over 40 years ago, where issues remained, and he did not wish to see history repeated. The Masterplan would ensure that a framework was in place, to hold developers to account and he reiterated that given the Government's housing targets, having a five year housing supply was crucial to avoid speculative development. Councillor Wheeler stated that if the additional information was not provided, the Council would have to make a decision without it.

Councillor Viridi stated that this was ultimately not about slowing progress, rather it was about strengthening it, and the SPD would provide clarity for both the Council and residents moving forward. He agreed that pausing was the responsible course of action and was happy to support this approach.

The Leader reiterated that the Council did not want the Government to intervene, removing its control, and that issues including highways, flooding and land contamination would have to be satisfied as part of any planning application process.

It was RESOLVED that Cabinet:

- a) continues to support the principle of a Development Framework Supplementary Planning Document (SPD) for the Gamston/Tollerton Sustainable Urban Extension;

- b) pauses the current SPD approval process in response to comments made to the public consultation, whilst more detailed information is requested on highways, especially the connectivity of the site to and across the A52;
- c) requests the Leader of the Council to write to:
- the site owners/developers/promoters, including Nottinghamshire County Council as landowner of part of the site, to ask them to urgently provide the outstanding highways solution; and
 - Nottinghamshire County Council as Highways Authority and National Highways to work proactively and at pace to reach a satisfactory highways solution;
- so that this SPD can be brought back to Cabinet by 10 March 2026 for further consideration.
- d) requires that any further detailed highways and Infrastructure Delivery Plan information is published for public consultation if appropriate;
- e) considers any future recommendations made by the Local Development Framework Group; and
- f) thanks Council officers and others for the significant amount of work that has been done.

The meeting closed at 7.25 pm.

CHAIR

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Cabinet

Tuesday, 10 February 2026

2026/27 Budget and Financial Strategy

Report of the Director – Finance and Corporate Services

Cabinet Portfolio Holder for Finance, Councillor D Virdi

1. Purpose of report

- 1.1 This report presents the detail of the 2026/27 budget and the five-year Medium Term Financial Strategy (MTFS) from 2026/27 to 2030/31. It includes the revenue budget, the proposed Capital Programme, the Transformation and Efficiency Plan, the Capital and Investment Strategy (with associated prudential indicators), and the Pay Policy Statement.
- 1.2 The report is based upon the provisional Local Government Finance Settlement (the final settlement is due later in February 2026). Any changes will be covered in the final report to Full Council. It incorporates significant changes arising from the Fair Funding Review and Business Rates Reset.

2. Recommendation

It is recommended that Cabinet RECOMMENDS to Council that it:

- a) adopts the budget setting report and associated financial strategies 2026/27 to 2030/31 and appendices (attached Annex), including the summarised Special Expenses budget at Appendix 1, Budget Summary at Appendix 2, use of Reserves at Appendix 4, Transformation and Efficiency Plan at Appendix 5, core spending power at Appendix 6 and Report of the Nottinghamshire Finance Officers on the Business Rates Pool at Appendix 7;
- b) adopts the Capital Programme as set out in Appendix 3;
- c) adopts the Capital and Investment Strategy at Appendix 9;
- d) sets Rushcliffe's 2026/27 Council Tax for a Band D property at £161.76 (no increase from 2025/26, a freeze for one year);
- e) sets the Special Expenses for 2026/27 for West Bridgford, Ruddington and Keyworth, resulting in the following Band D Council Tax levels for the Special Expense Areas:
 - a. West Bridgford £67.40 (£64.84 in 2025/26)
 - b. Keyworth £3.35 (£3.21 in 2025/26)
 - c. Ruddington £3.40 (£3.14 in 2025/26);
- f) adopts the Pay Policy Statement at Appendix 8; and

- g) delegates authority to the Director – Finance and Corporate Services to make any minor amendments to the MTFS once the final Local Government Finance Settlement is received and advise the Finance Portfolio Holder accordingly, to be reported to Full Council.

3. Reasons for Recommendation

To comply with the Local Government Finance Act (1972) and ensure the budget enables corporate objectives to be achieved. The Council is required to set a balanced budget and demonstrate that it has adequate funds and reserves to address its risks. Recent economic events highlight the importance of adequate reserves to withstand volatility

4. Supporting Information

The Budget and Associated Strategies

4.1 The attached report and appendices detail:

- a. The anticipated changes in funding over the five-year period including changes to fees and charges;
- b. The financial settlement and Fair Funding Review for 2026/27 (including core spending power analysis and revised Business Rates and impact on the Nottinghamshire Business Rates Pool) and the budget pressures the Council must address over the medium term,
- c. The budget assumptions that have been used in developing the 2026/27 budget and MTFS and proposed use of reserves;
- d. The detailed budget proposals for 2026/27 including the Transformation and Efficiency Plan (TEP) to deliver the anticipated efficiency and savings requirement;
- e. The recommended levels of Council Tax for Band D properties for the Council and Special Expense areas of West Bridgford, Ruddington and Keyworth;
- f. The projected position with the Council's reserves over the medium term;
- g. Risks associated with the budget and the MTFS;
- h. The proposed Capital Programme;
- i. The proposed Pay Policy Statement; and
- j. The proposed Capital and Investment Strategy.

4.2 Key points within the MTFS are as follows (MTFS report (Annex) references in parenthesis):

- a) The Government's provisional settlement announced in December 2025 marks the first multi-year funding deal in a decade, covering 2026/27 to 2028/29 and providing greater certainty for medium-term planning. The

settlement is underpinned by the Fair Funding review, which redistributes resources based on deprivation indices. As a result, Rushcliffe faces a 2.46% reduction in core spending power over the period, despite prudent assumptions in the Medium-Term Financial Strategy enabling a balanced budget. **(Section 3.1).**

- b) Business Rates have undergone a national reset as part of the Fair Funding Review, resulting in a significant reduction in retained income—from £6.676m in 2025/26 to £2.729m in 2026/27 (a 59% reduction). A transition grant will partially offset this in 2027/28 and 2028/29. The revised schedule of revaluations (every three years, next due 1 April 2026) may result in fluctuations in collectible rates which may impact the budget further going forward. A short-term transition grant partially offsets this impact. The Nottinghamshire Business Rates Pool will be dissolved due to increased risk. **(Section 3.2).**
- c) It is proposed that Council Tax for 2026/27 will be frozen at £161.76 for Band D (0% increase). This still means that Rushcliffe's Council Tax remains the lowest in Nottinghamshire and amongst the lowest in the country. Noting there is a trade-off in lost income now (£0.223m) and foregone income in the future (over 5 years £1.228m) with a benefit to the taxpayer of £4.59 (a 2.84% increase if the Council chooses to maximise its Council Tax income). The tax base has increased by 1.5% in 2026/27 and is assumed to increase by 1.8% per annum thereafter. The impact of the Council Tax Freeze on CSP is to increase the reduction between 2025/26 and 2026/27 from 2.4% to a 3.9%. **(Section 3.3).**
- d) Special Expenses are increasing to £1.069m (£1.012m in 2025/26). Taking into account tax base changes, this results in Band D charges for West Bridgford increasing by £2.56 to £67.40 (£64.84 in 2025/26). Keyworth increases from £3.21 to £3.35, and Ruddington increases from £3.14 to £3.40, reflecting minor maintenance works and tax base changes **(Section 3.4).**
- e) Revenue Support Grant (RSG) has been reintroduced as part of the Fair Funding Review, with Rushcliffe receiving £5.210m in 2026/27, but this is set to reduce in future years. Previous grants, including New Homes Bonus and Employers NI, have been consolidated into the RSG **(Section 3.5).**
- f) New Homes Bonus (NHB) has now been rolled into the RSG as part of the Fair Funding Review, with no separate NHB payment from 2026/27 onwards **(Section 3.7).**
- g) The budget reflects ongoing inflationary pressures, with an average rate of 3% assumed for 2026/27. Pay costs are budgeted to increase by 3% in 2026/27 and 2% per annum, thereafter, driven by national wage settlements and the rising minimum national living wage. Higher interest rates have a positive effect on investment returns, partially offsetting inflation **(Section 2).**
- h) Car parking charges were increased in 2025/26 to cover three years, with the next planned increase in 2028/29, in line with the Council's Off-Street Car Parking Strategy **(Section 3.8).**

- i) Some fees and charges have been increased by 3.5% or more to offset increased costs caused by inflation and pay increases, while limiting increases in areas for the more vulnerable (such as home alarms) **(Section 3.8)**.
- j) Garden waste fees are increased annually by £2; for 2026/27 this includes an additional increase of £5 for second and subsequent bins. There will remain a differential of £5 from 2027/28 between the first bin and two or more bins **(Section 3.8)**.
- k) Simpler Recycling requirements for kerbside recycling (mainly glass and food waste) place pressure on both capital and revenue budgets, due to the requirement for additional vehicles and crews. Extended Producer Responsibility (EPR) Grant is intended to offset the increased costs however, by 2030/31 there is a net annual budget pressure of £0.879m which will be managed through the Simpler Recycling Reserve in the medium term **(Section 4.2)**.
- l) Taking into account resource predictions, spending plans and savings already identified, the Transformation and Efficiency Plan (TEP) delivers £1.998m of efficiencies over the five-year period, with a net surplus of £0.570m. The Organisation Stabilisation Reserve will be used to smooth the effect of variation in net budget requirement. With impending Local Government Reorganisation (LGR), there is more uncertainty over the medium term, and the Transformation Plan will undergo iterative development over the coming years **(Section 7)**.
- m) Commercial investment income is budgeted to remain stable, with no new commercial investments included in the Capital Programme. The Council continues to focus on maximising returns from its existing portfolio, which contribute to total investment income. These are continually managed and are proportionate given the risks and opportunities associated with such investments **(Section 3.8)**.
- n) The Council's earmarked reserves are projected to increase from £24.2m in 2025/26 to £26.2m by 2030/31, though most reserves have specifically identified uses such as LGR, climate change, and vehicle replacement. The operational and financial environment remains volatile, and the local government finance settlement has shown a significant decrease in real terms funding meaning reserves even more critical to ensure the Council can continue to operate and withstand any unexpected shocks **(Section 6)**.
- o) The MTFS projects a net surplus of £0.570m over the five-year period. The Organisation Stabilisation Reserve will be used to manage fluctuations, but with raised inflation, uncertainty over funding reforms, and LGR on the horizon, this position remains vulnerable **(Section 5)**.
- p) While there are capital pressures, external borrowing is not anticipated in the medium term. Borrowing would only be considered if all other options, such as leasing or use of reserves, have been exhausted.

- q) Key risks to the MTFS are highlighted, including the potential impact of the LGR, implementation of Simpler Recycling, inflationary pressures and risks from volatility to funding. Business Rates reform will take effect in 2026/27 and the impact of which will become clearer as the year progresses. Carbon reduction and rising demand in areas such as housing and homelessness, present challenges to both revenue and capital costs and income **(Section 8)**.
- r) The Capital Programme remains ambitious at £24.3m over the five years. In addition to rolling replacement schemes, the Programme focuses on maintaining and enhancing existing assets supporting economic development and meeting statutory requirements. Capital resources are projected to be £9.5m at the end of the five-year Programme. The level of Capital Receipts will only significantly increase if major assets are identified for disposal. External borrowing is not anticipated in the medium term but would be considered if necessary **(Section 9)**.

4.3 The MTFS has been developed at a time of significant change and economic volatility. Global conflict and policy changes add even more uncertainty but undoubtedly the biggest risk and uncertainty is LGR. Whilst this MTFS has been prepared for a 5-year period, it is likely that the Council will be operating under a new unitary council before the end of this MTFS period.

4.4 The MTFS process has been rigorous and thorough and includes a Transformation and Efficiency Programme incorporating targets that are robust and achievable whilst delivering the most significant item of change: LGR. The settlement will see the Council receive a significant reduction in funding. Prudence and strong financial stewardship means the Council can freeze council tax and is able to navigate the financial constraints on both the revenue and capital budgets and continue to deliver the Council's Corporate Priorities. To facilitate growth in the borough and support residents during the cost-of-living challenges with a Council Tax freeze for this year.

5. Alternative options considered and reasons for rejection

Other options, such as increasing Council Tax by a number of different amounts, were considered. A freeze for 2026/27 is recommended as the Council can balance the budget over the MTFS period without putting the Council at risk of issuing a S114 notice. The financial impact of not maximising Council Tax increases is detailed in the main report.

6. Risk and Uncertainties

6.1 Section 8 of the Annex covers key risks that may impact upon the MTFS. The Council continues to monitor upside risks such as the Freeport and Combined Mayoral Authority, which may facilitate greater economic growth.

6.2 Undoubtedly a Council Tax freeze reduces future revenues and could inhibit the delivery of services. This is not anticipated in the medium term.

6.3 Freezing Council Tax also reduces Core Spending Power further (the Government's assessment of the Council's ability to fund services). The

perception therefore is that Rushcliffe has enough resources with a Council Tax freeze despite the fact that it has already had reduced funding this year compared to previous years. This could adversely impact future funding from central Government. Arguably that has happened in any case when in the more recent past the Council has, for example, not been allocated Levelling-Up funding.

7. Implications

7.1 Finance Implications

7.1.1. The Council is required to set a balanced budget for the 2026/27 financial year. The proposals present a balanced budget, and the S151 Officer gives positive assurance that the budget is balanced, robust, and affordable. The Capital Programme is achievable, realistic, and resourced, with funds and reserves adequate to address the risks within the budget. There will be a Section 25 Report by the Section 151 Officer accompanying the Full Council budget commenting further on the robustness of the budget.

7.1.2. Regarding the Council Tax freeze the Council by virtue of having one of the lowest Council Tax levels in the country has been disadvantaged by referendum limits. 3% on a higher Council tax generates more than 3% on a lower value. Freezing Council Tax will worsens this differential.

7.2. Legal Implications

The recommendations of this report support compliance with the Local Government Finance Act 1972.

7.3 Equalities Implications

There are no equalities implications associated with the recommendations of this report.

7.4 Section 17 of the Crime and Disorder Act 1998 Implications

There are no Section 17 implications associated with the recommendations of this report.

7.5 Biodiversity Net Gain Implications

There are no Biodiversity implications associated with the recommendations of this report.

8. Link to Corporate Priorities

The Environment	Allocating resources to invest in projects that support the Council's environmental objectives.
Quality of Life	Ensuring services that residents value are maintained and enhanced.

Efficient Services	Ensuring efficient use of resources and maximising returns and the development of the Transformation and Efficiency Plan.
Sustainable Growth	Ensuring the Council supports the Economic Growth Strategy and engages in projects such as the Freeport.

9. Recommendation

It is recommended that Cabinet RECOMMENDS to Council that it:

- a) adopts the budget setting report and associated financial strategies 2026/27 to 2030/31 and appendices (attached Annex), including the summarised Special Expenses budget at Appendix 1, Budget Summary at Appendix 2, use of Reserves at Appendix 4, Transformation and Efficiency Plan at Appendix 5, core spending power at Appendix 6 and Report of the Nottinghamshire Finance Officers on the Business Rates Pool at Appendix 7;
- b) adopts the Capital Programme as set out in Appendix 3;
- c) adopts the Capital and Investment Strategy at Appendix 9;
- d) sets Rushcliffe's 2026/27 Council Tax for a Band D property at £161.76 (no increase from 2025/26, a freeze for one year);
- e) sets the Special Expenses for 2026/27 for West Bridgford, Ruddington and Keyworth, resulting in the following Band D Council Tax levels for the Special Expense Areas:
 - a. West Bridgford £67.40 (£64.84 in 2025/26)
 - b. Keyworth £3.35 (£3.21 in 2025/26)
 - c. Ruddington £3.40 (£3.14 in 2025/26);
- f) adopts the Pay Policy Statement at Appendix 8; and
- g) delegates authority to the Director – Finance and Corporate Services to make any minor amendments to the MTFs once the final Local Government Finance Settlement is received and advise the Finance Portfolio Holder accordingly, to be reported to Full Council.

For more information contact:	Peter Linfield Director – Finance and Corporate Services 0115 914 8439 plinfield@rushcliffe.gov.uk
Background papers Available for Inspection:	Ministry of Housing Communities and Local Government (MHCLG) website, 2025/26 Financial settlement papers
List of Annexes and Appendices (if any):	Annex to the Budget Report Appendix 1 Special Expenses Appendix 2 Revenue Budget Service Summary Appendix 3 Capital Programme 2026/27 – 2030/31 (including appraisals) Appendix 4 Use of Earmarked Reserves 2026/27 Appendix 5 Transformation and Efficiency Plan Appendix 6 Core Spending Power Appendix 7 Report on the Business Rates Pool

	Appendix 8 Pay Policy Statement 2026/27 Appendix 9 Capital and Investment Strategy 2026/27 to 2030/31
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RUSHCLIFFE BOROUGH COUNCIL

BUDGET SETTING REPORT AND ASSOCIATED FINANCIAL STRATEGIES

2026/27-2030/31

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1 INTRODUCTION AND EXECUTIVE SUMMARY

1.1 Introduction

The provisional settlement released by Government in December 2025 is the first multi-year settlement in a decade; this covers the three financial years from 2026/27-2028/29 and brings an increased certainty for medium term planning. The settlement is based on the long-awaited Fair Funding review which as the name suggests attempts to distribute the fixed funding pot more fairly between local authorities through a refresh of the apportionment methodology. However, as this has been based on deprivation indices, Rushcliffe is one of the worst authorities affected seeing a reduction in core spending power of 2.46% between 2025/26 and 2028/29 (see appendix 6 for comparative breakdown). The Council mitigated this risk with prudent assumptions built into last year's Medium Term Financial Strategy (MTFS) and careful planning has allowed a balanced budget to be achieved. The resource allocation has less focus on rewarding and compensating authorities with regards to growth, epitomised by the loss of New Homes Bonus, which was a significant funding stream for the Borough (regularly circa £1.5m or more).

Fair Funding has consolidated previous grants including New Homes Bonus and Employer NI grant, rolling them into one Revenue Support Grant (RSG) which has been calculated to give a revised allowance based on indices with a high weighting towards deprivation. Business Rates baselines (expected collection amounts) have been reset, and a mansion tax for properties over £2m has been introduced, however this will be retained by Government and possibly recycled to Local Government from 2028/29. The effect of the reset is a reduction from £6.676m in Business Rates income in 2025/26 to £2.729m in 2026/27 a 59% reduction. A transition grant in 2027/28 and 2028/29, a total of £2.223m additional income offsets this in the short term. Due to the business rates reset all Nottinghamshire authorities in the Nottinghamshire Business Rates Pool have agreed to dissolve the pool as downside risks outweigh upside risks (Appendix 7 gives further information).

Implementation of Simpler Recycling (SR) has begun with kerbside glass collections commencing in 2025/26 and will be followed by kerbside food collection in 2027/28. There remain uncertainties around the level of funding with an indication of £1.279m for 2026/27 and the expectation that this will reduce as producers seek to minimise the Extended Producer Responsibility (EPR) charge by changing packing which drives the EPR grant paid to Local Authorities. With costs of these increased collections estimated at £1.5m by 2030/31, it is clear that there will be both significant revenue and capital pressures. A Simpler Recycling Reserve was established to mitigate these pressures and has been replenished by £1.25m in 2028/29 but may need to be topped-up for future years if additional funding is not secured. The Council will continue to

make representations to the Government that the imposition of such duties should be properly funded by the Government as with any 'new burden'.

In previous years the Transformation and Efficiency Plan (TEP) has helped to reduce the funding gap. As budgets become increasingly lean, identifying further savings is proving a greater challenge and Local Government Reorganisation (LGR) will become the overriding Transformation Programme on its own and will take significant resource to deliver. Prudent management of Council budgets combined with the Council driving ongoing financial efficiencies means RBC is in a relatively stable financial position going into increasingly challenging times. Future opportunities may arise from the use of technology and artificial Intelligence. There still remains ongoing resource intensive projects such as the exit from the East Leake Leisure Centre private finance initiative (PFI) arrangements. Whilst this may contribute significant savings of £0.807m in the three years to 2028/29 as part of the Transformation Plan the Council will still be responsible for the asset and therefore will need to fund future capital expenditure on this asset rather than the current PFI arrangement. This means an increase in earmarked reserves for leisure centres as the Council continues to invest in its assets. This constitutes good financial planning.

The Council are one of the few councils who are debt free with a reasonable level of reserves, which helps to protect against unexpected pressures. Reserves are increasing from £24.3m in 2025/26 to £26.3m by end of 2030/31 however most reserves have specifically identified uses such as for LGR which are not yet reflected in the budget and so financial risk remains significant. Recruitment and retention of staff and the potential use of agency resource along with system and process changes are heightened risks with LGR and a specific reserve has been created to mitigate such risks (£2.9m by March 2028).

The budget has assumed an average inflation rate of 3%, with specific areas such as insurance and some IT contracts subject to higher rates (up to 10%) based on current renewal information. The Government uses interest rates as a key tool to contain inflation and interest rates are expected to fall to 3.25% during 2026 although there are many macro-economic factors which can influence assumptions, such as geo-political conflict. Commendably the Council remains debt free, so is not yet subject to interest costs from borrowing. As interest rates fall the interest earned on treasury investments reduces.

The Government assumes Council Tax will be maximised at the higher of £5 or 3% in its funding assessment and this is what the MTFS assumed last year. This budget now includes a freeze on the Rushcliffe element of the Council Tax for 2026/27. This is good news for residents with a saving of £4.59 per annum as the Council recognises cost of living pressures. There are downsides to this freeze, resulting in lost income of £0.223m and £1.228m over 5 years MTFS period (see section 11).

Core Spending Power (CSP) is already reducing by 2.4% between 2025/26 and 2026/27 and a Council Tax freeze will increase the CSP reduction to 3.9%. With inflation at over 3% there are therefore real term pressures on council budgets. The reduction in Council Tax reduces this element of future income for this Council or a new unitary authority, whilst it is affordable now, increasing Council Tax by the maximum, is what the Government anticipates Councils will do. Not maximising Council Tax by the maximum amount impacts on financial sustainability and prudence. The Council is already in the lowest 25% of district councils for its element of Council Tax and whilst freezing Council tax is good for residents it exacerbates the gap between Rushcliffe and other districts and worsens its ability to raise future Council Tax income, one of its more stable income streams. Thus, a council tax freeze perpetuates an existing inequality within the current funding system.

The Council will continue to focus on delivering budget efficiencies through either cost reduction or raising income. Broadly fees for discretionary services have been increased by 3.5% to recover the increase in the costs of delivering these services; however, this is also balanced with the demand for services (given cost of living pressures) and services used by the more vulnerable in our community; and other fees have been adjusted in line with market forces.

The Council remains sustainable due to its range of income streams which have been increased to contain aforementioned inflation costs, including commercial property income and fees and charges, with a proportionate approach to generating income, therefore, despite the financial challenges, the net projected financial position over the 5 years gives a £0.569m surplus. The surplus includes two years of transition grant and by 2030 the in-year surplus is minimal.

The Council continues to invest in its assets within the borough with a 5-year capital programme of £24.3m so it can continue to deliver excellent services to residents. Given this commitment capital resources continue to be depleted and are estimated to be in the region of £9.2m at the end of the MTFS period. There remains a rising asset base, including the vehicle requirements of Simpler Recycling and acquisition of land for carbon offsetting, which places more demands on capital, revenue resources and therefore balancing the revenue budget. Schemes that are good for 'place', the community and economic growth are not self-financing in the same way more commercial investments maybe. Improving Rushcliffe as a place and encouraging growth, remain key priorities, as such the capital programme includes schemes which focus on the delivery of core services and supporting the more vulnerable in the Borough such as enhancements to our buildings and the delivery of funded initiatives such as Support for Registered Housing Providers, Disabled Facilities Grants (which has included in the last 12 months additional funding) and the Warm Home Scheme. Also included is £0.4m allocation for capital grants for 3G football pitch and changing room upgrades subject to applications, for the whole of the Borough. We are focused on

both the present and the future so there remains sustainable growth in the borough and our main towns. Hence there is funding for the Radcliffe on Trent Masterplan of £1m and £50k is earmarked to support East Leake master planning work. It is important we future proof Rushcliffe, so it continues to be a great place, with a great lifestyle and great sport, irrespective of the type of local government organisation that follows.

Executive Summary

This report outlines the Council's Medium Term Financial Strategy (MTFS) through to 2030/31 including the revenue and capital budgets, supported by several key associated financial policies alongside details of changes to fees and charges. Some of the key figures are as follows:

Table 1 – Five-year Budget Estimate

Year	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Net (Surplus)/Deficit (£)	(184,900)	(482,400)	225,000	(33,000)	(93,700)	(569,000)

Table 2 – Key changes

	2025/26	2026/27	Change
RBC Precept	£7.728m	£7.843m	£0.115m
Council Tax Band D	£161.76	£161.76	£0
Council Tax Increase	2.46%	0%	(2.46%)
Council Tax Band D with Special Expenses	£182.94	£183.81	£0.87
Council Tax Increase with Special Expenses	2.99%	0.48%	(2.51%)
Retained Business Rates	£6.676m	£2.729m	(£3.947m)
Revenue Support Grant	£0.123m	£5.210m	£5.087m
New Homes Bonus	£1.478m	£0.000m	(£1.478m)

Table 3 – Change in precepts - Special Expenses

	2025/26	2026/27	£ change	% Change
Total Special Expense Precept	£1,011,600	£1,069,300	£57,700	5.70%
West Bridgford	£64.84	£67.40	£2.56	3.95%
Keyworth	£3.21	£3.35	£0.14	4.36%
Ruddington	£3.14	£3.40	£0.26	8.28%

The Local Government Act 2003 introduced a requirement that the Chief Financial Officer reports on the robustness of the budget. The estimates have been prepared in a prudent manner, although it should be recognised that there are elements outside of the Council's control. Several risks have been identified in Section 8 of this report, and these will be mitigated through the budget monitoring and risk management processes of the Council.

2 BUDGET ASSUMPTIONS

Table 4 – Statistical assumptions which affect the five-year financial strategy

Assumed increases/inflation	Note	2026/27	2027/28	2028/29	2029/30	2030/31
Utilities	a	3%	3%	3%	3%	3%
Diesel/Fuel	b	3%	3%	3%	3%	3%
Contracts	a	3%	3%	3%	3%	3%
Pay costs increase	c	3%	2%	2%	2%	2%
Employer's pension contribution rate	d	16.70%	16.70%	16.70%	16.70%	16.70%
Return on cash investments	e	3.31%	3.25%	3%	3%	3%
Tax base increase	f	1.5%	1.80%	1.80%	1.80%	1.80%
Employers National Insurance	g	15.00%	15.00%	15.00%	15.00%	15.00%

Notes to assumptions

- a) High inflation has resulted in a permanent increase in the Councils spending levels and has been built into future year budgets to ensure commitments can be met. Inflation peaked at 11.2% in October 2022, this has fallen to 3.6% as December 2025 and is expected return to the Government's target of 2% within the MTFS period, perhaps during 2026, but this as in recent years this can soon increase based on local and global events. A standard rate of inflation of 3% for contracts has been assumed, however there is variation within this for specific contracts.
- b) The majority of the Council's fleet vehicles have now been converted to use HVO fuel. Fuel by its nature is volatile in price but we have assumed a 3% increase in future years, and we will continue to review costs over the medium term.
- c) Payroll projections have increased due to upward pressure on National Living Wage and pay negotiations (also driven by inflation) which also include the agreed pay award for 2025/26 of 3.2%.
- d) The Council has recently received the results of the latest triennial valuation of the pension fund, covering the period 2026/27 to 2028/29. The valuation shows an improved asset position, resulting in a reduction of the employer's primary contribution rate from 18.50% to 16.70%. The estimated annual deficit payment (to

meet historical pension liabilities) has also fallen for the forthcoming 3-year period from £0.720m per annum average to a £0.661m per annum average (£0.637m, £0.661m, £0.685m in 2026/27, 2027/28 and 2028/29 respectively).

- e) Cash investment returns are based on projections consistent with the Council's Capital and Investment Strategy. The Bank of England Base rate dropped from 4.25% in April 2025 to 3.75% in December 2025 and is expected to be 3% by the end of the MTFS period, recent UK and World events may affect this and projections can change.
- f) The tax base for 2026/27 has reduced from 1.8% to 1.5% to reflect current trend, this forecast will remain at 1.8% growth for future years in the expectation this will increase to prior levels.
- g) The increase in Employers National Insurance (13.8% to 15%) and reduced threshold in 25/26 equated to approximately £300k per annum. In 2025/26 the Council received a grant of £123k towards this increase, for 2026/27 onwards this has now been rolled into Revenue Support Grant (redistributed through the Fair Funding Review).

3 FINANCIAL RESOURCES

3.1 Fair Funding Commentary

The provisional settlement announced by Government on 17 December 2025, ended the single year settlements and delivered the long-awaited business rates reset and fair funding review, the absence of which in recent years has made budget setting increasingly challenging. The settlement covers three years of funding allocations from 2026/27 to 2028/29, however future years are illustrative and subject to change based on a continuing annual settlement.

On aggregate, for local government, there was an increase in Core Spending Power of 5.7% for 2026/27. There was much local variation within this with some winners and losers. Rushcliffe, like many district councils was one of the worst affected suffering a decrease of 2.46%. Appendix 6 shows a breakdown of funding and per head analysis which shows a reduction of 4.78% per head from 2025/26 to 2028/29. The settlement figures assume that district councils maximise their ability to raise Council Tax to referendum limits which remain at 2.99% for 2026/27 a freeze in Council tax for the Rushcliffe element in 2026/27 would increase the reduction in CSP from 2.4% to 3.9% when comparing 2025/26 to 2026/27. When setting the budget last year, reduced funding was expected and mitigated by careful planning and appropriations to reserves.

The provisional outcome of the Fair Funding Review has allocated funding across two main streams, Business Rates Retention (BRR) and Revenue Support Grant (RSG), with some additional funding added to local authority figures through Baseline Funding Level (BFL – the amount the Government thinks we need) indexing and RSG increases.

Homelessness, Rough Sleeping and Domestic Abuse grants are now part of the Core Spending Power and received as a single ringfenced grant with its own distribution methodology. Simpler Recycling Enhanced Producer Responsibility (EPR) payments are outside the scope of Core Spending Power and will be additional income, however it is expected that this will taper off as producers seek to reduce their levy.

Grants previously received for New Homes Bonus and Employers NI have been rolled into the Fair Funding Assessment and redistributed under the Fair Funding Review. Confirmation on future Internal Drainage Board Funding is to be determined by Government and they are looking at consulting on this later in the year. Currently this places an unfair expenditure pressure on the Council of £0.46m (£0.447m 2025/26) which Rushcliffe taxpayers have to pay for.

This section of the report outlines the resources available to the Council: Business Rates, Council Tax (RBC and Special Expenses), Revenue Support Grant, Fees, Charges and Rents, and Other Income

When comparing pre and post reform income, the Government has determined that the Council is due to receive transition funding in the years 2027/28 and 2028/29 totalling £2.223m, after this there is no further transition grant.

3.2 Business Rates

The Business Rates reset from 1 April 2026 is part of the Government's Fair Funding Review. The reset is long overdue and aims to restore the balance between aligning funding with need and rewarding business rate growth locally. All local authorities have been subject to an updated assessment of need and assigned new Business Rates Baselines (BRBs), Baseline Funding Levels (BFLs), and top-up or tariffs. The Government intends to deliver regular resets; however, the reset periods are yet to be determined.

The BFL has been set to the amount that Local Authorities expect to collect in 2026/27, business rates growth previously retained locally has been added to national totals and redistributed based on Fair Funding 2.0. An increased safety net at 100% of BFL, guarantees this level of funding in 2026/27 regardless of actual income. This will fall to 97% in 2027/28 and return to the usual rate of 92.5% in 2028/29, with the risk that Councils are more likely to go into safety net.

Alongside the reset, the Business Rates tax base has been revalued for 2026/27 which removes the need to adjust for valuations in top up/tariff adjustments, however an adjustment will be required in 2027/28 for any difference between the provisional and final revaluations in March 2026 after the final settlement and this will be doubled to account for both 2026/27 and 2027/28.

Changes to multipliers have been made, the previous small and standard multipliers have been subdivided into Retail Hospitality and Leisure (RHL) and non-RHL, and a fifth multiplier created for all high value properties. The move from the two to five-tier system is intended to ensure fairer contributions from larger operations and replaces the annual RHL relief. This means that the Council will have a larger proportion of the rates to collect from businesses rather than received through direct relief payments.

The Council ordinarily makes assumptions reflecting national experience of successful business ratings appeals. This has been built into the settlement allocation for Rushcliffe using the national average appeals percentage 3.75%, also

included in the settlement figure is 0.9% allowance for bad debts.

The Business Rates element of the Collection Fund is estimated to be in deficit by £0.548m (RBC share £0.219m) at the end of 2025/26 and this will be recovered in 2026/27.

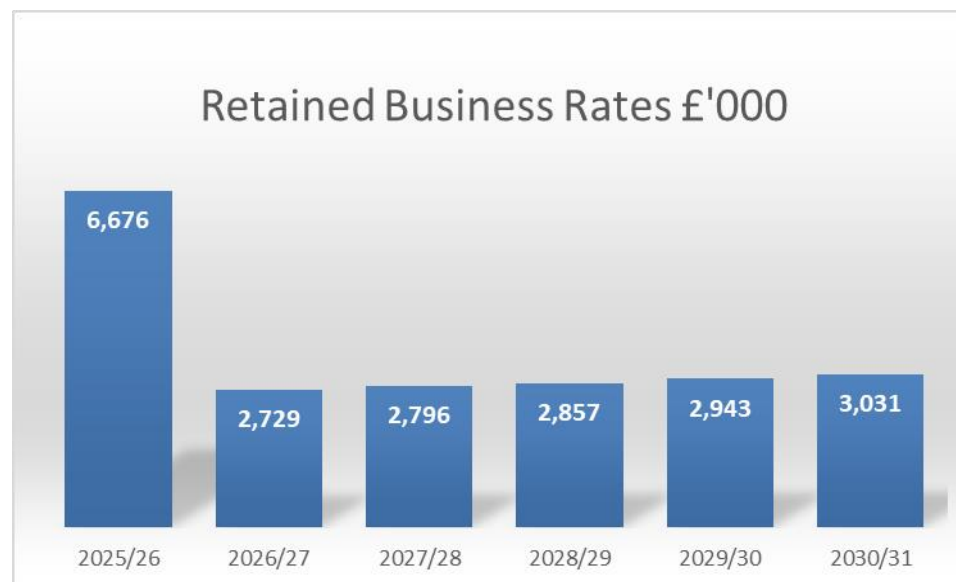
The Nottinghamshire Business Rates Retention (BRR) Pool, operating since 2013/14, may have continued into 2026/27, but a full system reset and changes to levy and safety net arrangements mean pooling offers little benefit and carries significant risk. Growth above baseline is unlikely, most authorities will not exceed the new 10% levy, and pooling could result in substantial losses due to increased safety net payments. Scenario testing shows losses are far more probable than gains; therefore, the decision has been made by all Nottinghamshire pool participants to dissolve the existing pool for 2026/27 (Appendix 7).

Table 5 - Forecast position for Business Rates

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
*Retained Business Rates £'000	(6,676)	(2,729)	(2,796)	(2,857)	(2,943)	(3,031)
Increase/(Decrease) £'000	1,213	(3,947)	67	61	86	88
Increase/(Decrease) %	22%	(59%)	3%	2%	3%	3%

*Retained Business Rates figures include baseline funding plus Business Rates receipts from Renewable Energy Hereditaments within the borough.

Chart 1 – Business Rates Projections



3.3 Council Tax

The Government has assumed in future funding projections that Councils will take up the option of increasing their Council Tax by the higher of 3% or £5 for a Council Tax Band D (maintained at 3% for a fourth year). The Council is required to consider Special Expenses when assessing increases against the referendum limit and ensure that together the Special Expenses and Borough increase totals the higher of £5 or 3%. When setting Council Tax, the Council's priority is to maintain service delivery despite rising costs and to ensure adequate reserves to safeguard against unforeseen risks, however the Council acknowledges the cost-of-living challenges that residents face. Whilst maximising Council Tax is the most prudent and sustainable decision, a reduced Council Tax charge would benefit the residents of the borough during this challenging period. There is a financial impact of not maximising Council Tax increases, for example, if the Council were to increase by the full 3% this would be a total increase of £5.47, with Rushcliffe's element £4.59 or 2.84%, by choosing to freeze Council Tax for 2026/27, income of £0.223m is foregone and this represents a loss of £1.228m over the 5 years. A range of options (zero to maximum) are shown in Section 11. After careful financial analysis the conclusion is that over the 5-year period the Council

is able to balance the budget with a Council Tax freeze and this would not put the Council at risk of issuing a S114 notice, considering current risks. The loss of future income will impact the new unitary authority although is not material to the overall business case. For 2026/27 it is therefore recommended that the Rushcliffe Element of Council Tax is frozen. Going forward the assumptions are to revert to the maximum increase of 2.99%. The Special Expense increases are discussed in paragraph 3.4.

The 2026/27 tax base has been set at 48,486.30, an increase of 1.5% based upon the current Council Tax base and anticipated growth during 2026/27 (reflected in a lower increase in precept of £115k). Thereafter it is assumed a 1.8% increase per annum. This will be reviewed as the Council looks to deliver its housing growth targets.

The overall collection fund net surplus for 2025/26 is expected to be £0.316m (RBC share £25.6k) which will be distributed in 2026/27.

Table 6 - Movement in Council Tax, the tax base, precept, and the Council Tax Collection Fund deficit

*rounding applies

		2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Council Tax Base	(a)	47,769.80	48,486.30	49,359.10	50,247.60	51,152.10	52,072.80
Council Tax	(b)	£161.76	£161.76	£166.96	£172.79	£178.58	£184.53
Annual Increase (RBC element)		£3.89	£0	£5.20	£5.83	£5.79	£5.96
% Increase (RBC element)		2.46%	0%	3.22%	3.49%	3.35%	3.34%
Gross Council Tax Collected*	(a x b)	(7,727,300)	(7,843,100)	(8,241,200)	(8,682,300)	(9,134,600)	(9,609,200)
Increase in Precept		£308,800	£115,800	£398,100	£441,100	£452,300	£474,600
Council Tax (Surplus) / Deficit		(£6,100)	(£25,600)	0	0	0	0
Council tax including Special Expenses (SE)		182.94	£183.81	£189.31	£194.97	£200.80	£206.80
Annual Increase (inc SE)		£5.31	£0.87	£5.50	£5.66	£5.83	£6.00
% Increase (RBC & SE)		2.99%	0.48%	2.99%	2.99%	2.99%	2.99%

3.4 Special Expenses

The Council sets a special expense to cover any expenditure it incurs in a part of the Borough which elsewhere is undertaken by a town or parish council. These costs are then levied on the taxpayers of that area. As with previous years, special expenses will be levied in West Bridgford, Ruddington and Keyworth.

Appendix 1, summarised in Table 7, details the Band D element of the precepts for the special expense areas. Expenditure in West Bridgford has increased by £56.1k, this is mainly due an increase in the annuity charge of £47.6k to cover capital works to Sir Julien Cahn Pavillion and Gamston, however this has been offset by the removal of works relating to West Park which is no longer a special expense. This results in an increase in the Band D charge of £2.56 (3.95%) or 4.9p per week. Historically, the amount collected from the precept has not been sufficient to cover actual spend, as at 31 March 2025 this deficit amounted to £184k. Due to the use of external grant funding for some of the capital works, the surplus on the annuity collected has increased to £78k, it is proposed to utilise this to reduce the revenue balance. Planned repayments of the revenue deficit in 2025/26 will bring this down to £90k, but this will be subject to the year-end outturn position. Additional annuity payments of £30k in 2026/27 to 2028/29 will bring this to zero.

The Band D amount for Keyworth has increased by £0.14 (4.36%) and Ruddington has increased by £0.26 (8.28%), both relate to small increases in the precept due to minor maintenance works at the cemeteries. The small values give a distorted percentage increase. The budgets for the West Bridgford Special Expense area have been discussed at the West Bridgford Special Expenses and Community Infrastructure Levy group (in October 2025 and January 2026), given the more detailed nature of the budget.

Table 7 - Special Expenses

	2025/26		2026/27		
	Cost £	Band D £	Cost £	Band D £	% Change
West Bridgford	991,100	64.84	1,047,200	67.40	3.95
Keyworth	10,100	3.21	10,600	3.35	4.36
Ruddington	10,400	3.14	11,500	3.40	8.28
Total	1,011,600		1,069,300		

3.5 Revenue Support Grant (RSG)

As part of Fair Funding 2.0, Rushcliffe will receive overall less Government support under the new methodology. RSG funding has been allocated for a three-year period amounting to £11.593m for Rushcliffe, gradually phasing out to allow the Council time to adjust to the lower levels of funding. The final two years of the MTFS have been estimated at a 3% increase. Previous grants for New Homes Bonus, Employers NI and the legacy Business Rates multiplier under indexation have been rolled into the Fair Funding assessment and redistributed as part of the Fair Funding Review. The Homelessness Grant (including Domestic Abuse and Rough Sleeping) is a separate grant which is ringfenced and therefore reflected in the net service expenditure budget.

Table 8 – Revenue Support Grant

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Revenue Support Grant £'000	(123)	(5,210)	(3,878)	(2,505)	(2,580)	(2,657)
Increase/(Decrease) £'000		5,087	(1,332)	(1,373)	75	77
Increase/(Decrease) %		41%	(26%)	(35%)	3%	3%

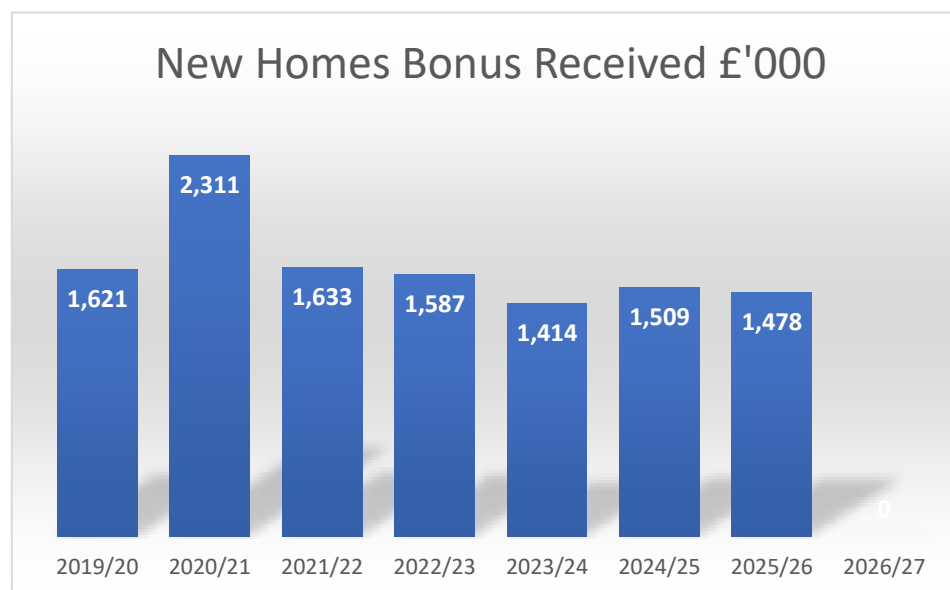
3.6 Other Grants

In 2025/26 grants were received for Employers National Insurance compensation £123k and Minimum Funding Guarantee £101k, and Green Plant and Machinery (Business Rates related) £17k, as part of Fair Funding, these have been rolled into the Revenue Support Grant. Additional grants may arise during the year in the form of New Burdens; these are unknown and not included in the budget.

3.7 New Homes Bonus

The New Homes Bonus (NHB) scheme was intended to give clear incentive to local authorities to encourage housing growth in their areas. For the past few years one-year extensions to this payment have been awarded with £1.478m funding received in 2025/26. This has now been rolled into the RSG grant calculations as part of the Fair Funding Review.

Chart 2 – Historical New Homes Bonus Payments



3.8 Fees, Charges and Rental Income

The Council is dependent on direct payment for many of its services. The income, from various fees, charges, and rents, is a key element in recovering the costs of providing services which accord with the Council's principles of cost recovery. Where possible fees and charges have increased by 3.5% or more, others have increased to offset increased costs whilst in some areas price increases are limited in those areas that affect the more vulnerable (such as home alarms).

The Fees, Charges and Rental Income budget is shown in Table 9.

Table 9 – Fees, Charges and Rental Income

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000	£'000
Car Parks	(1,228)	(1,228)	(1,228)	(1,328)	(1,328)	(1,328)
Licences	(334)	(388)	(390)	(393)	(393)	(393)
Non Sporting Facility Hire	(160)	(154)	(155)	(156)	(157)	(157)
Other Fees & Charges	(966)	(996)	(1,007)	(1,014)	(1,020)	(1,026)
Planning Fees	(1,585)	(1,386)	(1,435)	(1,485)	(1,537)	(1,591)
Rents	(2,217)	(2,157)	(2,264)	(2,268)	(2,273)	(2,277)
Service Charge	(486)	(494)	(494)	(494)	(494)	(495)
Crematorium Income	(759)	(857)	(939)	(1,026)	(1,116)	(1,212)
Garden Waste & Bin sales	(1,770)	(1,939)	(2,110)	(2,285)	(2,466)	(2,651)
Total	(9,505)	(9,599)	(10,022)	(10,449)	(10,784)	(11,130)

Income assumptions are determined by several factors including current performance, decisions already taken and known risks and opportunities. Where possible, the MTFS has made provision for future inflationary increases in fees and charges to balance the cost of providing services whilst having regard for the local economy, service market position and the ability of residents to pay. Anticipated income from commercial property investments is budgeted to increase in-line with contractual rent reviews.

Car Parking charges – prices at Bingham and West Bridgford Car Parks were increased in 2025/26 to cover 3 years. The next increase is planned for 2028/29.

Licensing income budgets show an increase in 2026/27 from 2025/26, mainly due to bringing budgets in-line with the current trend / increases in license applications (mainly taxis). This is a cost neutral service, no assumed increase in income or expenditure has been built into later years.

Non-sporting facility hire consists of room hire at the community buildings and service charges relate to home alarms, prices and demand are market driven. The 2026/27 budgeted income is based on fees and charges and anticipated usage; this is

reviewed each year.

Statutory increases in Planning Fees, which came into effect December 2023, didn't result in income levels budgeted for due to a national decline in large applications. This has resulted in a downward base budget adjustment in income levels for 2026-27 with inflationary increases in planning fees and charges going forward.

Rent and Service charges relate to commercial property investments, increases to individual rents are made according to the leases period, there is also an element of vacancy lapse which means actual income tends to remain mostly static.

Crematorium income is budgeted to rise steadily, above the rate of inflation, over the next five years as it is now establishing itself in the market.

Garden Waste, historically increased every three years, is now increased annually by £2 per annum to balance the additional costs incurred to deliver the service. The 2026/27 budget includes an increase in charge of £5 for second and subsequent bins in addition to the annual inflationary increase. There will remain a differential of £5 from 2027/28 between first bin and two or more bins.

3.9 Other Income

In addition to fees and charges, the Council also receives a range of other forms of income, these are summarised in Table 10 below.

Table 10 – Other Income

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000
Council Tax Costs Recovered	(305)	(354)	(354)	(354)	(354)	(354)
Council Tax/ Housing Benefit Admin Grants	(148)	(149)	(153)	(158)	(163)	(168)
Interest on Investments	(1,435)	(1,318)	(1,284)	(1,208)	(1,132)	(1,069)
Other Income	(1,517)	(1,684)	(1,699)	(1,719)	(1,738)	(1,738)
Recycling Credits	0	(200)	(200)	(200)	(200)	(200)
Other Government Grants	(534)	(648)	(729)	(776)	(776)	(776)
Sub Total	(3,939)	(4,353)	(4,419)	(4,415)	(4,363)	(4,305)
Housing Benefit Subsidy	(11,758)	(12,103)	(12,459)	(12,741)	(13,118)	(13,118)
Total	(15,697)	(16,456)	(16,878)	(17,156)	(17,481)	(17,423)

The majority relates to Housing Benefit Subsidy (£12.103m in 2026/27) which is the Council's reimbursement of the costs of the national housing benefit scheme. Over recent years the subsidy has been reduced due to the transfer of new claimants to Universal Credits, and this is expected to continue to decline over the coming years although this is offset by inflationary increases to benefits. From 2028/29 Discretionary Housing Payments income is not included as this will move to the County Council, equal and offsetting expenditure has also been removed.

Other Income mainly arises from the Leisure Contract £1.2m which has increased inline with inflation and improved performance at Edwalton Golf Course.

Interest from investments reflects assumptions based on balances available to invest and expected interest rates (see Appendix 9, Capital and Investment Strategy). Interest rates are expected to reduce next year, plateauing around the 3.25%

rate. This, together with a drop in the amount available for investment (namely due to reserve balances and S106 and Community Infrastructure Levy (CIL) monies decline), will see interest from investments reduce year on year until 2030/31.

Recycling Credits were expected to reduce to zero from 2025/26 with the introduction of Simpler Recycling and the receipt of Extended Producer Responsibility (EPR) funding, however this has not been the case, as such the income has been added back to the budget for the remainder of the MTFS. EPR funding of £1.279m has been advised for 2026/27, there is a risk as funding beyond 2026/27 has not yet been confirmed and if producer habits change then the funding may well reduce. This has been reflected in the budget assumptions with funding reducing year on year (section 4.2 gives more detail).

In 2026-27, Other Government Grants consists of NNDR (£119k), Domestic Violence (£35k), Housing Benefits Administration (£12k) and Homelessness Prevention of £483k (increased from £360k in 2025/26, along with increased responsibilities).

3.10 Income Summary

Table 11 – All Sources of Income

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000
Retained Business Rates	(6,676)	(2,729)	(2,796)	(2,857)	(2,943)	(3,031)
Business Rates Pool Surplus	(400)	0	0	0	0	0
Transitional Reliefs	0	0	(687)	(1,536)	0	0
RSG Grant	(354)	(5,210)	(3,878)	(2,505)	(2,580)	(2,657)
Extended Producer Responsibility (EPR) Grant	(1,407)	(1,279)	(1,000)	(750)	(600)	(600)
New Homes Bonus	(1,478)	0	0	0	0	0
Council Tax (RBC)	(7,728)	(7,843)	(8,241)	(8,682)	(9,135)	(9,609)
Council Tax (Special Expenses)	(1,012)	(1,069)	(1,103)	(1,115)	(1,137)	(1,160)
Collection Fund Surplus	(835)	(26)	0	0	0	0
Fees, charges and rental income	(9,505)	(9,599)	(10,022)	(10,449)	(10,784)	(11,130)
Other income	(15,697)	(16,456)	(16,878)	(17,156)	(17,481)	(17,423)
Total Income	(45,092)	(44,211)	(44,605)	(45,050)	(44,660)	(45,610)

4 2026/27 SPENDING PLANS

The Council's spending plans for the next five years are shown in Table 12 and include the assumptions in Section 2.

Table 12 – Spending Plans

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000
Employees	16,403	16,899	17,752	18,452	18,803	19,149
Premises	1,763	1,776	1,778	1,835	1,903	1,957
Transport	1,757	1,786	1,965	2,092	2,155	2,200
Supplies & Services	5,212	5,699	5,823	5,804	5,930	6,021
Transfer Payments	11,949	12,342	12,713	13,016	13,411	13,817
Third Party	1,311	666	418	343	345	346
Depreciation / Impairment	1,895	4,246	4,007	3,890	3,890	3,890
Capital Financing	0	114	90	65	52	45
Capital Salaries Recharge	(175)	(160)	(80)	(70)	(50)	(30)
Gross Service Expenditure	40,115	43,368	44,466	45,427	46,439	47,395
Reversal of Capital Charges	(1,895)	(4,246)	(4,007)	(3,890)	(3,890)	(3,890)
Collection Fund Deficit	0	219	0	0	0	0
Transfer to Reserves	2,148	3,448	3,232	3,425	1,760	1,686
Minimum Revenue Provision	1,174	1,237	432	312	318	325
Overall Expenditure	41,542	44,026	44,123	45,274	44,627	45,516

4.1 Explanations for main movements

- Employee costs include a budgeted 3% salaries increase in 2026/27 and 2% thereafter, as well as an increase in waste collection staffing 2027/28 onward in respect of the introduction of food waste collection. These are offset by a reduction in employer pension contributions (18.5% to 16.7%) following the triennial pensions valuation.
- Premises costs include utilities which have been rebased for 2026/27 which resulted in a reduction in estimate due to actual increases in prices being less than anticipated. Both Business Rates and utilities have been budgeted for with an increase of 3% each year however the pending revaluation and multipliers are likely to impact these.
- Transport costs show an increase over the 5-year period mainly due to increased motor insurance premiums, increased maintenance costs and the additional vehicle costs related to Simpler Recycling.
- Supplies and services have increased in-line with assumed inflation.
- Transfer Payments (Housing Benefit Rent Allowances) are assumed to increase with inflation increases to benefits; however some level of decrease due to claimants moving to Universal Credit has been included. This will be mostly offset by Housing Benefit Subsidy which has been set accordingly see table 10.
- Depreciation is net zero impact on the general fund (fully offset by the reversal of capital charges line)
- Capital Salaries relate to staff time spent working on capital programme schemes (mainly Property services staff), which reduce in later years due to the profiling of capital schemes.
- The Collection Fund deficit relates to £219k deficit arising from estimated year-end position in 2025/26. Council Tax has a small, estimated surplus of £26k which can be seen in table 11.
- Minimum Revenue Provision (MRP) (predominantly repayment of the Arena) decreases in 2027/28 as this comes to an end. The final payment in relation to East Leake PFI arrangement (IFRS16 Right of use asset) is also 2027/28 and contributes to the movement. No new debt is envisaged over the medium term and the Capital Programme is fully funded.

4.2 Simpler Recycling

In October 2023 the Government announced their plans for the introduction of 'Simpler Recycling'. Kerbside glass collection commenced in 2025/26 requiring an additional collection crew and vehicle costs, this is offset by savings on glass bank collections. Food collection is due to commence in 2027/28 and will require additional crews and associated vehicle costs. Current Revenue Support Grant is expected to fund food waste demand although it is unclear what this level of funding is and how it has been calculated.

As part of this scheme an Extended Producer Responsibility fee is levied on producers based on their product lifecycles and the type of packaging, this is passed on to Local Authorities for recycling collections as an EPR Grant. For 2026/27 this grant has been indicated to be £1.279m. Future years have not yet been confirmed but it has been assumed that some level of funding will be received, however it is expected that this will decline as producers seek to reduce and improve packing to minimise the EPR charge. These risks to funding may place increasing pressure on the revenue budget. Table 13 below shows the estimated effect, with an overall shortfall of £1.171m across the 5 years. A Simpler Recycling Reserve was created to smooth the cashflows and to make provision for this shortfall.

The revenue budget pressures are detailed below and the respective impact on employees and other operating costs are within each of the budget lines in Table 12.

Table 13 Revenue Budget Pressure

	2026/27	2027/28	2028/29	2029/30	2030/31
Revenue	£'000	£'000	£'000	£'000	£'000
Glass	129,400	157,500	185,700	189,000	193,000
Food	0	613,200	1,238,100	1,261,000	1,286,000
Total	129,400	770,700	1,423,800	1,450,000	1,479,000
EPR grant	(1,279,000)	(1,000,000)	(750,000)	(600,000)	(600,000)
Net Budget Pressure	(1,002,600)	(229,300)	673,800	850,000	879,000

5 BUDGET REQUIREMENT

The budget requirement is formed by combining the resource prediction and spending plans. Appendix 2 gives further detail on the Council's five-year Medium Term Financial Strategy.

Table 14 Budget requirement

	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	Total £'000
Total Income	(44,211)	(44,605)	(45,050)	(44,660)	(45,610)	(224,136)
Gross Expenditure	44,026	44,123	45,274	44,627	45,516	223,566
Net Budget Position (Surplus)/Deficit	(185)	(482)	224	(33)	(94)	(570)
Planned Transfer (to)/from Reserves	(3,448)	(3,232)	(3,425)	(1,760)	(1,686)	(13,551)
Revised Transfer (to)/from Reserves	(3,633)	(3,714)	(3,201)	(1,793)	(1,780)	(14,691)

Table 14 shows a budget surplus of £0.185m in 2026/27 and £0.482m in 2027/28, followed by a small deficit in 2028/29 and moving back a small surplus in the last two years of the MTFS.

The total surplus position of £0.569m over the 5-year period will be managed using the Organisation Stabilisation Reserve to smooth the effect of variation in net budget requirement. The budget includes Transformation and Efficiency Plan savings of £1.998m (Table 17) over the 5-year period. Table 15 shows the comparative figures if Council tax were not frozen, this would be a surplus position over the 5-year period of £1.795m. A surplus position gives headroom to cover future risks and particularly capital programme pressures.

Planned Transfer to/from reserves include items outside of the revenue budget such as the transfer from New Homes Bonus Reserve to fund Minimum Revenue Provision (MRP). Further details can be found in Section 6.

Table 15 Budget requirement if Council Tax was not frozen in 2026/27

	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	2030/31 £'000	Total £'000
Net Budget Position (Surplus)/Deficit	(408)	(712)	(21)	(290)	(364)	(1,795)
Planned Transfer (to)/from Reserves	(3,448)	(3,232)	(3,425)	(1,760)	(1,686)	(13,551)
Revised Transfer (to)/from Reserves	(3,856)	(3,944)	(3,446)	(2,050)	(2,050)	(15,346)

6 RESERVES

Table 16 details the estimated balances on each of the Council's specific reserves over the 5-year MTFS. This also shows the General Fund Balance which remains stable at £2.6m. Total Specific Reserves projected to increase from £24.3m to £26.3m (2025/26 – 2030/31). Appendix 4 details the movement in reserves for 2026/27 which also includes capital commitments.

A Local Government Reorganisation (LGR) Reserve has been created with appropriations of £1.09m transferred in from the Organisation Stabilisation Reserve, it has been increased with past in-year efficiencies leaving £2.7m as at 31 March 2031, however it is expected that this reserve will be largely exhausted by vesting day (start of a new Council under LGR). Expenditure is not yet profiled as the timing of costs are unknown.

The Climate Change Reserve supports projects that contribute to the Council's ambitions to protect and enhance the environment including the reduction of its carbon footprint. A projected balance of £0.816m is available from 2026/27 after the use of £1.5m to acquire land for carbon offsetting planned in 2025/26 and further measures relating to carbon offsetting of £0.176m. The reserve has been increased in the latter years of the MTFS to allow for potential energy improvements to industrial units and leisure centres. Allocations from the Climate Change Reserve will be made as projects get approved and this will be affected by LGR in later years. Existing capital schemes are assessed for any carbon reduction measures and funding from the reserve allocated. The Council continues to look at avenues of external funding to support carbon reduction initiatives (such as at its leisure centres); and if successful these will be reported via Cabinet and Corporate Overview Group and Climate Change scrutiny reviews, in their financial updates.

The Simpler Recycling Reserve is used to smooth the shortfall between EPR government grants and expenditure on both capital and revenue Simpler Recycling schemes (glass and food waste) this reserve has been topped up in 2028/29 to protect against any variance to assumptions of grant income (section 4.2 provides more information).

A Vehicle Replacement Reserve exists to support the acquisition of new vehicles, plant, and equipment. Additional waste collection rounds following Simpler Recycling require an increase in the number of waste vehicles, an annual allocation has been increased from £0.185m to £0.685m to provide for this.

A total of £2m has been added to the Leisure Centre Maintenance Reserve over four years to cover any upgrades required

to maintain existing centres and to allow for any works required under the transition of East Leake Leisure Centre from PFI into the leisure management contract and therefore the responsibility of the Council.

The Treasury Capital Depreciation Reserve (currently £1.3m) exists to mitigate the potential losses of reductions in the capital value of the Council's multi-asset investments. These assets provide a relatively large proportion of the Council's total investment income but are however at-risk due to fluctuations on market value linked to adverse impacts on the economy of global conflict. There is currently a statutory override in place until March 2029 mitigating risk until 2029/30.

The New Homes Bonus reserve stands at £8.383m on 1 April 2026; no further income is expected as this grant has now been rolled into Fair Funding Assessment. In 2026/27 this reserve will be used to fund MRP, Empty Homes Compulsory Purchase Orders, Grants for Football Facilities and Radcliffe on Trent Masterplan. A further £50k is earmarked for the East Leake Masterplan.

The Elections reserve is built up each year to meet the cyclical cost of borough elections. With LGR the next election is anticipated for the shadow authority in May 2027.

It is important that the level of reserves is regularly reviewed to manage future risks. Although the reserves balances appear healthy at £26.3m as at 31 March 2031, it should be noted that most reserves have specifically identified uses with spend to be identified and profiled. The Organisational Stabilisation Reserve protects the Council against any future unforeseen expenditure and risks. The release of reserves will be regularly reviewed to balance funding requirements and the potential need to externally borrow to support the Capital Programme, although not anticipated during the period of the MTFS. Being prudent, we need to ensure we do have future funds to deliver capital projects, and we aim to top up reserves from any in-year revenue efficiencies identified.

It is the professional opinion of the Council's Section 151 Officer, that the General Fund Reserve position of £2.6m is adequate given the financial and operational challenges (and opportunities) the Council faces.

Table 16 – Specific Reserves

£ 000's	Balance 31.03.25	Balance 31.03.26	Balance 31.03.27	Balance 31.03.28	Balance 31.03.29	Balance 31.03.30	Balance 31.03.31
<i>Investment Reserves:</i>							
Regeneration and Community Projects	4,281	3,625	2,534	2,358	2,081	721	280
Sinking Fund - Investments	882	569	649	449	564	764	964
<i>Corporate Reserves:</i>							
Organisation Stabilisation	3,908	6,359	6,384	7,127	6,776	7,235	6,914
Treasury Capital Depreciation Reserve	1,310	1,310	1,310	1,310	1,310	1,310	1,310
Climate Change Action	2,492	816	531	481	1,223	1,790	2,357
Flood Grant & Resilience	22	22	22	22	22	22	22
Simpler Recycling Reserve	1,250	965	1,685	1,902	2,478	1,628	1,200
Vehicle Replacement Reserve	605	460	845	1,225	1,610	2,115	2,500
LGR Reserve	661	1,090	2,014	2,938	2,862	2,786	2,710
Risk and Insurance	100	100	100	100	100	100	100
Planning Appeals	425	340	340	340	340	340	340
Elections	101	151	201	8	83	158	233
<i>Operating Reserves:</i>							
Planning	56	85	85	85	85	85	85
Leisure Centre Maintenance	43	33	498	1,013	1,528	2,000	2,015
Total Excluding NHB Reserve	16,136	15,925	17,198	19,358	21,062	21,054	21,030
New Homes Bonus	8,153	8,383	6,194	5,820	5,646	5,472	5,298
Total Earmarked Reserves	24,289	24,308	23,392	25,178	26,708	26,526	26,328
<i>General Fund Balance</i>	2,604	2,604	2,604	2,604	2,604	2,604	2,604
TOTAL	26,893	26,912	25,996	27,782	29,312	29,130	28,932

7 THE TRANSFORMATION AND EFFICIENCY PLAN

Since 2010, the Council has successfully implemented a Transformation and Efficiency Plan (TEP), to drive change and efficiency activity to deal with the scale of the financial challenges the Council faces. The TEP strategy to cover the period to 2029/30 was presented as part of the budget report in 2025/26 and no changes have been made. The Executive Management Team, alongside budget managers, have undertaken a review of all Council budgets, any resulting savings have been fed into the MTFS. The TEP focuses on the following themes:

- Service Efficiencies
- Thematic Reviews
- Additional income

This Programme will form the basis of how the Council meets the financial challenge summarised at Appendix 5. The below demonstrates that by 2030/31 with £1.998m of efficiencies a £1.4m deficit over 5 years results in a net surplus of £0.569m.

Table 17 – Savings targets

	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000
Gross Budget Deficit excluding Transformation Plan	6,859	7,288	8,517	8,440	8,562
Cumulative savings in Transformation Plan	(6,658)	(7,044)	(7,770)	(8,292)	(8,473)
Gross Budget Deficit/(Surplus)	201	244	747	148	89
Additional Transformation Plan Savings	(386)	(726)	(522)	(181)	(183)
Net Budget Deficit/(Surplus)	(185)	(482)	225	(33)	(94)

The Council's budget for 2026/27 and beyond includes the impact of inflationary increases whilst also being restricted by Government policy on commercial activity to generate additional income, limiting borrowing for wider projects dependent upon capital spending proposals, and excluding borrowing from the Public Works Loan Board (PWLB) where capital spend is solely

for commercial gain. The Council has continued to review its services and processes and, where possible, identify efficiencies and increase income.

The Council maintains an ongoing annual review of its current transformation projects. The initiatives and efficiency proposals scheduled for delivery from 2026/27, outlined in Appendix 5, primarily stem from renegotiating the Leisure Strategy provision. Identifying additional savings within already lean budgets remains challenging, particularly given inflation and with Local Government Reorganisation (LGR) leading to significant change. Consequently, the Council's capacity to undertake new large-scale projects such as Rushcliffe Oaks and Bingham Arena, which significantly contributed to savings is now limited. The Council will continue to deliver projects as demonstrated by the Capital Programme and technological developments such as Artificial Intelligence (AI), may offer future efficiency savings and improvements to customer experience. LGR will be a substantial transformation project, and resources will be directed towards this increasingly as the Council, as expected, approaches 1 April 2028 and ceases to operate in its current form.

8 RISK AND SENSITIVITY

The following table shows the key risks and how we intend to treat them through our risk management practices. Further commentary on the higher-level risks is given below the table.

Table 18 – Key Risks

Risk	Likelihood	Impact	Action
Central Government policy changes e.g Fairer Funding, ceasing NHB and Business Rates reset leading to reduced revenue; or increased demand on resources for example environmental policy changes with regards to waste will create future financial risk (Extended Producer Responsibility (EPR) and weekly food collections); changes to DFG allocations.	Medium	Medium	Engagement in consultation in policy creation and communicating to senior management and members the financial impact of changes via the MTFS. Budget at baseline plus renewables for business rates in years of uncertainty. Inclusion of demand and/or income in the MTFS and Capital Programme, and calculations to understand the impact of any proposals.
Impact on resources to transition to a new authority as part of LGR	High	High	Engage in relevant working groups and report back to Cabinet or Full Council. LGR reserve created.
Lifespan of this MTFS likely to be curtailed, for example 2027/28 could be the last year for this Borough Council's budget	High	High	To update the MTFS in future years and report to Full Council
Environmental carbon reduction and bio-diversity net gain (BNG) commitments leading to greater pressure on revenue and capital budgets.	High	Medium	Climate Change Reserve being replenished (including for potential land acquisition for carbon reduction), ongoing review of significant projects and outcome of scrutiny review. A vehicle replacement reserve which will help fund, for example, electric vehicles. Apply for external funding where possible.

The Council is unable to balance its budget, and the budget is not sustainable in the longer term as a result of increased inflation and other risks.	Medium	Medium	S151 Officer s25 Statement which is presented with the budget. Going concern report presented to Governance Group to confirm that the Council has sufficient reserves to withstand the short-term financial shocks. Budget set to include latest assumptions on inflationary increases.
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The Council recognises there are upside risks in maximising opportunities. The risks above can change depending on changes in the services as a result of TEP projects or other changes to the environment, particularly legislative. The Council maximises income generating opportunities and efficiencies wherever possible, so it remains self-sufficient and continues to grow the Borough and provide excellent services.

The MTFS presents a net surplus of approximately £0.569m over the 5-year period and the Organisation Stabilisation Reserve will be used to smooth the impact of fluctuations in income and new expenditure. Reserves are necessary to ensure the Council can continue to deliver services to its residents and to protect the Council from risks in relation to funding uncertainty and rising costs. The expectation is LGR will be within the lifespan of this MTFS and a reserve has been created to support the costs associated with transition, although upfront costs of LGR are to be determined once we know which unitary option is chosen and thereafter the operating model.

9 CAPITAL PROGRAMME

9.1 Setting the Capital Programme

Officers submit schemes to be included in a draft Capital Programme, which also includes on-going provisions to support Disabled Facilities Grants (DFGs) and investment in Social Housing. This draft programme is discussed by Executive Management Team (EMT) along with supporting information and business cases where appropriate with the big projects and the overall fiscal impact reported to Councillors in budget update sessions. Seismic projects normally involving capital acquisition, will also be reported separately to Cabinet for approval. The draft Capital Programme continues to be further refined and supported by detailed appraisals as set out in the Council's Financial Regulations. These detailed appraisals are included at Appendix 3 along with the proposed five-year capital programme which is summarised at Table 19. This remains an ambitious programme totalling £24.3m for 5 years, although the programme is diminishing as resources reduce and therefore the likelihood of borrowing increases.

9.2 Significant Projects in the Capital Programme

The Council's five-year Capital Programme shows the Council's commitment to deliver more efficient services, improve its leisure facilities, enable economic development and be more environmentally sustainable. Against a background of financial challenge, with both inflation pressures and the perilous state of public finances, the strength of the Council's financial position is such that it continues to support economic growth and sustainable excellent services in the Borough. The Programme is approved for the five-year period and allows flexibility of investment to enhance service delivery, provide widened economic development to maximise business and employment opportunities. The programme is reviewed by Full Council as part of the budget setting process. A major focus of the Capital Programme is to improve services, be transformative and generate revenue income streams to help balance the Council's MTFS. Significant projects in the Capital Programme include:

- a) £0.605m is included in the programme for enhancements to the Council's portfolio of Investment Properties. This investment ensures that we have high quality lettable retail and business units capable of delivering a robust revenue income stream thereby supporting economic development. Cost of enhancements on Investment Properties are met from the Investment Property Reserve.

- b) A provision of £1m has been included for the Radcliffe-On-Trent Masterplan for the acquisition of land or property, to include professional fees and costs of any contract works (to be reported to March 2026 Cabinet).
- c) A provision of £500k remains for West Bridgford Town Centre Regeneration, to help 'pump prime' a larger initiative with public sector partners, such as pedestrianisation of Central Avenue.
- d) The on-going vehicle replacement programme totals £6.1m over 5 years. This includes provision for investment in additional vehicles to accommodate new legislation to provide kerbside food recycling – estimated expenditure on food recycling totals £1.6m with expected government grants totalling £1.2m, the balance to be met from the Simpler Recycling Reserve. The vehicle replacement programme will be subject to future review as consideration is given to transitioning to electric/hybrid vehicles.
- e) The provision for Support to Registered Housing Providers has benefitted significantly from Planning Agreements monies arising from Land North of Bingham £3.8m. This sum, together with the balances of other Planning Agreement monies and capital receipts set aside for Affordable Housing gives a total provision available of £3.7m. Options for commitment of these monies continue.
- f) £1.7m over the 5 years for investment in the upgrade of facilities at Leisure Centres and other Leisure Sites (Gresham, Lutterell Hall, and Toothill School). There are planned refurbishments to changing villages; floor replacement; roof enhancements; and upgrades for plant and lighting. Schemes are considered in the light of the Leisure Strategy and are aimed at maintaining excellent standards of leisure provision.
- g) £0.4m has been included in the programme to offer grants to third party sporting organisations to develop football facilities in the Borough as part of the Football Foundations Local Facilities Plan. This has been split equally between 2026/27 and 2027/28, however this maybe accelerated or slipped dependant on the timing of demand.
- h) £1m is included in the programme to facilitate delivery of Warm Homes Grants to assist residents to improve the energy efficiency of their properties. This scheme is fully funded by Government Grant.
- i) £0.750m has been included in the programme to support the Compulsory Purchase of Empty Homes. The aim is to dispose of such properties in a back-to-back transaction to generate capital receipts to cover the acquisition costs. It is expected there will be some costs incurred that will not be recovered as part of the sale.
- j) Disabled Facilities Grants (DFGs) provision of £4.5m has been provided in the 5-year programme. This is based on MHCLG award letter for 2025/26, it includes £0.150m allocation from revenue underspends. Funding has

become extremely tight to meet the statutory spending requirement, and Rushcliffe had to take the unusual step of allocating £0.7m of its own resources to support spending pressures, this is not sustainable. Cabinet and Senior Officers have actively lobbied Central Government and Local Authorities across Nottinghamshire for additional and redistributed Better Care Fund (BCF) grant allocations. This has resulted in the government announcing a further £50m funding for DFGs in January 2026. It is estimated RBC's share will be £0.065m although it is not certain this funding will be available in future years. The government have also announced a review of the way DFG funding is allocated to Local Authorities and this is due to be published later this year. Rushcliffe's future BCF spending plans are no longer able to support discretionary DFGs, Assistive Technology (Home Alarms) or the Warmer Homes on Prescription scheme. This will be reviewed in the light of additional grant monies made available.

- k) Rolling provisions for the Information Systems Strategy (£1.3m across the 5 years) will ensure that the Council keeps pace with innovative technologies, protects itself against cyber-attacks and continues to modernise services and deliver 'channel shift' in an increasingly virtual world.
- l) £425k has been included across the 5 years to enhance Play Areas in West Bridgford on a rolling programme. These costs are subject to the West Bridgford Special Expense.
- m) A Contingency sum of £0.1m has been included each year, to give flexibility to the delivery of the programme and to cover unforeseen circumstances.
- n) Given the projected level of the Council's cash balances at March 2026 and future years and LGR, external borrowing is unlikely to be needed in the medium term. The cash flow balances are strongly underpinned by the holding of Developer Contributions: S106s and CIL monies. It is anticipated that the Council will not need to borrow internally either to finance the Capital Programme. The projected Capital Financing Requirement (CFR - the Council's underlying need to borrow) reduces from is £8.4m at the end of 2025/26 to £5.4m at the end of 2030/31. The timing and incidence of internal/external borrowing will be affected by any slippage in, or additions to, the capital programme, delayed capital receipts, and cash balances and this is reflected in the CFR shown at table 2 of the Capital and Investment Strategy (Appendix 9).

9.3 Table 19 – Five-year capital programme, funding and resource implications

	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000	2030/31 Estimate £000	MTFS 5 Year TOTAL £000
Expenditure Summary						
Development & Economic Growth	1,470	450	765	0	0	2,685
Neighbourhoods	5,143	3,923	3,377	4,410	2,953	19,806
Finance & Corporate Services	485	330	330	330	330	1,805
Total	7,098	4,703	4,472	4,740	3,283	24,296
Funded By						
Usable Capital Receipts	325	625	315	915	435	2,615
Government Grants	2,224	1,733	870	870	870	6,567
Earmarked Reserves	4,549	1,928	1,670	1,975	1,978	12,100
Grants and Contributions	0	0	0	0	0	0
Section 106 / CIL Contribution to Affordable Housing projects	0	417	1,617	980	0	3,014
Borrowing	0	0	0	0	0	0
Total	7,098	4,703	4,472	4,740	3,283	24,296

Capital Resources	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000	2030/31 Estimate £000
Opening Balance	15,008	12,070	11,820	10,951	9,578
Projected Receipts	4,160	4,453	3,603	3,367	2,875
Use of Resources	(7,098)	(4,703)	(4,472)	(4,740)	(3,283)
Balance Carried Forward	12,070	11,820	10,951	9,578	9,170

9.4 Capital Funding Resources

The Council's capital resources are slowly being depleted to fund the Capital Programme. It is projected that capital resources will be in the region of £9.2m at the end of the five-year life of the Programme. This comprises: £7.9m Earmarked Capital Reserves; £0.5m Capital Receipts; and £0.8m S106 contributions. The level of Capital Receipts will increase slightly by repayment of loans by third parties but will only significantly increase if major assets are identified for disposal in the future. The Council continues to review its asset base and the potential for asset disposal.

Capital receipts expected over the course of the MTFS include:

- £0.552m in repaid loan principal from Nottinghamshire County Cricket Club
- An estimated £50k per year from the Right to Buy Clawback agreement which gives the Council a share of Preserved Right to Buy arrangements following Large Scale Voluntary Stock Transfer in 2003 (A change to Government Policy which reduces the discount percentage applied to Right to Buy Sales should increase the amount the Council receives from any future sales, however the change may cause a reduction in the number of sales and this cannot be predicted).

The following significant capital grants and contributions will be used to support the funding of the proposed capital programme:

- £3m from Planning Agreements for off-site affordable housing. £2.6m of this comes from a new S106 for Land North of Bingham
- £1.157m government grant awards under EPR to fund Simpler Recycling for food waste.
- £1.060m funding via the East Midlands Net Zero Hub to deliver Warm Home Grants.
- An estimated £0.870m per annum from the Better Care Fund to deliver Mandatory Disabled Facilities Grants

9.5 Future Capital and Principles

We have projected forward the impact on capital resources of spend on core capital such as property, vehicle and ICT replacement and ongoing DFG pressures and by 2040 the reserves will be depleted. Given prospective LGR future capital spend will be the preserve of a new local authority.

The Council has always been mindful of the fundamental principles of good capital and treasury management namely ensuring

we remain prudent, and it is both affordable and sustainable (i.e. the revenue consequences are built into our plans). This in line with the CIPFA Codes on Treasury and Capital management. The Council is not afraid to borrow but this must be done in a sensible and manageable way and not put Rushcliffe's future financial and operational future at risk. Before we borrow, we will always look at utilising the Council cash balances, external funding (grants) and capital receipts as more sensible options and other factors such as the timing of loans and prevailing interest rates. If a capital scheme is required that does not pay for itself and this is a corporate objective, then financial budget will be required from elsewhere, and this must be demonstrated prior to any approval. We will continue to be sensible even with the spectre of LGR and continue to adopt good professional practice and governance. The following are guiding principles that we are now following regarding the budget, to ensure the risk of the budget being unsustainable is reduced:

- *Where possible individuals that use facilities should pay for them*
- *Maximise income where we can and ensure costs are recovered*
- *Focus on reducing discretionary expenditure*
- *Those that own assets are responsible for their maintenance*
- *Continue to identify budget expenditure efficiencies*
- *Maximise the use of Council assets*
- *Defer borrowing for as long as possible and ensuing costs (using cash, balances, reserves, additional capital receipts and external funding where possible), with individual schemes having robust business cases*
- *Capital projects should be considered within the context of LGR to ensure activity supports the future direction of the Council.*

10 TREASURY MANAGEMENT

Attached at Appendix 9 is the Capital and Investment Strategy (CIS) which integrates capital investment decisions with cash flow information and revenue budgets. The key assumptions in the CIS are summarised in the following table:

Table 20 – Treasury Assumptions

	2026/27	2027/28	2028/29	2029/30	2030/31
Anticipated Interest Rate	3.31%	3.25%	3.00%	3.00%	3.00%
Expected Interest from investments (£)	1,263,100	1,235,200	1,163,300	1,091,900	1,033,900
Other Interest	54,400	48,800	44,300	39,900	35,200
Total interest (£)	1,317,500	1,284,000	1,207,600	1,131,800	1,069,100

The CIPFA Treasury Management and Prudential Codes includes guidance on existing commercial investments, reference to Environmental, Social and Governance (ESG) in the Capital Strategy, quarterly monitoring of Prudential Indicators, Investment Management Practices (IMPs) and the Liability (or Asset) Benchmark.

The CIS covers the Council's approach to treasury management activities including commercial assets. It documents the spreading of risk across the size of individual investments and diversification in totality across different sectors. The Council primarily focusses on maximising the returns from its existing portfolio with no new commercial investments included in the Capital Programme. The Council undertakes regular performance reviews on its commercial assets with the next review due to be reported to Governance Scrutiny Group in June 2026.

11 OPTIONS

As part of its consideration of the budget, the Council is encouraged to consider the strategic aims contained within the Corporate Strategy and, in this context, to what extent they wish to maintain existing services, how services will be prioritised, and how future budget shortfalls will be addressed.

Instead of freezing Council Tax as proposed (see 3.2), the Council could choose to increase by the 3% assumed by central government or increase by a lower amount. Table 21 sets out the budget impact of applying the maximum 3% Council Tax increase each year (equivalent to a £4.59 rise for Rushcliffe in 2026/27, or 2.84%), compared with several alternative scenarios: a one-year tax freeze in 2026/27 (recommended); a two-year freeze in 2026/27 and 2027/28 followed by 3% increases; and annual uplifts of 2% or 1%. The proposed option to freeze Council Tax in 2026/27 leads to around £0.223m of lost income in 2026/27 and £1.228m over five years, compared with applying a 3% increase each year. Freezing for two years would increase this to £2.332m over the 5-year period. Income foregone against other options when compared with a council tax freeze as detailed in the table below.

Table 21 – Alternative Council Tax Levels

Total council tax income £'000	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Option 1 - Freeze for 2026/27 (Band D £183.81 - Rushcliffe element £161.76), and 3% per annum thereafter (Recommended Option)	(8,912)	(9,344)	(9,797)	(10,271)	(10,769)	(49,094)
Option 2 - Freeze for 2 years (26/27 Band D £183.81, 27/28 Band D £184.11 - Rushcliffe element for both years £161.76) and 3% per annum thereafter	(8,912)	(9,087)	(9,528)	(9,989)	(10,473)	(47,989)
Option 3 - 3% uplift per annum (Band D £188.41 - Rushcliffe element £166.36)	(9,135)	(9,578)	(10,042)	(10,528)	(11,038)	(50,321)
Option 4 - 2% uplift in 2026/27 and 3% per annum thereafter.	(9,069)	(9,509)	(9,969)	(10,452)	(10,959)	(49,959)
Option 5 - 1% uplift in 2026/27 and 3% per annum thereafter.	(8,991)	(9,427)	(9,883)	(10,362)	(10,864)	(49,527)

Difference (£'000)	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Freeze 2026/27 vs 3% per annum	(223)	(234)	(245)	(257)	(269)	(1,228)
Freeze 2026/27 vs 2% 2026/27 & 3% per annum thereafter	(157)	(165)	(173)	(181)	(190)	(865)
Freeze 2026/27 vs 1% 2026/27 & 3% per annum thereafter	(79)	(82)	(86)	(91)	(95)	(433)
Two year freeze v's 3% per annum	(223)	(490)	(514)	(539)	(565)	(2,332)

Other than the above options for Council Tax increases there are no alternate proposals concerning the Budget, Medium Term Financial Strategy or Transformation Strategy

12 APPENDICES

12.1 Appendix 1 – Funding Analysis for Special Expenses Areas

	2025/26 £	2026/27 £	Change %
West Bridgford			
Parks & Playing Fields	496,000.00	471,000.00	
West Bridgford Town Centre	117,400.00	130,600.00	
Community Halls	131,300.00	137,600.00	
Repayment of revenue deficit	16,000.00	30,000.00	
Revenue Contribution to Capital Outlay	100,000.00	100,000.00	
Annuity Charges	110,400.00	158,000.00	
Sinking Fund	20,000.00	20,000.00	
Total	991,100.00	1,047,200	
Tax Base	15,285.10	15,538.20	
Special Expense Tax	64.84	67.40	3.95%
Keyworth			
Cemetery	9,600.00	10,000.00	
Annuity Charges	500.00	600.00	
Total	10,100.00	10,600.00	
Tax Base	3,148.20	3,165.10	
Special Expense Tax	3.21	3.35	4.36%
Ruddington			
Cemetery	10,400.00	11,500.00	
Total	10,400.00	11,500.00	
Tax Base	3,311.30	3,383.10	
Special Expense Tax	3.14	3.40	8.28%
Total Special Expenses	1,011,600.00	1,069,300.00	5.70%

12.2 Appendix 2 – Revenue Budget Service Summary

	2025/26 £	2026/27 £	2027/28 £	2028/29 £	2029/30 £	2030/31 £
Chief Executive	1,613,000	1,783,200	2,005,900	1,787,100	1,821,500	1,852,900
Finance and Corporate Services	4,892,400	5,553,900	5,703,200	5,949,700	6,192,500	6,828,600
Development and Economic Growth	467,100	1,068,800	957,800	964,200	957,800	922,700
Neighbourhoods	7,939,000	8,907,500	8,899,300	9,121,800	9,201,300	9,238,400
Net Service Expenditure	14,911,500	17,313,400	17,566,200	17,822,800	18,173,100	18,842,600
Reversal of Capital Charges	(1,894,600)	(4,246,400)	(4,007,400)	(3,889,600)	(3,889,600)	(3,889,600)
Transfer to/(from) Reserves	2,148,000	3,448,000	3,232,000	3,424,700	1,759,700	1,685,700
Minimum Revenue Provision	1,174,000	1,237,000	432,000	312,000	318,000	325,000
Total Net Service Expenditure	16,338,900	17,752,000	17,222,800	17,669,900	16,361,200	16,963,700
Funding						
Other Grant Income	(1,761,000)	(6,488,900)	(4,878,300)	(3,254,800)	(3,179,900)	(3,257,300)
Business Rates	(6,676,000)	(2,729,000)	(2,795,500)	(2,857,300)	(2,943,000)	(3,031,300)
Collection Fund (Surplus)/Deficit	(835,000)	193,400	0	0	0	0
Business Rates Pool Surplus	(400,000)	0	0	0	0	0
Transitional Reliefs	0	0	(687,200)	(1,536,000)	0	0
Council Tax Income						
- Rushcliffe	(7,727,500)	(7,843,100)	(8,241,200)	(8,682,300)	(9,134,600)	(9,609,200)
- Special Expenses Areas	(1,011,600)	(1,069,300)	(1,103,000)	(1,114,500)	(1,136,700)	(1,159,600)
New Homes Bonus	(1,477,600)	0	0	0	0	0
Total Funding	(19,888,700)	(17,936,900)	(17,705,200)	(17,444,900)	(16,394,200)	(17,057,400)
Net Budget (Surplus) / Deficit	(3,549,800)	(184,900)	(482,400)	225,000	(33,000)	(93,700)

12.3 Appendix 3 – Capital Programme and Appraisals

o	Scheme	2026/27 Estimate £000	2027/28 Estimate £000	2028/29 Estimate £000	2029/30 Estimate £000	2030/31 Estimate £000	Total
	Development & Economic Growth						
	The Point Enhancements	0	400	0	0	0	400
	6F Boundary Court	0	0	35	0	0	35
	Manvers Business Park Enhancements	70	0	50	0	0	120
	Bingham Arena	0	0	30	0	0	30
	Colliers BP Enhancements	50	0	0	0	0	50
	Wilwell Cutting Bridge	0	0	50	0	0	50
	Devonshire Road Railway Bridge	0	0	100	0	0	100
	WBTC Regeneration	0	0	500	0	0	500
1	Car park resurfacing (Needham Street/RCP)	200	0	0	0	0	200
2	POS enhancement Waltham Close WB	0	50	0	0	0	50
3	Hammerhead Moorbridge	150	0	0	0	0	150
4	Radcliffe-on-Trent Masterplan	1,000	0	0	0	0	1,000
	Development & Economic Growth Total	1,470	450	765	0	0	2,685
	Neighbourhoods						
5	Vehicle Replacement Programme	1,868	305	665	1,288	1,983	6,109
	Recycling Bins	0	351	0	0	0	351
	Support for Registered Housing Providers	0	417	1,617	1,617	0	3,651
	Hound Lodge - Enhancements	395	0	0	0	0	395
	Disabled Facilities Grants	920	920	920	870	870	4,500
6	Keyworth Leisure Centre Enhancements	0	125	0	200	0	325
7	East Leake Leisure Centre Enhancements	0	125	0	0	0	125
8	Rushcliffe Arena Enhancements	450	175	0	35	0	660
9	Play Areas - Special Expense	100	100	75	75	75	425
10	Gresham Sports Pavilion	200	0	0	0	0	200
11	Rushcliffe Country Park - Enhancements	25	25	25	25	25	125
12	Rushcliffe Country Park - Play Area	0	30	0	0	0	30
	Lutterell Hall Special Expense	0	125	75	0	0	200
	Warm Homes Grants	535	525	0	0	0	1,060
13	Edwalton Golf Course Enhancements	50	0	0	0	0	50
14	West Park & Bridgford Park Tennis court	50	0	0	0	0	50
15	Storage solution West Park	30	0	0	0	0	30
16	Keyworth Leisure Centre Intruder alarm & CCTV system.	20	0	0	0	0	20
	Toot Hill Athletics track	0	0	0	300	0	300
17	Footpath Improvements The Hook	50	0	0	0	0	50
18	Empty Home Compulsory purchase order	250	500	0	0	0	750
19	Grants for Football Facilities	200	200	0	0	0	400
	Neighbourhoods Total	5,143	3,923	3,377	4,410	2,953	19,806
	Finance & Corporate Services						
20	ICT Replacement Prog	135	50	50	50	50	335
20	Technical Infrastructure	65	160	160	160	160	705
20	Digital Strategy	60	20	20	20	20	140
20	ICT Security	50	0	0	0	0	50
20	Applications & Apps	75	0	0	0	0	75
	Contingency	100	100	100	100	100	500
	Finance & Corporate Services Total	485	330	330	330	330	1,805
	TOTAL CAPITAL PROGRAMME	7,098	4,703	4,472	4,740	3,283	24,296

PROJECT APPRAISAL FORM

Project Name: Car Park Resurfacing – Needham Street and RCP		Cost Centre: 0325	Ref: 1
Project lead:		Property Services Manager	
Request for project from:		Property Services Team	
Detailed Description: Existing macadam surfaces are approx. in excess of 20 yrs old and wearing course is failing; various holding repairs have been carried out to extend current life. Proposal is to plane-off and replace macadam finishes including replacement line markings to maintain the facilities in good order.			
Location: Needham St Bingham & RCP Ruddington		Director: Neighbourhoods	
Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Maintain and enhance our resident's quality of life. Transforming the Council to enable the delivery of highly efficient high-quality services Strategic Commitments: <ul style="list-style-type: none"> Examine the future viability of all Council owned assets including property and equipment. Improve efficiency and reliability of service and reduce operating costs. 			
Community Outcomes: Improvement works will enhance customer experience/perception and minimise short term maintenance costs.			
Environmental Outcomes: Wholesale resurfacing will mitigate the requirement for ongoing pothole and other incidental repair work which are an inefficient use of resources and result in higher carbon emissions			
Other Options Rejected and Why: Do not resurface the car parks – this would result in lower customer experience/perception of the facility and miss an opportunity to minimise operational costs.			
Procurement route proposed and stage: Either via Framework or dedicated open tender – identified scheme cost is based upon similar works carried out recently.			
Project Management Office support required: Yes/No			
Start Date: January 2027		Completion Date: March 2027	
Capital Cost (Total):	Year 1:26/27	Year 2: 27/28	
	£200,000		
Capital Cost (Breakdown) £:			
Works £182,000	Equipment	Other	Fees £18,000
Additional Revenue cost/ (saving) per annum:	Year 1: 26/27		Year 2: 27/28
Year 3: 28/29	Year 4: 29/30		Year 5: 30/31

Proposed Funding		
External:	Internal: Organisation Stabilisation Reserve	

Useful Economic Life (years): 20 years	New/Replacement: Replacement
Depreciation per annum: £10,000	Capital Financing Costs: £7,500 p.a.
Residual Value:	Category of Asset: Operational Land & Building
IFRS16 New Lease Checklist Completed	N/A
VAT Treatment Assessed	N/A

Approval required from	Council Budget Setting March 2026
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PROJECT APPRAISAL FORM

Project Name: Public Open Space Enhancements Waltham Close WB		Cost Centre: 0181		Ref: 2	
Project lead:		Property Services Manager			
Request for project from:		Design & Landscape Officer			
Detailed Description: The proposal is for improvement works to a little used and unattractive area of public open space located between properties on Waltham Close and Nearsby Drive which is in the ownership of the Council. The open space includes a disused play area, random shrubs, turf and hard surfacing which are which are unattractive and reflect poorly on adjacent housing. Improvements planned include reduction to the paved areas to create focused pathways bordered by green areas laid to turf enabling easier regular maintenance.					
Location: West Bridgford			Director: Development and Economic Growth		
Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Quality of Life – improvements will encourage use of the area/pathways by the public and help to deter anti-social use. Efficient Services – improvements will help to streamline and simplify maintenance activity. Sustainable Growth The Environment – reduction in paved area will improve drainage of the area. 					
Strategic Commitments: <ul style="list-style-type: none"> Protecting our residents and assets Protecting our natural resources and to implement environmentally beneficial infrastructure changes Protecting the environment and public health by fulfilling our statutory responsibilities 					
Community Outcomes: Improvements will encourage legitimate use of the space and pathways by the public and enhance the local area which currently appears neglected and unwelcoming.					
Environmental Outcomes: Improvements will minimise hard surfaced areas and increase planted/turfed areas, this will improve local drainage and enhance biodiversity. The area will be easier to maintain which in turn will help to minimise carbon intensive maintenance activity.					
Other Options Rejected and Why: Do nothing – the open space would remain unattractive detracting from the local area, underutilised and more costly to maintain					
Procurement route proposed and stage: Closed tender – current estimate based on quotations received for similar recent schemes.					
Project Management Office support required: Yes/No					
Start Date: Apr 27			Completion Date: Jun 27		
Capital Cost (Total):	Year 1:26/27	Year 2: 27/28			

		£50,000	
Capital Cost (Breakdown) £:			
Works £45,500	Equipment	Other	Fees £4,500
Additional Revenue cost/ (saving) per annum:	Year 1: 26/27		Year 2: 27/28
Year 3: 28/29	Year 4: 29/30		Year 5: 30/31
Proposed Funding			
External:		Internal: Organisation Stabilisation Reserve	

Useful Economic Life (years): 20	New/Replacement: Replacement
Depreciation per annum: £2,500	Capital Financing Costs: £1,875 p.a.
Residual Value:	Category of Asset: Infrastructure
IFRS16 New Lease Checklist Completed	N/A
VAT Treatment Assessed	N/A

Approval required from	Council Budget Setting March 2026
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PROJECT APPRAISAL FORM

Project Name: Hammerhead Moorbridge		Cost Centre: 0944		Ref: 3	
Project lead:		Senior Property Estates Surveyor			
Request for project from:		Director Development and Economic Growth			
Detailed Description: Purchase of small connecting strip of land to Butt Field from Hofton and Sons, allowing the creation of a new access to Butt Field Sports Pavilion and Playing Fields. Ongoing project to provide new long stay car parking for Bingham Town Centre from this location. Planning permission needed followed by construction project.					
Location: Bingham		Director: Development and Economic Growth			
Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Efficient Services – ongoing appraisal and alignment of resources linked to growth aspirations. Quality of Life – working with our stakeholders to create safe communities to live and work in. Sustainable Growth – nurturing existing businesses. Strategic Commitments: <ul style="list-style-type: none"> Quality of Life – review assets to ensure they meet community/business need. Sustainable Growth – support the delivery of improved transport infrastructure. 					
Community Outcomes: <ul style="list-style-type: none"> Quality of Life – flourishing town centres Efficient Services – residents/businesses satisfied with the quality of service. Sustainable Growth – infrastructure assets delivered. 					
Environmental Outcomes: <ul style="list-style-type: none"> Provides improved access to Sports Club. 					
Other Options Rejected and Why: If we do not proceed with the project, the current inadequate access to the Sports' Club will remain, which may affect future funding bids for Bingham Town Council, and impedes development of a long stay car park.					
Procurement route proposed and stage: Land to be purchased for a £1, followed by planning permission. The works will be procured through Nottinghamshire County Council procurement framework.					
Project Management Office support required: Yes/No Not required					
Start Date: Apr 26			Completion Date: Mar 27		
Capital Cost (Total):		Year 1:26/27		Year 2: 27/28	
		£150,000			
Capital Cost (Breakdown) £:					
Works £136,000		Equipment		Other	
				Fees £14,000	

Additional Revenue cost/ (saving) per annum:	Year 1: 26/27	Year 2: 27/28
Year 3: 28/29	Year 4: 29/30	Year 5: 30/31
Proposed Funding		
External:		Internal: Organisation Stabilisation Reserve

Useful Economic Life (years): 40	New/Replacement: New
Depreciation per annum: £3,750	Capital Financing Costs: £5,625 p.a.
Residual Value:	Category of Asset: Infrastructure
IFRS16 New Lease Checklist Completed	N/A
VAT Treatment Assessed	N/A

Approval required from	Council Budget Setting March 2026
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PROJECT APPRAISAL FORM

Project Name: Radcliffe on Trent Masterplan	Cost Centre: 0213	Ref: 4
Project lead	Senior Property Estates' Surveyor	
Request for project from	ROT Masterplan and the Economic Growth Strategy	
<p>Detailed Description: The Radcliffe on Trent Masterplan provides a long-term vision for the village but also breaks down that vision into phases. Phase I A & B being deliverable sub-projects to include:</p> <ul style="list-style-type: none"> Increase much needed parking provision which will protect and grow retail business and reduce shopper leakage to neighbouring villages/West Bridgford. Provide additional car parking around the existing Medical Centre to accommodate the increase in demand through population increase. Regenerate the existing car parking provision. Strategic Land Purchases to facilitate link to key areas and future proof opportunities for the area. Provide the village with a modern, designated multiuse village centre which can be used for markets and events. <p>There is the potential to utilise UKSPF funding if advance survey/design/professional fees are incurred in 2025/26. If this is the case, budget provision will be accelerated from 2026/27.</p> <p>The scheme will be subject to a Cabinet report in March 2026.</p>		
Location: Radcliffe on Trent	Director: Development and Economic Growth	
<p>Contribution to the Council's aims and objectives: Corporate Priorities: The Environment Quality of Life Sustainable Growth Efficient Services Strategic Commitments:</p> <ul style="list-style-type: none"> Recognising opportunities to create vibrant town centres which are attractive and accessible to all. Working with our partners to create great, safe, and clean communities to live and work in. Ongoing appraisal and alignment of resources linked to growth aspirations. Bringing new businesses to the Borough and nurturing our existing businesses helping them to grow and succeed. 		
<p>Community Outcomes:</p> <ul style="list-style-type: none"> Supporting the provision of high-quality community facilities as well as employment opportunities. Through Partnership Boards which focus on shaping growth at a local level To provide additional community infrastructure. 		
<p>Environmental Outcomes:</p> <ul style="list-style-type: none"> Working with community and private sector partners as well as our supply chain and making public our commitment to protecting our environment. 		
<p>Other Options Rejected and Why: The Council could consider possible larger scale grant funding applications to EMCCA to complete a significant part of the Masterplan; however, timescales are unknown and we are</p>		

aware that there is significant demand from other Councils with a higher deprivation ratio than Rushcliffe.			
Not providing investment for this scheme may lead to the village centre and Main Street retail contracting (retail vacancies and increased business failure) and see increased shopper leakage to other villages and West Bridgford.			
Procurement route proposed and stage:			
Main contract will be procured via Notts County Council.			
Project Management Office support required: Yes			
Start Date: Jan 26		Completion Date: Jun 27	
Capital Cost (Total):	Year 1:26/27	Year 2: 27/28	
£1,000,000	£1,000,000		
Capital Cost (Breakdown) £: to be determined			
Works	Equipment	Other	Fees
Additional Revenue cost/ (saving) per annum:	Year 1: 26/27 £0		Year 2: 27/28 If a decision is made to charge for car parking, the 20 new spaces could generate up to £23,800. And the existing 91 spaces could generate up to £132,000. This income would be partially offset by maintenance/repairs costs. Possible licence fee for Events up to £5,000.
Year 3: 28/29 See 27/28	Year 4: 29/30 See 27/28		Year 5: 30/31 See 27/28
Proposed Funding			
External: Potential use of UKSPF funding if advance survey/design/professional fees are incurred in 2025/26. If this is the case, budget provision will be accelerated. ROT Parish Council potential indicative input of £165k Local CIL		Internal: New Homes Bonus Reserve for the balance of funding required.	

<p>Useful Economic Life (years): Various</p>	<p>New/Replacement: New and Replacement</p>
<p>Depreciation per annum: will vary</p>	<p>Capital Financing Costs: up to £31,300 p.a. being the opportunity costs of lost interest on RBC capital resources used.</p>
<p>Residual Value: N/A</p>	<p>Category of Asset: Various</p>
<p>IFRS16 New Lease Checklist Completed</p>	<p>N/A</p>
<p>VAT Treatment Assessed</p>	<p>This will depend on the transaction</p>

<p>Approval required from</p>	<p>Council Budget Setting March 2026</p>
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PROJECT APPRAISAL FORM

Project Name: Vehicle Replacement	Cost Centre: 0680	Ref: 5
Project Lead: Fleet and Vehicle Infrastructure Manager/Service Manager Neighbourhoods		
Request for Project from: Rolling Vehicle Replacement Programme.		
Detailed Description: <p>The authority owns vehicles ranging from large refuse freighters to small vans and items of mechanical plant. As these vehicles and plant age and become uneconomic to maintain and run, they are replaced on a new for old basis. Although there is a programme for replacements for the next ten years, each vehicle or machine is assessed annually, and the programme is continually adjusted to take account of actual performance and monitoring of repair and maintenance costs. This provision will be used to acquire new vehicles and plant, undertake refurbishments to extend vehicle life and value and to purchase second-hand vehicles and plant as and when appropriate. There is a concentration of focussing on newer cleaner technology as we replace existing fleet vehicles in line with the Council's Carbon management agenda, exploring alternatives such as electric and hydrogen cell technology as well as alternative fuel use to look at cutting down on emissions whilst ensuring the vehicles remain operationally viable and offer value for money. At present the Council is a user of Hydrogenated Vegetable Oil (HVO) on much of its large fleet where appropriate</p> <p>The 26/27 programme includes £1.250m for the acquisition of 9 new Food Waste Collection vehicles as part of Simpler Recycling legislation to be introduced in October 2027</p>		
Location: Eastcroft Depot	Director: Neighbourhoods	
Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Quality of Life Efficient Services The Environment Strategic Commitments: <ul style="list-style-type: none"> Working with our partners to create great, safe, and clean communities to live and work in. Ongoing appraisal and alignment of resources linked to growth aspirations. Reviewing our policies and ways of working to protect natural resources, and to implement environmentally beneficial infrastructure changes. To reduce waste and increasingly reuse and recycle to protect the environment for the future. Working with key partners to respond to any proposals from the new Environment Act and any changes or directives from central government regarding what wastes should be collected and how including the Simpler Recycling legislation in place. Delivering a high-quality waste and recycling collection service. Delivering a high-quality street cleansing, grounds maintenance and arboriculture service A commitment to look at cleaner vehicles in line with our commitment to protect the environment, in particularly alternative fuel vehicles or the use of alternative fuels. Working to achieve a carbon neutral status for the Council's operations <p>The replacement of vehicles is critical to the performance of the front-line services. Regular vehicle and plant replacement with new updated engines help to meet climate change and national indicator targets for emissions and helps maintain a cleaner air quality within the Borough.</p>		
Community Outcomes:		

- To address climate change and the need to reduce carbon emissions. The introduction of new euro standard engines will lower emissions. The new vehicles will also reduce maintenance costs on the vehicles they replace however it should be noted that the remainder of the fleet ages and therefore the fleet profile and maintenance costs overall remain stable.
- Glass Recycling – the addition of a kerbside glass recycling service has seen a high take up from residents and increased resident satisfaction with waste and recycling services. Data suggest that take up rates are high for such services, preventing the need to travel and visit recycling bring sites and increasing recycling rates.

Environmental Outcomes:

- The Council is actively looking at newer cleaner technologies and is committed to working with others to consider options and procure newer vehicles that will help commit to our carbon management plan. Whilst larger HGV electric vehicles may not be an option for Rushcliffe due to the range and geographical nature of our Borough, we continue to use alternative fuels such as the use of Hydrogenated Vegetable Oil (HVO) following a trial in late 2021. Much of the larger fleet is now using HVO on a daily basis with potential 90% reduction in emissions and the operational logistics and infrastructure arrangements as well as the costs of fuelling our vehicles utilising HVO. Smaller fleet vehicles such as small vans, etc could be replaced by electric vehicles which are readily available, and this option will be considered as and when such vehicles are due for replacement in line with the replacement programme. The introduction of EV charging points at Bingham (Streetwise) will further facilitate the use of electric vehicles and we have invested in a number of smaller electric vehicles in 2025/2026
- Glass Recycling – it is likely we will see an increase on overall tonnage collected and further diversion of glass from the residual waste bin. Glass is colour separated and fully recycled back into glass bottles and jars and an increase in the overall recycling rate will also be seen.

Other Options Rejected and Why:

An historic review was undertaken to consider the leasing and hiring in of vehicles. Due to the level of capital resources, it was concluded that it was uneconomical to do either of these two options but as resources are reduced, these options may need to be revisited again. However, there are also distinct advantages in direct purchase: -

- a) The authority has control over the maintenance of the vehicles.
- b) It is difficult to change the terms and conditions of a lease.
- c) High performing vehicles can have their lifespan lengthened.
- d) Poor performing vehicles can have their lifespan shortened.

Not being tied into lengthy lease/hire contracts means the service can react and adapt to change quickly.

The Council now actively looks at the possible purchase of 2nd hand vehicles and will refurbish vehicles to extend their life and value.

Glass Recycling – whilst the Council has previously collected glass from a range of bring sites, the new Simpler Recycling legislation places a statutory service for collection of glass from the kerbside by April 2026 and the Council's new service commenced in December 2025.

Procurement route proposed and stage:

Vehicles likely to be procured through existing vehicle procurement frameworks as part of the wider Nottinghamshire Transport Group contracts. Containers required will be through frameworks in place working in conjunction with Nottinghamshire County Council procurement team.

Project Management Office support required: No			
Start Date: Ongoing		Completion Date: Ongoing	
Capital Cost (Total):	Year 1: 26/27	Year 2: 27/28	
£2,173,000 (2 years)	£1,868,000	£305,000	
Capital Cost (Breakdown)			
Works £0	VPE £2,173,000	Other £0	Fees £0
Additional Revenue cost Glass Recycling/ Food Waste (saving) per annum:		Year 2: 26/27 £129,400	Year 3: 27/28 £770,700
Year 4: 28/29 £1,423,800		Year 5: 29/30 £1,450,000	Year 6: 30/31 £1,479,000
<p>As each vehicle replaces an existing vehicle, there is no increase in the overall revenue costs. Whilst newer vehicles can lead to less expenditure on breakdown and repair, older vehicles will cost more. The overall fleet profile remains relatively constant and therefore service budgets remain the same. However, with property growth and the potential impact on waste collections as a result of the Environment Act, there is the likelihood moving forward that additional revenue expenditure may be incurred, and this will need to be considered for future budget years. The introduction of mandatory weekly food waste collections (due October 2027) means additional vehicles and staff will be required leading to additional revenue costs.</p> <p>The costs will primarily be met by Government Grant (new burdens funding, grants and Extended Producer Responsibility (EPR) payments) with any shortfall to be covered from the Simpler Recycling Reserve.</p>			
Proposed Funding:			
External: Government Grant £819k		Internal: Capital Receipts, Vehicle Replacement Reserve, and Simpler Recycling Reserve	
Useful Economic Life (years): Various		New/Replacements: New and Replacements	
Depreciation per annum: Various		Capital Financing Costs: £70k p.a. in year 1 plus £11k p.a. in year 2 as opportunity cost of lost interest on outlay of capital resources	
Residual Value: Various		Category of Asset: Vehicle and Plant	
IFRS16 New Lease Checklist Completed?			N/A
VAT treatment assessed?			N/A
Approval Required from:		Council Budget Setting March 2026	

PROJECT APPRAISAL FORM

Project Name: Keyworth Leisure Centre (KLC) Enhancements	Cost Centre: 0402	Ref: 6
Project Lead: Team leader Leisure Contract, Sport and Health/Communities' Manager		
Request for Project from: Team leader Leisure Contract, Sport and Health/Communities' Manager		
Detailed Description: £125k has been included in the 27/28 Capital Programme for the replacement of the 13-year-old boiler at KLC. The existing gas boiler will be replaced with an Air Source Heat Pump in line with the corporate commitment to decarbonisation.		
Location: Keyworth Leisure Centre	Director: Neighbourhoods	
Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Quality of Life Efficient Services The Environment Sustainable Growth Strategic Commitments: <ul style="list-style-type: none"> Protecting our residents' health and facilitating healthier lifestyle choices. Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council. Ensuring well maintained facilities to support growing populations and increased usage Creating opportunities for young people to realise their potential. Ongoing appraisal and alignment of resources linked to growth aspirations. Working to achieve carbon neutral status for the Council's operations. 		
Community Outcomes: <ul style="list-style-type: none"> To ensure the provision of high-quality community facilities which meet community need. To protect our residents' health and facilitate healthier lifestyle choice. 		
Environmental Outcomes: <ul style="list-style-type: none"> Material selection, wherever possible locally sourced, carbon efficient production, longevity of materials will be considered when selecting finishes. 		
Other Options Rejected and Why: Do not replace the boiler – this will result in an unreliable heating and hot water supply at the leisure centre, increasing maintenance costs and repairs, and leading to customer dissatisfaction. Not replacing the gas boiler will result in carbon emissions, preventing the council achieving their net zero by 2030 ambitions. This may also lead to loss of customers resulting in a less efficient service and not be in line with the commitments made in the Leisure Strategy refresh which was adopted by Cabinet in December 2022.		
Procurement route proposed and stage: Framework or NCC tender		
Project Management Office support required: Yes/No The scheme is being delivered through internal project management through the Team leader, Leisure Contract, Sport and Health.		
Start Date: 2027	Completion Date: 2028	

Capital Cost (TOTAL):		Year 1: 26/27	Year 2: 27/28
£125,000			£125,000
Capital Cost (Breakdown) £:			
Works	Equipment £125,000	Other	Fees
Additional Revenue cost/(saving)per annum:		Year 1: 26/27	Year 2: 27/28
Year 3: 28/29		Year 4: 29/30	Year 5: 30/31
Proposed Funding:			
External:		Internal: Climate Change Reserve	

Useful Economic Life (years): 15	New/Replacement: Replacement
Depreciation per annum: £8,300	Capital Financing Costs: £4,700
Residual Value: N/A	Category of Asset: Vehicle, Plant, and Equipment
IFRS16 New Lease Checklist Completed	N/A
VAT Treatment Assessed	N/A
Approval required from	Council Budget Setting March 2026

PROJECT APPRAISAL FORM

Project Name: ELLC Enhancements	Cost Centre: 0686	Ref: 7
Project lead: Team Leader Leisure Contracts, Sport and Health		
Request for project from:	Team Leader Leisure Contracts, Sport and Health/ Communities' Manager	
Detailed Description: <p>This scheme is to enhance East Leake Leisure Centre when the PFI arrangement ends. Whilst the PFI requires the centre to be handed back with a determined lifespan remaining on assets, mechanical & electrical installations and fixtures and fittings, it is anticipated that some cosmetic enhancement to aid with rebranding from the incumbent operator Mitie to bring the centre in line with other RBC leisure facilities will be required. The precise use of the funds will be better understood as the PFI dilapidation and handover surveys are completed in Summer 2026 and there is clarity on the standard of assets being handed back. Works may include decoration, flooring, replacement lighting, new signage, enhanced audio-visual equipment and public realm items to improve the attractiveness of the centre, alongside renewable energy schemes, in agreement or partnership with East Leake academy/NCC.</p>		
Location: East Leake	Director: Neighbourhoods	
Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> • Quality of Life • Efficient Services • The Environment • Sustainable Growth Strategic Commitments: <ul style="list-style-type: none"> • Protecting our residents' health and facilitating healthier lifestyle choices. • Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council. • Ensuring attractive and well-maintained facilities to support growing populations and increased usage • Creating opportunities for young people to realise their potential. • Ongoing appraisal and alignment of resources linked to growth aspirations. • Working to achieve carbon neutral status for the Council's operations. • 		
Community Outcomes: <ul style="list-style-type: none"> • To ensure the provision of high-quality community facilities which meet community need. • To protect our residents' health and facilitate healthier lifestyle choice. • 		
Environmental Outcomes: <ul style="list-style-type: none"> • Material selection, wherever possible locally sourced, carbon efficient production, longevity of materials will be considered when selecting finishes • Upgrades to lighting and mechanical building elements will look to use low energy technology wherever feasible 		
Other Options Rejected and Why: <p>Do not carry out any enhancement and accept the centre exactly as passed back – this would fail to optimise ability to rebrand to the community and modernise the offer to attract</p>		

new customers, thus limiting the financial success of the centre. Failure to invest may be detrimental to the visual appearance and diminish customer experience/satisfaction.

Procurement route proposed and stage:

Once the works packages are known, the services/products will be procured either as a series of small lots/individual items, or as a single enhancement package, in line with the council's procurement policy and financial regulations, through seeking 3 quotes or tender as appropriate.

Project Management Office support required: Yes/No

These works will be managed by the Team Leader Leisure Contracts, Sport and Health

Start Date: 2027

Capital Cost (Total):	Year 1:26/27	Year 2: 27/28	
£125,000		£125,000	

Capital Cost (Breakdown) £: to be determined

Works	Equipment	Other	Fees
Additional Revenue cost/ (saving) per annum:	Year 1: 26/27	Year 2: 27/28	
Year 3: 28/29	Year 4: 29/30	Year 5: 30/31	

Proposed Funding

External: **Internal:** Leisure Centre Maintenance Reserve

Useful Economic Life (years): 10	New/Replacement: New and replacement
Depreciation per annum: £12,500	Capital Financing Costs: £4,700 p.a.
Residual Value:	Category of Asset: Operational Land & Building
IFRS16 New Lease Checklist Completed	Checked will no longer be a leased asset
VAT Treatment Assessed	N/A

Approval required from: Council Budget Setting March 2026

PROJECT APPRAISAL FORM

Project Name: Rushcliffe Arena Enhancements	Cost Centre: 0415	Ref: 8
Project lead:	Team leader Leisure Contract, Sport and Health/Communities' Manager	
Request for project from:	Team leader Leisure Contract, Sport and Health/Communities' Manager	
<p>Detailed Description: A provision of £450k has been made in 26/27 for Heating and Ventilation Strategy works to Sports Hall and Studio 3; roof enhancements on Sports Hall and Studio 3; and works to address the low wall in the old bowls hall. The estimated breakdown for this £450K is</p> <p>£50k. Bowls Hall/Studio 3 low wall £200k. Roof works £200k. Ventilation Strategy Enhancements</p> <p>A provision of £175k has been included in the 27/28 capital programme to replace the gas boilers and Combined Heat Pump with Air Source Heat Pump solution.</p>		
Location: Rushcliffe Arena, WB	Director: Neighbourhoods	
<p>Contribution to the Council's aims and objectives: Corporate Priorities:</p> <ul style="list-style-type: none"> • Quality of Life • Efficient Services • The Environment • Sustainable Growth <p>Strategic Commitments:</p> <ul style="list-style-type: none"> • Ensuring well maintained facilities to support growing populations and increased usage • Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council. • Protecting our residents' health and facilitating healthier lifestyle choices. 		
<p>Community Outcomes:</p> <ul style="list-style-type: none"> • Well maintained health and wellbeing facilities enabling residents to make healthier lifestyle choices 		
<p>Environmental Outcomes:</p> <ul style="list-style-type: none"> • Material selection, wherever possible locally sourced, carbon efficient production, longevity of materials will be considered when selecting finishes • Upgrades to mechanical building elements will look to use low energy technology wherever feasible 		
<p>Other Options Rejected and Why: Retain the low wall around the old bowls rink as current. The low wall creates a hazard as users attempt to step over the wall. It restricts access onto the floor space with only 4 wider ramped disability access points. It limits the true multi-functional purpose of the space.</p> <p>Don't invest in roof and ventilation strategies. If repairs are not carried out the roofs may deteriorate further and current leaks will worsen, additionally roofs in poor condition may prevent installation of renewable energy such as</p>		

solar panels in the future. As studio 3 has changed in use from a bowls hall to a multifunctional activity, fitness and conference space since built, the existing mechanical ventilation strategy leaves the venue very uncomfortable for certain events, particularly those where the space is full of people moving about/dancing/working out such as group exercise, conference, party and awards events. This results in negative experience for customers.

Procurement route proposed and stage:

Wall – Three quotes. Not started.
Roof and ventilation strategy - NCC tender or framework. Not started

Project Management Office support required: Yes/No

No, these projects will be led by the communities' team

Start Date: 2026

Completion Date: 2028

Capital Cost (Total):

Year 1: 26/27

Year 2: 28/29

£625,000

£450,000

£175,000

Capital Cost (Breakdown) £:

Works £595,000

Equipment

Other

Fees £30,000

**Additional Revenue cost/
(saving) per annum:**

Year 1: 26/27

Year 2: 27/28

Year 3: 28/29

Year 4: 29/30

Year 5: 30/31

Proposed Funding

External:

Internal: Regeneration and Community Projects Reserve and Climate Change Reserve

Useful Economic Life (years):

Wall 15 years
Roof 25 years
Ventilation 25 years

New/Replacement: New and Replacements

Depreciation per annum:

Wall £3,300
Roof £8,000
Ventilation £8,000

Capital Financing Costs: £23,450 p.a.

Residual Value:

Category of Asset: Operational Land & Buildings/Plant

IFRS16 New Lease Checklist Completed

N/A

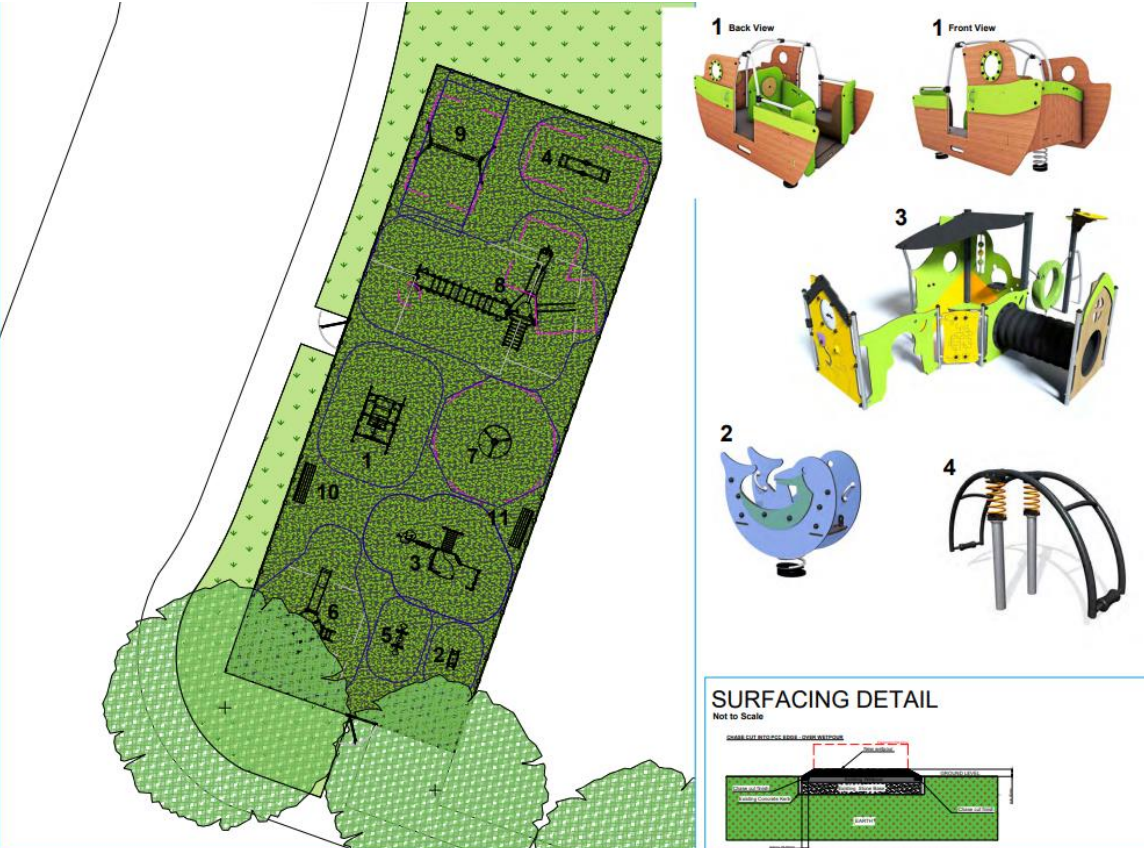
VAT Treatment Assessed

N/A

Approval required from

Council Budget Setting March 2026

PROJECT APPRAISAL FORM

Project Name: Play Areas W.B. (Special Expense)	Cost Centre: 0664	Ref: 9
Project Lead: Communities' Manager		
Request for Project from: Rushcliffe Play Strategy		
Detailed Description: 2026/2027 West Park Junior Play area will be accelerated from the 2026/27 capital programme to 2025/26 to cover estimated cost: £60k.		
		
<div style="display: flex; justify-content: space-between;"> <div> West Park Play Area Rushcliffe Borough Council </div> <div> DATE: 06/08/2025 REF: 2508.48855(WestParkPA_RushcliffeBC) REV: DB: JPS CB: KS SCALE: 1:150 @ A3 </div> </div>		

The remainder of the 2026/2027 programme will not necessarily focus on a one out and one in project but will instead be informed by undertaking a full audit of all the special expenses play provision and safety surfacing across all sites and aim to replace end of life equipment and surfacing across multiple sites instead of focussing on one of the lesser used sites.

The replacement equipment and surfacing will aim to be more inclusive following the refreshed play strategy guidance and will also take pressure off the revenue repairs budget over the financial year.

2027/28

The Hook Toddler and Junior Play have been identified as the next play areas that require refurbishment, these play spaces are incredibly popular but are large play areas so work will

be done to maximise funding to do a full refurbishment of the spaces including the surfaces to ensure that areas remain fit for purpose.



Location: West Bridgford

Director: Neighbourhoods

Contribution to the Council's aims and objectives:

Corporate Priorities:

- Quality of Life
- Efficient Services
- The Environment

Strategic Commitments:

- Protecting our residents' health and facilitating healthier lifestyle choices.
- Provide high quality community facilities which meet the needs of our residents.
- Creating opportunities for young people to realise their potential.
- Delivering a scheme refurbishment identified within the Rushcliffe Play Strategy
- Working to achieve carbon neutral status for the Council's operations.

Community Outcomes:

- To ensure the provision of high-quality community facilities which meet community need.
- To protect our residents' health and facilitate healthier lifestyle choice.
- To provide a facility to engage with young people who may otherwise not take part in formal sports or physical activity.

Environmental Outcomes:

- The tender process will take into consideration supply chain, Carbon reduction measures from the supplier use of materials to procure the most sustainable play facility for the community.

Other Options Rejected and Why:

Doing nothing would result in increased maintenance costs for ageing equipment, reduced appeal of the play areas leading to lower levels of use and be inconsistent with the vision of high-quality parks and leisure facilities. A lack of replacement programme would over time lead to an increased health and safety risk.

Procurement route proposed and stage:

ESPO Framework tender for larger schemes that has the 12 leading play manufacturers on it. The procurement will be supported by Nottinghamshire Councils procurement team and project managed by VIA East Midlands

Project Management Office support required: Yes

Due to lack of internal capacity or expertise within the property and Estates team we propose to use the tried and trusted project management relations established with VIA East Midlands over the last 5 years, who provide procurement and project management support through to completion

Start Date: April 2026

Completion Date: March 2028

Capital Cost (Total):

Year: 26/27

Year 2: 27/28

£200,000

£100,000

£100,000

Capital Cost (Breakdown) £: split of equipment costs to be determined

Works

£182,000

Equipment

Other

Fees

£18,000

**Additional Revenue cost/
(saving) per annum:**

Year 1: 26/27

Year 2: 27/28

Year 3: 28/29

Year 4: 29/30

Year 5: 30/31

External:

Internal: Regeneration and Community
Projects Reserve (Special Expense)

Useful Economic Life (years): 15

New/Replacement: Replacement and new

Depreciation per annum: £6,700 25/26
plus £6,700 26/27

Capital Financing Costs: Nil as funds raised
through WB Special Expense

Residual Value: N/A

Category of Asset: Operational Land &
Building/Equipment

IFRS16 New Lease Checklist Completed?

N/A

VAT treatment assessed?

N/A

Approval required from:

Council Budget Setting March 2026

PROJECT APPRAISAL FORM

Project Name: Gresham Sports Pavilion Enhancements	Cost Centre: 0347	Ref: 10
Project Lead:	Communities' Manager	
Request for Project from:	Communities Manager/Leisure Strategy	

Detailed Description:

The below proposals at Gresham have been set out in priority order for funding with any underspend being used to work down the list of identified schemes

Legionella


The priority issue to address at Gresham Sports Park is the ongoing Legionella issues experienced on site to ensure public safety, improve service continuity and loss of changing rooms when a positive reading is confirmed. We also wish to reduce costs related to excessive flushing and external contractor if we can achieve a stabilised system, which will in turn improve staffing productivity.

The proposal is to implement the recommendations of the NBS Legionella investigation and site survey report: namely the heating and system and local temperatures conditions, the ventilation air handling unit, local extract ventilation, cold water pipework insulation, pipework routing and segregation. The immediate actions are to review and rationalise the temperature control strategy, reduce TRV settings in changing rooms, improve ventilation control TRVs and stabilise the cold-water supply and integrated controls.

The NBS report does not give a budgetary estimate for these works so a high-level estimate of £100k has been used for budgetary purposes. We have requested a high-level estimate breakdown of costs from NBS.

Solar PV and Carbon Reduction

As part of the Council's Carbon reduction programme commitments and to reduce the electrical bills officers have commissioned GEP Environmental to undertake a heat decarbonisation plan. The majority of the decarbonisation actions are cost prohibitive and will not be taken forward.



However, as a minimum to contribute to our carbon reduction commitments and reduce energy costs we would like to proceed with the solar PV on the roof without battery storage. **The capital cost for the installation of the solar is estimated at £77,671** and is set out in the

below table less the battery storage.

Calculations and assumptions

The site has been modelled with a Unit Price of Electricity of 21.1p/kWh.

It is estimated that 14% of excess generation will be exported to the grid, and 30% of excess generation will be stored within the battery storage system to be consumed during peak demand.

It is estimated that the solar PV array and battery storage system will provide 36.2% of the site's total electrical consumption.

The solar PV added to the rooftop is clear of any potential shading.

Cost breakdown can be seen below:

Capital Cost Breakdown		
Element	Cost £	%
Design and Engineering	£3,393	5%
Main equipment capital	£33,930	50%
Installation & commissioning	£23,751	35%
Project delivery	£6,786	10%
Contingency	£9,811	10%
Battery Storage	£30,250	
Total Costs	£107,921	

Catering Concession

Officers have, in principle, been offered a grant of up to £50k from the Football Foundation [Catering Unit Grants Funding | Grassroots Football](#). This has been a continual request from users of the site due to the current location of the meeting room. **It is estimate to cost £25k including fees to create a concrete pad for the unit and connect foul drainage.**



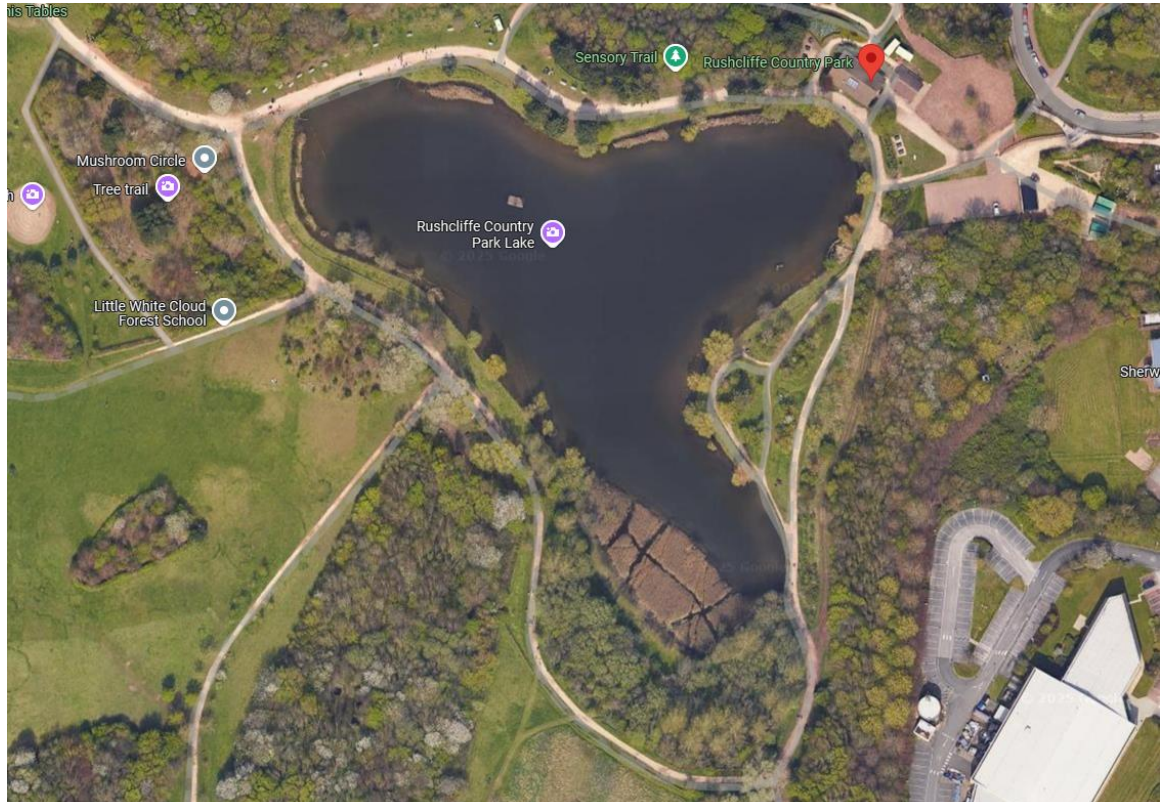
Classroom

We have been approached by a number of external operators about setting up teaching football academy onsite and this would provide a significant additional revenue stream on site and increase daytime usage bring the site up to almost 100% occupancy over the 7 days per week. This would require the reduction of two changing rooms which is something the football foundation have been resistant of in the past but are now in support of as per the below design. This would also have an ancillary benefit to legionella by reducing the showers on site by two changing rooms ensure the other rooms are busier and the tur over is increased in the other rooms.

<ul style="list-style-type: none"> Doing nothing – would fail to address the ongoing legionella issues on site and not contribution to our carbon reduction and cost reduction strategy on site 			
Procurement route proposed and stage: Open tender for the legionella, Framework for the solar PV, quotes for the supply of services to the huddle spot.			
Project Management Office support required: YES The Corporate Projects Support Officer is supporting the catering grant application.			
Start Date: May 2026		Completion Date: August 2026	
Capital Cost (Total):	Year 1:26/27	Year 2: 27/28	
£200,000	£200,000		
Capital Cost (Breakdown) £: to be determined			
Works	Equipment	Other	Fees
Additional Revenue cost/ (saving) per annum:	Year 1: 26/27	Year 2: 27/28 Not quantifiable at this stage but should see revenue spend on repair work reduce.	
Year 3: 28/29 As 27/28	Year 4: 29/30 As 27/28	Year 5: 30/31 As 27/28	
Proposed Funding			
External: Potential funding from the Football Foundation for the Catering Concession.		Internal: Regeneration and Community Projects Reserve	

Useful Economic Life (years): 10	New/Replacement: Replacement
Depreciation per annum: £20,000	Capital Financing Costs: £7,500 p.a.
Residual Value: N/A	Category of Asset: Operational Land and Buildings/Plant and Equipment
IFRS16 New Lease Checklist Completed?	N/A
VAT treatment assessed?	N/A
Approval required from	Council Budget Setting March 2026

PROJECT APPRAISAL FORM

Project Name: Rushcliffe Country Park Enhancements	Cost Centre: 0504	Ref: 11
Project Lead: Communities' Manager		
Request for project from: Neighbourhoods Feedback/Communities' Manager		
Detailed Description: Rushcliffe Country Park Footpath rolling investment programme. <p>Rushcliffe Country Park will be 32 years old in 2026 and up to 2022 had a passive management of the paths, by filling potholes and spreading some material in worn areas over the last 30 years.</p> <p>In 2022 the council began to proactively manage the 8km of paths by undertaking some path resurfacing work. This has enabled a specialist contractor to tackle the poorest and most heavily trafficked paths sections in the park in priority order to improve the overall quality and longevity of these sections. It also has re-instated the camber in the paths to support rainwater runoff and tackled stretching in sections where the path appears bigger than intended so the path return to its original intended state.</p> <p>In more recent years this work has been supplemented with UKSPF funding to improve access as part of our Equality and Inclusion efforts and to meet the commitment of the Rushcliffe Leisure Strategy priorities to “maintain the existing local standards for provision of open space,” and “creating more outdoor wellbeing opportunities including walking and cycling throughout the borough”.</p> <p>The works in 2026/27 and 2027/28 will, amongst other areas, focus on the orbital path around the lake with the aim to provide as inclusive a surface as possible for those visiting the park with mobility issues and compliment the café areas and Changing Places toilet provision.</p>		
		

The country park has seen massive increase in recent years post Covid in the popularity of both the adult and junior Parkrun events with a consistent 500 to 600 taking part in the adult Parkrun event and between 100 and 150 taking part in junior park run event which are a free event held on a weekly basis every week of the year.



This is fantastic in the health outcomes it achieves for the residents of the borough but inevitably has an impact on the quality of the footpath so the need for investment to continue this work has never been greater.



Location: Rushcliffe Country Park

Director: Neighbourhoods

Contribution to the Council's aims and objectives:

Corporate Priorities:

- Quality of Life

- Efficient Services

Strategic Commitments:

- Protecting our residents' health and facilitating healthier lifestyle choices.
- Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council.
- Creating opportunities for young people to realise their potential.
- Ongoing appraisal and alignment of resources linked to growth aspirations.

Community Outcomes:

- To ensure the provision of high-quality community facilities which meet community need.
- To protect our residents' health and facilitate healthier lifestyle choice.

Environmental Outcomes:

- The tender process will take into consideration supply chain, Carbon reduction measures from the supplier use of materials to procure the most sustainable outdoor facility for the community.

Other Options Rejected and Why:

Doing nothing would put at risk the operational performance and efficiency of the facility, reducing customer experience/satisfaction and, in turn, reduce revenue income.

Procurement route proposed and stage:

We would aim to get three quotes for the surfacing but have struggled in the past with getting three companies to quote.

Project Management Office support required: No

This project will be managed by the Country Park Manager with the support of the Communities' Manager in house.

Start Date: April 2026		Completion Date: Mar 2028	
Capital Cost (Total):	Year 1:26/27	Year 2: 27/28	
£50,000	£25,000	£25,000	

Capital Cost (Breakdown) £: to be determined

Works £46,000	Equipment	Other	Fees £4,000
Additional Revenue cost/(saving)per annum:		Year 1: 26/27	Year 2: 27/28
Year 3: 28/29		Year 4: 29/30	Year 5: 30/31

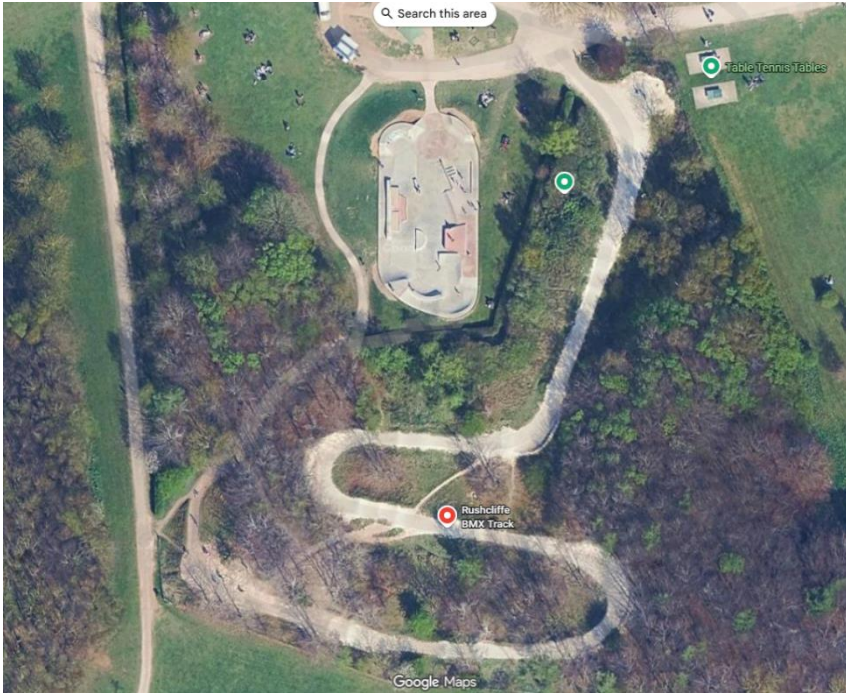
Proposed Funding

External:	Internal: Regeneration and Community Projects Reserve
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Useful Economic Life (years): 15	New/Replacement: Replacement
Depreciation per annum: £1.6k for 26/27 expenditure and a further £1.6k for 27/28 expenditure	Capital Financing Costs: £1.9k p.a. as opportunity cost of lost interest on capital resources used.
Residual Value: N/A	Category of Asset: Infrastructure

IFRS16 New Lease Checklist Completed?	N/A
VAT Treatment Assessed	N/A
Approval required from	Council Budget Setting March 2026

PROJECT APPRAISAL FORM

Project Name: Rushcliffe Country Park Play Area	Cost Centre: 0412	Ref: 12
Project Lead: Communities' Manager		
Request for project from: Neighbourhoods feedback/Rushcliffe Play Strategy		
Detailed Description: Rushcliffe Country Park Play Area Inclusive Enhancements		
<p>Rushcliffe Country Park has a 4X (four-cross) cycle track created in 2008. It was designed in collaboration with the Free Riders 4-cross club and council engineers to provide a competition-standard track with jumps and obstacles.</p> <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 30%; padding-right: 10px;"> <p>The track is extremely popular with all ages but is a particularly important facility for the council catering for wheeled sports and creating a more challenging environment for older competitive adults.</p> <p>The track has been enhanced in more recent years by the pump track on boundary road designed as an introduction to the sport.</p> </div> <div style="width: 60%;">  <p>The image is an aerial photograph from Google Maps showing the Rushcliffe Country Park. A winding, light-colored dirt BMX track is visible, snaking through a wooded area. To the left of the main track, there is a circular pump track. Further up, a rectangular play area with various structures is visible. The surrounding landscape is a mix of green grass and trees with some autumn-colored foliage. A red pin on the map is labeled 'Rushcliffe BMX Track', and a green pin is labeled 'Table Tennis Tables'.</p> </div> </div> <p>The track has increased in importance for our sports offer since the inclusion of BMX racing as an Olympic sport in 2008 and its inclusion in the 2028 Los Angeles Olympic games, ensuring that this local provision provides the opportunity for an introduction into the sport.</p> <p>Although the Bike track has a service maintenance contract in place, £30,000 has been included in the 27/28 capital programme for essential enhancement works to the bike track to ensure that it remains a safe and exciting for all users.</p> <p>Proposed works</p> <p>The work will include stabilisation of the burns, ensuring the cut through sections are removed, fencing and signage is improved and topdressing of the track is undertaken.</p>		



Our aim is to capture the imagination of every visitor through inventive designs and inclusive play and sports opportunities for all.

Finally, the project aligns with the Rushcliffe Leisure Strategy by providing cycling opportunities to our residents.

Location: Rushcliffe Country Park	Director: Neighbourhoods
Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> • Quality of Life • Efficient Services Strategic Commitments: <ul style="list-style-type: none"> • Protecting our residents' health and facilitating healthier lifestyle choices. • Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council. • Creating opportunities for young people to realise their potential. • Ongoing appraisal and alignment of resources linked to growth aspirations. 	
Community Outcomes: <ul style="list-style-type: none"> • To ensure the provision of high-quality community facilities which meet community need. • To protect our residents' health and facilitate healthier lifestyle choice. 	
Environmental Outcomes: <ul style="list-style-type: none"> • The tender process will take into consideration supply chain, Carbon reduction measures from the supplier use of materials to procure the most sustainable facility for the community. 	
Other Options Rejected and Why: Doing nothing would put at risk the operational performance and efficiency of the facility, reducing customer experience/satisfaction and, in turn, reduce revenue income.	
Procurement route proposed and stage: Given the capital value, we will look to get quotes for this work to enable swift completion of the scheme in advance of the summer peak season.	
Project Management Office support required: /No	

To save costs, it is proposed that this work will be project managed directly between the Country Park Manager and the Communities' Manager.

Start Date: April 2027			Completion Date: April 2028		
Capital Cost (Total):		Year 1:26/27	Year 2: 27/28		
£30,000			£30,000		
Capital Cost (Breakdown) £:					
Works £27,000		Equipment		Other Fees £3,000	
Additional Revenue cost/(saving)per annum:		Year 1: 26/27			Year 2: 27/28
Year 3: 28/29		Year 4: 29/30			Year 5: 30/31
Proposed Funding					
External:			Internal: Regeneration and Community Projects Reserve		

Useful Economic Life (years): 15	New/Replacement: Replacement
Depreciation per annum: £2k	Capital Financing Costs: £1k p.a. as opportunity cost of lost interest.
Residual Value: N/A	Category of Asset: Infrastructure
IFRS16 New Lease Checklist Completed?	N/A
VAT Treatment Assessed	N/A
Approval required from	Council Budget Setting March 2026

PROJECT APPRAISAL FORM

Project Name: Edwalton Golf Course Enhancements		Cost Centre: 0420		Ref: 13	
Project lead:		Communities' Manager/Team Manager for Leisure Contracts, Sport, and Health			
Request for project from:		Communities' Manager/Team Manager for Leisure Contracts, Sport, and Health			
Detailed Description Works to address climate change resilience measures including: Building flood prevention measures such as Flood protection measures for the pavilion such as flood doors, flood bricks, flood gates and raising plug sockets.					
Location: West Bridgford			Director: Neighbourhoods		
Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Quality of Life Efficient Services The Environment Sustainable Growth Strategic Commitments: <ul style="list-style-type: none"> Ensuring well maintained facilities to support growing populations and increased usage Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council. Protecting our residents' health and facilitating healthier lifestyle choices. 					
Community Outcomes: <ul style="list-style-type: none"> Ensure continued existence of high-quality community facilities to meet community need Providing facilities to protect residents' health and facilitates healthier lifestyle choices 					
Environmental Outcomes: <ul style="list-style-type: none"> Protecting assets from flood events resulting in frequent replacement of damaged fixtures and fittings thus reducing waste and environmental impact 					
Other Options Rejected and Why: Don't implement climate change resilience measures. This will leave the building at increased risk of future flood events. The pavilion has flooded in 2020, 2023, 2024 and 2025. Each time fixtures and fittings must be stripped out and replaced, or dried and professionally cleaned depending on the extent of the flood. This results in cost and closures with associated temporary loss of facilities for the community.					
Procurement route proposed and stage: Three quotes – not started.					
Project Management Office support required: Yes/No No, will be managed by the Team Manager for Leisure Contracts, Sport, and Health					
Start Date: April 26			Completion Date: Mar 27		
Capital Cost (Total):	Year 1:26/27	Year 2: 27/28			
£50,000	£50,000				

Capital Cost (Breakdown) £:			
Works £45,500	Equipment	Other	Fees £4,500
Additional Revenue cost/ (saving) per annum:	Year 1: 26/27		Year 2: 27/28
Year 3: 28/29	Year 4: 29/30		Year 5: 30/31
Proposed Funding			
External:		Internal: Leisure Centre Maintenance Reserve	

Useful Economic Life (years): 15	New/Replacement: New and Replacement
Depreciation per annum: £3,300	Capital Financing Costs: £1,900 p.a.
Residual Value:	Category of Asset: Operational Land & Buildings
IFRS16 New Lease Checklist Completed	N/A
VAT Treatment Assessed	N/A

Approval required from	Council Budget Setting March 2026
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PROJECT APPRAISAL FORM

Project Name: West Park and Bridgford Park Tennis Court refurbishments – Special Expense	Cost Centre: 0320	Ref: 14
Project lead: Hamish MacInnes	Communities' Manager	
Request for project from:	Communities' Manager/Leisure Strategy	
<p>Detailed Description: Works to refurbish the Borough Council's Tennis court provision at Bridgford Park and West Park. The works will include deep cleaning removing moss and weeds, minor repairs to the porous macadam surface where cracks have appeared or become damaged and the full repaint of the surface and lines on the courts.</p> <p>Bridgford Park and West Park Tennis courts provision</p> <div style="display: flex; justify-content: space-around;">   </div> <p>The perimeter fencing and gates will also be refurbished to align with the new code locks technology installed in the 2025/26</p> <p>The second redundant tennis court at West Park will no longer be redeveloped due to emerging needs of Nottinghamshire County Cricket Club and their aspiration to develop this space to meet the growing demand for cricket on site.</p>		
Location: West Bridgford	Director: Neighbourhoods	
<p>Contribution to the Council's aims and objectives:</p> <p>Corporate Priorities:</p> <ul style="list-style-type: none"> Quality of Life Efficient Services <p>Strategic Commitments:</p> <ul style="list-style-type: none"> Protecting our residents' health and facilitating healthier lifestyle choices Providing high quality community facilities which meet the needs of our residents. Creating opportunities for young people to realise their potential. Ongoing appraisal and alignment of resources linked to growth aspirations. 		
<p>Community Outcomes:</p> <ul style="list-style-type: none"> Number of tennis users Satisfaction of tennis users Participation in sport figures Quality of facility 		

Environmental Outcomes: <ul style="list-style-type: none"> The tender process will take into consideration the local supply chain, Carbon reduction measures from the supplier use of materials to procure the most sustainable outdoor facility for the community. 			
Other Options Rejected and Why: Doing nothing would put at risk the operational performance and efficiency of the facility, reducing customer experience/satisfaction and, in turn, reduce revenue income.			
Procurement route proposed and stage: We would aim to get three quotes for the works five the value of the scheme			
Project Management Office support required: No It is envisaged that this project will be managed by the Facilities and Corporate CCTV Manager with the support of the Communities' Manager in house.			
Start Date: April 26		Completion Date: Mar 27	
Capital Cost (Total):	Year 1: 26/27	Year 2: 27/28	
£50,000	£50,000		
Capital Cost (Breakdown) £: 25k +Vat £8,000+ VAT for cleaning, minor repairs, and repainting per tennis court Three tennis courts in total £1k for the repainting of the code-lock backing plates and fencing repairs. The remaining balance of £25k will be reviewed in light the need for tennis court 2 by cricket development			
Works £45,500	Equipment	Other	Fees £4,500
Additional Revenue cost/ (saving) per annum:	Year 1: 26/27	Year 2: 27/28	
Year 3: 28/29	Year 4: 29/30	Year 5: 30/31	
Proposed Funding			
External:		Internal: Capital Receipts in the first instance repayable by a Special Expense Annuity	

Useful Economic Life (years): 8	New/Replacement: New and Replacement
Depreciation per annum: £6,250	Capital Financing Costs: Net nil as expenditure covered by a Special Expense annuity
Residual Value: N/A	Category of Asset: Operational Land & Buildings
IFRS16 New Lease Checklist Completed	N/A
VAT Treatment Assessed	N/A

Approval required from	Council Budget Setting March 2026
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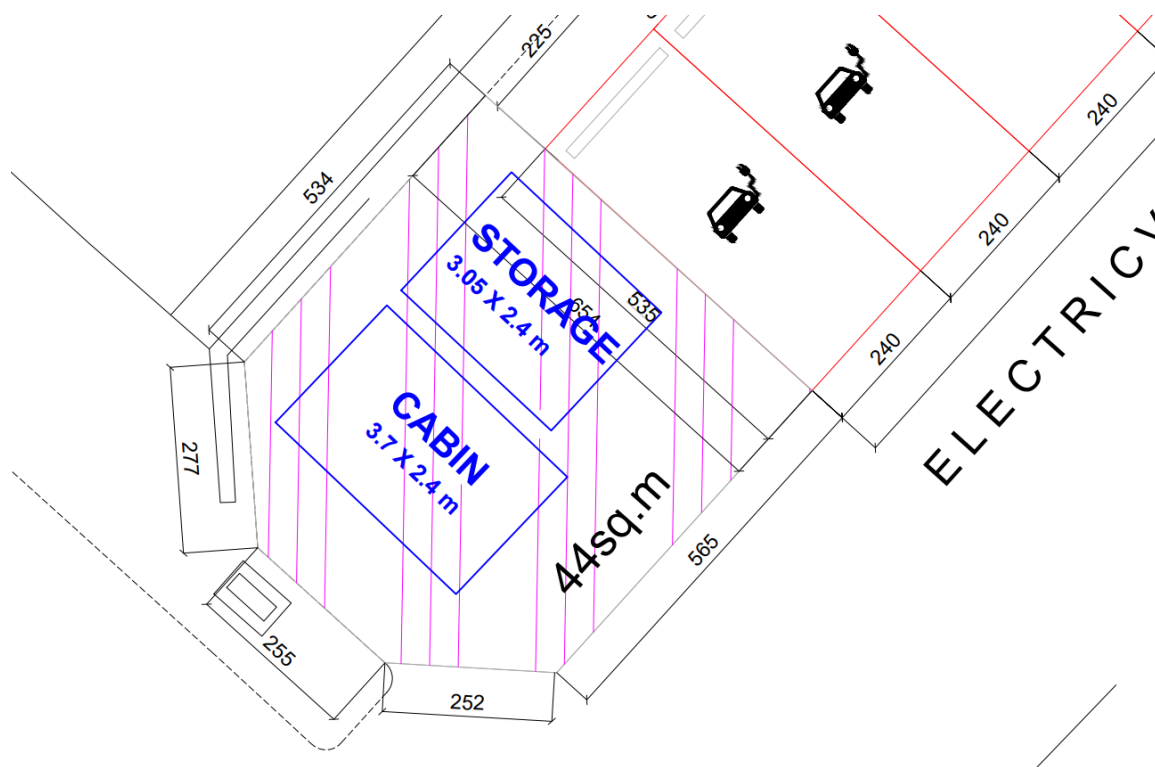
PROJECT APPRAISAL FORM

Project Name: Alternative Storage Solution West Park – Special Expense	Cost Centre: 0320	Ref: 15
Project lead: Nicola Wells	Communities' Manager	
Request for project from:	Communities' Manager	

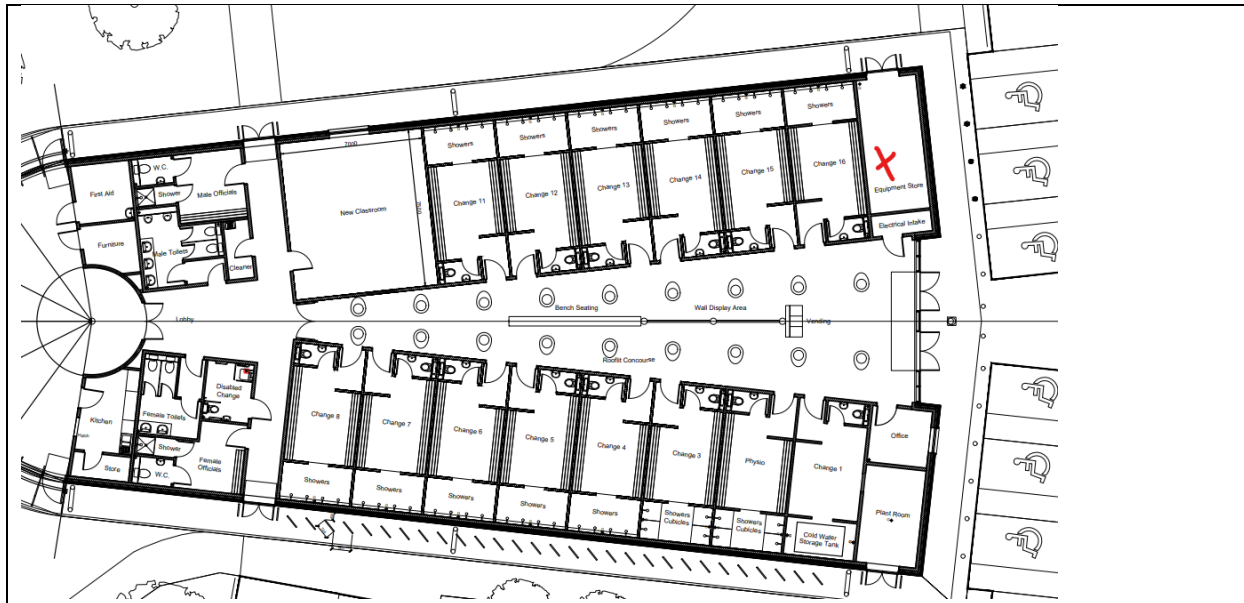
Detailed Description: Works to provide a long-term storage solution for the Events, Community Safety, and IT equipment which is currently stored at West Park Sports Pavilion since the sale of the Depot on Abbey Road.

The current proposal being explored is to provide a storage solution at Gresham Sport Park in the external store which is not fit for purpose to store football goals and to create a storage unit at Bridgford Park for the storage of town centre events materials

Please see the proposed location of the events storage until in Bridgford Park below. The cabin is being commissioned by Streetwise to provide mess facilities for the parking enforcement team instead of renting.



The below image shows the external equipment store at Gresham Sports Park which will be repurposed to better meet the needs of the council with the existing equipment being relocated elsewhere on site to accommodate the new equipment.



The relocation of this equipment will ensure that West Park sport Pavilion can return to its original purpose of providing changing facilities to meet the growing demand for cricket on the site ensuring that we continue to create opportunities for young people to reach their potential.

Location: West Bridgford

Director: Neighbourhoods

Contribution to the Council's aims and objectives:

Corporate Priorities:

- Efficient Services

Strategic Commitments:

- Providing high quality community facilities which meet the needs of our residents.
- Creating opportunities for young people to realise their potential.
- Ongoing appraisal and alignment of resources linked to growth aspirations.

Community Outcomes:

- To ensure the provision of high-quality community facilities which meet community need.
- To protect our residents' health and facilitate healthier lifestyle choice.

Environmental Outcomes:

- The tender process will take into consideration supply chain, Carbon reduction measures from the supplier use of materials to procure the most sustainable outdoor facility for the community.
- The events storage will remove the need for additional vehicle movement transporting event equipment at West Park

Other Options Rejected and Why:

Doing nothing would put at risk the operational performance and efficiency of the facility, reducing customer experience/satisfaction and, in turn, reduce revenue income.

Procurement route proposed and stage:

Three quotes

Project Management Office support required: Yes/No

It is envisaged that this project will be managed by the Team Manager for Communities and Streetwise Manager with the support of the Communities' Manager in house.

Start Date: April 26

Completion Date: Mar 27

Capital Cost (Total):

Year 1:26/27

Year 2: 27/28

£30,000

£30,000

Capital Cost (Breakdown) £:

£10k for Parking enforcement cabin

£5k for Events Storage Unit

£5k removing and making good storage unit at West Park

£5k Gresham Sports Park storage repurposing

The remaining balance will be used to take into consideration Community Safety and IT requirements.

Works

£10k

Equipment

£15k

Other

£3k

Fees

£2k

**Additional Revenue cost/
(saving) per annum:**

**Year 1: 26/27
£25,000**

Year 2: 27/28

Year 3: 28/29

Year 4: 29/30

Year 5: 30/31

Proposed Funding

External:

Internal: Capital Receipts in the first instance repayable by a Special Expense Annuity

Useful Economic Life (years): 15

New/Replacement: New

Depreciation per annum: £2k

Capital Financing Costs: Net nil as expenditure covered by a Special Expense annuity

Residual Value:

Category of Asset: Operational Land & Buildings/Equipment

IFRS16 New Lease Checklist Completed

N/A

VAT Treatment Assessed

N/A

Approval required from

Council Budget Setting March 2026

PROJECT APPRAISAL FORM

Project Name: Keyworth Leisure Centre (KLC) Intruder Alarm and CCTV System	Cost Centre: 0402	Ref: 16
Project Lead: Team leader Leisure Contract, Sport and Health/Communities' Manager		
Request for Project from: Team leader Leisure Contract, Sport and Health/Communities' Manager		
Detailed Description: £20k has been included in the 26/27 Capital Programme for the replacement KLC Intruder Alarm and CCTV System.		
Location: Keyworth Leisure Centre	Director: Neighbourhoods	
Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Quality of Life Efficient Services The Environment Sustainable Growth Strategic Commitments: <ul style="list-style-type: none"> Meeting contractual obligations Protecting our residents' health and facilitating healthier lifestyle choices. Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council. Ensuring well maintained facilities to support growing populations and increased usage 		
Community Outcomes: <ul style="list-style-type: none"> To ensure the provision of high-quality community facilities which meet community need. To protect our residents' health and facilitate healthier lifestyle choice. 		
Environmental Outcomes: <ul style="list-style-type: none"> Low energy cameras and monitors will be selected. Where possible, existing infrastructure will be reused, e.g door contact points, sounders and bells and wiring to minimise waste. 		
Other Options Rejected and Why: Do not replace the intruder Alarm and CCTV System. This will breach the council's lease obligations with Nottinghamshire County Council and the council's repair and maintenance obligations within the Leisure Services Contract which places full-scale capital replacement of these end-of-life systems on the council. Failure to meet contractual obligations places a financial and reputational risk on the authority should NCC or Parkwood Leisure insurers fail to make payments against insurance claims due to lack of CCTV or intruder alarm. This may also lead to loss of customers resulting in a less efficient service and not be in line with the commitments made in the Leisure Strategy refresh which was adopted by Cabinet in December 2022.		
Procurement route proposed and stage: Three Quotes		
Project Management Office support required: Yes/No The scheme is being delivered through internal project management through the Team leader, Leisure Contract, Sport and Health.		

Start Date: Apr 26		Completion Date: Mar 27	
Capital Cost (TOTAL):		Year 1: 26/27	Year 2: 27/28
£20,000		£20,000	
Capital Cost (Breakdown) £:			
Works	Equipment £20,000	Other	Fees
Additional Revenue cost/(saving)per annum:		Year 1: 26/27	Year 2: 27/28
Year 3: 28/29	Year 4: 29/30		Year 5: 30/31
Proposed Funding:			
External:		Internal: Capital Receipts	

Useful Economic Life (years): 15	New/Replacement: Replacement
Depreciation per annum: £1,300	Capital Financing Costs: £750 p.a.
Residual Value: N/A	Category of Asset: Operational Land & Buildings
IFRS16 New Lease Checklist Completed	N/A
VAT Treatment Assessed	N/A
Approval required from	Council Budget Setting March 2026

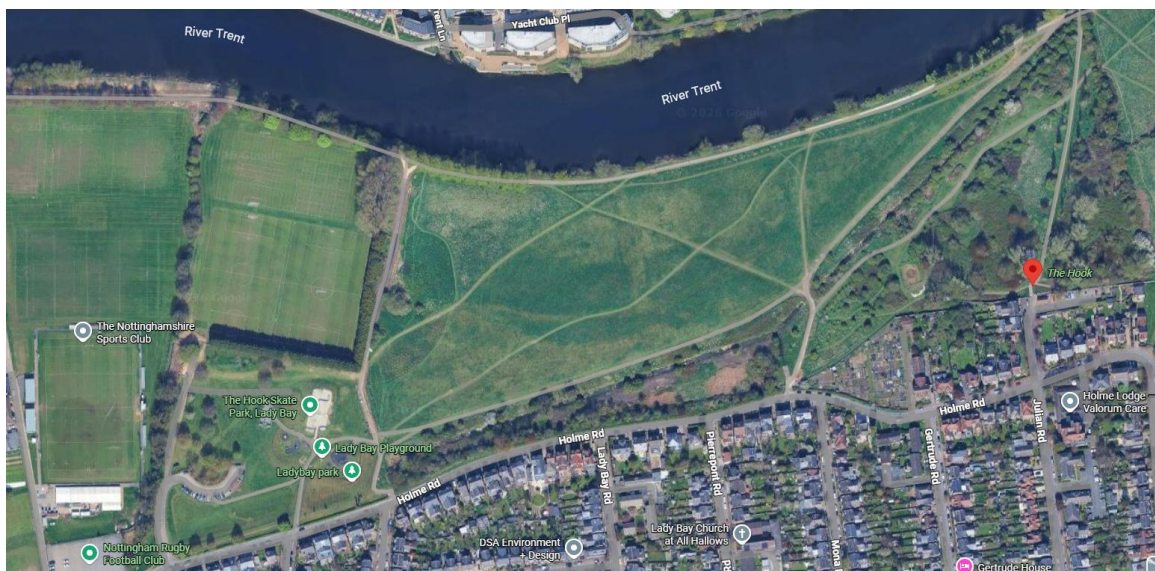
PROJECT APPRAISAL FORM

Project Name: Footpath Improvements The Hook – Special Expense	Cost Centre:	Ref: 17
Project lead: Paul Phillips, Alastair Glenn, Hamish MacInnes	Communities' Manager	
Request for project from:	Communities' Manager	

Detailed Description: Works to improve the Hook Recreation Ground and nature reserve paths considering the significant development of the Bridge over the river Trent.



The Hook Recreation ground and wider nature reserve has several paths which crisscross the site, the paths range from porous macadam, crushed limestone or grass mown paths.



This project will only focus primarily on the crushed limestone paths along the river Trent in Rushcliffe Borough Council ownership and to connect with the significant strategic investment in the new bridge over the river Trent to ensure walking and cycling opportunities are maximised and ensure strategic alignment with the Trent sports Quarter redevelopments being promoted by EMCCA.			
Location: West Bridgford		Director: Neighbourhoods	
Contribution to the Council’s aims and objectives: Corporate Priorities: <ul style="list-style-type: none">• Quality of Life• Efficient Services• Economic Growth Strategic Commitments: <ul style="list-style-type: none">• Protecting our residents’ health and facilitating healthier lifestyle choices.• Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council.• Creating opportunities for young people to realise their potential.• Ongoing appraisal and alignment of resources linked to growth aspirations.			
Community Outcomes: <ul style="list-style-type: none">• To ensure the provision of high-quality community facilities which meet community need.• To protect our residents’ health and facilitate healthier lifestyle choice.			
Environmental Outcomes: <ul style="list-style-type: none">• The tender process will take into consideration supply chain, Carbon reduction measures from the supplier use of materials to procure the most sustainable outdoor facility for the community.• Careful consideration will also be given to ensure that works compliment the local nature reserve characteristics.			
Other Options Rejected and Why: <p>Doing nothing would put at risk the operational performance and efficiency of the facility, reducing customer experience/satisfaction and considering the significant strategic investment could be reputationally damaging if they leave the end of the new work on to Rushcliffe owned and managed land to be experience potholed and poorly maintained walking and cycling infrastructure.</p>			
Procurement route proposed and stage: <p>We would aim to get three quotes for the surfacing but have struggled in the past with getting three companies to quote.</p>			
Project Management Office support required: /No <p>It is envisaged that this project will be managed by the Facilities and Country Park Manager with the support of the Communities’ Manager in house.</p>			
Start Date: April 26		Completion Date: Mar 27	
Capital Cost (Total):	Year 1:26/27	Year 2: 27/28	
£50,000	£50,000		
Capital Cost (Breakdown) £: to be determined			
Works	Equipment	Other	Fees

Additional Revenue cost/ (saving) per annum:	Year 1: 26/27	Year 2: 27/28
Year 3: 28/29	Year 4: 29/30	Year 5: 30/31
Proposed Funding		
External:		Internal: Capital Receipts in the first instance repayable by a Special Expense Annuity

Useful Economic Life (years): 15	New/Replacement: New and Replacement	
Depreciation per annum: £3,300	Capital Financing Costs: Net nil as expenditure covered by a Special Expense annuity	
Residual Value: N/A	Category of Asset: Infrastructure	
IFRS16 New Lease Checklist Completed		N/A
VAT Treatment Assessed		N/A

Approval required from	Council Budget Setting March 2026
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PROJECT APPRAISAL FORM

Project Name: Empty Homes Compulsory Purchase Orders	Cost Centre: 0428	Ref: 18								
Project lead:	Assistant Director of Public Protection/Principal Officer Environmental Health									
Request for project from:	Chief Executive									
<p>Detailed Description: This project aims to focus on the 9 most problematic long term empty properties within the Rushcliffe Borough, focusing time and resources into bringing them back into residential use within a three-year timeframe. This is deemed necessary since these properties have been scored as the highest priority on the Empty Property Scoring and Rating Matrix, and all actions in line with the Empty Homes Strategy 2024 – 2029 have been exhausted, including engagement with the homeowners and enforcement actions. It is deemed that without further council intervention these properties may remain empty indefinitely and continue to put a strain on the council's resources. Furthermore, the empty properties are attracting negative attention and are located in prominent high street locations, which is devaluing for the community.</p> <p>The project also aims to create a legacy for Rushcliffe Borough Council, as bringing back into use these problematic properties will bring social, regenerative, financial and strategic benefits by reinvigorating the community, in addition to cementing community trust and perception of the council.</p> <p>It is planned that the properties acquired using CPOs will be disposed of concurrently in a back-to-back acquisition and disposal thus ensuring that the Council does not hold these assets for any length of time. There is a risk that any time delay between acquisition and disposal will have revenue consequences. There could be an opportunity cost of holding the assets, even for a short time, in the form of lost interest on sale proceeds.</p>										
Location: Rushcliffe Borough	Director: Neighbourhoods									
<p>Contribution to the Council's aims and objectives:</p> <p>Corporate Priorities:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">The Environment</td> <td>Protecting the local environment by minimising environmental crime</td> </tr> <tr> <td>Quality of Life</td> <td>The visual appearance of the Borough is an important factor in terms of the quality of life felt by residents. Unsightly, neglected and run-down properties contribute to a feeling that a neighbourhood is unsafe which also has a bearing on quality of life</td> </tr> <tr> <td>Efficient Services</td> <td>Additional charges linked to Empty and Unoccupied homes in the Borough provides additional income which is used to take positive action in this area.</td> </tr> <tr> <td>Sustainable Growth</td> <td>None</td> </tr> </table>			The Environment	Protecting the local environment by minimising environmental crime	Quality of Life	The visual appearance of the Borough is an important factor in terms of the quality of life felt by residents. Unsightly, neglected and run-down properties contribute to a feeling that a neighbourhood is unsafe which also has a bearing on quality of life	Efficient Services	Additional charges linked to Empty and Unoccupied homes in the Borough provides additional income which is used to take positive action in this area.	Sustainable Growth	None
The Environment	Protecting the local environment by minimising environmental crime									
Quality of Life	The visual appearance of the Borough is an important factor in terms of the quality of life felt by residents. Unsightly, neglected and run-down properties contribute to a feeling that a neighbourhood is unsafe which also has a bearing on quality of life									
Efficient Services	Additional charges linked to Empty and Unoccupied homes in the Borough provides additional income which is used to take positive action in this area.									
Sustainable Growth	None									
<p>Strategic Commitments:</p> <ul style="list-style-type: none"> This project is supported by the Council's Empty Homes Strategy 2024-2029. 										
<p>Community Outcomes:</p> <ul style="list-style-type: none"> Sense of pride in local area, positive impact on local crime and disorder associated with vacant properties and increase in availability of local housing. Bringing empty homes back into use improves their appearance and safety of the street Several properties contained within this project are Listed Buildings. By bringing these back into use local identity and continuity is reinforced and erosion of village character is prevented. 										

Environmental Outcomes:			
<ul style="list-style-type: none"> Bringing empty homes back into use is more environmentally sustainable than building new houses, which emits high levels of carbon emissions. By making use of buildings already available we aim to preserve the rural nature of the Borough and safeguards landscape character A reduction in vacancy related environmental harm including damp, mould, structural decay and pest infestation. 			
Other Options Rejected and Why:			
The Council's Empty Homes Strategy 2024-2029 outlines the steps that the Council will take to bring empty homes back into use. This project will deal with those empty homes where all informal and low-level enforcement options have failed to bring them back into use and those properties continue to be problematic to the Council and the community.			
Procurement route proposed and stage:			
To be confirmed.			
Project Management Office support required: Yes/No			
Already in place			
Start Date: Jan 2026		Completion Date: April 2028	
Capital Cost (Total):	Year 1:26/27	Year 2: 27/28	
£750,000	£250,000	£500,000	
Capital Cost (Breakdown) £: to be determined			
Works	Equipment	Other	Fees
Additional Revenue cost/ (saving) per annum:	Year 1: 26/27	Year 2: 27/28	
Year 3: 28/29	Year 4: 29/30	Year 5: 30/31	
Proposed Funding			
External:		Internal: £250k initial costs met from the New Homes Bonus Reserve; £500k will be covered from the capital receipt generated through back-to-back purchase/disposals.	
Useful Economic Life (years): N/A		New/Replacement: New	
Depreciation per annum: N/A		Capital Financing Costs: £9,300 the opportunity cost of lost interest on capital resources used	
Residual Value:		Category of Asset: REFCUS for £250k; no resultant assets from CPO acquired property as bought and sold.	
IFRS16 New Lease Checklist Completed			N/A
VAT Treatment Assessed			To be checked
Approval required from		Council Budget Setting March 2026	

PROJECT APPRAISAL FORM

Project Name: Strategic 3G Artificial Turf Pitch and Changing Pavilion Grant Programme for Rushcliffe	Cost Centre: 0677	Ref: 19
Project lead:	Communities Manager	
Request for project from:	Communities Manager	
<p>Detailed Description: Grant contribution of a maximum grant of £50k to the strategic projects which have been identified in the FA's Local Football Facilities Plan (LFFP) and the supporting Borough Council's Playing Pitch Strategy strategic projects.</p> <p>The grants would be used as the Borough Council's contribution to Strategic projects as follows:</p> <ol style="list-style-type: none"> 1. Regatta Way- West Bridgford 2. Bingham Area- site to be confirmed 3. Keyworth- site to be confirmed 4. Ruddington- Jubilee Field 5. Cotgrave- site to be confirmed 6. East Leake-site to be confirmed 		
 <p style="font-size: small; margin-top: 5px;">Keyworth United Community Football Club, UK</p>		
<p>In addition, the two-clubhouse refurbishment identified in the LFFP for strategic investment at Keyworth United Platt Lane and Bingham Road Radcliffe on Trent would also be eligible for funding.</p>		
		

The grant pot would be used as match funding alongside successful monies being received from the Football Foundation, Strategic CIL infrastructure funding and the applicants own resources.

The grant would be subject to confirmation of all the necessary planning permissions, grant confirmations and is for capital works only.

The total grant pot available is £400k with a maximum of £50k towards any single project.

Location: West Bridgford

Director: Neighbourhoods

Contribution to the Council's aims and objectives:

Corporate Priorities:

- Quality of Life
- Efficient Services
- Economic Growth

Strategic Commitments:

- Protecting our residents' health and facilitating healthier lifestyle choices.
- Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council.
- Creating opportunities for young people to realise their potential.
- Ongoing appraisal and alignment of resources linked to growth aspirations.

Community Outcomes:

- To ensure the provision of high-quality community facilities which meet community need.
- To protect our residents' health and facilitate healthier lifestyle choice.

Environmental Outcomes:

- The tender process will take into consideration supply chain, Carbon reduction measures from the supplier use of materials to procure the most sustainable outdoor facility for the community.
- All projects would require full planning permission and associated Biodiversity Net Gain and ecology assessments

Other Options Rejected and Why:

Doing nothing would put at risk the opportunity to lever in up to 65% strategic funding per project from the football foundation. It also would stall the spending of the Strategic CIL funding which has been allocated to playing pitches across the borough

Procurement route proposed and stage:

Successful project would proceed through the Football Foundation's Framework tendering exercise and comply with all procurement requirement to achieve the grant funding

Project Management Office support required: /No

It is envisaged that this project will be supported by the Borough Council's Sports Development Officer and Communities' Manager in conjunction with our external partners at Notts FA and the Football Foundation.

Start Date: April 26

Completion Date: Mar 28

Capital Cost (Total):

Year 1:26/27

Year 2: 27/28

£400,000

£200,000

£200,000

Capital Cost (Breakdown) £:			
Works	Equipment	Other – Grants £400,000	Fees
Additional Revenue cost/ (saving) per annum:		Year 1: 26/27	Year 2: 27/28
Year 3: 28/29		Year 4: 29/30	Year 5: 30/31
Proposed Funding			
External:		Internal: New Homes Bonus reserve	

Useful Economic Life (years): N/A - Grants	New/Replacement: New and Replacement
Depreciation per annum: NIL - REFCUS	Capital Financing Costs: £15,000
Residual Value:	Category of Asset: REFCUS
IFRS16 New Lease Checklist Completed	N/A
VAT Treatment Assessed	Outside the scope of VAT

Approval required from	Council Budget Setting March 2026
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PROJECT APPRAISAL FORM

Project Name: Information Systems Strategy	Cost Centre: Various	Ref: 20
Project Lead: Strategic ICT Manager		
Request for Project from: Rolling Capital Programme		
Detailed Description: The strategy enables an agile approach to operational delivery, taking advantage of new proven developments. The ICT Technical Delivery Plan details all technical projects, and the schedule for implementation, during the lifetime of the ICT Strategy.		
Location: Rushcliffe Arena	Director: Finance and Corporate	
Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Efficient Services Quality of Life Protecting the Environment Strategic Commitments: <ul style="list-style-type: none"> Ongoing appraisal and alignment of resources linked to growth aspirations. Include digital principles in our communications and ways of undertaking business. Working to achieve carbon neutral status for the Council's operations. Continue to invest in Cloud Services to enhance the Council's Business Continuity Plans and provide support for 'Smarter Ways of Working' policies. People and Technology working together to provide efficiencies and remove barriers to simplify the Council's operations. 		
Community Outcomes: <ul style="list-style-type: none"> To ensure that we make best use of digital development where appropriate to deliver better services and operate more efficiently. To enable residents to do business with us in a digital way if that is their preference. To use public spend in an efficient and economical way. <p>The ICT Strategy is closely aligned to the Council's "Four Year Plan" reviews and ICT will be instrumental in delivering the outcomes identified during these reviews. The Strategy will deliver:</p> <ul style="list-style-type: none"> People and Smarter Ways of Working. <ul style="list-style-type: none"> With a focus on people and their experience when accessing Council services. Investing time to find the correct and appropriate solution, which provides efficient and economic systems across the Council. To bring people along the journey and promote flexible, remote and agile solutions, and digital transformation programmes that take advantage of self-service initiatives, intelligent automation (IA), and artificial intelligence (AI). Key elements are people and the use of technology as an enabler and improving customer service and experience. Business Continuity, Cloud Services and Hybrid Technologies <ul style="list-style-type: none"> Continue to improve business continuity arrangements and underpin other strategic objectives and their success. Seek opportunities to use cloud services to improve access and resilience for our residents and staff accessing Council services. Recognising when Hybrid technologies can be used to accommodate for complex and flexible solutions. Currently Cloud Services are not cost effective so in-house solutions are being sourced. Information Management and Governance, and Security <ul style="list-style-type: none"> To safeguard Council data by ensuring legislative, central government security standards are followed and using security and privacy by design principles. Think Green 		

<ul style="list-style-type: none"> ○ To be aware of and help achieve local net zero targets from energy efficiency savings when upgrading existing or implementing new systems. To report on energy usage and seek out opportunities to provide positive impact on carbon reduction. 			
Environmental Outcomes: <ul style="list-style-type: none"> • When new infrastructure or ICT equipment is procured, power consumption forms part of the decision making when assessing quality of products. The supplier is also reviewed to see what their carbon footprint is and will add to the Council's carbon reduction target. 			
Other Options Rejected and Why: Every project is the subject of a proposal or business case to be presented to and approved by the Executive Manager for the corresponding Service Area to ensure that the most appropriate IT solution is chosen, having due regard to the alignment of technologies already in use across other local authorities, value for money and resilience. The option of not doing so would lead to outdated or incompatible technology, which would result in lower performance, higher maintenance costs and hinder the drive for greater efficiencies.			
Proposed Procurement route and stage: schemes will be procured in line with procurement rules, utilising the Framework where possible, with open tenders where necessary.			
Project Management Office support required: No			
Start Date: On-going		Completion Date: On-going	
Capital Cost (Total):	Year 1:25/26	Year 2: 26/27	
£615,000 (2 years)	£385,000	£230,000	
Capital Cost (Breakdown):			
Works	Equipment £460,000	Other £155,000	Fees
Additional Revenue cost/ (saving) per annum:	Year 1: 26/27	Year 2: 27/28	
Year 3: 28/29	Year 4: 29/30	Year 6: 30/31	
Proposed Funding			
External: N/A		Internal: Regeneration and Community Projects Reserve and Organisation Stabilisation Reserve	

Useful Economic Life (years): 3	New/Replacement: New and Replacement
Depreciation per annum: £128k 26/27 plus £77k 27/28	Capital Financing Costs: £23,000
Residual Value: Nil	Category of Asset: Intangible Assets and Equipment
IFRS16 New Lease Checklist Completed?	N/A
VAT treatment assessed?	N/A
Approval Required:	Council Budget Setting March 2026

12.4 Appendix 4 – Use of Earmarked Reserves in 2026/27

Use of Earmarked Reserves in 2026/27	Projected Opening Balance	Projected Income	Projected Expenditure	Net Change in Year	Projected Closing Balance
<i>Investment Reserves:</i>					
Regeneration and Community Projects	3,625	363	(1,454)	(1,091)	2,534
Sinking Fund - Investments	569	200	(120)	80	649
<i>Corporate Reserves:</i>	0	0	0	0	0
Organisation Stabilisation	6,359	503	(478)	25	6,384
Treasury Capital Depreciation Reserve	1,310	0	0	0	1,310
Climate Change Action	816	0	(285)	(285)	531
Flood Grant & Resilience	22	0	0	0	22
Simpler Recycling Reserve	965	1,150	(430)	720	1,685
Vehicle Replacement Reserve	460	685	(300)	385	845
LGR Reserve	1,090	1,000	(76)	924	2,014
Risk and Insurance	100	0	0	0	100
Planning Appeals	340	0	0	0	340
Elections	151	50	0	50	201
<i>Operating Reserves:</i>	0	0	0	0	0
Planning	85	0	0	0	85
Leisure Centre Maintenance	33	515	(50)	465	498
Total Excluding NHB Reserve	15,925	4,466	(3,193)	1,273	17,198
New Homes Bonus	8,383	0	(2,189)	(2,189)	6,194
Total Earmarked Reserves	24,308	4,466	(5,382)	(916)	23,392

12.5 Appendix 5 – Transformation and Efficiency Plan

Efficiency	2026/27	2027/28	2028/29	2029/30	2030/31	Total
THEMATIC						0
LEISURE STRATEGY	(116)	(485)	(207)			(807)
CREMATORIUM	(70)	(64)	(40)			(174)
WEST PARK NCCC (SPECIAL EXPENSE)	(36)	1	1			(34)
CUSTOMER CONTACT CENTRE	(1)	(1)	(1)			(3)
ADDITIONAL INCOME						0
CAR PARKING			(100)			(100)
GREEN BIN SCHEME	(100)	(100)	(100)	(100)	(100)	(500)
GREEN BIN SCHEME (2ND AND SUBSEQUENT PRICE INCREASE)	(69)	(71)	(75)	(81)	(85)	(381)
BINGHAM ENTERPRISE	(8)					(8)
COTGRAVE PHASE 2	(6)					(6)
SERVICE EFFICIENCIES						0
HOME ALARMS DIGITALISATION	15	(6)			2	11
MARKETING SERVICES	10					10
PUBLIC CONVENIENCES	(1)					(1)
DIGITAL BIN CALENDAR	(6)					(6)
TOTAL	(386)	(726)	(522)	(181)	(183)	(1,998)
CUMULATIVE SAVINGS TO DATE	(6,658)	(7,044)	(7,770)	(8,292)	(8,473)	
CUMULATIVE SAVINGS CARRIED FORWARD	(7,044)	(7,770)	(8,292)	(8,473)	(8,656)	

12.6 Appendix 6 – Core Spending Power

Funding Breakdown

	2025/26	2028/29	Change
Baseline Funding Level	6,523,933	2,284,432	(64.98%)
Grants rolled into RSG	213,616	-	(100.00%)
Revenue Support Grant (RSG)	1,824,603	2,504,836	37.28%
Better Care Grant	-	-	
Fair Funding Allocation	8,562,152	4,789,268	(44.06%)

Homelessness Domestic Abuse	211,660	645,104	204.78%
Families First Partnership	-	-	
100% income floor protection	-	-	
95% income protection floor	-	1,535,605	
Recovery Grant	-	-	
Recovery Grant Guarantee	-	-	
Government Funding	8,773,812	6,969,977	(20.56%)
Council Tax	8,739,007	10,111,229	15.70%
Core Spending Power (CSP)	17,512,819	17,081,205	(2.46%)

Projected Population	126,612	129,696	2.44%
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Per head analysis of Core Spending Power (CSP)

	2025/26	2028/29	Change
Rushcliffe	138.32	131.7	(4.78%)
Nottinghamshire	150.22	148.29	(1.28%)
District	166.57	169.6	1.82%

13 EXTERNAL APPENDICES

13.1 Appendix 7 – Business Rates Pool

13.2 Appendix 8 – Pay Policy

13.3 Appendix 9 – Capital and Investment Strategy

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Nottinghamshire Finance Officers Report

Nottinghamshire Business Rates Pool: future pooling arrangements (2026/27 and beyond)

Purpose of the Report

1. To determine whether the Nottinghamshire Business Rates Pool should continue to operate for 2026/27.

Background

2. The Nottinghamshire Business Rates Pool has operated since 2023/14 with all members of Nottinghamshire being part of the pool barring Nottingham City Council and the Nottinghamshire Fire Authority.
3. In that time (to 31st March 2025) £74.6m has been retained locally that would otherwise have been paid to MHCLG.
4. Pooling has been a lucrative option for Local Government and has been utilised across the Country since 2013/14. Initially the number of pools (and their size in terms of LAs) was low (less than 10). More recently, as there was a greater understanding of Business Rates Retention and a greater confidence that authorities were going to be above baseline, numbers increased to over 25 pools with nearly 200 local authorities included.
5. This number was drastically reduced to be provisionally continued for the 2026/27 financial year. Only 11 pools signalled their intent to continue prior to the provisional LGFS announcement. It is also anticipated that this would be reviewed further as more information regarding how the system would work was announced as part of the provisional LGFS.
6. As part of the provisional LGFS, the Business Rates system has been reviewed and revamped. Under the previous system as Nottinghamshire County Council's top-up status exceeded the sum of the District and Borough tariff's the pool's overall levy rate was 0%. This meant the 50% levy that would have been due to MHCLG, should there not have been a pool, that each individual District and Borough incurred, would remain within Nottinghamshire. Therefore, where authorities were collecting more in business rates than the set NNDR baseline this triggered a levy to be paid. As the levy rate for the pool was 0% this meant that that levy was not payable to MHCLG, enabling the funds to stay within Nottinghamshire as pooling gains.
7. For 2026/27 there are two significant changes in the Business Rate Retention (BRR) system that impact on the viability of business rate pools:
 - Full reset of the BRR system:- all authorities will have a new NNDR Baseline amount that is expected to be equal to the amount to be collected – hence there is unlikely to be significant variances between the amount to be collected and the baseline amount. These variances are just as likely to leave authorities above or below the NNDR baseline.
 - Reform to the levy/safety net system:- For 2026/27 onwards the levy rates have been changed. These are now uniform for all authorities, instead of being linked to top up/tariff status. The new rates being:

Stage	Business rates retention income as a % of a local authorities' Baseline Funding Level	Levy rate charged on business rates retention income over Baseline Funding Level
1. Initial growth	100% - 110%	10%
2. Further growth	110% - 200%	30%
3. High growth	200%+	45%

For the safety net, the level of support has increased in 2026/27 and 2027/28, from 92.5% of Baseline Funding Level (BFL), with the new rates being:

2026/27 safety net guaranteeing 100% of BFL

2027/28 safety net guaranteeing 97% of BFL

2028/29 safety net guaranteeing 92.5% of BFL.

Proposals

8. Due to the changes in the system, it is anticipated that the risks outweigh the rewards in respect of pooling. As baseline funding levels have been adjusted to be more accurate, it is more likely that authorities will need a safety net payment, which would need to be funded by the other authorities in the pool where a pool exists. MHCLG would fund any safety net payments for authorities where they are not in a pool. The example below demonstrates this.

Two authority pool:

Authority A – growth of £200k

Authority B – below baseline £100k

Where the authorities are pooled:

Add up, so effectively A gives B £100k as it is below the baseline (hence needs the safety net payment)

Total net growth of £100k, 10% levy, so £10k paid in levy to MHCLG

Total net growth retained of £90k

Where the authorities are not pooled

A has growth of £200k hence 10% levy payable to MHCLG – A retains £180k

B receives £100k from MHCLG in safety net payment

Total net growth retained of £180k (£90k better off not pooling)

9. Based on the above it is therefore proposed that Nottinghamshire would not operate a Business Rates pool for 2026/27. This decision could be reviewed as part of Q1 monitoring in order to understand what the impact of the changes have been on individual authorities, to determine pooling viability in 2027/28.

Recommendations

1. To note the significant benefits of operating the Nottinghamshire Business Rates pool since 2013/14
2. To agree the dissolution of the Nottinghamshire Business Rates pool at the end of 2025/26 and revoke the intent to pool in 2026/27 with MHCLG.
3. To review 2026/27 Business Rates Income levels after Q1 monitoring to determine potential pooling viability in 2027/28.

Rushcliffe Borough Council Pay Policy Statement 2026-2027

1. Introduction

- 1.1 This Statement sets out the Council's policies in relation to the pay of its workforce, particularly its Senior Officers, in line with Section 38 of the Localism Act 2011. The Statement is approved by full Council each year and published on the Council's website demonstrating an open and transparent approach to pay policy.
- 1.2 This Statement draws together the Council's policies relating to the payment of the workforce particularly:
- Senior Officers
 - Its lowest paid employees; and
 - The relationship between the pay of Senior Officers and the pay of other employees
- 1.3 For the purposes of this statement 'pay' includes basic salary, pension and all other allowances arising from employment.

2. Objectives of this Statement

- 2.1 This Statement sets out the Council's key policy principles in relation to pay evidencing a transparent and open process. It does not supersede the responsibilities and duties placed on the Council in its role as an employer and under employment law. These responsibilities and duties have been considered when formulating the Statement.
- 2.2 This Statement aims to ensure the Council's approach to pay attracts and retains a high performing workforce whilst ensuring value for money. It sits alongside the information on pay that the Council already publishes as part of its responsibilities under the Code of Practice for Local Authorities on Data Transparency. Further details of this information can be found on the Council's website at the following address: <https://www.rushcliffe.gov.uk/about-us/about-the-council/senior-officers/>

3. Senior Officers

- 3.1 For the purposes of this Statement, Senior Officers are defined as those posts with a salary above £50,000 in line with the Local Government Transparency Code 2015. Using this definition Senior Officers within Rushcliffe currently consists of 11 posts out of an establishment of 320. The posts are as follows:-
- Chief Executive
 - Director – Finance and Corporate Services (Section 151 Officer)
 - Director – Development and Economic Growth
 - Director - Neighbourhoods
 - Monitoring Officer and Assistant Director of Law, Governance and HR

- Assistant Director of Finance
- Assistant Director of Economic Growth, Property and Projects
- Assistant Director of Planning
- Assistant Director of Environment and Communities
- Assistant Director of Public Protection
- Assistant Director of Corporate Services

4 The Policies

- 4.1 The Council consults when setting pay for all employees. The Council will meet or reimburse authorised travel, accommodation and subsistence costs for attendance at approved business meetings and training events. The Council does not regard such costs as remuneration but as non-pay operational costs.

5. Pay of the Council's Lowest Paid Employees

- 5.1 The total number of Council employees is presently 320. The Council has defined its lowest paid employees by taking the average salary of five permanent staff on the lowest pay grade the Council operates, who are not undergoing an apprenticeship. On this basis the lowest paid full-time equivalent employee of the Council earned £24,521. The Council currently pays £12.71 per hour for its lowest paid employees but this will increase once the 2026/27 annual pay award is agreed.
- 5.2 The Council does not explicitly set the pay of any individual or group of posts by reference to a pay multiple. The Council feels that pay multiples cannot capture the complexity of a dynamic and highly varied workforce in terms of job content, skills and experience required. In simple terms, the Council sets different levels of basic pay to reflect differences in levels of responsibility. Additionally, the highest paid employee of the Council's salary does not exceed 10 times that of the lowest paid group of employees.
- 5.3 The Head of Paid Service, or their delegated representative, will give due regard to the published Pay Policy Statement before the appointment of any Officers. Full Council will have the opportunity to discuss any appointment of Statutory Officer roles before an offer of appointment is made, in line with the Council's Officer Employment procedure rules within Part 4 of the Council's Constitution. Appointment to Director level is via a member employment panel.

6 Additional Payments Made to Chief Officers – Election Duties

- 6.1 The Chief Executive is nominated as the Returning Officer. In accordance with the national agreement, the Chief Executive is entitled to receive and retain the personal fees arising from performing the duties of Returning Officer, Acting Returning Officer, Deputy Returning Officer or Deputy Acting Returning Officer and similar positions which they perform subject to the payment of pension contributions thereon, where appropriate.
- 6.2 The role of Deputy Returning Officer may be applied to any other post and payment may not be made simply because of this designation. Payments to the Returning Officer are governed as follows:

- for national elections, fees are prescribed by legislation;
- for local elections, fees are determined within a local framework used by other district councils within the county. This framework is applied consistently and is reviewed periodically by lead Electoral Services Officers within Nottinghamshire. This includes proposals on fees for all staff employed in connection with elections. These fees are available for perusal on the Council's website.

6.3 As these fees are related to performance and delivery of specific elections duties, they are distinct from the process for the determination of pay for Senior Officers. The fees have been reviewed for 2026/27 and agreement made that the fees will increase annually in line with the national pay award.

Appendix to the Pay Policy Policies on other aspects of pay

Process for setting the pay of Senior Officers

The pay of the Chief Executive is based on an agreed pay scale which is agreed by Council prior to appointment. Changes to this are determined by the Leader, Deputy Leader and Leader of the Opposition, who are advised by an agreed external professional and the Strategic Human Resources Manager.

The pay of all Officers including Senior Officers is determined by levels of responsibility, job content and the skills and experience required. Consideration is also given to benchmarking against other similar roles, market forces and the challenges facing the authority at that time and to maximise efficiency. The pay of these posts is determined through the Chief Executive, or their nominated representative, in consultation with the Strategic Human Resources Manager and in line with the Council's pay scales and its agreed scheme of delegation.

The Council moved away from the national conditions of service in 1990 and pay scales are set locally.

As with all employees, the Council would look to appoint on the best possible terms to secure the best candidate for the job. However, there are factors that could influence the rate offered to an individual, including the relevant experience of the candidate, their current rate of pay and market forces.

All Senior Officers are expected to devote the whole of their service to the Authority and are excluded from taking up additional business, ad hoc services or additional appointments without consent as set out in the Councils code of conduct.

Terms and Conditions – All Employees

All employees are governed by the local terms and conditions as set out in the Employee handbook available on the intranet.

Local Government Pension Scheme

Every employee is automatically enrolled into the Local Government Pension Scheme. Employer and employee contributions are based on pensionable pay, which is salary plus, for example, shift allowances, bonuses, contractual overtime, statutory sick pay and maternity pay as relevant.

For more comprehensive details of the local government pension scheme see: www.lgps.org.uk and www.nottspf.org.uk

Neither the scheme nor the Council adopt different policies with regard to benefits for any category of employee and the same terms apply to all staff. It is not normal Council policy to enhance retirement benefits but there is flexibility contained within the policy for enhancement of benefits and the Council will consider each case on its merits.

Car Allowances

The Council pays mileage rates at HMRC recommended rates.

Pay Increments

Where applicable pay increments for all employees are paid on an annual basis until the maximum of the scale is reached. The Chief Executive, or their nominated representative, has the discretion to award and remove increments of officers' dependant on satisfactory or unsatisfactory performance.

Relocation Allowance

Where it is necessary for a newly appointed employee to relocate to take up appointment, the Council may make a contribution towards relocation expenses. The same policy applies to Senior Officers and other employees. Payment will be made against a range of allowable costs for items necessarily incurred in selling and buying a property and moving into the area. The costs include estate agents' fees, legal fees, stamp duty, storage and removal costs, carpeting and curtains, short term rental etc. The Council will pay 80% of some costs and 100% of others or make a fixed sum available. If an employee leaves within two years of first employment, they may be required to reimburse a proportion of any relocation expenses.

Professional fees

The Council currently meets the cost of professional fees and subscriptions for employees where it is a requirement of their employment or their contract.

Returning Officer Payments

In accordance with the national agreement the Chief Executive is entitled to receive and retain the personal fees arising from performing the duties of returning officer, acting returning officer, deputy returning officer or deputy acting return officer and similar positions which they performs subject to the payment of pension contributions thereon, where appropriate.

Fees for returning officer and other electoral duties are identified and paid separately for local government elections, elections to the UK Parliament and other electoral processes such as referenda. As these relate to performance and delivery of specific elections duties, they are distinct from the process for the determination of pay for Senior Officers.

Managing Organisational Change Policy

The Council has a Managing Organisation Change Policy which was originally agreed by Council in March 2007 and is regularly reviewed. The Council also has policies related to redundancy payments which is based on the length of continuous local government service, which is used to determine a multiplier, which is then applied to actual pay.

The policy provides discretion to enhance the redundancy and pension contribution of the individual and each case would be considered taking into account individual circumstances. Copies of the policies are available on the Council's website.

Payments on termination

The Council does not provide any further payment to employees leaving the Council's employment other than in respect of accrued leave, which by agreement is untaken at the date of leaving, or payments that are agreed or negotiated in line with current employment law practices.

Publication of information relating to remuneration of Senior Officers

The Pay Policy Statement will be published annually on the Council's website following its approval by full Council each year.

Gender Pay gap reporting

The Council publishes its Gender Pay Gap information annually on the Council's website and on the Governments website.

CAPITAL AND INVESTMENT STRATEGY 2026/27 – 2030/31

Introduction

1. The Local Government Act 2003 requires the Council to comply with the CIPFA Prudential Code for Capital Finance in Local Authorities (the CIPFA code) when carrying out capital and treasury management activities.
2. The Ministry of Housing Communities and Local Government (MHCLG) has issued Guidance on Local Council Investments that requires the Council to approve an investment strategy before the start of each financial year.
3. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the MHCLG Guidance.

The Capital Strategy

4. The Council's capital expenditure plans are summarised below and forms the first of the prudential indicators. Capital expenditure needs to have regard to:
 - Corporate Priorities (e.g., strategic planning)
 - Stewardship of assets (e.g. asset management planning)
 - Value for money (e.g. option appraisal)
 - Prudence and sustainability (e.g. implications for external borrowing and whole life costing)
 - Affordability (e.g. implications for council tax)
 - Practicability (e.g. the achievability of the Corporate Strategy)
 - Proportionality (e.g. risks associated with investment are proportionate to financial capacity); and
 - Environmental Social Governance (ESG) (e.g. address environmental sustainability in a manner which is consistent with our corporate policies. This is now a requirement of the Treasury Management (TM) Code)
5. Each year the Council will produce a Capital Programme to be approved by Full Council in March as part of Council Tax setting.
6. Each scheme is supported by a detailed appraisal (which may also be a Cabinet Report), as set out in the Council's Financial Regulations. The capital appraisals will address the following:
 - a) A detailed description of the project
 - b) How the project contributes to the Council's Corporate Priorities and Strategic Commitments (particularly the Council's environmental and carbon policies)
 - c) Anticipated outcomes and outputs
 - d) A consideration of alternative solutions
 - e) An estimate of the capital costs and sources of funding

- f) An estimate of the revenue implications, including any savings and/or future income generation potential
- g) A consideration of whether it is a new lease agreement (IFRS 16)
- h) How the project affects the Council's Environmental targets
- i) Any other aspects relevant to the appraisal of the scheme as the S151 Officer may determine.

The appraisal requirement applies to all schemes except where there is regular grant support and if commercial negotiations are due to take place and further reporting to Cabinet or Full Council is therefore required.

7. From time-to-time unforeseen opportunities may arise, or new priorities may emerge, which will require swift action and inclusion in the Capital Programme. These schemes are still subject to the appraisal process, and the Capital Programme will contain a contingency sum to allow such schemes to progress without disrupting other planned capital activity.

Capital Prudential Indicators

a) Capital Expenditure Estimates

8. Capital expenditure can be financed immediately through the application of capital resources, for example, capital receipts, capital grants or revenue resources. However, if these resources are insufficient or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need. Table 1 summarises the capital expenditure projections and anticipated financing. The detail behind the schemes is included in the Medium-Term Financial Strategy (MTFS) presented to Full Council.

Table1: Projected Capital Expenditure and Financing

	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000	2029/30 Estimate £'000	2030/31 Estimate £'000
Capital Expenditure	14,186	6,898	5,703	4,472	4,740	3,283
Less Financed by:						
Capital Receipts	4,460	325	625	315	915	435
Capital Grants/ Contributions	3,720	2,224	3,350	2,487	1,850	870
Reserves	6,006	4,349	1,728	1,670	1,975	1,978
Total Financing	14,186	6,898	5,703	4,472	4,740	3,283
Underlying need to Borrow	0	0	0	0	0	0

9. The key risks to the capital expenditure plans are that the level of grants estimated are subject to change, anticipated capital receipts are not realised/deferred or spend is more than expected in the medium term. We now know New Homes Bonus has been discontinued in the 2026/27 finance settlement.

b) The Council's Underlying Need to Borrow and Investment position

10. The Council's cumulative outstanding amount of debt finance is measured by the Capital Financing Requirement (CFR) which remains a key indicator under the Prudential Code. The CFR increases with new debt-financed capital expenditure and reduces with Minimum Revenue Provision (MRP) and capital receipts used to replace debt. In addition, the CFR will reduce with any voluntary contributions (VRP) made.
11. The Council also holds usable reserves and working capital which represent the underlying resources available for investment. The Council's current strategy is to use these resources, by way of internal borrowing, to avoid the need to externalise debt.
12. Table 2 below summarises the overall position regarding borrowing and available investments. It shows a decrease in CFR as the final residual MRP payment in relation to the Arena is made in 2026/27.

Table 2: CFR and Investment Resources

	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000	2029/30 Estimate £'000	2030/31 Estimate £'000
Opening CFR	10,010	8,362	7,125	6,693	6,381	6,063
CFR in year	-	-	-	-	-	-
Less: MRP, VRP, IFRS16 MRP	(1,648)	(1,237)	(432)	(312)	(318)	(325)
Closing CFR	8,362	7,125	6,693	6,381	6,063	5,738
Less: External Borrowing	-	-	-	-	-	-
Internal Borrowing	8,362	7,125	6,693	6,381	6,063	5,738
Less:						
Usable Reserves	(33,573)	(32,705)	(33,105)	(32,856)	(30,937)	(30,466)
Working Capital	(46,301)	(44,301)	(42,301)	(40,301)	(38,301)	(38,301)
Available for Investment	(71,512)	(69,881)	(68,713)	(66,776)	(63,175)	(63,029)

*The CFR increase in 2024/25 arose from a change in the accounting for leases.

13. The Council is currently debt free and the assumption in the capital expenditure plan is that the Council will not need to externally borrow over the period of the MTFS predominantly due to the ability to internally borrow using Community infrastructure Levy (CIL) and S106 monies. Available resources (usable reserves and working capital) gradually reduce with usable reserves being used over the medium term to finance both capital and revenue expenditure. Reserves will decrease further when spending plans are finalised and unknown costs such as those relating to Local Government Reorganisation impact on the Council. Working capital is projected to steadily reduce as S106 monies in relation to education are no longer paid to the Council and monies from developers are released.
14. Projected levels of the Council's total outstanding debt are shown below, compared with the capital financing requirement (see above). Statutory

guidance is that debt should remain below the CFR, except in the short term. As can be seen from table 3, the Council expects to comply with this. A reducing CFR is also positive as the Council's underlying need to borrow reduces.

Table 3 – Prudential Indicator: Gross Debt and the Capital Financing Requirement

	2025/26 Forecast £'000	2026/27 Forecast £'000	2027/28 Forecast £'000	2028/29 Forecast £'000	2029/30 Forecast £'000	2030/31 Forecast £'000
Debt (IFRS16 lease liability)	2,321	1,848	1,350	1,093	955	811
Capital Financing Requirement	8,362	7,125	6,693	6,381	6,063	5,738

Minimum Revenue Provision Policy

15. MHCLG Regulations require the Governance Scrutiny Group to consider a Minimum Revenue Provision (MRP) Statement in advance of each year. Further commentary regarding financing of the debt is provided in paragraphs 27-32. A variety of options are provided to Councils, so long as there is prudent provision. As with previous strategies, the Council implements the Asset Life Method (Option 3 within the Guidance) with the following recommended MRP Statement:

MRP will be based on the estimated life of the assets, in accordance with Option 3 of the regulations. Estimated life periods within this limit will be determined under delegated powers, subject to any statutory override. (MHCLG revised guidance states maximum asset lives of 40 and 50 years for property and land respectively)

As some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

This option provides for a reduction in the borrowing need over approximately the asset's life.

16. As well as the need to pay off an element of the accumulated General Fund borrowing requirement, used to fund capital expenditure each year (the CFR), through a revenue charge (the MRP), the Council is also permitted to make additional voluntary contributions (VRP). In times of financial crisis, the Council has the flexibility to reduce voluntary contributions. Once payments in relation to the Arena finish (2026-27) the Council does not envisage making VRP contributions on any other scheme. Table 2 (paragraph 12) includes the use of capital receipts to bring the CFR down by funding capital expenditure.

Treasury Management Strategy 2026/27 to 2030/31

17. The CIPFA Code of Practice for Treasury Management in the Public Services (the “CIPFA Treasury Management Code”) defines treasury management activities as:

“The management of the organisation’s borrowing, investments and cash flows, including its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks.”

The code also includes non-cash investments which are covered at paragraph 70 below. Under the revised Prudential code, investments are separated into categories for Treasury Investment, Service Investment and Commercial Investment.

18. The CIPFA CIPFA Treasury Management Code and the CIPFA Prudential Code require local authorities to produce a Treasury Management Strategy before the start of each financial year.
19. This Strategy includes those indicators that relate to the treasury management functions and help ensure that the Council’s capital investment plans are affordable, prudent, and sustainable, while giving priority to the security and liquidity of those investments. Treasury Management Practices (TMP) 1 sets out the Council’s practices relating to Environmental Social Governance (ESG) and is a developing area.

The Current Economic Climate and Prospects for Interest Rates

20. The impact on the UK from the government’s Autumn Budget, is an influence on the Council’s treasury management strategy for 2026/27. Other influences will include lower short-term interest rates alongside higher medium and longer-term rates, modest economic growth, together with ongoing uncertainties around the global economy, stock market sentiment, and ongoing geopolitical issues.
21. The Bank of England’s (BoE) reduced the base rate to 3.75% at its meeting in December 2025, down 25 basis points from 4%. This follows multiple cuts during 2025. The Council’s treasury advisors are expecting this downward trend to continue over the medium term with the next cut anticipated in February 2026 and rates expected to stabilise around 3.25%.
22. The Consumer Prices Index (CPI) was 3.2% in November, down from 3.8% in September and lower than the 3.5% expected. Core CPI eased to 3.2% from 3.5%, against forecasts of it being 3.6%. The BoE projects inflation to reach the 2% target by late 2026 or early 2027.
23. The labour market continues to ease with rising unemployment, falling vacancies and flat inactivity. In the three months to October 2025, the unemployment rate increased to 5.1%, while the employment rate slipped to 74.9%. Going forward,

the Bank predicts the unemployment rate will remain around 5.0% before trending downwards in 2026 at a gradual pace over the rest of the time horizon.

24. Table 4 below shows the assumed average interest (which reflects a prudent approach) that will be made over the next five years for budget setting purposes.

Table 4: Budgetary Impact of Assumed Interest Rate Going Forward

	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Anticipated Interest Rate	3.31%	3.25%	3.00%	3.00%	3.00%
Expected interest from investments (£)	1,263,100	1,235,200	1,163,300	1,091,900	1,033,900
Other interest (£)	54,400	48,800	44,300	39,900	35,200
Total Interest (£)	1,317,500	1,284,000	1,207,600	1,131,800	1,069,100
Sensitivity:	£	£	£	£	£
- 0.25% Interest Rate	82,100	78,600	84,700	77,800	83,100
+ 0.25% Interest Rate	(82,100)	(78,600)	(84,700)	(77,800)	(83,100)

25. In the event that a bank suffers a loss, the Council could be subject to bail-in to assist with the recovery process. The impact of a bail-in depends on the size of the loss incurred by the bank or building society, the amount of equity capital and junior bonds that can be absorbed first and the proportion of insured deposits, covered bonds and other liabilities that are exempt from bail-in.
26. The Council has managed bail-in risk by both reducing the amount that can be invested with each institution to £10 million and by investment diversification between creditworthy counterparties.

Borrowing Strategy 2026/27 to 2030/31

Prudential Indicators for External Debt

27. Table 2 above identifies that the Council will not need to externally borrow over the MTFs instead choosing to internally borrow. Whilst this means that no external borrowing costs (interest/debt management) are incurred, there is an opportunity cost of using internal borrowing by way of lost interest on cash balances.
28. The approved sources of long-term and short-term borrowing are:
- HM Treasury's PWLB lending facility
 - National Wealth Fund (formerly UK Infrastructure Bank)
 - Any institution approved for investments
 - Any other bank or building society authorised to operate in the UK
 - Any other public sector body
 - UK public and private sector pension funds
 - Capital market bond investors
 - Retail investors via a regulated peer-to-peer platform

- Special purpose companies created to enable local authority bond issues

Public Works Loan Board (PWLB) borrowing is at Gilts +80bps (certainty rate). If applying, there is the need to categorise the capital programme into 5 categories including service, housing and regeneration (not anticipated). If any Council has assets that are being purchased 'primarily for yield' anywhere in their capital programme they will not be able to access PWLB funding.

Other sources of debt finance, in addition to the above, that are not borrowing but may be classed as other debt liabilities are listed below. These options would be subject to due diligence in the event that any are proposed methods to finance Council debt.

- Leasing
- Hire purchase
- Private Finance Initiative
- Sale and leaseback
- Similar asset-based finance

a) Authorised Limit for External Debt

29. The authorised limit is the "affordable borrowing limit" required by section 3 (1) of the Local Government Act 2003 and represents the limit beyond which borrowing is prohibited. It shows the maximum amount the Council could afford to borrow in the short term to maximise treasury management opportunities and either cover temporary cash flow shortfalls or use for longer term capital investment. It should be set higher than the CFR (see table 3) plus a safety margin of £10m to £15m. The limits below satisfy this requirement.

Table 5: The Authorised Limit

	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000	2029/30 Estimate £'000	2030/31 Estimate £'000
Authorised Limit	20,000	20,000	20,000	20,000	20,000	20,000

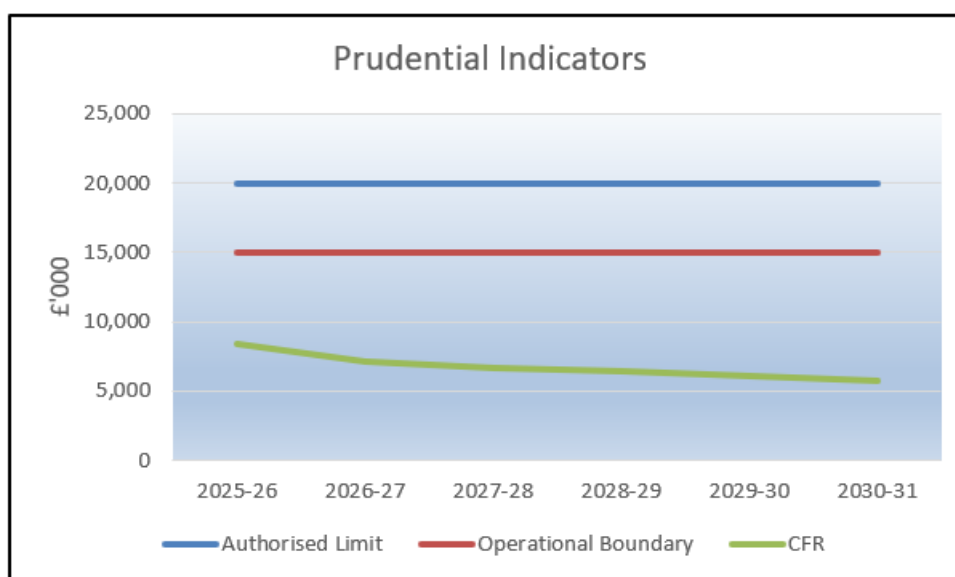
b) Operational Boundary for External Debt

30. The operational boundary is the expected borrowing position of the Council during the year. The operational boundary is not a limit, and actual borrowing can be either below or above the boundary subject to the authorised limit not being breached. The Operational Limit has been set at £15m (Table 6) and, whilst the Council is not expected to externally borrow over the period of the MTFS, this provides a cushion and gives flexibility should circumstances significantly change.

Table 6: The Operational Boundary

	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000	2029/30 Estimate £'000	2030/31 Estimate £'000
Operational Boundary	15,000	15,000	15,000	15,000	15,000	15,000

Chart 1 below shows the prudential indicators graphically



31. The Council's is required to show the maturity structure of borrowing. The Council had no debt and is unlikely to need to borrow over the medium term and if it did, it would only be for small amounts so there are no significant refinancing risks and therefore the limits in the strategy do not need to be restrictive (see Table 7).

Table 7 – Prudential Indicator: Refinancing Risk Indicator

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	100%	0%
12 months an within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%

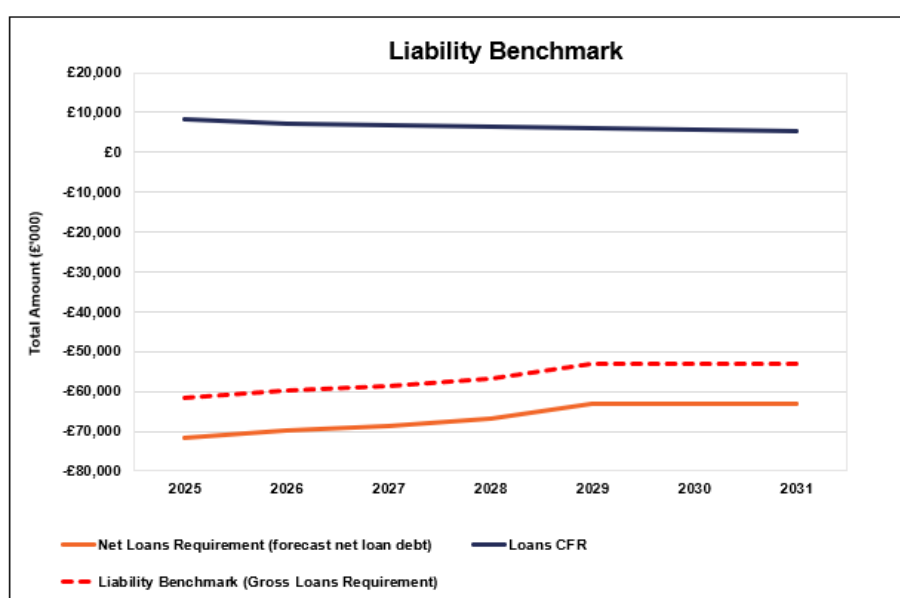
32. The Liability Benchmark reflects the real need to borrow and can be seen in table 8. In accordance with the Code this must also be shown graphically (Chart 2). The Council's CFR is reducing due to MRP repayments. Reserves are being

used to fund future capital expenditure and working capital/S106 monies are returning to a normal level. As demonstrated by the credit figures below, the Council expects to be a long-term investor and has no need to borrow over the medium term.

Table 8 Prudential Indicator: Liability Benchmark

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000	£'000
Closing CFR	8,362	7,125	6,693	6,381	6,063	5,738
Less:						
Usable Reserves	(33,573)	(32,705)	(33,105)	(32,856)	(30,937)	(30,466)
Working Capital	(46,301)	(44,301)	(42,301)	(40,301)	(38,301)	(38,301)
Plus minimum investments	10,000	10,000	10,000	10,000	10,000	10,000
LIABILITY BENCHMARK	(61,512)	(59,881)	(58,713)	(56,776)	(53,175)	(53,029)

Chart 2 Prudential Indicator: Liability Benchmark



Prudential Indicators for Affordability

33. Affordability indicators provide details of the impact of capital investment plans on the Council's overall finances.

a) Actual and estimates of the ratio of net financing costs to net revenue stream

34. This indicator identifies the trend in net financing costs which include borrowing costs (MRP and IFRS16 interest for Rushcliffe) less investment income, against

net revenue income. The purpose of the indicator is to show how the proportion of net income used to pay for financing costs is changing over time.

35. A credit indicates net interest earned rather than an interest cost. The figures fluctuate over the MTFS period, but all figures after 2026/27 are a credit. This is reflective of the reducing MRP payments, as payments in relation to Rushcliffe Arena finish in 2026/27. There are other non-treasury capital commitments in relation to Rushcliffe Oaks Crematorium and Bingham Arena and Enterprise Centre which give rise to further MRP, but repayments are lower because they are spread over a longer period.
36. Net revenue streams fluctuate over the period. Following the Fair Funding Review, individual income streams (such as New Homes Bonus) have now been replaced with a single Revenue Support Grant to support transition and provide a funding 'floor'. Allocations are confirmed until 2028/29 after which it is expected that this will reduce. Later years also reflect both the downward trend in interest from lower investment balances and fluctuating net revenue streams from Council Tax and Localised Business Rate changes.

Table 9: Proportion of Financing Costs to Net Revenue Stream

	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Net Interest Payable/(Receivable)	34	(762)	(831)	(762)	(699)
Net Revenue Stream	17,907	17,705	17,445	16,394	17,057
Financing costs:Net Revenue Stream	0.19%	-4.30%	-4.76%	-4.65%	-4.10%

b) Estimates of net income to net revenue stream

37. This indicator that looks at net income from commercial and service investments (for example it includes Rushcliffe Oaks Crematorium and Bingham Market) and expresses it as a percentage of net revenue streams. The increase reflects rent increases and improved commercial performance of the crematorium.

Table 10: Proportion of Net Income to Net Revenue Stream

	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Net Income from investments	(2,094)	(2,284)	(2,345)	(2,411)	(2,482)
Net Revenue Stream	17,907	17,705	17,445	16,394	17,057
Net Income:Net Revenue Stream	11.7%	12.9%	13.4%	14.7%	14.6%

Investment Strategy 2026/27 to 2030/31

38. Table 11 below shows the Council's investment balance projections. The downward movement reflects the use of capital receipts to finance capital

expenditure. In addition, it reflects the release of S106 monies and the loss of S106 receipts for Education which are no longer paid to the Council.

Table 11: Investment Projections

	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Investments at 31 March £'000	71,500	69,900	68,700	66,800	63,200	63,000

39. The CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitable low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, to maintain the spending power of the sum invested. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing (see paragraph 41). The Council ensures that robust due diligence procedures cover all external investments.
40. As demonstrated by the liability benchmark above (paragraph 32), the Council expects to be a long-term investor and treasury investments will therefore include both short-term low risk instruments to manage day to day cash flows and longer-term instruments where limited additional risk is accepted in return for higher investment income to support the services the Council provides.
41. ESG policy: Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Council will (in accordance with treasury advice) prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance (NZAM) and/or the UK Stewardship Code. Note that the NZAM is currently suspended but has announced a resumption from January 2026. Ultimately security, liquidity and yield are the overriding principles that drive where the council invests its resources.
42. The Council will keep under review the sensitivity of its treasury assets and liabilities to inflation and will seek to manage the risk accordingly in the context of the whole of the Council's inflation exposures.

43. The Council will invest its surplus funds with any of the counterparty types in Table 12 below, subject to the limits shown and counterparties included at Appendix i.

Table 12: Counterparty Details

Sector	Time limit †	Counterparty limit	Sector limit
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	25 years	£10m	Unlimited
Secured investments - government collateral	25 years	£10m	Unlimited
Secured investments - other collateral*	10 years	£10m	Unlimited
Banks (unsecured) *	13 months	£5m	Unlimited
Building societies (unsecured) *	13 months	£5m	£5m
Registered providers (unsecured) *	5 years	£5m	£5m
Money market funds *	n/a	£10m	Unlimited
Strategic pooled funds	n/a	£10m	£30m
Real estate investment trusts	n/a	£5m	£10m
Other investments *	5 years	£5m	£10m

*Please refer to Glossary at Appendix (iv)

Although the above table details the counterparties that the Council could invest funds with, it would not invest funds with counterparties against the advice of Arlingclose (the Council's Treasury Management Advisors) even if they met the criteria above.

44. Credit rating information is provided by Arlingclose on all active counterparties that comply with the criteria above. A counterparty list will be maintained from this information and any counterparty not meeting the criteria will be removed from the list.
45. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
 - any existing investments that can be recalled or sold at no cost will be, and
 - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
46. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn (on the next working day), will be made with that organisation until the outcome of the review is announced. This policy will

not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

47. The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will be given to other available information on the credit quality of the organisations in which it invests, including financial statements, information on potential government support, reports in the quality financial press and analysis and advice from Arlingclose.
48. The Council is aware that investments with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism that may affect its public reputation, and this risk will also be considered when making investment decisions. Many local authorities are not rated by credit rating agencies, although some are. The Council will always take reasonable steps as mentioned in paragraph 47 and carry out due diligence before investing.
49. Although the Council has never made use of financial derivatives and has no current plans to do so, in line with the CIPFA code, the Council would seek external advice before entering into such an agreement to ensure that it fully understands the implications (see paragraph 64 for more detail).

Credit Risk

50. The CIPFA Treasury Management Code recommends that organisations should clearly specify the minimum acceptable credit quality of its counterparties; however, they should not rely on credit ratings alone and should recognise their limitations. Full regard will therefore be given to other available information on the credit quality of the organisations, in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantial doubts about its credit quality, even though it may meet the credit rating criteria.
51. When deteriorating financial market conditions affect the credit worthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned but will protect the principal sum invested.

Current investments

52. The Council uses its own processes to monitor cash flow and determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium term financial strategy and cash flow forecast.
53. Surplus funds are invested in accordance with the Council's cash flow requirements in order to gain the maximum benefit from the Council's cash position throughout the year. Generally speaking, in times of declining interest rates it is prudent to lock into longer deals to take advantage of higher rates, whilst also ensuring a diversified portfolio. Funds are separated between service investment and non-specified investments as detailed in paragraphs 57 to 59 below.
54. The Council currently holds a total of £15m in pooled/diversified funds. The fair value of these funds fluctuates, and the current value of these investments can be seen in Appendix ii. The downward trend experienced in previous years is starting to reverse but these funds are still susceptible to global unrest, inflation and monetary policies.
55. The fluctuations in capital value of the pooled/diversified funds to date is a loss of £0.561m. This is currently reversed by the statutory override preventing any accounting loss impacting on the revenue accounts. This is due to end 1 April 2029. The risk of this loss crystallising after this period has been mitigated by appropriations of £1.310m to the Treasury Capital Depreciation Reserve.
56. It should be noted that whilst the capital value of this type of investment can fluctuate, the revenue returns make up a significant proportion of the overall returns on investments. The fair value of these investments accounted for 16% of average investment balances in 2024/25 but generated 34% interest. The Council will continue to monitor the position on these investments and take advice from the treasury advisors.

Service investments

57. The Council invests its money for three broad purposes:
 - because it has surplus cash as a result of its day-to-day activities (treasury management),
 - to support local public services by lending to or buying shares in other organisations (service investments), and
 - to earn investment income (or known as commercial investments where this is the main purpose).
58. The Council can lend money to its suppliers, parish councils, local businesses, local charities, employees, housing associations to support local public services

and stimulate local growth, normally at market interest rates. The Council has existing loans to Nottinghamshire Cricket Club which not only stimulates the local economy but provides social outcomes. The Trent Bridge Community Trust delivers projects that have positive impacts on local communities such as tackling social exclusion and anti-social behaviour. The main risk when making service loans is that the borrower may be unable to repay the principal lent and/or the interest due. In order to limit this risk and ensure that total exposure to service loans remains proportionate to the size of the Council, the upper limit on any category of borrower will be £5 million.

Non-specified investments

59. Shares are the only investment type that the Council has identified that meets the definition of a non-specified investment in the government guidance. The Council does not intend to make any such investments, that are defined as capital expenditure by legislation.

Investment Limits

60. The Council's revenue reserves available to cover investment losses in a worst-case scenario are forecast to be around £17.5 million on 31st March 2026 and £19.3 million on 31st March 2027. The maximum that will be lent unsecured to any one organisation (other than the UK Government) will be £10 million (table 12). This figure is constantly under review to assess risk in the case of a single default. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries, and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country since the risk is diversified over many countries.

Table 13: Additional investment limits

	Cash limit
Any group of pooled funds under the same management	£10m per manager
Investments held in a broker's nominee account	£10m per broker
Foreign countries	£3m per country

Treasury Management limits on activity

61. The Council measures and manages its exposures to treasury management risks using the following indicators:

a) Interest Rate Exposures

62. This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposure is usually expressed as a percentage of the amount of net interest payable. However, for the Council, interest costs on borrowing are greatly exceeded by interest and investment

income, therefore the upper limit for fixed and variable interest rate exposure in absolute terms will be negative. The Council has set a limit of 50% on fixed interest rate exposure. During a time of falling interest rates as forecast (paragraph 24) this indicator should not be restrictive or prevent the Council from locking more investments into higher interest rates. The definition of fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Table 14: Interest Rate Exposure

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Upper Limit on fixed interest rate exposure	50%	50%	50%	50%	50%	50%
Upper Limit on variable interest rate exposure	100%	100%	100%	100%	100%	100%

Principal Sums Invested over 1 year

63. This limit is intended to contain exposure to the possibility of any loss that may arise as a result of the Council having to seek early repayment of any investments made. It includes long-term investments with no fixed maturity date including strategic pooled/diversified funds. The limits on the long-term principal sum invested to final maturities beyond the period end are set at 50% of the sum available for investment (to the nearest £100k), as follows:

Table 15: Principal Sums Invested over 1 year

	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Limit on Principal invested over 1 year £'000	35,800	34,900	34,400	33,400	31,600	31,500

Policy on the use of financial derivatives

64. Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g., interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g., LOBO (Lender Option Borrowers Option) loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e., those that are not embedded into a loan or investment).

65. The Council will only use standalone financial derivatives (such as swaps, forwards, futures, and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be considered when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.
66. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

Treasury Management Advisors

67. Arlingclose will act as the Council's treasury management advisors until 31 October 2026 (with optional extension to 31 October 2028). The company provides a range of services which include:
- Technical support on treasury matters and capital finance issues
 - Economic and interest rate analysis
 - Investment advice on interest rates, timing, and investment instruments; and
 - Credit ratings/market information service comprising the three main credit rating agencies.
68. Whilst the treasury management advisors provide support to the internal treasury function, the current market rules and the CIPFA Treasury Management Code confirms that the final decision on treasury management matters rests with the Council. The service provided by the Council's treasury management advisors is subject to regular review.

Other Options Considered

69. The MHCLG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Director of Finance and Corporate Services, having consulted the Cabinet Member for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Our policy is to have a feathered approach ie a range of counterparties spread over different time periods (short/medium/long term), this mitigates risk of changes in credit ratings and interest rates whether they go up or down.

Commercial Investments

70. The CIPFA definition of investments in treasury management activities above (paragraph 17) covers all financial assets of the organisation as well as other

non-financial assets which the organisation holds primarily for financial returns, such as investment property portfolios. This may therefore include investments which are not managed as part of normal treasury management or under treasury management delegations.

71. Under the updated Prudential Code, Local Authorities are no longer allowed to borrow to fund non-financial assets solely to generate a profit.
72. The Council will maintain a summary of current material investments, subsidiaries, joint ventures, and liabilities, including financial guarantees and the organisation's risk exposure. The current summary is included at Appendix iii.
73. The Council will also monitor past commercial property investments against original objectives and consider plans to divest as part of a biennial review. The last report was presented to Governance Scrutiny Group in February 2024 (see paragraph 83) with the next report due in June 2026.
74. Proportionality is included as an objective in the Prudential Code. Clarification and definitions to define commercial activity and investment are also included, and the purchase of commercial property purely for profit cannot lead to an increased capital financing requirement (CFR).
75. The Council must disclose its dependence on commercial income, and the contribution non-core investments make towards core functions. This covers assets previously purchased through the Council's Asset Investment Strategy (AIS), as well as other pre-existing commercial investments.

a. Dependence on commercial income and contribution non-core investments make towards core functions

76. The expected contributions from existing commercial investments are shown in Table 16. To manage the risk to the Council's budget, the contribution from commercial investments should not account for a significant proportion of the Council's total income. Over the medium term the contribution from commercial investments is around 10% each year leaving the Council less exposed to risks surrounding commercial property.
77. This percentage is declining over the medium term due to the Council's budgeted total income increasing relative to rental income.

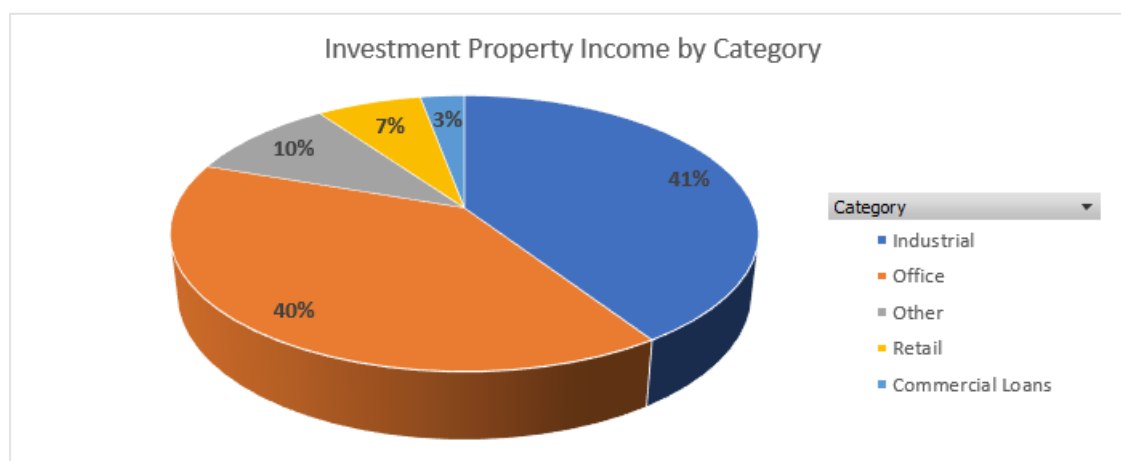
Table 16: Commercial Investment income and costs

	2026/27	2027/28	2028/29	2029/30	2030/31
	£'000	£'000	£'000	£'000	£'000
Commercial Property Income	(1,837)	(1,940)	(1,940)	(1,940)	(1,940)
Running Costs	503	483	492	501	510
Net Contribution to core functions	(1,333)	(1,457)	(1,448)	(1,439)	(1,430)
 Interest from Commercial Loans	 (55)	 (49)	 (44)	 (40)	 (35)
 Total Contribution	 (1,388)	 (1,506)	 (1,492)	 (1,479)	 (1,465)
Sensitivity:					
+/- 10% Commercial Property Income	184	194	194	194	194
Indicator:					
Total Contribution as a % of total Council Income	10.0%	10.4%	10.0%	9.8%	9.5%
 Total Income	 13,952	 14,441	 14,864	 15,147	 15,435

b) Risk Exposure Indicators

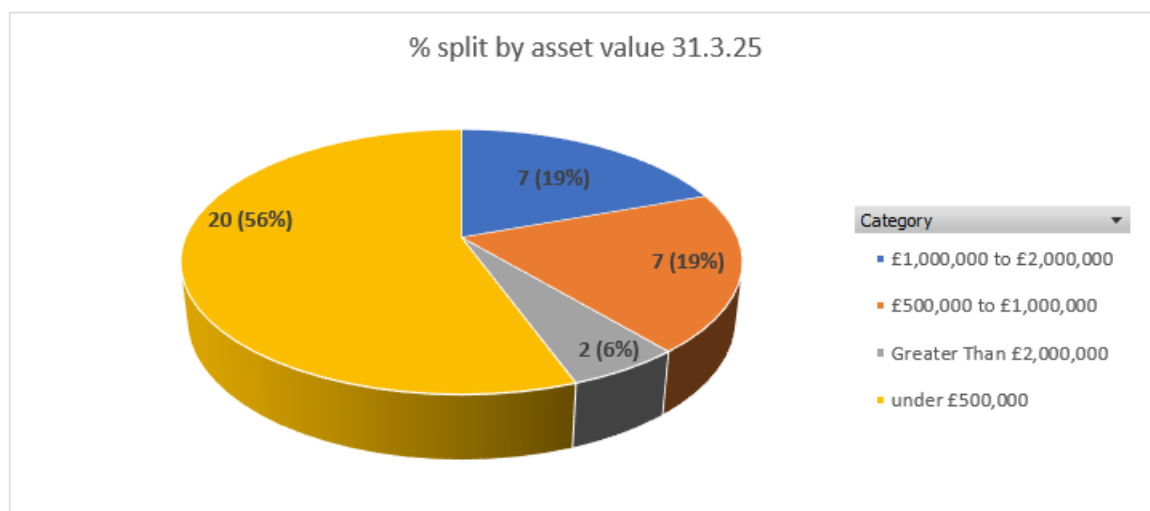
78. The Council can minimise its exposure to risk by spreading investments across sectors and by avoiding single large-scale investments (Chart 3 and 4 below). Generally, there is a spread of investment across sectors in the Council's portfolio. The Council's previous commitment to economic regeneration (not purely financial return) has meant that many of its investments have been in industrial units, which have been very successful. This is closely followed by income from Office accommodation which in some cases is linked to economic regeneration schemes. Bingham Enterprise Centre is the latest investment which is now fully let and generating rental income of £108,000 per annum.

Chart 3 Investment Income by Category



c) Security and Liquidity

Chart 4 Investment by Asset Value



79. Commercial investments are held for longer term asset appreciation as well as yield. Investments or sales decisions will normally be planned as part of the consideration of the 5-year capital strategy to maximise the potential return. Nevertheless, the local and national markets are monitored to ensure any gains are maximised or losses minimised.
80. To help ensure asset values are maintained the assets are given quarterly inspections, together with a condition survey every 3 years. Any works required to maintain the value of the property will then form part of Council's spending plans.
81. The liquidity of the assets is also dependent on the condition of the property, the strength of the tenants and the remaining lease lengths. The Council keeps these items under review with a view to maximising the potential liquidity and value of the property wherever possible.
82. The liquidity considerations for commercial investments are intrinsically linked to the level of cash and short-term investments, which help manage and mitigate the Council's liquidity risk.
83. The investments are subject to ongoing review with regards to their financial viability or indeed whether they are surplus to requirement. At the February 2024 Governance Scrutiny Group Meeting, details on the risks surrounding the Council's commercial properties were reported, as well as providing a pathway to potential commercial asset disposal, if required.

Knowledge and Skills

84. The TM Code requires Local Authorities to document a formal and comprehensive knowledge and skills schedule reflecting the need to ensure that both members and officers responsible for treasury management are suitably trained and kept up to date (TMP 10). There will be specific training for members involved in scrutiny and broader training for members who sit on full Council. Training for Members was last delivered in January 2026. The Council specifically addressing this important issue by:

- Periodically facilitating workshops for members on finance issues.
- Interim reporting and advising members of Treasury issues when necessary via Governance Scrutiny Group.

With regards to officers, the Council employs professionally qualified and experienced staff in senior positions and continues to support professional development by:

- Attendance at training events, seminars, and workshops; and
- Support from the Council's treasury management advisors
- Identifying officer training needs on treasury management related issues through the Performance Development and Review appraisal process

85. The Council will continue to have its Annual Treasury Management training session with Councillors provided by its Treasury advisers.

Counterparty Registrations under MIFID II

The Council is registered with the following regulated financial services organisations who may arrange investments with other counterparties with whom they have themselves registered:

- BGC Brokers LP
- Royal London Asset Management
- Tradition UK Ltd
- King & Shaxson
- Aberdeen Asset Management
- Aviva
- Institutional Cash Distributors Ltd
- Federated Investors (UK) LLP
- Invesco Asset Management Ltd
- CCLA
- Goldman Sachs Asset Management
- Black Rock
- Aegon Asset Management
- Ninety-One
- HSBC Asset Management
- Imperial Treasury Services

Pooled Funds – Changes in Fair Value since Acquisition

Pooled Funds	Fair Value 31.03.25	Difference			Difference in valuation from initial investment
		Fair Value 31.12.25	from 31.03.25	Amount Invested	
Aegon-Previously Kames	4,560,790	4,955,654	394,864	5,000,000	(44,346)
Ninety One-Previously Investec	4,518,894	4,621,171	102,277	5,000,000	(378,829)
RLAM	1,015,613	1,026,306	10,692	1,000,000	26,306
CCLA Property	2,008,092	2,011,052	2,960	2,000,000	11,052
CCLA Divesified	1,825,481	1,824,177	(1,303)	2,000,000	(175,823)
	13,928,870	14,438,360	509,491	15,000,000	(561,640)

Current Book Value of Non-Treasury Investments

INVESTMENT PROPERTY	Book Value 31.3.25 £000	Book Value 31.3.24 £000
The Point Office Accommodation	3.282	3.272
Hollygate Lane, Cotgrave Industrial Units	2.944	2.776
Unit 3 Edwalton Business Park	2.194	2.223
Bardon Single Industrial Unit	1.929	1.929
Unit 1 Edwalton Business Park	1.731	1.787
Trent Boulevard	1.414	1.428
Colliers Business Park Phase 2	1.511	1.386
Cotgrave Phase 2	1.231	1.227
Bingham Hub Offices	1.116	1.112
Bridgford Hall Aparthotel and Registry Office	0.955	1.061
Finch Close	0.914	0.911
Boundary Court	0.742	0.787
Colliers Business Park Phase 1	0.863	0.775
Cotgrave Precinct Shops	0.526	0.487
Mobile Home Park	0.477	0.477
New Offices Cotgrave	0.504	0.470
TOTAL INVESTMENT PROPERTY	22.333	22.108
Notts County Cricket Club Loan	1.384	1.499
TOTAL	23.717	23.607

Glossary

CPI: is the consumer price index. A measure of the cost of living for the typical person.

Core CPI: is the CPI for energy and food prices.

Minimum credit rating: Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than [AA-]. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be considered.

For entities without published credit ratings, investments may be made either (a) where external advice indicates the entity to be of similar credit quality; or (b) to a maximum of £10 million per counterparty as part of a diversified pool e.g. via a peer-to-peer platform.

† Time limits

These start on the earlier of date that the Authority is committed to make the investment and the date that cash is transferred to the counterparty.

UK Government

Sterling-denominated investments with or explicitly guaranteed by the UK Government, including the Debt Management Account Deposit Facility, treasury bills and gilts. These are deemed to be zero credit risk due to the government's ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

Local authorities and other government entities: Loans to, and bonds and bills issued or guaranteed by, other national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. The counterparty limit for loans to local authorities will be increased to an unlimited amount where (a) the government has announced that the Council will merge with the borrowing authority and (b) the loan is scheduled to be repaid after the expected date of the merger.

Secured investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds, secured deposits and

reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments. A higher limit applies for investments fully secured on UK or other government collateral.

Banks and building societies (unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

Registered providers (unsecured): Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

Money market funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

Strategic pooled funds: Bond, equity and property funds, including exchange traded funds, that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, they can be either withdrawn after a notice period or sold on an exchange, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

Real estate investment trusts: Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

Other investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and unsecured loans to companies and

universities. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk.

Operational bank accounts: The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank. These are not classed as investments but are still subject to the risk of a bank bail-in and balances will therefore be kept below **£10 million** per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

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Cabinet

Tuesday, 10 February 2026

Article 4 Direction – Houses of Multiple Occupancy (HMOs)

Report of the Director – Development and Economic Growth

Cabinet Portfolio Holder for Planning and Housing, Councillor R Upton

1. Purpose of report

- 1.1. At the Rushcliffe Borough Council (RBC) Full Council meeting of 18 September 2025, a motion was debated about a perception that the authority is experiencing an increase in small Houses of Multiple Occupation (HMO) falling within Planning Use Class C4.
- 1.2. Councillors directed officers to investigate and collate an evidence base to look at whether there is a case for introducing an Article 4 Direction across the Borough, which would remove permitted development rights for HMOs of three to six unrelated people sharing facilities, like kitchens and bathrooms.
- 1.3. The purpose of this report is to inform Cabinet of the evidence collected in support of implementation of an Article 4 Direction to remove permitted development rights, which would introduce a new requirement for submission of a planning application to the Local Planning Authority (LPA) for planning permission to change from a Use Class C3 Dwellinghouse to a Use Class C4 HMO across the Borough.

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) confirms that there is insufficient evidence to meet the legal threshold to justify an Article 4 Direction to remove or restrict permitted development rights for Houses of Multiple Occupation (HMO) in the Borough; and
- b) requests that the number of HMOs and complaints received continues to be monitored

3. Reasons for Recommendation

- 3.1. Following investigative work, there is insufficient evidence to support the implementation of an Article 4 Direction covering the entire Borough, given the known numbers and distribution of HMOs.

- 3.2. The evidence shows a greater concentration of HMO properties in West Bridgford; however, even here, the evidence is insufficient to justify the implementation of an Article 4 Direction for this area. In 2025, the Council received four complaints regarding two HMO properties. Of the four complainants, one complainant made 271 complaints regarding one property, which were investigated and informal action taken. In 2024, no complaints were received in relation to HMOs.
- 3.3. It is recommended that Cabinet agrees to the continued monitoring of the overall number of HMOs and any complaints received.

4. Supporting Information

Houses of Multiple Occupation

- 4.1. A HMO is a rental property, which houses at least three people from different households who share facilities like kitchens and bathrooms. The legal threshold for licensing a HMO is at an occupancy of five or more people from different households. Licenses cannot be sought for HMOs of three or four person occupancy.
- 4.2. Planning permission for HMOs is required in the following circumstances:
- to create a large HMO (7+ occupants); or
 - if a property falls within an Article 4 area, planning permission is required for three to six person occupancy.

Article 4 Direction

- 4.3. An Article 4 Direction is a legislative tool used to remove or restrict certain permitted development rights, including change of use, from an area or specific property in certain limited situations where it is necessary to protect local amenity or the well-being of an area.
- 4.4. In removing specific permitted development rights, an Article 4 Direction does not prevent the type of development specified but instead requires an application for planning permission to be made prior to any development within that use class taking place. In making an Article 4 Direction, an LPA can be liable to pay compensation to those whose development rights have been withdrawn or restricted by the Direction.
- 4.5. The National Planning Policy Framework (NPPF), paragraph 54 states that Article 4 implementation should:

“be limited to situations where an Article 4 Direction is necessary to protect local amenity or the well-being of the area (this could include the use of Article 4 Directions to require planning permission for the demolition of local facilities)” and “in all cases, be based on robust evidence, and apply to the smallest geographical area possible.”

4.6. Implementing an Article 4 Direction without sufficiently robust evidence could leave the Council open to significant legal challenges and compensation claims.

4.7. This advice is confirmed in the Planning Practice Guidance (PPG) at Paragraph 038, Revision date 20 08 2021, which includes the following:

“..article 4 directions should be limited to situations where it is necessary to protect local amenity or the well-being of the area.

The potential harm that the article 4 direction is intended to address will need to be clearly identified, and there will need to be a particularly strong justification for the withdrawal of permitted development rights relating to:

- a wide area (eg those covering a large proportion of or the entire area of a local planning authority, National Park or Area of Outstanding National Beauty)....*
- cases where prior approval powers are available to control permitted development....”*

4.8. An LPA should only make an Article 4 Direction where it can justify both its purpose and extent. Use of Article 4 Directions should be limited to situations where it is necessary to protect the local amenity or wellbeing of the area and the LPA has clearly identified the potential harm the Direction is intended to address.

Number of HMOs within Rushcliffe Borough

4.9. HMOs provide an important role in the housing of those on a lower income, young professionals, and students.

4.10. There are currently 186 licensed HMOs in Rushcliffe, with 184 located within West Bridgford (NG2). All 186 properties are 5+ person occupancy, in line with the Council's licensing threshold. Data gathered from an external source indicates that there are a further 175 properties that are ranked as *likely to be* HMOs of three or four person occupancy; with 91 of these falling within NG2 (Rushcliffe Borough). However, these properties are unlicensed as they do not meet the 5+ person occupancy threshold required for licensing.

4.11. The dispersal of licensed HMOs in West Bridgford can be seen in Appendix E. Most HMOs in NG2 (Rushcliffe Borough) can be found on the main roads in and around the 'centre' of West Bridgford, with one outlier in Compton Acres.

Complaints regarding HMOs

4.12. In 2025 the Council received complaints from four residents relating to HMOs (Appendix A), three of which appertain to the same property in Compton Acres, and one in West Bridgford. In 2024, the Council received no complaints relating to HMOs.

- 4.13. All four complainants requested the implementation of an Article 4 and a review of the property in question, citing noise nuisance and anti-social behaviour. Complaints also highlighted that residents consider that RBC has not consulted appropriately with residents before licensing the particular HMO in 2023 and that RBC has failed to effectively manage and regulate HMOs.
- 4.14. One of the four complainants made 271 complaints regarding one property, which were investigated and resulted in informal action being taken by the Council.
- 4.15. In response to the concerns raised by residents, as discussed in this report, the implementation of an Article 4 requires robust evidence for the need and must be put in place for the smallest relevant geographical area. Therefore, the option for an Article 4 Direction is not currently viable. However, the Council currently regulates HMOs through licensing and reviews properties on a regular basis to ensure that complaints and disturbance to the local community is kept to a minimum. This is in line with the role of local authorities across the country.

Case Studies

- 4.16. Officers have looked at examples of other Councils that have considered the implementation of an Article 4 Direction and considered the context, evidence and process of implementation.

Gedling Borough Council

- 4.17. Gedling Borough Council (GBC) has recently taken the decision not to implement an Article 4 within the Netherfield ward (Appendix B), due to insufficient robust evidence that HMOs were causing significant detriment to available housing stock (12 HMOs total) and parking availability. Anti-social behaviour levels were proved to be very low or non-existent. At the Cabinet meeting, MP Tom Randall brought 111 responses to an independently delivered survey, which highlighted resident concern. GBC considered that this did not form a sufficiently robust evidence base to implement an Article 4.

Bolton City Council

- 4.18. In June 2025, Bolton City Council Cabinet (Appendix C) took the decision to implement a Borough wide Article 4 Direction based on significant HMO growth and links to crime, anti-social behaviour and complaints to housing standards.
- 4.19. Upon implementation, Bolton had 720 HMOs with 221 complaints being made to Housing Standards in the previous year citing nuisance neighbours, overcrowding and safety concerns. It was also found that there were 35 more crimes per 100 households within 100m of HMOs than per 100 households more than 100m from HMOs.

- 4.20. The implementation of an Article 4 Direction has also been considered by Salford City Council (Appendix D) in October 2017. The evidence provided for justification in this area is broadly in line with that of Bolton. However, Salford City Council chose to implement an Article 4 upon a smaller, more specific area and then monitor the rest of Borough for signs of HMO displacement. This was largely due to a greater concentration of HMOs within specific areas of the Borough. Salford also had less total HMOs – 553 at the time of the report.
- 4.21. Salford City experienced a sharp rise in the number of properties undergoing HMO conversions through the landlord licensing teams, and a high number of complaints regarding parking, bin issues, anti-social behaviour and noise nuisance.

Article 4 Implementation Timescales

- 4.22 The legal requirement for a non-immediate direction is that the LPA considers it expedient that a defined class of use or development should not be carried out unless permission is granted following submission of an application. The circumstances in which an immediate direction can restrict development are limited and the LPA must demonstrate that the development to which the direction relates presents an immediate threat to local amenity or the proper planning of an area. The immediacy of the threat and compensation liability may be considerations in determining which type of direction to use.
- 4.23. A direction with immediate effect would have the clear advantage of controlling development straight away by requiring an express grant of planning permission. However, it would also expose the LPA to a potentially high level of compensation liability, where applications submitted within the first 12 months of the removal of the permitted development rights were either refused or granted subject to conditions, such compensation being limited to abortive expenditure or other loss or damage directly attributable to the withdrawal of permitted development rights.
- 4.24. A non-immediate direction with a prior notice period of 12 months would avoid compensation liability and allow the results of local consultation to be taken into account before the LPA decides whether or not to confirm the direction removing permitted development rights.
- 4.25. As detailed above, whether immediate or non-immediate, an Article 4 Direction must be supported by robust evidence and applied in a measured and targeted way in order to comply with the requirements of the NPPF and the PPG.
- 4.26. Both Bolton and Salford examples do give an indication of timescales for Article 4 implementation. The process for Bolton took approximately two years to complete and Salford took approximately three years. The main reason for this disparity in timescale is Bolton opted against giving landlords 12 months' notice of the Article 4 direction. However, this approach could result in significant levels of legal action and compensation claims from landlords.

4.27. Legal risks include:

- The making of an Article 4 Direction without clear justification and robust evidence as specified in the NPPF could result in the order being challenged in the courts.
- There is also a risk that the Secretary of State intervenes to withdraw or modify the Direction.
- The withdrawal of permitted development rights by an Article 4 Direction may give rise to liability to compensate where permission is sought and refused or granted subject to more restrictive conditions.

4.28 Unintended Consequences of introducing an Article 4 Direction include:

- Houses of Multiple Occupation perform a purpose of housing those on a lower income, including young professionals and those on a lower income. Restricting HMOs can reduce the supply of affordable accommodation. In areas of high demand this can drive up rental prices for those on lower incomes.
- Area specific Article 4 Directions may result in HMOs being displaced to other areas within the Borough, including areas which are less sustainably located.

5. Alternative options considered and reasons for rejection

- 5.1. One of the main considerations when implementing an Article 4 Direction is deciding the geographical area in which it should apply. Given that there must be robust evidence of the need for an Article 4 to cover the given geographical area (NPPF), an Article 4 covering the entire Borough was rejected. This is on the basis that the low number of HMOs across the Borough and very low number of complainants does not support the use of such powers.
- 5.2. The alternative option of implementing an Article 4 Direction, either Borough-wide or area specific, has been rejected. There are insufficient numbers of HMOs across the Borough to warrant a borough-wide Article 4 Direction. There are 184 known HMOs within the West Bridgford area, however, given the low numbers of complainants and lack of evidence to demonstrate adverse impact on amenity and well-being, the implementation of an area specific Article 4 Direction has also been rejected.
- 5.3. It is recommended that the Council monitors the number of HMOs within the Borough and any complaints received. The alternative of not monitoring has been rejected as the evidence collected and presented in this report is as at January 2026. It is prudent to continue to monitor the numbers of HMOs and any complaints received to evidence if there is justification in implementing an Article 4 in the future.

6. Risks and Uncertainties

The proposed action not to implement an Article 4 may lead to resident concern about the Council's approach to the increasing number of HMOs across the Borough. However, as discussed above, there is insufficient evidence base to robustly justify such action across any geographical area. Taking Article 4 action without a solid case would not be in accordance with the NPPF and associated PPG and could open the Council up to legal challenge and compensation claims from a range of sources, including landlords and developers.

7. Implications

7.1. Financial Implications

Cabinet agreeing to the recommended action would result in little to no financial implications for the Council. Ongoing monitoring would account for some staff resource; however, at current complaint levels this would be minimal.

7.2. Legal Implications

7.2.1 Approval of the recommendation may lead to some legal challenge from residents, as indicated in some complaints; however, the legal implications involved are minimal when considered in the context of the implications that could occur should an Article 4 be implemented without sufficient grounds, notice or consultation.

7.2.2 The withdrawal of development rights by an Article 4 Direction may give rise to liability to compensate where permission is sought and refused or granted subject to more restrictive conditions.

7.3. Equalities Implications

Equality Impact Assessment (EIA) are required for new policies. The recommendations do not result in the implementation of new policies and consequently, an EIA is not required. Should the decision be taken to implement an Article 4 in the future, an EIA would be required.

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

7.4.1. From the complaints, there is some anecdotal evidence of anti-social behaviour and noise nuisance relating to two HMOs in West Bridgford. The Council actively responds to complaints and has successfully addressed the issues raised, however, where they are ongoing, the Council will continue to monitor and respond, particularly in relation to licensed properties.

7.4.2. It should be noted that the vast majority of HMOs in Rushcliffe do not give rise to any complaints and there is insufficient evidence to suggest

a link between HMOs and increased anti-social behaviour, noise nuisance or safety concerns at this time.

7.5. Biodiversity Net Gain Implications

There are no known Biodiversity Net Gain Implications.

8. Link to Corporate Priorities

The Environment	There are no identified links to the 'Environment' Corporate Priority.
Quality of Life	Article 4 Directions must be robustly reasoned, including to 'protect local amenity or the well-being of the area'. The low volume of complaints indicate that the local amenity and well-being of the area is not being significantly impacted by HMOs within the Borough, as such this report concludes that there is insufficient evidence to meet the legal threshold to justify an HMO, and that complaints are continually monitored.
Efficient Services	The preparation and implementation of an Article 4 Direction is often resource heavy and could result in legal challenge and an increase in planning applications. Due to insufficient evidence, the recommendation of this report concludes that an Article 4 cannot at this time be justified.
Sustainable Growth	Article 4 Directions remove permitted development rights which, if not justified, can stifle sustainable growth. Introducing an HMO Article 4 Direction would restrict the delivery of HMOs which serve a useful purpose of housing those with a lower income, students and young professionals.

9. Recommendation

It is RECOMMENDED that Cabinet

- a) confirms that there is insufficient evidence to meet the legal threshold to justify an Article 4 Direction to remove or restrict permitted development rights for Houses of Multiple Occupation (HMO) in the Borough; and
- b) requests that the number of HMOs and complaints received continues to be monitored

For more information contact:	Shaza Brannon Assistant Director of Planning SBrannon@rushcliffe.gov.uk 0115 914 8410
Background papers available for Inspection:	
List of appendices:	Appendix A – HMO Complaints Appendix B – Gedling Cabinet Report Appendix C - Bolton Council Report Appendix D – Salford City Council Report Appendix E – West Bridgford HMO Licensed HMOs mapping

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Complaints logged to Customer Services relating to HMO's

2024/25 = 0

2025 to date = 4

Summary

- HMO - current circumstance around Home Office Asylum Dispersal scheme
- HMO - current circumstance around Home Office Asylum Dispersal scheme
- HMO - current circumstance around Home Office Asylum Dispersal scheme
- Complaint about licensing of HMO for asylum seekers

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Report to Cabinet

Subject: Houses in Multiple Occupation (HMOs) in Netherfield Ward

Date: 4th September 2025

Author: Assistant Director – Development

Wards Affected: Netherfield

Purpose: This an updated report is to inform Members of the suitability of implementing an Article 4 direction to introduce a requirement for planning permission to change from a Use Class C3 Dwellinghouse (dwelling) to a Use Class C4 HMO (3-6 unrelated people who share facilities) in the Netherfield Ward.

Key Decision: No

Recommendation(s)

THAT Cabinet:

- 1) Agree that there is currently insufficient evidence to demonstrate that an Article 4 direction or any other measure is necessary to protect local amenity or the well-being of the Netherfield Ward.**
- 2) Agree that the overall number of HMOs in the Netherfield Ward should be monitored.**

1 Background

- 1.1 On 20 April 2022 the Council resolved to refer the principle of making of an Article 4 Direction to remove permitted development rights for change of use from Use Class C3 (dwellinghouse) to Use Class C4 (house in multiple occupation) covering the Netherfield area to Cabinet. The Council also called upon the government to reverse the legislation it introduced in September 2010 that removed a requirement for planning permission for HMOs and resolved to write to local members of parliament accordingly.

- 1.2 An Article 4 direction is a direction made under Article 4 of the Town and Country Planning (General Permitted Development) (England) Order 2015, which enables the Secretary of State or the local planning authority to withdrawn specific permitted development rights across a defined area. The National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) advises that the use of Article 4 directions to remove national permitted development rights should be limited to situations where an Article 4 direction is necessary to protect local amenity or the well-being of the area and in all cases, be based on robust evidence, and apply to the smallest geographical area possible
- 1.3 Reports were considered by Cabinet on 16th June 2022 and 8th December 2022. Both reports concluded that there was insufficient evidence to demonstrate that an Article 4 Direction should be served in order to protect amenity or the surrounding environment.
- 1.4 Appendix 1 was evidence considered by Cabinet on 8th December 2022. Cabinet agreed with the recommendation to; Agree that i) there was currently insufficient evidence to demonstrate that an Article 4 direction or any other measure is necessary to protect local amenity or the well-being of the Netherfield Ward; and ii) to monitor the overall number of HMOs in the Netherfield Ward.

2 Proposal

- 2.1 An updated analysis of the suitability of implementing an Article 4 direction is attached at Appendix 2 of the report. The report considers the current evidence available to the Council including the following:
 - An assessment of the planning application received since the Cabinet report of 8th December 2022 being the change of use of 48 Bourne Street to a 7 bedroom, 7 person HMO (Sui Generis use). It should be noted that this property was already in use as a HMO with 6 occupiers. The application was determined to be compliant with the NPPF, Greater Nottingham Aligned Core Strategy (Part 1 Local Plan), Local Planning Document and the Parking Provision for Residential Developments – Supplementary Planning Document
- 2.2 There are 3120 residential properties within the ward of Netherfield (Valuation Office Agency 2024). An assessment of the composition of the housing stock in Netherfield concludes that only 0.44%, a total of 14 properties, are HMOs with capacity to accommodate 5 or more unrelated individuals. There are currently 2 HMOs present on Chandos Street, 3 on Ashwell Street and 2 on Victoria Road. Presently, there does not appear

to be an over concentration on one particular locality. The distribution of existing HMOs in the Netherfield Ward is shown at Appendix 3.

- 2.3 There is currently one application being considered for a Lawful Development Certificate for a HMO of up to 6 occupants at 24 Bourne Street. This is not an application for planning permission but seeks confirmation that the proposed development is lawful in planning terms, i.e. permitted development, and therefore the usual material considerations are not relevant in the determination of the applications. Two further applications for Lawful Development Certificates have recently been granted at 42 Forester Street and 5 Beech Avenue. Should all 3 of these properties be developed into HMO's, the total number of HMO's in Netherfield Ward would be 17, or 0.54% of the housing stock.
- 2.4 Analysis shows that there are 2 additional HMO's in Netherfield when compared to the assessment with the Cabinet Report of December 2022. The overall conclusion of the assessment, having regard to the requirements set out in the NPPF and PPG, is that there is still currently insufficient evidence to demonstrate that an Article 4 direction is necessary to protect local amenity or the well-being of the Netherfield ward. As there are further HMO's being developed within the ward, the situation should however be monitored to ensure that a proliferation of HMOs does not emerge, in any particular locality or the Netherfield ward as a whole which might then justify further that consideration of an Article 4 direction is required. No other measures are therefore required to protect the amenity or well-being of the Netherfield ward.

3 Alternative Options

- 3.1 An alternative option is to implement either an Article 4 direction to remove permitted development rights for change of use from Use Class C3 (dwellinghouse) to Use Class C4 (house in multiple occupation) covering the Netherfield Ward which takes effect immediately, or a non-immediate Article 4 direction which would result in permitted development rights being withdrawn upon confirmation of the direction, following local consultation. These options would not however be evidenced based and would not comply with the guidance contained within NPPF and PPG.

4 Financial Implications

- 4.1 There are no direct financial implications arising from the recommendations in this report. Should either of the alternative options be pursued this may give rise to a liability to compensate, as detailed in Section 5, Legal Implications, for which there is no budgetary provision.

5 Legal Implications

- 5.1 The statutory power and policy requirements in relation to the making of Article 4 directions are set out in section 2 at appendix 3. The making of such a direction without the necessary justification and evidence as specified in the NPPF could result in the order being challenged. The withdrawal of development rights by an Article 4 direction may give rise to liability to compensate where permission is sought and refused.

6 Equalities Implications

- 6.1 There are no direct equalities implications arising from this report.

7 Carbon Reduction/Environmental Sustainability Implications

- 7.1 There are no carbon reduction/environmental sustainability implications arising from this report.

8 Appendices

- 8.1 Appendix 1 - Article 4 Directions and the suitability of implementation in the Netherfield Ward to introduce a requirement for planning permission to change from a C3 Dwellinghouse (family dwelling) to a C4 HMO (3-6 unrelated people who share facilities)
- 8.2 Appendix 2 – Updated Assessment: Article 4 Directions and the suitability of implementation in the Netherfield Ward to introduce a requirement for planning permission to change from a C3 Dwellinghouse (family dwelling) to a C4 HMO (3-6 unrelated people who share facilities).
- 8.3 Appendix 3 – Distribution of existing HMOs in the Netherfield Ward.

9 Background Papers

- 9.1 National Planning Policy Framework (2024) [National Planning Policy Framework - GOV.UK](#)
- 9.2 Planning Practice Guidance [Planning practice guidance - GOV.UK](#)
- 9.3 The Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended) [The Town and Country Planning \(General Permitted Development\) \(England\) Order 2015](#)
- 9.4 Adopted Local Plan and Policy Documents [Adopted local plan and policy documents - Gedling Borough Council](#)

10 Reasons for Recommendations

- 10.1 Insufficient evidence exists to support an Article 4 direction to introduce a requirement for planning permission to change from a C3 Dwellinghouse (family dwelling) to a C4 HMO (3-6 unrelated people who share facilities) in the Netherfield Ward.
- 10.2 To ensure continued monitoring of the position.

Statutory Officer approval

Approved by:

Date:

On behalf of the Chief Financial Officer

Approved by:

Date:

On behalf of the Monitoring Officer

Appendix 1 – Evidence from Appended to Cabinet Report of 8th December 2022

Article 4 Directions and the suitability of implementation in the Netherfield Ward to introduce a requirement for planning permission to change from a C3 Dwellinghouse (family dwelling) to a C4 HMO (3-6 unrelated people who share facilities)

1.0 Background

1.1 In April 2010, changes were made to planning regulations involving the introduction of a new C4 HMO Use Class (applicable to residential properties occupied by between 3 and 6 unrelated people who share facilities). Prior to this, there had been no distinction in planning terms between such properties and those occupied as a family home. The April 2010 changes also introduced a requirement for planning permission to be obtained for a material change of use from a C3 Dwellinghouse (family dwelling) to a C4 HMO (3-6 unrelated people who share facilities). The result of this was that, it became possible to assess the merits of individual proposals against local plan policies and any other material

considerations such as traffic impacts and antisocial behaviour. Planning permission could either be granted with conditions or refused.

1.2 The changes were welcomed by many local authorities, particularly those with high student populations where there is often a significant demand for HMOs.

1.3 In June 2010, the coalition government announced its intention to introduce further amendments to the regulations governing HMOs that would introduce a permitted development right to change the use of a C3 Dwellinghouse to a C4 HMO thereby removing the newly introduced requirement to obtain planning permission for this change of use. The changes were subsequently implemented and took effect in October 2010.

1.4 Local Planning Authorities wishing to reinstate this requirement would then be required to implement provisions under Article 4 of The Town and Country Planning (General Permitted Development) (England) Order 2015 ("the GDPO"). This article allows Local Planning Authorities to withdraw "permitted development" rights for specified development which would otherwise be permitted where it considers it is expedient that the development should not be carried out unless permission is granted for it on an application.

2.0 The Use of Article 4 Directions

2.1 The National Planning Policy Framework (NPPF) at paragraph 53 advises that the use of Article 4 directions to remove national permitted development rights should be limited to situations where an Article 4 direction is necessary to protect local amenity or the well-being of the area and in all cases, be based on robust evidence, and apply to the smallest geographical area possible. The advice is reaffirmed in the Planning Practice Guidance (PPG) at Paragraph 038, Revision date 20 08 2021. Local Planning Authorities can therefore only make article 4 direction where it can justify both its purpose and extent. Use of article 4 directions should be limited to situations where it is necessary to protect the local amenity or wellbeing of the area and the Local Planning Authority should clearly identify the potential harm the direction is intended to address.

2.2 An article 4 direction does not prevent development but means that an application for planning permission must be made prior to any development taking place. If a Local Planning Authority makes an article 4 direction it can be liable to pay compensation to those whose development rights have been withdrawn.

2.3 Two types of article 4 direction can remove permitted rights to change from a C3 Dwellinghouse to a C4 HMO. Firstly, an article 4 direction may take effect immediately but this must be confirmed by the local planning authority following consultation within six months or it will lapse. Secondly, a non-immediate article 4 direction may be made which results in development rights being withdrawn only

upon confirmation of the direction following local consultation. The Secretary of State has the power to cancel any direction.

2.4 The legal requirement for a non-immediate direction is that the local planning authority considers it is expedient that the development should not be carried out unless permission is granted for it on an application. For an immediate direction the local planning authority must also consider that the development to which the direction relates would be prejudicial to the proper planning of their area or constitute a threat to the amenities of their area. Local authorities can elect to make a non-immediate direction in instances where it would be legally possible to make an immediate direction. The immediacy of the threat and compensation liability may be considerations in determining which to use.

2.5 A direction coming into effect immediately would have the clear advantage of straight away requiring a C4 HMOs to require planning permission. However, it would also expose the Council to potentially very high levels of compensation liability in cases where applications submitted within the first 12 months of the removal of the permitted development rights were refused or granted subject to conditions, such compensation being based, in part, on the difference in property values arising from the Council's decision.

2.6 A non-immediate direction with a prior notice period of 12 months would avoid compensation liability and also allow the results of local consultation to be taken into account in advance of the Council deciding to confirm the direction removing permitted development rights.

2.7 As detailed above, any article 4 direction must be evidenced based to comply with the requirements of the NPPF and the PPG and applied in a measured and targeted way

3.0 Current Evidence

3.0 Recent Planning Applications

3.1 Over the past 5 years, there have been 4 determined applications for planning permission in Netherfield to change the use of a property from a dwelling to a HMO proposing the occupation of the property by more than 6 unrelated people sharing basic amenities.

3.2 These applications are detailed below:

2020/0484

56 Meadow Road, Netherfield

Single storey extension to rear elevation and change of use from C3 to sui generis, 6 bedrooms, 7 occupants House in Multiple Occupation

The proposal was refused planning permission contrary to officer recommendation. A revised scheme was subsequently implemented under permitted development comprising 6 bedrooms.

2020/0630

45 Ashwell Street, Netherfield

Change of use from C3 dwellinghouse to seven bedroom (Sui Generis) HMO including loft dormer extension.

The proposal was refused planning permission by the Borough Council, contrary to officer recommendation. An appeal was subsequently made by the applicant to the Planning Inspectorate. The appeal was allowed and permission was granted.

2020/0789

112 Victoria Road, Netherfield

Proposed change of use from existing residential apartments C3 to a large HMO sui generis

The proposal was granted planning permission under delegated authority, following consultation with the Planning Delegation Panel.

2022/0153

49 Chandos Street, Netherfield

Proposed change of use from dwelling (C3) to 7 bedroom HMO including rear dormer loft conversion

The proposal was granted Planning permission following referral to Planning Committee.

3.3 The four determined applications were each considered in light of the relevant policies contained within the NPPF, Greater Nottingham Aligned Core Strategy (Part 1 Local Plan), Local Planning Document and the Parking Provision for Residential Developments – Supplementary Planning Document.

3.4 The principle of the proposed use, impact upon residential amenity, highway safety, flood risk and other issues were fully considered by officers in each report

and no conflict was found with any of the Councils adopted planning policies or national policies.

3.5 In relation to highway safety, advice was sought from the Highways Authority prior to determining each application and no objections were received. There is no evidenced highway safety risk identified by the Highway Authority which would indicate that existing and proposed HMOs in the Netherfield ward would result in undue highway safety issues. Dwellings in this locality are situated in close proximity to the Netherfield designated shopping area where there are a number of amenities, shops etc. which are within walking distance and the wider area is well served by public transport.

3.6 There are no highway safety grounds identified through the determination of recent planning applications which would support an Article 4 direction.

3.7 The analysis of planning applications over the past five years indicates that HMOs requiring planning permission are in full conformity with national and local planning policies and no harm has been identified by officers or the Planning Inspectorate.

4.0 Residents Meeting

4.1 A residents meeting was held at 7pm on 03 March 2022 at the St Georges Church, Victoria Road, Netherfield. The meeting was arranged and chaired by a local resident, and the purpose was to discuss a pending planning application at Chandos Street (which has now been determined and detailed above) and HMOs/Article 4 directions more generally. The meeting was attended by approximately 50 residents.

4.2 The key concerns raised are detailed below and each concern is assessed in relation to the relevant planning considerations, which have been established through appeal decisions and case law.

- Loss of private rented accommodation

Comment: HMOs have the potential to increase the level of private rented accommodation and diversify the stock of private rented accommodation.

- Loss of family homes

Comment: There has undoubtedly been a loss of some larger properties which are suitable for families. Planning permission has however been granted for 830 new homes at Teal Close and there have already been a significant number of completions. There is also a resolution to grant planning permission for the redevelopment of the Kendon Packaging site and other housing is anticipated to be delivered in the wider area.

- Waste bins on pavements

Comment: it is accepted that (larger) HMOs have the potential to generate more litter but there is no evidence to suggest that this is causing an undue problem or that it cannot be managed.

- Drainage and water supply

Comment: There is no evidence to suggest that HMOs are causing problems with drainage or the supply of water.

- Impact upon property values

Comment: This is not a material planning consideration.

- Loss of community cohesion

Comment: The numbers are low and there is no evidence that there is a significant concentration of HMOs or grouping on any particular street.

- Highway safety concerns

Comment: As detailed above, no concerns have been raised by the Highway Authority.

- Loss of car parking

Comment: As above.

- No demand for further HMOs as some of the rooms within the recently converted accommodation have not been let.

Comment: If there is an over-supply to meet demand, this is likely to reduce the number of future HMOs coming forward in Netherfield. The demand for a particular housing product cannot usually be given significant weight in the overall planning balance when determining a policy compliant application for planning permission.

- Some of the rooms are being advertised at £700 per calendar month

Comment: This is not a planning consideration and rents will be determined by the market.

- Insufficient school places in the Netherfield area.

Comment: A new primary school has been constructed at Teal Close, with the first intake of students expected in September 2022.

- An Article 4 direction should be implemented to deter investors from targeting properties in Netherfield.

Comment: This is no justification for an Article 4 direction.

4.3 From a planning perspective, none of the concerns either singularly or in combination would merit suitable justification to progress an Article 4 direction. No subsequent submissions have been made by residents in support of the concerns following the meeting, with the exception of further objections to planning application 2022/0153, which has now been determined.

5.0 Submission from Tom Randall MP

5.1 A written submission was however received by the Leader of Gedling Borough Council on 20 April 2022, detailing the results of a survey undertaken by the MP and a County Councillor. It is stated that there were 111 respondents. A copy of this submission is contained in appendix 2.

5.2 The following data is included in the covering letter:

- Of those surveyed, 93% said they would like to see Gedling Borough Council introduce an Article 4 direction in Netherfield.
- 40% said that an increase in HMOs in Netherfield is removing family homes off the market and resulting in the community not knowing their neighbours
- 68% said an increase in HMOs is adding to issues around lack of on street-street parking.

5.3 Appended to the covering letter is are the survey questions:

- How does the increase in HMOs in Netherfield affect you?
- Are you aware of any HMOs in Netherfield?
- Have HMOs always been in the area?
- How do you feel about an increase in HMOs in Netherfield?
- Gedling Borough Council could introduce an Article 4 direction that will require property owners to apply for planning permission should they wish to convert their property into a HMO. Would you like to see this introduced in Netherfield?

5.4 No details have been provided in relation to how the data was collected or the overall number of residents/properties surveyed. It would however appear to be primary data collected in the local area which reflects the views of the respondents. The data indicates that the respondents have concerns about HMOs, but it does not demonstrate any demonstrable harm which needs to be addressed by implementing an Article 4 direction or any other measures.

6.0 Applications made by Landlords for a Licence under the Housing Act 2004.

6.1 From the 01 October 2018 the Government has extended the scope of mandatory HMO Licensing throughout England. All HMOs in the Gedling Borough with 5 or more tenants who do not form a single household require a licence under the Housing Act 2004 and any licences granted include conditions relating to mandatory national minimum sleeping room sizes and waste disposal requirements.

6.2 In Netherfield, there have been licences granted at 1A Meadow Road, 46 Chandos Street, 5 Matlock Street, and 72-74 Station Road. A mandatory licence has also been granted for 1-3 Conway Road for a long established HMO permitted to accommodate 15 persons. This was not previously identified as the licence address states Carlton, but the site is actually in the Netherfield Ward.

The Council has received HMO license applications for 3 further properties which are still being processed:

56 Meadow Road
112 Victoria Road
45 Ashwell Street

The Council has a 12 month timescale for issuing HMO licences. The licence holders have met their legal duty when submitting the application.

No application has been made for 49 Chandos Street as it is not currently occupied by 5 or more individuals.

7.0 Applications made under the Netherfield Selective Licensing Area

7.1 An analysis of Selective Licensed HMOs has identified that there are 3 small HMOs each accommodating 3 unrelated individuals sharing. The addresses of these properties are 48 Forester Street, 37 Curzon Street and 7A Victoria Road

8.0 Antisocial Behaviour

8.1 The Community Protection Manager has advised that between all of the known HMOs in Netherfield, antisocial behaviour levels reported to the Council have been very low or non-existent so far and their position remains unchanged since being consulted in May 2022. The bulk of complaints are generated by renovation works needed to convert the properties into HMOs, but typically no diary sheets were ever returned and builders generally worked between reasonable hours so no further action could be taken anyway. Additionally, there seems to be a running theme of complaints about the state of bins which can and has led to pest control complaints and concerns about residents parking, as the streets that HMOs are

typically on are terraced with no driveways. The car parking concerns have not however generated any objections from the highways authority on safety grounds. In relation to noise, litter and antisocial behaviour, these matters can be controlled through other legislation and do not require an Article 4 direction.

9.0 Composition of the Netherfield Housing Stock

9.1 There are 2915 residential properties within the ward of Netherfield and evidence available to the Council indicates that there are 9 confirmed HMOs providing accommodation for 5 or more unrelated individuals. There are 3 smaller HMOs providing accommodation for 3 unrelated individuals. The total number of HMOs is 12. Therefore, 0.41% of the housing stock in Netherfield is comprised of HMOs. Furthermore, the existing HMOs appear to be distributed across the ward and at the current time, there does not appear to be an over concentration in one particular locality. The distribution is shown at Appendix 4.

10.0 Conclusion

10.1 The private rented sector is an important part our housing market and HMOs form a vital part of this sector, often providing cheaper accommodation for people whose housing options are limited. The available information demonstrates that HMOs in Netherfield are distributed across the ward and comprise a low percentage of the overall number of residential properties.

10.2 Having regard to the requirements set out in the NPPF and the PPG, in my view there is currently insufficient evidence to demonstrate that an Article 4 direction is necessary to protect local amenity or the well-being of the Netherfield Ward. The situation should however be monitored to ensure that a proliferation of HMOs does not emerge in any particular locality or the Netherfield ward as a whole.

Appendix 2 – Updated Evidence

Article 4 Directions and the suitability of implementation in the Netherfield Ward to introduce a requirement for planning permission to change from a C3 Dwellinghouse (family dwelling) to a C4 HMO (3-6 unrelated people who share facilities)

1.0 Background

1.1 In April 2010, changes were made to planning regulations to introduce a new Use Class C4 Use Class for small HMOs; residential properties occupied by between 3 and 6 unrelated people who share facilities. Prior to this, there had been no distinction in planning terms between such properties and those occupied as a

family home. The April 2010 changes also introduced a requirement for planning permission to be obtained for a material change of use from a Use Class C3 Dwellinghouse to a Use Class C4 HMO (3-6 unrelated people who share facilities). This amendment enabled Local Planning Authorities to assess the merits of individual proposals against relevant policies and any other material considerations such as traffic impacts and antisocial behaviour. Planning permission could either be granted with conditions or refused.

1.2 These changes were largely welcomed by local authorities, particularly those with high student populations where there is often a significant demand for HMOs.

1.3 In June 2010, the coalition government announced its intention to amend The Town and Country Planning (General Permitted Development) (England) Order 2015 ("the GDPO") to introduce a permitted development right to allow the change the use of a Use Class C3 Dwellinghouse to a Use Class C4 HMO thereby removing the newly introduced requirement to obtain planning permission for this change of use. The changes were subsequently implemented and took effect in October 2010.

1.4 Local Planning Authorities wishing to remove the permitted development right for changes of use from Use Class C3 to Use Class C4 would be required to implement provisions under Article 4 of the GDPO. This allows Local Planning Authorities to withdraw "permitted development" rights for specified development where it considers it is expedient that the development should not be carried out unless permission is granted for it on an application.

2.0 The Use of Article 4 Directions

2.1 The National Planning Policy Framework (NPPF) at paragraph 54 advises that the use of article 4 directions to remove national permitted development rights should be limited to situations where an Article 4 direction is necessary to protect local amenity or the well-being of the area and in all cases, be based on robust evidence, and apply to the smallest geographical area possible. The advice is reaffirmed in the Planning Practice Guidance (PPG) at Paragraph 038, Revision date 20 08 2021. Local Planning Authorities can therefore only make an article 4 direction where it can justify both its purpose and extent. Use of article 4 directions should be limited to situations where it is necessary to protect the local amenity or wellbeing of the area and the Local Planning Authority should clearly identify the potential harm the direction is intended to address.

2.2 An article 4 direction does not prevent the type of development specified but does ensure that an application for planning permission must be made prior to any development which it restricts taking place. If a Local Planning Authority makes an article 4 direction it can be liable to pay compensation to those whose development rights have been withdrawn.

2.3 Two types of article 4 direction can remove permitted rights to change from a Use Class C3 Dwellinghouse to a Use Class C4 HMO. Firstly, an article 4 direction may take effect immediately but this must be confirmed by the local planning authority following consultation within six months or it will lapse. Secondly, a non-immediate article 4 direction may be made which results in development rights being withdrawn only upon confirmation of the direction following local consultation. The Secretary of State is able to cancel or modify any direction made.

2.4 The legal requirement for a non-immediate direction is that the local planning authority considers it is expedient that the development should not be carried out unless permission is granted for it on an application. The circumstances in which an immediate direction can restrict development are limited and the local planning authority must also consider that the development to which the direction relates presents an immediate threat to local amenity or the proper planning of an area. The immediacy of the threat and compensation liability may be considerations in determining which type of direction to use.

2.5 A direction coming into effect immediately would have the clear advantage of straight away requiring Use Class C4 HMOs to require planning permission. However, it would also expose the Council to potentially very high levels of compensation liability in cases where applications submitted within the first 12 months of the removal of the permitted development rights were refused or granted subject to conditions, such compensation being limited to abortive expenditure or other loss or damage directly attributable to the withdrawal of permitted development rights

2.6 A non-immediate direction with a prior notice period of 12 months would avoid compensation liability and also allow the results of local consultation to be taken into account in advance of the Council deciding to confirm the direction removing permitted development rights.

2.7 As detailed above, any article 4 direction must be supported by robust evidence in order to comply with the requirements of the NPPF and the PPG and applied in a measured and targeted way

3.0 Current Evidence

3.0 Recent Planning Applications

3.1 Within the last 5 years, there have been 4 determined applications for planning permission in Netherfield to change the use of a property from a dwelling to a HMO proposing the occupation of the property by more than 6 unrelated people sharing basic amenities.

3.2 These applications are detailed below:

2020/0484

56 Meadow Road, Netherfield

Single storey extension to rear elevation and change of use from C3 to sui generis, 6 bedrooms, 7 occupants House in Multiple Occupation

The proposal was refused planning permission contrary to officer recommendation. A revised scheme was subsequently implemented under permitted development comprising 6 bedrooms.

2020/0630

45 Ashwell Street, Netherfield

Change of use from C3 dwellinghouse to seven bedroom (Sui Generis) HMO including loft dormer extension.

The proposal was refused planning permission by the Borough Council, contrary to officer recommendation. An appeal was subsequently made by the applicant to the Planning Inspectorate. The appeal was allowed and permission was granted.

2020/0789

112 Victoria Road, Netherfield

Proposed change of use from existing residential apartments C3 to a large HMO sui generis

The proposal was granted planning permission under delegated authority, following consultation with the Planning Delegation Panel.

2022/0153

49 Chandos Street, Netherfield

Proposed change of use from dwelling (C3) to 7 bedroom HMO including rear dormer loft conversion

The proposal was granted Planning permission following referral to Planning Committee.

3.3 One additional application was granted for the change of use of 48 Bourne Street to a 7 person HMO under reference 2023/0925. This property was however already in use as a Use Class C4 HMO with 6 occupants.

3.4 In addition to the determined planning applications detailed above, the Local Planning Authority is currently considering 1 application for a Lawful Development Certificate for a HMO of up to 6 occupants (Use Class C4) at 24 Bourne Street. In addition, 2 Certificates have recently been granted for HMOs at 42 Forester Street and 5 Beech Avenue. These are not applications for planning permission but seek confirmation that the proposed development is lawful in planning terms, i.e. permitted development, and therefore the usual material considerations are not relevant in the determination of the applications.

3.5 The planning applications detailed above were each considered in light of the relevant policies contained within the NPPF, Greater Nottingham Aligned Core Strategy (Part 1 Local Plan), Local Planning Document (Part 2 Local Plan) and the Parking Provision for Residential Developments – Supplementary Planning Document.

3.6 The principle of the proposed use, impact upon residential amenity, highway safety, flood risk and other issues were considered in detail by officers in each report and no conflict was found with any of the Councils adopted planning policies or the relevant national policies.

3.7 In relation to highway safety, advice was sought from Nottinghamshire County Council as the Highway Authority prior to determining each application and no objections were received. There is no evidenced highway safety risk identified by the Highway Authority which would indicate that existing and proposed HMOs in the Netherfield ward would result in unacceptable highway safety issues. Dwellings in this locality are situated in close proximity to the Netherfield designated shopping area where there are a number of amenities, shops etc. which are within walking distance and the wider area is well served by public transport.

3.8 There are no highway safety grounds identified through the determination of recent planning applications which would support an article 4 direction.

3.9 The analysis of planning applications over the past five years indicates that HMOs requiring planning permission are in full conformity with national and local planning policies and no harm has been identified by officers or the Planning Inspectorate.

4.0 Residents Meeting

4.1 A meeting with Councillor Hunt and a small number of local residents was held at the Civic Centre on 28th May 2025. The meeting was arranged to discuss the pending applications for Certificates of Lawful Development HMOs and article 4 directions more generally.

4.2 The key concerns raised are detailed below and each concern is assessed in relation to the relevant planning considerations, which have been established through appeal decisions and case law.

- Behaviour of builders and contractors during property conversions and extensions and lack of regard to health and safety regulations.

Comment: Any anti-social behaviour should be reported to the Council's Community Protection Team and breaches of health and safety regulations during construction should be reported to the Health and Safety Executive as it is not possible to enforce these concerns through Planning Legislation.

- Loss of car parking

Comment: Due to the character of Netherfield, a large proportion of dwellings do not benefit from off-street car parking. The Highway Authority has not raised any concerns when consulted on the planning applications for the change of use of dwellings to HMO's and there is currently no evidence that residents are unable to find on-street parking in the vicinity of their properties. In terms of vehicle ownership, the Office for National Statistics Census of 2021 shows that 32.9% of households in the ward do not have a car (compared to 18.3% for Nottinghamshire) 46.8% have 1 car (41.8% for Nottinghamshire) 16.4% have 2 cars (30% for Nottinghamshire) and 3.9% have 3 or more cars (9.9% for Nottinghamshire). The evidence is that car ownership in Netherfield is low when compared to Nottinghamshire and demand for car parking is therefore reduced.

- Loss of family homes

Comment: There has undoubtedly been a loss of some larger properties which are suitable for families. However, the proportion of dwellings within the ward that have been converted is very low. Furthermore, the Housing Delivery Test measurement (published December 2024) for 2023 shows there were 699 homes delivered in the borough against a requirement of 497. There is currently no evidence that the housing mix in Netherfield is not appropriate.

- Waste management issues and waste bins on pavements

Comment: it is accepted that larger HMOs have the potential to generate more household waste but there is no evidence to suggest that there are currently issues with waste management or collection.

- Drainage issues due to the extensions being constructed.

Comment: The properties being extended utilising permitted development rights and drainage matters therefore cannot be considered by the Local Planning

Authority. However, there is currently no evidence to suggest that HMOs are causing problems with drainage.

- Loss of community cohesion

Comment: The proportion of dwellings that have been converted is low and there is no evidence that there is a significant concentration of HMOs or grouping on any particular street at this time.

4.3 From a planning perspective, none of the concerns raised either singularly or in combination would merit suitable justification to progress an article 4 direction.

5.0 Applications made by Landlords for a Licence under the Housing Act 2004.

5.1 All HMOs in Gedling Borough with 5 or more tenants who do not form a single household require a licence under the Housing Act 2004 and any licences granted include conditions relating to mandatory national minimum sleeping room sizes and waste disposal requirements.

5.2 In Netherfield, there have been licences granted at 14 properties and the Council has received HMO license applications for 2 further properties which are still being considered;

- 6 Godfrey Street
- 41 Ashwell Street

The Council has a 12 month timescale for issuing HMO licences. The licence holders have met their legal duty when submitting the application.

6.0 Antisocial Behaviour

6.1 The Community Protection Manager has advised that between all of the known HMOs in Netherfield, antisocial behaviour levels reported to the Council have been very low or non-existent so far and their position remains unchanged since being initially consulted in May 2022. The majority of complaints are generated by renovation works needed to convert the properties into HMOs. The car parking concerns have not however generated any objections from the Highway Authority on safety grounds. In relation to noise, litter and antisocial behaviour, these matters can be controlled through other legislation and do not require an Article 4 direction.

7.0 Composition of the Netherfield Housing Stock

7.1 There are 3120 residential properties within the ward of Netherfield and evidence available to the Council indicates that there are 14 confirmed HMOs providing accommodation for 5 or more unrelated individuals. Therefore, 0.44% of the housing stock in Netherfield is comprised of HMOs.

7.2 There is currently one application being considered for Lawful Development Certificates for a HMO of up to 6 occupants at 24 Bourne Street with Certificate having recently been granted at 42 Forester Street and 5 Beech Avenue. Should all these properties developed into HMO's, the total number of HMOs in Netherfield Ward would be 17, or 0.54% of the housing stock.

7.3 Furthermore, whilst there are 2 HMOs present on Chandos Street, 3 on Ashwell Street and 2 on Victoria Road, there does not appear to be an excessive concentration in one particular locality. The distribution is shown at Appendix 3.

9.0 Conclusion

9.1 The private rented sector is an important part our housing market and HMOs form a vital part of this sector, often providing cheaper accommodation for people whose housing options are limited. The available information demonstrates that HMOs in Netherfield are distributed across the ward and comprise a low percentage of the overall number of residential properties.

9.2 Having regard to the requirements set out in the NPPF and the PPG, it is considered that there is currently insufficient evidence to demonstrate that an Article 4 direction is necessary to protect local amenity or the well-being of the Netherfield Ward. The situation should however be monitored to ensure that a proliferation of HMOs does not emerge in any particular locality or the Netherfield ward as

Appendix C

Case Study of Bolton Borough Council actions regarding Article 4

Article 4 Direction

Removal of permitted development rights for the change of use from Use Class C3 (dwelling houses) to C4 (HMOs)

Background Document: Context, Proposals and Evidence and Justification

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Part 1: Context

Introduction

This paper provides the evidence base and policy context for the introduction of an Article 4 Direction to remove the permitted development (PD) right allowing the conversion of dwelling houses (Use Class C3) into Houses of Multiple Occupations (HMOs) for up to six residents (Use Class C4). The Article 4 direction would be made under the provisions of the Town and Country Planning (General Permitted Development) Order 2015 (as amended) and would apply to the whole borough of Bolton . Its introduction will enable the council to have greater control in managing conversions of dwellings into HMOs.

National Policy and Legislative Context

In 2010 the government introduced *The Town and Country Planning (General Permitted Development) (Amendment) (England) Order 2010* which allowed the conversion of a dwelling house (Use Class C3) into what was then a new use class of C4, which is a small shared house or flat which is occupied by three to six unrelated individuals who share basic amenities. This legislation has since been amended and the up to date legislation is *The Town and Country Planning (General Permitted Development) (England) Order 2015* which continues to allow the conversion of dwellings (C3) to small HMOs (C4) in class L of schedule 2.

Proposals for Houses of Multiple occupation for seven or more residents continue to require full planning permission.

Although government has granted permitted development rights to convert dwellings (C3) to small HMOs (C4), it is recognised that local circumstances will sometimes require that this permitted development right be restricted. These restrictions can be introduced, on a temporary or permanent basis, through an Article 4 direction, which enables the Secretary of State or the local planning authority to withdraw specified permitted development rights across a defined area. Although Article 4 Directions introduced by local planning authorities do not require approval from the Secretary of State, the Secretary of State for Housing, Communities and Local Government can intervene to stop Article 4 directives taking effect should they deem it appropriate. Both the type of restriction and the extent of the area the restriction is being applied to must be justified. The National Planning Policy Framework (NPPF) advises that Article 4 directions should be applied in a measured and targeted way, and should be limited to situations where the direction is necessary to protect the amenity or local wellbeing of the area (Paragraph 54). Article 4 directions which apply to large areas (such as those which cover the majority of a local planning authority) need to have a particularly strong justification.

These directions are made under Article 4 of the GPDO (2015).

There are two types of Article 4 directions, immediate and non-immediate directions. Immediate Article 4 directions come into effect as soon as they are made. However, in accordance with *Sections 107 and 108 of the Town and Country Planning Act 1990* and *The Town and Country Planning (Compensation) (England) Regulations 2015 (as amended)* property owners may be eligible for compensation if they are affected by the introduction of the direction. Non-immediate directions give 12 months notice from the time the Article 4 direction is made to the time it comes into effect. Compensation provisions do not apply in the case of non-immediate Article 4 directions, whereas in the case of an immediate Article 4 direction compensation is payable to landowners whose permitted development rights are restricted if they apply for planning permission for development that would have been allowed by the permitted development right for the first 12 months that the Article 4 direction is in place. Bolton Council will be pursuing a non-immediate Article 4 direction to remove the permitted development rights to convert a dwellinghouse (C3) into a small HMO (C4).

Regional Context

Other local planning authorities in the immediate vicinity of Bolton have already introduced Article 4 directions which restrict permitted development rights for HMO conversions.

Blackburn with Darwen introduced an Article 4 direction in February 2012 which covered a small number of wards. In August 2023 an Article 4 direction covering all urban areas of Blackburn and Darwen (excluding only more rural areas of the borough) was introduced. Policy DM06 in the local plan adopted in January 2024 states any application for a new HMO will be refused.

Manchester has an Article 4 direction which covers the whole city and was made on 7th October 2010 and came into force on 8th October 2011. The primary reason for introducing the Article 4 direction was issues caused by student housing. The Article 4 direction covers the whole city in order to prevent HMOs spreading into other areas as a result of the Article 4. Policy H11 of Manchester's Core Strategy relates to HMOs and states they will not be granted planning permission where there is a high concentration of existing HMOs near to the application site.

Salford has an Article 4 direction covering inner areas which came into effect in 2018. From November 2024 a new Article 4 came into effect which covers further areas of the city. The recently adopted Part 1 of Salford's Local Plan includes Policy H10 which limits the granting of permission to HMOs if they will have a negative impact on the residential character of the surrounding neighbourhood.

Trafford has a boroughwide Article 4 direction which came into force in December 2017. It was primarily implemented to mitigate the effects of students moving into the borough, however it was not intended to stop all HMO conversions. A Supplementary

Planning Document was adopted in March 2018 which includes policy on the concentration of HMOs which is allowed within certain geographical areas.

Wigan Introduced two Article 4 directions in 2020 covering small areas in Leigh and Swinley. These are two areas where evidence showed there is a large concentration of HMOs. Wigan has an SPD on HMOs which outlines policy on avoiding high concentrations of HMOs in specific areas when deciding whether to grant permission.

Bury, Chorley, Oldham, Rochdale, Stockport and Tameside do not currently have Article 4 directions which restrict conversions from dwellings (C3) to HMOs (C4).

Local Policy Context

Nowhere within the borough of Bolton is currently covered by an Article 4 direction relating to HMOs.

Unlike other local planning authorities in the region, Bolton does not have a specific supplementary planning document (SPD) relating to HMOs, nor does it have any policies in its development plan (which comprises the 2011 Core Strategy, 2014 Allocations Plan and the 2024 Greater Manchester Places for Everyone Plan as well as the GM Minerals and Waste plans) which relate specifically to HMOs.

There are, however, policies in Bolton's development plan which are used when determining applications for HMOs in Bolton. These include policies on amenity such as policy CG4 of the Core Strategy which states that the Council will ensure that new development is compatible with surrounding land uses and occupiers, protecting amenity, privacy, safety and security and does not generate unacceptable nuisance, odours, fumes, noise or light pollution, nor cause detrimental impacts upon water, ground or air quality as well as Policy JP-P1 of Places for Everyone which relates to sustainable places.

Outside of planning the management of HMOs is directly related to the "Safe, Strong and Distinctive" outcome of Bolton's Vision 2030 as this outcome seeks communities which are stronger, cohesive and more confident in which people feel safe, welcome and connected.

It is important to note that an Article 4 direction will not stop the conversion of dwellings into small HMOs. It will only mean that such conversions would require a full planning application. Without further HMO specific policy, such as that introduced through an SPD or a future local plan, Bolton Council will only have the grounds to refuse applications for smaller applications which it currently has at its disposal to refuse larger applications (namely those around amenity).

Wider Licensing Context

Separate to planning requirements is the system of licensing requirements for HMOs in England. Licensing requirements ensure that HMOs meet safety, amenity and management standards.

A mandatory license is required for HMOs which will be occupied by five or more unrelated people. Additional licensing can be applied by local authorities to HMOs which do not fall under mandatory licensing if they believe the property type poses particular problems related to management or safety (this includes HMOs with fewer than five residents).

Part 2: Evidence and Justification

Houses in Multiple Occupation

Definition of an HMO: An HMO is a property in which three or more unrelated people live and share basic amenities which can include kitchens and bathrooms.

The Number of HMOs in England:

The Office for National Statistics estimate that, on the 2021 census day, out of a total dwelling stock of 26,394,778 that 182,552 dwellings were HMOs. This represents 0.07% of England's total housing stock.

The Number of HMOs in Bolton:

Although the ONS estimated in 2021 that Bolton only had 117 HMOs out of a total dwelling stock of 125,979 (0.09%), investigation by Bolton Council has found the proportion to be significantly higher. Bolton Council has used licensing and complaints data from housing standards, planning and building control records, LLPG (Local land and property gazetteer) records, as well as council tax and housing benefits data to estimate the true number of HMOs within the borough. The total number of HMOs estimated from this investigation was 720. A breakdown of how these HMOs were identified can be found in table 1. This is out of a total dwelling stock which stood at 128,031 in March 2024, and therefore HMOs represent 0.56 % of the borough's total dwelling stock, which is a eight times higher than the national percentage estimated by the ONS. Since 2018 Bolton has received 76 planning applications for HMOs, in addition to 12 applications for certificates of lawful development (a full list of which can be found in appendix 1), indicating a sustained increase

Source	Number of HMOs
Housing Benefits	48
Council Tax	273
Housing Complaints	221
LLPG	136
Licensing	42

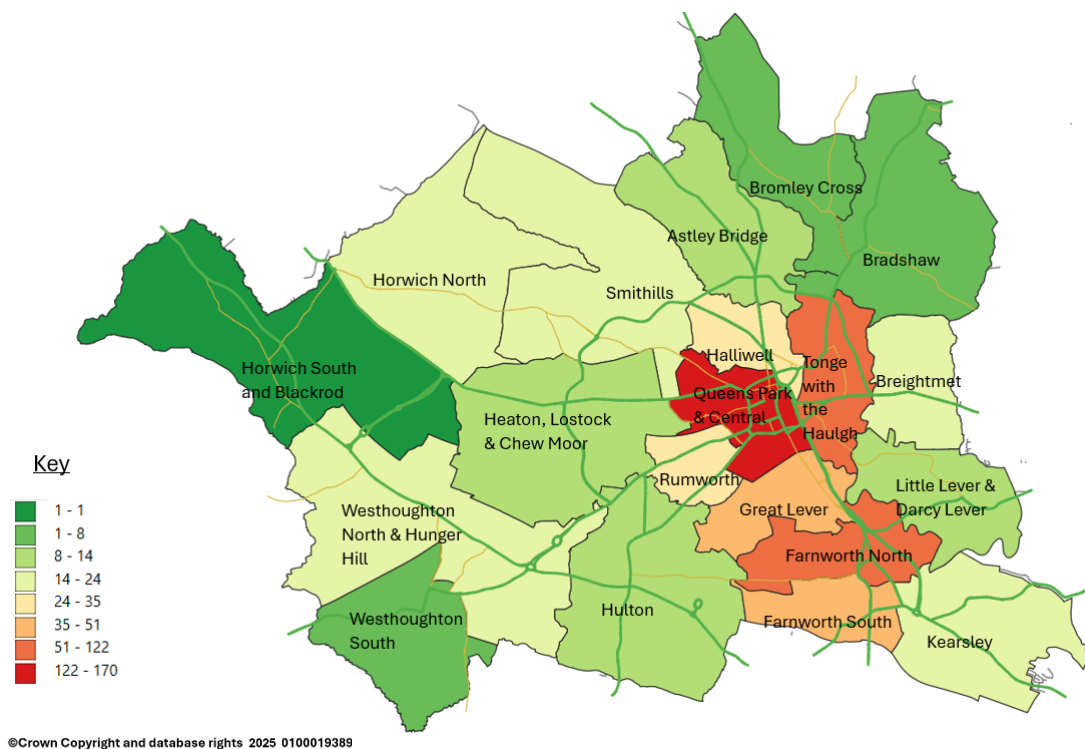
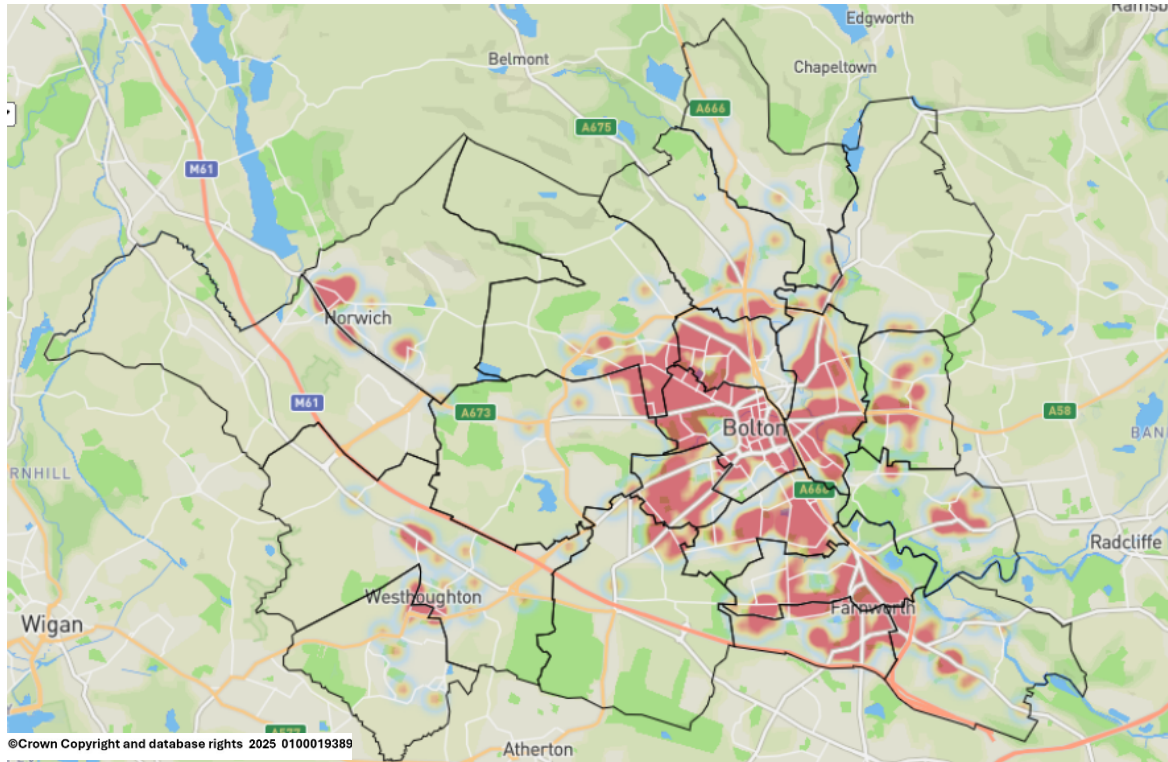
Table 1: Source of HMO Information *Please note some properties may appear in more than one category (e.g. a property with an HMO license may also be on the LLPG as an HMO). Each property is only counted in one category and individual categories, taken alone, would have higher numbers

in the number of HMOs in the borough over time.

Distribution of HMOs

The distribution of HMOs in Bolton can be seen in figures 1a and 1b below:

Figure 1a: Heat Map of HMOs in Bolton



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Figure 1b: Choropleth Map of HMOs in Bolton

This map demonstrates that HMOs are most concentrated in the inner urban areas of Bolton, namely in the wards of Queens Park & Central, Tonge with the Haulgh, Halliwell, Great Lever, Rumworth and both Farnworth North and South. Particularly high densities occur in the streets to the north and east of Bolton School which is situated on Chorley New Road, the streets around the Haulgh, and around the centre of Farnworth. Other smaller clusters can be found in Kearsley, Little Lever, Horwich (Specifically the town Centre area of Horwich North) and Westhoughton. Wards such as Heaton, Lostock & Chew Moor, Bradshaw, Bromley Cross and Horwich South contain only a relatively small number of HMOs. However, it should be noted that HMOs have a presence in all wards in Bolton.

Comparison with other GM areas

For consistency it is only possible to compare figures which have been derived using the same methodology, and it is therefore not possible to make a direct comparison between the figure of HMOs we have found in Bolton and other districts. A direct comparison can be made between the 2021 Census HMO estimates for each of the borough's. In terms of percentage of overall stock Bolton has a higher percentage of HMOs than Oldham, Rochdale, Tameside and Wigan, but a lower percentage than Bury, Manchester, Salford, Stockport and Trafford.

Demographics

Population

The Office for National Statistics estimated Bolton to have a population of 302,283 in mid-2023.

Deprivation

Bolton borough is a relatively deprived borough

The Indices of Multiple Deprivation provide statistics on relative deprivation which are reported at a small area level (called Lower Super Output Areas (LSOAs)) across 32,844 areas of England and 317 local authority areas. It uses 7 distinct domains, combined and weighted, which include income, employment, health, education, crime, barriers to housing and services, and the living environment.

The most recent indices of Multiple Deprivation were published in 2019. It shows that 24% of Bolton's LSOAs were in the most deprived 10% in the country, with a further 19% of Bolton's LSOAs being in the 20% most deprived in the country. In contrast only 5% of Bolton's LSOAs are in the least deprived 10% in the country, with a further 9% of Bolton's LSOAs being in the 20% least deprived in the country.

The relative picture has declined from the 2015 indices of multiple deprivation, where 20% of Bolton's LSOAs were in the 10% most deprived in the country, with a further 18% in the 20% most deprived in the country. However, the indices are relative, not absolute, as they are ranked in order nationally and so a change in ranking doesn't necessarily mean a worsening in performance, however the general direction of travel is that Bolton is becoming relatively more deprived.

Figure 2a shows a deprivation map of Bolton, sourced from the 2019 Indices of Multiple Deprivation (By MHCLG). Figure 2b is the heat map of HMOs in Bolton. A comparison of these two maps demonstrates that HMOs in Bolton are heavily concentrated in deprived areas.

Figure 2a: Indices of Multiple Deprivation 2019 Map for Bolton

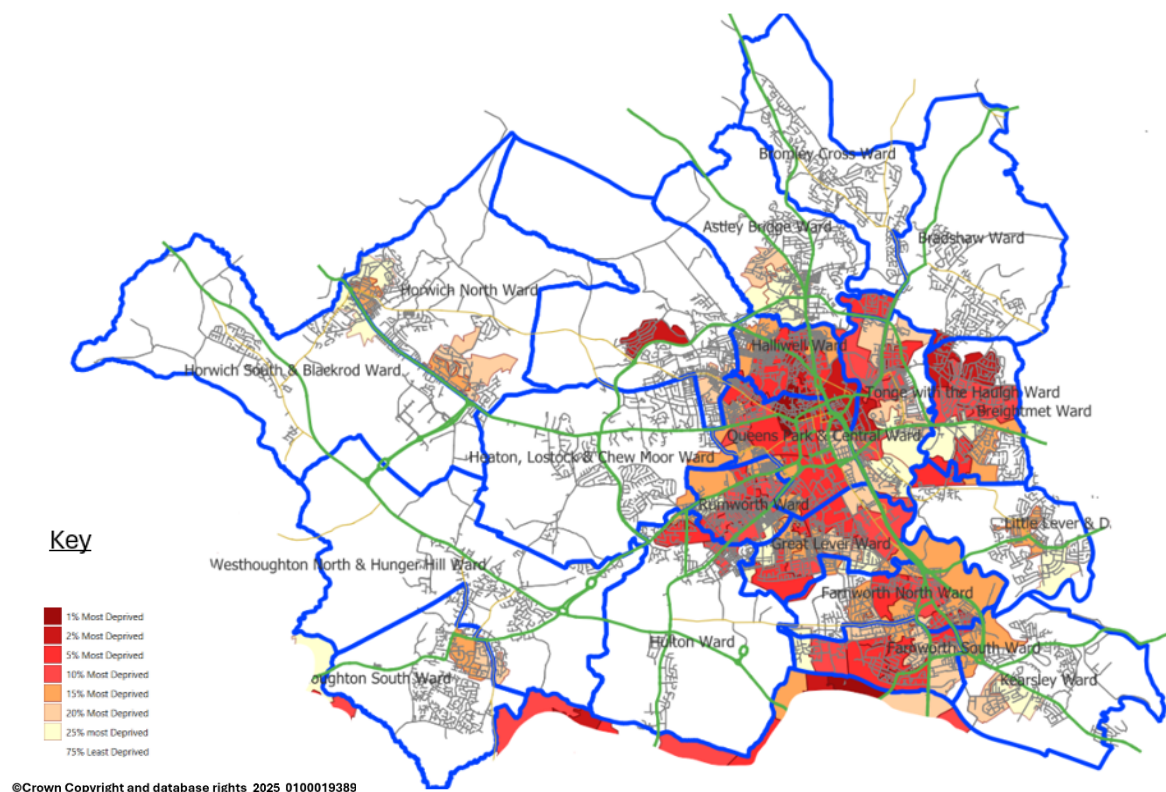
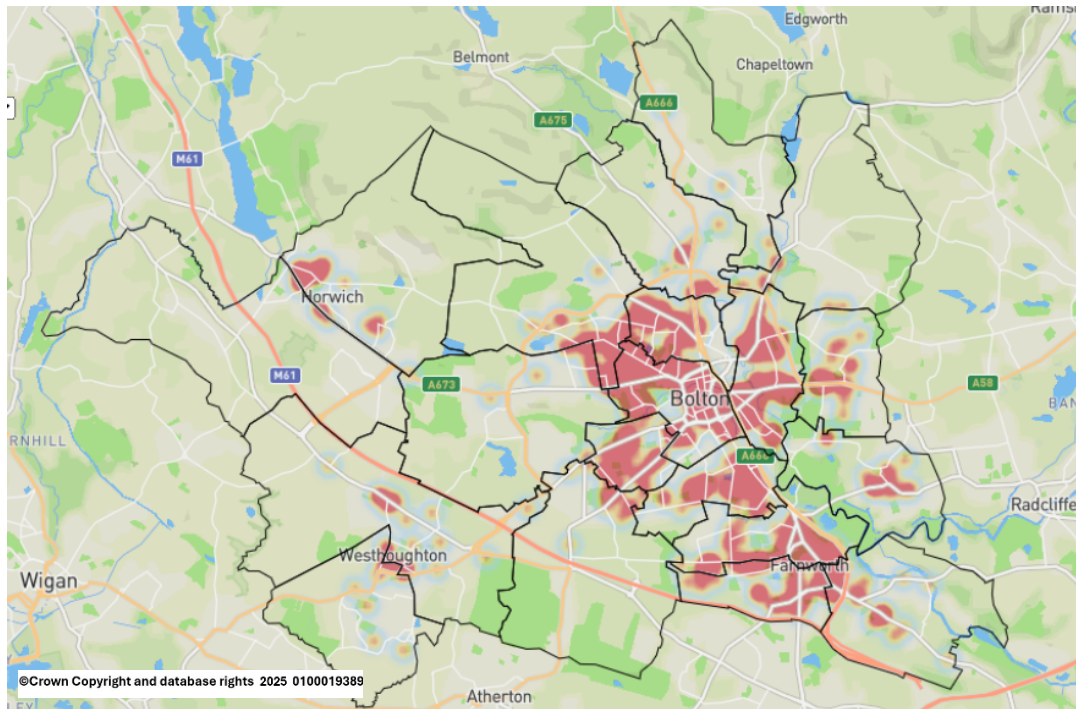


Figure 2b: Heat Map of HMOs in Bolton



Housing

House prices in Bolton are relatively low. The ONS states that the average house price in Bolton was £197,000 in July 2024, this represents a 5.9% increase from July 2023. Despite the increase this figure is low compared to the average English House Price which stood at £306,000. The average monthly private rent was £765 in August 2024, which represents an 8.9% increase from August 2023. However again, in spite of the increase, the average rent price remains low when compared to the Great Britain average of £1,286.

That rental prices are rising at a higher rate than house prices makes Bolton an attractive prospect for buy to let landlords. This is particularly the case given Bolton's low average house prices. This means that in addition to the current number of HMOs it is highly likely that, without more controls which includes subjecting small HMOs to planning control through an Article 4 direction, the number of HMOs in the borough will continue to increase.

Figure 3a shows house prices for small areas (LSOAs) within the borough. (The data has been taken from the ONS and can be found here: [Median house prices by lower layer super output area: HPSSA dataset 46 - Office for National Statistics](#)). Figure 3a:

of more dispersed HMOs can also be found in areas of the borough with higher house prices.

Amenity/ Crime/ Anti-Social Behaviour

HMOs and Crime/ Anti-Social Behaviour

Analysis by Bolton Council of crime and incident (reports to police which are not crimes) data has been undertaken. The number of households and the numbers of crimes and incidents which occur within 100m of identified HMOs have been analysed, and compared to the numbers of households and crimes/ incidents which are more than 100m from an HMO. Through this it has been found that 27.5% of households in Bolton are within 100m of an HMO. 33.3% of crimes and 33.6% of incidents take place within 100m of HMOs, this is disproportionate compared to the number of households. There are 35 more crimes per 100 households within 100m of HMOs than per 100 Households more than 100m from HMOs. As well as this 26.81% of crimes which take place within 100m of an HMO are violent crimes compared to 23.45% in areas more than 100m from HMOs. This shows that areas with high concentrations of HMOs have higher rates of violent crime. It is also notable that 14.61% of incidents within 100m of HMOs are violent or public order incidents, compared to 11.76% of incidents more than 100m from an HMO.

Complaints to Housing Standards

As outlined in Table 1, Housing Standards have a total of 221 complaints relating to HMOs in their database. Examples of the reason HMOs have been complained about are as follows:

- Nuisance Neighbours
- Overcrowding
- Safety Concerns (about issues such as unsafe stairs and fire safety concerns)

Such complaints demonstrate that HMOs are negatively affecting the amenity of the areas in which they sit. Any further HMOs, or new clusters of HMOs, could cause further harm to the amenity of areas.

Summary of Evidence

Bolton has a high number of Houses in Multiple Occupation relative to its dwelling stock, with Bolton Council's investigation demonstrating that 0.56% of dwellings in the borough are HMOs compared to ONS figures which show that nationally only 0.07% of dwelling stock is HMOs. Bolton is a relatively deprived borough, with house prices and rental prices being lower than the national average. Low house prices make Bolton an attractive place for landlords to buy up large volumes of property to convert to HMOs, and rental prices which though low are increasing faster than house prices make Bolton even more attractive. It can be seen in the data above that HMOs in Bolton are concentrated in the most-deprived and cheapest areas of the borough. They are also situated in areas of the borough which have the highest incidence of

crime and incidents. It is evidenced by the complaints to housing standards that HMOs negatively affect the amenity of the area in which they are situated in, and by being situated in the most deprived areas of the borough they are negatively affecting the living environment of areas which already have poor living conditions. It is likely, given the steady stream of applications which planning has been receiving, that the numbers of HMOs is likely to increase.

Part 3: Proposals

New Article 4 Direction

In order to protect amenity and ensure Bolton's communities remain sustainable with a mix of dwellings including those for families and single occupiers the council proposes to introduce a permanent boroughwide Article 4 direction which will remove the permitted development rights which allow conversion of a dwellinghouse (Class C3) into a small HMO (Class C4) for up to six residents.

The Article 4 direction will have the direct impact of making all future HMO proposals subject to planning control. This will allow better regulation and monitoring of HMOs, as conditions can be attached to planning permission. Should Bolton introduce policy in the future, through the mechanism of a local plan or supplementary planning document, which seeks to restrict the grant of permissions for HMOs, an Article 4 direction is needed to ensure that all conversions go through the planning process. Without an Article 4 direction Bolton Council would not be able to apply any future policy on HMOs to conversions from dwelling houses to HMOs for up to six people.

It is proposed that the new Article 4 direction will be boroughwide. Evidence from Blackburn with Darwen shows that when an Article 4 direction is introduced in a smaller area that this merely shifts the problem to other areas of a borough. It should be noted that Salford is also expanding its Article 4 direction on HMOs to cover a much wider area, as the council has recognised that the issues caused by HMOs in the original smaller area are now being faced by other areas. A direction which covers the whole borough will prevent the amenity of areas which do not currently have a high concentration of HMOs from being harmed. Precedent which demonstrates that a borough/council-wide direction can be appropriate exists in both Manchester and Trafford.

Process of Making the Article 4 Direction

Article 4 directions are made through a two stage process.

Stage 1: The Local Planning Authority (Bolton Council) makes the direction. This will be a Cabinet decision. It then notifies the Secretary of State, and carries out consultation within the affected areas (the whole borough in this case).

Stage 2: The direction is confirmed by Cabinet and the Secretary of State is notified. When confirming the direction the council must take into account responses received

in the consultation in stage 1 and consider if it is necessary to make changes to the direction. If any material changes are necessary the council must re consult.

Schedule 3 of the GPDO 2015 sets out the procedures for publicity and consultation of an Article 4 Direction. In accordance with those requirements, the following consultation will be undertaken:

- Advertisement in the local press: Bolton News
- Display of Article 4 Direction site notice at all ten libraries in the borough
- Notice published on the Council's website
- A site notice
- Correspondence to statutory consultees and other bodies

Timescales

An indicative timescale could be as follows :

07.04.25: Article 4 Direction is made and secretary of state is notified

08.04.25-23.05.25: Six week consultation runs on Article 4 direction

23.05.25- 30.07.25: Officers Analyse the responses of the consultation

30.07.25: Article 4 direction is confirmed (taking into account consultation responses if necessary) and the secretary of state is notified

07.04.26: Article 4 direction comes into effect

Please note this timetable could change should material changes be required as a result of the consultation, or should a large volume of responses be received to the consultation which require a longer period of time to analyse. The timetable may also be subject to dates of ECM or Full Council meetings should approval from these bodies be required.

Risks

Risk	Mitigation
A rush of conversions could take place in the 12 months before the Article 4 direction comes into effect	The alternative, which would remedy this, is an immediate Article 4 direction. The council could be liable to pay compensation in this scenario, therefore the alternative is not a viable solution.
Planning applications for the conversion to an HMO in an Article 4 Direction area are exempt from a planning fee	Legislation introduced in 2018 removed this exemption and we can therefore now charge for such applications.
The Article 4 Direction could result in a reduction in the supply of HMOs	An Article 4 direction, in and of itself, only makes HMO conversions subject to planning permission, it does not mean

	that such applications will be refused. HMO conversions will therefore continue to happen, however they will be subject to planning permission. Should Bolton introduce further policy in the future to restrict the grant of planning permission for HMO conversions, this risk will have to be addressed when introducing such policy.
The secretary of state, after being notified of the Article 4 direction, intervenes to reduce the area the Article 4 direction covers or to stop the Article 4 direction completely	Bolton Council believes it has strong enough evidence to justify a boroughwide Article 4 direction. The evidence is outlined in earlier sections of this document.

Appendix

Appendix 1: List of Planning Applications and S192 Applications received since 2018

REFVAL	Application Type	ADDRESS	YEAR RECEIVED	DECSN
02908/18	FUL	101-103 Derby Street, Bolton, BL3 6HH	2018	AWC
04232/18	FUL	14 Silverwell Street Bolton BL1 1PP	2018	AWC
04446/18	FUL	20 Bolton Road Farnworth Bolton BL4 7JW	2018	RD
03334/18	FUL	37 Park Street Farnworth Bolton BL4 7RE	2018	RD
06461/19	FUL	16 Wyresdale Road Bolton BL1 4DN	2019	AWC
07766/20	FUL	30 Chorley Old Road Bolton BL1 3AA	2020	WDN
09534/20	FUL	108-110 Deansgate Bolton BL1 1BD	2020	RD
13322/22	FUL	71 Chorley Old Road Bolton BL1 3AJ	2022	WA
17416/23	FUL	Park Hotel 259 Bridgeman Street Bolton BL3 6RR	2023	
16242/23	FUL	4 Gregory Avenue Bolton BL2 6HS	2023	
17403/23	FUL	Star And Garter 11 Bow Street Bolton BL1 2EQ	2023	RD

17547/24	FUL	14 Burnmoor Road Bolton BL2 5NH	2024	WA
02921/18	FUL	16-18 Deansgate Bolton BL1 1BR (Former Amici Cafe)	2018	WDN
03070/18	FUL	2 Ann Street Kearsley Bolton BL4 8BD	2018	AWC
03134/18	FUL	128 Newport Street Bolton BL3 6AB	2018	
05155/18	FUL	20 Silverwell Street Bolton BL1 1PU	2018	AWC
04732/18	FUL	20 Manchester Road Kearsley Bolton BL4 8NZ	2018	RD
02789/18	FUL	224 - 226 St Georges Road Bolton BL1 2PH	2018	WDN
03402/18	FUL	First And Second Floors 46 Bridge Street Bolton BL1 2EG	2018	AWC
04002/18	FUL	16 Bradford Avenue Bolton BL3 2PF	2018	AWC
06278/19	FUL	78 Gilnow Road Bolton BL1 4LJ	2019	AWC
07448/19	FUL	101 Bradford Street Bolton BL2 1JY	2019	AWC
05488/19	FUL	38 Tong Road Little Lever Bolton BL3 1QB	2019	RD
05230/19	FUL	13 Plodder Lane Farnworth Bolton BL4 0BZ	2019	RD
06674/19	FUL	First Second And Third Floors 72-78 Bradshawgate	2019	AWC

		Bolton BL1 1QQ		
05659/19	FUL	99 Bolton Road Westhoughton Bolton BL5 3DY	2019	RD
05846/19	FUL	20 Bromwich Street Bolton BL2 1JF	2019	AWC
07703/20	FUL	48 Hilden Street Bolton BL2 1JA	2020	AWC
08242/20	FUL	93 Manchester Road Bolton BL2 1ET	2020	AWC
08300/20	FUL	28 Bradford Avenue Bolton BL3 2PF	2020	AWC
08496/20	FUL	565 Chorley Old Road Bolton BL1 6AE	2020	AWC
09563/20	FUL	161 Park Road Bolton BL1 4RG	2020	AWC
09759/20	FUL	65-67 Duke Street Bolton BL1 2LU	2020	AWC
09956/20	FUL	43 Brownlow Road Horwich Bolton BL6 7DW	2020	RD
09832/20	FUL	49 Bradford Street Bolton BL2 1HT	2020	AWC
10069/20	FUL	15 Park Street Bolton BL1 4BD	2020	AWC
08860/20	FUL	171 Park Road Bolton BL1 4RG	2020	AWC
09061/20	FUL	87 Buckley Lane Farnworth Bolton BL4 9PQ	2020	RD
08691/20	FUL	30 - 32 Great Moor Street Bolton BL1 1NJ	2020	RD

12699/21	FUL	97-99 Derby Street Bolton BL3 6HH	2021	AWC
11894/21	FUL	59 Hilden Street Bolton BL2 1JD	2021	AWC
12250/21	FUL	43 Seymour Road Bolton BL1 8PG	2021	AWC
13634/22	FUL	47-49 Higher Market Street Farnworth Bolton BL4 8HQ	2022	RD
12925/22	FUL	106-108 Derby Street Bolton BL3 6HG	2022	AWC
13128/22	FUL	7 Gilnow Road Bolton BL1 4LH	2022	AWC
14638/22	FUL	11 Crawford Avenue Bolton BL2 1JQ	2022	AWC
14882/22	FUL	32 Dobson Road Bolton BL1 4RL	2022	AWC
15229/23	FUL	55 Gilnow Lane Bolton BL3 5EL	2022	AWC
14218/22	FUL	1 Bolton Road Farnworth Bolton BL4 7JU	2022	AWC
17374/23	FUL	37 Hilden Street Bolton BL2 1JA	2023	
17289/23	FUL	55 Bradshawgate Bolton BL1 1DR	2023	
16891/23	FUL	24 Forester Hill Avenue Bolton BL3 2DR	2023	AWC
15840/23	FUL	120 St Georges Road Bolton BL1 2BZ	2023	AWC
15420/23	FUL	Unit 1 Victoria Plaza Oxford Street	2023	AWC

		Bolton BL1 1RD		
16603/23	FUL	47 Higher Market Street Farnworth Bolton BL4 8HQ	2023	AWC
16960/23	FUL	First Floor 48 Higher Market Street Farnworth Bolton BL4 9BB	2023	RD
17181/23	FUL	129 Mayor Street Bolton BL1 4SJ	2023	
16241/23	FUL	124 Hatfield Road Bolton BL1 3BL	2023	AWC
15417/23	FUL	172 Tonge Moor Road Bolton BL2 2HN	2023	WA
15583/23	FUL	First And Second Floors 127 Deane Road Bolton BL3 5AG	2023	RD
17054/23	FUL	180 Bolton Road Kearsley Bolton BL4 9BU	2023	
17301/23	FUL	256 - 258 Chorley Old Road Bolton BL1 4JE	2023	AWC
17944/24	FUL	209 St Georges Road Bolton BL1 2PG	2024	
17892/24	FUL	14 Bark Street East Bolton BL1 2BQ	2024	
18013/24	FUL	405 - 407 Derby Street Bolton BL3 6LT	2024	
18053/24	FUL	15 Bradshawgate Bolton BL1 1EL	2024	
17580/24	FUL	165 Tonge Moor Road Bolton BL2 2HR	2024	RD

17794/24	FUL	Triangle Works Back Darwin Street Bolton BL1 3PR	2024	RD
17662/24	FUL	1107 Chorley Old Road Bolton BL1 5SG	2024	
18044/24	FUL	205 St Georges Road Bolton BL1 2PG	2024	
18024/24	FUL	Flat Above 109 - 111 Bradshawgate Bolton BL1 1EL	2024	
18081/24	FUL	171 Park Road Bolton BL1 4RG	2024	
03313/18	LBC	25 Chorley Old Road Bolton BL1 3AD	2018	
11945/21	PAP3J	80 Higher Market Street Farnworth Bolton BL4 9BB	2021	FD
17104/23	PAPIA	63 Manchester Road Bolton BL2 1ES	2023	
10006/20	S192	122 - 124 St Georges Road Bolton BL1 2BZ	2020	TERMIN
12755/21	S192	15 Beechwood Street Bolton BL3 2DE	2021	PD
13659/22	S192	72 Hilden Street Bolton BL2 1JD	2022	PD
17719/24	S192	63 Lakeside Avenue Bolton BL3 2HY	2024	PD
13312/22	S192	28 Topp Street Farnworth Bolton BL4 9AU	2022	NTD
16909/23	S192	21 Station Road Kearsley Bolton BL4 8ED	2023	WA

16910/23	S192	56 Bury New Road Bolton BL2 2BG	2023	PD
17682/24	S192	124 Tonge Moor Road Bolton BL2 2DP	2024	PD
16358/23	S192	597 Bury Road Bolton BL2 6HZ	2023	PD
14507/22	S192	152 Rishton Lane Bolton BL3 2BU	2022	PD
15037/22	S192	38 Bromwich Street Bolton BL2 1JF	2022	RD
16309/23	S192	71 Hall Lane Farnworth Bolton BL4 7QE	2023	PD

Report Summary

Report to:	Cabinet		
Date of meeting:	09 June 2025		
Report of:	Jon Dyson, Director of Place	Report Number:	45553
Reporting Officer:	Dwayne Lowe, Assistant Director Highways and Planning		
Contact Officer:	Andrew Chalmers		
Report title:	Introduction of Article 4 Direction (Houses in Multiple Occupation)		
<p style="text-align: center;"><u>Confidentiality</u> <u>Non- confidential</u></p> <p>This report does not contain information which warrants its consideration in the absence of the press and members of the public.</p>			
Purpose:	To provide information to Cabinet on the options to introduce a boroughwide Article 4 Direction to remove the permitted development right allowing the conversion of dwelling houses (Use Class C3) into Houses of Multiple Occupations (HMOs) for up to six residents (Use Class C4).		
Recommendations:	<p>The Cabinet is recommended to:</p> <ul style="list-style-type: none">Consider the information provided in respect of the options for the introduction of a boroughwide Article 4 Direction (Houses in Multiple Occupation) as set out in this report;Approve its preferred option for the potential introduction of a boroughwide Article 4 Direction under the Town and Country (General Permitted Development) (England) Order 2015 to remove the permitted development right for the change of the use from a building and any land within its curtilage from a use falling within Class C3 (Dwellinghouse) of the Town and Country Planning (Use Classes) (Amendment) (England) Order to a use falling within Class C4 (House in Multiple Occupation) of that Order being development comprised within class L(b) of Part 3 of Schedule 2 to the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended); andDelegate authority to the Borough Solicitor to carry out any legal formalities.		
Decision:			
Background documents:	Proposed Introduction of Article 4 Direction Houses in Multiple Occupation.pdf Article 4 Direction Background Document.docx		
Signed:		Monitoring Officer	
Date:			

<u>Consultation with other officers</u>				
Finance	Yes	28/05/2025	Katherine Roscoe	
Legal	Yes	28/05/2025	Louise McGuinness	
HR	No	Click or tap to enter a date.		
Procurement	Yes	28/05/2025	Sarah Atherton	
Climate Change	No		Click or tap here to enter text.	
Information Governance	No	Click or tap to enter a date.	Click or tap here to enter text.	
Equality Impact Assessment	Yes	23/05/2025	Tammy Tatman	
Post consultation reports Please confirm that the consultation response has been taken into consideration in making the recommendations.			No	
Vision outcomes Please identify the appropriate Vision outcome(s) that this report relates or contributes to by putting a cross in the relevant box.			<u>1. Start Well</u>	<input type="checkbox"/>
			<u>2. Live Well</u>	<input checked="" type="checkbox"/>
			<u>3. Age Well</u>	<input type="checkbox"/>
			<u>4. Prosperous</u>	<input type="checkbox"/>
			<u>5. Clean and Green</u>	<input type="checkbox"/>
			<u>6. Strong and Distinctive</u>	<input checked="" type="checkbox"/>

1. Introduction and Background

- 1.1. Since 2010 the conversion of a dwelling house into a House in Multiple Occupation (HMO) for up to six residents has been permitted development. This means that full planning permission is not required to undertake these conversions and the council, as the Local Planning Authority, has no control over the numbers or locations where these occur.
- 1.2. Local Planning Authorities do, however, have the ability to withdraw these permitted development rights where they can provide evidence to justify such a restriction. This is done through the introduction of an Article 4 Direction. This has been done by a number of neighbouring councils including Salford and Blackburn with Darwen. Doing so means that within the area in which you implement the Article 4 Direction, conversions to small HMOs require full planning permission. More detail on this can be found in the [Article 4 Direction Background Document](#).
- 1.3. The number of HMOs in Bolton has been increasing. When an area has very high concentrations of HMOs this can negatively impact the amenity of the area and lead to a lack of available properties for families and single occupiers.
- 1.4. In July 2023 Full Council approved a motion for a Place Policy Development (PDG) group to discuss the merits of implementing an Article 4 Direction to bring HMO conversions under planning control. This PDG was held in March 2024 and agreed that officers would progress work on implementing an Article 4 Direction.
- 1.5. The decision taken by Cabinet on 7 April to approve the introduction of a non-immediate Article 4 was 'called in' to allow further debate/consideration of the adoption of an immediate Article 4 at the Place Scrutiny Committee which met on 29th April. This process has been supported by the officer team who have undertaken a further period of research and review. This information, set out in Section 2 of this report, is now presented to enable Cabinet to determine which option it wishes to pursue in respect of the implementation of a boroughwide Article 4 Direction.

2. Report Details

- 2.1. The Office for National Statistics estimated in 2021 that Bolton Council had 117 HMOs. An investigation by Bolton Council, the details of which can be found in the background document, estimated that at the end of 2024 Bolton had a total of 720 HMOs. This represents 0.56% of the borough's dwelling stock, whereas nationally only 0.07% of dwelling stock comprises HMOs. It is therefore clear that Bolton has a disproportionately high number of HMOs.
- 2.2. Of the 720 HMOs, most are situated in areas with high levels of deprivation and crime, and where house prices are lowest. Particularly high concentrations of HMOs can be found in the Haulgh area (within Tonge with the Haulgh), the Chorley New Road area near Bolton school (straddling Queens Park and Central and Smithills Wards) and in the central area of Farnworth. The inner urban area of Bolton as a whole has more HMOs than other parts of the borough, however smaller clusters of HMOs do exist in Horwich, Westhoughton, Little Lever and Kearsley. HMOs are present in all wards in Bolton. The Council receives high numbers of complaints about HMOs and suspected HMOs, with complaints often relating to overcrowding, safety concerns and nuisance neighbours.
- 2.3. The evidence summarised above and detailed in the background document forms the justification for the council introducing an Article 4 Direction to remove permitted development rights for conversions from dwellings to HMOs and therefore require proposals for such conversions to apply for full planning permission and for each to be assessed against planning considerations.
- 2.4. The proposed geographical area the Article 4 Direction will cover is the whole borough. Evidence from Blackburn with Darwen and Salford shows that when an Article 4 Direction is implemented in

a small area, growth in the number of HMOs is displaced to areas outside of the Article 4 direction. Both councils have expanded the geographical extent of their original Article 4 Directions in response.

- 2.5. The introduction of an Article 4 Direction will allow better regulation and monitoring of HMOs, as conditions can be attached to planning permissions. It will also reduce complaints. It should be reiterated that an Article 4 is not an automatic ban on new HMOs. The Article 4 Direction does not prevent the conversion of dwellings to HMOs, as planning permission may still be granted for such conversions, where they are appropriate, and can still provide a valuable role in meeting housing needs. However, without an Article 4 direction, any future policy in a Supplementary Planning Document or future Local Plan policy on conversion of dwelling houses to HMOs would not apply to conversions for six or fewer residents. It will be necessary to progress a Supplementary Planning Document to further expand and update Bolton's planning policy on the matter of HMOs to enable planning applications to be considered taking account of the wider amenity and social considerations. This SPD will be progressed alongside the Local Plan after the Article 4 Direction has been published.
- 2.6. Article 4 Directions can either be non-immediate or immediate. A non-immediate Article 4 Direction does not take effect for a set period of time after it is introduced. This period of time can be any period from 28 days to 2 years, however it would normally be 12 months. An immediate Article 4 Direction takes effect as soon as it is introduced.
- 2.7. The implications of immediate and non-immediate are as follows:

Non-Immediate Article 4 Directions:

Advantages	Disadvantages
If a minimum of 12 months' notice is given before the Article 4 Direction takes effect, as it is in the case of an immediate Article 4 Direction.	In the period between the Article 4 Direction being introduced and it taking effect there is the potential for a large number of C3 to C4 conversions being carried out under permitted development rights, some of which may not be granted planning permission were they are required to apply for it. It should be noted that neither Salford nor Blackburn with Darwen saw a notable surge in these conversions in the intervening 12 months in their Non-Immediate Article 4 Directions.
In order to introduce a non-immediate Article 4 Direction, Council only needs evidence that an Article 4 Direction is necessary to protect local amenity or the well-being of the area. This is a lower evidence threshold than that required to introduce an immediate Article 4 Direction.	
A 12-month delay to implementation will give Bolton Council the opportunity to introduce a supplementary planning document on HMOs which will provide stronger material policy grounds on which to determine planning applications for HMO conversions.	

<p>A non-immediate Article 4 Direction will mean that consultation responses (to the consultation which will launch once the Article 4 Direction is introduced and will be considered at the confirmation stage) can be considered before the Article 4 Direction takes effect.</p>	
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Immediate Article 4 Directions:

Advantages	Disadvantages
<p>All conversions from dwellings to small HMOs would immediately require planning permission, bringing more control over the location and quality of HMOs in Bolton.</p>	<p>Within the first 12 months after the direction is introduced, property owners may be potentially eligible for compensation if they have planning permission refused for a conversion which would otherwise be permitted development or if conditions are attached to a planning permission which make the conversion more onerous than it would have been where it to have been undertaken under permitted development.</p> <p>It is unknown how many planning applications will be received and the outcome of these planning applications. It is therefore impossible to quantify the potential liability resulting from this decision. Any claim would divert resources. No budget has been identified to cover the cost of any subsequent potential compensation claims.</p> <p>It is to equally be noted that of the two Local Planning Authorities who introduced immediate Article 4 Directions relating to HMOs more than 12 months ago (Trafford and the London Borough of Merton) Trafford received no compensation claims, and the London Borough of Merton received one compensation claim outside of the claim period.</p>
	<p>Immediate Directions require evidence that the permitted development presents an immediate threat to local amenity or prejudices the proper planning of an area. This is a higher threshold to cross than the evidence base needed for a non-immediate Direction, where the Council only need prove that the Article 4 Direction is necessary to protect local amenity or the well-being of the area.</p>
	<p>The introduction of an immediate Article 4 Direction before a Supplementary Planning Document has been introduced (which</p>

	provides a clearer material decision making framework) could mean that planning applications are more difficult to assess without the material policy grounds given by an SPD.
	An immediate Article 4 Direction will mean that consultation responses (to the consultation which will launch once the Article 4 Direction is introduced and will be considered at the confirmation stage) cannot be considered before the Article 4 Direction takes effect.

2.8. The process of introducing the non-immediate Article 4 Direction is as follows:

- The Local Planning Authority (Bolton Council) makes the Direction and notifies the Secretary of State.
- The Article 4 Direction will be publicised by Bolton Council by placing a notice in the Bolton News, displaying Article 4 Direction site notices in at least two locations in the borough and placing a notice on the Council's website.
- Once the direction is made, a six-week consultation will be carried out.
- After consultation has concluded, and should no amendments be felt necessary, as a result of considering the responses, the making of the Article 4 Direction will need to be formally confirmed by Cabinet.
- 12 months after the Article 4 Direction is made it would then come into effect.

2.9. The process of introducing an immediate Article 4 Direction is identical to the above except that it comes into effect without any delay but must be confirmed within 6 months.

2.10. It should be noted that the Secretary of State has powers to intervene at any point after the making of the Direction to alter the geographical extent of the Direction, amend or stop the direction from taking effect completely. However, this is rare in the case of Article 4 Directions relating to HMOs.

3. Options

3.1. Option 1: Do not introduce an Article 4 Direction

3.1.1. Option 2: Introduce a boroughwide non-immediate Article 4 Direction under the Town and Country (General Permitted Development)(England) Order 2015 to remove the permitted development right for the change the use from a building and any land within its curtilage from a use falling within Class C3 (Dwellinghouse) of the Town and Country Planning (Use Classes) (Amendment) (England) Order to a use falling within Class C4 (House in Multiple Occupation) of that Order being development comprised within class L(b) of Part 3 of Schedule 2 to the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended).

3.1.2. Option 3: Introduce a boroughwide immediate Article 4 Direction under the Town and Country (General Permitted Development)(England) Order 2015 to remove the permitted development right for the change of use from a building and any land within its curtilage from a use falling within Class C3 (Dwellinghouse) of the Town and Country Planning (Use Classes) (Amendment) (England) Order to a use falling within Class C4 (House in Multiple Occupation) of that Order being development comprised within class L(b) of Part 3 of Schedule 2 to the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended).

4. Impacts and Implications

4.1. Financial

- 4.1.1. The Article 4 Direction may result in an increase in the number of full planning applications for conversions of dwellings to HMOs. The increased cost of processing these will be covered by planning application fees and the existing departmental budget.
- 4.1.2. The estimated revenue cost of publicising the Article 4 Direction, including the placement of an advertisement in the Bolton News, is £1,000. This will be funded by existing departmental budgets.
- 4.1.3. If the Article 4 Direction were implemented immediately, there is the potential for landowners to claim compensation in the first 12 months after the Direction is introduced. It is unknown how many applications are likely to be submitted and how many of these might be refused which could result in compensation claims - it is therefore impossible to accurately predict the extent of any financial risk to the Council and no financial resources have been set aside to pay out on potential claims and their associated costs. It should equally be noted that of the two Local Planning Authorities who introduced immediate Article 4 Directions relating to HMOs more than 12 months ago Trafford received no compensation claims, and the London Borough of Merton received one compensation claim outside of the claim period.
- 4.1.4. Alternatively, if implementation of the Article 4 Direction is non-immediate, those wishing to purchase houses and develop HMOs would be aware of the changed planning context and would not be eligible for potential compensation.

4.2. Legal

- 4.2.1. An Article 4 Direction can be prepared in accordance with Article 4 of the Town and Country Planning (General Permitted Development) Order 2015.
- 4.2.2. Potential Article 4 Direction claims can only be made in the first 12 months of the Direction being in effect. As stated in this report it is currently impossible to calculate the total amount of potential monies and resources should an immediate Article 4 Direction be made.
- 4.2.3. Immediate Article 4 Directions also require evidence that the permitted development presents an immediate threat to local amenity or prejudices the proper planning of an area. This is a much higher legal threshold to cross than the evidence base needed for a non-immediate Direction, where in line with paragraph 54 of the NPPF the Council only need to legally prove that the Article 4 Direction is necessary to protect local amenity or the well-being of the area. All legal requirements and legal thresholds should be complied with, as appropriate.
- 4.2.4. If confirmed, the Article 4 Direction would automatically come into force on the date specified in the notice of making, which should be at least a year after such notice. In so doing, the Council will ensure that it will have no liability or risk for claims or compensation in respect of the loss of permitted development rights.

4.3. HR

- 4.3.1. None

4.4. Climate Change

- 4.4.1. None

4.5. Information Governance

4.5.1. None

4.6. Other

4.6.1. None

5. Equality Impact Assessment (EIA)

5.1. Under the Equality Act 2010, the council has a general duty to have due regard to the need to:

1. **eliminate unlawful discrimination, harassment**, victimisation and any other conduct prohibited by the Act;
2. **advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
3. **foster good relations** between people who share a protected characteristic and people who do not share it.

5.2 It is important to consider how the proposals contained within this report may impact positively or negatively on protected characteristics.

5.3 As this is a New Policy a full EIA has been undertaken and is included at Appendix 1. The impact assessment has identified that there could be some adverse impacts to the following groups: Age and socio-economic group. This is addressed in the full EIA.

6. Consultation and Engagement

6.1. No public consultation or engagement has yet been undertaken in respect of the implementation (immediate or non-immediate) of an Article 4 Direction in Bolton.

6.2. In accordance with Schedule 3 of the GPDO 2015 a consultation will be undertaken after the introduction of the Article 4 Direction. This consultation will allow representations to be made to the council on the introduction of the Article 4 Direction. The consultation will last for six weeks and the consultation will be open for anyone to respond to. Bolton Council will contact everyone on the Planning Strategy consultation database including statutory consultees. Officers will analyse responses to this consultation before the Article 4 Direction returns to Cabinet to confirm or otherwise. There is potential that amendments could be made to the Article 4 Direction as a result of this process.

7. Vision 2030

7.1. As outlined on page 12 of the background document unregulated HMOs can have a negative impact on an areas amenity with Housing Standards having received numerous complaints about HMOs relating to nuisance neighbours, overcrowding and safety concerns. An Article 4 Direction will ensure all dwelling to HMO conversions are subject to planning permission, where the effects of a proposed HMO on an area's amenity and local community can be taken into consideration. This will ensure the borough is safe, strong and distinctive as the strength and cohesiveness of communities will not be undermined by unregulated HMO conversions. This in turn will ensure that residents can live well as their happiness and wellbeing is not being impacted by such conversions.

8. Recommendations

8.1. The Cabinet is recommended to:

- Consider the information provided in respect of the options for the introduction of a boroughwide Article 4 Direction (Houses in Multiple Occupation) as set out in this report;
- Approve its preferred option for the potential introduction of a boroughwide Article 4 Direction under the Town and Country (General Permitted Development)(England) Order 2015 to remove the permitted development right for the change of the use from a building and any land within its curtilage from a use falling within Class C3 (Dwellinghouse) of the Town and Country Planning (Use Classes) (Amendment) (England) Order to a use falling within Class C4 (House in Multiple Occupation) of that Order being development comprised within class L(b) of Part 3 of Schedule 2 to the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended); and
- Delegate authority to the Borough Solicitor to carry out any legal formalities.

APPENDIX 1: Equality Impact Assessment

Initial Screening for relevance: Details of Impact (Part 1)

Directorate:	Place		
Section:	Planning Strategy		
Person completing this form:	Andrew Chalmers	Date:	23 May 2025

Title of report or proposal:			Report Number	
Proposed introduction of Article 4 Direction (Houses in Multiple Occupation)			45553	
Brief details of proposal, including the aims, objectives and purpose (all strategies, policies, reviews, projects, existing proposals, etc will be referred to as 'proposal':				
An Article 4 Direction would remove permitted development rights allowing conversion of a single dwelling house into a small house in multiple occupation (HMO). Investigation by Bolton has estimated that there are 720 HMOs in the borough. Whilst HMOs are concentrated in some areas more than others, they are present in all areas of the borough. The Article 4 Direction is therefore proposed to apply boroughwide. The Article 4 Direction would not prevent the conversion of small dwelling houses into HMOs, it would only mean that such conversions would require planning permission.				
'Proposal' status (please tick)	Proposed / New	<input checked="" type="checkbox"/>	Existing (i.e.: routine recommission) (If an EIA has previously been completed please include the date) Click or tap to enter a date.	<input type="checkbox"/>
Bolton Council Led	<input checked="" type="checkbox"/>	Partner Led (Please attach partner EIA, and complete section 3 - EIA sign off sheet, as screening not needed)		Click or tap here to enter text.

Public sector bodies need to be able to evidence that they have given due regard to the impact and potential impact on all people with 'protected characteristics' in shaping policy, in delivering services, and in relation to their workforce.

Under the Equality Act 2010, the council has a general duty to have due regard to the need to:

1. **eliminate unlawful discrimination, harassment**, victimisation and any other conduct prohibited by the Act;
2. **advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
3. **foster good relations** between people who share a protected characteristic and people who do not share it.

By completing the following questions, the three parts of the equality duty will be consciously considered as part of the decision-making process.

Details of the outcome of the Equality Impact Assessment must also be included in the main body of the report.

Initial Screening for relevance: Details of Impact (Part 1)

Which stakeholder groups will potentially be impacted?									
Residents	<input checked="" type="checkbox"/>	Partners	<input type="checkbox"/>	Workforce	<input checked="" type="checkbox"/>	Service users	<input type="checkbox"/>	Businesses	<input checked="" type="checkbox"/>
CVS Sector	<input type="checkbox"/>	Members	<input type="checkbox"/>	Other (please state)	N/A				

Anticipated Negative Impacts														
Protected Characteristics / Groups	N/A	Age	Armed Forces	Care Leavers	Caring Status	Disability	Gender Reassignment	Marriage / Civil Partnership	Pregnancy & maternity	Race	Religion / Belief	Sex	Sexual Orientation	Socio-economic
1) Will the 'proposal' potentially present any challenges / barriers to any protected groups?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) Will any group be potentially excluded as a result of implementing your 'proposal'?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3) Does the 'proposal' have the potential to worsen existing discrimination or inequality?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4) Will the 'proposal' have a potential negative impact on community / partnership relations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Anticipated Positive Impacts														
Protected Characteristics / Groups	N/A	Age	Armed Forces	Care Leavers	Caring Status	Disability	Gender Reassignment	Marriage / Civil Partnership	Pregnancy & maternity	Race	Religion / Belief	Sex	Sexual Orientation	Socio-economic
5) The 'proposal' could potentially reduce known inequalities, promoting equality of outcome or opportunity.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6) The 'proposal' has the potential to support inclusion and engagement from protected groups.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7) The 'proposal' has the potential to foster good relations between people.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8) The proposal could reduce the potential for harassment or discrimination.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consultation / engagement / research findings	No consultation or engagement has been undertaken. However in accordance with Schedule 3 of the GPDO 2015 a consultation will be undertaken after the introduction of the Article 4 Direction. This consultation will allow representations to be made to the council on the introduction of the Article 4 Direction. Any representations made will be considered by officers before preparing the Cabinet report for the confirmation of the Article 4 Direction.													

Brief bullet point summary of positive / negative impacts:	
The proposal will not have any major adverse impacts on protected characteristics/ groups. HMOs are often favoured as accommodation by younger people and those with fewer financial means, and any restriction to the supply of HMOs could have an impact on these groups. However it is important to note that, should the Article 4 be introduced, it will still be possible to apply for full planning permission to convert a dwelling into a small HMO and therefore the Article 4 Direction is not stopping all supply of new HMOs. The impact of the Article 4 Direction will therefore not have a major adverse impacts on those groups.	
Details of any cumulative impact	No cumulative impacts are anticipated.

Decision:

* All reports to the Executive Member which propose a new policy / procedure or are a savings review should continue to undertake a full EIA (part 2).

No major adverse impact identified; therefore a full EIA is not required (complete sign off sheet in section 3 and send to your Departmental Equalities Lead)	<input type="checkbox"/>
Impacts identified in screening process, therefore a full EIA is required.	<input type="checkbox"/>
This is a new policy, business improvement review or savings review, therefore a full EIA is required.	<input checked="" type="checkbox"/>

Equality Impact Assessment

Full EIA (Part 2)

Directorate:

Place

Section:

Planning Strategy.

Person completing full EIA:

Thomas Godley

Date:

22 May 2025

Stakeholders involved in the development of the 'proposal' and how they are involved: (please list)

Only internal stakeholders have been involved in the development of this proposal. Officers from the Communities and Housing Department have worked with the Planning Strategy Team throughout the process including assisting with data gathering and being involved in decision making at all stages of preparation.

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Impact to protected characteristics (only list the impacts & mitigations to those characteristics identified in the screening process).

a) Age

Summary of impact

HMOs are often favoured as accommodation by younger people, particularly students. Any policy which restricts HMOs could have a disproportionate impact on this group. An Article 4 Direction makes the process of converting a dwelling to a small HMO subject to planning permission, however it does not mean that planning permission will not be granted for such conversions, and in many cases planning permission will be granted. The impact of the Article 4 Direction will therefore not be major or adverse.

Mitigations to remedy any identified adverse impact

Any responses received to the consultation will be considered and addressed in the EIA that forms part of the Cabinet report for the confirmation of the Article 4 Direction. Any future planning policy which seeks to restrict HMOs further will be subject to a full EIA.

b) Armed Forces

Summary of impact

N/A

Mitigations to remedy any identified adverse impact N/A

c) Care Leavers

Summary of impact N/A

Mitigations to remedy any identified adverse impact N/A

d) Caring Status

Summary of impact N/A

Mitigations to remedy any identified adverse impact N/A

e) Disability

Summary of impact N/A

Mitigations to remedy any identified adverse impact N/A

f) Gender Reassignment

Summary of impact N/A

Mitigations to remedy any identified adverse impact N/A

g) Marriage / Civil Partnership

Summary of impact N/A

Mitigations to remedy any identified adverse impact N/A

h) Pregnancy & Maternity

Summary of impact	N/A
Mitigations to remedy any identified adverse impact	N/A

i) Race

Summary of impact	N/A
Mitigations to remedy any identified adverse impact	N/A

j) Religion / Belief

Summary of impact	N/A
Mitigations to remedy any identified adverse impact	N/A

k) Sex

Summary of impact	N/A
Mitigations to remedy any identified adverse impact	N/A

l) Sexual Orientation

Summary of impact	N/A
Mitigations to remedy any identified adverse impact	N/A

m) Socio-economic

Summary of impact	HMOs often provide cheap residential accommodation for those who cannot afford to rent or buy a full dwelling. Any policy which restricts HMOs could have a disproportionate impact on this group. An Article 4 Direction makes the process of converting a dwelling to a small HMO subject to planning permission, however it does not mean that planning permission will not be granted for such conversions, and in many cases planning permission will be granted. The impact of the Article 4 Direction will therefore not be major or adverse.
-------------------	--

Mitigations to remedy any identified adverse impact Any responses received to the consultation will be considered and addresses in the EIA that forms part of the Cabinet report for the confirmation of the Article 4 Direction. Any future planning policy which seeks to restrict HMOs further will be subject to another full EIA.

2) Does your proposal cause any adverse impacts to a protected group, where mitigations cannot be implemented?

- ☐ Yes: Please discuss this with your Directorate Equalities Leads before completing the sign off in section 3.
- ☒ No: this process is complete (complete sign off in section 3 and discuss with your Equalities Lead when you plan to review your EIA).

EIA - Sign Off

This EIA form and report has been checked and countersigned by the Directorate Equalities Officer before proceeding to Executive Cabinet Member(s)

Screening tool completed (please tick)	<input checked="" type="checkbox"/>	Full EIA completed (please tick)	Yes	N/A
			<input checked="" type="checkbox"/>	<input type="checkbox"/>
EIA review date (if applicable).		After the six week consultation period has concluded and the representations, if any, have been analysed a full Cabinet report recommending whether or not to confirm the Article 4 Direction will be prepared. This will include a new EIA. This report is likely to come to cabinet approximately three months after the introduction of the Article 4, but must come no later than 12 months after the introduction of the Article 4 Direction if a non-immediate Direction is selected, or six months in the case of an immediate Direction.		

Please confirm the outcome of this EIA:

Positive impact for one or more groups justified on the grounds of promoting equality - proceed	<input type="checkbox"/>
No major impact identified, therefore no major changes required – proceed	<input checked="" type="checkbox"/>
Adjustments to remove barriers / promote equality (mitigate impact) have been identified – proceed	<input type="checkbox"/>
Continue despite having identified potential for adverse impact/missed opportunities for promoting equality – this requires a strong justification	<input type="checkbox"/>
The EIA identifies actual or potential discrimination - stop and rethink	<input type="checkbox"/>

Report Officer	
Name:	Thomas Godley.
Date:	11 March 2025
Directorate Equalities Lead Officer	
Name:	Tammy Tatman
Date:	13/03/2025

Appendix D

Case Study of Salford City Council actions regarding Article 4

Small houses in multiple occupation: evidence to justify the purpose and extent of an Article 4 Direction

Salford City Council

October 2017

1. Purpose of this report and background

- 1.1 This report provides the evidence to justify the purpose and extent of an Article 4 Direction in parts of Salford to require planning permission for the change of use of a Use Class C3 dwellinghouse to a Use Class C4 small house in multiple occupation.

Houses in multiple occupation

- 1.2 Houses in multiple occupation (HMOs) can be defined in a number of different ways, but broadly speaking they are considered to be properties occupied by unrelated individuals who share basic amenities such as a kitchen or bathroom. The traditional source of HMOs tends to be larger, older family dwelling houses.
- 1.3 HMOs make an important contribution to the housing supply, generally providing low-cost private sector accommodation for those on low incomes, students, and those seeking temporary accommodation. They are normally located in areas with good access to public transport (in particular bus routes) and local services.
- 1.4 However, high concentrations of HMOs can sometimes have a detrimental impact on local housing areas. For example, they can involve a more intense use of dwellings that may increase noise pollution or car parking demands, they can increase pressures on local services, and they can impact on social cohesion given that they often have a higher turnover of residents and therefore a more transient population.

National legislation

- 1.5 In 2010 changes to the General Permitted Development Order (GPDO) introduced a new Use Class, C4, covering the following uses that had previously been within Use Class C3 (dwellinghouses):
- Small shared dwelling houses occupied by between 3 and 6 unrelated individuals, as their only or main residence, who share basic amenities such as a kitchen or bathroom
 - Small bedsits
- 1.6 Social housing, care homes, children's homes, bail hostels and small religious communities are excluded from Use Class C4. Properties containing the owner and up to two lodgers are also excluded. Some of these uses are in Use Class C3, others in other Use Classes, whilst some are treated as sui-generis.
- 1.7 Use Class C3 was amended accordingly to reflect this new C4 use, so that C3 use now consists of the following:

- Class C3a - Those living as a single household as defined by the 2004 Housing Act 2004 (basically a 'family' where there is no limit on the number of members of the household)
 - Class C3b - Not more than six people living together as a single household and receiving care
 - Class C3c - Not more than six people living together as a single household who do not fall within the C4 definition of a HMO (for example a small religious community, or homeowners with up to 2 lodger/s)
- 1.8 In planning terms, the change of use of a Use Class C3 dwellinghouse to shared housing occupied by more than 6 people (a large sui-generis HMO) requires an express grant of planning permission.
- 1.9 Planning permission is not currently required to convert a Use Class C3 dwellinghouse into a Use Class C4 small HMO. That conversion can be done under the permitted development rights set out in the General Permitted Development Order (Paragraph A of Class I in Part 3 to Schedule 2).

Use of Article 4 Directions

- 1.10 Article 4 Directions can be used by local planning authorities to remove permitted development rights in part or all of their area, thereby requiring planning permission for a change of use that would otherwise be permitted development. Article 4 Directions have tended to be used in conservation areas so as to exert greater control over extensions or other changes to buildings¹. However, they are also a means by which local planning authorities can exert greater control over the proliferation of small HMOs (i.e. through requiring planning permission for the change of use of a dwellinghouse in Use Class C3 to a small HMO in Use Class C4). Importantly however, the introduction of an Article 4 Direction does not mean that all planning applications for a change of use from a dwellinghouse to a Use Class C4 HMO will be refused. The Direction only relates to requiring the submission of a planning application for consideration by the Local Planning Authority, and any application will be determined on its merits having regard to the development plan and any other material considerations
- 1.11 The National Planning Policy Framework (paragraph 200) requires the use of Article 4 Directions to be limited to situations where it is 'necessary to protect local amenity or the wellbeing of the area', and should not be used unless there is 'clear justification' for doing so. The national Planning Practice Guidance (PPG) further states that evidence is required to justify the purpose and extent of the Direction, to demonstrate that such action is needed to protect local amenity or well-being of the area. The PPG also requires the potential harm that the Direction is intended to address to be clearly identified. Finally, it requires there to be a "particularly strong" justification if a Direction is to relate to a wide area (for example covering the entire area of a local

¹ There is currently only one Article 4 Direction in Salford, which requires planning permission for the replacement of windows in the Mines Rescue Conservation Area

planning authority).

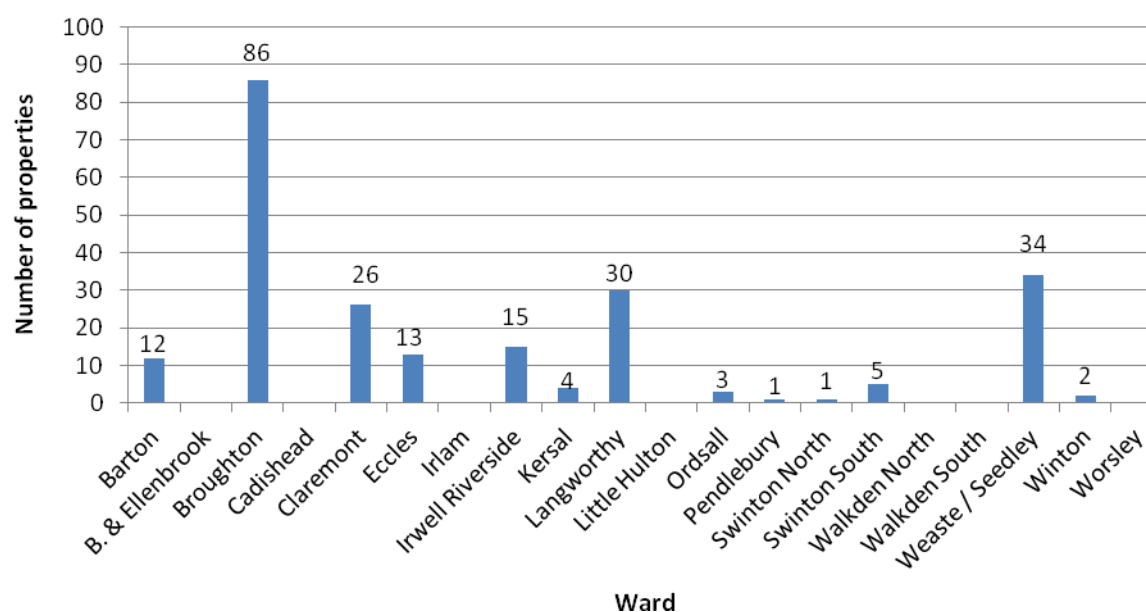
2. Estimate of the number of HMOs in Salford

- 2.1 The city council holds data that enables it to build up a picture of the location of HMOs in the city, with some HMO properties having to be registered as a result of landlord licensing requirements. However, the issue is complicated by the fact that planning permission is not currently needed in Salford for a change of use from a C3 dwellinghouse to a small C4 HMO, and there is no way of identifying small HMOs that existed before the Use Class changes in 2010.

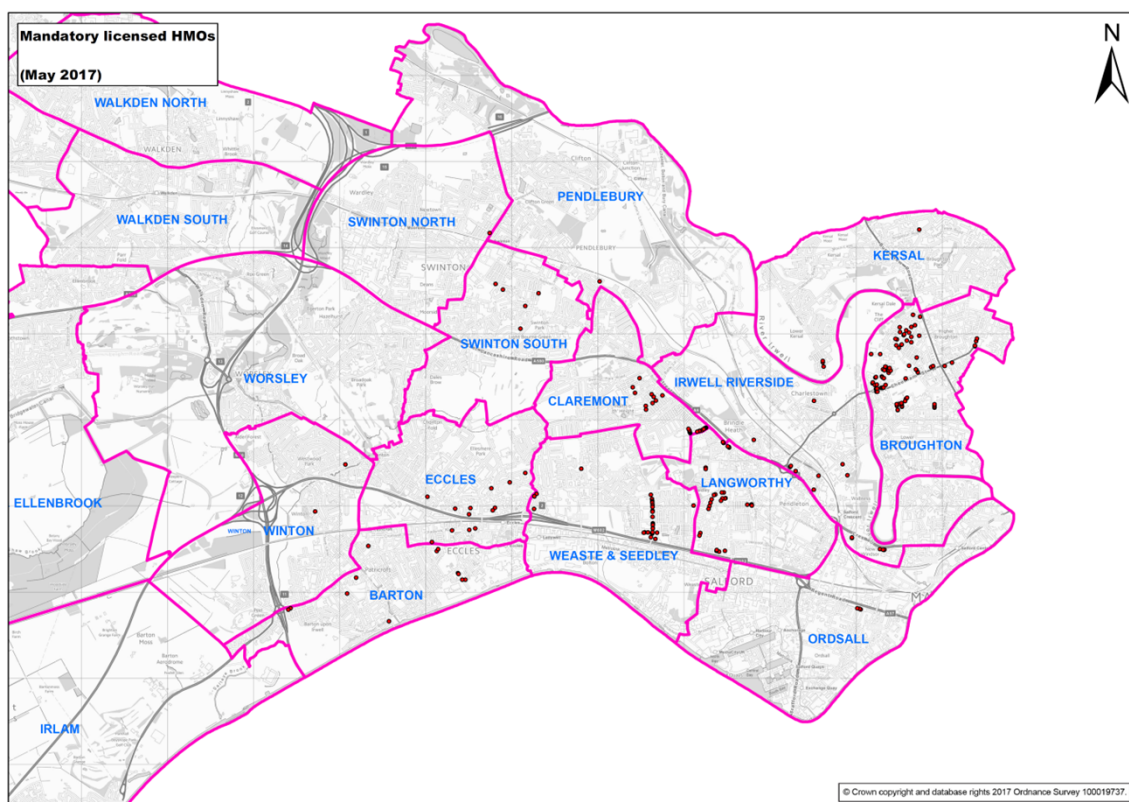
Mandatory HMO Licensing

- 2.2 Mandatory Licensing of HMOs was introduced under the 2004 Housing Act. HMOs which need to have a licence are those where there are five or more tenants, forming two or more households, which use shared facilities such as toilets, bathrooms, kitchens and so on; and the property has three or more floors (this includes cellars, basements and loft conversions).
- 2.3 It is an offence for landlords not to license any HMO which is required to be licensed, and landlords can be prosecuted, have control of their unlicensed properties taken away from them, and be liable to repay any rents paid by their tenants or the council. The local authority must ensure that satisfactory management arrangements are in place and that the property meets the required minimum standards for the number of tenants housed.
- 2.4 The Government announced in October 2016 that it intends to remove the existing “three storey” rule so that all buildings meeting the above criteria, regardless of the number of floors, will fall within the scope of mandatory licensing. It is also intended that flats which are occupied by five persons or more, in households of two or more, will also be subject to mandatory licensing if the flat:
- Is in a converted building; or
 - In certain circumstances is in a building where part of the building is used for commercial or other non-residential purposes.
- 2.5 It is estimated by government that the proposals will make around 174,000 additional HMOs (including flats in multiple occupation) subject to mandatory licensing.
- 2.6 As of May 2017 there were 232 mandatory licensed HMO properties within the city, compared with 182 in September 2010. The graph below shows the distribution of these properties by ward:

Number of mandatory licensed HMOs (May 2017)



- 2.7 The graph above shows that the ward of Broughton contains the most mandatory licensed HMOs of all wards in the city. The map below shows all mandatory HMOs in Salford, and demonstrates that there are particular concentrations within parts of wards including Broughton (clustered around Great Cheetham Street West and Great Clowes Street), Langworthy (streets off Langworthy Road) and Weaste and Seedley (Weaste Lane). There are also smaller pockets of mandatory HMOs in parts of the wards of Claremont and Eccles.

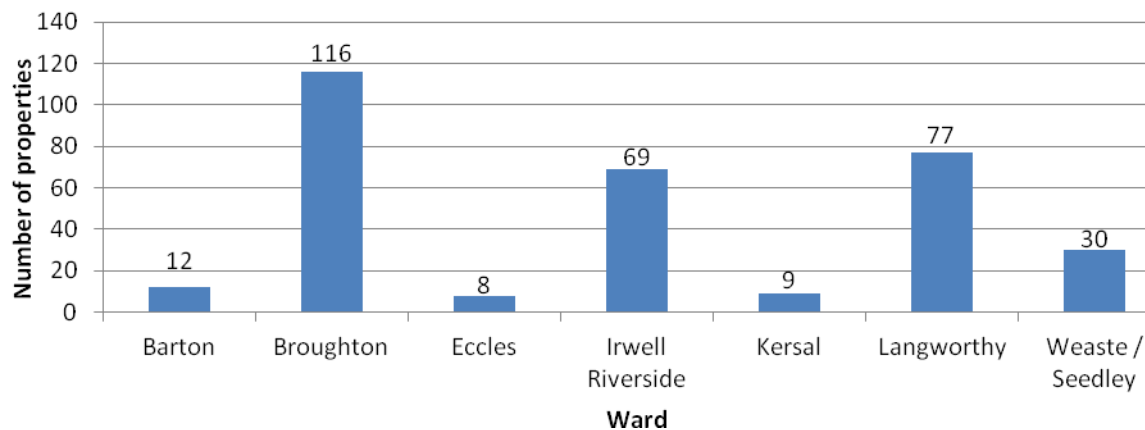


Selective licensing

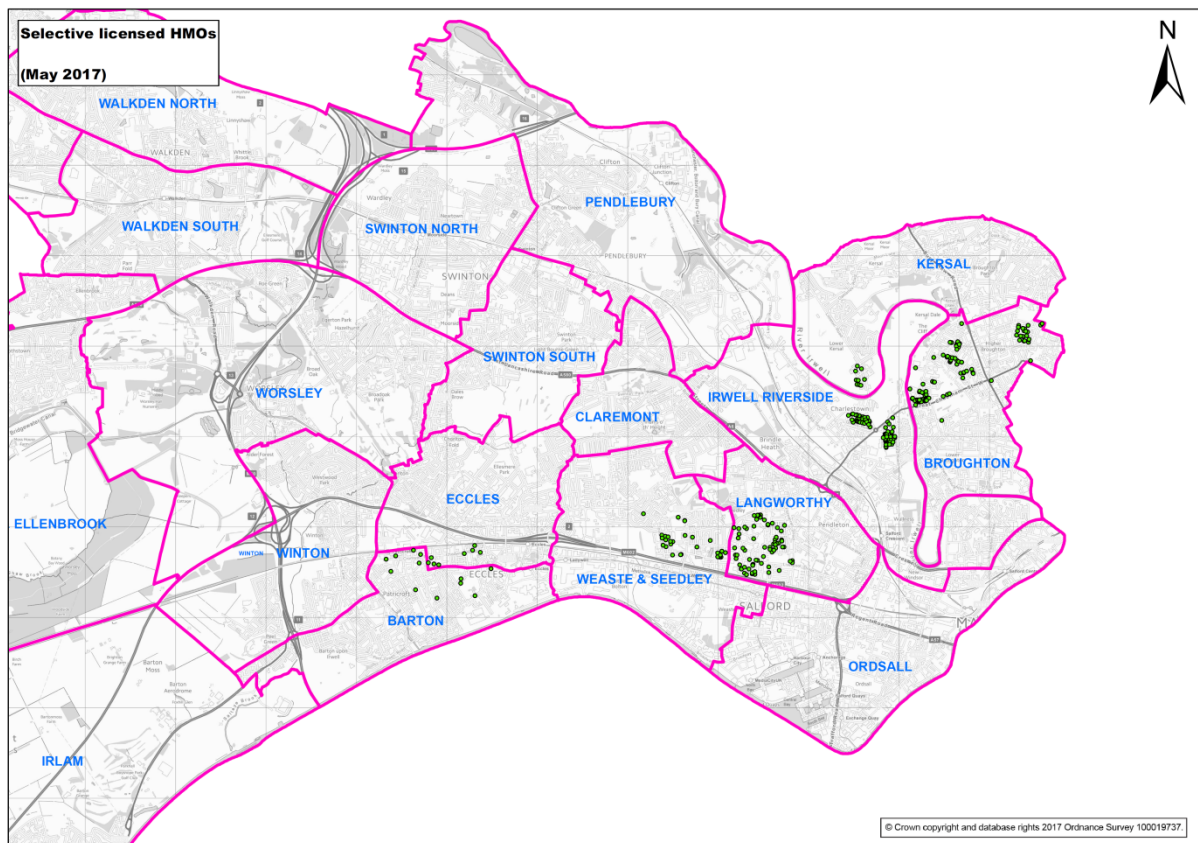
- 2.8 The city council can also introduce licensing to all privately rented property in selected areas, where the area is experiencing one or more of the following:
- Low housing demand (or is likely to become such an area)
 - A significant and persistent problem caused by anti-social behaviour
 - Poor property conditions
 - High levels of migration
 - High levels of deprivation
 - High levels of crime
- 2.9 This form of licensing is known as Selective Landlord Licensing. Within Salford there are currently three designated selective licensing areas in parts of: Broughton; Langworthy, Weaste and Seedley; and Barton and Eccles.
- 2.10 Between 3 April 2017 and 12 June 2017 the city council consulted on designating parts of Charlestown and Lower Kersal as an area where selective licensing would apply. The responses received to this consultation were considered by the city council; approval was granted by the City Mayor in consultation with his Cabinet on 8 August 2017 to extend selective landlord licensing to cover Charlestown and Lower Kersal. This will commence on 15 November 2017.
- 2.11 Anyone who owns or manages a property which falls within a selective licensing area must apply to the council for a licence. The council will issue a licence if it is satisfied (amongst other things) that the proposed management standards are satisfactory.
- 2.12 As of May 2017 there were 321 selective licensed properties that are HMOs across the 3 areas identified above, compared to 61 in September 2010². The selective licensed HMOs are additional to the mandatory HMOs. The distribution of these properties by ward is shown in the graph below.

² Part of this increase can be explained by the addition of Weaste to the Langworthy and Seedley licensing area, and the addition of Barton/Eccles as a new licensing area.

Number of selective licensed HMOs (May 2017)



- 2.13 The map below shows there are particular concentrations of selectively licensed HMOs: to the north of Camp Street / Upper Camp Street in Broughton; in close proximity to the former Castle Irwell Student Village in Irwell Riverside; and north of the M602 in the wards of Langworthy and Weaste and Seedley.



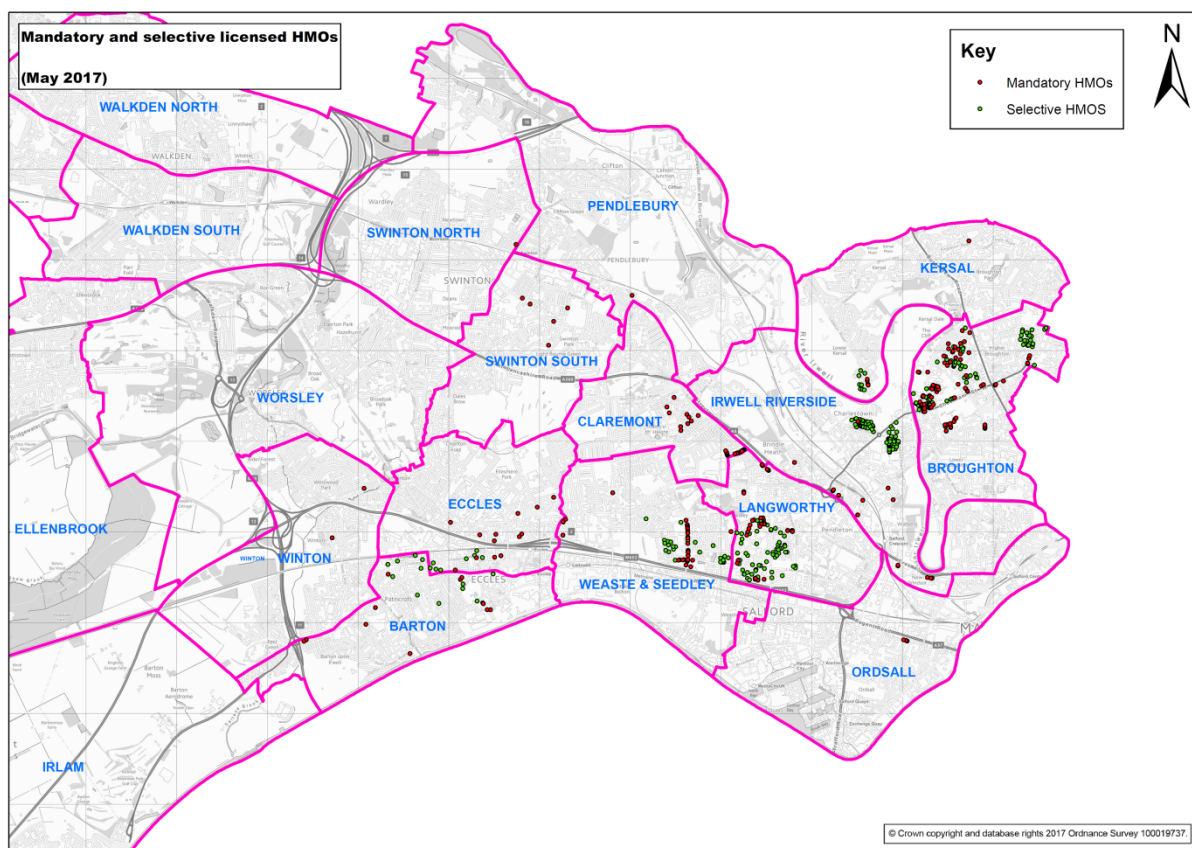
Total mandatory licensed HMOS and selective licensed HMOS

- 2.14 The table below shows that across the city there are 553 HMOs that are covered by landlord licensing (mandatory and selective combined). Broughton has the highest number of HMOs (202) followed by Langworthy (107). There

are no licensed HMOs in the 7 wards of Boothstown and Ellenbrook, Cadishead, Irlam, Little Hulton, Walkden North, Walkden South and Worsley. It should be noted that there will be additional HMOs across the city that are not included in these figures, as they do not fall within the mandatory or selective licensing requirements.

Ward	Mandatory HMOs	Selective HMOs	Total mandatory and selective HMOs
Barton	12	12	24
Boothstown and Ellenbrook	0	0	0
Broughton	86	116	202
Cadishead	0	0	0
Claremont	26	0	26
Eccles	13	8	21
Irlam	0	0	0
Irwell Riverside	15	69	84
Kersal	4	9	13
Langworthy	30	77	107
Little Hulton	0	0	0
Ordsall	3	0	3
Pendlebury	1	0	1
Swinton North	1	0	1
Swinton South	5	0	5
Walkden North	0	0	0
Walkden South	0	0	0
Weaste and Seedley	34	30	64
Winton	2	0	2
Worsley	0	0	0
TOTAL	232	321	553

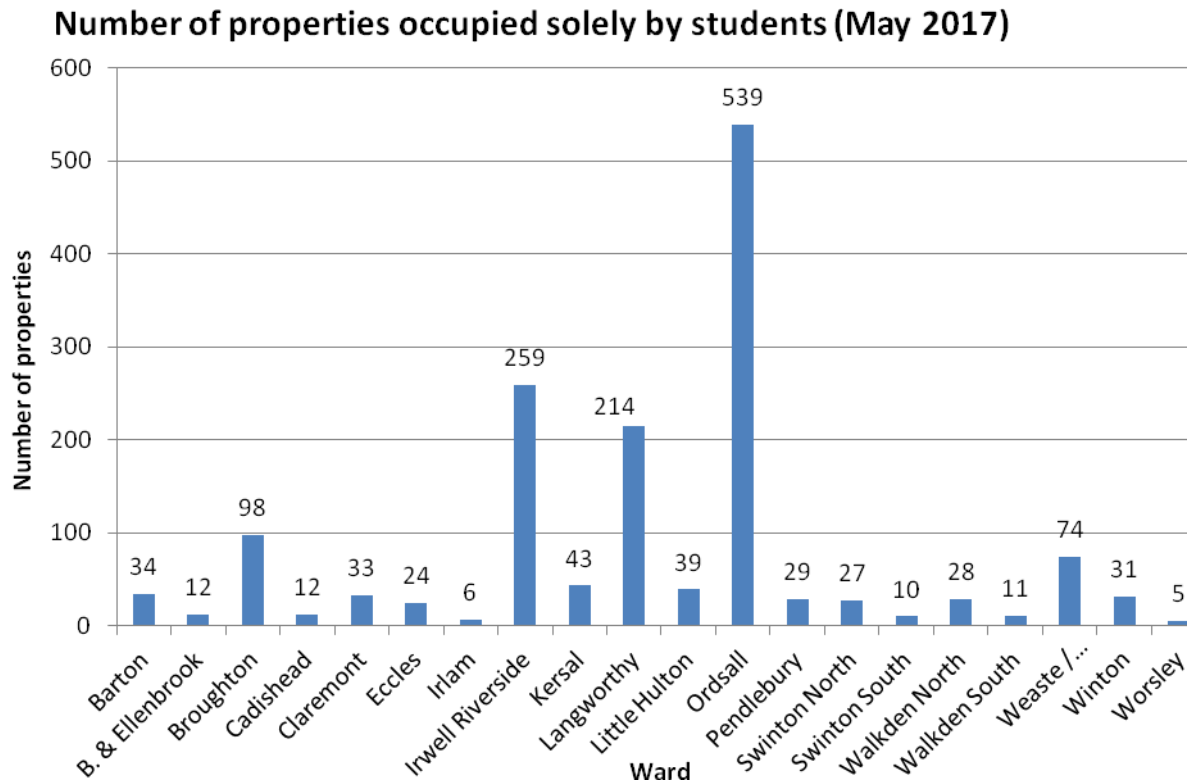
2.15 The map below shows the spatial distribution of the mandatory and selective licensed HMOs as of May 2017.



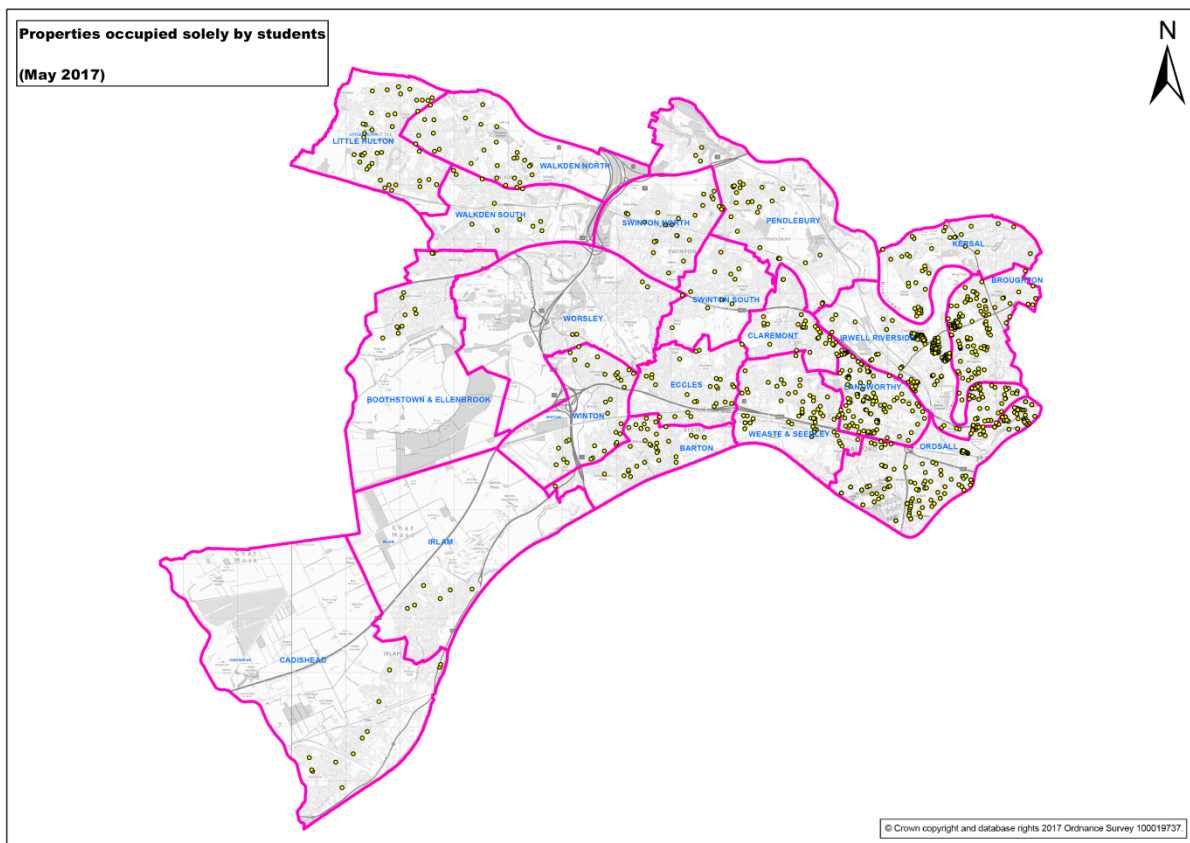
Student dwellings

- 2.16 Council Tax data is also available in relation to properties occupied solely by students given such households are exempt from paying Council Tax; however this data needs to be treated as only an indication of where there may be student HMOs as some student properties that are exempt from paying council tax will not fall under the definition of a HMO (for example they may be solely occupied by only one or two students). There is no way to quantify how many of the student exempt properties are HMOs from the available data, although it is likely that many exempt properties in the City Centre and Salford Quays are not HMOs due to the nature of the accommodation in these areas (i.e. high density apartments).
- 2.17 As of May 2017, Council Tax records indicated that 1,649 properties in the city were occupied solely by students. There is some overlap between student households and the mandatory / selective licensed HMOs. The council tax data has been analysed against the landlord licensing data and this found that 56 of the 1,649 student properties are mandatory licensed HMOs and that an additional 65 are HMOs covered by the selective licensing regime. Given this, once HMO dwellings that are covered by landlord licensing are discounted from the total student properties exempt from paying Council Tax, there are 1,528 other dwellings occupied by students some of which could be HMOs. The graph below shows how these 1,528 dwellings are distributed by ward. It

clearly shows that Ordsall has more than double the number of student households when compared to any other ward.



2.18 The map below identifies the location and concentrations of student dwellings.



Total number of HMOs and student dwellings

- 2.19 Taking the above data into account, it is possible to estimate the proportion of dwellings that are known to be HMOs, and dwellings that are exempt from paying Council Tax due to them being occupied solely by students (some of which are potentially HMOs), as a proportion of the total number of dwellings at a ward level. There are also likely to be additional HMOs in the city that have been formed through a change of use from a Use Class C3 dwellinghouse to a Use Class C4 small HMO given planning permission is not required for this. There is also no way of identifying HMOs that existed before the Use Class changes in 2010 unless they fall under the mandatory or selectively licensed regimes.
- 2.20 The table below identifies that the average city wide proportion of known HMOs and dwellings occupied solely by students; it shows that across the city 1.8% of the total number of dwellings falls within these categories. In 13 of the 20 wards the proportion is less than 1% with the highest proportion being 5.7% in Irwell Riverside.

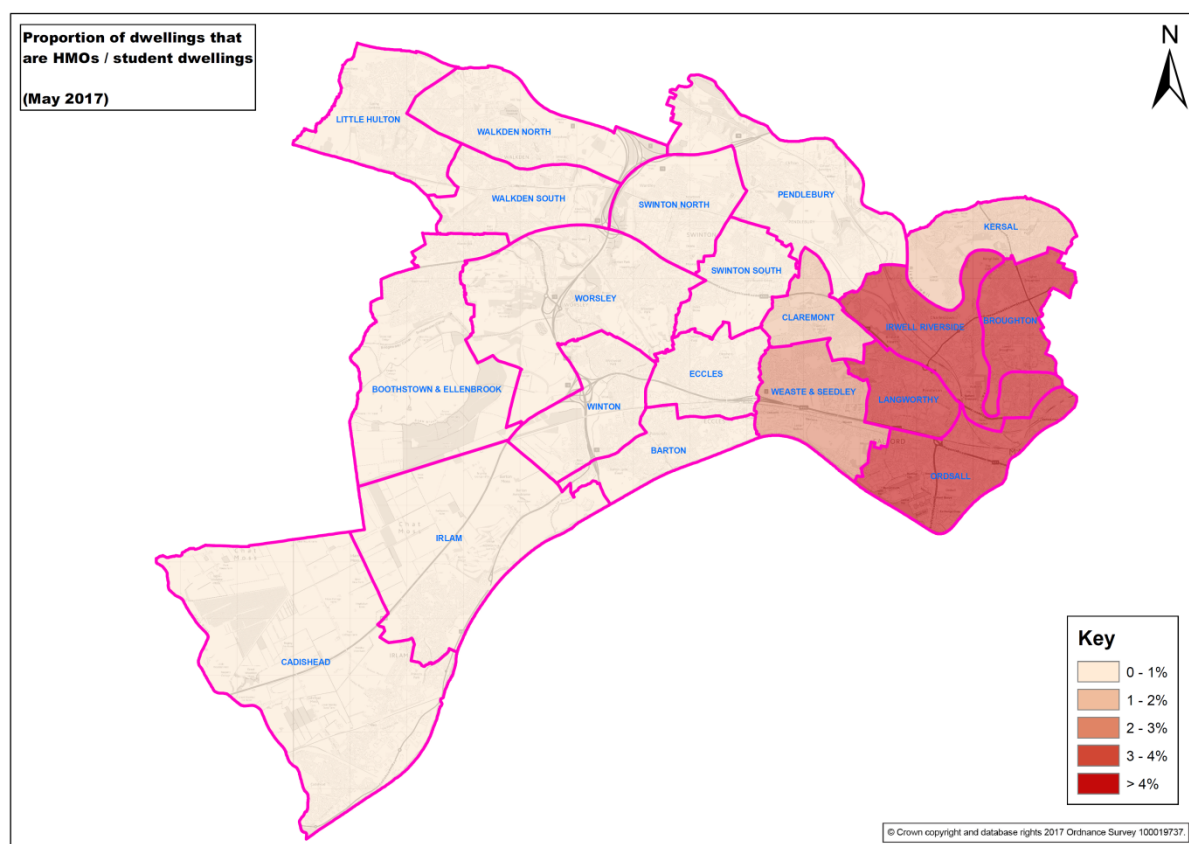
Ward	Total number of dwellings ³	Licensed HMOs (mandatory + selective) ⁴	Student dwellings exempt from paying council tax ⁵	Total HMOs + student properties	% HMO and student accommodation of total dwellings
Barton	6,245	24	34	58	0.9
Boothstown and Ellenbrook	4,070	0	12	12	0.3
Broughton	7,078	202	98	300	4.2
Cadishead	4,937	0	12	12	0.2
Claremont	4,611	26	33	59	1.3
Eccles	5,873	21	24	45	0.8
Irlam	4,098	0	6	6	0.1
Irwell Riverside	5,989	84	259	343	5.7
Kersal	5,243	13	43	56	1.1
Langworthy	7,066	107	214	321	4.5
Little Hulton	6,061	0	39	39	0.6
Ordsall	10,670	3	539	542	5.1
Pendlebury	5,713	1	29	30	0.5
Swinton North	5,366	1	27	28	0.5
Swinton South	4,898	5	10	15	0.3
Walkden North	5,962	0	28	28	0.5
Walkden South	4,744	0	11	11	0.2
Weaste and Seedley	5,971	64	74	138	2.3
Winton	5,663	2	31	33	0.6
Worsley	4,545	0	5	5	0.1
TOTAL	114,803	553	1,528	2,081	1.8

³ Source: Salford City Council, Council Tax records (May 2017)

⁴ Source: Salford City Council, landlord licensing section (May 2017)

⁵ Source: Salford City Council, Council Tax records. Student properties that are either licensed HMOs through selective or mandatory regulations excluded to avoid double counting (May 2017)

- 2.21 The map below identifies that the highest concentrations of HMOs and student dwellings, at a ward level, are in the wards that make up Central Salford (i.e. Broughton, Claremont, Irwell Riverside, Kersal, Langworthy, Ordsall, and Weaste and Seedley).

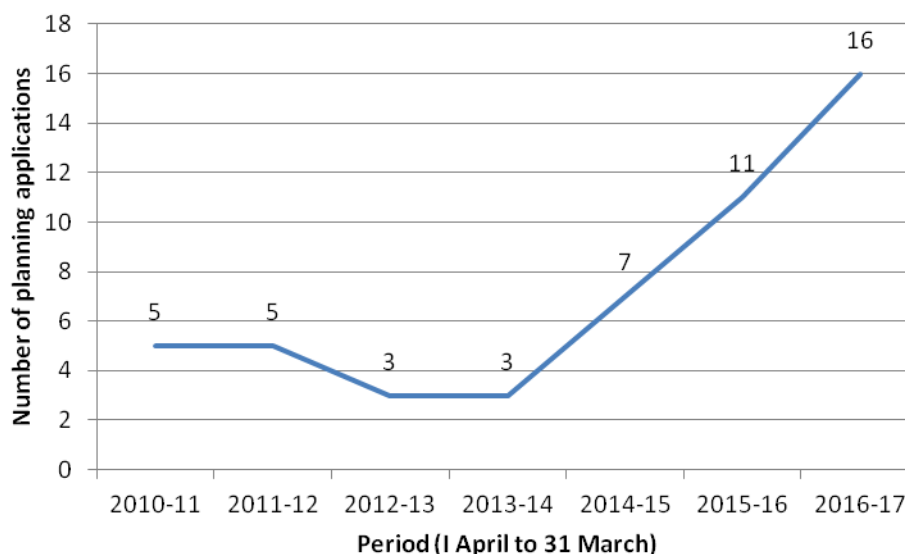


Planning applications for HMOs

- 2.22 Between 1 April 2010 and 31 March 2017 the city council received 50 planning applications for the change of use of property to a HMO⁶. These are generally for the change of use from a dwellinghouse to a large sui-generis HMO given this change is not permitted development. 15 of the applications were for retrospective permission or a certificate of lawfulness, with many of these applications being the result of enforcement investigations into changes of use that had occurred without planning permission being in place.
- 2.23 The graph below shows the number of planning applications determined on a per annum basis between 1 April 2010 and 31 March 2017. The number of applications determined increased from a low of 3 in 2012/13 and 2013/14, to 16 in 2016/17.

⁶ Between 1 April 2017 and the end of May 2017 a further 6 applications were determined.

Number of planning applications determined for change of use to HMO



2.24 The distribution of determined planning applications for HMOs by ward over the period 1 April 2010 to 31 March 2017, and the decision, is shown in the table below. The table includes the decision of the planning inspectorate to refuse planning permission for two applications and to approve a further two applications in the Broughton ward at appeal, after the city council had initially refused them.

Ward	Planning applications received	Decision		
		Approve	Refuse	Withdrawn
Barton	5	5	0	0
Boothstown and Ellenbrook	0	0	0	0
Broughton	10	7	2	1
Cadishead	0	0	0	0
Claremont	3	1	2	0
Eccles	4	2	1	1
Irlam	1	1	0	0
Irwell Riverside	12	9	3	0
Kersal	0	0	0	0
Langworthy	4	3	1	0
Little Hulton	0	0	0	0
Ordsall	2	2	0	0
Pendlebury	0	0	0	0
Swinton North	0	0	0	0
Swinton South	3	3	0	0
Walkden North	0	0	0	0
Walkden South	0	0	0	0
Weaste and Seedley	5	4	1	0

Ward	Planning applications received	Decision		
		Approve	Refuse	Withdrawn
Winton	1	1	0	0
Worsley	0	0	0	0
TOTAL	50	36	12	2

2.25 Of the 50 applications determined between 1 April 2010 to 31 March 2017, 12 (24%) were ultimately refused with the principal reasons being the impact on the character of the area and the impact on the amenity of neighbouring properties, contrary to saved UDP policy H5. 2 (4%) applications were withdrawn from being determined by the applicant whilst the remaining 36 applications (72%) were approved. In 9 out of the 20 wards there were no determined planning applications for the change of use to a HMO; the highest number were in Irwell Riverside (12) and Broughton (10).

Multi-person households

2.26 The 2011 Census includes information on household type by tenure, including the number of “multi-person” households⁷. These households include those solely occupied by full-time students, and “other” multi-person households. The “other” multi-person households will include many households that are living in accommodation that are not HMOs, for example households comprising of two young professionals sharing an apartment.

2.27 The table below shows that there were a total of 2,442 multi person households across Salford at the time of the 2011 Census (2.4% of total households) in private rented accommodation that was being rented from a private landlord or letting agent⁸. The ward of Ordsall had the highest number (990) and the highest proportion of total households at 12.3%. The ward with the second highest number and proportion of multi-person households is Irwell Riverside, with 410 households representing 7.8% of the total households in the ward. Many of these households in Ordsall and Irwell Riverside are unlikely to be living in HMOs given the nature of the accommodation in these locations (generally one and two bed high density apartments).

2.28 In 17 of the 20 wards across the city, the proportion of multi-person households in private rented dwellings is 3% or less. The lowest proportion is in Worsley (0.3%).

⁷ Other household types identified in the Census are: one person households; married couples, same sex civil partnership couples, cohabiting couples, and lone parent households with or without dependent children.

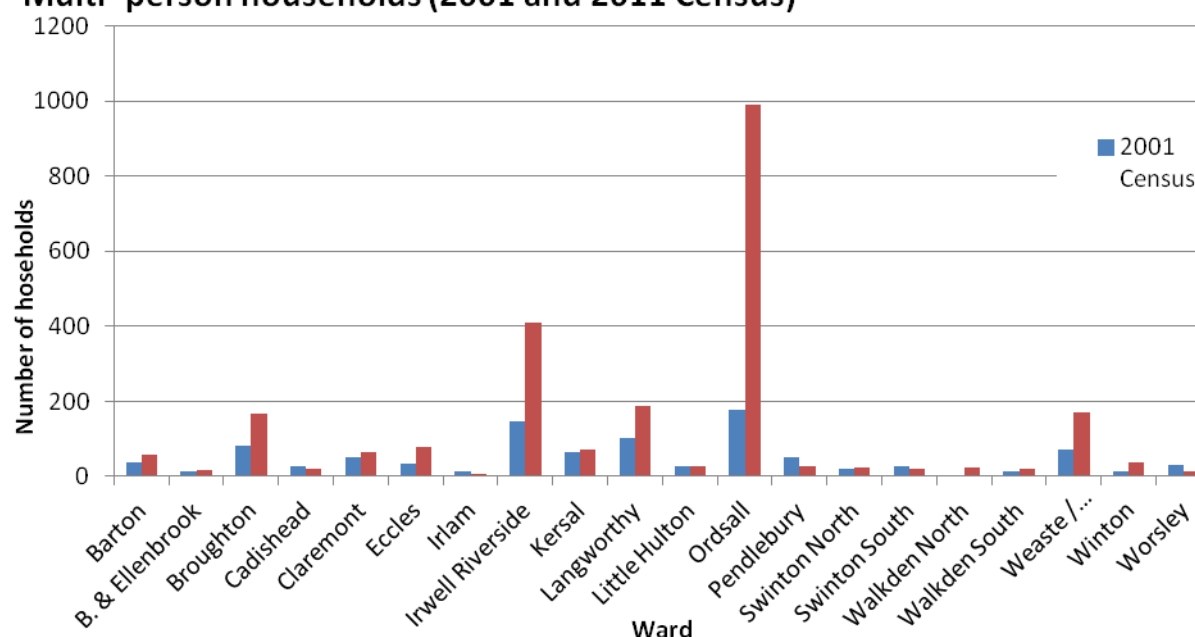
⁸ Some owner occupied accommodation might be small HMOs but this is likely to be quite limited.

Ward	All full time students	Multi-person household: other	Total multi person households in private rented sector	% of total households
Barton	4	55	59	1.0
Boothstown and Ellenbrook	1	16	17	0.4
Broughton	49	119	168	2.9
Cadishead	1	18	19	0.4
Claremont	25	39	64	1.5
Eccles	5	74	79	1.5
Irlam	1	7	8	0.2
Irwell Riverside	147	263	410	7.8
Kersal	8	63	71	1.5
Langworthy	48	139	187	2.9
Little Hulton	4	22	26	0.5
Ordsall	173	817	990	12.3
Pendlebury	5	23	28	0.5
Swinton North	0	25	25	0.5
Swinton South	3	19	22	0.5
Walkden North	2	23	25	0.5
Walkden South	0	21	21	0.5
Weaste and Seedley	22	149	171	3.2
Winton	1	37	38	0.7
Worsley	3	11	14	0.3
TOTAL	502	1,940	2,442	2.4

2011 Census table DC4408EW – tenure by household composition.

- 2.30 Data on household composition by tenure is also available from the 2001 Census (table CS053) which shows that there were 1,004 multi-person households in private rented accommodation at that time. Given this, between 2001 and 2011 there was an increase of 1,153 multi-person households living in private rented accommodation in Salford (i.e.143%). The graph below compares the 2001 and 2011 Census in relation to multi-person households living in private rented accommodation at a ward level.

Multi- person households (2001 and 2011 Census)

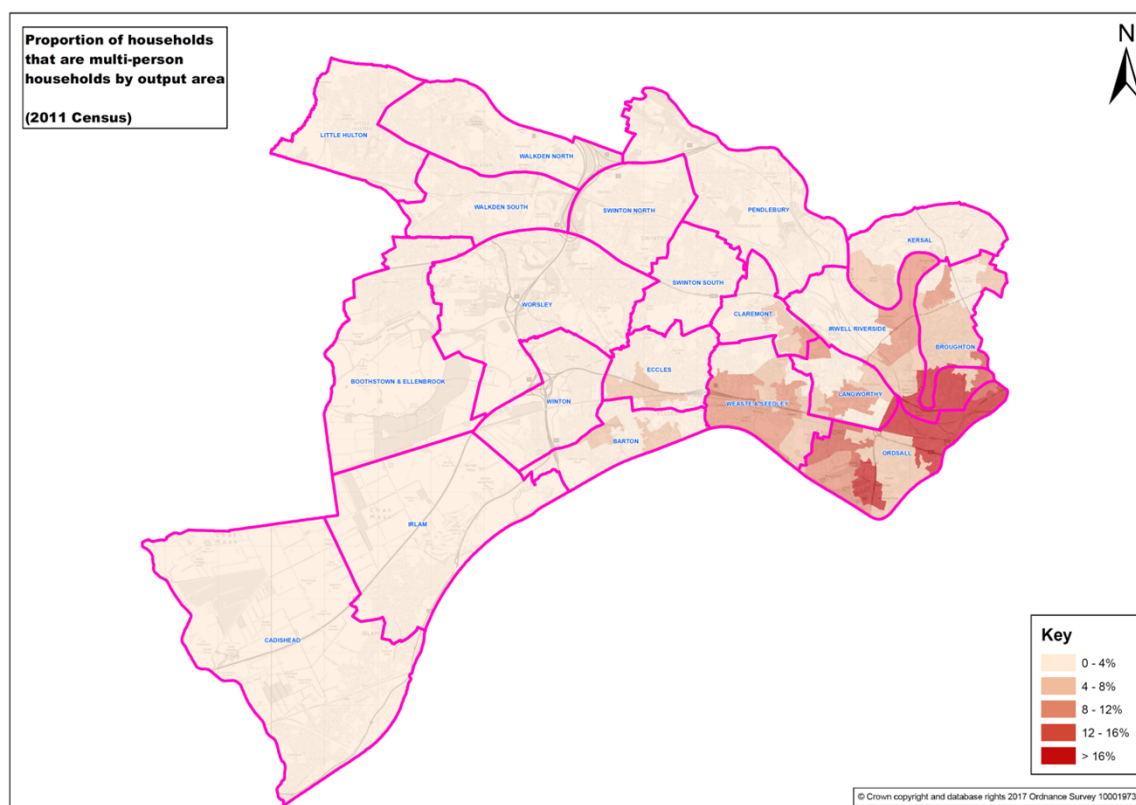


- 2.31 The graph clearly shows an increase in multi-person households in some wards over the period 2001 to 2011, with significant increases in Broughton, Irwell Riverside, Ordsall and Weaste and Seedley. There was a small decrease in some wards, particularly those in West Salford such as Cadishead, Irlam, Pendlebury and Worsley.
- 2.32 The proportion of households living in private rented dwellings that are multi-person as a proportion of the total number of households at the time of the 2001 and 2011 censuses are shown in the table below. It shows that the proportion of multi-person households as a proportion of total households increased from 1.1% in 2001 to 2.4% in the city. The highest percentage point increases on a ward level were in Ordsall (6.5%) and Irwell Riverside (5.9%). In 6 of the 20 of the wards there was a percentage point decrease in multi-person households.

Ward	2001 Census – % multi- person households in private rented sector	2011 Census - % multi- person households in private rented sector	Percentage point difference between 2001 and 2011
Barton	0.8	1.0	0.2
Boothstown and Ellenbrook	0.3	0.4	0.1
Broughton	2.2	2.9	0.7
Cadishead	0.6	0.4	-0.2
Claremont	1.2	1.5	0.3
Eccles	0.9	1.5	0.6
Irlam	0.4	0.2	-0.2
Irwell Riverside	1.9	7.8	5.9

Ward	2001 Census – % multi- person households in private rented sector	2011 Census - % multi- person households in private rented sector	Percentage point difference between 2001 and 2011
Kersal	1.4	1.5	0.1
Langworthy	2.3	2.9	0.6
Little Hulton	0.5	0.5	0
Ordsall	5.8	12.3	6.5
Pendlebury	0.7	0.5	-0.2
Swinton North	0.6	0.5	-0.1
Swinton South	0.6	0.5	-0.1
Walkden North	0.0	0.5	0.5
Walkden South	0.4	0.5	0.1
Weaste and Seedley	1.4	3.2	1.8
Winton	0.4	0.7	0.3
Worsley	0.5	0.3	-0.2
TOTAL	1.1	2.4	1.3

2.29 2011 Census data on household composition for all tenures is available at a lower super output level⁹. The map below shows that there is a concentration of multi-person households across all tenures in large parts of Central Salford, particularly in and around the City Centre where in places over 16% of households are multi-person (see map below).



⁹ Household composition by different tenures is not available for lower super output areas.

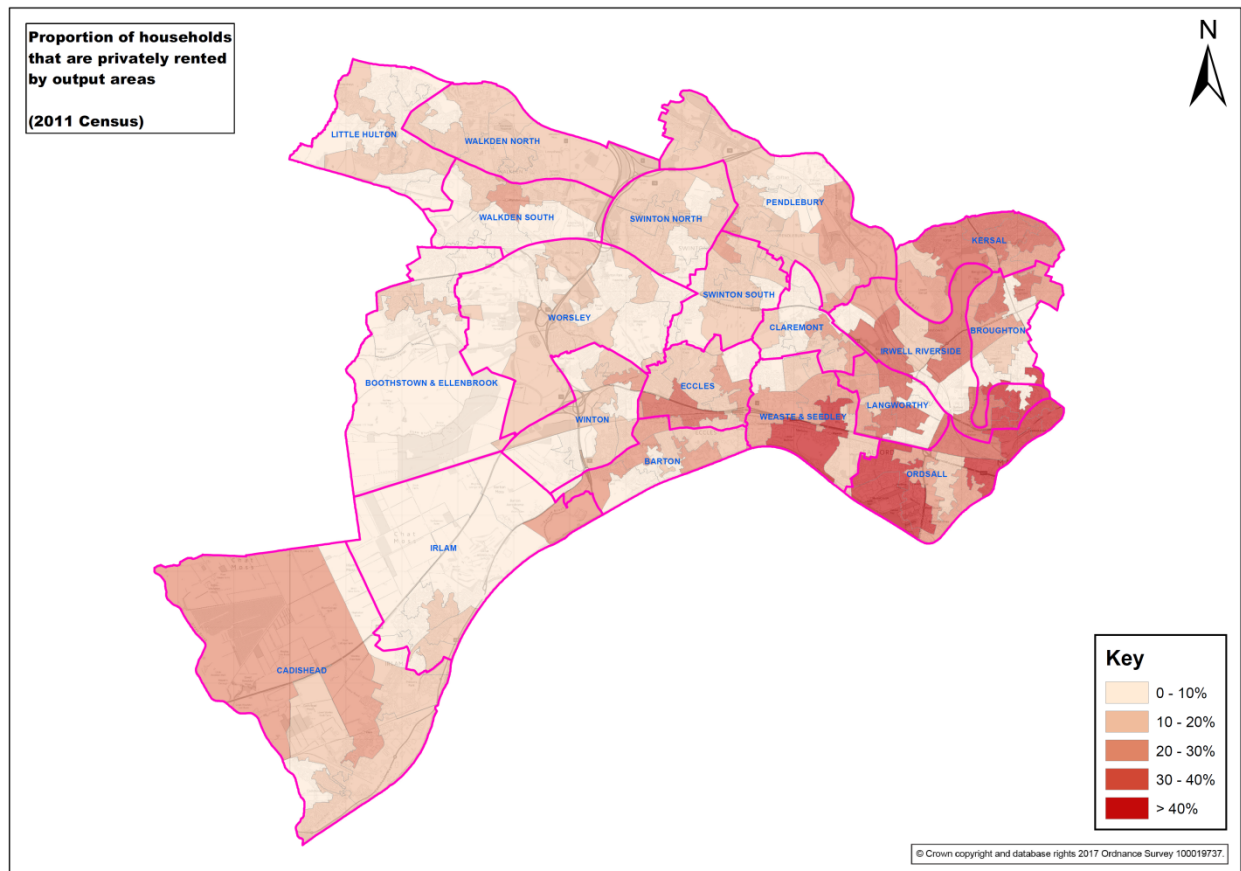
All households in the private rented sector

- 2.30 The table below identifies the number of households in the private rented sector at the time of the 2001 and 2011 Censuses. It shows that there was an increase from 7,767 households in 2001 to 19,420 in 2011, which represents an increase of 150%. The lowest change was in Langworthy where there was a 41% increase, and the highest was in Ordsall where there was a 566% increase from 661 to 4,405 households. The private rented sector has continued to grow in Salford since the time of the 2011 Census, and it is likely that part of the growth in this tenure is for HMOs.
- 2.31 As of the 2011 Census, Irlam had the lowest number of private rented sector households (362). There were 5 wards where the proportion of private rented households as a proportion of households in that ward was above 20%; these were the wards of Broughton, Irwell Riverside, Kersal, Ordsall, and Weaste and Seedley.

Ward	2001 Census – households in private rented sector	2011 Census - households in private rented sector	% change between 2001 and 2011	% of total households in 2011
Barton	500	933	87	16.1
Boothstown and Ellenbrook	127	371	192	9.6
Broughton	647	1,177	82	20.0
Cadishead	191	610	219	13.9
Claremont	302	542	79	13.1
Eccles	536	1,046	95	19.8
Irlam	130	362	178	8.9
Irwell Riverside	633	1,377	118	26.3
Kersal	712	1,219	71	25.7
Langworthy	904	1,277	41	19.6
Little Hulton	175	498	185	9.1
Ordsall	661	4,405	566	54.7
Pendlebury	299	755	153	13.8
Swinton North	330	686	108	13.7
Swinton South	299	637	113	13.2
Walkden North	244	715	193	13.5
Walkden South	157	527	236	11.5
Weaste and Seedley	454	1,202	165	22.2
Winton	330	662	101	12.6
Worsley	136	419	208	9.8
TOTAL	7,767	19,420	150	18.8

- 2.31 The map below identifies the concentrations of private rented households by lower super output area from the 2011 Census. It clearly shows that there are concentrations within parts of wards where over 40% of households are

private rented; these areas include Salford Quays, the City Centre, and Weaste and Seedley. As noted elsewhere it is unlikely that many of the private rented households will in Salford Quays and the City Centre are HMOs due to the nature of the dwellings in these areas.



3. Justification for introducing an Article 4 Direction in Salford

- 3.1 In 2008 the Department for Communities and Local Government published a report prepared on their behalf by Ecotec titled “Evidence Gathering – Housing in Multiple Occupation and possible planning responses”. The report identified the following impacts that can occur as a result of high concentrations of HMOs, including:
- Anti-social behaviour, noise and nuisance
 - Imbalanced and unsustainable communities
 - Negative impacts on the physical environment and streetscape
 - Pressures upon parking provision
 - Increased crime
 - Growth in the private rented sector at the expenses of owner-occupation
 - Pressure upon local community facilities
- 3.2 As noted earlier in this report, there are 553 HMOs that are known to the city council through mandatory and selective landlord licensing data. This is an under-estimate of the number of HMOs given:
- Some areas of the city are not covered by selective landlord licensing
 - Planning permission is not currently needed in Salford for a change of use from a C3 dwellinghouse to a small C4 HMO, and there is no way of identifying HMOs that existed before the Use Class changes in 2010
 - There are 1,528 dwellings solely occupied by students that are not covered by landlord licensing, some of which will be HMOs
- 3.3 Taking into account the number and proportion of known HMOs and student dwellings, there is not a particularly high level in the city and in some individual wards. However, the key issue is not necessarily the relatively low overall total and proportion of such dwellings that is the cause for concern. Rather, the concern is that are particular clusters and concentrations within some areas of the city. This is potentially contrary to saved UDP policy H1 which requires that a balanced mix of dwellings is provided in relation to the size, type, tenure and affordability.
- 3.4 The impacts of HMOs are frequently raised by members of the public to the council and its councillors, and also at Community Committee meetings (particularly those for Claremont and Weaste, and East Salford). The main issues raised usually relate to car parking problems, issues with bins and refuse, anti-social behaviour and noise nuisance.
- 3.5 Furthermore, the city council is aware through the work of the landlord licensing team of a significant increase in the number of dwellings that are being converted to small HMOs over the last couple of years in particular. This is leading to complaints from local residents relating to the HMOs having an impact on community balance. Although it is considered that existing management arrangements of mandatory / selective HMOs are effective and

working well, landlord licensing cannot prevent properties being converted to small HMOs under permitted development rights. As such, the significant increase in these HMOs is creating over-concentrations of such properties in parts of the city and impacting on local amenity. Although there are areas of the city where new small HMOs are creating problems these areas are not eligible under selective licensing powers; this is because such areas would not meet criteria set by government that would enable them to be designated as selective licensed areas.

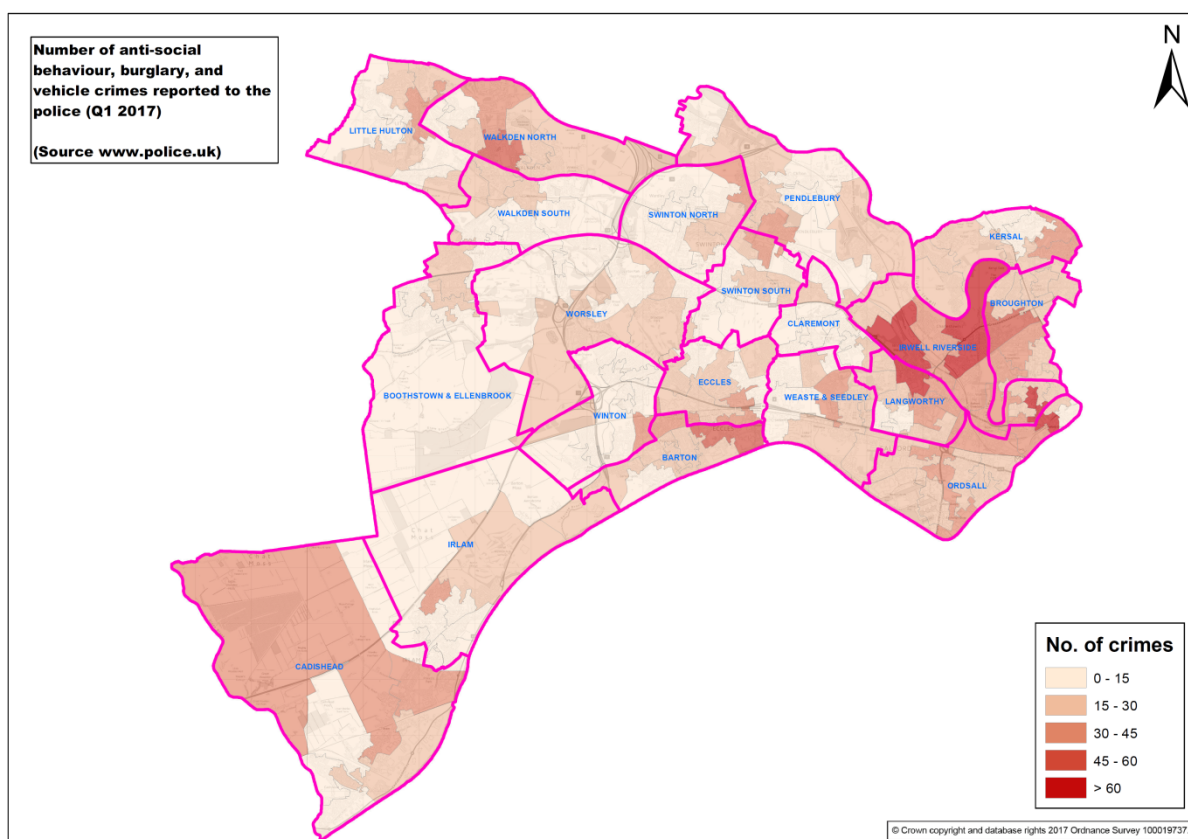
- 3.6 The city council is aware that the change of use of dwellings into small HMOs in Salford is seen as a highly attractive investment opportunity for property developers, including those based in London. Property investors are telling the council's licensing team that Salford is specifically being highlighted at property investment conferences as an area that is in close proximity to Manchester and does not have an Article 4 Direction in place (i.e. there are opportunities for changing dwellings into small HMOs without planning permission in Salford that could appeal to those who would otherwise invest / live in Manchester). Inappropriate concentrations of HMOs could therefore increase unless small HMOs are brought under planning control.
- 3.7 As well as a visible increase in the number of small HMOs that are coming forward under permitted development rights, the number of selective and mandatory licensed properties is increasing. The total number of mandatory HMOs was 182 in September 2010; as of May 2017 there are 232 such properties, whilst the total selective licensed HMOs across the city there has been an increase from 61 dwellings to 321 over the same period¹⁰. Census data referred to above also demonstrates an increase in multi-person households between 2001 and 2011 from 3,088 to 4,377 households.
- 3.8 The 2008 DCLG report identified that high concentrations of HMOs can be associated with antisocial behaviour and increased crime within an area. Concentrations of young and transient social groups, living in relatively insecure accommodation can lead to increased levels of burglary and crime in an area.
- 3.9 Details of crimes reported to the police are available from www.police.uk; there are 16 categories of crime including anti-social behaviour¹¹, burglary¹² and vehicle crime¹³. The city council has collated data relating to the three types of crimes noted above for the first quarter of 2017. The map below shows that the highest number of reported crimes is in parts of the wards of Irwell Riverside and Langworthy, which corresponds to particular concentrations of HMOs and student dwellings.

¹⁰ Part of this increase can be explained by the addition of Weaste to the Langworthy and Seedley licensing area, and the addition of Barton/Eccles as a new licensing area.

¹¹ This includes personal, environmental and nuisance anti-social behaviour.

¹² This includes offences where a person enters into a house or other building with the intention of stealing.

¹³ This includes theft from or of a vehicle or interference with a vehicle.

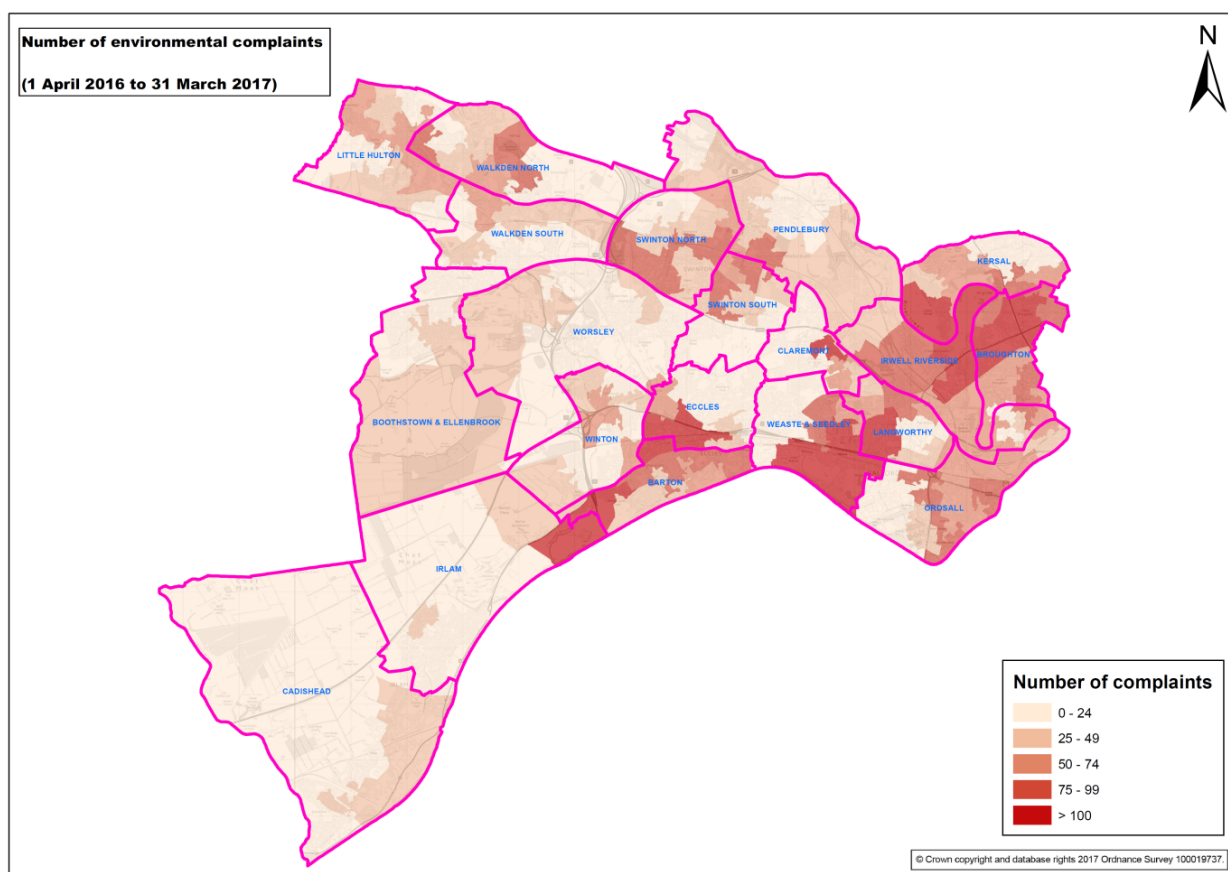


- 3.10 HMOs can have negative impacts on the physical environment and streetscape due to more people living in a HMO than would generally live in the same size house occupied by a family, and also higher levels of transience meaning that people feel less desire to look after the area if they are only staying for a short time. It is likely that an increase in HMOs in particular areas will lead to an increase in environmental complaints in that area based on current experiences.
- 3.11 The table below shows the number of complaints received by the city council on a ward level basis between 1 April 2016 and 31 March 2017 relating to dumping, fly-tipping, littering and accumulations of waste.

Ward	Number of complaints	% of city total
Barton	648	8.7
Boothstown and Ellenbrook	94	1.3
Broughton	879	11.8
Cadishead	142	1.9
Claremont	245	3.3
Eccles	295	4.0
Irlam	124	1.7
Irwell Riverside	742	10.0
Kersal	332	4.5
Langworthy	582	7.8
Little Hulton	343	4.6

Ward	Number of complaints	% of city total
Ordsall	474	6.4
Pendlebury	268	3.6
Swinton North	397	5.3
Swinton South	278	3.7
Walkden North	379	5.1
Walkden South	206	2.8
Weaste and Seedley	619	8.3
Winton	283	3.8
Worsley	101	1.4
TOTAL	7,431	100

- 3.12 Broughton, Irwell Riverside, and Weaste and Seedley had the highest number of complaints, cumulatively accounting for around 30% of the total complaints in the city. The map below shows the environmental complaints between 1 April 2016 and 31 March 2017 using the 2011 Census lower super output areas for display purposes. It shows that there were over 100 complaints in some of the Census lower super output areas.



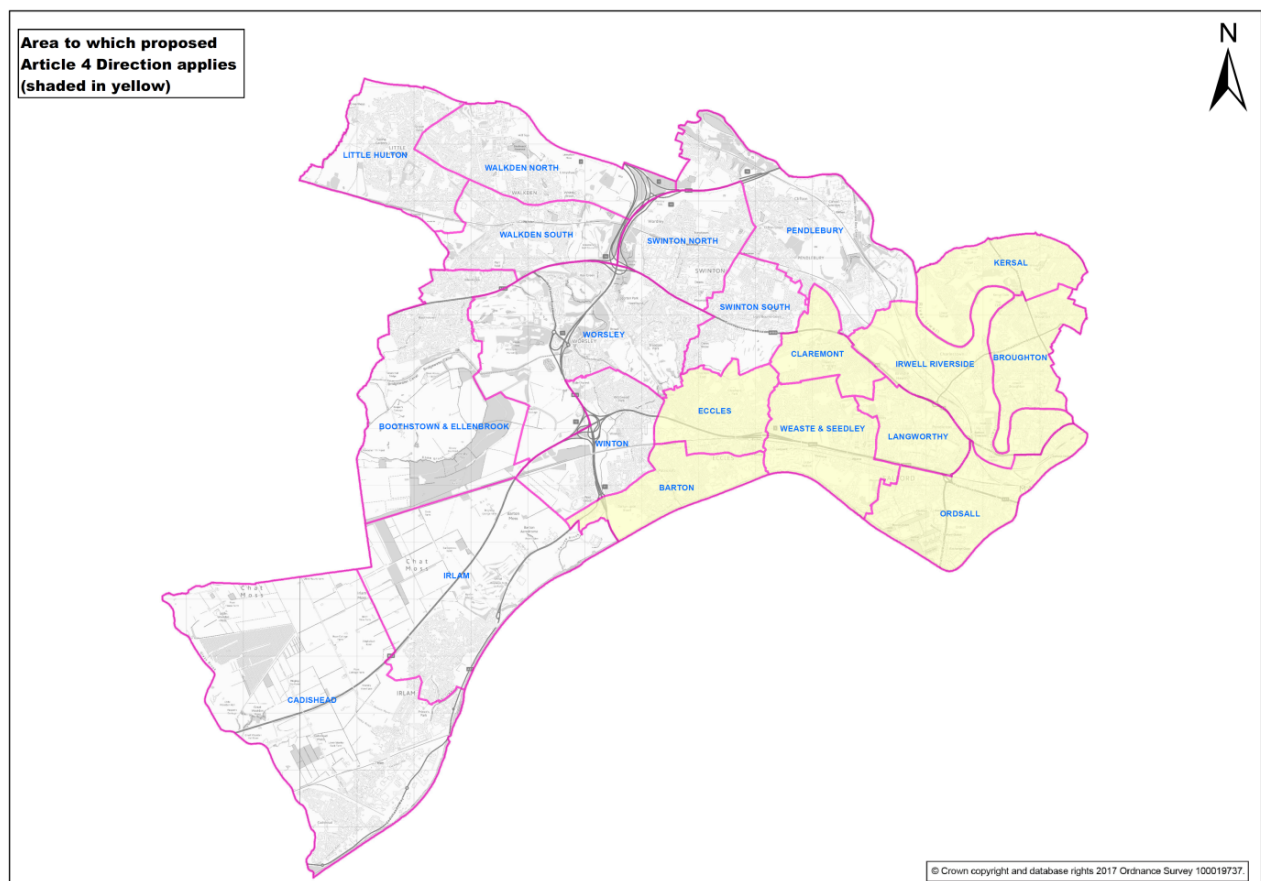
4. Appropriate area on which to apply the Direction

- 4.1 The National Planning Practice Guidance requires there to be a “particularly strong” justification if a Direction is to relate to a wide area (for example covering the entire area of a local planning authority).
- 4.2 The table below ranks the different wards in Salford against some of the data that is set out in this report, with 1 being the highest rank. As an example, Broughton is ranked 1 in relation to the number of mandatory and selective HMOs; this means that out of the 20 wards in the city it has the highest number of mandatory and selective HMOs. The wards that are highlighted in grey in the table are those in Central Salford, whilst the un-highlighted wards are in Salford West.

Ward	Rank compared to other wards					Environ- mental complaints
	Mandatory and selective HMOs	Student exempt dwellings	Planning applications for HMOs	Multi- person households (2011)	Private rented dwellings (2011)	
Barton	6	8	3	9	8	3
Boothstown and Ellenbrook	14	15	12	18	19	20
Broughton	1	4	2	5	6	1
Cadishead	14	15	12	17	14	17
Claremont	5	9	7	8	15	15
Eccles	7	14	5	6	7	11
Irlam	14	19	10	20	20	18
Irwell Riverside	3	2	1	2	2	2
Kersal	8	6	12	7	4	10
Langworthy	2	3	5	3	3	5
Little Hulton	14	7	12	12	17	9
Ordsall	10	1	9	1	1	6
Pendlebury	12	11	12	11	9	14
Swinton North	12	13	12	14	11	7
Swinton South	9	18	7	15	13	13
Walkden North	14	12	12	13	10	8
Walkden South	14	17	12	16	16	16
Weaste and Seedley	4	5	3	4	5	4
Winton	11	10	10	10	12	12
Worsley	14	20	12	19	18	19

- 4.3 Having regard to the evidence set out in this report, it is not considered that there is a “particularly strong” justification to apply an Article 4 Direction city-wide. In several wards in the west of the city there are relatively few HMOs and student dwellings and there are no apparent concentrations or clusters. This means that it is unlikely that harm to local amenity or well-being of these areas will arise from the change of use of Use Class C3 dwellinghouses to Use Class C4 small HMOs.

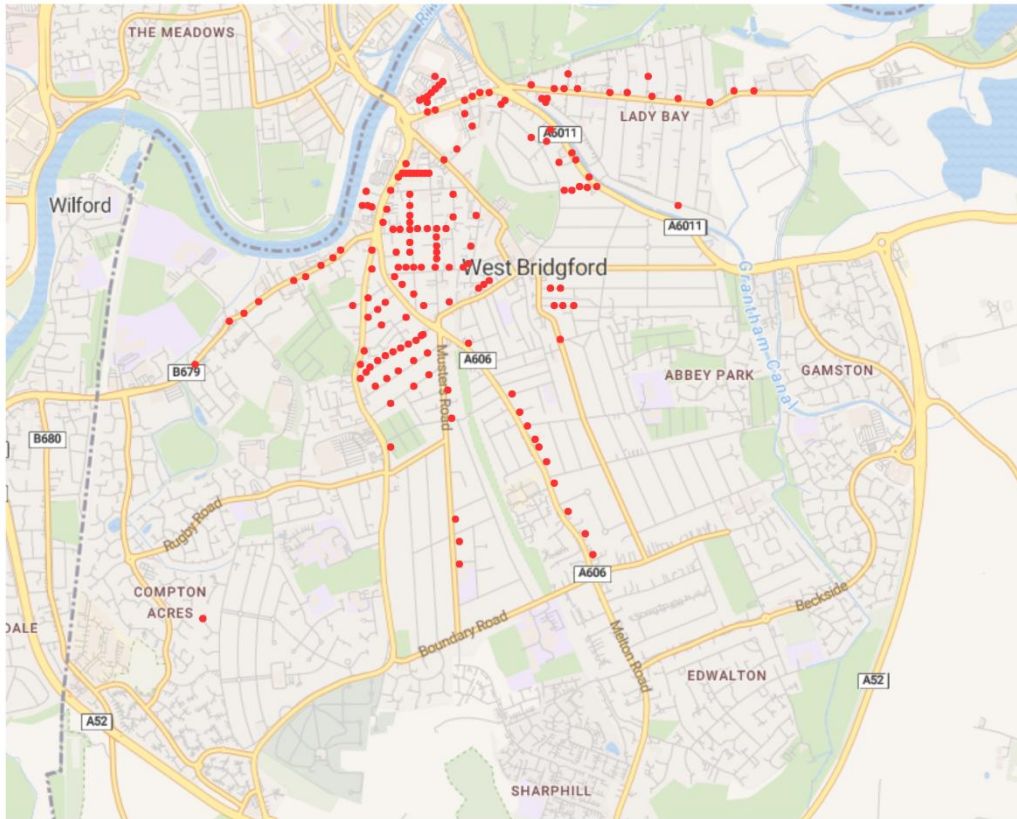
- 4.4 The evidence does however show that it would be appropriate to introduce an Article 4 Direction covering all of the wards in Central Salford (Broughton, Claremont, Irwell Riverside, Kersal, Langworthy, Ordsall, and Weaste and Seedley) and the wards of Barton and Eccles. In these wards there is evidence of concentrations of HMOs and student properties and this is having a detrimental effect in relation to amenity, character and well-being of areas. These areas also suffer from relatively high levels of crime and environmental complaints, compounding the impacts of concentrations of HMOs. This amounts to a compelling reason for bringing Use Class C4 small HMOs within full planning control and is in the public interest. It will ensure that Salford can respond in a timely way to the emergence of new concentrations of HMOs to prevent harm to areas.
- 4.5 It is considered most appropriate to apply the Article 4 Direction to whole wards, rather than to smaller areas where there are the existing concentrations of HMOs. This is on the basis that if the Direction was to apply to such areas it is likely that there would be an increase in the number of HMOs created through permitted development rights in the areas directly adjacent to those not within the scope of the Direction. With regards to the wards not covered by the Direction, the city council will monitor the situation to ensure that issues are not merely dispersed to these wards.
- 4.6 The map below shows the area to which it is proposed that the Article 4 Direction applies.



- 4.7 It is important to note that the Article 4 Direction only has the effect of bringing certain changes of use, which would otherwise not require planning permission, within planning controls. The city council would need to determine any associated planning applications for changes of use of dwellinghouses to small HMOs in accordance with the development plan and other material considerations, and would only be able to refuse an application if it could clearly demonstrate that the proposed HMO would be likely to give rise to unacceptable harm to an interest of acknowledged importance (for example the amenity of neighbouring residents because of an over concentration of such uses). The city council would also have to identify why a small HMO would give rise to any greater harm than a family living together in a single dwelling.

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Appendix E – Dispersal of 5+ person HMO's in West Bridgford



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