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Our reference:
Your reference:
Date: Monday, 2 September 2019



**Rushcliffe Community
Contact Centre**
Rectory Road
West Bridgford
Nottingham
NG2 6BU

To all Members of the Cabinet

Dear Councillor

A Meeting of the Cabinet will be held on Tuesday, 10 September 2019 at 7.00 pm in the Council Chamber Area B, Rushcliffe Arena, Rugby Road, West Bridgford to consider the following items of business.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S Sull'.

Sanjit Sull
Monitoring Officer

AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. Minutes of the Meeting held on Tuesday 9 July 2019 (Pages 1 - 6)
4. Opposition Group Leaders' Questions

To answer questions submitted by Opposition Group Leaders on items on the agenda.
5. Citizens' Questions

To answer questions submitted by citizens on the Council or its services.
6. Use of Capital Funding for Affordable Homes (Pages 7 - 18)

The report of the Executive Manager – Neighbourhoods is attached.
7. Corporate Strategy (Pages 19 - 44)

The report of the Chief Executive is attached.

In person
Monday to Friday
8.30am - 5pm
First Saturday of
each month
9am - 1pm

By telephone
Monday to Friday
8.30am - 5pm

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8. Revenue and Capital Budget Monitoring 2019/20 - Financial Update
(Pages 45 - 56)

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

Membership

Chairman: Councillor S J Robinson

Vice-Chairman: Councillor D Mason

Councillors: A Edyvean, R Inglis, G Moore and R Upton

Meeting Room Guidance

Fire Alarm Evacuation: in the event of an alarm sounding please evacuate the building using the nearest fire exit, normally through the Council Chamber. You should assemble at the far side of the plaza outside the main entrance to the building.

Toilets: are located to the rear of the building near the lift and stairs to the first floor.

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Microphones: When you are invited to speak please press the button on your microphone, a red light will appear on the stem. Please ensure that you switch this off after you have spoken.

Recording at Meetings

The Openness of Local Government Bodies Regulations 2014 allows 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, 9 JULY 2019**

Held at 7.00 pm in the Council Chamber Area B, Rushcliffe Arena, Rugby Road,
West Bridgford

PRESENT:

Councillors S J Robinson, D Mason, A Edyvean, R Inglis and R Upton

ALSO IN ATTENDANCE:

Councillors N Clarke, B Gray, R Jones, R Mallender, J Murray, C Thomas and
L Way

OFFICERS IN ATTENDANCE:

L Ashmore	Executive Manager - Transformation
K Marriott	Chief Executive
D Mitchell	Executive Manager - Communities
S Sull	Monitoring Officer
H Tambini	Democratic Services Manager
S Whittaker	Financial Services Manager

APOLOGIES:

Councillor G Moore

8 Declarations of Interest

There were no declarations of interest.

9 Minutes of the Meeting held on 11 June 2019

The minutes of the meeting held on Tuesday, 11 June 2019 were declared a true record and were signed by the Chair.

10 Opposition Group Leaders' Questions

Question from Councillor C Thomas to Councillor A Edyvean.

“The Growth Board report recommends reducing meetings of the East Leake Board to two per year, whilst Bingham remains at four and West Bridgford at three. Continued dialogue is needed to develop infrastructure to support East Leake’s explosive, unplanned growth. The Growth Board has the ability to get the relevant parties around a table to call them to account and try to move things forward, and fewer meetings means slower progress.

From which date is it planned to change the frequency of meetings, and could this be delayed in the case of East Leake?”

Councillor Edyvean responded by stating that the next meeting of the East Leake Growth Board would be held in October 2019, as agreed at the last

meeting and thereafter it was proposed to have two meetings per year.

Councillor C Thomas asked a supplementary question to Councillor A Edyvean.

“Is it proposed to consult with the East Leake Growth Board members about the frequency of meetings before implementing the decision?”

Councillor Edyvean responded by stating that the issue could be discussed at the next planned meeting in October 2019 and gave his assurance that fewer meetings would not result in slower progress, with officers working on specific projects between meetings to ensure continued progress. If projects were progressing faster additional meetings could be arranged.

11 Citizens' Questions

There were no questions

12 Local Growth Boards Update and Review

The Portfolio Holder for Business and Transformation presented the report of the Chief Executive providing an update on the work of the local Growth Boards since the last update to Cabinet in September 2017.

The Portfolio Holder for Business and Transformation advised that the Growth Boards were important vehicles to the Council to both facilitate and drive change, bringing together stakeholders to identify needs and create an Action Plan for implementation. The role of the Growth Boards had not been reviewed since 2017 and it was therefore timely to do so. The report also considered resource and level of live projects, delivery and timescales. So far the Growth Boards had achieved many tangible successes, West Bridgford had seen the Commissioner’s report, with many recommendations being taken forward. In Radcliffe on Trent, the Economic Masterplan had been developed and the East Leake Growth Board had been engaged with Severn Trent to ensure that infrastructure capacity would be reviewed and action to upgrade would be implemented. The County Council had offered funding for improvements to the Gotham Road T junction and the Clinical Commissioning Group had confirmed that the delivery of a new health centre was its top priority. The Masterplan for Brilliant Bingham had been completed, with the new leisure centre at the heart of delivering facilities to residents. A new Bingham Markets Manager had been appointed, which has already led to increased usage of the market square. It was appropriate to establish a Growth Board for the Fairham site at the outset of the project and to continue to support other large villages, including a proposal to extend the Shop Front Improvement Grant across the Borough, subject to the approval of the Strategic Growth Board. The report highlighted that considerable work took place between meetings and delivery of achievable goals would not be impacted by the frequency of meetings.

In seconding the recommendation, Councillor Upton reiterated the importance of this timely review, in particular with the key strategic site at Fairham coming on stream. Staff resources were finite and the proposed changes appeared both realistic and reasonable. Considerable work was undertaken between formal meetings, with the Boards acting as a focal point for bringing together

appropriate people to drive agreed Action Plans forward.

Councillor Robinson confirmed that before the establishment of the Growth Boards there had been many strategic partners working individually throughout the Borough and the real success had been to bring people together for coordinated dialogue that had resulted in real tangible success. Due to current funding issues and constraints, people had to be realistic and accept that there were limitations on what could be delivered within preferred timescales; however, working together had proved a huge success. The establishment of the Fairham Growth Board at such an early stage would also prove extremely beneficial.

Councillor Mason stated that she was pleased to see that the Shop Front Improvement Grant was being reviewed and hoped that it would be extended to other areas.

It was RESOLVED that:

- a) The establishment of a new Growth Board for Fairham, and extending the existing membership of the Fairham Development Board be approved;
- b) That the Radcliffe on Trent and East Leake Growth Boards meet twice per year; and
- c) A review of the scope of the Shop Front Improvement Grant and funding to be considered by the Strategic Growth Board at its meeting in July 2019 be approved.

Reasons for Decision

- a) It is nearly two years since the last review of the Local Growth Boards and four years since their establishment. It is, therefore, timely that another review takes place to ensure that the Boards remain effective and focus on the priority areas for the Council. Consideration must also be given to the resources available to support the Boards.
- b) At the end of 2018, when the Boards were agreeing dates for 2019, all of the existing Boards agreed to move to three meetings per year, excluding Bingham, which currently meets four times per year. Much of the work of the Boards takes place between meetings and, therefore, the frequency of meetings does not affect the ability of the Boards to deliver.

The Economic Growth Team have been working with other areas within the Borough who have requested support, most notably Ruddington. These areas would welcome some additional financial support from the Council to further assist them and ensure their high streets are sustainable.

13 Exclusion of the Public

It was RESOLVED that under Regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000,

the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

14 **New premises for Rushcliffe Community Contact Centre**

The Portfolio Holder for Business and Transformation presented the report of the Executive Manager - Transformation providing an update on the proposals for new premises for Rushcliffe Community Contact Centre.

The Portfolio Holder for Business and Transformation advised that the Police had given the Council notice that it wished to review its assets and had served notice on the Council to vacate the Police Station by August 2020. The Contact Centre was currently housed in the Police Station and provided a vital service, was well used and easily accessible by public transport and to provide the same services, the new premises would need to be located in central West Bridgford. The report highlighted the options that had been explored and the suggested way forward. The premises that had been identified would provide suitable alternative accommodation to the existing Contact Centre, with the costs being built into the Council's Medium Term Financial Strategy.

In seconding the recommendation, Councillor Inglis confirmed the suitability of the proposed premises. Although visitor numbers had reduced, face-to-face contact for many customers remained vitally important and had to be maintained. The 10-year lease option would also provide flexibility.

Councillor Upton confirmed that the new premises were ideally located and would link to other services in the town centre. Whatever future advances in technology, some customers would always prefer face-to-face contact.

Councillor Robinson noted that although the number of visits had decreased, the face-to-face service for many customers was vital and these new premises would continue to provide that and be well received by residents. It was an achievement that plans were already in place well in advance of the closure of the current Contact Centre and it was anticipated that the move would be completed by Spring 2020.

It was RESOLVED that:

- a) The Council acquires a 10 year leasehold on the property;
- b) The fit out of the property be undertaken within existing Council resources; and
- c) Subject to a) and b) the Council moves Rushcliffe Community Contact Centre to its new location in West Bridgford, to open in the Spring of 2020 and the financial impact of this be built into the Council's Medium Term Financial Strategy going forward.

Reason for Decision

The premises identified provide suitable alternative accommodation to the

existing Contact Centre in the Police Station.

15 **Abbey Road Progress Report**

The Portfolio Holder for Business and Transformation presented the report of the Executive Manager - Transformation providing an update on progress of the Abbey Road site.

The Portfolio Holder for Business and Transformation confirmed that outline planning permission for residential development had been submitted and approved by Planning Committee on 13 June 2019. The Council was seeking a high quality design and materials to create an exemplar scheme through a Design Code, with 30% affordable housing. A Housing Masterplan had been produced, taking into account site constraints including contamination issues. Based on those criteria the site had been marketed and received 27 expressions of interest and 18 offers. Following consideration of the bids, it had been agreed to ask the bidders to revisit their offer in light of making carbon efficiencies, both during construction and included within completed houses. Those revised offers would be subject to review.

In seconding the recommendation, Councillor Mason referred to the excellent opportunity the Council had to showcase high quality, sustainable design for current and future generations.

Councillor Upton noted that the high level of interest was an indication of both the importance and unique nature of the site. Whilst it would be a challenge to provide exemplar sustainable homes, the Council was committed to working with developers to achieve that goal.

Councillor Robinson noted that the Council had a rare opportunity to make a difference and provide the best housing it could for local residents. The site was significant to residents and developers and there was considerable work ahead before goals were achieved. The Council should be proud of both previous achievements and what could be achieved in the future.

It was resolved that:

- a) The Cabinet authorises the Chief Executive to shortlist the developer bids and undertake appropriate due diligence to arrive at a preferred bidder; and
- b) A follow up report providing details of the preferred bid for further consideration with regard to the future development of the site be submitted to a future meeting of the Cabinet.

Reason for decision

The Council has been working towards relocating the occupiers of the site and determining a route for bringing it forward for housing development. Following the report to Cabinet on 9 October 2018, available options have been explored. The report sets out the options and provides a recommendation for the next step in delivering the Council's aspirations for housing growth on this site.

The meeting closed at 7.22 pm.

CHAIRMAN



Cabinet

Tuesday, 10 September 2019

Allocation of Affordable Housing Capital Budget

Report of the Executive Manager – Neighbourhoods

Portfolio Holder for Housing Councillor R Upton

1. Purpose of report

- 1.1. This report will inform Cabinet of proposals to allocate the Council's affordable housing capital budget. This capital budget is allocated to support the provision of affordable housing and consists of the receipts from the sale of the Council's former housing stock, sums allocated in lieu of on-site affordable housing and Section 106 (S106) receipts.
- 1.2. The report builds upon the approved Affordable Housing Review Cabinet report (13 March 2018), the Property Company Options report (14 November 2017) and supports the Empty Homes Strategy 2019-2024 by setting out further options for the Council to support the delivery of affordable housing and its strategy for empty homes.
- 1.3. The report proposes that a number of options for the allocation of housing capital funds are explored.

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) Approves the principle that the following new options, indicated below and set out in Appendix A, are considered for allocation of capital support from the Affordable Housing capital budget:
 - i) Acquisition of open market property
 - ii) Acquisition of empty property
 - iii) Loans to property owners of empty properties for refurbishment and letting
 - iv) Loans to third parties to support the provision of affordable housing
 - v) Support to ensure council led schemes are policy compliant in respect of the provision of affordable housing

Any chosen option will be subject to the approval of both the Section 151 Officer and Finance Portfolio Holder.

- b) A revised Disposal and Acquisition Policy for Land and Buildings is brought to Cabinet (and then Council), particularly to consider delegated authority for the acquisition of housing property.

3 Reasons for Recommendation

- 3.1 The opportunities for the allocation of the affordable housing budget through traditional avenues as set out in the Affordable Housing Review Cabinet report (13 March 2018) have reduced due to a range of external factors (refer to paragraph 4.10) and, as such, the Council needs to review its strategy to allocate these funds for purposes for which they are held.
- 3.2 These additional options provide the Council the opportunity to react with greater flexibility in respect of meeting local housing needs and achieving the best return from its capital budget.

4. Supporting Information

Affordable housing capital strategy- context and general principles

- 4.1. The Council's affordable housing capital programme supports the provision of new affordable housing. This budget consists of historic capital receipts from the sale of the Council's former housing stock and sums allocated to the Council in lieu of the onsite provision of affordable housing where local planning policies require. Existing options for the allocation of affordable housing funds were set out in the Affordable Housing Review report approved by Cabinet on the 13 March 2018.
- 4.2. Historic capital receipts have been set aside for allocation to affordable housing from sums generated by the sale of the Council's former housing stock to a Registered Provider (RP). Funds allocated in lieu of onsite affordable housing provision on new development sites are known as S106 funds and are ring-fenced by way of the planning agreement (under S106 of the Town and Country Planning Act 1990) relating to the site in question.
- 4.3. The Council's current affordable housing capital budget allocation is set out in the table below.

Year	2019/20	2020/21	TOTAL
S106	474,330		474,330
Capital Receipts	921,670	215,880	1,137,550
TOTAL CAPITAL PROGRAMME	1,396,000	215,880	1,611,880

- 4.4. Over the last few years, the majority of new affordable housing has been delivered on new development sites. Subsidy for these dwellings comes via the landowner/developer as a planning policy obligation and is governed by the S106 agreement pertaining to the site.

- 4.5. The principle of any grant funding for affordable housing is that it is only allocated to support the development or acquisition of land or dwellings where subsidy is not provided via another source.
- 4.6. As such, the main opportunity for the Council to allocate its funds is through the work of its RP partners in identifying and acquiring sites either on the open market or via their own land assets. These partners may then apply for funds from the Council to support the development of affordable housing.
- 4.7. However, open market sites in the Borough command high land values which make it difficult for affordable housing schemes to work financially without unsustainable levels of grant.
- 4.8. As such, traditionally, the most feasible option therefore has been for RPs to develop their own land or public sector land giving them control over the development and the ability to discount any land value in order to improve site viability. The only RP with significant land assets within the Borough is Metropolitan Thames Valley Housing (MTVH), who now own the Council's former housing stock.
- 4.9. MTVH have an on-going programme of developing garage and amenity sites, which can be referred to as the 'garage sites programme'. The Council has awarded funds to support these developments previously and recently set aside £480,000 to fund a further phase of the garage site programme which is going through the planning process.
- 4.10. In the last couple of years, capital grant from central Government via Homes England (formerly known as the Homes and Communities Agency) to support RP developments has become more generous. Additionally, MTVH (as with other RPs) have their own recycled grant funds available which are time limited. As such, MTVH may elect to fund various phases of the garage site re-development programme via a mix of their recycled grant funds and Homes England grant, without the need for any grant from the Council. Therefore, the availability of external funding and the circumstances of the RP at the time will determine whether other sources of subsidy i.e. Council grants or loans are required to bring forward a scheme.
- 4.11. Aside from the fact that it is not ideal to retain budgets set aside to assist in delivering affordable housing without specific schemes in mind, elements of the Council's affordable housing capital budget are time limited (particularly the use of S106 receipts). Funds received in lieu of on-site affordable housing usually have a time limit for allocation, after which time the developer may be entitled to claim back these funds.

Proposed new options

- 4.12. The Council continues to take a pro-active role in respect of the allocation of its affordable housing budget as well as linking more closely with other Council priorities. It is, therefore, proposed that over and above the existing

options available to the Council to fund RPs to develop affordable housing, the Council considers acquiring empty or other open market properties to utilise and/or enter into short-term management agreements in exchange for providing refurbishment loans. These properties will be provided as rental dwellings and will provide nomination rights to the Council.

4.13 The table in Appendix A details each of the new options (i-v) in addition to the existing options (vi – vii) as set out below:

- i) Acquisition of open market property (**NEW**)
- ii) Acquisition of empty property (**NEW**)
- iii) Loans to property owners of empty properties for refurbishment and letting (**NEW**)
- iv) Loans to third parties to support the provision of affordable housing (**NEW**)
- v) Support to ensure council led schemes are policy compliant in respect of the provision of affordable housing (**NEW**)
- vi) Funding of garage/infill site development; and
- vii) Funding of open market site development.

4.14. It should be reiterated that all new options will be subject to due diligence (incorporating the consideration of risks and costs in relation to the particular option) and any acquisition or loan will require approval by the Council's Section 151 Officer and Finance Portfolio Holder. Additionally, the Council's Disposal and Acquisition Policy for Land and Buildings should be revised and brought back to Cabinet, particularly to consider delegated authority for the acquisition of housing property to enable what maybe time-critical transactions allowing for expeditious decision making.

Acquisition and rental agreement details

4.15. As discussed, acquisitions funded through the affordable housing capital budget would be targeted at empty dwellings in the Borough which would support the Council's empty homes strategy and also generate New Homes Bonus where the property has been empty for more than 6 months. The Council may also look at acquiring any open market dwellings for sale if they offer value, or strategic opportunity.

4.16. The Council does not have its own housing stock and, consequently, does not run a Housing Revenue Account (HRA). The Government, however, allows non-stock owning authorities to directly hold a small number of properties (up to 200) for housing purposes within its General Fund.

4.17. It needs to be noted that any Council, even if it is not operating a HRA, can only directly let residential property on a secure tenancy (or a license if the property is let on a temporary basis which will not be relevant for this purpose). A secure tenancy obviously provides long-term security of tenure and other bestowed rights, such as the Right to Buy (RtB).

- 4.18. However, any new Council acquisition or development is protected in cash terms for fifteen years before the RtB discount can be applied.
- 4.19. The Council could consider some form of arm's length vehicle or joint venture in order to facilitate the letting of the properties on an assured or assured-shorthold tenancy basis. Properties held on this basis, and let on an assured tenancy, would not be subject to RtB. However, given that only a relatively small number of properties would be acquired by the Council, it is proposed at this stage that the Council simply brings the properties into its ownership.
- 4.20. Where a loan agreement is entered into, the Council will not take a leasehold interest, although the property will be charged to the value of the loan. As such, the owner will remain the landlord and the property will be let on an assured-shorthold tenancy between the landlord and the tenant.
- 4.21. The acquisition and loans will be funded in their entirety via the capital budget. No loan finance will be raised against future revenue. As such rental payments will come to the Council as gross income. However, the Council will need to resource the management, maintenance and sinking fund (for future repairs) from the rental income received. Without loan finance to service the properties, it is anticipated this will generate a net income following management and maintenance costs albeit individual business cases will be approved by statutory officers and, as a minimum, also the Finance Portfolio Holder.
- 4.22. As the Council does not currently own housing stock, it does not have a management and maintenance capacity to manage and maintain the dwellings. The Council will need to employ a partner to manage and maintain the dwellings it acquires or enter into a rental agreement. MTVH have indicated a willingness to provide this service.

Loans to third parties

- 4.23. There is an option to provide loans at commercial rates to housing providers. For example East Lindsey DC did so in 2014 for £5m. The main risk concerns the security of counter parties and credit risk ie that interest rates charged should reflect the repayment or potential payment default risk by the third party that has borrowed money from the Council and reflect a commercial rate of return.

Support for Council Led Schemes

- 4.24. The Council continues to look to optimise the use of its own asset base. For example, projects like the development of Abbey Road where the Council is looking to provide some affordable housing. With any such project there are viability risks and it maybe that such capital resources are used to support such projects. Given these are Council run projects and assets, this would be a top priority for the use of such funding.

5 Alternative Options Considered and Reasons for Rejection

- 5.1 The Council could do nothing further and rely on the current funding options. However, this limits the circumstances in which the budget could be allocated and the period this would be spent. This is particularly relevant for sums allocated in lieu of the onsite provision of affordable housing via S106 agreements which have a time limit for allocation.

6 Risks and Uncertainties

- 6.1 The Council does not hold or manage residential properties. In view of this, the Council will need to procure a management partner with mutually agreed terms. MTVH have indicated a willingness to provide this service to the Council but there will need to be sound business cases for all concerned.
- 6.2 If the Council does buy properties, careful consideration will need to be taken regarding risks concerning the management, repairs and maintenance, and potential default on rent repayment compared to the income stream if such properties are rented out. This risk can be transferred to third parties, again sound business cases will be required.
- 6.3 Any loan agreements will be subject to counterparty credit and loan repayment default risks.

7 Implications

7.1.1 Financial Implications

- 7.1.2 As stated, the Council has an affordable housing capital budget, some of which is time-limited. The sum available for allocation is £1.6m of which approximately £0.5m is from S106 receipts and ring-fenced for this purpose. At this stage, £480k has been set-aside for Phase II garage site development.
- 7.1.3 It is currently proposed that any acquisitions/loans would be funded in their entirety by available capital funds. There could be an option of financing some through borrowing against future rental income but this would need to be considered separately.
- 7.1.4 Any additional revenue costs arising from such acquisitions, such as management fees, contribution to a sinking fund for any future capital enhancements or repairs, would be offset against rental income.

7.2 Legal Implications

- 7.2.1 Legal advice would be required to confirm the legitimacy of the structural arrangements by which the Council 'holds' the acquired or leased dwellings. Similarly, advice would be required in relation to any loan or, indeed, any other type of agreement.

7.3 Equalities Implications

7.3.1 None.

7.4 Section 17 of the Crime and Disorder Act 1998 Implications

7.4.1 None.

8 Link to Corporate Priorities

- **Delivering economic growth to ensure a sustainable, prosperous and thriving local economy** – Effective partnership working to increase the supply of affordable housing will meet a range of needs across the borough which in turn will generate economic growth and deliver other significant benefits (New Homes Bonus).
- **Maintaining and enhancing our residents' quality of life** – Strong partnership working will enable residents to have safer, healthier and live longer lives in which they are able to fulfil their aspirations. The continued supply of affordable housing will reduce the instability caused to families and communities by preventing homelessness

9 Recommendations

It is RECOMMENDED that Cabinet:

- a) Approves the principle that the following new options, indicated below and set out in Appendix A, are considered for allocation of capital support from the Affordable Housing capital budget:
 - vi) Acquisition of open market property
 - vii) Acquisition of empty property
 - viii) Loans to property owners of empty properties for refurbishment and letting
 - ix) Loans to third parties to support the provision of affordable housing
 - x) Support to ensure council led schemes are policy compliant in respect of the provision of affordable housing

Any chosen option will be subject to the approval of both the Section 151 Officer and Finance Portfolio Holder.

- b) A revised Disposal and Acquisition Policy for Land and Buildings is brought to Cabinet (and then Council), particularly to consider delegated authority for the acquisition of housing property.

For more information contact:	Donna Dwyer Strategic Housing Manager 0115 914 4275 ddwyer@rushcliffe.gov.uk
Background papers available for Inspection:	None.
List of appendices:	Appendix A – Affordable Housing Delivery Options

Appendix A – Affordable Housing Delivery Options

Option	Scheme	Description	Deliverability	Strategic fit	Financial and social value/risk
i) New	Acquisition of market properties	The Council acquires properties advertised for sale via estate agents	This is the easiest option in respect of delivery given there will be a willing seller and buyer.	It delivers additional affordable housing. However it does not address issues around empty homes.	<ul style="list-style-type: none"> • Provision of additional affordable housing in areas of high demand • Target specific housing needs • Asset value on balance sheet • Right to Buy risk • Low number of properties likely
ii) New	Empty homes acquisition.	The Council acquires empty properties identified by the Environmental Health team (Empty Homes).	This will potentially require a lot of lead in work before we are in a position to acquire particularly if there is no voluntary agreement with the owner.	It delivers additional affordable housing and brings empty homes back into use. However the house type is constrained by what empty dwellings are identified.	<ul style="list-style-type: none"> • Provision of additional affordable housing to re-house homeless households • Empty property back into use • Generates New Homes Bonus • Asset value on balance sheet • Right to Buy risk • Low number of properties likely
iii) New	Loan to property owners of empty	The Council provides a loan to refurbish empty	This will potentially require a lot of lead in	It delivers additional affordable housing and	<ul style="list-style-type: none"> • Provision of additional affordable housing to

	properties for refurbishment	properties identified by the Environmental Health team (Empty Homes). In exchange for the funds the owner will enter into a loan agreement with the Council which will require the Owner to make the property available for the affordable housing for an agreed term.	work before we are in a position to agree loan terms.	brings empty homes back into use. However the properties will only be available on a short term- 5 to 7 year rental agreement.	<p>re-house homeless households</p> <ul style="list-style-type: none"> • Empty property back into use • Better quality private sector housing via improvement works • Generates New Homes Bonus • Potential to achieve revenue return on loan interest • Management of Loan and default risk • No asset value but will get capital back via loan repayment
iv) New	Loan to third parties to support the provision of affordable housing.	The Council provides a commercial loan to a RP to support the development or acquisition of an affordable housing scheme.	Dependent on the appetite of RPs and the availability of site. Will take some lead in time and expense to produce loan documentation	Innovative way to deliver additional affordable housing while delivering a return on the Council's capital.	<ul style="list-style-type: none"> • Provision of additional affordable housing • Generates New Homes Bonus • Potential to achieve revenue return on loan interest • Loan default risk • No asset value but will get capital back via loan repayment
v) New	Support to ensure council led schemes are policy compliant in respect of the provision	The Council uses the affordable housing budget to support Council owned or led	Dependent on the availability of opportunities. Likely to take the form of grant	A good way to support the Council to achieve its strategic objectives. Affordable housing can	<ul style="list-style-type: none"> • Provision of policy compliant affordable housing • Meets Council's wider

	of affordable housing.	schemes where viability constraints do not allow the delivery of affordable housing at a policy compliant level.	to the RP which is straightforward.	be delivered to Council specification where Council has lead interest.	<p>strategic growth objectives/targets</p> <ul style="list-style-type: none"> • Generates New Homes Bonus • Capital receipt • No asset value
vi)	Funding of garage/infill site development	The Council provides funding to a RP to develop its own sites.	If sites are available then and the RP applies for funds, then this option is very deliverable. However as explained in the report, where land is available RP are choosing other funding sources.	A new development on land owned by the RP allows control of development and therefore the development can be shaped to meet housing needs.	<ul style="list-style-type: none"> • Provision of additional affordable housing • Reduces ASB on derelict/low demand garage sites • Generates New Homes Bonus • Grant per unit competitive (higher numbers) • Provision of mixed tenure sites • Target specific housing needs • No asset value • Lost resource to the Council.
vii)	Funding of open market site development	The Council provides funding to a RP to develop its own sites.	If sites are available then and the RP applies for funds, then this option is very deliverable. However within the context of land prices in the	To a degree the same control could as above, although an open market acquisition could be constrained by an existing permission.	<ul style="list-style-type: none"> • Provision of additional affordable housing • Brings forward sites to meet the Council's wider strategic growth objectives/targets

			borough it is very unlikely that open market will be deliverable for an RP within their own RP are choosing other funding sources.		<ul style="list-style-type: none"> • Generates New Homes Bonus • Target specific housing needs • No asset value • Lost resource to the Council better funded by s106
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Cabinet

Tuesday, 10 September 2019

Corporate Strategy

Report of the Chief Executive

Cabinet Portfolio Holder for Strategic and Borough Wide Leadership Councillor S Robinson

1. Purpose of report

- 1.1. The Council's current Corporate Strategy 2016-2020 is due to expire on 31 March 2020. However, due to the significant progress made in delivering the 2016-2020 strategy and in response to the changing landscape within local government, work has taken place over the last few months to revise the document. A draft Rushcliffe Borough Council Corporate Strategy 2019-2023 is attached at Appendix One for consideration.
- 1.2. The draft Rushcliffe Borough Council Corporate Strategy 2019-2023 has been reviewed by the Corporate Overview Group.

2. Recommendation

It is RECOMMENDED that the Cabinet endorses the Corporate Strategy 2019-23 and forwards it to Council for adoption.

3. Reasons for Recommendation

- 3.1. The current Corporate Strategy expires at the end of March 2020. Significant progress has been made towards the goals outlined in that Strategy and an updated, more forward-looking strategy is required to guide the future direction of the Council.

4. Supporting Information

- 4.1. The Council's Corporate Strategy is one of the key documents (along with the Medium Term Financial Strategy and Transformation Plan) in setting the direction of travel for the Council, highlighting its key priorities and the tasks it is going to undertake over the next four years to deliver upon these priorities. This provides a clear strategic direction for the Council and a benchmark against which progress towards the Council's stated goals can be monitored.
- 4.2. The Strategy also highlights the work undertaken by the Council over the course of the previous Strategy. Delivery of the Corporate Strategy has been monitored on a quarterly basis by the Performance Management Board over the last three years.

- 4.3. A decision is required whether the new Strategy meets the needs of the Council and whether it is ready to be recommended to Council for adoption.
- 4.4. The current Corporate Strategy, entitled 'Building on Firm Foundations' was published in March 2016. The Strategy contained 12 strategic tasks based upon three corporate priorities for improvement. These corporate priorities were:
- Delivering economic growth to ensure a sustainable, prosperous and thriving local economy
 - Maintaining and enhancing our residents' quality of life
 - Transforming the Council to enable the delivery of efficient high quality services.
- 4.5. The Corporate Strategy 2019-2023 has been constructed as a living strategy – one that continues to evolve and grow over its lifespan. This is reflective of the fluid nature of local government at the present time. As a consequence, it contains a number of commitments under four corporate priorities. These are:
- Quality of Life
 - Efficient Services
 - Sustainable Growth
 - The Environment
- 4.6. The Corporate Strategy is resourced by the Council's Medium Term Financial Strategy (MTFS) with the Transformation Strategy one of the vehicles used to deliver both innovation and support. Performance against the Corporate Strategy will be monitored quarterly by the Corporate Overview Group. They have the opportunity to request further information or investigation where progress or performance does not appear to be sufficient to reach the targets set or deliver the community outcomes desired.

5. Alternative options considered and reasons for rejection

- 5.1. There are no alternatives.

6. Risks and Uncertainties

- 6.1. There are no risks or uncertainties involved with forwarding the draft Corporate Strategy to Council for consideration.

7. Implications

7.1. Financial Implications

The priorities and tasks contained within the Corporate Strategy will be incorporated into the Council's Medium Term Financial Strategy and Transformation Plan which are approved by Council.

7.2. Legal Implications

The Council is required to have a Corporate Strategy in place and this report adequately captures that.

7.3. **Equalities Implications**

The Corporate Strategy takes account of the effect of the Council's priorities on all residents of the Borough and is supported by the Council's Equality and Diversity Scheme.

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

There are no Section 17 implications to the recommendations contained within this report.

7.5. **Link to Corporate Priorities**

The Corporate Strategy sets the Council's Corporate Priorities and, as such, the two are intrinsically linked.

8. **Recommendations**

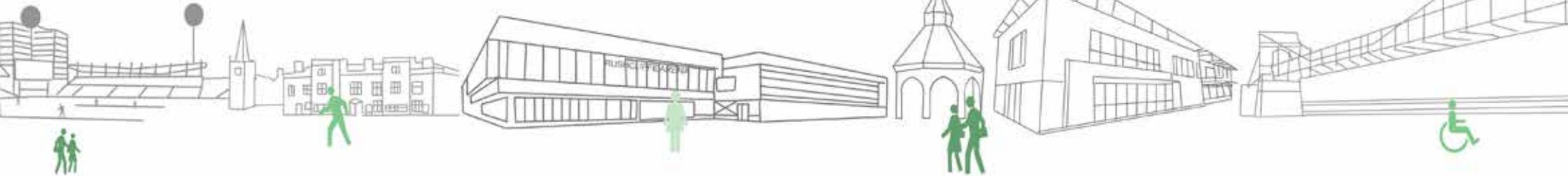
It is RECOMMENDED that the Cabinet endorses the Corporate Strategy 2019-23 and forwards it to Council for adoption.

For more information contact:	Kath Marriott Chief Executive Tel: 0115 9148291 kmarriott@rushcliffe.gov.uk
Background papers available for Inspection:	None
List of appendices:	Appendix 1 – Draft Corporate Strategy 2019 – 2023

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Rushcliffe
Borough Council



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Rushcliffe Borough Council

Corporate Strategy

2019- 2023

RUSHCLIFFE - GREAT PLACE • GREAT LIFESTYLE • GREAT SPORT



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INTRODUCTION FROM THE LEADER AND CHIEF EXECUTIVE



As a Council, we are working harder than ever to support a sustainable, productive and prosperous Rushcliffe, a place where people are proud to live, work and do business.

As well as continuing to provide the statutory services you would expect of your Council, such as emptying your bins, making decisions about planning applications, delivering leisure and environmental health services and providing benefits and housing services, over the next four years we are proud to say we will also be:

- **Ensuring there is a resilient Medium Term Financial Strategy**, covering the next four years, which will support the ambitions of the Council contained in this Corporate Strategy. Given the backdrop of uncertainty concerning future local government funding and changes to the business rates system, we recognise the importance of being adaptable and ready to change in a way that supports and enhances the lives of our residents.
- **Actively working to welcome new businesses, and to support existing businesses, big and small, to thrive.** Businesses are the beating heart of many of our communities, keeping our economy booming, providing jobs for our residents, and choice for consumers. Supporting businesses is a key part of our commitment to ensuring our high streets and local communities continue to prosper.
- **Operating in an ever more transparent manner, ensuring residents feel fully informed and involved in decision making.** We have implemented citizens' questions, the opportunity for citizens to ask questions at the beginning of Cabinet meetings and ordinary meetings of Council and the opportunity for applicants and objectors to speak at Planning Committee. We are committed to further increasing the transparency, openness and accessibility of the democratic process.
- **Maximising our impact within the wider public and private landscape** of Nottinghamshire, the East Midlands and the UK, working in partnership more effectively, to deliver the best for you. We believe that true collaborative working means that sometimes we will be leading and sometimes we will be taking the lead from partners and supporting others to deliver what our communities need.
- **Committed to playing our part in delivering housing growth in a sustainable way.** By 2028, Central Government has dictated that we should have facilitated the delivery of 13,150 additional houses in Rushcliffe. Nearly 3,000 have already been built. We want to ensure that we are helping to form new communities, supporting improvements to infrastructure, such as transport links, and creating employment opportunities while maintaining high environmental standards so that we can all enjoy the place we live in.
- **Considering the impact we all have on the environment**, making responsible decisions, prioritising what we can do to fulfil the global ambition to become carbon neutral, and supporting green infrastructure to protect our environment for future generations to enjoy.
- **Continuing to deliver the quality services you expect**, but perhaps in new ways, making better use of technology to give you more choice in how and when residents interact with us.

OUR JOURNEY SINCE 2016:



2016

Sharpill residential development started



2017

Rushcliffe Arena - £16m brand new leisure centre and civic office opened

Planning Peer Challenge - our planning service was scrutinised and found to be performing well, some recommendations were made and have been adopted

Councillor Simon Robinson elected as Leader, bringing new vision and drive

2018

Town centre Growth Boards reviewed and re-launched to include East Leake



Renovation of historic Bridgford Hall

Joint second largest residential and fourth largest commercial development awarded planning permission at Fairham



Adoption of Asset Investment Strategy, which supports and guides decisions around asset acquisitions

£

Awarded Commercial Council of the Year and Entrepreneurial Council of the Year, at the MJ and LGC awards 2018



Work place health Silver Award, in recognition of efforts to improve staff health and well being



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Relocation of Abbey Road recycling depot releasing key site for more development opportunities


Received Gold Award from the Armed Forces Employee Recognition Scheme


Electric car charging points installed at Rushcliffe Arena




Funding approved to deliver Bingham Leisure Centre and mixed use development at Chapel Lane, Bingham



Cotgrave Town centre redevelopment - Multi Service Centre, Shop Refurbishment and Business Hub complete


Hosted the start of stage seven of the Tour of Britain bringing an estimated economic benefit of £412,000


Runner up for the Municipal Journal's Council of the Year Award

LGA Corporate Peer Challenge - the Council as a whole was scrutinised and found to be a high performing authority



2019


Centre for Public Scrutiny review found that Rushcliffe is a high performing authority with good scrutiny


Received Silver Award from the Armed Forces Employee Recognition Scheme

2018

WE ARE CONTINUING TO MAKE A DIFFERENCE. HERE ARE SOME OF OUR HIGHLIGHTS...



RUSHCLIFFE ARENA

We've built a state-of-the-art leisure centre, and smaller, more efficient civic offices, in the heart of our largest community, investing £16m in our residents' health and well-being. This investment has already resulted in savings of over £450k per annum.



BRIDGFORD HALL

An ailing historical building brought back to life with a £0.8m investment and £1.5m Heritage Lottery funding and repurposed into an exclusive apart-hotel and Registry Office facility. This has safeguarded a historic building and preserved a much loved community asset.



GREEN INITIATIVES

As well as encouraging our residents to recycle their cans, bottles, newspapers and garden waste, we have championed a number of other green initiatives. These include Refill Rushcliffe, which encourages local businesses to allow residents to refill reusable water bottles; our tree planting scheme, through which we have already given away 850 trees; and electric car charging points at the Rushcliffe Arena.



BUSINESS SUPPORT

Supporting business in the Borough is a key priority for us. We're committed to the Digital Growth programme which so far has supported over 150 local businesses, provided £69,000 in grants, delivered 36 workshops, and provided almost 2,000 hours of support to local small businesses.



HELP FOR THOSE IN NEED

We have aided residents in supporting local charity The Friary, an organisation which empowers homeless and disadvantaged adults to rebuild their lives. Our Friary collection scheme encourages residents to leave out clothing and food donations with their bins, which our waste team collects and transports to the Friary. In the past three years, we have collected over 30 tonnes of donations.



RUSHCLIFFE - GREAT PLACE - GREAT LIFESTYLE - GREAT SPORT



AWARD WINNERS

In 2018, we were named the Local Government Chronicle's Entrepreneurial Council of the Year and the Municipal Journal's Commercial Council of the Year. These awards were recognition of the work we had undertaken to deliver value for money services with the help of careful commercial projects for the benefit of our residents. The renovation of Bridgford Hall and the work of Streetwise, our grounds maintenance company, are examples of these commercial projects.



ARMED FORCES

We're committed to supporting armed forces personnel and veterans as part of the Armed Forces Community Covenant, a scheme which encourages understanding and awareness of the issues affecting veterans and their families within the local community, as well as providing support for existing and ex-armed forces personnel and their families. We achieved the Gold Employee Recognition Scheme Award in August 2019.



COTGRAVE REGENERATION

We have worked with local residents and partners to regenerate Cotgrave, including the development of nearly 500 new homes, 15 industrial premises, nine business units and 10 refurbished shops. Health, police, library and Council services now share one building in a revitalised town centre.



GROWTH BOARDS

We established growth boards in our major growth areas, bringing together public sector partners, local representatives of the community and businesses. Their aim is to work together to develop communities facing significant housing growth, making sure the Council meets the needs of existing, and future, residents and businesses.



NEW HOMES

We're required to deliver 13,150 new homes by 2028, twice the amount of other Greater Nottinghamshire district councils. We are working to meet these targets in a sustainable way, creating new communities, not just building houses. We have already facilitated the delivery of almost 3,000 new homes in the Borough.



AS WELL AS ACHIEVING ALL OF THIS, DID YOU KNOW THAT IN THE LAST YEAR THE COUNCIL...



Emptied **3.3 million bins**.



Processed the joint second largest residential and fourth largest commercial planning application in the country last year. Fairham will be a **£825m** development, providing **3,000** new homes and **2,500** new jobs.



Helped **180** individuals who were at risk of becoming homeless to find somewhere to live, preventing homelessness in the Borough.

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Answered **100,000** calls from our residents.



Helped **17,000** residents in person at our Community Contact Centres.



Welcomed over **30,000** residents and visitors at our many community events such as Lark in the Park, Taste of Rushcliffe and Proms in the Park.



Supported over **1000** elderly or vulnerable people to live independently with one of our home alarms. This service also has a **100%** satisfaction rate.



Conducted over **300** food hygiene inspections, keeping you safe when eating out in the Borough.



Successfully kept our Council Tax rates for Band D properties lower than **75%** of all local authorities in the country.

OUR CURRENT FINANCIAL POSITION:

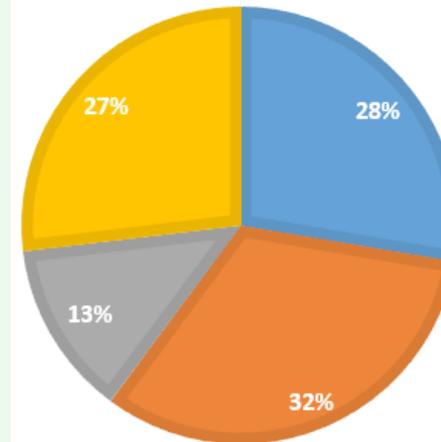
The pie charts to the right depict the Council's sources of income in 2013/14 and 2019/20.

Funding for local Government from central Government has been steadily declining over the years (a loss in excess of £3.25m in Revenue Support Grant), and continues to be subject to great uncertainty in the form of the New Homes Bonus, which mainly supports our capital spend. We have responded to this challenge positively by taking a look at how we work to make sure we are as efficient as we can be. This has resulted in efficiencies of over £4m. We have also begun to think differently about making the most of our assets and generating additional income where we can. Over the last few years, we have:

- maintained our position as the lowest Council Tax authority in Nottinghamshire for band D properties
- grown our income streams to £6.1m per year assisting us to become financially self-sufficient
- commercialised our green waste service generating £1.3m per year and introduced minimal parking fees generating £0.7m per year
- introduced the Council's Asset Investment Strategy, investing in property, which already generates around £1.5m in income and we expect this to rise to £2.5m by 2023/24.

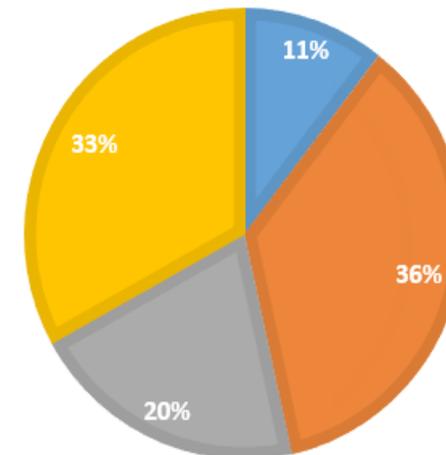
Going forward, the Council is still experiencing significant financial risk given the uncertainty over the system for business rates funding, the Fairer Funding Review, and the requirement to have a sustainable balanced budget each year. You can find an up to date overview of our financial position each year on our website.

2013/14



- Central Government Grant (£4.59 m)
- RBC Council Tax (£5.4 m)
- Business Rates (£2.152 m)
- Fees, Charges and Rental Income (£4.468 m)

2019/20



- Central Government Grant (£1.9m)
- RBC Council Tax (£6.65 m)
- Business Rates (£3.77 m)
- Fees, Charges and Rental Income (£6.1 m)



A LIVING STRATEGY:

This Strategy sets the overall direction the Council is planning to take over the next few years but the environment we operate in now is ever-changing and not as stable or predictable as it once was. As a consequence, we too need to be flexible, responsive and fleet of foot.

Therefore, our Corporate Strategy Action Plan which is appended to this document is more fluid in nature. It highlights projects we are committed to which fall within the Council's four priorities:



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Within each of these priorities the Council has made a number of commitments outlining the aspirations it would like to achieve or be working towards over the life of this Strategy.

The near future, the next two years for example, is relatively clear and easy to predict. Therefore, we have been able to clearly state the key projects we will be working on. These are detailed in the Corporate Strategy Action Plan. When future opportunities present themselves or new ideas are presented, these will be assessed against the commitments made in this strategy and against each of the priorities of the Council. Where they contribute towards the Council's overall priorities and compliment the commitments stated below, then they will be added to the Action Plan and delivered alongside existing projects.

The Corporate Strategy Action Plan itself will be monitored at regular intervals throughout the year by our Executive Management Team and on a quarterly basis by Councillors who sit on the Corporate Overview Scrutiny Group. Any issues identified in terms of project delivery or the performance of Council services may be scrutinised in more detail by another scrutiny group or one of the appointed task and finish groups.



QUALITY OF LIFE

Our residents' quality of life is our first priority. When we say 'quality of life' we mean how our residents feel about living in the Borough, its environment, and the community facilities they can access. Rushcliffe is regularly rated in both local and national surveys as one of the best places to live in the UK and we are keen to preserve this reputation. As an organisation we are committed to:

- Working with our partners to create great, safe and clean communities to live and work in
- Protecting our residents' health and facilitating healthier lifestyle choices
- Providing high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council
- Engaging with our residents to ensure they are involved in decisions that affect their quality of life and are also sufficiently informed to enable them contribute to the debate
- Recognising opportunities to create vibrant town centres which are attractive and accessible to all, as well as providing a pleasant retail experience
- Creating opportunities for young people to realise their potential.



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EFFICIENT SERVICES

As an organisation it is always our intention to deliver the best services for our residents, in the most efficient way possible. In the coming years, we know this will mean embracing new ways of working and being open to innovation and transformation. Although there is no certainty around what the next four years will bring, there is certainty in how we will approach whatever arises. This approach can be captured in the following commitments:

- Responsible income generation and prudent borrowing where deemed appropriate, to facilitate the delivery of services
- Ongoing appraisal and alignment of resources linked to growth aspirations
- Communication with our residents to ensure they feel informed and involved in decision making
- Reviewing service delivery models to ensure that residents are receiving consistently excellent services either delivered directly by the Council, or by our arm's length companies, or by private and public sector partners.



SUSTAINABLE GROWTH

Rushcliffe is determined to play its part in shaping the future of the Borough ensuring the needs and aspirations of Rushcliffe residents are met in all future developments. This involves a significant amount of partnership working as delivering upon the commitments outlined below will require the participation of a number of different stakeholders. We accept that sometimes we will be leading and sometimes supporting others to deliver what our community needs to grow in a sustainable way. As an organisation we are committed to:

- Bringing new business to the Borough and nurturing our existing businesses, helping them to grow and succeed
- Ensuring our residents across the generations have the skills they need to succeed in the workplace
- Protecting the most vulnerable in our communities
- Ensuring our priorities are reflected in wider plans at a local, regional and national level to ensure we can maximise the opportunities for Rushcliffe of developments such as HS2 and the expansion of EMA whilst also providing support needed at some of our key sites including Ratcliffe on Soar Power Station
- Working with government agencies including Homes England, Highways England, Department for Business, Energy and Industrial Strategy, and The Ministry for Homes, Communities, Local Enterprise partnership and Local Government, to secure funding to support sustainable growth
- Delivering our Empty Homes Strategy which will prioritise action on long-term empty homes.

At Rushcliffe, we know that the natural environment is precious and not something we can afford to take for granted. We are fully committed to playing our part in protecting the environment today and enhancing it for future generations. We have already taken steps to ensure that, where we can, we are making changes to operate in a more environmentally responsible way. This has led to an 18.2% drop in greenhouse gas emissions up to April 2018 from our base year of 2008/09 for carbon emissions from our operations and services. But we appreciate we are at the start of a long and vital journey towards becoming a truly green Borough. Along this journey we will be:

- Reviewing our policies and ways of working to protect natural resources, and to implement environmentally beneficial infrastructure changes,
- Helping our residents become more environmentally friendly by providing advice and initiatives such as our free tree scheme
- Maximising our community leadership role to influence the behaviours of partners, businesses and our residents
- Encouraging developers to deliver carbon neutral homes
- Working to achieve a carbon neutral status for the Council's operations
- Administering Tree Preservation Orders, and other controls, to protect trees and hedgerows
- Ensuring that national air quality standards are achieved across the Borough
- Delivering a high quality waste and recycling collection service
- Continuing to support environmental initiatives such as tree planting schemes, reducing single use plastics and promoting Refill Rushcliffe
- Protecting the environment and public health by fulfilling our statutory responsibilities to regulate contaminated land, and control industrial and commercial processes.



THE ENVIRONMENT



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Corporate Action Plan

2019

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The following action plan sets out the activities and the projects we are dedicated to delivering in line with the corporate priorities and commitments set out in our Corporate Strategy. This action plan will be monitored by our Executive Management Team and by Councillors who sit on the Corporate Overview Scrutiny Group on a quarterly basis.

New activities and projects that align to commitments made in the Corporate Strategy will be added to the action plan below as they emerge - this is the essence of a living strategy. Equally, as projects are completed they will be removed from the action plan to ensure it remains current and relevant.

You will always be able to access the most up to date version of the Corporate Strategy and its associated action plan on our [website](#).

QUALITY OF LIFE

What are we going to do?	Why?	When?	How will we know we have achieved it? How will we know it is successful?
Develop the Chapel Lane site in Bingham including a new leisure centre, community hall and office space by 2022	To provide modern, high-quality leisure and community facilities, as well as employment opportunities, to the growing population in the east of our Borough	2019-22	<ul style="list-style-type: none"> • Chapel Lane development complete and new leisure centre open by 2022 • Number of leisure centre users • Satisfaction of leisure centre users • Participation in sport figures • Quality of facility
Support the continued development of existing local growth boards for Radcliffe on Trent, Bingham, East Leake and West Bridgford; and create a new board for Fairham	Operate multi-sector partnership boards which are focused on shaping growth at a local level	2019-23	<ul style="list-style-type: none"> • Delivery of agreed action plans • Flourishing town centres
Review the Council's community facilities to ensure they meet the community need and contribute to the Council's property portfolio	To ensure the provision of high quality community facilities which meet community need	2019-21	<ul style="list-style-type: none"> • Community facilities reviewed by December 2020 • Number of community facility users • Positive feedback from users
Facilitate the development of a new Crematorium in the Borough by 2022	To provide additional community infrastructure resulting in additional capacity in the Borough alongside the existing Crematorium at Wilford Hill	2019-22	<ul style="list-style-type: none"> • Crematorium open by 2022 • Number of Crematorium users • Service satisfaction e.g. families and funeral directors
Deliver a targeted events and health development programme across the Borough (Rushcliffe Roots and the Rushcliffe Clinical Commissioning Group)	To protect our residents' health and facilitate healthier lifestyle choices	2019 onwards	<ul style="list-style-type: none"> • Number of participants in specific initiatives

EFFICIENT SERVICES

What are we going to do?	Why?	When?	How will we know we have achieved it? How will we know it is successful?
Relocate our R2Go service and Streetwise Environmental Ltd	To enable the current site at Abbey Road to be developed for residential housing	2019-20	<ul style="list-style-type: none"> • R2Go and Streetwise Environmental Ltd. will be relocated by December 2019 • Abbey Road site ready for housing development March 2020
Include digital principles in our communications and ways of undertaking business page 39	To ensure that we make best use of digital development where appropriate to deliver better services and operate even more efficiently. To enable residents to do business with us in a digital way if that is their preference	2019-23	<ul style="list-style-type: none"> • Digital by Design Strategy delivered by 2023 • Time savings • Financial savings • Increased customer satisfaction • Residents satisfied with the number of ways they can access Council services
Relocate the Rushcliffe Community Contact Centre in West Bridgford	To ensure the continued provision of face to face customer services in West Bridgford	2020	<ul style="list-style-type: none"> • Rushcliffe Community Contact Centre relocated by March 2020 • Number of residents satisfied with the number of ways they can access Council services
Deliver our Medium Term Financial Strategy and Corporate Strategy	To ensure that we have an integrated and strategic approach to how we provide our services which enables us to withstand financial pressures and deliver the best for our residents.	2019-23	<ul style="list-style-type: none"> • Ensure a balanced sustainable budget is agreed by Council resourcing the Corporate Strategy • This incorporates the Council's transformation programme which continues to evolve and deliver necessary efficiencies and additional income • Residents satisfied with the quality of services delivered • Residents believing that the Council delivers value for money

SUSTAINABLE GROWTH

What are we going to do?	Why?	When?	How will we know we have achieved it? How will we know it is successful?
Support the ongoing delivery of 13,150 new homes and securing a 5-year land supply as detailed in the Rushcliffe Local Plan	To ensure new homes are delivered in Rushcliffe in line with nationally set government targets, to respond to housing demand	2019-28	<ul style="list-style-type: none"> • Housing targets met • Sufficient supply of suitable housing is available to meet the needs of the community • Local Plan Part 2 adopted by December 2019 • Local Plan Part 1 reviewed in partnership with Greater Nottingham Housing Area by 2022
Support the delivery of employment land on all six strategic sites in Rushcliffe and other sites allocated through the Local Plan	To facilitate the provision of much-needed employment land in Rushcliffe encouraging businesses to set up and grow within the Borough providing jobs for local residents	2019-28	<ul style="list-style-type: none"> • Employment units built and occupied • New jobs created • Rental income received • 70ha of employment land to be delivered by 2028
Support the delivery of improved transport infrastructure potentially including the A46, A52 and A453 corridors	To ensure that necessary transport infrastructure is in place to respond to expected population increase	2019-23	<ul style="list-style-type: none"> • Infrastructure improvements delivered
Review the Asset Management Plan	To ensure we are maximising our property holdings and aligning them with the needs of our residents. Properties may be held for operational purposes, for community use, or for investment purposes	2019-20	<ul style="list-style-type: none"> • Refreshed Asset Management Plan adopted by 2020 • Efficient use of property for delivering services • Return on investment for investment properties • Community facilities that residents want and use

Support the delivery of affordable housing in the Borough, working with developers, providers and private landlords	To meet the high demand for affordable housing in the Borough, Rushcliffe has a policy to deliver between 10-30 percent affordable housing on its largest housing sites	2019-23	<ul style="list-style-type: none"> • Delivery of affordable housing particularly for those most in need • Number of affordable homes delivered • Reduced waiting time on the housing list
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THE ENVIRONMENT

What are we going to do?	Why?	When?	How will we know we have achieved it? How will we know it is successful?
Refresh our carbon management plan and establish a carbon neutral target	To provide the Council with a roadmap to achieving carbon neutral status. This includes working with community and private sector partners as well as our supply chain and making public our commitment to protecting our environment	2020	<ul style="list-style-type: none"> • Carbon Management Plan adopted by the Council • Council has a clear road map to achieving carbon neutral status • Carbon Neutral target date is approved
Respond to any proposals from the Resources and Waste Strategy for England	To ensure that the Council remains compliant with Central Government policy	2019-23	<ul style="list-style-type: none"> • Fully funded strategic and operational plans in place to deliver any new requirements • Reduction in residual waste tonnage • Increase in recycling rates
Along with other councils across Nottinghamshire, lobby central government to introduce tougher building standards for new houses, through building regulations or planning regulations, to encourage developers to deliver sustainable homes	Climate change and the need to reduce carbon emissions	2022	<ul style="list-style-type: none"> • Change in regulation • Delivery of certified environmentally friendly homes • Contribution to carbon neutral target

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Cabinet

Tuesday, 10 September 2019

Revenue and Capital Budget Monitoring 2019/20 – Financial Update

Report of the Executive Manager – Finance and Corporate Services

1. Purpose of report

- 1.1. This report presents the budget position for revenue and capital as at 30 June 2019. Given the current financial climate, it is imperative that the Council maintains due diligence with regards to its finances and ensures necessary action is taken to maintain a robust financial position.

2. Recommendation

It is RECOMMENDED that the Cabinet approve the attached report noting:

- a) the projected revenue position for the year with a minor -2.48% variation (£285k) in the revenue position (mostly due to the expected business rates position and planning income); and
- b) the capital underspend of £15.326m as a result of sums no longer required and planned programme slippage.

3. Reasons for Recommendation

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

4. Supporting Evidence

Revenue Monitoring

- 4.1 The revenue monitoring statement by service area is attached at **Appendix A** with detailed variance analysis as at 30 June 2019 attached at **Appendix B**. This shows projected net efficiency savings for the year to date of £164k and additional funding of £40k in new burdens grant (mostly in relation to welfare reform and Universal Credits) along with £81k due to business rates variation. The overall £285k variation represents -2.48% against the net expenditure budget and we currently anticipate £485k to be transferred to reserves to meet in particular business rates risk going forward (see paragraph 5.3). This position is likely to change throughout the remainder of the year as managers continue to drive cost savings, and raise income, against existing budgets.
- 4.2 **Appendix A** includes a Minimum Revenue Provision (MRP) of £1m. This is a provision that the Council is required to make each year to cover the internal borrowing costs for the Arena which will be funded by the New Homes Bonus.
- 4.3 As documented at **Appendix B**, the financial position to date reflects a number of positive variances totalling £316k including additional income from planning applications and additional investment income. There are several adverse

variances totalling £89k one of which relates to £22k for Lex Leisure in relation to the Edwalton golf course management fee due to the current difficult operating environment. A further report is planned for Cabinet regarding the long term viability of the golf course before the end of this calendar year.

Capital Monitoring

- 4.4 The updated summary of the Capital Programme monitoring statement and funding position is shown at **Appendix C** as at 30 June 2019. **Appendix D** provides further details about the progress of the schemes, any necessary re-phasing and highlights efficiencies of £15.326m.
- 4.5 The original Capital Programme of £16.506m has been supplemented by a net brought forward and in-year adjustments of £13.118m giving a revised total of £29.624m. The net efficiency position of £15.326m is primarily due to significant sums for Fairham Pastures and the redevelopment of the Depot no longer being required. There is programmed slippage on several projects including Bingham Hub, Cotgrave Phase 2, and the Crematorium. In addition, Asset Investments have intentionally slowed down with two schemes pending and an uncommitted balance of £1m. The overall variance has a corresponding impact on the funding required for the programme and this is likely to mean that any borrowing requirement can be met from internal resources with no recourse to borrow externally this financial year.

Conclusion

- 4.6 The overall financial position for both revenue and capital is currently positive. It should be noted that opportunities and challenges can arise during the year which may impact on the projected year-end position. There remain external financial pressures from developing issues such as business rates retention, the fair funding review, comprehensive spending review and continued uncertainty surrounding BREXIT. Against such a background, it is imperative that the Council continues to keep a tight control over its expenditure, identifies any impact from changing income streams and maintains progress against its Transformation Strategy.

5 Risk and Uncertainties

- 5.1 Failure to comply with Financial Regulations in terms of reporting on both revenue and capital budgets could result in criticism from stakeholders, including both Councillors and the Council's external auditors.
- 5.2 Areas such as income can be volatile responding to external pressures such as the general economic climate. For example, planning income is variable according to the number and size of planning applications received dependent on factors such as business and housing growth.
- 5.3 Business rates is subject to specific risk given the volatile nature of the taxbase with a small number of properties accounting for a disproportionate amount of tax revenue, notably in Rushcliffe Ratcliffe-on-Soar power station. Furthermore, changes in central government policy influences business rates received and their timing, for example policy changes on small business rates relief.

5.4 The Council needs to be properly insulated against such risks hence the need to ensure it has a sufficient level of reserves, as well as having the ability to use such reserves to support projects where there is 'upside risk'.

6 Implications

6.1 Financial Implications

Financial implications are covered in the body of the report.

6.2 Legal Implications

None

6.3 Equalities Implications

None

6.4 Section 17 of the Crime and Disorder Act 1998 Implications

None

7. Link to Corporate Priorities

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

8. Recommendation

It is RECOMMENDED that the Cabinet approve the attached report noting:

- a) the projected revenue position for the year with a minor 2.48% underspend (£285k) in the revenue position (mainly due to business rates variation and planning income); and
- b) the capital underspend of £15.326m as a result of sums no longer required and planned programme slippage.

For more information contact:	Peter Linfield Executive Manager – Finance and Corporate Services 0115 914 8439 plinfield@rushcliffe.gov.uk
Background papers Available for Inspection:	Council 7 March 2019 – 2019-20 Budget and Financial Strategy
List of appendices (if any):	Appendix A – Revenue Outturn Position 2019/20 – June 2019 Appendix B – Revenue Variance Explanations Appendix C – Capital Programme 2019/20 – June 2019 Position

Revenue Outturn Position 2019/20 – June 2019

	Period 3			
	Original Budget £'000	Revised Budget £'000	Projected Actual £'000	Variance £'000
Communities	1,208	1,288	1,095	-193
Finance & Corporate Services	3,639	3,692	3,726	34
Neighbourhoods	5,213	5,222	5,247	25
Transformation	2,764	2,850	2,820	-30
Sub Total	12,824	13,052	12,888	-164
Capital Accounting Reversals	-2,333	-2,333	-2,333	0
Minimum Revenue Provision	1,000	1,000	1,000	0
Total Net Service Expenditure	11,491	11,719	11,555	-164
Grant Income (including New Homes Bonus)	-1,935	-1,935	-1,975	-40
Business Rates (including SBRR)	-3,767	-3,767	-3,848	-81
Council Tax	-6,646	-6,646	-6,646	0
Collection Fund Surplus(-)/Deficit	300	300	300	0
Total Funding	-12,048	-12,048	-12,169	-121
Surplus (-)/Deficit on Revenue Budget	-557	-329	-614	-285
Capital Expenditure financed from reserves	129	129	129	0
Net Transfer to (-)/from Reserves	-428	-200	-485	-285

Revenue Variance Explanations (over £10k)

ADVERSE VARIANCES in excess of £10,000	Projected Outturn Variance £'000
Finance & Corporate Services	
Housing Benefits overpayments recovered	45
Staffing costs	22
Neighbourhoods	
Lex Leisure (Edwalton Golf Course) - management fee waived	22
Total Adverse Variances	89

FAVOURABLE VARIANCES in excess of £10,000	Projected Outturn Variance £'000
Communities	
Development Control Planning Applications	-180
Finance	
Treasury Investment Income	-106
Neighbourhoods	
Waste Collection and Recycling - sale of waste bins	-30
Total Favourable Variances	-316
Sum of Minor Variances	63
TOTAL VARIANCE	-164

CAPITAL PROGRAMME MONITORING - JUNE 2019

EXPENDITURE SUMMARY

	Current	Projected	Projected
	Budget	Actual	Variance
	£000	£000	£000
Transformation	19,388	6,178	13,210)
Neighbourhoods	3,397	2,293	(1,104)
Communities	818	818	-
Finance & Corporate Services	5,911	4,899	(1,012)
Contingency	110	110	-
	29,624	14,298	(15,326)
FINANCING ANALYSIS			
Capital Receipts	(8,532)	(5,806)	2,726
Government Grants	(4,127)	(877)	3,250
Other Grants/Contributions	(474)	(474)	-
Use of Reserves	(481)	(481)	-
Borrowing	(16,010)	(6,660)	9,350
	(29,624)	(14,298)	15,326
NET EXPENDITURE	-	-	-

Capital Programme 2019/20 – June 2019 Position

CAPITAL PROGRAMME MONITORING - JUNE 2019

	Original	Current	Budget	Actual	Projected		
	Budget	Budget	YTD	YTD	Actual	Variance	
	£000	£000	£000	£000	£000	£'000	
TRANSFORMATION							
Manvers Business Park Surface/Drain	60	60	-	-	60		Design work about to commence, procurement to follow.
Colliers Business Park Surface/Drain	30	30	-	-	30		Design work about to commence, procurement to follow.
Cotgrave Masterplan	-	1,646	411	240	1,646		Works continue to develop the Public Realm.
Cotgrave Phase 2	1,900	2,030	508	66	1,000	(1,030)	Full planning expected early August. Works to commence Jan/Feb 2020. Full provision likely to be needed, scheme will be completed in 2020/21.
Bingham Leisure Hub	5,000	5,645	-	-	400	(5,245)	Contract for design fees awarded. Projected actual for Stage 1.
Manvers Business Park Roof Refurbishment	100	200	-	-	200		Survey work to be undertaken.
Manvers Business Park Roller Shutters	100	100	-	-	100		Survey work to be undertaken.
Bridgford Park Public Toilets	25	25	-	-	25		Works to be undertaken later in the year following summer events.
The Point	-	26	18	1	26		Provision to create cleaner store and complete lighting basement car park.
Arena Car Park Enhancements	-	9	-	-	9		Still in defects liability period, this sum to meet any issues arising.
Colliers Way Industrial Units	-	19	-	-	19		STW approval to connect to the main sewer, design work complete.

CAPITAL PROGRAMME MONITORING - JUNE 2019

	Original	Current	Budget	Actual	Projected		
	Budget	Budget	YTD	YTD	Actual	Variance	
	£000	£000	£000	£000	£000	£'000	
Depot Redevelopment	300	2,085	-	45	400	(1,685)	Professional fees and surveys to inform redevelopment of the Depot site
Fairham Pastures Industrial Units	3,650	3,650	-	-		(3,650)	In discussion with the developer, this sum unlikely to be required.
RCCC Enhancements	-	100	-	-	100		Provision to be used to fit out new premises for RCCC.
Bingham Market Place Improvements	35	35	-	-	35		Tree works, lighting, and paving to be carried out in the autumn.
Transport Safety Infrastructure	-	10	10	9	10		Works complete.
The Crematorium	1,700	1,700	-	2	100	(1,600)	Scheme delayed.
Industrial Units Moorbridge	1,750	1,750	-	-	1,750		Delay due to finalising design work by developer.
Information Systems Strategy	160	268	63	37	268		Acquisitions under the strategy continue to support business development.
	14,810	19,388	1,010	400	6,178	(13,210)	
NEIGHBOURHOODS							
Wheeled Bins	160	174	40	39	174		Acquisitions continue to supply new developments across the Borough.
Vehicle Replacement	200	200	180	179	179	(21)	32t Refuse Freighter bought, balance is uncommitted.
Support for Registered Housing Providers	250	1,396	-	-	480	(916)	£480k contribution for second phase garage sites to deliver 30 units of affordable housing.
Assistive Technology	12	12	3	5	12		Home alarm units for the vulnerable.
Discretionary Top Ups	57	57	14	-	57		No commitments at this stage.
Disabled Facilities Grants	454	454	113	70	454		Provision will be adjusted when allocations from the additional BCF funding agreed.

CAPITAL PROGRAMME MONITORING - JUNE 2019

	Original	Current	Budget	Actual	Projected		
	Budget	Budget	YTD	YTD	Actual	Variance	
	£000	£000	£000	£000	£000	£'000	
Hound Lodge Access Control System	25	25	-	-	25		Site survey complete, works to be procured.
Arena Enhancements	-	140	-	-	140		Provision to address any emerging capital works.
Car Park Resurfacing	-	220	-	-	220		Negotiations for design taking place, scheme to be delivered later in the year.
Car Park Improvements - Lighting WB	-	50	-	-	50		Negotiations for design taking place, scheme to be delivered later in the year.
Car Park Improvements - Lighting	-	110	-	-	110		Negotiations for design taking place, scheme to be delivered later in the year.
Other							
BLC Improvements	-	267	-	-	100	(167)	£100k committed works to upgrade the athletics track due to commence. Balance available to address any health and safety enhancement works.
CLC Pool Handling Ventilation System	-	292	-	-	292		On site, works will be completed by the end of July.
	1,158	3,397	350	293	2,293	(1,104)	
COMMUNITIES							
RCP Toilets and Educational Building	45	45	-	-	45		Scheme to commence after the summer holiday season.
Capital Grant Funding	24	104	-	-	104		4 grants approved totalling £60k, 2 pending application £30k, balance available £14k.
RCP Vehicle Access Controls	15	15	-	-	15		Scheme to commence after the summer holiday season.
The Hook Play Area	-	35	9	9	35		Works complete, invoices for equipment to be processed.

CAPITAL PROGRAMME MONITORING - JUNE 2019

	Original	Current	Budget	Actual	Projected		
	Budget	Budget	YTD	YTD	Actual	Variance	
	£000	£000	£000	£000	£000	£'000	
Play Areas - Special Expense	50	100	-	-	100		Condition survey underway to inform work plans.
The Hook Skatepark	-	4	4	3	4		Works complete.
West Park Fencing and Drainage	-	11	-	-	11		Improvement works to the drainage system to be completed later in the year.
West Park Car Park Lighting	-	25	-	-	25		To be procured with the main car park lighting scheme.
West Park Public Toilet Upgrade	-	20	-	-	20		Works to be procured.
West Park Julien Cahn Pavilion	-	40	-	-	40		Toilets and bar refurbishment to be designed.
Skateboard Parks	250	340	-	-	340		£150k committed to ROT.
Arena Public Art	-	25	-	-	25		Bench in situ, some corrective work required prior to release of payment.
Warm Homes on Prescription	54	54	14	10	54		Professional fees for home inspections and 3 grants released.
	438	818	27	22	818		
FINANCE & CORPORATE SERVICES							
NCCC Loan	-	750	-	-	750		Balance of loan available to the Cricket Club (original approval £2.7m).
Streetwise Loan 19/20	-	400	-	-	400		Further loan approval Cabinet 11.06.19 refers.
Asset Investment Strategy	-	4,761	-	-	3,749	(1,012)	£3.7m earmarked for two acquisitions, balance £1.012m uncommitted
		5,911			4,899	(1,012)	
CONTINGENCY							
Contingency	100	110	-	-	110		Provision to give flexibility to the capital programme.
	100	110			110		

CAPITAL PROGRAMME MONITORING - JUNE 2019

TOTAL

Original	Current	Budget	Actual	Projected		
Budget	Budget	YTD	YTD	Actual	Variance	
£000	£000	£000	£000	£000	£'000	
16,506	29,624	1,387	715	14,298	(15,326)	

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