



Rushcliffe  
Borough Council

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Our reference:  
Your reference:  
Date: Wednesday, 16 September 2020

To all Members of the Council

Dear Councillor

A Virtual Meeting of the Council will be held via Zoom on Thursday, 24 September 2020 at 7.00 pm to consider the following items of business.

The meeting will be live streamed via YouTube for the public to listen and view via the link: <https://www.youtube.com/user/RushcliffeBC>

Note: 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

Sanjit Sull  
Monitoring Officer

## AGENDA

Moment of Reflection

1. Apologies for absence
2. Declarations of Interest
3. Minutes of the meeting held on 16 July 2020 (Pages 1 - 18)

To receive as a correct record the minutes of the meeting of the Council held on 16 July 2020.

4. Mayor's Announcements
5. Leader's Announcements
6. Chief Executive's Announcements
7. Citizens' Questions

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Opening hours:  
**Monday, Tuesday and Thursday**  
8.30am - 5pm  
**Wednesday**  
9.30am - 5pm  
**Friday**  
8.30am - 4.30pm

Postal address  
Rushcliffe Borough  
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Rushcliffe Arena  
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To answer questions submitted by Citizens on the Council or its services.

8. Covid-19 Budget (Pages 19 - 42)

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

9. Scrutiny Annual Reports 2019/20 (Pages 43 - 74)

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

10. Notices of Motion

To receive Notices of Motion submitted under Standing Order No.12

- a) In light of recent reports on council company governance issues leading to company failures, job losses, significant financial losses to the tax payer and council budgets being overly reliant on single commercial income streams, potentially impacted by Covid-19.

This Council calls on the Government to provide clearer governance and risk management guidance to councils taking part in commercial ventures - to ensure that local council tax-payers' money and jobs are better protected.

**Councillor S Robinson**

- b) The 21% of new homes built in the flood zone in Rushcliffe is the highest in Nottinghamshire and cannot still be considered a sustainable option. The Environment Agency in England has said building homes on flood plains should be resisted where possible and Conservative MP John Redwood has stated in February 2020 that “building on land most at risk of flooding was a very foolish thing to do.” With the future impact of climate breakdown meaning that flooding is likely to intensify in both frequency and severity, we call on the Borough Council to commit to the following actions.

Give due consideration to the potential impact of the building of housing in flood risk areas, zones 1-3.

Where proposed sites in the Rushcliffe part of the Greater Nottingham Strategic Plan fall within flood prone areas to actively engage with statutory consultees to ensure robust assessment of the proposal.

**Councillor M Gaunt**

## 11. Questions from Councillors

To answer questions submitted by Councillors under Standing Order No. 11(2)

### Membership

Chairman: Councillor S Mallender

Vice-Chairman: Councillor T Combella

Councillors: R Adair, S Bailey, B Bansal, K Beardsall, N Begum, A Brennan, B Buschman, R Butler, N Clarke, J Cottee, G Dickman, A Edyvean, M Gaunt, P Gowland, B Gray, L Healy, L Howitt, R Inglis, Mrs C Jeffreys, R Jones, A Major, R Mallender, D Mason, G Moore, J Murray, A Phillips, F Purdue-Horan, S J Robinson, K Shaw, D Simms, J Stockwood, Mrs M Stockwood, C Thomas, R Upton, D Viridi, J Walker, R Walker, L Way, G Wheeler, J Wheeler and G Williams

### **Meeting Guidance**

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

### **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.

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## **MINUTES OF THE MEETING OF THE COUNCIL**

**THURSDAY, 16 JULY 2020**

Held virtually at 7.00 pm and live streamed on the  
Rushcliffe Borough Council YouTube channel

### **PRESENT:**

Councillors S Mallender (Chairman), T Combellack (Vice-Chairman), R Adair, S Bailey, B Bansal, K Beardsall, N Begum, A Brennan, B Buschman, R Butler, N Clarke, J Cottee, G Dickman, A Edyvean, M Gaunt, P Gowland, B Gray, L Healy, L Howitt, R Inglis, Mrs C Jeffreys, R Jones, A Major, R Mallender, D Mason, G Moore, J Murray, A Phillips, F Purdue-Horan, S J Robinson, D Simms, J Stockwood, Mrs M Stockwood, C Thomas, R Upton, D Viridi, J Walker, R Walker, L Way, G Wheeler, J Wheeler and G Williams

### **OFFICERS IN ATTENDANCE:**

L Ashmore	Executive Manager - Transformation
C Caven-Attack	Service Manager - Finance and Corporate Services
T Coop	Democratic Services Officer
K Marriott	Chief Executive
S Sull	Monitoring Officer
H Tambini	Democratic Services Manager
L Webb	Democratic Services Officer
S Whittaker	Financial Services Manager

### **APOLOGIES:**

Councillors K Shaw

#### **11 Declarations of Interest**

There were no declarations of interest.

#### **12 Minutes of the meeting held on 2 July 2020**

The minutes of the meeting held on Thursday, 2 July 2020 were approved as a correct record and signed by the Mayor.

#### **13 Mayor's Announcements**

The Mayor informed Councillors that she had attended two engagements in the 14 days since taking office. She had the pleasure of opening the Lady Bay Open Garden's event virtually from her own garden and attended a socially distanced 100th Birthday Street Party in Rempstone.

#### **14 Leader's Announcements**

The Leader notified Council that he and the Chief Executive had recently met with representatives of the Boundary Commission who would be undertaking a

review of Rushcliffe later in the year. They would be looking at the number of councillors, size of wards, and the physical boundaries of wards.

The Leader informed Council that officers were now receiving regular updates on Covid-19 infection rates within the county, which would enable the Council to react quickly if there was a local spike such as that seen recently in Leicester. He went on to reassure Council that although the hospitality and retail sectors had been badly hit by the lockdown, the Council was working hard to support them in reopening and continuing to operate. The Leader confirmed that the Council's leisure centres would be opening with a phased approach from 25 July 2020, and that officers were working closely with Parkwood and Mitie to allow users through the doors as quickly and safely as possible.

The Leader also paid tribute to Councillor Ron Hetherington who had resigned recently due to ill health. Councillor Hetherington had played a considerable role in the Council over several years, as part of the Cabinet and various scrutiny groups. He had been elected Mayor, and had represented his wards in East Leake and, more recently, Sutton Bonington.

#### **15 Chief Executive's Announcements**

The Chief Executive made no announcements.

#### **16 Citizens' Questions**

There were no questions.

#### **17 Business from the last Council meeting**

##### **Notices of Motions**

The following Notice of Motion was proposed by Councillor Jones and seconded by Councillor R Mallender.

*“Having regard to the extent of approved building in Rushcliffe and evidence of non-compliance by developers, the Council will review its planning enforcement policy with a view to increasing efforts to enforce compliance with approved plans, conditions and Council planning documents in conjunction with the Growth Scrutiny Group and report any recommendations back to Cabinet.”*

Councillor Jones highlighted that, since he had first submitted this motion in March 2020, a review of planning enforcement had been programmed for the Growth and Development Scrutiny Group. He explained that many residents wanted to stay in the Borough and that planning applications for home renovations continued to be submitted. He outlined his concerns regarding the Council's use of its planning enforcement powers including investigations and prosecutions. Councillor Jones reminded the Council that there would be a 28% increase in house building across the Borough in the next few years but that, as far as he was aware, there had not been a commensurate increase in staff for enforcement. There were two planning enforcement officers and for a significant period of last year, this had fallen to one officer, which was an

alarmingly fragile situation. Councillor Jones gave a number of examples from his own ward where he felt there had been insufficient planning enforcement to protect residents' quality of life. He concluded that the Council focused on bringing forward development but needed to focus equally on compliance with planning conditions and enforcement when those were not adhered to.

Councillor R Mallender reminded Council that its role in terms of planning did not end with the approval of an application. Enforcement was essential to ensure that work was undertaken in accordance with the approved plans. He stated that it was necessary to have the resources, means to monitor, and follow-up on reported breaches to ensure that existing residents and amenities were not harmed by new developments.

Councillor Upton stated that he did not have the enforcement statistics to hand, and offered to respond to Councillor Jones with this information within the week. He considered that it was important to achieve a balance in terms of resourcing enforcement and that two officers, given the amount of development within the Borough, was considered sufficient. He also remarked that Councillor Jones' suggestion that all developers were not complying was disingenuous. Councillor Upton proposed an amendment to the motion:

“Having regard to the amount of approved building for Rushcliffe and evidence of non-compliance with planning conditions by some developers, this Council supports a review of its planning enforcement policy through the task on the current work programme for the Growth Scrutiny Group and any recommendations will be reported back to Cabinet.”

The amendment was seconded by Councillor Clarke, who reserved his right to speak.

Councillor Gray agreed that the amendment encapsulated the spirit of original motion and he noted that there was expected to be considerable growth in the Borough over next ten years, and that effective planning enforcement would be essential to supporting the Council's corporate priorities. He called upon scrutiny to consider whether the Council's resourcing levels for planning enforcement were correct. Councillor Gray reminded Council that natural assets were easily removed; however, they could take decades to be established if later replaced.

Councillor Thomas indicated her support for the amendment to the motion.

Councillor Clarke highlighted his support for the sentiment of the original motion but advised Council that it was a shame that it needed to be discussed at the meeting, as it had been included on the Growth and Development Scrutiny Group work programme for some time. Councillor Clarke reminded Councillor Jones that he was welcome to present his investigation at the scrutiny meeting.

Councillor Jones thanked Councillor Clarke for his invitation to speak at scrutiny regarding the impact of planning enforcement in his ward.

After being put to the vote, the amendment to the motion was carried.

The Mayor then read out the substantive motion.

“Having regard to the amount of approved building for Rushcliffe and evidence of non-compliance with planning conditions by some developers, this Council supports a review of its planning enforcement policy through the task on the current work programme for the Growth Scrutiny Group and any recommendations will be reported back to Cabinet.”

In debating the substantive motion, Councillor Thomas reminded the Council that prompt planning enforcement action was required on issues raised, to avoid creating a culture that gaining retrospective permission was easier than applying for permission prior to any changes being made. She considered that enforcement action was necessary to maintain public confidence in the planning system and she requested the scrutiny group to consider if staffing levels were commensurate with levels of development planned for the Borough.

There was no further debate on the substantive motion. On being put to the vote, the substantive motion was carried.

### **Questions from Councillors**

#### **a) Question from Councillor Jones to Councillor Mason**

*“Do any of the Council’s Contact Centres enable EU nationals and their family members to book an appointment to use the digital document verification service for European Settlement as part of their application for settled or pre-settled status thus enabling applicants to retain their passports/biometric residence cards instead of having to post them to the Home Office?”*

Councillor Mason responded that Nottinghamshire County Council lead on the EU Settlement Scheme and those wishing to apply could seek information from the County Council’s website. She suggested that Councillor Jones should refer to the County Council for further details about the scheme.

#### **Supplementary question**

Councillor Jones asked if Councillor Mason knew if the County Council allowed applicants to use the digital document verification scheme?

Councillor Mason replied that Councillor Jones should make that enquiry of the County Council, as they were the lead for the EU Settlement Scheme.

#### **b) Question from Councillor Jones to Councillor Upton**

*“In view of the research by Queen Mary University Hospital of London and others which established beyond doubt that exposure to levels of particulate 2.5 greater than 10 per cubic metre results in changes to the structure of the heart; would you ask the Local Development Framework to consider adopting the World Health Organisations*



*guidelines of no more than 10 per cubic metre instead of the much higher level of 25 in current planning applications?”*

Councillor Upton responded that the new Environment Bill was proposing to bring in a number of changes to current air quality legislation including new requirements to monitor and tackle particulate 2.5. When that becomes law, Council guidance, plans and policies would require amendment to reflect any new legislative requirements.

### **Supplementary question**

Councillor Jones asked if the WHO guidelines could be recommended to the Council's LDF group regardless of the content of the new Bill.

Councillor Upton replied that it would be prudent to wait for the new Bill to be published to avoid wasted or duplicated effort and he advised that it was likely that the Bill would be published soon.

### **c) Question from Councillor Thomas to Councillor Upton**

*“In light of the fact that East Leake is bathed in sewage whenever there is heavy rainfall, are you able to explain how Rushcliffe ensures that Severn Trent Water meets its responsibility to increase the capacity of its sewerage systems to deal with the cumulative additional demands of new homes and other development?”*

Councillor Upton responded that the Council consulted Severn Trent on applications for major developments. The Water Industry Act 1991 imposed a continuing duty on all sewerage undertakers to provide, maintain and improve its systems for collecting and treating foul and wastewater drainage to effectually drain its areas and effectually deal with the contents of its sewers. The developer had the absolute right to connect to the public sewerage system under section 106 of the Water Industry Act. Any improvements considered necessary to improve existing capacity at the pumping station or Sewage Treatment works, would be undertaken by Severn Trent, under their separate legal obligations.

Councillor Upton advised that the Council, through the East Leake Growth Board, had engaged Severn Trent on those issues and there was an ongoing dialogue to ensure, a solution was found to the localised flooding in East Leake. Severn Trent had recently completed a sewer flow monitoring exercise for East Leake, which would be feed back into the East Leake Growth Board.

### **Supplementary question**

Councillor Thomas asked when those improvements might be made given the amount of development in the village and the extent of the problem with sewage and flooding.

Councillor Upton replied that he was not aware of the timescales but that as Councillor Thomas was a member of the East Leake Growth

Board then, perhaps, that would be the place to raise her question.

d) **Question from Councillor Gowland to Councillor Upton**

*“By becoming a Councillor I have learnt that Trent Valley Internal Drainage Board are experts at managing drainage dykes and ditches efficiently and effectively, and at a recent meeting they stated that they are open to considering adopting drainage channels on new developments. It seems preferable to have essential drainage dealt with by a statutory body, rather than leaving it to the vagaries of management companies. What are the advantages and disadvantages to RBC of asking Trent Valley Internal Drainage Board to adopt drainage-ways upstream, downstream or through new developments, possibly using money from CIL, Section 106 or developers?”*

Councillor Upton responded that it was important to emphasise that the Trent Valley Internal Drainage Board was not responsible for the maintenance of all water courses/drainage ditches in the Rushcliffe area. However, it was consulted on major planning applications and it also identified certain applications themselves through publicity exercises. That was the opportunity for them to raise their interest in future management and maintenance of any watercourses. Drainage was a very complicated issue and the Council had very limited responsibilities.

**Supplementary question**

No supplementary question was asked.

e) **Question from Councillor Gaunt to Councillor Upton**

*“The 21% of new homes built in the flood zone in Rushcliffe was the highest for anywhere in Nottinghamshire. The Environment Agency, The Labour Party and even Boris Johnson in his election campaign have all categorically stated that building on flood plains should be halted. Will the Council pledge to call an immediate halt to all building on flood plains in the Borough?”*

Councillor Upton responded that Rushcliffe was building more homes than most councils were and there were several flood zones in the Borough. All sites allocated in the Local Plan were scrutinised and the Planning Inspectorate had made no adverse comments. As far as the Council was aware, none of the Borough’s new housing sites built in the last five years had suffered significant flooding.

All planning applications in any flood zone were subject to a flood risk assessment and those for new dwellings in flood zone 2 and 3 were consulted on with the Environment Agency. Major schemes were also subject to consultation with the County Council as the Lead Local Flood Authority. Councillor Upton considered that there were sufficient procedures in place to deal with this issue.

**Supplementary question**

Councillor Gaunt asked whether an up-to-date assessment could be produced in light of recent flooding in the Borough and increasing concerns over climate change.

Councillor Upton replied that this would not be the responsibility of the Council but the Environment Agency and Nottinghamshire County Council as the Lead Flood agency. He reiterated that to his knowledge there had been no flooding on new housing estates in the Borough.

## 18 **Asset Management Plan**

The Portfolio Holder for Business and Economic Growth presented the report of the Executive Manager – Transformation, which detailed how the Council would manage its assets over the next five years. The Portfolio Holder noted that the Council owned a variety of assets, which included community assets such as community centres, parks and open space serving the residents of the Borough, through to commercial and investment property, providing income to the Council and accommodation for local businesses. The Asset Management Strategy would assist the Council to ensure that properties were fit for purpose; set out efficient management strategies, to use land and buildings to stimulate regeneration, growth and improvement to the local place; encourage new business to the area; and also aligned the management of the asset portfolio across the organisation, considering individual service needs and strategies, ensuring a holistic and comprehensive ‘one Council’ approach. The Portfolio Holder advised that the Asset Management Plan set out how the above would be delivered and was embedded within the Asset Management Strategy. The Strategy would be a living document with on-going activities and projects that would be aligned to the Council’s priorities.

The Portfolio Holder was pleased to note that the Council’s assets provided great value for the wellbeing of its residents as well as providing a financial income for the Council and noted that amendments to the strategy had been made to emphasise this.

The report was moved by Councillor Edyvean and seconded by Councillor Moore who reserved the right to speak.

Councillor Gaunt thanked officers for producing such a comprehensive document, including a sensible and responsible strategy, which provided good returns for residents. The Asset Management Plan would ensure that rental income for the Council would stay within local communities, and thereby increase wealth locally. Councillor Gaunt was pleased to note that the Council was supporting local businesses by providing stability and good value for money and he considered that the Council should promote the strategy to parish councils, as they too could acquire assets through the ‘general powers of competence’ which was introduced by the Localism Act (2011).

Councillor Gaunt believed that the asset challenge process, in which an asset could be re-purposed or disposed of if it was not performing effectively and efficiently should be thoroughly scrutinised, with public consultation, before a decision was made regarding a community asset, as it was important that community owned investments should be maintained for future generations.

Councillor Jones was pleased to note the amendments that had been made to the Strategy and agreed that the priorities of the Council were important. He stated that the Council's assets should increase resident's quality of life through the community facilities that they could access, including green spaces. Councillor Jones hoped that community owned facilities such as allotments would increase for new residents to use, as many now lived in accommodation with smaller gardens.

Councillor R Mallender supported the Asset Management Strategy and explained that the Council held a wide range of assets from a temporary accommodation lodge to community halls, which were publically owned for the benefit of its residents. He noted the importance of ensuring that these investments were well maintained and looked after wisely for future generations. Councillor R Mallender was pleased to note that the Carbon Reduction Management Plan formed an integral part in the management of the Council's assets.

Councillor Thomas thanked the officers for their hard work in producing the Asset Management Strategy and for making amendments to the Strategy prior to the meeting; however, she was concerned that the Strategy was too focused on managing assets for financial gain rather than for social and economic benefits for residents and protecting the environment. Councillor Thomas also noted the Council's commitment to investing within the Borough and hoped that there would be no additional investments outside of the Borough, as the benefits for local residents would be minimal. Councillor Thomas also raised concerns about the asset challenge process and hoped that there would be greater emphasis on public consultation and opinion.

The Portfolio Holder stated that the Council was proud of its record of investing in the Borough and referred to the renovation of Bridgford Hall and the regeneration of Cotgrave Town Centre, in which residents had benefitted from new community facilities.

It was **RESOLVED** that the Asset Management Strategy and associated Asset Management Plan be adopted.

## 19 **Revisions to the Council's Constitution**

The Leader and Portfolio Holder for Strategic and Borough Wide Leadership, Councillor Robinson presented the report of the Monitoring Officer that outlined revisions to the Constitution. Councillor Robinson reminded Councillors that the Constitution was a live, working document that was reviewed continually throughout the year. The amendments outlined in the report were mainly due to changes in the law over the last twelve months and those required to respond to the Covid-19 pandemic. All amendments to the Constitution were listed in the document to make it clear what had been amended. Councillor Robinson informed Council that the Governance Scrutiny Group would be considering further improvements to the Constitution at their meeting at the end of the month and any suggestions should be put forward to the Chairman, Councillor Purdue-Horan.

The report was moved by Councillor Robinson and seconded by Councillor

Mason.

Councillor Gray reported that he had reviewed the changes with great interest and was looking forward to participating in the scrutiny exercise later in the month. Councillors Jones, R Mallender and Thomas advised that they were all happy to support the recommendations outlined in the report.

It was **RESOLVED** that the revisions to the Council's Constitution be approved and that the revised scrutiny arrangements be formally adopted.

## 20 Notices of Motion

- a. The following Notice of Motion was proposed by Councillor J Walker and seconded by Councillor Bansal.

*"We call on this Council to actively support alternative forms of transport into Nottingham, in particular cycling, and ask that a detailed piece of work is undertaken by Scrutiny and reported back to Cabinet on improvements that could be made to the cycling network and infrastructure in Rushcliffe using the newly available funds from Central Government."*

Councillor J Walker, in moving the motion, reminded the Council that its tagline was; 'Great Place, Great Lifestyle, Great Sport'. That tagline encapsulated all that the Council wanted to work towards for its residents, but it needed to be more than just a tagline. The most recent Cycling Strategy published by the Authority dated back to 1995 and she questioned how the Council expected developers to plan for sustainable cycling routes if the Council did not make it clear what it required. Councillor Walker considered that the Borough had been let down by Nottinghamshire County Council this week in relation to provision for cycle paths within the Borough. The County had come 75th out of 78 local authorities in bidding for funding to help people walk or cycle during the Covid-19 pandemic and keep public transport free for those that have no alternative transport. The County Council had only been awarded £260,000 out of a total of £573,000 available. Councillor Walker stated that she would like the Council to develop a document to complement the County Council's Cycling Strategy, which linked new developments through to existing infrastructure and she believed that scrutiny was the right forum for that to happen.

Councillor Bansal seconded the motion and reserved the right to speak.

Councillor Clarke strongly supported the need to encourage cycling within the Borough; however, he considered that it would be misplaced to ask scrutiny to develop a Rushcliffe Strategy. Councillor Clarke advised that he would prefer to see a more joined up and collaborative approach in partnership with the County Council, as the Highways Authority. Scrutiny should not be used for issues over which the Borough Council had no control. Councillor Clarke reminded all Councillors that they could lobby their County Councillors to make improvements to the cycling network within the Borough. He highlighted that further funding under the same scheme was being made available in the coming week. Councillor Clarke proposed an amendment to the motion:

“This Council supports alternative forms of transport in and around Rushcliffe, in particular cycling, and will strive to work with Nottinghamshire County Council, as Highway Authority, to identify improvements that could be made to the cycling network in Rushcliffe.”

Councillor Cottee seconded the amendment and reserved the right to speak.

Councillor Gray advised that the substantive part of the original motion was to work with Nottinghamshire County Council as the Highways Authority. He did not believe that the phrase ‘strive to work’ had the same emphasis and consequently he would not be supporting the amendment as he considered that it diluted the original motion.

Councillor Jones confirmed that he was in favour of the spirit of original motion and was pleased to hear Councillor Clarke’s commitment to improving the cycling network. He advised that he would be happy to support the amendment if the word ‘actively’ was inserted before strive as he considered that best intentions fall foul when trying to work with the County Council. Councillor Jones proposed the following amendment to the amendment:

“This Council supports alternative forms of transport in and around Rushcliffe, in particular cycling, and will actively strive to work with Nottinghamshire County Council, as Highway Authority, to identify improvements that could be made to the cycling network in Rushcliffe.”

Councillor Gaunt seconded the amendment to the amendment. He stated that the Cycling Strategy was very old and he did not see why the Council could not make new plans, which reflected the current position. He considered that the inclusion of the word ‘actively’ made the statement an action and therefore held the Council accountable.

Councillor Gowland stated that collaborating with the County Council was not sufficient and added that the Council was best placed to understand the needs of cyclists in Rushcliffe.

Councillor Jones concluded that the motion needed energy behind it to capitalise on the benefits of the pandemic in terms of people choosing to use alternative forms of transport.

There was no further debate. After being put to the vote, the amendment to the amendment was lost.

The debate returned to the first amendment.

Councillor R Mallender stated that everyone needed to play a part in creating neighbourhoods that were not exclusively reliant on cars. The Borough required a decent cycling infrastructure and he called upon those Councillors that also represented the Borough at a County level to create momentum for developing a good cycling network throughout the Borough.

Councillor Way stated that she was in favour of the original motion, as it enabled the community to build upon the benefits lockdown had brought to individual's health and to the environment. However, she urged that safety be considered in any development of this kind as combining cyclists with pedestrians could have a life changing impact when things went wrong.

Councillor Robinson stated that he did not believe that the amendment weakened the original motion; in fact, it strengthened the motion for the Borough, as cycling journeys took place between towns and villages as well as into and out of the City and the amendment included travel across the whole of Rushcliffe. He advised that the Borough was represented by its County Councillors, and they were all well placed to bring this change about.

Councillor Cottee thanked Councillor Walker for raising this subject at Council and informed Councillors that the County Council had spent £3.6million in the last three years on cycling routes. £1.4million of this had been in the Borough making significant improvements to the safety of the cycling route from Wheatcroft Island into West Bridgford. The Government had made it clear that it wanted the Highways Authority to develop an integrated cycling and walking infrastructure plan; the County Council was working with other authorities within the D2N2 area to deliver that in a coordinated way.

Councillor Cottee informed Council that the County Council would identify priorities for delivery, as funding opportunities become available, and he encouraged all Councillors to lobby their County Councillors, as further tranches of funding from Government would be forthcoming.

In summing up, Councillor Clarke recognised that more emphasis on safe cycling within the Borough created a better environment for all residents as well as resulting in better neighbourhoods; however, he highlighted that it was essential that a cycle network was created across the Borough and not just in one direction.

On being put to the vote, the amendment to the motion was carried.

The Mayor read out the substantive motion.

"This Council supports alternative forms of transport in and around Rushcliffe, in particular cycling, and will strive to work with Nottinghamshire County Council, as Highway Authority, to identify improvements that could be made to the cycling network in Rushcliffe."

Councillor Walker aired her disappointment that the motion as originally proposed had been diluted and, more importantly, used as a political party broadcast on behalf of the County Council. She advised that she had brought forward the motion to create safe spaces for cycling, to allow public transport to be prioritised for those needing it during the pandemic.

In response, Councillor Clarke drew Councillors attention to the fact that the motion now focused upon creating cycle routes within the Borough and working with the County Council instead of spending time on changes that

the Borough Council had no power to bring about.

On being put to the vote, the substantive motion was carried.

- b. The following Notice of Motion was proposed by Councillor Gowland and seconded by Councillor Murray.

*“We have all probably seen photographs of the flowery, bee friendly waysides that have been planted in Rotherham and have no doubt we have all been asked by residents to achieve the same for our own wards. Rushcliffe Borough Council resolves:*

*To ask Scrutiny to review the feasibility of sowing native wild flower seeds along the road verges that it manages and put forwards recommendations to the Cabinet.”*

In presenting the motion, Councillor Gowland informed Council that the UK had lost 97% of its wildflower meadows in less than a century and that rewilding roadside verges provide the Council with the opportunity to undo some of that damage. In areas where rewilding had already been trialled, fewer cuts have reduced costs to Council, increased biodiversity and contributed towards carbon reduction targets. Councillor Gowland stated that increased time spent in a more natural environment could alter brain development and increase feelings of calm. She called upon Councillors to support the motion, which asked scrutiny to consider the rewilding of road verges in the Borough.

Councillor Murray seconded the motion and reserved the right to speak.

Councillor Cottee thanked Councillor Gowland for the motion but informed Council that he could not support it. The motion asked for scrutiny to review the feasibility of sowing wildflowers on verges it managed; however, the Council did not manage any verges in the Borough, Nottinghamshire County Council managed them all. Councillor Cottee reported that the County Council had undertaken trials, but those had not been successful so far. He advised that the County Council had prioritised visibility and safety when it came to roadside verges. Councillor Cottee referred to a document published by the County Council, which had been due to be discussed at the County’s Communities and Place Committee on 2 April 2020. That meeting had been cancelled due to the Covid-19 pandemic; however, it was expected it to be considered shortly.

Taking regard of Councillor Cottee’s comments, Councillor Gray proposed an amendment to the motion to replace ‘road verges’ with ‘grassed areas’. The amendment was seconded by Councillor J Walker and accepted by Councillor Gowland. The motion was as follows:

*“We have all probably seen photographs of the flowery, bee friendly waysides that have been planted in Rotherham and have no doubt we have all been asked by residents to achieve the same for our own wards. Rushcliffe Borough Council resolves:*

*To ask Scrutiny to review the feasibility of sowing native wild flower seeds*



along the grassed areas that it manages and put forwards recommendations to the Cabinet.”

In responding to the acceptance of the amendment, Councillor Gray asked that scrutiny consider the trialling of wildflower planting in a small number of areas.

Councillor Jones advised that he fully supported the intention of the motion in appropriate areas and would be interested to hear other Councillors' views in terms of action that the Borough Council could take to encourage the Highway Authority to consider rewilding grass verges.

Councillor R Mallender considered that a sensible approach and advised that, regardless of who owned the grass, everyone should be doing the best job possible to look after the environment.

Councillor Clarke reminded Council that it had already considered and undertaken some rewilding many years ago and the current motion was not suggesting anything new.

Councillor G Wheeler thanked Councillor Gowland for her motion and Councillor Cottee for referring to the paper that the County Council had yet to consider. Councillor Wheeler reported that as the Chairman of the Communities and Place Committee, he was totally committed to bringing this issue forward. He advised that he would be meeting with officers next month to discuss rewilding in a measured and focused way on sites that would clearly benefit from that approach. Those sites would be carefully managed in conjunction with partners such as the Nottinghamshire Wildlife Trust.

Councillor Robinson reminded Councillors that the Council already did much to support the biodiversity of the Borough, regularly winning awards for its local parks and open spaces, and continued to run the free trees scheme to boost the natural environment. He considered that the Council was already doing what it could to improve the Borough's environment.

Councillor Way highlighted that East Leake had been trying to develop a strategy for planting wild flowers but had come across difficulties in respect of who had responsibility for the land.

Councillor Gaunt thanked Councillor Wheeler for his update and stated that he was pleased that the motion now focused on a larger proportion of land in the Borough.

Councillor Murray reported that, in other areas, significant financial savings had been made, as well as increasing biodiversity and promoting health and wellbeing.

Councillor J Stockwood reminded Councillors that they had just approved the Council's Asset Management Plan, which had highlighted amenity land in the Borough. He referred to the Council's Nature Conservation Policy, which was due for review shortly, before suggesting that not all grassed open spaces were suitable for rewilding, as they often had other uses within

the community.

Councillor Gowland welcomed the support she had received for the rewilding motion and passed on her thanks to Councillor Wheeler for championing the cause with the County Council. Councillor Gowland noted the problems caused by multiple ownership of land and agreed that not all areas were appropriate to be rewilded. She welcomed the opportunity for scrutiny to consider this important topic.

On being put to the vote, the amended motion was carried.

- c. The following Notice of Motion was proposed by Councillor Thomas and seconded by Councillor Way.

*“This Council resolves to develop a fair, transparent, and consultative process to allocate the portions of the Community Infrastructure Levy on its Infrastructure List collected for "provision of or improvements to playing pitches and ancillary facilities" and for "provision of or improvements to indoor leisure provision.” Furthermore, the Council resolves to allocate these funds for spending in a timely fashion so that the infrastructure to support development is provided sooner rather than later.”*

In presenting the motion, Councillor Thomas explained that in villages within the Borough such as East Leake, infrastructure had not been provided in a timely fashion, which had created a strain on existing facilities. Therefore, it was proposed that when the Council collected the Community Infrastructure Levy for new developments, it should be allocated fairly and promptly to ensure that existing community facilities did not become overwhelmed. Additionally, she considered that parish council’s should have access to funding for development in their area and that the money should be spent where it is required.

Councillor Way seconded the motion and reserved the right to speak.

Councillor Moore stated that the Conservative Party would support the motion.

Councillor Gaunt stated that the Labour Party Group would support the motion and agreed that the village of East Leake had seen extreme levels of new development without having the community infrastructure to accommodate its new residents. He noted therefore, that the Community Infrastructure Levy was the only solution to ease the weight of new developments. Councillor Gaunt expressed concern that 588 new homes were to be built in the village of Ruddington, which would see community facilities such as public transport and schools overwhelmed, and he advised that it would be essential that the Community Infrastructure Levy should be implemented quickly and transparently in order to mitigate any damage that new developments might bring.

Councillor Jones supported the motion on behalf of the Liberal Democrat Group and stated that profits from the purchase of new development land should be allocated to the Council, so that new community facilities could be

built for residents. He noted that the Council would always be faced with the dilemma of building developments first before providing community facilities and so it was vital that the Levy should be spent in a timely fashion.

Councillor R Mallender supported the motion on behalf of the Green Party.

Councillor Edyvean advised that although 1,200 houses had been built in East Leake, the Council's Planning Committee had not supported all of those applications, and an independent Planning Inspector had permitted them. He reiterated the importance of the implementation of the Local Plan Part 2, which would enable the Council to be protected from that type of development in the future.

In seconding the motion, Councillor Way stated that she was pleased to note the Council's support of the motion and she confirmed that residents had been informed of the Planning Inspector's decisions when they challenged local councillors about the number of housing developments in East Leake. Councillor Way stated that it was important that communities should be involved in consultation and be made aware of how the Levy was allocated.

Councillor Thomas expressed her appreciation of the Council supporting her motion.

On being put to the vote, the Motion was carried.

## 21 Questions from Councillors

### a) Question from Councillor J Walker to Councillor Mason

*"The sadness and uncertainty we have collectively had to face since the beginning of the pandemic has also been coupled with a wonderful community spirit shown by many in our borough. Towns, villages and hamlets across Rushcliffe have come together to support their most vulnerable neighbours and shown what community and society can do at a grassroots level. In my ward, Ruddington, the COVID-19 Mutual Aid Group set up before the announcement of lockdown saw key institutions come together and mobilise hundreds of volunteers in a matter of days.*

*What can we do at Rushcliffe Borough Council to continue to nurture and inspire our residents to volunteer in their communities, keeping this energy and good spirit functioning into the future?"*

Councillor Mason responded that the Council had always supported and worked with communities and that this was never more so than in the last few months. She reminded Councillors that, whilst the lockdown restrictions had been lifted, things had not changed, and that the country might well see another Covid-19 spike in the winter, so it was imperative that the Council did all that it could to keep the community support volunteers enthused. She referred to the Rushcliffe Reach project, which had been awarding grants to individuals and groups working hard in

their communities to support vulnerable people and she asked Councillors to encourage groups to come forward for grants.

Councillor Mason urged Councillors to help communities to build upon what they had achieved in the last few months and to make plans for the winter months to ensure that vulnerable people had the support they needed if asked to shield again.

### **Supplementary question**

Councillor J Walker asked if there was a way that the Council could organise practical support across the Borough.

Councillor Mason replied that she felt it was important to keep the support at a local level so that it could be appropriate and responsive to each individual community.

#### **b) Question from Councillor Gowland to Councillor Inglis**

*“What homeless prevention measures have RBC used during lockdown?”*

Councillor Inglis responded that addressing homelessness was an ongoing commitment and not one specific to the Covid-19 pandemic. Councils across Nottinghamshire had pledged that no one should need to be homeless within the county. In addition to the Government’s positive action on preventing landlord evictions, the Council had continued to work with residents at risk of becoming homeless, through the provision of advice and support along with the Council’s partners, including Citizens’ Advice. As part of the Local Resilience Forum, the Council had also been instrumental in encouraging the provision of the two additional temporary domestic abuse refuges, which were providing a vital safe-haven for those fleeing difficult situations in the home. Furthermore, the Council had also responded to the Government’s ‘Everyone In’ initiative and had offered accommodation for rough sleepers who had been found in the Borough.

### **Supplementary question**

Councillor Gowland asked whether the ‘Everybody In’ initiative had been withdrawn.

Councillor Inglis replied that the Council was committed to the initiative until September 2020, and would assess the situation with regard to Covid-19 at that point.

#### **c) Question from Councillor Jones to Councillor Upton**

*“Is it the case that the Government’s Permitted Development Rights Regulations enable offices to be converted into flats, with 2 storeys added to the height and with no regard to minimum living spaces, without Planning Permission?”*

Councillor Upton responded that Permitted Development Rights for conversion of offices to residential properties had been introduced several years ago. New Permitted Development Rights had just been approved by the Government and had come into effect on 1 August 2020. They would enable developers to add two-storeys to existing 'purpose built' blocks of flats where the resultant height of the block did not exceed 30m. The regulations did not impose minimum living spaces.

#### **Supplementary question**

Councillor Jones thanked Councillor Upton for confirming the details and asked if Cabinet were happy that this message had been passed to developers in the Borough and whether Cabinet would consider lobbying Central Government to bring in minimum habitable space requirements.

Councillor Upton replied that he did not believe that the Borough had many properties of this type; however, he reiterated that as that change was law, developers should already be aware of it. He advised that he did not feel it necessary to lobby the Government on this matter.

#### **d) Question from Councillor Thomas to Councillor Moore**

*"How and when will the Council be developing its CIL "Infrastructure Funding Statement" and how will members be involved in this process and the public consulted?"*

Councillor Moore responded that the Council was required to publish an Infrastructure Funding Statement (IFS) annually, and by no later than 31 December of each year. No CIL had been received in the period 2019-2020, with only a small amount sent out in demand notices issued that year. Officers were already starting to pull together the information required for the IFS.

#### **Supplementary question**

Councillor Thomas asked how the Council would ensure that Councillors and residents were involved in the development of the statement.

Councillor Moore responded that there was no requirement to consult the public on the strategic or the neighbourhood portion passed to town and parish councils; although town and parish councils might want to consider their own procedures for engaging with their communities. Officers were, however, in the process of preparing some guidance for town and parish councils, which would cover the process by which they would receive CIL funds, what those funds could be spent on, including the bidding process for any strategic portion of CIL that they might also seek to utilise, and their reporting responsibilities. Where there was no town or parish council, for example in West Bridgford or areas with a

parish meeting that was where the funds would be be spent by the Borough Council, in consultation with the local community. The procedures for community engagement in the West Bridgford area were being developed in consultation with the West Bridgford Special Expenses Group.

The meeting closed at 9.38 pm.

CHAIRMAN



**Council**

**Thursday, 24 September 2020**

**Covid 19 Budget 2020/21 and Medium-Term Financial Implications**

## **Report of the Executive Manager, Finance and Corporate Services**

### **Cabinet Portfolio Holder for Finance, Councillor Gordon Moore**

#### **1. Purpose of report**

- 1.1 This report provides an expected outturn budget for the year 2020/21 and the remainder of the current Medium Term Financial Strategy (MTFS). This is based upon the latest government guidance regarding the release from lockdown and estimated impact based on current trends and information available such as government funding. The situation is fluid with the anticipated financial deficit this year estimated at £0.422m and for 2021/22 £1.91m. The Council's normal governance arrangements through Cabinet and Corporate Overview Group will report on the changing position and the MTFS will be reported to Full Council in March 2021.
- 1.2 Full Council approved the 2020/21 balanced budget on 5 March 2020. The Covid-19 pandemic has caused significant financial pressures including loss of income (e.g. property and car parks), additional costs (namely supporting the Leisure Centres and additional costs associated with an increase in anti-social behaviour measures) and reductions in Council Tax and Business Rates income. Government funding has been received that mitigates some of the losses, however, further measures are needed to address the remaining budget gap.
- 1.3 Officers have reported the potential financial impact of the emerging Covid-19 situation each month to Cabinet since the Covid-19 pandemic began. Although lockdown restrictions have been further eased, gradually returning to normality, there will be some irrecoverable losses from the lockdown period in addition to the legacy issues that are likely to impact on the financial position for the remainder of the year. There is also a risk of a second wave of the virus or a local outbreak and, therefore, a return to a full local lockdown cannot be ruled out.

#### **2. Recommendation**

It is RECOMMENDED that Council approves:

- a) the revised projections to the 2020/21 revenue budget and remainder of the current MTFS in **Appendix A** as a result of the impact of Covid-19;

- b) the revised projections to the Capital Programme for 2020/21 and the impact on the Capital Programme over the MTF5 in **Appendix B**;
- c) the changes to the Transformation Strategy in **Appendix C**;
- d) the Council Tax Hardship Fund Policy Paper at **Appendix D** and its current application;
- e) the strategy of utilising in-year budget efficiencies, the Organisation Stabilisation reserve, reviewing the use of existing reserves, reduced use of Voluntary Revenue Provision and therefore use of New Homes Bonus; as fiscal levers so the Council balances the budget and delivers its corporate objectives (**paragraph 4.8.6**); and
- f) the transfer of three reserves totalling to £0.524m as stated at **paragraph 4.8.7** to the Organisation Stabilisation Reserve from 2020/21 and the revised anticipated position over the next five years (**Appendix E**).

### 3. Reasons for Recommendation

To ensure that the expected outturn is incorporated into the 2020/21 budget along with proposals to manage losses ensuring a balanced budget.

### 4. Supporting Information

#### 4.1. Revenue

4.1.1 A number of changes have been made to the budget projections including additional costs and loss of income. It is too soon to estimate how quickly the pre-Covid situation will return, if at all this year or when in the medium term, with uncertainty surrounding consumer confidence. However, prudent estimates have been made upon the level of income expected in line with current government guidance for the phased release of lockdown.

4.1.2 For the current financial year, the Covid related budget pressure is projected to be £2.564m. This will be partially mitigated by additional Government funding of £1.518m and in-year efficiencies identified as part of the normal budget monitoring process (currently estimated at £0.624m). To mitigate the overall net loss and balance the budget, it is proposed to make a one-off use of reserves currently estimated at £0.422m, based on current projections. This figure is likely to change as further variances arise during the year and potential announcements of additional government funding to support the financial losses. As part of the Strategy for dealing with Covid-19 if there are any in-year revenue efficiencies these will be appropriated to the Organisation Stabilisation Reserve to enable the Council to continue to meet its corporate objectives.

4.1.3 There is also a risk that there could be a second wave or a local lockdown and the likely outcome of a 'worst case scenario' is included at section 4.8. Material changes that have been included in the revised projections presented in Appendix A are summarised in **Table 1** below:



**Table 1 – 2020/21 Expected Budget Position**

	<b>Pressure/(Saving) (£m) 2020/21</b>
<b>Reductions in income</b>	<b>£1.253</b>
<i>Return on Investments</i>	0.030
<i>Hire of Facilities</i>	0.183
<i>Car Parking</i>	0.450
<i>Development Control</i>	0.200
<i>Land Charges</i>	0.050
<i>Commercial Activity</i>	0.225
<i>Other Lost Income</i>	0.115
<b>Additional Costs</b>	<b>£1.489</b>
<i>Anti-social behaviour/PPE</i>	0.042
<i>Leisure</i>	1.033
<i>Waste Collection/Street Cleansing</i>	0.177
<i>Homelessness</i>	0.069
<i>Increase in Bad Debt Provision</i>	0.100
<i>Other Costs</i>	0.068
<b>Total Covid Related Budget Pressure</b>	<b>2.742</b>
Covid related savings	(0.133)
Furlough	(0.045)
Government funding	(1.518)
<b>Total additional funding/savings</b>	<b>(1.696)</b>
<b>Net Budget Pressure</b>	<b>1.046</b>
Projected In year costs/(savings):	
Pay award additional 0.75%	0.070
<i>Vacancies</i>	(0.256)
<i>Rental Income (new property)</i>	(0.122)
<i>Garden Waste Income</i>	(0.076)
<i>Housing Benefit Subsidy</i>	(0.142)
<i>Diesel (price reduction)</i>	(0.029)
<i>Other efficiencies</i>	(0.069)
<b>Total projected in-year efficiency savings</b>	<b>(0.624)</b>
<b>Total Net Projected Budget Gap</b>	<b>0.422</b>

## ***Income***

- 4.1.4 The impact on fees and charges and commercial income has had a significant impact on the Council's funding over the lockdown period and is estimated at £1.253m for the full year.
- 4.1.5 The Council re-introduced car parking charges on 29 June 2020 and based on early indications we are assuming 37% of the car parking budget will materialise over the year.
- 4.1.6 It is assumed that facility hire, development control and land charges will see a reduced income for the remainder of the year due to both restrictions from social distancing measures and the downturn in the economy.
- 4.1.7 During the lockdown and recovery period some tenants occupying Council owned premises have expressed financial difficulty in keeping to their rental agreements. Being prudent the Council has therefore increased the bad debt provision by £0.1m (at 31/03/20 £0.172m). Billing has now recommenced and therefore the position regarding collection of this income will be updated in future reports. Other losses in commercial income arose from ceasing planned acquisitions due to an increase in risk in the viability of the current tenants due to the economic situation. This resulted in a loss of planned rental income.

## ***Expenditure***

- 4.1.8 The Council has and will continue to incur additional costs (estimated at £1.489m), mostly supporting Parkwood Leisure and details of the leisure contract can be found at section 4.2 below.
- 4.1.9 Other costs have been incurred on additional anti-social behaviour measures and portable toilets. Further costs have been incurred on agency staff for waste collection and an increase in cleansing of recycling bays due to higher usage.

## ***Funding/Savings***

- 4.1.10 Further government funding was announced on 2 July 2020, the first of which was a share of £500 million for which we were allocated £126k. We await further detail of two further pillars of funding and this could affect the overall budget gap and call upon reserves. The detail on these two elements are still to be confirmed and will be covered in future reports:
- co-payment mechanism for irrecoverable Sales, Fees and Charges income, with the Government covering 75% of losses beyond 5% of planned income; and
  - Phased repayment of Collection Fund deficits over the next three years.

If the Council is able to recover a significant proportion of lost income then this could further reduce the need to use reserves in 2020/21 allowing the available reserves to be utilised in 2021/22 when it is unlikely that Government funding will be available.

4.1.11 During the lockdown period the Council had to reduce, and in some cases cease a number of fee earning activities. The Council made the decision to temporarily furlough the affected employees and has subsequently claimed reimbursement from the Governments furlough scheme. The projected budgets shown in Appendix A are shown net of furlough income (£43k).

4.1.12 Savings totalling £133k have been identified including the cost of delivering events, printing costs and training as all face to face events and travel have been cancelled. During lockdown there was an increase in the volume of glass bottles and other recyclables and this has subsequently increased income from recycling credits and glass sales.

## **4.2 Leisure Services Contract**

4.2.1 The Leisure centres have now reopened albeit on a phased basis with strict social distancing measures. The Council has been in dialogue with Parkwood Leisure to discuss the phased return to reopening and the expected position in Appendix A reflects this. However, in the light of extended social distancing measures in this sector the Council continues to assess the ongoing viability of each site individually.

4.2.2 Negotiations are ongoing with the various sports clubs at the facilities with a view to balancing the triumvirate of objectives - health and well-being of the community, maximising the use of the assets and the best economic outcome for the Council. The overall adverse impact on the Council's budget as a result of the leisure centres being closed and the legacy impact of Covid-19 is estimated to be £1.013m for 2020/21. It is worth noting that we continue to remain in dialogue with Mitie (East Leake Leisure Centre's operator) to support their recovery.

4.2.3 Positively Edwalton Golf Course since it reopened from lockdown has seen an increase in demand. Usage is up 62% on the same time last year for golf and a 45% increase in driving range usage. How sustainable this recovery is remains to be seen as winter approaches and other leisure facilities re-open. The additional income is built into the current financial projections.

4.2.4 Given the challenges the whole leisure market faces and a lack of Council in-house expertise to manage the leisure centres, continuing with the existing contractor remains the best way forward. This ensures continuity of service provision when the leisure centres do open at a time when there is so much volatility as a result of Covid-19 in terms of customer confidence and minimising the risk of the virus spreading; and the impact for the leisure industry as a whole.

4.2.5 Going forward the variation agreement to the contract will be reviewed at 30 September and 31 December 2020 for each quarter. The expectation is that as revenue begins to return this will reduce the support package from the Council until normality returns. Financial performance is monitored via an open book approach by the Contracts Team supported by Financial Services. The position on the Parkwood contract through the recovery period will continue to

be monitored and will be reported via quarterly financial reports throughout the year to Corporate Overview Group and Cabinet.

### **4.3 Capital Programme**

- 4.3.1 The current Capital Programme totals £38.4m comprising: £18.9m original estimate, £19.2 approved brought forwards, and £0.3m adjustments. The revised projection of £13.5m gives slippage of £24.9m. The significant elements of the slippage reflect 3 months delay in commissioning and delivering schemes due to the impact of Covid-19. Bingham Hub, The Crematorium, and Cotgrave Phase II are the major schemes impacted and account for £18.3m of the slippage.
- 4.3.2 Officers have identified further schemes in the programme that could be deferred, potentially until 2021/22, without causing any revenue pressures or health and safety issues. Schemes totalling £1.2m have been proffered for deferral and include works to Investment Properties and Operational Assets: buildings, IT equipment, and vehicles.
- 4.3.3 £1.2m of Support for Registered Housing Providers remains unallocated although the Council has agreed in principle for a joint bid with Framework to provide 5 units of Next Steps accommodation (to be owned and managed by Framework) utilising £150k from the provision. There has been slow spend on Better Care Funded Schemes: DFGs and this, together with other minor areas of savings on schemes, accounts for £0.4m projected underspend. The balance of £3.8m variance arises from the unallocated balance of the Asset Investment Strategy. Previously we have reported on the Council's change in approach and focusing on investing on assets within the Borough, thus this sum is proposed to be removed from the Capital Programme.
- 4.3.4 The Council was due to receive capital receipts of £20m in the year, primarily from the disposal of surplus operational and investment property: Abbey Road Depot, Land at Hollygate Lane and also from an overage agreement in place for the Sharphill Wood site. Covid-19 has impacted on the progress of these schemes. Capital Receipts are now projected to be £4.6m in year. Cabinet on 9 June 2020 considered a report on the disposal of the Abbey Road site and it was agreed to accept a revised offer for the site which remains a significant receipt in a difficult economic climate. This will potentially not be received until 2021/22. Income from Sharphill Wood has been rephased with only half of the £8m due now expected in 2020/21. The time frame allowed for submission of planning permission, means that the receipt from Hollygate Lane will most likely come in 2021/22.
- 4.3.5 Delays in capital receipts will not have a material impact on the interest earned on balances as interest rates are low. Furthermore, there will be a reduction in capital outlay due to slippage in the capital programme. Significant delays or reductions to capital receipts will affect the funding of the capital programme and may lead to either internal or external borrowing earlier than planned dependant on the progress of the capital programme and any slippage.

- 4.3.6 Alternatively, projects could be delayed (as stated at 4.3.2) or not proceed with if deemed economically unviable. The Summary Revised Capital Programme projections for 2020/21 at **Appendix B** still show over half of the programme being funded from Capital Receipts with a small recourse to borrow either internally or externally. This will be kept under review as the year progresses and revised accordingly. The Full Council Report in March 2021 will detail the programme over the next five years.
- 4.3.7 The Capital Programme contains significant schemes where contracts are in the process of being tendered for primarily the Bingham Leisure Hub and the Crematorium. Their viability will continue to be monitored, as tender prices are received and for example whether office development at the Bingham Hub remains in scope. The Council continues to review schemes in the Capital Programme in the light of any new information or changes in the economic/financial climate.

#### **4.4 Treasury Issues**

- 4.4.1 The Council has reported previously to Cabinet that the value of the Council's investments in multi-asset and diversified funds had reduced by £1.2m as at 31 March 2020. Further information relating from April to August has been received and this shows an increase in the value of these assets of £0.694m representing 56% improvement. If this trend continues the asset values could potentially recover to pre-Covid levels by the end of the year clearly though there remains much uncertainty going forward.
- 4.4.2 The impact of Covid-19 on the economy has resulted in a reduction in the Bank of England base rate and subsequently the interest rates earned by the Council on its treasury investments. The estimated average interest rate assumed in the original 2020/21 budget was 1.87%. The assumption on the average return is now an estimated 0.98% with this reduction expected to continue into 2021/22. This will be further updated in the Council's Investment and Capital Strategy presented to both Governance Scrutiny Group and Full Council in 2021.
- 4.4.3 A report to Governance Scrutiny Group 30 July 2020, proposed a change in Minimum Revenue Provision (MRP) Policy and subsequent release of New Homes Bonus to either support the budget gap resulting from Covid19 or to make Voluntary Repayment Provision (VRP) at a later date. This was recommended for approval by Full Council. The current MRP policy is the asset life method. For 2017/18, 2018/19, and 2019/20 the Council decided to set the MRP at £1m. This comprises £0.250m MRP to finance the Arena based on £10m borrowing over a 40 year life. A further £0.750m was provided by way of VRP to meet the Council's commitment to repay the borrowing early. Up until 31 March 2020, the Council released an equivalent sum (£1m) from the New Homes Bonus (NHB) Reserve to offset any impact of the borrowing charge to the tax payer in-year.
- 4.4.4 The Governance Scrutiny Group recommended to Full Council to take the option to reduce the VRP element of the charge. By reducing the VRP the Council

would free up significant resources (up to £730k in 2020/21) and approximately £600k each year to 2024/25. By only making MRP payments this means the length of time payments are being made from the revenue budget for the Arena increase from 10 years to 31 years (three years have already been discharged so 28 remaining). Beyond 2024/25 MRP will then be funded from revenue budgets.

- 4.4.5 The 2020/21 mid-year review will continue to monitor the implications of Covid-19. The Investment and Capital Strategy for 2021/22 will update changes to the Capital Financing Requirement (CFR) – the underlying need to borrow - and other treasury indicators such as the temporary requirement to exceed the upper limit in investments in MMF's due to the need to keep investments liquid to aid cash flow.

## **4.5 Business Rates and Council Tax**

- 4.5.1 Four months payment data is now available to further inform estimates regarding collection rates for Business Rates and Council Tax. As at 23 August 2020, collection rates for Council Tax had reduced by 1.2% equating to approximately £1.08m of cash not received. Business Rates are currently behind by £675k (0.85%), although £600k of this relates to a newly rated property which is anticipated to be received. We have also awarded a significant amount of relief to the retail, leisure and hospitality sectors (circa £10.6m). The Business Rates position will need to be closely monitored as the position may still change due to trading conditions.

- 4.5.2 Any reductions in income due to the collection fund will cause a deficit in the collection fund that would ordinarily need to be recovered in 2021/22 and 2022/23 therefore affecting future income streams and the MTFS. It is important to remember the County as the largest preceptor bear the biggest burden of the likely Council Tax collection fund deficit. Paragraph 4.1.10 refers to Government support in allowing any deficits to be spread over three years which will effectively spread the impact and reduce the burden in each year. Nonetheless there will still be a burden.

- 4.5.3 At the time of writing the Council has paid out £18.3m in BEIS grants equating to 91.4% of 1,732 eligible businesses. Hardship Fund allocations committing in excess of £389k in relation to Council Tax support have also been made, ie circa 2400 payments and 75% of the £515k budget. The application of the Council's Policy is as stated at **Appendix D**.

- 4.5.4 The Council commenced the discretionary grant scheme on 1 June 2020. Applications for the grant have been much lower than anticipated and the lack of evidence or supporting information provided by the applicants have resulted in delays in the decision making process. The criteria was reviewed and expanded to ensure the resources reached those in need. The second tranche of the scheme with the revised criteria ended on 31 July 2020. At the time of writing, the Council had received 189 claims, decided on 188 and paid 73 totalling £0.927m (95.3% of the total available funds of £0.972m).

## 4.6 Transformation Plan

4.6.1 A number of items have affected the planned savings in the transformation plan reported at budget setting in March 2020. The revised transformation plan is shown at **Appendix C**. Table 2 below summarises the main changes and the revised target for the transformation plan.

4.6.2 A savings target has been added from 2021/22 of £0.5m, with officers considering expenditure efficiencies and scope for additional income. The planned acquisition of industrial units at Moorbridge did not go ahead representing projected lost rental income of £0.063m. Other planned acquisitions as part of the Asset Investment Strategy are expected to increase rental income by £0.04m. One of the biggest risks going forward is the legacy impact of Covid-19 on the leisure sector. It is assumed that the planned contractual savings as part of the contract re-negotiations with Parkwood will slip by at least one year.

**Table 2 – Revised Transformation Programme Summary**

<b>Transformation Programme 2020/21 - 2024/25</b>					
Savings (£'000)	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Original Transformation Plan</b>	<b>192</b>	<b>261</b>	<b>518</b>	<b>70</b>	<b>110</b>
<b>Adjustments:</b>					
Savings Target		500			
Units at Moorbridge		-57	-6		
Net AIS purchase		40			
Leisure Contract/Bingham Hub	-33	-44	-131	173	-28
<b>Revised Transformation Plan</b>	<b>159</b>	<b>700</b>	<b>381</b>	<b>243</b>	<b>82</b>

## 4.7 Covid Legacy issues and risks

4.7.1 The long term impact upon the market for rental of property and offices is not yet known. The cultural shift of increased remote working could result in a reduced demand and rental income for the Council.

4.7.2 The impact of Covid-19 may have a detrimental impact on some businesses and many may not recover from lockdown. There is a risk that this may have a longer-term impact on the number of businesses in the Borough and the main retail high streets. The business rates tax base will continue to be closely monitored and the Council will continue to encourage economic growth.

4.7.3 The hospitality and leisure sector is one of the hardest hit of lockdown and the recovery in this sector will be further impeded by the strict social distancing restrictions particularly in the leisure industry. Due to the length of time the leisure centres have been closed, many customers may now have found new ways to exercise and the customer base may not fully recover to pre-Covid

levels. This may result in further negotiation over the contract with the leisure provider.

- 4.7.4 The capital programme details a number of large projects planned for this and later years (see Appendix B). There may be an effect on the build costs and on the yield should demand be affected by the pandemic. This may affect the appetite to continue with these projects and this will be reported on individually as part of the project management process (separate reports have been presented to Cabinet in relation to Moorbridge Industrial Units, the Crematorium and the Bingham Leisure Hub).
- 4.7.5 The impact that Covid-19 has had on businesses has been substantial with numerous high street shops closing for good. If businesses are unable to recover the number of customers visiting the town centres will also reduce with a knock-on effect on car park usage.
- 4.7.6 As referred to in paragraph 4.4.2, the expectation is that interest rates are unlikely to increase in the short term. If this continues past 2021/22 there would be a further impact on the budgeted income from investments returns.
- 4.7.7 The need to use reserves in the short term to eliminate the budget gap will result in a budget pressure in the medium term in order to replenish the reserves. This has been included in the remaining years of the current MTFs but will impact on the position going forward until the reserves are restored to current levels.
- 4.7.8 There are a number of items detailed in Appendix C that support the budget (namely rental and contractual income). There is a risk going forward that income from property investments may decline if the market appetite changes and there is also a risk to the savings from the Leisure Contract as the long term impact on customer usage is not yet known.
- 4.7.9 The Fair Funding and Business Rates Reviews have been deferred for the second year in a row. This causes further uncertainty on the longer-term funding of the Council making planning for the medium term even more difficult.
- 4.7.10 Business rates and Council Tax collection fund debt will affect future budgets. The government have announced relaxation to the recovery of any deficits to 3 years. This expected outturn position includes an estimated £100k deficit for Council Tax. Business rates figures are hugely distorted by Government intervention with the retail, leisure and hospitality sector having a full year relief and business grants awarded and therefore this makes it difficult to estimate.
- 4.7.11 The Governance Scrutiny Group considered Covid-19 risks at its meeting on 30 July 2020 and these are being incorporated into the Council's risk register.



#### 4.8 Modelling of risks, sensitivity analysis on the budget and the impact on reserves

4.8.1 The table below shows the expected position as used in this report along with a worst-case scenario in the event of a second lockdown. The total Covid-19 related loss would increase from £2.742m to £4.053m with an overall budget gap increasing from £0.422m to £1.733m. The main sensitivity surrounds the generation of income particularly the use of facilities and car parks. A second wave or local lockdown would result in almost a total loss of income in these areas. Furthermore, costs would increase on waste collection, homelessness and maintaining anti-social behaviour measures.

**Table 3 – Budget Scenario Planning**

	Pressure/(Saving) (£m) 2020/21 EXPECTED CASE	Pressure/(Saving) (£m) 2020/21 WORST CASE
<i>Reductions in income</i>	1.253	1.957
<i>Additional Costs</i>	1.489	2.096
<b>Total Covid Related Budget Pressure</b>	<b>2.742</b>	<b>4.053</b>
<b>Total additional funding/savings</b>	<b>(1.696)</b>	<b>(1.696)</b>
<b>Net Budget Pressure</b>	<b>1.046</b>	<b>2.357</b>
<b>Total projected in-year efficiency savings</b>	<b>(0.624)</b>	<b>(0.624)</b>
<b>Total Net Budget Gap</b>	<b>0.422</b>	<b>1.733</b>

4.8.2 Table 4 below shows the current estimated net impact of Covid-19 on the MTFs as reported in March 2020. The staff and members allowances pay award costs resulting from an increase of 0.75% (budgeted 2% actual 2.75% and thereafter 2%).

4.8.3 Due to the uncertainty surrounding the remaining NDR tax base into next year, it has been assumed that the Council will only receive income to the Safety Net Position and for 100% renewable energy premises. Business rates estimates are further complicated by anticipated changes to the system originally planned for 2021/22 and now at the earliest to be implemented by 2022/23.

4.8.4 Fees and charges are unlikely to return to pre-Covid levels in the short term and, as more is known about the recovery locally, assumptions will change going forward. It has been assumed that there will be an under recovery on budgeted income levels by 20% in 2021/22 and 10% in 2022/23.

4.8.5 Current information from Council Tax shows that there is a deficit of around £1m of which the Council's share is circa £100k. This has been included for 2021/22 and 2022/23.

**Table 4 – Covid-19 Impact on the MTFS**

	2021/22	2022/23	2023/24	2024/25
	£	£	£	£
Net (Surplus)/Deficit Original Budget	437,800	298,200	130,400	(208,500)
Net (Surplus)/Deficit Revised	1,900,800	918,200	200,400	(138,500)
<b>Variance</b>	<b>1,463,000</b>	<b>620,000</b>	<b>70,000</b>	<b>70,000</b>
<b>Assumptions:</b>				
Investment Income	30,000	0	0	0
Pay Award	70,000	70,000	70,000	70,000
Business Rates	363,000	0	0	0
Fees and Charges and Commercial income	900,000	450,000	0	0
Collection Fund Deficit	100,000	100,000	0	0
<b>Total</b>	<b>1,463,000</b>	<b>620,000</b>	<b>70,000</b>	<b>70,000</b>

4.8.6 The proposed Council strategy for dealing with both the immediate and legacy issues of Covid-19 are proposed as follows:

- (a) identification of Transformation Programme efficiencies and the use of in-year underspends should they arise;
- (b) use of the Organisation Stabilisation Reserve and New Homes Bonus Reserve (if necessary) and not applying the Voluntary Revenue Provision in relation to the Arena;
- (c) A review of earmarked reserves and their use, and where possible transfer those reserves not being applied, to the Organisation Stabilisation Reserve, as necessary, to improve resilience going forward in the event of a 'second wave' of Covid-19.; and
- (d) Ultimately use of its £2.6m General Fund Balance.

4.8.7 With regards to the latter point, Cabinet in July 2020 agreed the transfer from three unused reserves totalling £0.524m, **for Full Council approval**. These earmarked reserves have been reviewed in terms of both their previous and potential use and as they are not planned to be used it is recommended that these are transferred into the Organisation Stabilisation Reserve:

- Council Assets and Service Delivery £0.274m;
- Invest to Save £0.15m; and
- Planned Maintenance £0.1m.

This brings the opening 2020/21 balance to £2.401m.

4.8.8 **Appendix E** shows the Organisation Stabilisation Reserve balance is expected to reduce from a planned £2m to £0.284m, at its lowest, in 2021/22. This then increases each year as the reserve is replenished. £0.150m is assumed to be transferred into the reserve each year from 2022/23. Furthermore, going forward it is expected that any in-year revenue efficiencies will also help replenish the reserve.

4.8.9 It should be noted the newly created Climate Change Reserve of £1m remains to ensure we deliver on our key objectives. The level of overall reserves are estimated to be £16.3m in 2020/21 and 2021/22. The revised position on all reserves will be reported to Full Council with a fully revised MTFS in March 2021.

#### 4.9 Conclusion

4.9.1 Undoubtedly, this is the most testing of times in relation to Council finances and ensuring budgets and balanced and excellent services continue to be delivered. It is important the Council retains reserves commensurate with its risks and despite the planned use of reserves they remain sufficient in value at this time to ensure both upside and downside risks are managed. As a Council, we clearly cannot be complacent and continue to look at our own business efficiencies before using reserves. Whilst Government funding is welcome, there is not a 'bottomless pit' of money that can support authorities going forward.

4.9.2 Whilst the easing of lockdown should relieve some pressure on the Council's budget, additional expenditure is likely to continue particularly in support of the Leisure Centres with reduced usage for some time due to social distancing measures. It is yet unknown how quickly income levels from facilities such as car parks will improve, and this will be closely monitored. Income streams are likely to remain lower than budgeted for some time before returning to anticipated levels. The threat of a further local spike or 'second wave' of Coronavirus is something we should be prepared for in a worst case scenario.

4.9.3 It remains to be seen if there will be further government support to help bridge the budget gap. If further support is not forthcoming, then the likely scenario for the Council is a £0.422m budget gap just for the current year (net of current government support) and £1.9m in 2021/22. There will be an updated MTFS presented to Full Council in March 2021 in what can be a fast changing picture.

4.9.4 This report identifies a financial strategy for dealing with the current Covid-19 budget with a range of measures that can be taken from proactively utilising in-year budget efficiencies, continually revising the Transformation Programme (looking at further budget efficiencies), utilising Reserves (particularly the Organisation Stabilisation Reserve and, the General Fund Balance); and changes in Minimum Revenue Provision, which potentially unlocks New Homes Bonus to support the budget.

- 4.9.5 The timing and value of capital receipts is now uncertain, as is the progress on the capital programme owing to potential difficulty in commissioning work along with potential variations in costs, which may inhibit scheme progress. The timing of borrowing is likely to be sooner rather than later.
- 4.9.6 The Council has managed its resources well and as a consequence has in the past held a healthy level of reserves. In addition, the outturn position for 2019/20 reported to Cabinet 14 July 2020, showed a net transfer to reserves of £1.348m resulting from in year efficiencies further improving the level of reserves. This enables the Council to, at least in the short term, deal with this pan-global economic crisis and continue delivering its Corporate Objectives. The financial resilience of the Council going forward is being severely challenged but we are in a better position than most to move forward at this most difficult of times.

## **5 Alternative options considered and reasons for rejection**

The alternative option is to do nothing. The budget approved 5 March 2020 is now unrealistic and, therefore, doing nothing will result in a budget gap, which is not permissible by law.

## **6 Risks and Uncertainties**

- 6.1 Risk that a balanced budget position is not achieved if mitigating action is not agreed by Council.
- 6.2 Risk that the Council may have to issue a Section 114 notice if the Council is unable to replenish lost income or make additional savings and a balanced budget is not achievable. The proposals in this report make this low risk, but this could change dependent on the legacy issues, the event of a second wave and what arises from the 2021/22 financial settlement.
- 6.3 Further delays to the Business Rates System and Fair Funding reviews (now delayed until at least 2021) add even more uncertainty to the Council's MTFS going forward.

## **7 Implications**

### **7.1 Financial Implications**

Financial Implications are covered in the body of the report.

### **7.2 Legal Implications**

The Council is required to have a balanced budget. The additional pressures on expenditure and on lost income puts at risk the 2020/21 balanced budget position and puts the Council at risk of issuing a S114 notice. As a prudent authority a review of the MTFS is appropriate at this time.

### 7.3 Equalities Implications

There are no direct equalities implications.

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

There are no direct crime and disorder implications.

## 8 Link to Corporate Priorities

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

## 9 Recommendations

It is RECOMMENDED that Council approves:

- a) the revised projections to the 2020/21 revenue budget and remainder of the current MTFS in **Appendix A** as a result of the impact of Covid-19;
- b) the revised projections to the Capital Programme for 2020/21 and the impact on the Capital Programme over the MTFS in **Appendix B**;
- c) the changes to the Transformation Strategy in **Appendix C**;
- d) the Council Tax Hardship Fund Policy Paper at **Appendix D** and its current application;
- e) the strategy of utilising in-year budget efficiencies, the Organisation Stabilisation reserve, reviewing the use of existing reserves, reduced use of Voluntary Revenue Provision and therefore the use of New Homes Bonus; as fiscal levers so the Council balances the budget and delivers its corporate objectives (**paragraph 4.8.6**); and
- f) the transfer of three reserves totalling to £0.524m as stated at **paragraph 4.8.7** to the Organisation Stabilisation Reserve from 2020/21 and the revised anticipated position over the next five years (**Appendix E**).

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<b>Background papers available for Inspection:</b>	Report to Full Council - March 5 2020: 2020/21 Budget and Financial Strategy Report to Cabinet 12 May – Budget Update Report to Cabinet 9 June – Budget Update Report to Cabinet 14 July – Budget Update

	Report to Governance Scrutiny Group 30 July – Covid 19 Risk Register Update
<b>List of appendices:</b>	<b>Appendix A</b> – Budget Impact of Covid19 – Sensitivity Analysis <b>Appendix B</b> – Revised Capital Projections <b>Appendix C</b> – Revised Transformation Plan <b>Appendix D</b> – Council Tax COVID-19 Hardship Fund Policy 2020-21 – Update <b>Appendix E</b> – Revised Organisational Stabilisation Reserve

## Appendix A

	2020/21 ESTIMATE £	<b>Projected 2020/21 ESTIMATE £</b>	2021/22 ESTIMATE £	2022/23 ESTIMATE £	2023/24 ESTIMATE £	2024/25 ESTIMATE £
Communities	2,907,200	<b>3,355,400</b>	3,023,200	3,078,500	3,121,000	3,160,200
Finance and Corporate Services	3,442,800	<b>3,467,300</b>	3,668,300	3,764,000	3,992,800	3,860,900
Neighbourhoods	6,520,700	<b>8,122,300</b>	6,655,800	6,391,300	6,383,500	6,337,100
Transformation	2,000	<b>138,000</b>	(147,000)	(231,000)	(197,700)	(155,300)
<b>Net Service Expenditure</b>	<b>12,872,700</b>	<b>15,083,000</b>	<b>13,200,300</b>	<b>13,002,800</b>	<b>13,299,600</b>	<b>13,202,900</b>
Capital Accounting Adjustments	(2,130,600)	<b>(2,130,600)</b>	(2,130,600)	(2,130,600)	(2,130,600)	(2,130,600)
Minimum Revenue Provision	1,000,000	<b>1,000,000</b>	1,074,000	1,247,000	1,247,000	1,247,000
Revenue Contribution to Capital	146,800	<b>146,800</b>	154,800	180,400	180,400	184,600
Transfer to/(from) Reserves	1,859,200	<b>1,589,200</b>	(312,400)	(531,400)	(1,215,900)	(1,015,900)
<b>Total Net Service Expenditure</b>	<b>13,748,100</b>	<b>15,688,400</b>	<b>11,986,100</b>	<b>11,768,200</b>	<b>11,380,500</b>	<b>11,488,000</b>
Funding						
Other Grant Income	(17,500)	<b>(1,535,500)</b>	0	0	0	0
Localised Business Rates, includes SBRR	(3,984,300)	<b>(3,984,300)</b>	(3,058,300)	(3,119,500)	(3,181,900)	(3,245,500)
Collection Fund (Surplus)/Deficit	(444,500)	<b>(444,500)</b>	0	0	0	0
Council Tax Income						
- Rushcliffe	(6,278,800)	<b>(6,278,800)</b>	(6,626,500)	(6,985,500)	(7,356,300)	(7,739,100)
- Special Expenses Areas	(711,900)	<b>(711,900)</b>	(711,900)	(711,900)	(711,900)	(711,900)
New Homes Bonus	(2,311,100)	<b>(2,311,100)</b>	(1,151,600)	(653,100)	0	0
<b>Total Funding</b>	<b>(13,748,100)</b>	<b>(15,266,100)</b>	<b>(11,548,300)</b>	<b>(11,470,000)</b>	<b>(11,250,100)</b>	<b>(11,696,500)</b>
<b>Net Budget (Surplus)/Deficit</b>	<b>0</b>	<b>422,300</b>	<b>437,800</b>	<b>298,200</b>	<b>130,400</b>	<b>(208,500)</b>

	2020/21 ESTIMATE £	Projected 2020/21 ESTIMATE £	2021/22 ESTIMATE £	2022/23 ESTIMATE £	2023/24 ESTIMATE £	2024/25 ESTIMATE £
Investment Income		0	30,000	0	0	0
Pay Award		0	70,000	70,000	70,000	70,000
Business Rates		0	363,000	0	0	0
Fees and Charges and Commercial income		0	900,000	450,000	0	0
Collection Fund Deficit		0	100,000	100,000	0	0
<b>Total budget pressure</b>		<b>422,300</b>	<b>1,900,800</b>	<b>918,200</b>	<b>200,400</b>	<b>(138,500)</b>
Transformation Plan		0	33,000	(439,000)	137,000	(173,000)
MRP – reduction in VRP ie use of NHB		0	(626,000)	(626,000)	(626,000)	0
Transfer to/(from) Reserves		(422,300)	(1,307,800)	150,000	150,000	150,000
<b>Total Net budget Surplus/Deficit</b>		<b>0</b>	<b>0</b>	<b>3,200</b>	<b>(138,600)</b>	<b>(161,500)</b>



## Appendix B

REVISED CAPITAL PROGRAMME PROJECTIONS 2020-21				Explanations
EXPENDITURE SUMMARY	Current	Projected	Projected	
	Budget	Actual	Variance	
	£000	£000	£000	
<b>Transformation</b>	22,917	4,277	(18,640)	Slippage on the construction of Bingham Hub and The Crematorium anticipated although both projects are still anticipated to be completed to original timescales.
<b>Neighbourhoods</b>	3,846	1,840	(2,006)	Support for RHPs not wholly committed, slow DFG grant release due to COVID19 impact.
<b>Communities</b>	2,471	2,322	(149)	Balance of Skatepark grants not yet committed.
<b>Finance &amp; Corporate Services</b>	8,967	5,028	(3,939)	Balance of the Asset Investment Strategy not yet committed.
<b>Contingency</b>	170	0	(170)	Capital Contingency balance not yet allocated.
	<b>38,371</b>	<b>13,467</b>	<b>(24,904)</b>	
<b>FINANCING ANALYSIS</b>				
<b>Capital Receipts</b>	(13,330)	(7,848)	5,482	Intention to use capital receipts to fund expenditure before recourse to internally/externally borrow.
<b>Government Grants</b>	(3,258)	(517)	2,741	
<b>Use of Reserves</b>	(651)	(607)	44	
<b>Grants/Contributions</b>	(610)	(610)	-	
<b>Section 106 Monies</b>	(4,052)	(1,234)	2,818	
<b>Borrowing</b>	(16,470)	(2,651)	13,819	Intention to use capital receipts to fund expenditure before recourse to internally/externally borrow.
	<b>(38,371)</b>	<b>(13,467)</b>	<b>24,904</b>	
<b>NET EXPENDITURE</b>	-	-	-	

Appendix C

<b>Transformation Programme 2020/21 - 2024/25</b>					
<b>Savings (£'000)</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
<b>Service Efficiencies &amp; Management Challenge</b>	<b>1,767</b>	<b>1,757</b>	<b>1,747</b>	<b>1,737</b>	<b>1,737</b>
<b>Total Thematic Reviews - With Potential Savings</b>	<b>1111.5</b>	<b>1111.5</b>	<b>1111.5</b>	<b>1111.5</b>	<b>1111.5</b>
<u>Income Reviews</u>					
Wheeled bin charges for new houses	10	10	10	10	10
Fees and charges Generally	104	104	104	104	104
Street Trading Licences	5	5	5	5	5
Car Park - Increase charges	174	174	174	174	174
RCP - compulsory charging	20	20	20	20	20
Additional Green Bin Income	382	382	382	382	382
Planning pre-application Advice	30	30	30	30	30
<b>Total Additional Income</b>	<b>725</b>	<b>725</b>	<b>725</b>	<b>725</b>	<b>725</b>

<b>Transformation Programme 2020/21 - 2024/25</b>					
<b>Savings (£'000)</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
<b>Additional (Growth)/Savings</b>					
Savings Target	0	500	500	500	500
Planning Income	100	100	100	100	100
Room Hire	7	7	7	7	7
Net impact of relocation to Eastcroft	(273)	(273)	(273)	(273)	(273)
Leisure Community Interest Company	120	120	120	120	120
Procurement	50	50	50	50	50
Event Sponsorship Income	9	9	9	9	9
Finch Close	67	67	67	67	67
Co-op	69	69	69	69	69
Units at Moorbridge	0	0	0	0	0
Cotgrave Phase 2	0	34	91	91	91
Asset Investment Projects	147	323	657	910	992
<b>Total Additional (Growth)/Savings</b>	<b>296</b>	<b>1,006</b>	<b>1,397</b>	<b>1,650</b>	<b>1,732</b>
Overall Total	<b>3,899</b>	<b>4,599</b>	<b>4,980</b>	<b>5,223</b>	<b>5,305</b>
Additional savings	<b>159</b>	<b>700</b>	<b>381</b>	<b>243</b>	<b>82</b>

## Council Tax

# COVID-19 Hardship Fund Policy 2020-21 – Update

## 1. Introduction

- 1.1 This paper is an addition to the policy agreed by Cabinet on 14 May 2020.
- 1.2 All working age claimants who had a live claim as at 1 April 2020 were granted their CTS Hardship payment on 28 March 2020. This allocated £217,716.26. Since this date, there has been an increase in new claims and changes in circumstances where these awards also had to be made. These have been awarded on a weekly basis up to the end of April (£225,083.17).
- 1.3 The policy agreed by Cabinet allowed awards to continue up to the maximum of £150 until the end of quarter 1 (30 June 2020) and that a further review be undertaken at the end of quarter 1 with regards to the remaining balance of the fund.
- 1.4 It was agreed that if there were sufficient funds available, a further award of up to £150 would be made to all working age claimants (using the same underlying principles as the first award), therefore giving a maximum award of up to £300.

## 2. New software

- 2.1 There have been challenges for the Council's Benefits system software provider (Capita). Capita initially issued software that allowed automatic awards to be made in respect of the hardship fund payments. However, following meetings with the User Groups and MHCLG it was decided the software did not meet MHCLG's policy intention.
- 2.2 The advice from Capita was that LA's should wait until the new software was provided before making any awards (the awards previously made up to the end of April were done manually and were extremely resource intensive).
- 2.3 Capita finally issued the new software on 14 July. It is a fully automated process that considers all changes that may have an impact on the level of the award. Following testing of the software (it was loaded into our test system on 23 July) it was loaded onto the live system on 3 August 2020.

## 3. Potential expenditure

- 3.1 Initial testing shows the following expenditure, with the hardship parameter set at a maximum of £250 per claim:

2,293 claims - £370,141.44

By way of comparison- with a parameter of £300 this would have committed £417k and left £98k for further payments.

- 3.2 It is recommended that £250 is the maximum amount to be used in the parameter setting. The current spend is £389,922.05 as at 23 August - which leaves a balance of £125,466.95 for the remainder of 2020/21.
- 3.3 Analysis has been done on the potential number of number claims that when processed, could be entitled to a hardship payment of up to £300. This is as follows:

	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>
April	54	50	126
May	75	61	164
June	49	55	102
July	56	45	73
August	58	44	
September	64	41	
October	62	47	
November	49	70	
December	28	27	
January	49	49	
February	52	45	
March	58	63	

- 3.4 From August 2019 to March 2020 a total of 420 claims for CTR were processed (53 per month). Based on an average hardship payment of £161.42 per claim (£370,141.44 divided by 2,293 claims) – this would allocate a further £68,443.07. This would leave a potential balance of £57,033.88 to be used if there is a second wave of COVID-19 or once the furlough scheme draws to a conclusion (ie if there are further job losses and residents requiring further support). Obviously, this is very difficult to predict.

## 4. Action Taken

- 4.1 The parameter is set at a maximum of £250 per claim. There should be enough funding to cover the further claims received up to 31 March 2021. If there is a large increase in claims the funding will be capped at the amount allocated unless Government provide further resources. However, it is considered reasonable to assume that we will now receive a consistent level of new claims for the remainder of 2020/21 subject to the impact of the end of the furlough scheme or a local/national lockdown.
- 4.2 The scheme will continue to be reviewed and any further changes anticipated in January 2021 and reported to Full Council in March 2021 as part of the MTFs.

**Anticipated Position on Organisational Stabilisation Reserve**

	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000
<b>Organisation Stabilisation Reserve</b>					
<b>Estimated Opening Balance</b>	<b>2,401</b>	<b>2,493</b>	<b>2,014</b>	<b>1,933</b>	<b>1,933</b>
Planned transfer to/(from) reserve	362	(479)	(81)		
Add carry forwards	(270)				
<b>Estimated Closing Balance</b>	<b>2,493</b>	<b>2,014</b>	<b>1,933</b>	<b>1,933</b>	<b>1,933</b>
<b>Post Covid 19 Position</b>					
<b>Revised Opening Balance</b>	<b>2,493</b>	<b>2,071</b>	<b>284</b>	<b>353</b>	<b>503</b>
Planned transfer to/(from) reserve		(479)	(81)		
Additional transfer to/(from) reserves	(422)	(1,308)	150	150	150
<b>Revised Closing Balance*</b>	<b>2,071</b>	<b>284</b>	<b>353</b>	<b>503</b>	<b>653</b>

\* the above does not include the expected transfer in relation to Business Rates of £2.864m. This is expected to be reversed out (ie a net nil effect) as a result of the timing mis-match from receiving s31 grant for the reliefs and the payments that are required to be made to preceptors via the Collection Fund



**Council**

**Thursday, 24 September 2020**

**Approval of the Scrutiny Annual Reports 2019/20**

## **Report of the Executive Manager – Finance and Corporate Services**

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

### **1. Purpose of report**

The Scrutiny Annual Report, contained at Appendix 1, provides a review of the work undertaken by the Council's four Scrutiny Groups during 2019/20.

### **2. Recommendation**

It is RECOMMENDED that Council endorse the work undertaken by the four Scrutiny Groups during 2019/20.

### **3. Reasons for Recommendation**

To enable Council oversight of the work and operation of its statutory Overview and Scrutiny function, the function's effectiveness and contribution to the work of the Council.

### **4. Supporting Information**

During the year, the following subjects have been scrutinised and monitored:

#### **Corporate Overview Group**

- Implementation of Change
- Feedback from Scrutiny Chairmen and Consideration of Scrutiny Work Programmes
- Finance and Performance Management
- Health and Safety Annual Report
- Corporate Strategy 2020 – 2023
- Customer Feedback Annual Report
- Diversity Annual Report
- Options for Public Engagement in Scrutiny

## **Governance Scrutiny Group**

- Internal Audit, including Progress Reports 2019/20, Annual Report 2019/20 and Strategy 2020 – 2023
- External Audit Strategy 2019/20
- Capital and Investment Strategy Outturn 2019/20
- Annual Governance Statement 2019/20
- External Auditors Report to Those Charged with Governance 2018/19
- Approval of the Statement of Accounts 2018/19;
- Annual Fraud Report for 2018/19
- Annual Audit Letter
- Risk Management Progress Reports
- Treasury Management Strategy and Updates
- Asset Management Plan

## **Communities Scrutiny Group**

- Community Partnership Review – Positive Futures and YouNG
- Carbon Management Plan Development and Review
- Public Spaces Protection Order Review
- Review of Community Facilities in West Bridgford
- Fly tipping
- Waste Strategy

## **Growth and Development Group**

- Abbey Road Depot Redevelopment
- Community Infrastructure Levy (CIL)
- Business Support Offer
- Support and Promoting Economic Vibrancy in Town Centres
- Management of Open Spaces
- Approach to Assisting Economic Recovery in the Borough

### **5. Risks and Uncertainties**

None.

### **6. Implications**

#### **6.1. Financial Implications**

There are no financial implications.

#### **6.2. Legal Implications**

The Council is required by the Local Government Act 2000 to have scrutiny arrangements in place. This report demonstrates the Council's compliance with these requirements.



### 6.3. Equalities Implications

The role of the relevant scrutiny groups includes monitoring the Equality and Diversity impact of the Councils policies and strategies.

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

There are no Section 17 implications.

## 7. Link to Corporate Priorities

Quality of Life	Effective scrutiny is an essential element of the delivery of the corporate strategy and corporate priorities.
Efficient Services	
Sustainable Growth	
The Environment	

## 8. Recommendations

It is RECOMMENDED that Council endorse the work undertaken by the four Scrutiny Groups during 2019/20.

<b>For more information contact:</b>	Peter Linfield Executive Manager - Finance and Corporate Services 0115 9148439 plinfield@rushcliffe.gov.uk
<b>Background papers available for Inspection:</b>	
<b>List of appendices:</b>	<b>Appendix 1 – Annual Scrutiny Reports 2019/20</b>

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# Annual Scrutiny Report 2019/20



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## **Corporate Overview Group**

### **Chairman's Foreword**

This annual report summarises the main work undertaken by the Corporate Overview Group 2019/20. Following a review of the Council's scrutiny functions in 2018, it was recommended that a large Corporate Overview Group be created to oversee the Council's other scrutiny group work programmes based on concerns highlighted by quarterly financial and performance monitoring reports, as well as items on the Cabinet Forward Plan and priorities within the Corporate Strategy.

The Corporate Overview Group have ensured that the executive be held to account by approving topics to be discussed at scrutiny groups such as the Council's carbon management plan and the implementation of the Community Infrastructure Levy. Additionally, the Group have scrutinised financial and performance management reports on a quarterly basis to ensure the smooth running of the Council.

The outbreak of Covid 19 has undoubtedly presented challenges to the running of the Council's business and the Group will continue to evaluate the Council's performance over the next twelve months. On behalf of the rest of the Corporate Overview Group, I would like to thank the Council's resilient officers who ensured that services continued during the lockdown period and to the numerous volunteers and community groups who have provided assistance to residents during this difficult time.



**Councillor Tina Combellack**  
**Chairman**

## **What we are responsible for?**

The Corporate Overview Group responsibilities include:

Implementing identified improvements to scrutiny throughout the transitional period including training of scrutiny members, construction of new work programmes and reporting methods.

Creating and receiving feedback on work programmes for the Growth, Communities and Governance Scrutiny Groups based on the Cabinet Forward Plan, Corporate Strategy, Medium Term Financial Strategy, Investment Strategy and Transformation Plan.

Scrutinising financial and performance management reports on a quarterly basis to ensure the smooth running of the Council and delegate any necessary investigations into concerning elements of these reports to the most appropriate scrutiny group via their work programme.

Reviewing reports in respect of health and safety, diversity and customer feedback to ensure the Council is meeting its statutory duties.

## **Our work this year**

During this year, the Group considered many service areas and issues within its scrutiny role, particularly:

- Implementation of Change;
- Feedback from Scrutiny Chairmen and Consideration of Scrutiny Work Programmes;
- Finance and Performance Management;
- Health and Safety Annual Report;
- Corporate Strategy 2020 – 2023;
- Customer Feedback Annual Report;
- Diversity Annual Report; and
- Options for Public Engagement in Scrutiny.

## **Implementation of Change**

During each meeting the Chairman and the Service Manager – Finance and Corporate Services provided the Group with a verbal update on the progress of the scrutiny review at the Council. It was noted that the Council was working with Charnwood Borough Council to provide mutual support throughout the scrutiny transition of both authorities. Councillors also took part in training from East Midlands Councils and attended the East Midlands Scrutiny Conference, which was held at Rushcliffe Arena.

## **Feedback from Scrutiny Chairmen and Consideration of Scrutiny Work Programmes**

At each meeting, the Group discussed suggestions of topics for scrutiny which were submitted either by Councillors or by officers. At the meeting in June 2019, the Chairman of the Growth and Development Scrutiny Group suggested that the proposed development on the depot site at Abbey Road, West Bridgford be scrutinised as it was key to ensure that the Council's aspirations and conditions for the development of the site were being met. The Chairman of the Governance Scrutiny Group noted that treasury management, investments and commercialism would be topics that would be scrutinised throughout 2019/20. The Chairman of the Communities Scrutiny Group suggested that the Council's carbon management plan be scrutinised in October following the motion proposed and adopted by Council in March 2019.

Following the updates from the Scrutiny Group Chairmen and after discussing the scrutiny matrix forms received from councillors, it was suggested that topics which could be discussed by the Growth and Development Scrutiny Group included the negotiation and delivery of Section 106 agreements, the development of Fairham and the Bingham Growth Programmes; and Planning Enforcement. Topics which were suggested for the Communities Scrutiny Group included a review of community facilities in West Bridgford, an update on the Council's waste and resources strategy and fly tipping. The governance scrutiny group decided to scrutinise amendments to the constitution, as well as internal and external audit reports and the Council's treasury management strategy.

## **Finance and Performance Management**

The Group scrutinised financial and performance management reports on a quarterly basis to ensure the smooth running of the Council.

At the Group's first meeting a report was delivered by the Financial Services Manager which detailed both the year-end financial outturn and performance position for 2018/19. The Financial Services Manager informed the Group that there were requests for the use of reserves in 2019/20 (from 2018/19) efficiencies for both expected and new revenue incomes totalling £228,000. At the Group's meeting in September, the Group were informed that the Council had a net efficiency position of £15.326 million was primarily due to significant sums of the Fairham development and the redevelopment of the depot. In November, it was reported that the financial position for the year was positive with overall service revenue efficiencies of £390k and business rates providing an additional income of £68k with an overall revenue efficiency position of

£454k. The Financial Services Manager was also pleased to note during the meeting in February that there was overall service revenue efficiencies of £525,000 and business were providing an additional income of £354k. It was stated that despite there being sufficient revenue efficiencies, such funding would be required given the significant risks in relation to future business income streams and ensuring the delivery of the carbon management action plan. At the meeting in July it was explained that due to the additional work pressures as a result of Covid-19, the approval of the draft statement of accounts was only nine days later than planned and within statutory deadlines.

An important aspect of the Group's work is to monitor the Council's performance against its key performance indicators and strategic tasks. As part of the Council's performance management framework, the Group scrutinises performance every quarter. Exceptions and highlights are identified along with what appropriate action is being taken to bring under-performing tasks and indicators back on track. Some of the issues arising from performance reports discussed this year included:

- the percentage of investment strategy committed;
- operational planning performance;
- number of affordable homes delivered;
- number of calls answered in less than 40 seconds;
- percentage of planning enforcement inspections carried out in target time; and
- the number of pavilion, community hall and playing field users.

### **Health and Safety Annual Report**

The Safety and Risk Management Advisor delivered a presentation to the Group in June 2019. Following the presentation, the Group were also pleased that mental health first aid training had been delivered to the Council's 'work place health champions.' The Group were also informed was working with the Health and Safety Team at Nottingham City Council due to refuse staff moving from the depot site at Abbey Road West Bridgford to the Eastcroft depot in Nottingham.

### **Corporate Strategy 2019 – 2023**

In June 2020, the Group were asked to comment on the draft Corporate Strategy 2020 – 2023. The Corporate Strategy is one of the key documents 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. In considering the document, the Chairman noted that the 'our journey since 2016' section in the strategy was not accurate and asked for this to be amended. It was also suggested that the relocation of the Rushcliffe Community Contact Centre had an overly optimistic timescale for completion. In a response to this observation the Executive Manager – Transformation and Operations stated that a report would be presented to Cabinet in July 2019, which would recommend new premises for the Rushcliffe Community Contact Centre. The Group requested that a revised version of the Corporate Strategy be reported back to the Corporate Overview Group at their next meeting before being recommended to be approved by Council in September 2019.

At the meeting in September 2019, the Service Manager – Finance and Corporate Services noted that amendments had been made as requested including the



implementation of a new priority 'the environment' and changes to the 'our journey so far' timeline. The Group were also informed that the Corporate Strategy would be a 'living document' which could be amended overtime.

Following the amendments, revised Corporate Strategy 2019 – 2023 was recommended for endorsement by Cabinet and was approved by Council later that month.

### **Customer Feedback Annual Report**

The Group were informed that 51 complaints were received by the Council during 2018/19 at Stage 1 of its complaints process and that the percentage of complaints escalated to Stage 2 had decreased from 32.5% in 2017/18 to 17.6%. The Group praised the officers for dealing with complaints efficiently. It was explained that complaints raised on social media were often short-term issues such as a missed bin and were dealt through a direct conversation with the resident. The Group suggested that the Council should reply to a resident directly on Twitter to let them know that their complaint would be dealt with over private message so that other followers of the Council on social media would be able to see that the Council responds to its complaints timely.

### **Diversity Annual Report**

The Human Resources Manager presented the report of the Executive Manager – Transformation which set out the Council's performance against the objectives set out in the Single Equality Scheme during 2018/19. Members of the Group asked questions regarding the recording of equality data for Councillors. The Human Resources Manager noted that equality data of Councillors was not required and that Councillors were selected firstly by political parties and electors. It was noted however that the Local Government Association encouraged political parties to select a diverse range of candidates. It was suggested that this issue could be discussed at Member Development Group about how the Council could encourage more women and residents from different ethnicities to stand for election. It was noted that the Council encouraged the promotion of women in the Council's senior leadership team.

### **Options for Public Engagement in Scrutiny**

The Service Manager – Finance and Corporate Services delivered a presentation to the Group which provided options into what methods could be introduced to incorporate public engagement in scrutiny meetings.

The Group were informed that ways in which other Council's involved public engagement in scrutiny were:

- Asking the public to suggest topics for the scrutiny work programme;
- Informal meetings where members of the scrutiny group would meet with members of the community and talk directly to residents which would enable Councillors to formulate evidence for scrutiny topics;
- Feedback surveys on scrutiny topics;
- Public speaking which would bring the topic alive during the meeting; and

- Co-opt members of the public onto the scrutiny group so that they can have an input in the decision making process.

It was suggested that the scrutiny groups could meet with members of the community such as small business owners and employees or ask tenants of community halls to answer surveys.

Following the presentation the Executive Manager – Finance and Corporate Services suggested that the Group should consider these methods to increase public engagement in scrutiny when suggesting topics to be discussed by scrutiny groups.

### **Member Panels**

The Group did not establish any Member Panels this year.

### **Call-ins**

The Group did not discuss any call-ins this year.

### **Looking forward to the year ahead**

Following the review of the Council's scrutiny functions in 2019/20 all members of Corporate Overview Group are looking forward to developing comprehensive work programmes for the scrutiny groups, which will hold the executive to account. The Group will also be considering the future model of scrutiny at the Council.

## **Governance Scrutiny Group**

### **Chairman's Foreword**

This brief foreword looks back on an unprecedented year for the Governance Scrutiny Group in 2019/20. It has been a very difficult and challenging time over the past few months, with the outbreak of Covid-19 and the subsequent lockdown, which has had a severe impact on the national economy and the Council's finances. Before the Covid-19 pandemic, the Council was already facing uncertainty with on-going national financial austerity; however, I am pleased to report that due to the dedication of both the staff and Councillors, and because of prudent financial management over many years, the Council has managed exceptionally well to deal with this crisis. Although it should be noted that there are still difficult, uncertain times ahead and the Council's financial resilience going forward will be severely tested, it is encouraging to know that the Council has the appropriate governance arrangements in place to support this task.

The scrutiny process is vital to challenge and influence how the Council makes decisions to ensure a high service quality and in these unprecedented times, it is even more vital to ensure resilience. This report demonstrates the variety of areas, which the Governance Scrutiny Group has scrutinised over the past year, and the actions taken to ensure the probity and soundness of the Council's decision making. Over the past year, the group has judiciously and robustly scrutinised the Council's finances, approach to risk, as well as other corporate issues.

Going forward we all look forward to building upon the work of the Governance Scrutiny Group, particularly in these challenging times, when there is still so much uncertainty going forward.

Councillor Francis Purdue-Horan  
Chairman Governance Scrutiny Group



Councillor Francis Purdue-Horan  
Chairman



Councillor Jenny Walker  
Vice Chairman

## What we are responsible for?

The Governance Scrutiny Group's responsibilities include:

- **Statement of Accounts** To examine the outturn and statement of accounts resulting in its approval.
- **Annual Governance Statement** To consider the annual report on applying the Council's system of internal control. This statement ultimately comprises a key element of the Council's Statement of Accounts.
- **Capital and Investment Management** To consider the annual and interim reports on capital and investment management activity. Ensuring that practice has complied with the approved Asset Management Strategy, making recommendations to Cabinet or Full Council as appropriate. Including changes to the Treasury and Capital Codes of Practice, which includes how we account for Commercial Investments and reporting on the position concerning both treasury and commercial investments.
- **Protecting against fraud** To consider the annual report on fraud and irregularities in order to make an informed judgement on the corporate governance and internal control statements, making recommendations to Cabinet on improvements. To consider any matters arising as a result of irregularity referred to it by Cabinet.
- **External Audit** To review the Annual Plan for the year and receive both the 'Report to those charged with Governance' and the Annual Audit letter.
- **Internal Audit** To consider periodic reports on the more significant findings of internal audit in order to make an informed judgement on corporate governance and internal control statements, making recommendations to Cabinet on improvements.
- **Risk Management** To consider periodic reports on controls over key risk areas as identified in the risk register in support of making an informed judgement on the corporate governance and internal control statements, making recommendations to Cabinet on improvements.

## Our work this year

During this year, the Group considered many service areas and issues within its scrutiny role, particularly:

- Internal Audit, including Progress Reports 2019/20, Annual Report 2019/20 and Strategy 2020 – 2023;
- External Audit Strategy 2019/20;
- Capital and Investment Strategy Outturn 2019/20;
- Annual Governance Statement 2019/20;
- External Auditors Report to Those Charged with Governance 2018/19;

- Approval of the Statement of Accounts 2018/19;
- Annual Fraud Report for 2018/19
- Annual Audit Letter;
- Risk Management Progress Reports;
- Treasury Management Update;
- Treasury Management Strategy; and
- Asset Management Plan.

## **Internal Audit**

### **Internal Audit Progress Reports 2019/20**

The Group received and noted three progress reports throughout the year, prepared by the Council's internal Auditors, RSM. Mr Chris Williams, Head of Internal Audit and Mr Amjad Ali, Senior Manager at RSM attended the meetings to update the Group.

At its meeting on 17 September 2019, the first report provided information on the current position of the audit programme, and the Group noted that six assignments had been completed. In respect of the audit findings, five substantive audits had returned findings of Substantive Assurance.

At its meeting on 3 December 2019, the Group noted that six assignments had been completed. In respect of the audit findings, out of the six substantive audits, four had returned findings of Substantive Assurance resulting in a number of low-level recommendations where management was agreed.

At its meeting on 6 February 2020, the Group noted that another assignment had been completed.

### **Internal Audit Annual Report 2019/20**

Mr Amjad Ali, Senior Manager at RSM, the Council's internal auditors, attended the meeting on 30 July 2020, and presented the Council's Internal Audit Annual Report 2019/20 for noting by the Group. This was the last report for the financial year and RSM concluded that the Council had an adequate and effective framework for risk management, governance and internal control. The Group noted that of the 15 audits, 13 had resulted in a green 'Substantial Assurance' rating and two with an amber 'Reasonable Assurance' rating. In addition, 40 management actions had been identified, including six 'Medium Priority' and 34 'Low Priority', where management actions had been agreed in all cases.

### **Internal Audit Strategy 2020 to 2023**

Mr Gurpreet Dulay, Senior Manager, BDO, the Council's new internal auditors, attended the meeting on 6 February 2020, and presented the Council's three-year Internal Audit Strategy 2020 to 2023. The Audit Plan had been developed with regards to the Council's corporate objectives, risk profile and assurances framework, as well as other factors affecting the Council in the year ahead, including changes

within the public sector. Members of the Group welcomed and approved the adoption and implementation of the Strategy and Audit Plan.

### **External Audit Strategy 2019/20**

Mr David Hoose – Partner, Mazars, the Council’s external auditors, attended the meeting on 6 February 2020, and presented a report to the Group that summarised Mazars approach to external audit activity concerning the final accounts process and their approach to value for money work in relation to the financial year 2019/20. The report also detailed the four key areas of risks concerning the year-end accounts and the Council achieving value for money. Those included:

- Management override controls;
- Valuation of property, plant and equipment;
- Defined benefit liability valuation (Pensions); and
- Fraudulent revenue recognition.

Members of the Group welcomed and approved the External Audit Strategy.

### **External Auditors Report to Those Charged with Governance 2018/19**

At the meeting on 23 July 2019, the Executive Manager – Finance and Corporate Services presented the Group with the External Auditor’s Report to those Charged with Governance for 2018/19. The report provided a summary of the key findings arising from the audit of the Council’s financial statements for the year ending 31 March 2019, as well an assessment of the Council’s arrangements to secure value for money in its use of resources. It was noted that the Council continued to maintain a good quality Statement of Accounts and supporting working papers and that no significant issues had been identified during the audit.

Members of the Group were pleased to note that the Council ensured the delivery of value for money and that the appropriate processes and procedures were in place to ensure both resilience and commercialisation.

### **Approval of the Statement of Accounts 2018/19**

At its meeting on 23 July 2019, the Statement of Accounts for 2018/19, along with the draft Management Representation letter were presented and approved by the Group in advance of being presented to Full Council.

### **Annual Fraud Report**

Members of the Group received the Annual Fraud report at the meeting on 23 July 2019.

At its meeting on 23 July 2019, Mr Chris Williams, Head of Internal Audit at RSM, the Council’s internal auditors, presented the Annual Fraud Report, which provided an overview of general and specific fraud related issues that had arisen at the Council during 2018/19.

It was noted, that in carrying out its functions and responsibilities, the Council was firmly committed to dealing with fraud or corruption from inside and outside the organisation. Mr Williams advised the Group that the Council did not have a dedicated fraud prevention resource; however, it was the responsibility of managers as part of the internal control environment to identify fraud and if required, request RSM to investigate any allegations of fraud. Mr Williams informed the Group that during 2018/19 there had been no fraudulent activities detected, but there had been a number of errors found in Housing Benefit awards and Council Tax single person discounts. The Executive Manager – Finance and Corporate Services advised that of the 350 matches reviewed by the Council, 18 had been identified for further investigation.

Members of the Group noted the Annual Fraud Report for 2018/19.

### **Annual Audit Letter**

At its meeting on 17 September 2019, members of the Group received and noted the Annual Audit Letter, which concluded that no significant issues had arisen during the 2018/19 financial year.

### **Risk Management Progress Reports**

Members of the Group received two Risk Management Progress reports at the meetings on 23 July and 17 September 2019.

At its meeting on 23 July 2019, the Group received and noted the Risk Management Progress Report, which provided a summary of the Council's Risk Registers that had changed. Members were advised that at that time there were 32 corporate risks and 26 operational risks within the register and that those risks could fluctuate throughout the year, as active risk management was undertaken.

The Executive Manager for Finance and Corporate Services outlined the risks that had changed following the review process and explained the role of the risk matrix and how it affected how risks were scored. The Group noted that some risks that were added to the register could result from external factors and events that occurred outside of the Council's control.

At its meeting on 17 September 2019, the Group received the Risk Management Progress Report, which provided a summary of the Council's Risk Registers that have changed and work related to the Council's Emergency Planning and Business Continuity functions, including a Brexit update. Members were advised that at that time there were 33 corporate risks and 26 operational risks within the register and that those risks could fluctuate throughout the year, as active risk management was undertaken.

The Executive Manager for Finance and Corporate Services outlined the risks that had changed following the review process and advised that weekly planning meetings for Brexit were taking place. In respect of Emergency Planning, the Business Continuity Plan was being reviewed as part of a three-year cycle.

The Group questioned the need for additional information to be provided on who was responsible for the mitigation of risk and the quantification of risk and the financial impact to the Council and the Executive Manager for Finance and Corporate Services suggested that a more detailed explanation for red rated risks could be added where any changes had occurred.

Members of the Group noted the Risk Management Progress report and endorsed the work of the Emergency Planning Officer and the Local Resilience Forum.

### **Treasury Management Update**

At its meeting on 3 December 2019, members of the Group received and noted a mid-year report detailing the Council's capital and investment activities from April to September 2019. The Group was advised of the ongoing uncertainty over the growth of the UK economy and the impact that was having. The Group noted that all investments had been made in accordance with the Council's Treasury Management Strategy.

### **Treasury Management Strategy**

At its meeting on 6 February 2020, members of the Group received a report detailing the Council's Capital and Investment Strategy for 2020 to 2025 and focused on both traditional treasury activity and the Council's commercial property investments. The report highlighted the Council's Treasury Management Strategy, which included:

- The current economic climate and prospects for interest rates;
- The Council's debt and investment projections;
- The limits and prudence of future debt levels;
- The affordability impact of the capital programme;
- The Council's borrowing and investments linked to the environment, human rights and social agenda;
- Specific limits on treasury activities; and
- Any local treasury issues.

Following consideration of the report, the Group endorsed the following for approval by Council on 6 March 2020:

- The Capital Strategy and Prudential Indicators and Limits for 2020/21 to 2024/25;
- The Minimum Revenue Provision (MRP) Statement;
- The Treasury Management Strategy 2020/21 to 2024/25 and the Treasury Indicators and
- The Commercial Investments Indicators and Limits for 2020/21 to 2024/25.

### **Constitution**

Members of the Group received and approved an update report on amendments to the Constitution at the meeting on 3 December 2019.



## **Asset Management Plan**

At its meeting on 3 December 2019, members of the Group received and noted a report outlining the Council's Asset Management Strategy in supporting the Council's corporate aims and objectives. The Strategy sought to align the asset portfolio with the needs of the organisation. Sitting under the Strategy was the Asset Management Plan, which set out the detail of how the Council managed its land and building assets over a five-year period.

Members of the Group asked specific questions in relation to corporate priorities and requested that future reports contain additional financial details and completion rates in the Action Plan.

## **Member Panels**

The Group did not establish any member Panels this year.

## **Call-ins**

The Group did not discuss any call-ins this year.

## **Looking forward to the year ahead**

The Group will continue to help review and shape policy; ensuring improvements are implemented by developing a challenging work programme.

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## **Communities Scrutiny Group**

### **Chairman's Foreword**

This annual report summarises the main work undertaken by the Communities Scrutiny Group 2019/20. Following a review of the Council's scrutiny functions in 2018, it was recommended that a scrutiny group be created to oversee the Council's community partnerships, areas of community concern and the Council's responsibility to be environmentally sustainable.

The Communities Scrutiny Group have scrutinised topics such as the Council's carbon reduction plan and the Council's community partnership with Positive Futures and YouNG – both of which had recommendations approved by Cabinet.

The outbreak of Covid-19 has undoubtedly presented challenges to the communities of Rushcliffe however; the Group will continue to monitor on-going projects and government policies over the next twelve months including the Council's waste strategy.

I would like to thank all members of the Group for their very active involvement, support and topic suggestions and particularly my Vice Chairman, Councillor Bal Bansal.



**Councillor Jonathan Wheeler  
Chairman**



**Councillor Bal Bansal  
Vice Chairman**

## **What we are responsible for?**

The Communities Scrutiny Group responsibilities include:

- Reviewing the Council's partnerships to ensure that community needs are being met and the partnership is providing good value for money.
- Identifying areas of community concern, exploring how this can be met and making recommendations to that effect.
- Considering concerns specific to the local area in terms of health and wellbeing and making recommendations to improve the health and wellbeing of local residents.
- Considering projects and initiatives to further the Council's efforts to protect the environment of the Borough and promote environmental sustainability to our residents.

## **Our work this year**

During this year, the Group considered many service areas and issues within its scrutiny role, particularly:

- Community Partnership Review – Positive Futures and YouNG;
- Carbon Management Plan Development and Review;
- Public Spaces Protection Order Review;
- Review of Community Facilities in West Bridgford;
- Fly tipping; and
- Waste Strategy.

## **Community Partnership Review – Positive Futures and YouNG**

The Community Development Manager presented the report of the Executive Manager – Communities which provided the Group with an overview of the current service level agreement with the Trent Bridge Community Trust who currently deliver both the Positive Futures and YouNG projects on behalf of the Council both of which were due to expire on the 31 December 2020.

The Group were asked to consider the options from one of the following commissioning proposals;

- a) Commission Trent Bridge Community Trust to combine the current Positive Futures and YouNG Service Level Agreements at existing levels of £192,000 per annum for the period 2021-2025.
- b) Commission Trent Bridge Community Trust to combine the current Positive Futures and YouNG Service Level Agreement at a reduced level of £150,000 per annum (22% reduction).
- c) De-commission delivery of one or both of the Positive Futures and YouNG projects at the end of the current Service Level Agreement period.

The Group were very supportive of the Positive Futures programme, and believed that it had a better outcome for individuals in comparison to the YouNG project. It was suggested that perhaps the Council could fund the Positive Futures programme at existing levels and send out a tender for the commission of a new programme for young people to enhance their talents and abilities to replace the YouNG project. It was also discussed that a programme to target sport and a healthy lifestyle could be more beneficial to young people than work experience placements and entrepreneurship opportunities. However, the majority of the Group agreed that there was not enough entrepreneurship opportunities in the Borough and so the Council should commit to support the YouNG Project.

The Group resolved to recommend to Cabinet that Trent Bridge Community Trust should be commissioned to combine the current Positive Futures and YouNG Service Level Agreements at existing levels of £192,000 per annum for the period 2021 – 2025.

## **Carbon Management Plan Development and Review**

The Community Development Manager presented the report of the Executive Manager – Neighbourhoods that outlined the Council's current strategic framework and recent performance in reducing carbon emissions from the Council's direct operations in order for the Council to achieve carbon neutral status by 2030.

It was suggested that solar panel farms could be used as an income stream for the Council with the loss of business rates from Ratcliffe on Soar Power Station in 2025. The Group also discussed the possibility of Carbon and Environmental impacts for reports be added as a heading to all Council reports. It was noted that ongoing monitoring of the delivery of the action plan would need to be incorporated into future scrutiny work programmes as there was no quick and easy response to the scale of the challenge faced.

The Community Development Manager provided an update to the Group in January 2020, which contained a draft of the Council's Carbon Reduction Action Plan for consideration and discussion to further inform development prior to adoption as a working document. It was explained that although it was not currently possible to quantify the full level of investment required to achieve carbon neutral status by 2030, the Communities Scrutiny Group was asked to consider recommending to Cabinet that this target should be adopted and a budget established to support delivery.

Further suggestions were made by the Group to add to the action plan. Some concerns were raised about the financial impact of the Council aiming to become carbon neutral. For example, it was stated that the construction of Bingham Leisure Centre was going to cost an extra £370,000 in order to greatly reduce carbon emissions. It was agreed that the target for the Council to be carbon neutral by 2030 was a challenging aim and would require resources, but the cost of not setting this target to focus work on tackling the issue was unacceptable.

The Group endorsed the action plan and requested that Cabinet set a target for becoming carbon neutral for the Council's own emissions by 2030. It was also recommended that Cabinet support budget provision within the Council's Medium-Term financial strategy to deliver carbon reduction actions. These recommendations were approved by Cabinet in March 2020.

### **Review of the Public Spaces Protection Order**

The Environmental Health Manager presented the report of the Executive Manager – Neighbourhoods which asked the Group to consider whether to extend the current Public Space Protection Order for a further three years.

The Group asked questions regarding the Rough Sleepers Group that meets monthly. The Executive Manager – Neighbourhoods noted that The Council had always recognised that persons sleeping outdoors needed support rather than an enforcement approach and the Council works closely with partners through the rough sleepers group including Framework, to ensure that it takes place. It was explained that the Rough Sleepers Group deals with known individuals who were homeless and that the Group aims to establish the root cause of their homelessness and support them to make positive changes.

The Group recommended to Council to extend the Public Space Protection Order. It was resolved by Council in December 2019 that the Public Spaces Protection Order to control street drinking and outdoor sleeping be approved.

### **Review of Community Facilities in West Bridgford**

The Service Manager – Transformation presented the report of the Executive Manager – Transformation that provided the Group with an update on community facilities in West Bridgford including their current usage, income and expenditure.

Members of the Group had several suggestions on how to improve the booking techniques of hiring the community facilities and how to reduce the running costs. These included:

- The ability to book the hire of community facilities online;
- To have user groups or 'friends of' groups to help run the community facilities; and
- Using Community Infrastructure Levy payments to invest in a new community facility in West Bridgford, which is more energy efficient, which would therefore reduce running costs.

Following these recommendations, the Executive Manager – Transformation said that the Council was committed to looking at overhead costs in more detail and that the Group would be updated on the possibility of a new community facility in Edwalton.

### **Litter, dog fouling and fly tipping (part one – fly tipping)**

The Environmental Health Manager presented the report of the Executive Manager – Neighbourhoods that detailed an update on fly tipping and the Council's response and delivered a presentation to the Group.

Following the presentation, the Chairman suggested that an additional recommendation be approved by the Group and following a discussion it was agreed that the following be added as an additional recommendation:

In light of an increase in fly tipping incidents in the Borough, it is recommended that the Chief Executive be asked in conjunction with the Cabinet Portfolio Holder to review the resources deployed on enviro crime enforcement ahead of 2021/22 budget setting process with a view to providing suitable additional resource to cope with the increased workload.

It was agreed that further advice and education was required to help residents make appropriate checks on who they are asking to dispose of their waste. The officers suggested that Councillors encourage Rushcliffe residents to report fly tipping incidents and provide evidence where possible by taking photographs and making a note of the vehicle registration number.

### **Waste Strategy**

The Service Manager – Neighbourhoods delivered a presentation to the Group, which outlined Rushcliffe Borough Council's current waste strategy and provided an update to the Group about the government's Environment Bill, which could potentially have a significant impact on the Borough's weekly waste collections and the Council's income.

The Group were pleased to note that manufacturers would be taxed if they produced plastic products with less than 30% recycled plastic but stated that this must drive an alternative to the production of plastic. Some members of the Group also encouraged councillors to visit the Veolia to find out more about the materials that can be recycled.

**Member Panels**

The Group did not establish any Member Panels this year.

**Call-ins**

The Group did not discuss any call-ins this year.

**Looking forward to the year ahead**

The Communities Scrutiny Group are looking forward to developing a comprehensive work programme for the year ahead.



# Growth and Development Scrutiny Group

## Chairman's Foreword

This annual report summarises the main work undertaken by this scrutiny group during 2019/20. It has been a very challenging time over the past few months, with the outbreak of Covid-19 and subsequent lockdown. Local communities, businesses, and employment have all been affected in some way or another and the Council has had to adapt its services and resources to provide support where needed. However, I am pleased to report that due to the resilience of local communities and the dedication of officers and Councillors, in supporting residents and the local economy we are beginning to see some emerging successes.

We have explored the Council's Growth and Development in line with the Council's priorities which are:

- Delivering economic growth to ensure a sustainable, prosperous and thriving local economy;
- Maintaining and enhancing our residents' quality of life; and
- Transforming the Council to enable the delivery of efficient high quality services.

I am confident that our work over the last year has improved residents quality of life. There have been many areas of strength, balanced against areas where improvement and development are needed.

Going forward we look forward to building on the work of the Growth and Development Scrutiny Group and I wish to thank my colleagues, especially my Vice Chairman, Councillor Abby Brennan, for the lively and probing discussions, and for their engagement and support.

Councillor Neil Clarke  
Chairman Growth and Development Scrutiny



Cllr Neil Clarke  
Chairman



Cllr A Brennan  
Vice Chairman

## **What are we responsible for?**

The Growth and Development Scrutiny Group's remit is to consider relevant topics, in line with the Council's priorities, taking into account the Corporate Strategy and those of officers and councillors for inclusion in a work programme agreed by the Corporate Overview Group.

Both Councillors and Officers are required to complete a scrutiny matrix to outline a topic they would like to be considered for scrutiny. The matrix summarises the issue of concern as well as the key lines of enquiry for review.

## **Our work this year**

During the year, the Group considered many service areas and issues within its scrutiny role, particularly:

- Abbey Road Depot Redevelopment;
- Community Infrastructure Levy (CIL);
- Business Support Offer;
- Support and Promoting Economic Vibrancy in Town Centres;
- Management of Open Spaces; and
- Approach to Assisting Economic Recovery in the Borough.

## **Abbey Road Depot Redevelopment**

This item of scrutiny covered the Council's ambition to relocate the depot to a more suitable site, bringing the land at Abbey Road forward for housing development. The Group were asked to consider recommendations made by Cabinet in October 2018 and a subsequent further Cabinet recommendation in July 2019, which provided the group with the Council's objectives, design code and progression of the housing development to date. The Executive Manager – Transformation delivered a presentation and provided the Group with a Masterplan, which included specific design standards and illustrative examples. These included:

- Minimum house sizes;
- Building for Life Standards;
- Off road parking and cycle storage;
- Roof top gardens;
- Level access;
- Central open space; and
- Non-standard house type, using different elevations styles and materials.

Planning permission was granted in June 2019. The site was marketed and 17 offers were received, nine that mostly met the criteria of the Design Code and Masterplan with the highest offers were shortlisted. The shortlisted developers were asked to prepare a second bid based on revised Design Codes to include a list of energy efficiencies. four developers who met the additional criteria were selected for interview and the preferred bidder referred to Cabinet for consideration.

In respect of the Design Code the Group were assured that legal advice would be sought to ensure that the contract protects the Council's interests and in addition the chosen developer will be asked to demonstrate they share the Council's aspirations.

The Group were excited to see the ambitious proposals within the Masterplan and Design Code and looked forward to meeting the appointed developer.

### **Community Infrastructure Levy (CIL)**

The Group were provided with background information that supported the adoption of CIL. This explained how the levy is calculated, how it supports local infrastructure and the financial liability for the developer. The CIL has been developed alongside the preparation of Local Plan Part 2 and had also been considered by the Local Development Framework Group and subsequently approved by Council on 19 September 2019.

Examples and percentages on where collected CIL receipts would be spent were provided in a Draft Charging Schedule which suggested the Council would collect up to £13m over the period 2019-2028.

The Group welcomed the changes and were particularly pleased to see that the scheme would assist parishes where smaller developments seen across the Borough have not had to pay anything by way of Section 106 money. Funding from CIL would ensure that all developments would be contributing in future.

### **Business Support Offer**

A presentation was delivered to the Group by the Service Manager for Transformation which focused on Business Support within Rushcliffe and highlighted the Council's priorities in respect of Growth and Development, including driving growth and regeneration, infrastructure, business support, employment and skills and proactively managing growth to ensure the Council creates great places to live and work.

The Group were reminded of the successful regeneration completed in Cotgrave, the delivery and completion of housing at Hollygate Park and improvements to the town centre to support the housing growth, including new shops and offices, a multi-service centre and public realm improvements. During the development, an employment partnership was established which included working with local schools, colleges and businesses to support the delivery of this work.

The Group were provided with information on the range of business support that the Council and its partners provide, these include;

- The D2N2 Local Enterprise Partnership (LEP), a partnership between local government and businesses to drive economic growth.
- The Growth Hub, established by the D2N2 LEP using European Regional Development Funding matched with local funding, the hub provides a range of support including funding, events and workshops.

- The Rushcliffe Business Partnership, a not for profit partnership funded by the Council through an annual service level agreement and also provides officer support in organising and promoting networking events and activities.

The group supported the delivery of the business support offer for businesses and employment across the Borough and suggested that the D2N2 Hub are invited to a future meeting of the Growth and Development Scrutiny Group to explain their approach for business support.

### **Support and Promoting Economic Vibrancy in Town Centres**

The Group were presented with data relating to the health of high streets in the Borough and the support the Council is providing to ensure they continue to thrive. These include; five Growth Boards in, West Bridgford, Bingham, Radcliffe on Trent, East Leake and more recently Fairham; The Council's Shop Front Improvement Grant Scheme, a match funding facility available to all high street businesses across the Borough.

The Group were presented with the key findings from a 2016 Kerching retail review which revealed that town and village centres within the Borough are performing well despite the challenging environment facing UK high streets. It was reported that all town centres in Rushcliffe had a high street retailer, for example Co-op, Boots, all have parking provision, all centres were delivering some form of events, mainly seasonal for example summer fairs or Christmas light switch on and all areas have social media presence.

The Group noted the report provided and welcomed the Council's initiatives, and support and the successful vibrancy of Rushcliffe communities whilst highlighting the need to monitor trends and ensure continued success.

### **Management of Open Spaces**

At its meeting on 30 July 2020, the Executive Manager – Communities provided the Group with a brief history that explained how housing and housing estates have developed over the years, from the 1900's, where plots were large with generous gardens and street layout was linear, and there was often a municipal park in close proximity, through to the present time where developments have moved further out of towns, plots are much smaller as densities increase. The Group were advised that, pre 2000 Rushcliffe adopted all open spaces with no extra funding for maintenance. The period 2000-2010 commuted sums were introduced to address the pressures on Council budgets, however, in some instances developers failed to provide the commuted sum or transferred the land to the Council resulting in issues of open spaces not being managed or maintained. Since 2011, the Borough sought to address this issue and no longer adopts, maintains or inspects any open space on new housing developments. The current position is that housing developers are responsible for payments towards the maintenance of open spaces on Strategic Sites. The developers then pass the cost and responsibility on to residents through a management company as a monthly/annual charge, which is then payable for the entire time that the property on the development is occupied. The Executive Manager – Communities explained that on the Boroughs Strategic Allocations, most include

large scale community areas to mitigate the harm of the development and provided examples at Bingham, Cotgrave, Gamston and Newton. The Group were advised of the potential issues with this approach in the long term as the developments age.

Alarmed by some of the issues and the challenges that the Council may face in the future, members requested that Officers research in more depth the operational functions of Management Companies employed to manage and maintain open spaces on large housing developments, and in addition, Councillors were asked to identify examples of open space agreements within their wards. It was agreed that the topic be brought back to a later date of the Development Scrutiny Group.

### **Approach to assisting Economic Recovery in the Borough Post Covid-19**

At the Meeting on 30 July 2020, the Service Manager – Transformation delivered a presentation on the Council's Wider Approach to Assisting Economic Recovery from Covid-19 and the Council's and Partners plans to mitigate its impact on the local economy. The D2N2 Growth Hub carried out a survey asking businesses how they had been effected by Covid-19. The survey revealed that those businesses reporting the worst impact tended to be new and smaller businesses who operate in a business to consumer environment, typically hospitality, arts and entertainment, recreation and leisure, wholesale and retail. The Group noted from statistics provided, the retail sector footfall had fallen and people were nervous about shopping and were less willing to go to a city and therefore local town centres may benefit from the change in shopping habits.

The Service Manager – Transformation provided the Group with an update and information in respect of support the Council and its Partners had provided to businesses as the easing of lockdown continues. These included the grant finding portal on the website, support with reopening our local markets at Bingham and West Bridgford and resources on the website including signage and Covid-19 secure guidance. The Economic Growth Team and Environmental Health Officers have followed up additional enquiries for support with calls and visits to businesses.

The Group noted that the Borough had been allocated £106,208 from the Reopening High Streets Safely funding, which is to be used in developing an action plan to safely reopen local economies, communications and public information and temporary public realm changes.

The Group highlighted their concerns in respect of youth unemployment and in particular, where young people are over presented in the sectors of work that have been forced to close during Covid-10 and the impact of reduction in and closure of the furlough scheme. The Service Manager – Transformation, advised the Group that the Nottinghamshire Local Resilience Forum, with representatives from Nottinghamshire County Council, District Councils, DWP and the D2N2 LEP were supporting the initial priorities of which unemployment is one. Adding that the Borough Council had recently restarted the employment and skills Group and Positive Futures/YouNG, starting with some summer programmes aimed at young people.

Council Officers were commended on how quickly staff had adapted to keep the Council's essential services and operations going and keeping businesses informed

and supported during the pandemic. The Group noted the report and that the Economic Growth Team would continue to review data, and listen to businesses and respond as required.

### **Member Panels**

The Group did not establish any Member Panels this year.

### **Call-ins**

The Group did not discuss any call-ins this year.

### **Looking forward to the year ahead**

Following the review of the Council's scrutiny functions in 2019/20 all members of Growth and Development Scrutiny are looking forward to comprehensive programme of scrutiny topics that will deliver economic growth and ensure sustainable, prosperous and thriving communities.