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**Our reference:**  
**Your reference:**  
**Date:** Wednesday, 24 February 2021

To all Members of the Council

Dear Councillor

A Virtual Meeting of the Council will be held via Zoom on Thursday, 4 March 2021 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 3 December 2020 (Pages 1 - 8)  
To receive as a correct record the minutes of the Meeting of the Council held on 3 December 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  
 Council  
 Rushcliffe Arena  
 Rugby Road  
 West Bridgford  
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To answer questions submitted by Citizens on the Council or its services.

8. East Midlands Development Corporation (Pages 9 - 18)

The report of the Chief Executive is attached.

9. Budget and Financial Strategy 2021/22 (Pages 19 - 132)

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

10. Council Tax Resolution 2021/22 (Pages 133 - 140)

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

11. Electoral Review of Rushcliffe (Pages 141 - 188)

The report of the Chief Executive is attached.

12. Planning Enforcement Policy (Pages 189 - 228)

The report of the Executive Manager – Communities is attached.

13. Notices of Motion

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

- a) Rushcliffe Borough Council, along with the other district councils in the East Midlands, are on the precipice of change. We have made the initial steps towards a more sustainable future by acknowledging the climate emergency; auditing our carbon footprint and committing to divestment away from fossil fuels; and these actions are welcomed. But Covid-19 has accelerated the need to for a rethink about whether our current economic models is environmentally, socially or even economically sustainable.

Community wealth building is a people-centred approach to local economic development. It reorganises local economies to be fairer and more democratic. It stops wealth flowing out of our communities, towns and cities. Instead, it places control of this wealth into the hands of local people, communities, businesses and organisations. Community wealth building promotes the progressive procurement of goods and services, as this spending power can be a means through which greater economic, social and environmental benefits can be achieved. By adapting their procurement processes and decision making, anchor institutions can anchor institutions can create dense local supply chains and ecosystems of businesses that are more likely to support local employment and have a

greater tendency to recirculate wealth and surplus locally.

We call upon this Council:

- 1) To investigate Community Wealth Building as a means of ensuring that money is kept circulating in our local economies.
- 2) To support our local economy and businesses particularly SME's accepting procurement law and to engage with other anchor institutions in Rushcliffe to encourage them to procure locally wherever possible.
- 3) To investigate the possibility of establishing Community Land Trusts or working through Public-Commons Partnerships as a means of transforming the ownership of many under-utilised public assets by transferring decision making to citizens through common ownership.

### **Councillor J Walker**

- b) Humans have already caused irreversible climate change, the impacts of which are being felt in Rushcliffe, the UK and around the world. Global temperatures have increased by 1 degree Celsius from pre-industrial levels. Atmospheric CO<sub>2</sub> levels are above 400 parts per million (ppm) and continue to rise. This far exceeds the 350 ppm deemed to be a safe level for humanity. Without more significant and sustained action, the world is set to exceed the Paris Agreement's 1.5°C limit between 2030 and 2040. Therefore, the current UK target of net zero by 2050 is not satisfactory. It is too little too late.

The increase in harm caused by a rise of 2°C rather than 1.5°C is significant. This is described by the Intergovernmental Panel on Climate Change's Special Report on Global Warming of 1.5°C published in October 2018. According to the IPCC, limiting heating to 1.5°C may still be possible with ambitious action from national and sub-national authorities, civil society, the private sector and local communities. The costs of failing to address this crisis will far outstrip the investments required to prevent it. Investing now will bring many benefits in the form of good jobs, breathable cities and thriving communities.

Local authorities such as Devon County, Croyden Borough and Lancaster City have established Citizens' Assemblies that are playing an important role in assisting them in their plans to achieve net zero by 2030 or before.

A bill has been laid before Parliament—the Climate and Ecological Emergency Bill (published as the "Climate and Ecology Bill")—according to which the Government must develop an emergency strategy that:

- a. requires that the UK plays a fair and proper role in reducing greenhouse gas emissions consistent with limiting global temperature increase to 1.5 degrees C above pre-industrial temperatures;
- b. ensures that all the UK's consumption emissions are accounted for;
- c. includes emissions from aviation and shipping;
- d. protects and restores biodiverse habitats along overseas supply chains;
- e. restores and regenerates the UK's depleted soils, wildlife habitats and species populations to healthy and robust states, maximising their capacity to absorb CO<sub>2</sub> and their resistance to climate heating;
- f. sets up an independent Citizens' Assembly, representative of the UK's population, to engage with Parliament and Government and help develop the emergency strategy.

Council therefore resolves to:

1. Support the Climate and Ecological Emergency Bill;
2. Set up a Citizens' Assembly to develop an emergency strategy for Rushcliffe as set out in the Bill;
3. Publicise its decision;
4. Write to local MPs, asking them to support the Bill; and
5. Write to the CEE Bill Alliance, the organisers of the campaign for the Bill, expressing its support ([campaign@ceebill.uk](mailto:campaign@ceebill.uk)).

### **Councillor P Gowland**

- c) Back in 2014, Rushcliffe adopted its local plan for housing in the Borough. Despite numerous appeals to the Housing Minister, the plan had to include many thousands of additional homes, to meet the needs of Nottingham, because of the Duty To Co-operate policy.

Delivery of these additional homes has put an intolerable strain on infrastructure and local services across the Borough. Moreover, it has required the release of large swathes of our green belt and changed the nature and character of many of the rural settlements of the Borough.

As the Council prepares its legal obligation to agree the next Local Plan, this Council calls on the Government to remove the Duty to Co-operate in the forthcoming Planning Bill and calls on Nottingham City Council to be more flexible and adaptable to deliver the new homes needed in the City going forward.

### **Councillor R Upton**

14. 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 Cottey, 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

<b>Meeting Room Guidance</b>
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**Mobile Phones:** For the benefit of others please ensure that your mobile phone is switched off whilst you are in the meeting.

<b>Recording at Meetings</b>
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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, 3 DECEMBER 2020**

Held virtually at 7.00 pm and livestreamed on the  
Rushcliffe Borough Council's YouTube channel

### **PRESENT:**

Councillors S Mallender (Chairman), T Combella (Vice-Chairman), R Adair, S Bailey, B Bansal, K Beardsall, N Begum, A Brennan, B Buschman, R Butler, N Clarke, J Cottey, G Dickman, A Edyvean, M Gaunt, P Gowland, L Healy, L Howitt, R Inglis, R Jones, A Major, R Mallender, D Mason, G Moore, J Murray, A Phillips, F Purdue-Horan, S J Robinson, K Shaw, 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:**

D Banks	Executive Manager - Neighbourhoods
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

### **APOLOGIES:**

Councillors B Gray, Mrs C Jeffreys and D Simms

### **32 Declarations of Interest**

There were no declarations of interest.

### **33 Minutes of the meeting held on 24 September 2020**

The minutes of the meeting held on Thursday, 24 September 2020 were approved as a correct record and signed by the Mayor.

### **34 Mayor's Announcements**

The Mayor greeted Councillors and informed them of the many events that she had been able to participate in since the last Council meeting despite the Tiers and further lockdown brought about by Covid-19. Those had included the unveiling of new glass recycling bins at the Hook in Lady Bay and a tea party hosted by the Mayor of Broxtowe Borough Council. The Mayor advised Council that she had been pleased to attend in-person occasions surrounding Remembrance and Armistice this year, including a tree-planting event at

Bridgford Park and a number of wreath laying events. The Mayor updated Council on the Christmas lights switch-on in West Bridgford, and invited all Councillors to watch the Council's YouTube channel to see the final night of the Rushcliffe Community Awards tomorrow evening. She concluded by informing Council that she had selected a Christmas card designed by the children at her local school in Lady Bay and that they had also performed a Christmas song that had been sent to all Councillors, in lieu of the normal festive songs before the Council meeting.

**35 Leader's Announcements**

The Leader of the Council praised Rushcliffe's officers for their continued efforts to support the Borough in its response to the Covid-19 pandemic, especially those staff processing grants to businesses during the latest lockdown, together with the new Tier 3 arrangements. Like the Mayor, he also referred to the Rushcliffe Community Awards, which, due to Covid-19, were being held virtually this year and he encouraged fellow Councillors to watch the videos on YouTube. In respect of Covid-19, the Leader notified Council that the figures for Rushcliffe had fallen to below 100 infections per 100,000 residents. The Arena would also be hosting a new test facility for the next three months to make it easier for residents to access a test if they needed one. Councillors were asked to help spread the key health and safety messages to their communities. Councillor Robinson concluded by wishing everyone a very happy Christmas and thanked them for the excellent community leadership they had shown throughout 2020.

**36 Chief Executive's Announcements**

There were no Chief Executive's announcements.

**37 Citizens' Questions**

There were no questions.

**38 Development Corporation**

The Leader of the Council, Councillor Robinson presented the report of the Chief Executive providing an update to Council on the Development Corporation.

Councillor Robinson outlined the dual purpose of the Development Corporation report, which sought to bring Council up to date on the development of the Corporation, and outlined recommendations to move forward. Council's attention was drawn to a typographical error in the recommendations, where £300k should read £500k. The ambitions of the Development Corporation, which aimed to capitalise on the geographical relationship between East Midlands Airport, the proposed HS2 link at Toton and the soon to be decommissioned, power station at Ratcliffe-on-Soar were outlined. The creation of 19,000 new jobs was highlighted, together with the potential for the Borough to be a leader in carbon neutral developments. Council was asked to note the business case for change contained within the report. The development of the site would be a long process, which would require legislation. In July 2020, the Secretary of State had confirmed support for the



creation of an Interim Vehicle to manage the change. This report sought Council's agreement to the creation of that Interim Vehicle. Councillor Robinson informed Council that the Interim Vehicle would be operational from January 2021, and that the funding mentioned in the report would cover a period of three years and included hiring a programme team, a master-planning exercise and the delivery of the business case. Councillors were reminded that the existing power station site was a vital, strategic site and a very visible site within the Borough.

Councillor Edyvean seconded the recommendations in the report and reserved the right to speak.

Councillor J Walker noted the progress that has been made on this project since the last update to Council. She conveyed that the Labour Group recognised the need for financial support but expressed their reservations about many of the proposed developments and asked whether they were really being undertaken with the best interests of Rushcliffe residents in mind. Concerns were expressed over the recent coverage in the press that HS2 would no longer reach as far as Toton, the 'gimicky' nature of the zero-carbon research centre, and that the government might still change the nature of its support for this project. However, Council was advised that despite her reservations, she still considered that it was more important to have a seat at the table than the alternative. Council was reminded of the opportunity presented by this project to create a sustainable future for the site but asked Councillor Robinson to ensure this future was environmentally viable as well as bringing economic benefits to the Borough.

Councillor Major confirmed that the Liberal Democrat party was happy to support the proposals for the Interim Vehicle to oversee the significant redevelopment of this Borough landmark. She recognised that investment was needed to move the project forward but expressed concern that this was being taken from the Council's Climate Change Fund and asked that alternative sources of funding be explored first.

Councillor R Mallender stated that the Council was right to be ambitious and also right to be seeking housing and employment for the benefit of the Borough. He echoed Councillor Major's concerns regarding the use of the Climate Change Fund and expressed concerns about the wider Freeport proposals. Councillor Mallender informed Council that he felt it was right to go forward with the proposals at this stage and that there would be opportunities to scrutinise progress in the future. Councillor Mallender expressed concern for East Midlands airport becoming a 24-hour freight hub.

Councillor Clarke advised Council that he believed the proposals contained within this report were vital for raising the profile of the East Midlands and would bring much needed investment to the Borough. The Development Corporation was a much broader proposal than just the future of the power station site in Ratcliffe-on-Soar, which would bring jobs and prosperity to the area. He concluded by asking the Council to put their trust in the Leader of the Council to fight for what was right for Rushcliffe.

Councillor R Walker confirmed his full support for the generation of high quality and high-tech jobs and recognised that Rushcliffe alone could not bring about

this change. However, he expressed concern about the involvement so far of the local communities that he represented, which would be most affected by this development and asked the Leader to think broadly about community engagement.

Councillor Gowland took the opportunity to reinforce the comments made by Councillor R Mallender in relation to the 24-hour freight hub.

Councillor Edyvean reminded Council that this was the start of a long process; the land was privately owned and therefore care had to be taken to engage the landowners in the process moving forward. The landowner working independently would not benefit the Borough and might lead to a derelict site in the Borough for years to come. Councillor Edyvean informed all Councillors that the local universities were involved in the zero carbon future site and that the whole project brought together the right people from all quarters. Councillor Edyvean also confirmed that East Midlands airport was presently a 24-hour freight hub.

Councillor Gaunt clarified the position of the Labour Group with regard to the proposals.

Councillor Robinson thanked Councillor Gaunt for his clarification and reminded Councillors that this was an incredible opportunity for the Borough, with the potential to deliver thousands of high-quality jobs, environmental change and a pioneering centre of excellence. He outlined the different ways in which this project would be monitored by the Borough Council including the Cabinet led member working group, the option to scrutinise in the future and the fact that all major decisions would come through Council and Cabinet. Tribute was paid to Uniper, who owned the site, for their commitment to the project so far and Councillor Robinson informed Councillors that he had been told to expect an announcement about HS2 in the next few weeks. Councillor R Walker was thanked for his comments about the importance of community involvement and undertook to consider those further. He concluded by reminding Council that the involvement of the Borough Council in this project was a huge opportunity and asked for the backing of the whole Council in carrying the recommendations forward.

It was **RESOLVED** that:

- a) the progress made to date of the East Midlands Development Corporation Programme, towards the establishment of an Interim Vehicle was noted;
- b) the principle of a financial contribution to support the Interim Vehicle over the next three years in the sum of £500,000, subject to match funding from other affected local authorities and Government. The funding arrangements to be included within the Medium Term Financial Strategy for 2021/22 onwards and funding will be allocated over the course of the three years be approved;
- c) the Members' Agreement and participation in the incorporation of the Interim Vehicle Company Limited by Guarantee be approved, and authority to the Leader and Chief Executive for agreeing the final form of

the Members' Agreement and Articles of Association be approved in principle; and

- d) the Leader of the Council be nominated as Director of the Interim Vehicle.

### 39 **Revised Hackney Carriage and Private Hire Licensing Policy 2020-2025**

The Portfolio Holder for Neighbourhoods presented the report of the Executive Manager – Neighbourhoods providing an update on the Council's Hackney Carriage and Private Hire Licensing Policy

Councillor Inglis referred to the report and asked Council to approve changes to the existing Hackney Carriage and Private Hire Licensing Policy, which had been revised as a result of changes in Government legislation. Rushcliffe was responsible for licensing hackney carriages and private hire vehicles. The Department of Transport required local authorities to introduce stronger safeguarding measures for protecting children and vulnerable adults, as well as more stringent checks for licensees and vehicles. The changes should be adopted by January 2021. The draft revised Policy had been scrutinised by the Licensing Committee and undergone consultation within the sector. Council's attention was drawn to the second recommendation in the report, which gave the Executive Manager for Neighbourhoods the authority to make minor changes to ensure that the Policy remained responsive to change and any changes could be made expediently in the future.

In seconding the recommendations in the report, Councillor Brennan welcomed the changes to the Policy to strengthen safeguarding measures in this vital area and commented that those changes should not be overly onerous for drivers. Licensed drivers in the Borough were in a position of trust and this revised Policy strengthened the checks and documentation necessary to ensure the safety of those using those vehicles. This was a very comprehensive Policy that was regularly reviewed and would be modified, if necessary, in the future under delegated authority.

Councillor Begum spoke on behalf of the Labour group and welcomed the improvements that have been proposed. Council's attention was drawn to the reference of electric vehicles in Appendix 6, and it was noted that the Labour Group looked forward to further consideration of this area of the Policy in the future.

Councillor Jones thanked officers for a sensible, if complex Policy and stated that, as the changes made were required by legislation, he saw no reason why they should not be supported. He went on to recommend that the Executive Manager for Neighbourhoods made use of his new powers to make minor changes to the Policy in the new year, to update the specification of vehicles to Euro 5 classification instead of Euro 4, as stated in the current document. Councillor Jones also asked for clarification on the inspections licensing officers made on drivers' DBS checks.

Councillor R Mallender echoed the comments of the Labour Group in relation to the move towards electric licensed vehicles in the future.

Councillor Thomas thanked the officers for their detailed work to update the Policy.

In response to the comments made, Councillor Inglis informed Council that officers had considered the early move to requiring Euro 5 compliant vehicles before bringing this Policy forward for approval but had considered, in light of the hardship caused to the sector by Covid-19 this year, it would be unnecessarily pre-emptive. The Council noted that there was a long-term plan to update the vehicle emissions criteria of the Policy as part of the Council's Carbon Management Action Plan. Councillor Inglis also made reference to the process of acquiring and monitoring DBS checks for drivers and the need of those transporting children and vulnerable adults to have an enhanced DBS check.

It was **RESOLVED** that

- a) the Hackney Carriages and Private Hire Licensing Policy 2020-2025 be approved; and
- b) the Executive Manager – Neighbourhoods be granted delegated authority to make minor variations to the Policy.

#### 40 **Notices of Motion**

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

**“This Council calls for an immediate increase in funding from central government to cover the true cost of the covid-19 pandemic. An increase in funding will ensure that councils are able to pay for essential services in their communities.”**

Councillor Gaunt informed Council, in moving the motion, that local authorities had lost 60 pence per pound of funding from central government and that 168 Councils had no revenue support grants. Councillor Gaunt noted that Rushcliffe Borough Council was in a privileged position as it was able to use the new homes bonus by releasing green belt for development in order to balance budgets. However, he explained that other Councils have had to cut essential services such as rural bus services, and close libraries due to lack of funding from central government. Councillor Gaunt also asked the Council to stop comparing itself to Nottingham City Council as it had other additional pressures to deal with such as adult and children's social care and education. Councillor Gaunt stated that over centralisation of funding and power was not effective in delivering services to residents such as the NHS track and trace service, and that he believed cities such as Liverpool had been successful in track and trace testing for Covid-19.

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

Councillor Robinson proposed an amendment to the motion:

**“This Council calls for a review of funding from central government to support the true cost of the covid-19 pandemic.**

**Appropriate and fairer funding will ensure that well run and efficient councils, such as Rushcliffe are able to pay for essential services in their communities.”**

Councillor Robinson supported the principle of the proposed motion; however, he believed that the motion should specifically mention Rushcliffe Borough Council and that efficient and well-run Council's should be entitled to funding to enable essential services to continue in their communities. Councillor Robinson was pleased to note that an extra £10 billion would be allocated to local authorities in line with recommendations from the Local Government Association and that Rushcliffe Borough Council had already been allocated £27 million in grants in response to the Covid-19 pandemic.

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

Councillor Gaunt informed Council that the Labour Group would be supporting the amendment to the motion.

Councillor Jones also supported the motion and praised the Council's finance team for their hard work in allocating grants to businesses. Councillor Jones also noted that not all Conservative Councils were necessarily well run and not in debt.

Councillor R Mallender made no comment regarding the amendment to the motion and suggested that it should go to the vote.

Councillor Thomas noted that previous motions had been discussed at Council meetings regarding commercialisation and requests for more funding, which were politically motivated and stated that all of the Councillors should be working together for the benefit of residents.

On being put to the vote, the amendment to the motion was carried and Councillor Robinson's motion became the substantive motion.

Councillor Robinson noted that the Councillors should be congratulatory of the Council and its officers.

Councillor Gowland noted that all councils have their own pressures and that Rushcliffe Borough Council was privileged to be in a sound financial position.

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

#### **41 Questions from Councillors**

##### **a) Question from Councillor Gowland to Councillor Robinson**

“If the route of HS2 is altered by government what are the implications for Rushcliffe's contribution to the development corporation?”

Councillor Gowland informed Council that she had withdrawn her question.

b) **Question from Councillor Thomas to Councillor Upton**

“Various agencies are consulted on individual planning applications with regard to infrastructure such as roads, drainage, and sewerage. How does the Council’s planning committee / planning department ensure that consideration is given to the cumulative effects of multiple new developments in proximity to each other and on existing settlements?”

Councillor Upton informed Council that whilst it was recognised that individual planning approvals might have a cumulative effect on new and existing infrastructure, the impact of all applications, singularly and cumulatively, was considered by the local authority and other agencies. This included the developments undertaken as part of the Local Plan as well as those submitted outside of the Local Plan Framework such as in East Leake.

No supplementary question was asked.

The meeting closed at 8.22 pm.

CHAIRMAN



**Council**

**Thursday, 4 March 2021**

**East Midlands Development Corporation**

## **Report of the Chief Executive**

**Cabinet Portfolio Holder for Borough Wide Strategic Leadership,  
Councillor S J Robinson**

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

- 1.1. In December 2020, Council received a report on the East Midlands Development Corporation and resolved to:
  - a. note the progress made to date of the East Midlands Development Corporation Programme, towards the establishment of an Interim Vehicle;
  - b. approve the principle of a financial contribution to support the Interim Vehicle over the next three years in the sum of £500,000, subject to match funding from other affected local authorities and the Government. The funding arrangements to be included within the Medium Term Financial Strategy for 2021/22 onwards and funding will be allocated over the course of the three years;
  - c. approve in principle entering into the Members' Agreement and participating in the incorporation of the Interim Vehicle Company Limited by Guarantee and delegates authority to the Leader and Chief Executive for agreeing the final form of the Members' Agreement and Articles of Association; and
  - d. agree the nomination of the Leader of the Council as a proposed Director of the Interim Vehicle.
- 1.2. Following receipt of a formal request from the Programme Director, this report seeks confirmation of the first year's funding in advance of Government match funding. In addition, there is a variation to point d) above, as it has been confirmed that local authorities are asked to nominate a senior officer for the role of Non-Executive Director, and an elected representative (councillor) will be the Council's Shareholder Representative.
- 1.3. To support the Non-Executive Director and the Council's Shareholder Representative in their roles, amendments are required to the Council's Constitution.

## **2. Recommendation**

It is RECOMMENDED that:

- a) the first year of funding for the Development Corporation (£167,000) be paid over in advance of Government financial contributions being confirmed, in order that the work of the Development Corporation can be progressed in a timely manner;
- b) the Chief Executive be nominated to be the Council's Non-Executive Director on the Board of the Non-statutory Interim Vehicle, and the Leader be the Council's Shareholder Representative on the Oversight Authority; and
- c) the Monitoring Officer be authorised to amend the Council's Constitution to incorporate the roles of the Non-Executive Director and the Council's Shareholder Representative.

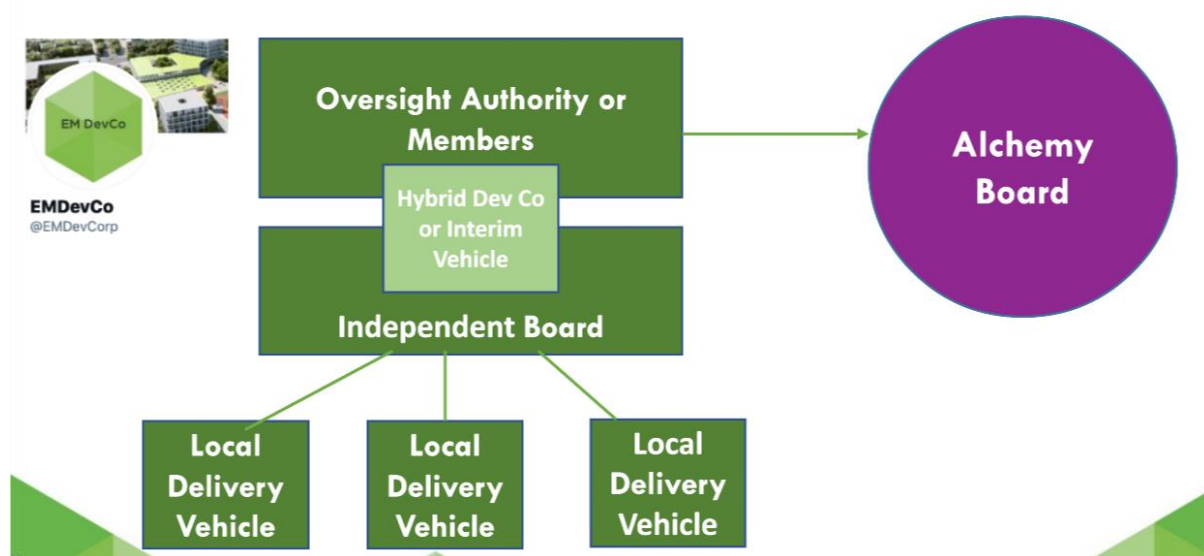
## **3. Supporting information**

- 3.1. The business case for the creation of the East Midlands Development Corporation will be submitted to Government in March 2021. A request has already been submitted to Government for funding as part of the Comprehensive Spending Review. However, due to coronavirus, the Chancellor did not undertake a Comprehensive Spending Review in Autumn 2020.
- 3.2. It is possible that there will be reference to a funding allocation for the continuation of the work of the Development Corporation in the Chancellor's budget announcements on 3 March 2021, alternatively, the funding may be allocated from Government departmental underspends at the end of the month. In the meantime, a request has been made that the Council allocates the funding for the first year of work of the Non-Statutory Interim Vehicle to ensure that the work continues in a timely manner. The letter from the Programme Director to the Chief Executives of the five directly affected local authorities (Rushcliffe, Broxtowe, N W Leicestershire, Nottinghamshire and Leicestershire) and the programme of work for 2021/22 is attached at Appendix A. All affected local authorities have been asked to pay over the first year's funding in advance.
- 3.3. In addition, since the report and Council's decision in December 2020, clarification has been received that it is expected that the nomination for a Director on the Interim Company Limited by Guarantee should be a senior officer of the Council.
- 3.4. The governance structure of the East Midlands Development Corporation as an Interim Vehicle is designed to mirror that of a new model Locally Led Urban Development Corporation. The local authority members will form a new Oversight Authority (the Leaders of the five local authorities) as owners of the company with responsibility for the business plan and budget setting of the



company. The Non-Executive Board will be skills-based and will include the five Chief or Deputy Chief Executives of the local authorities and six independent non-executive directors to be appointed. The Board will be responsible for overseeing the day to day operation of the company on behalf of the Oversight Authority.

- 3.5. This is set out in the figure below. The Alchemy Board refers to an East Midlands-wide group of councils, universities and business representatives chaired by Sir John Peace.



- 3.6 The roles of the Non-Executive Director and the Council's Shareholder Representative should be included in the Council's Constitution to ensure lawful decision making.

#### 4. Implications

##### 4.1. Financial implications

The payment of year 1 of the Council's allocated financial support for the East Midlands Development Corporation is included in the budget as part of the £0.5m earmarked reserve. The expectation is that £0.167m will be utilised per annum over the next three years and financial transactions will be subject to due diligence, particularly by the Oversight Authority and Non-Executive Board. Any further appropriation from reserves would be reported as part of the Council's budget monitoring processes.

##### 4.2. Legal implications

The Non-statutory Interim Vehicle will be governed by company law. The Chief Executive will be the allocated Non-Executive Director on the Board.

## 5. Link to Corporate Priorities

These are covered in the previous report to Council in December 2020.

## 6. Recommendation

It is RECOMMENDED that:

- a) the first year of funding for the Development Corporation (£167,000) be paid over in advance of Government financial contributions being confirmed, in order that the work of the Development Corporation can be progressed in a timely manner;
- b) the Chief Executive be nominated to be the Council's Non-Executive Director on the Board of the Non-statutory Interim Vehicle, and the Leader be the Council's Shareholder Representative on the Oversight Authority; and
- c) the Monitoring Officer be authorised to amend the Council's Constitution to incorporate the roles of the Non-Executive Director and the Council's Shareholder Representative.

<b>For more information contact:</b>	Katherine Marriott Chief Executive 0115 914 8349 <a href="mailto:kmarriott@rushcliffe.gov.uk">kmarriott@rushcliffe.gov.uk</a>
<b>Background papers available for Inspection:</b>	Report to Council December 2020 "Development Corporation"
<b>List of appendices:</b>	Appendix A: Letter and appendix received from the Programme Director for the East Midlands Development Corporation

Interim Vehicle (EM DevCo)  
Local Authority Chief Executives Group



5<sup>th</sup> February 2021

Dear Adrian, Bev, John, Kath and Ruth,

**Formal Request to confirm funding support for the Establishment of the EM DevCo Interim Vehicle for 2021/22**

Further to our recent Interim Vehicle discussions and as requested, I write to request confirmation of financial contributions to enable the establishment of the Interim Vehicle. Specifically, this request seeks confirmation of funding for 2021/22 in advance of certainty of Government funding and/or HS2.

The funding would be held in a separate company account and will only be released for spending following formal agreement to the annual business plan and budget by the Oversight Authority of Members in line with the Articles of Association and Reserved Matters.

Through previous discussions and reports it is understood that the local authority partners have committed £1.5m per annum for the next three years with Nottinghamshire and Leicestershire County Councils contributing £500k each and the three District Councils £500k collectively (£167k per authority).

The funding for 2021/22 will enable the company and associated team to be established with a working budget. A schedule of the indicative year 1 deliverables expected to be included in the business plan is appended. These will be crucial to positioning the development and infrastructure proposals for the three key growth sites and will support the Development Corporation and Freeport business cases alike.

In conclusion, it would be helpful to know whether each Council is able to confirm their respective and proportionate funding contributions for 2021/22 from 1<sup>st</sup> April 2021 regardless of the outcome from the Government on HS2 or funding. The confirmation would enable the programme team to progress with the incorporation of EM DevCo and development of the business plan that would include different scenarios (Government funding or no Government funding etc).

Any commitment would be subject to final approval of the Business Plan and Budget at the Oversight Authority anticipated in March 2021.

Please let me know if there is further information you would require.

In the meantime, I look forward to hearing from you.

Kind Regards

A handwritten signature in black ink, appearing to read "KH", followed by a horizontal line.

Ken Harrison

Programme Director, Development Corporation Programme

## YEAR 1 INTERIM VEHICLE PROGRAMME DELIVERABLES

	ACTIVITIES /WORKSTREAMS	OUTCOMES Year 1
<b>CORPORATE DELIVERABLES (Across all 3 sites)</b>		
1	Outline High-Level Plan and technical appendices setting out contextual/technical issues (part 1)	<p><b>Through the High-Level Plan the Interim Vehicle will in the First Year have a clear understanding of:</b></p> <ul style="list-style-type: none"> <li>• How we best co-ordinate as a 'guiding tool' the <b>delivery of aspirations</b> across the three sites</li> <li>• Off and on-site <b>infrastructure requirements</b> and approaches to delivery</li> <li>• Environmental and <b>blue &amp; green opportunities</b></li> <li>• What will be required from <b>planning policy documents</b> and alignment between the key objectives for the sites; connecting assets and infrastructure</li> <li>• A framework for design quality and design codes; and</li> <li>• Our key messages and target audiences to lobby for change; informing emerging policy and engagement with investors and market audiences</li> </ul> <p><i>The High-Level Plan will be prepared alongside;</i></p> <p><b>A Communications &amp; Stakeholder Plan that will provide:</b></p> <ul style="list-style-type: none"> <li>• A clear understanding of the different audience of the purpose and benefits of the Interim Vehicle in advance of the EM DevCo</li> <li>• Understanding and alignment between key stakeholders' objectives that benefit the delivery of the projects.</li> <li>• Aligned stakeholder and communications strategies across the 3 sites particularly where there are cross cutting initiatives (e.g. Zero, skills, Freeport) and where appropriate inform the preparation of collaboration agreements.</li> </ul>
2	Ongoing external advice to the LLUDC Business Case across the 3 sites.	<ul style="list-style-type: none"> <li>• The continued support of Government and alignment with emerging critical decisions, delivery requirements and dependencies through the Interim Vehicle delivery programme.</li> </ul>
3	Soft Market Testing & Fund-Raising advice (across 3 sites)	<ul style="list-style-type: none"> <li>• This will build on the early work in support of the business case for the LLUDC model to give the Interim Vehicle the necessary market intelligence and analysis to inform its land and commercial requirements and deliver the potential mechanisms to progress early agreements.</li> </ul>

## YEAR 1 INTERIM VEHICLE PROGRAMME DELIVERABLES

	ACTIVITIES /WORKSTREAMS	OUTCOMES Year 1
<b>TOTON &amp; CHETWYND</b>		
4	Finalise Strategic Masterplan / Supplementary Planning Document (Broxtowe Borough Council working with the Interim programme team)	<p>In the First Year the Interim Vehicle will:</p> <ul style="list-style-type: none"> <li>• Prepare market facing <b>Development/Developer Brief(s)</b><sup>1</sup> - this will be informed by the Strategic Masterplan, the HS2 process, technical and feasibility studies and a land &amp; commercial delivery plan. The working assumption is the LLUDC will act as a master developer with the actual mechanisms to engage the market to be determined by the Interim Vehicle in Y1. The options range from an initial development management role to the engagement of funding partners to bring forward a development masterplan.</li> <li>• Seek to secure <b>the funding route</b> for the Northern section of the <b>Toton link road</b> by putting in place a <b>revised business case</b>, alongside an agreed strategic approach to the connection with Chetwynd Barracks to deliver the full route to Swiney Way.</li> <li>• Undertake feasibility on a <b>Skills Academy</b> - identify and align the opportunities in the area (industry, education skills gap), around developing the potential for a Biodiversity / Medical innovation Campus.</li> <li>• Establish the basis for a cooperation / collaboration agreement on <b>Chetwynd Barracks</b> that could range from the acquisition of land through the LLUDC to a Memorandum of Understanding or a Joint Venture for a comprehensive approach.</li> <li>• Align the development approach with <b>ZERO</b> and identification of the opportunities for developing a low carbon mixed use development at Toton &amp; Chetwynd.</li> <li>• <b>Relocation Feasibility</b> – where appropriate to establish with existing rail operators if there is a workable way forward for a collaborative approach to the medium to long term relocation.</li> </ul>
5	HS2 Hybrid Bill alignment with Toton and Chetwynd Strategic Masterplan.	
6	Toton & Chetwynd Technical and feasibility studies and site investigations to inform a land and commercial delivery strategy and development brief(s).	
7	Feasibility study for a skills academy	
8	Land strategy (including statutory planning process), negotiations & commercial / financial and legal structure – ongoing and align negotiations / head of terms with emerging commercial delivery strategy.	
9	Revised business case for early infrastructure ask for Toton & Chetwynd link road – Stage 1 preconstruction design to inform a revised business case in order to progress at pace once a funding route is identified	

<sup>1</sup> This approach does not preclude on-going discussions to reach agreement with landowners to bring forward their sites in accordance with the emerging Strategic Masterplan

## YEAR 1 INTERIM VEHICLE PROGRAMME DELIVERABLES

	ACTIVITIES /WORKSTREAMS	OUTCOMES Year 1
<b>RATCLIFFE ON SOAR</b>		
10	Establish basis for alignment of proposition for Ratcliffe including, potential private sector partners, Government, LLUDC and Rushcliffe BC.	<p>In the First Year the Interim Vehicle will:</p> <ul style="list-style-type: none"> <li>• Seek to enter into a <b>Collaboration Agreement</b> to establish the project direction and a commercial basis for proceeding (commercial land and delivery plan).</li> <li>• Alongside the Collaboration Agreement prepare an <b>Outline Development Brief</b> that will provide the basis for the preparation of a <b>Development Masterplan</b> in advance of a planning application (agreed route to be determined).</li> <li>• Coordinate with the <b>Freeport</b> Proposals/Business Case (if successful) and progress an infrastructure funding bid through the LLUDC business case.</li> <li>• Align development aspirations for Ratcliffe power station alongside a business case and funding route for progressing <b>ZERO</b>, with partners including Freeport, Universities, industry and Government.</li> <li>• ZERO – Undertake a 5-point plan establishing the basis for a formal business plan (Independent leadership, the 'Why', resourcing, collaborate, steering group) that will provide clarity on the differentiating factors and market opportunities that provide the compelling case across the 3 areas with potential for a centre at Ratcliffe on Soar Power Station for the development of market - ready zero emission technologies.</li> </ul>
11	Strategic policy alignment and negotiations to shape Ratcliffe policy framework to inform land strategy.	
12	Collaboration agreement – negotiation of agreed development, objectives, responsibilities and budgets, alongside principles for commercial Heads of Terms, including financial & legal structuring.	
13	Concept masterplan & infrastructure plan, stage 1 site investigations, the next stage feasibility / viability for a target occupier strategy, initial agreement and preparation of brief and agreed procurement process.	
14	Alignment of development infrastructure funding with LLUDC business case and the Freeport proposal.	

## YEAR 1 INTERIM VEHICLE PROGRAMME DELIVERABLES

	ACTIVITIES /WORKSTREAMS	OUTCOMES Year 1
<b>East Midlands Airport Area (EMAA)</b>		
15	Parameters for EMAA growth masterplan and policy Framework (developing the vision and potential asks (spatial, infrastructure asks, powers). Initially develop scope and red line for development area / baseline information required.	<p>In the First Year the Interim Vehicle will:</p> <ul style="list-style-type: none"> <li>• Establish the scale of opportunity – agree red line with the public sector partners.</li> <li>• Align the level of ambition with the planning policy requirements to set the parameters for an EMAA strategic growth masterplan and policy framework.</li> <li>• Agree approach and scope for the strategic growth masterplan and high-level Infrastructure plan.</li> <li>• Identify opportunities to enter into <b>Memorandums of Understanding</b> with key strategic partners in the EMAA area (note aligned with the Freeport proposition).</li> <li>• Coordinate with the <b>Freeport</b> Proposals/Business case (if successful) and make progress on an infrastructure funding bid through the LLUDC business case.</li> <li>• Undertaken early scheme feasibility and high-level visioning to position the opportunity to stakeholders and partners and identify potential funding and delivery mechanisms.</li> </ul>
16	Develop scenarios, strategic masterplan and infrastructure plan	
17	Develop evidence base - planning framework and develop a delivery strategy	
18	Land strategy and negotiations with strategic partners e.g., collaboration agreements/ Memorandums of understanding key stakeholders.	
19	Alignment of development infrastructure funding with LLUDC business case and the Freeport business case	

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**Council**

**Thursday, 4 March 2021**

**2021/22 Budget and Financial Strategy**

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

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

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

- 1.1 This report presents the detail of the 2021/22 budget, the five-year Medium Term Financial Strategy (MTFS) from 2021/22 to 2025/26, which includes the revenue budget, the proposed Capital Programme, the Transformation Strategy and the Capital and Investment Strategy (with associated prudential indicators).
- 1.2 Cabinet have considered the attached budget and strategies and recommended their acceptance by Council along with the resultant decisions regarding Rushcliffe's Band D Council Tax and Special Expenses for 2021/22. The Governance Scrutiny Group has also recommended the Capital and Investment Strategy for adoption by Full Council.
- 1.3 The final financial settlement has been received from Central Government with no significant changes from the draft settlement.

### **2. Recommendation**

It is RECOMMENDED that Council:

- a) accepts the report of the Council's Responsible Financial Officer on the robustness of the Council's budget and the adequacy of reserves (as detailed at **Annex A**);
- b) adopts the budget setting report and associated financial strategies 2021/22 to 2025/26 (attached **Annex B**) including the Transformation Strategy and Efficiency Plan (**Appendix 3**) to deliver efficiencies over the five-year period;
- c) adopts the Capital Programme as set out in **Appendix 4**;
- d) adopts the Capital and Investment Strategy at **Appendix 5**;
- e) sets Rushcliffe's 2021/22 Council Tax for a Band D property at £147.36 (increase from 2020/21 of £4.62 or 3.24%);
- f) sets the Special Expenses for West Bridgford, Ruddington and Keyworth, **Appendix 1**, resulting in the following Band D Council tax levels for the Special Expense Areas:

- i) West Bridgford £49.65 (£48.51 in 2020/21);
- ii) Keyworth £3.41 (£3.76 in 2020/21);
- iii) Ruddington £4.00 (£4.12 in 2020/21);
- g) With regards to recommendations e) and f), sets the associated Bands in accordance with the formula in section 36(1) of the Local Government Finance Act 1992; and
- h) adopts the Pay Policy Statement at **Appendix 7**.

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

To comply with the Local Government Finance Act (1972) and ensuring the budget enables corporate objectives to be achieved. The Council is required to set a balanced budget and that it has adequate funds and reserves to address its risks. The impact of Covid on Council budgets makes it even more important that the Council is prudent and ensures that it can support short term deficits and has adequate reserves going forward.

### **4. Supporting Information**

#### **The Budget and Associated Strategies**

#### **4.1 The attached report and appendices detail the following:**

- a. The anticipated changes in funding over the five-year period;
- b. The financial settlement for 2021/22 and the significant budget pressures the Council must address over the Medium Term including the impact of Covid;
- c. The budget assumptions that have been used in developing the 2021/22 budget and MTFS;
- d. The detailed budget proposals for 2021/22 including the Transformation Strategy (and associated programme) to deliver the anticipated efficiency and savings requirement;
- e. The recommended levels of Council Tax for Band D properties for the Council and its special expense areas of West Bridgford, Ruddington and Keyworth;
- f. The projected position with the Council's reserves over the medium term;
- g. Risks associated with the budget and the MTFS;
- h. The proposed Capital Programme;
- i. The proposed Capital and Investment Strategy; and
- j. The proposed Pay Policy Statement.

- 4.2 The salient points within the MTFS are as follows (MTFS report (**Annex B**) references in parenthesis):
- a. It is proposed that Council Tax for 2021/22 will increase by £4.62 (less than 9p per week) to £147.36 (3.24%). This still means that Rushcliffe's Council Tax remains the lowest in Nottinghamshire and amongst the lowest in the country (Section 3.4);
  - b. Special expenses increasing slightly £733k (£712k 2020/21) this results in Band D charges for West Bridgford increasing by £1.14 (just over 2p per week) from 2020/21 (£49.65 from £48.51), Keyworth decreasing from £3.76 to £3.41 and Ruddington decreasing from £4.12 to £4.00 (Section 3.5);
  - c. Business Rates (Section 3.3) are still subject to significant uncertainty given the potential longer term impact of Covid, the Government's deferral of the review of the Business Rates system to 2022/23 (delayed from 2021/22) and risk surrounding the de-commissioning of Ratcliffe-on-Soar power station in 2025 all making forecasting the likely levels of business rates difficult. The Council has prudently budgeted at Safety Net plus renewable energy receipts and is anticipating £2.820m in retained business rates in 2021/22 and a reduction thereafter to reflect the anticipated changes to the Business Rates system in 2022/23;
  - d. The Council no longer receives Revenue Support grant (reduced to zero in 2019/20) and represents a reduction of £3.25m from 2013/14 (Section 3.6). Importantly the Council has mitigated the loss of income through its Transformation Strategy;
  - e. The budget for 2021/22 and 2022/23 includes the anticipated effects of Covid on the income receipts (estimated at 20% and 10% reductions against normal income levels, respectively) with Government grant support anticipated to be £0.8m. There is an anticipated budget deficit of approximately £1.5m over the next two years (funded by reserves) moving to a surplus position in 2023/24 when reserves will be replenished. There is minimal growth included in the budget proposals with a zero pay award in 2021/22 and 2022/23. Financing costs of anticipated borrowing for two large projects (Bingham Leisure Hub and the Crematorium) are reflected in the estimates;
  - f. It is proposed not to increase car parking charges this will assist in the economic recovery following the pandemic and ensures the continuing support of the Council to the retail sector (Section 3.8);
  - g. Taking into account resource predictions, spending plans and savings already identified there is a Transformation Programme requirement of around £0.253m in 2021/22 rising to £1.691m by 2024/25 (Section 7);
  - h. The Transformation Strategy continues to roll forward with an updated programme to ensure the savings required can be achieved (Appendix 3);

- i. Due to the Government's recent announcement regarding restrictions in accessing PWLB borrowing, the Council has revised its Asset Investment Plans, ceasing its Asset Investment Programme and returning the uncommitted balance of the Asset Investment Strategy. The Council's existing investments continue to play a crucial part in balancing the budget and ensuring the Council is largely self-sufficient. The Council has recently procured two new units at Edwalton Business Park and along with existing investments will contribute £2.302m over the period of the MTFS accounting for 24.6% of fees and charges income. This is continually managed and proportionate given the risks and opportunities associated with such investments (Appendix 5, Table 13);
- j. The Council has a number of earmarked reserves (excluding NHB reserve), their balance rising over five years from £6.3m to £7.3m (Section 6). Retaining sufficient reserves is essential given the volatile financial environment we currently operate in (see risks highlighted below) along with the need to effectively deliver significant projects such as the Bingham Leisure Hub and the Crematorium;
- k. Two new reserves were created in 2020/21: Development Corporation Reserve (funded from both 2019/20 in year efficiencies and £0.2m from the Climate Change Action Reserve) and the Climate Change Action Reserve (from last year's budget). Despite the pressures caused by Covid in 2020/21, both reserves have been retained with respective values of £0.5m and £0.8m focusing on key objectives of both economic growth and supporting the environment. Planned utilisation of the Organisation Stabilisation Reserve will be replenished in the final three years of the MTFS as the budget moves into a surplus position. Any in-year surpluses the Council may generate, for example as a result of a more favourable position on Business Rates, will be used to smooth the impact on the reserves sooner than planned;
- l. Key risks to the MTFS are highlighted, including Covid, the Fair Funding Review, New Homes Bonus, the volatility caused by the aforementioned various business rates issues and the impact of climate change on revenue and capital costs (Section 8); and
- m. The Capital Programme demonstrates the Council's commitment to deliver more efficient services, improve its leisure facilities, and to facilitate both economic development and housing growth. Spend over the five years is estimated at £38.885m. It is planned to use all available Capital Receipts by 2022/23 to fund the programme and to minimise external borrowing which is planned at £7.5m over 2021/22 and 2022/23 (to fund the Bingham Leisure Hub and the Crematorium). Capital resources are then projected to increase over the five-year period as a result of the expected Capital Receipts in relation to sale of land at Cotgrave and the overage agreement in place for development at Sharphill. By 2025/26, Capital Resources are estimated to be at £5.1m (Section 9). The timing of receipts will inform any borrowing requirements.

- 4.3 The MTFS has been developed at a time of significant financial challenge both nationally and locally and Council services have been under immense pressure as a result of Covid. Despite these pressures, officers have been through a rigorous process and have identified efficiency savings that mitigate the anticipated legacy issues arising from Covid whilst still maintaining core services. The Transformation Strategy (and associated programme includes two significant projects, the aforementioned Bingham Leisure Hub and Crematorium).
- 4.4 Whilst the Council faces financial constraints, exacerbated by Covid, both the revenue and capital budgets delicately balance the need for efficiency and economy with the desire for growth; and the aim of encouraging economic development in the Borough, with the Council aiming to meet its corporate priorities.

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

There are other options in terms of increasing Council Tax by a lesser amount, but this would put severe pressure on already stretched Council resources (see Section 11 of Annex B). Given the projected deficit position in 2021/22 and 2022/23, a reduction in Council Tax would result in increased demand on resources needed to balance the budget. For example, comparing the difference from no increase to a £4.95 (£4.62 in 2021/22) increase in Council Tax, in 2025/26 the council tax income foregone is £1.170m and over the five-year period amounts to £3.389m.

## **6 Risk and Uncertainties**

- 6.1 Section 8 of Annex B covers key risks that may impact upon the MTFS. There is a risk that the Council will not achieve Council Tax and Business Rates receipts as a result of Covid, in addition to risks surrounding the Fair Funding review, reform of the Business Rates system and consultation on the future of NHB all of which have been postponed for a further year. Upside risk is that Business Rates are not as significantly impacted and therefore the need for the use of the Organisation Stabilisation Reserve will diminish.
- 6.2 Expenditure pressures include the legacy of Covid and the continuing climate change and carbon reduction agenda. The Climate Change Action Reserve will assist in alleviating some of the pressure. All of these factors make longer term forecasting subject to even more uncertainty.

## **7 Implications**

### **7.1 Financial Implications**

These are detailed in the attached budget report (Annex B). The Council is required to set a balanced budget for the 2021/22 financial year and the proposals present a balanced budget. In the opinion of the S151 Officer, a positive assurance is given that the budget is balanced, robust and affordable (Annex A). The Capital Programme is achievable, realistic and resourced, with funds and reserves including the General Fund, adequate to address the risks within the budget.

## 7.2 Legal Implications

The report complies with the Local Government Finance Act 1972.

## 7.3 Equalities Implications

None

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

None

## 8 Link to Corporate Priorities

Quality of Life	The budget resources the Council's Corporate Strategy to enable all corporate priorities to be met.
Efficient Services	
Sustainable Growth	
The Environment	

## 9. Recommendations

It is RECOMMENDED that Council:

- a) accepts the report of the Council's Responsible Financial Officer on the robustness of the Council's budget and the adequacy of reserves (as detailed at **Annex A**);
- b) adopts the budget setting report and associated financial strategies 2021/22 to 2025/26 (attached **Annex B**) including the Transformation Strategy and Efficiency Statement (**Appendix 3**) to deliver efficiencies over the five-year period;
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- f) sets the Special Expenses for West Bridgford, Ruddington and Keyworth, **Appendix 1**, resulting in the following Band D Council tax levels for the Special Expense Areas:
  - i) West Bridgford £49.65 (£48.51 in 2020/21);
  - ii) Keyworth £3.41 (£3.76 in 2020/21);
  - iii) Ruddington £4.00 (£4.12 in 2020/21);
- g) With regards to 2e) and 2f) sets the associated Bands in accordance with the formula in section 36(1) of the Local Government Finance Act 1992; and

- h) adopts the Pay Policy Statement at **Appendix 7**.

<b>For more information contact:</b>	Peter Linfield Executive Manager - Finance and Corporate Services 0115 914 8439 <a href="mailto:plinfield@rushcliffe.gov.uk">plinfield@rushcliffe.gov.uk</a>
<b>Background papers Available for Inspection:</b>	Department for Communities and Local Government (DCLG) website, 2021/22 Financial settlement papers
<b>List of Annexes and Appendices (if any):</b>	<b>Annex A</b> – s25 Report of the Responsible Financial Officer <b>Annex B</b> – Budget Setting Report And Associated Financial Strategies 2021/22 – 2025/26 <b>Appendix 1</b> Special Expenses <b>Appendix 2</b> Revenue Budget Service Summary <b>Appendix 3</b> Transformation Strategy and Efficiency Plan 2021/22 – 2025/26 <b>Appendix 4</b> Capital Programme 2021/22 – 2025/26 (including appraisals) <b>Appendix 5</b> Capital and Investment Strategy 2021/22 to 2025/26 <b>Appendix 6</b> Use of Earmarked Reserves 2021/22 <b>Appendix 7</b> Pay Policy Statement 2021/22

## **Annex A**

### **Commentary of the Responsible Financial Officer**

#### **REPORT UNDER SECTION 25 OF LOCAL GOVERNMENT ACT 2003**

*(To be read in conjunction with the Council Budget Report and Annex B)*

#### **Purpose**

Section 25 of the Local Government Act 2003 requires that when considering the financial plans for the year ahead, the Council's Responsible Finance Officer reports to the Authority on the robustness of the budget and the adequacy of the reserves so that Members have authoritative advice available to them when making their budget and Council Tax decisions.

#### **Background**

Councils decide each year how much council tax they need to raise. The decision is based upon a budget that sets out estimates of what they plan to spend on each of their services.

The decision on the level of Council Tax is taken before the year begins and cannot be changed once set. It follows that an allowance for risks and uncertainties must be made by:-

- making prudent allowance in the budget for each of the services, and in addition;
- ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.

#### **Robustness of Estimates**

I am content that the Council has followed a comprehensive and detailed budget process when preparing the budget for 2021/22 which complies with both statutory requirements and best practice principles.

This year's budget is unusual given the scale of risk as a result of the Covid pandemic. The Council has taken effective steps to deal with the financial pressures caused by challenging economic conditions linked to Covid and reductions in Council funding, particularly from central government. The Council's Transformation Strategy and Efficiency Statement are designed to meet the emerging financial challenges. The Transformation programme combined with effective financial management (resulting in previous budget savings) have ensured the Council has the capacity to use reserves, only if absolutely necessary. The use of reserves in support of on-going expenditure requirements remains a key policy decision which is discussed below.

With regards to Covid there are a number of risks and the budget is likely to change dependent on the trajectory of recovery from the impact of the pandemic. To this end it is important we undertake sensitivity analysis and understand the impact of changes



to risks and our assumptions. We have assumed largely 20% and 10% reductions in income streams in 2021/22 and 2022/23 respectively, on the assumption that throughout 2021/22 the national and local economy recovers. The first quarter loss of income is mitigated by the government funding 75% of loss in sales, fees and charges income. Broadly speaking a 10% loss (or gain) in income is equivalent to £0.75m. A further consequence is the impact on the Council's leisure contract which, whilst the Council's leisure centres remain closed, costs the Council around £0.1m per month. This has impacted upon the Council's Transformation Strategy in essence delaying planned savings by 2 years of the re-negotiated contract. This is deemed a prudent estimate on how long it will take leisure services to return to a pre-covid level and will be dependent on public confidence and the success of the dispensation of vaccinations to the whole community.

One further risk concern employees costs – currently the budget assumes only a small pay rise for those on the lowest income (national living wage increases) and, in the main, no increase in 2021/22 and 2022/23 for most employees. Every 1% pay increase amounts to around £0.1m in cost.

The impact of Covid on Business Rates is unclear given the significant amount of Government intervention by Government in the form of various business support grants and rates relief as well as businesses appealing against their current valuation as a result of Covid. It is anticipated such reliefs will be extended in 2021/22. The position is exacerbated by the potential changes in national policy regarding the business rates system (a proposed review for local government already delayed by 2 years notwithstanding the potential of further changes linked to digital commerce). Locally there is a further complication for Rushcliffe with the impending closure of Radcliffe on Soar power station. For this reason, the Council has budgeted at a 'safety net' position whereby the Council is guaranteed a minimum income level by central government even if business rates fall below this. The safety net is set at £2.8m but a more positive outcome could see business rates increasing to above £4m.

As reported to Full Council in September, the Council has a number of mechanisms at its disposal to support the budget if the pandemic continues before resorting to reducing service provision, namely:

- (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: where possible transfer those reserves not being applied, to the Organisation Stabilisation Reserve, as necessary, to improve resilience going forward in the event of further 'waves' of Covid ; and
- (d) Ultimately use of its £2.6m General Fund Balance.

Given all of the challenges, the Authority has responded positively to the pressures that it faces in the medium term. This has been managed through the development of a Transformation Strategy, in conjunction with a series of Member budget workshops over the past few years. The Transformation Strategy and supporting Programme (detailed at **Annex B, Appendix 3**) identifies the Council's approach to meeting its saving requirement. Last year we projected a budget deficit of £0.735m for 2021/22 to 2022/23; as a result of Covid, the budget deficit is estimated to be in excess of £1.5m over the next 2 years. A combination of cost control and income generation (including fees and charges and Council Tax) ensures the Council is in a position to project a surplus from 2023/24 which should help replenish reserves with an overall manageable net deficit over the 5 years of £0.357m. Going forward we cannot be complacent, there are significant financial challenges that lie ahead as a result of the unprecedented pandemic and the likely economic scarring that will result. As a Council we will continue to grow the Borough, galvanising the borough's high streets, and playing an active role in significant economic development projects such as a potential Freeport and Development Corporation on the Radcliffe-on-Soar power station site.

In developing such plans, the Council has recognised that future funding and service provision is uncertain, and this is heightened by the impact of Covid risks. Other specific financial risks remain hence the prudent assumptions surrounding the outcome of the anticipated reviews of both 75% business rates retention and the Fair Funding and awaiting the impact of the overarching Spending Review now expected in 2021. The MTFS aims to mitigate and manage such risks going forward. Additional challenges arise from likely expenditure pressures linked to addressing climate change and the Climate Change Action Plan which the Council is formulating (via Scrutiny and Cabinet).

Both the MTFS and the Transformation Strategy are iterative in their nature and will evolve over time to respond to, for example: changes in funding levels; the impact of the national economic climate and Covid; and developing corporate and service objectives.

### **Adequacy of Reserves**

Reserves are held for two main purposes:

- a working balance to help cushion the impact of uneven cash flows and unexpected events or emergencies (General Fund balance); and
- to build up funds to meet known or predicted requirements (earmarked reserves).

Whilst there is no statutory guidance on reserves, the Chartered Institute of Public Finance and Accountancy (CIPFA) recommends that each local authority should base its decisions on professional advice from its Responsible Finance Officer and its understanding of local circumstances.

Taking into account such considerations in October 2011 the Cabinet approved as part of its MTFS, the following guiding principle:

*"General Fund Balance should not fall below £1.25m and overall revenue reserves should not fall below 20% of net revenue expenditure."*

This remains a prudent position which I do not recommend changing at this time. Given the impact of Covid, such prudence is enabling the Council to navigate its way through what is a financial minefield. A General Fund Reserve of £2.6m and earmarked reserves of around £6m-£7m (excluding NHB) ensures this principle continues to be adhered to.

Clearly, we are in exceptional times having had to move from a position of relative certainty in a previous 4 year settlement to the more challenging environment of the last 3 years where we have been given 1 year settlements. Uncertainty going forward makes financial planning very challenging and we mitigate risk by taking a prudent approach in our assumptions. Whilst we know we no longer receive Central Government Revenue Support Grant (RSG), there is still a lack clarity on what will happen once the New Homes Bonus (NHB) scheme finishes although there is now consultation on a potential new scheme. Currently we have not budgeted for additional NHB but remain hopeful there will be a new scheme and, as a Borough committed to growth, we should benefit from such a scheme. We believe this funding is particularly important to not only reward the Council with regards to delivering housing growth but also to fund the cost of increased service provision as a result of growth. We will continue to make such representations to the Ministry of Housing, Communities and Local Government (MHCLG).

There still remains uncertainty in terms of Business Rates (and the 75% localisation of business rates) Given the volatile nature of the business rates tax base, the prospective closure of Ratcliffe-on-Soar power station (which accounts for around one tenth of the tax base), this is a risk that has to be managed. The Development Corporation and potential Freeport are big opportunities for economic development at this site and an earmarked reserve of £0.5m will ensure the Council supports the initial business case development and plays an active role as key decisions are taken for the benefit of the local community. The Council will look to continue to support local businesses, applying central government policy with regards to business rates relief, and business support grants albeit the long-term viability of the business rate system is in question. Furthermore, the Council is proposing not to increase car parking charges in 2021/22 to help ensure Rushcliffe has the environment for businesses to thrive and, as lockdown is eased, will continue to proactively support both businesses and the wider community.

Excluding NHB, the Council's reserves are due to rise moderately over the five years from £6.3m to £7.3m. It is important the Council retains its level of reserves given that there are heightened risks: the impact of Covid; the future funding of local government; and the challenges that addressing climate change brings. The Climate Change Action Fund exists to assist with the carbon reduction challenge (reducing from £1m to £0.8m with £0.2m committed to supporting the climate change benefits that should arise from the Development Corporation).

There is also the 'Fair Funding' review of local government finance (deferred by a further year until 2021 and every chance it may be delayed further until 2022) which will determine how, with what is a smaller cake, the funding allocation is divided within the sector. The amount of Council Tax raised will, to a large extent, be dependent on the realisation of our Local Plan housing targets and has been dampened by the impact of Covid. For 2021/22, tax base growth is estimated at 0.62% and thereafter 2%. The ultimate intention is to realise opportunities for growth in the Borough, in both the business and housing sectors, as the Council aims to deliver excellent value for money for the community. The Council continues to lever in external funding such as

from the Local Enterprise Partnership and will need to understand and maximise opportunities that may arise in the post BREXIT era. **Annex B, Section 8** highlights key risks with regards to the MTFS.

As detailed at **Annex B, Section 6**, the MTFS which supports this budget is predicated upon use of reserves (particularly the New Homes Bonus Reserve) to support service expenditure and to deliver investment across the Borough. Whilst the New Homes Bonus scheme in its current form is due to end after 2022/23, the use of the remainder of the NHB reserve is profiled and committed to fund the council's Minimum Revenue Provision (MRP) commitment (**Section 3.7 of Annex B**) over the life of this MTFS and beyond.

The Council has an ambitious capital programme to deliver its corporate objectives and anticipates additional borrowing (of which, up to £7.5m will potentially need to be borrowed externally during the lifetime of the MTFS) particularly to be utilised in relation to the Bingham leisure hub and crematorium projects. In previous budget reports, I have commented upon £10m being committed to fund the Arena project. There is sufficient NHB reserve to fund the outstanding balance of £5m, from the original £10m commitment for the Arena and the additional interest and principal repayments in relation to the additional borrowing in this strategy.

Despite the anticipated impact of Covid, Rushcliffe maintains a relatively robust financial base and, as a result, even once such demands have been met, overall revenue reserves (excluding retained New Homes Bonus) are planned to remain at a stable level over the period of the MTFS. Undoubtedly capital demands both those identified now as well as future requirements beyond the life of the MTFS will put pressure on such balances in the future and going forward. 'Headroom' within the revenue budget will need to be created to fund the capital programme in the long term unless other capital funding streams are identified. Such issues will be considered as the MTFS perennially evolves. As such the MTFS represents a balanced approach to meeting the financial challenges that face the Authority.

Pensions Fund changes were reported last year and we await the outcome of the next triennial review in 2022/23. We continue to remain vigilant regarding this risk particularly given the potential impact of Covid.

The delivery of the Transformation Strategy is critical in ensuring the Council retains a stable MTFS. The Council's focus remains on 'growing the Borough' and ensuring it remains a great place to live. Examples in the Capital Programme include the proposed crematorium, the Bingham Leisure Hub and developing Rushcliffe Country Park. As the Council is committed to investments within the borough and 'borrowing for yield' effectively prohibits borrowing from the Public Works Loans Board, the Council will no longer utilise the remainder of its Asset Investment Fund (£16.2m of £20m has been utilised). The Council still remains committed to a commercial approach and maximising value for money from the use of its assets for the benefit of all Rushcliffe residents. The governance and management of asset investments, both individually and collectively remains important and that the Council has a diversified and proportionate asset investment portfolio to mitigate against adverse risk. The Capital and Investment Strategy refers (**Annex B, Appendix 5, Table 13**). This identifies £1.5m in gross income being generated from commercial investments expected to rise to £2.3m by 2025/26. The key point is that the Council has a range of such income streams and is not overly reliant on one source of income. It manages

such risks proportionately and sensibly with investment income accounting for around 23% of fees and charges income.

The Council is largely self-sufficient and no longer in receipt of RSG. New Government Grants provided in 2020/21 and 2021/22 to support the impact of Covid, facilitates the Council to maintain core services during the pandemic. The budget is financed from Council Tax, Business Rates and rents, fees and charges. The proposed budget demonstrates financial resilience, which CIPFA are increasingly focusing upon given the unprecedented financial challenges the local government sector faces, particularly at this time. I am not complacent regarding the Council's position. I remain confident in the ability of the Council to deliver its corporate priorities and that it will continue to be financially self-sustainable.

Previous achievements with regards to the Transformation Strategy provide reassurance that the budget requirement will be met in a sustainable manner.

In conclusion, therefore, it is my opinion that the budget proposed in this report, and the sundry strategies which support it, are properly developed and provide an appropriate approach for meeting the significant financial challenges and funding risks facing the Authority at this time.

Peter Linfield

Executive Manager – Deputy Chief Executive and Executive Manager - Finance and Corporate Services (and Section 151 Officer)

February 2021

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**ANNEX B**

**RUSHCLIFFE BOROUGH COUNCIL**

**BUDGET SETTING REPORT  
AND ASSOCIATED FINANCIAL STRATEGIES  
2021/22-2025/26**

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## 1. INTRODUCTION AND EXECUTIVE SUMMARY

### 1.1 Introduction

2020/21 has had unprecedented challenges therefore the 2021/22 budget seeks firstly, to ensure that the Council remains financially resilient and able to deliver the services it must by law; secondly to initiate the process of redressing the imbalances created by the Covid-19 pandemic, by appropriately focussing on economic recovery and growth and prosperity within the Borough and supporting the most vulnerable in our community; thirdly to ensure that health and wellbeing remains a high priority; and finally to remain committed to carbon reduction and supporting the environment. Thus, ensuring the Council continues to deliver its Corporate Strategy objectives.

The Council welcomes additional financial support from central government in relation to Covid-19 (around £0.8m) in relation to loss of fees and charges income, additional expenditure costs and support for homelessness and rough sleeping. This has mitigated some of the anticipated pressures although in terms of longer term Covid-19 legacy, the sooner the socio-economic environment returns to something like normality then the full financial impact of Covid-19 will be evident.

2021/22 is the year in which we were anticipating the now delayed comprehensive spending review and Business Rates and Fair Funding reviews would come into play, however this is not the case. We have for 2021/22 assumed a 'cliff edge' for a reduction in business rates linked to the impact of Covid on businesses (currently at least partially insulated by business rates relief in the retail, hospitality and leisure sectors). Whilst we have budgeted for Business Rates at a 'safety net' position at £2.8m it is entirely possible the 'central case' materialises with business rates received being £4.3m or more (Section 3.3). This would therefore negate the need for the use of the Organisation Stabilisation Reserve as currently projected. A more localised business rates risk concerns the Ratcliffe-on-Soar Power Station, due to close in 2025.

Fundamentally there remains much risk with the budget going forward in terms of both Covid, Business Rates and Fairer Funding (reviews possibly to take effect from 2022/23). Being prudent remains the most sensible course of action with reserves (excluding New Homes Bonus) to remain at £6m to £7m over the term of the MTFS at a period when the potential for adverse financial risk has never been greater. Any scope to increase reserves for both opportunities to deliver the Council's corporate priorities, and to mitigate against adverse future financial risk, will be taken.

Estimates for 2021/22 have made assumptions about both loss of income and any increase in expenditure as a result of Covid. The net deficit position is £1.5m over the next 2 years, this is a manageable risk and business rates uplift may well ensure there is no recourse to use reserves. The Council continues to invest significant capital within the Borough (£38.8m to 2025/26) with projects

such as the Bingham Leisure Hub and the crematorium demonstrating the Council's commitment to economic growth, meeting challenging housing targets, improving leisure facilities and the environment. Such projects are major components of the Council's Transformation Programme to ensure there are sufficient resources to deliver core services.

Whilst we understand our financial challenges the budget looks to the future. The Climate Change Action reserve focuses on improving the environment. The Development Corporation reserve demonstrates the Council's commitment to regenerating the Ratcliffe-on-Soar power station site with the creation of employment, improvement in transport connectivity and maximising carbon neutral ambitions.

In line with the Government's referendum principles, the budget for 2021/22 proposes an increase in Council Tax of 3.24% to £147.36 (the Council has the option of increasing Council Tax by up to £5, or 2%, whichever is the higher, with the recommended increase being £4.62). This will give an average band D Council Tax increase of less than 9p per week, ensuring Rushcliffe's Council Tax remains amongst the lowest in the country (and the lowest in Nottinghamshire). This enables the best possible services to continue to be delivered to Rushcliffe residents, that resources remain sufficient to meet both current and future needs and importantly projected funding levels and reserves are sufficient to protect the Council. This is essential given the risks and uncertainty that prevails in the current financial environment, with the full impact of Covid-19 yet to be determined and the impact on both businesses and the community.

This budget and its uncertainty remains challenging. The associated financial strategies continue the progress made in recent years to ensure that the Council's financial plans are robust, affordable and deliverable despite Covid-19 and the pressures it has created. This budget is designed to ensure we maintain high quality services for current and future generations, a budget that is both financially and environmentally sustainable.

## 1.2 **Executive Summary**

This report outlines the Council's Medium Term Financial Strategy (MTFS) through to 2025/26 including the revenue and capital budgets, supported by a number of key associated financial policies alongside details of changes to fees and charges. Some of the key figures are as follows:

	2020/21	2021/22
RBC Precept	£6.279m	£6.522m
Council Tax Band D	£142.74	£147.36
Council Tax Increase	3.59%	3.24%
Retained Business Rates	£3.984m	£2.820m
New Homes Bonus	£2.311m	£1.633m
Reserves (at 31 March)	£14.510m	£15.175m
Capital Programme	£18.936m	£28.158m

Special Expenses	2020/21	2021/22	Increase/ (Decrease) £	Increase/ (Decrease) %
Total Special Expense Precept	£711,900	£732,900	21,000	2.95
West Bridgford	£48.51	£49.65	1.14	2.35
Keyworth	£3.76	£3.41	(0.35)	(9.31)
Ruddington	£4.12	£4.00	(0.12)	(2.91)

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

## 2. BUDGET ASSUMPTIONS

### 2.1 Table 1 - Statistical assumptions which influence the five-year financial strategy

Assumption	Note	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Budgeted inflation	a	0%	<b>0%</b>	0%	0%	0%	0%
Pay costs increase		2%	<b>0%</b>	0%	1%	1%	1%
Employer's pension contribution rate	b	17.60%	<b>17.60%</b>	17.60%	17.60%	17.60%	17.60%
Return on cash investments	c	1.87%	<b>0.10%</b>	0.25%	0.50%	0.50%	0.50%
Tax base increase	d	1.87%	<b>0.62%</b>	2.00%	2.00%	2.00%	2.00%

#### Notes to Assumptions

- a) Whilst inflation does impact on services, the Council's managers are expected to deliver services within cash limited budgets which require them to absorb the cost of inflation. As such, the net effect of inflation is reduced to zero within the estimates which is the equivalent of an estimated £105k saving in the 2021/22 budget. Adjustments are made for contract inflation and areas of higher risk such as utilities.
- b) The next triennial valuation of the pension fund is due in 2022 and will cover the period 2023/24 to 2025/26. For the budget, we have assumed the same employer's contribution rate of 17.6% and annual deficit payment of £918k. The Council pre-paid the deficit in both 2017/18 and 2020/21 and will consider this option again at the next valuation subject to an assessment of potential savings.
- c) Cash investment returns are based on projections consistent with the Council's Capital and Investment Strategy and much reduced due to expectations on low base rates of interest and other rates for investment likely to be available.
- d) Tax base increases have been reset for 2021/22 to reflect the delay in housing developments as a result of Covid. Later years reflect normal anticipated growth in housing within the Borough.

### 3. FINANCIAL RESOURCES

- 3.1 The proposals for Local Government funding (i.e. Fairer Funding and Business Rates) have now been further delayed by the impact of Covid. It is anticipated that the review will now take place in 2021/22 with implementation in 2022/23. It has not been confirmed by Government that the reforms will take place next year. Government however did confirm that consultation on the future of New Homes Bonus will take place in 2021, following an announcement that an additional year of funding will be included in 2021/22 only. The delays to the reforms will add further uncertainty over funding within the period of this MTFS with only one year of funding currently certain.
- 3.2 This section of the report outlines the resources available to the Council: Business Rates, Council Tax (RBC and Special Expenses), Revenue Support Grant, New Homes Bonus, Fees, Charges and Rents, and Other Income.

#### 3.3 Business Rates

The legacy of Covid on Business Rates for 2021/22 has provided much uncertainty over the expected receipts. The Council would ordinarily make assumptions reflecting experience to date with regard to the award of additional reliefs, successful ratings appeals and government policy changes. The Government's proposals for 75% Business Rates retention and a new funding system have now been postponed for a second time due to Covid. The Council has taken a prudent approach and for 2021/22 has budgeted at safety net (the minimum that the Council would receive in Business Rates receipts) plus retained receipts from Renewable Energy properties. The forecasts for 2022/23 onwards allow for a full reset of Business Rates and the loss of receipts from Ratcliffe-on-Soar Power Station which is expected to cease production in 2025. The power station makes up a reasonable proportion of the tax base at 7.8% (£5.74m) with the Council's exposure around £3m.

In March 2020 the Government announced that the retail discount relief would be extended to include most customer facing businesses and childcare providers due to the impact of Covid. As has been in the past with previous changes, the Council has been fully compensated by S31 grant payment (specific grant from central government). However, the payments made out of the collection fund to the preceptors (including Rushcliffe) are set at 31<sup>st</sup> January in the preceding year and cannot be changed. This causes a timing difference as grant received to compensate for the additional reliefs have been received in the current year but the deficit created as a result of payments out of the collection fund will not materialise in the budget until 2021/22. The surplus cash from the S31 grants is therefore to be appropriated to the Organisation Stabilisation reserve and released in 2021/22 to mitigate the budgeted deficit, this amounts to £4.0m.

A further risk is that UK businesses could receive a rebate of £481m from appeals under a Material Change of Circumstances (MCC) due to Covid. As yet, no decisions have been taken on reductions to rateable values as a result of the pandemic. Losses incurred under the potential appeals may be covered by the Government's 75% reimbursement scheme (see below).

Government have announced that there will be a freeze on the Business Rates multiplier in 2021/22 (remaining at 49.9p) however CPI (normally used to set the multiplier) was 0.55% in September 2020. The Council will be compensated for the lost yield in relation to this freeze which will be paid in the form of S31 Grant. This is included in the 2021/22 Retained Business Rates budget of £2.8m.

It has also been announced that 75% of business rate losses will be reimbursed and this will be measured by comparing the NNDR1 with the NNDR3 outturn. Compensation will be paid based on the reduction in non-domestic rating income in 2020/21. At the time of budgeting, it is not anticipated that there will be a deficit on Business Rates (excluding the deficit caused by the additional reliefs referred to above as this has been compensated by S31 grant) and as such there is no reimbursement anticipated.

The Business Rates tax base is volatile given the impact of a small number of businesses on the tax base overall e.g. the power station as mentioned above and risks regarding outstanding appeals still remain. The changes that the Government is making (now delayed to 2022/23 at the earliest) regarding resetting the system means that the amount of Business Rates the Council can retain after 2022/23 is assumed to change significantly. The Organisation Stabilisation Reserve helps mitigate against risks including Business Rates uncertainty.

The impact in 2021/22 from the pooling of Business Rates within Nottinghamshire will be calculated once forecasts from the relevant authorities have been produced and assimilated into the pooling model. From 2022/23 onwards, if a new system of Business Rates is in place, a new pooling agreement is likely to be required to determine, for example, the relevant tier split between districts and Nottinghamshire County Council. We currently show no surplus from the Nottinghamshire Business Rates Pool as a prudent assumption.

The forecast position on Business Rates is shown below.

Table 2 Business Rates

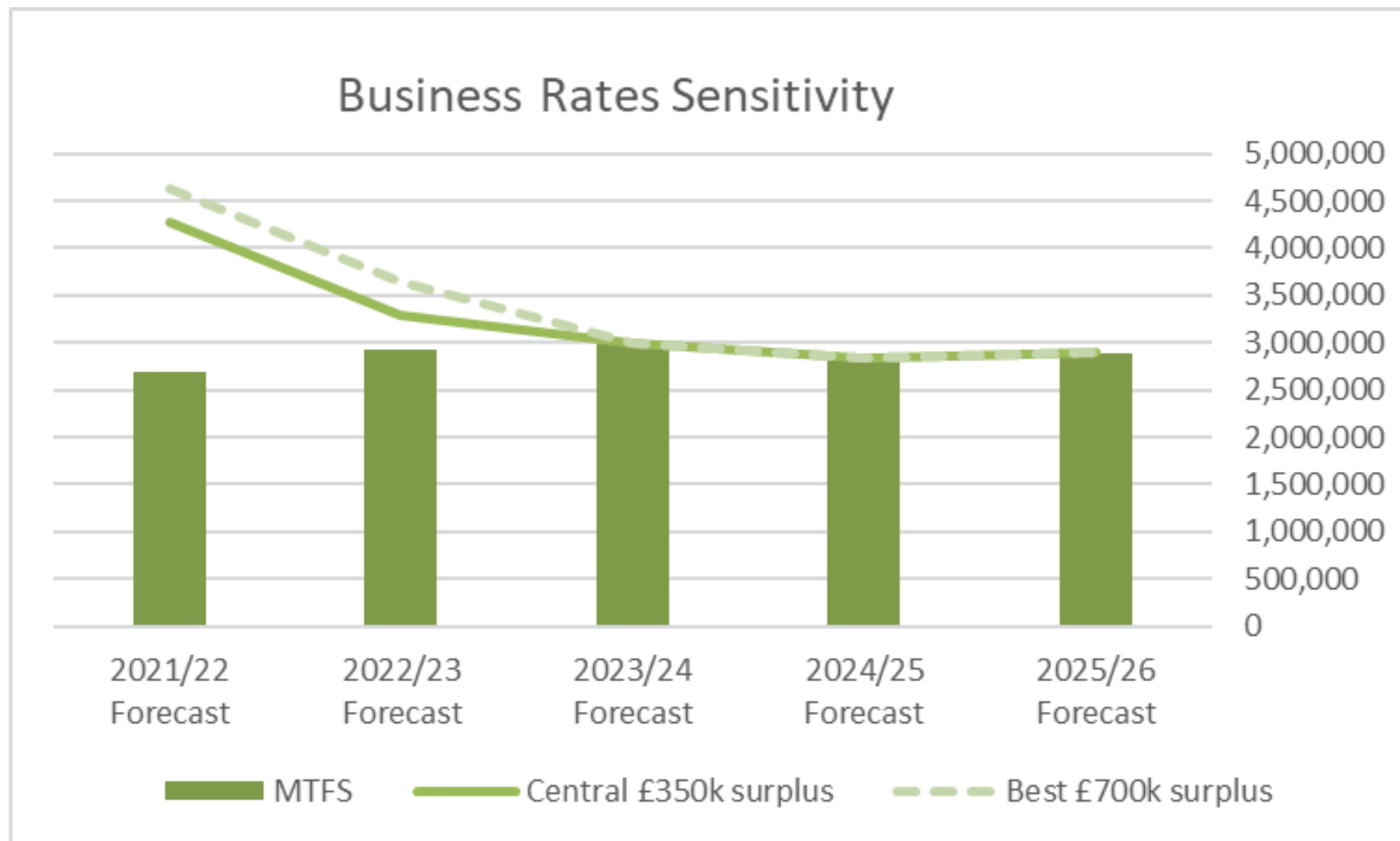
<b>£'000</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Retained Business Rates	3,984	<b>2,820</b>	2,928	2,978	2,836	2,893
Increase/ (reduction)	217	<b>(1,164)</b>	<b>108</b>	<b>50</b>	<b>(142)</b>	<b>57</b>
Increase/ (reduction)	6%	<b>(29%)</b>	<b>4%</b>	<b>2%</b>	<b>(5%)</b>	<b>2%</b>
Forecast Business Rates (Surplus)/deficit and central pool surplus	(542)	<b>4,000</b>	0	0	0	0

Sensitivity Analysis

There is uncertainty surrounding Business Rates from 2022/23 and the budget assumes the minimum the Council can expect to receive in 2021/22 (safety net plus Renewable Energy receipts) and that there will be a full reset removing Business Rates growth from 2022/23. However there is an upside risk that receipts will continue at similar levels to 2020/21 and the Council will continue to benefit from existing growth with the amount we can budget for ranging from £2.7m to £4.6m. From 2023/24 there is uncertainty surrounding reforms coupled with the closure of Ratcliffe-on-Soar Power Station and the Council has therefore assumed for all scenarios that a full reset is likely for the remainder of the MTFS. The graph below shows the potential variations in receipts over the MTFS with the uncertainty from 2023/24 to 2025/26 reflected in budgeted assumptions remaining equal for all scenarios.

It is possible that Government may extend the current retail, hospitality and leisure relief scheme for 2021/22 or that business rates retains more resilience, which would mean the Council is unlikely to go into safety net position. If this materialises the Council is unlikely to have recourse to use the Organisation Stabilisation Reserve to support the budget (for 2021/22 £0.8m)





### 3.4 Council Tax

The Council no longer receives any Revenue Support Grant and is anticipating other income streams such as New Homes Bonus to reduce to zero by 2023/24. The Government has assumed in future funding projections that Councils will take up the offer of increasing their Council Tax by the higher of 2% or £5 for a Council Tax Band D. The overriding Rushcliffe principle is that the Council aims to stay in the lower quartile for Council Tax. The Council has assumed an increase in Council Tax of £4.62 (3.24%) and thereafter £4.95 each year for the duration of this MTFS. Setting Council Tax at a 2% increase rather than £4.95 would reduce Council Tax income by £78,100 in 2021/22. A Council Tax freeze would result in a reduction of £204,500. The Council's referendum limit calculation also includes Special Expenses, the combination of Rushcliffe's Band D Council Tax and Special Expense equates to £5.

The 2021/22 tax base has been set at 44,259.6 (an increase of 0.62%). The projections for 2021/22 have been based upon the current Council Tax base, including both additional Local Council Tax Support claims resulting from Covid (as these reduce the overall tax base) and reduced growth in 2020/21 against original expectations. Anticipated growth during 2021/22 has been calculated and included in the projections and thereafter we have assumed a 2% increase per annum. This will be reviewed as the Council looks to deliver its housing growth targets.

The Government has announced that due to potentially significant deficits in collection funds across the Country as a result of Covid-related reduced receipts, Billing Authorities will be required (by legislation) to 'spread' any deficits occurring in 2020/21. This is a departure from the normal process of collecting deficits in the following year and is intended to help smooth the cash flow for the precepting bodies. Only the deficit occurring in the current financial year is required to be spread in this way with prior year surpluses or deficits adjusted in the year following as normal. The anticipated deficit for Council Tax (occurring in the year) is approximately £1.4m with the County Council taking the majority share. The Council's exposure is approximately £0.15m which will be spread over the three years 2021/22 to 2023/24 (£51k per annum). There is a small surplus relating to previous years which is adjusted in 2021/22 reducing the deficit to £45k.

As with Business Rates above, 75% of Council Tax losses in 2020/21 will also be compensated for by way of S31 grant. Council tax losses will be calculated by comparing the budgeted Council Tax requirement (CTR1) with the outturn position. This will be accrued into the reserves in 2020/21 to be released to offset the budgeted deficit of £51k in each of the following 3 years. For budgeting purposes this figure has been estimated at £70k and therefore £23k per annum (net impact £28k per annum).

In 2020/21 the Council is due a share of a £670m new grant and its purpose is to compensate authorities for the expected additional cost of Local Council Tax Support (LCTS) schemes in 2021/22. The Council's allocation is £0.1m. The grant is un-ringfenced and is in recognition of the increased costs of providing local Council Tax support following the pandemic and wider support for reduced Council Tax income to the Council.

The movement in Council Tax, the tax base, precept and the Council Tax Collection Fund deficit are shown in Table 3 below.

Table 3. Council Tax

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Council Tax Base (a)	43,987.70	<b>44,259.60</b>	45,144.79	46,047.69	46,968.64	47,908.01
Council Tax £:p (b)	£142.74	<b>£147.36</b>	£152.31	£157.26	£162.21	£167.16
£ Annual Increase	£4.95	<b>£4.62</b>	£4.95	£4.95	£4.95	£4.95
% increase	3.59%	<b>3.24%</b>	3.36%	3.25%	3.15%	3.05%
Gross Council Tax collected (a x b)	£6,278,801	<b>£6,522,095</b>	£6,876,003	£7,241,459	£7,618,783	£8,008,304
Increase in Precept	£329,236	<b>£243,294</b>	£353,909	£365,456	£377,324	£389,520
Council Tax(Surplus)/Deficit	£97,500	<b>£45,000</b>	£51,000	£51,000	0	0

### 3.5 Special Expenses

The Council sets a special expense to cover any expenditure it incurs in a part of the Borough which elsewhere is undertaken by a town or parish council. These costs are then levied on the taxpayers of that area. As with 2020/21, special expenses will be levied in West Bridgford, Ruddington and Keyworth.

**Appendix 1**, summarised in Table 4, details the Band D element of the precepts for the special expense areas. Special expense Band D tax amounts have decreased in Ruddington and Keyworth due to an increase in tax base whilst costs have remained broadly

the same. The Band D amount for Keyworth has decreased by £0.35 (-9.31%) and Ruddington £0.12 (-2.91%). Expenditure in West Bridgford has increased due to events and activities held in West Bridgford. This is partially offset by a reduction in costs associated with Lutterell Hall (now run by a management company), resulting in an overall net increase to West Bridgford of £22k and an increase in the Band D charge of £1.14 (2.35%).

The budget for the Special Expenses areas have been discussed at the West Bridgford and Special Expenses and Community Infrastructure Levy group.

Table 4 Special Expenses

	2020/21		2021/22		
	Cost	Band D	Cost	Band D	
	£	£	£	£	% change
West Bridgford	690,500	48.51	712,600	49.65	2.35
Keyworth	10,100	3.76	9,200	3.41	-9.31
Ruddington	11,300	4.12	11,100	4.00	-2.91
<b>Total</b>	<b>711,900</b>		<b>732,900</b>		

### 3.6 Revenue Support Grant (RSG)

The Council no longer receives any RSG and this equates to £3.25m in lost income. The Council has mitigated the impact of this loss largely through its Transformation Strategy and Efficiency plan.

### 3.7 New Homes Bonus

The New Homes Bonus (NHB) scheme was intended to give clear incentive to local authorities to encourage housing growth in their areas. The Government intends to cease the New Homes Bonus (NHB) scheme in 2023/24. It was announced during the settlement that due to Covid pressures there would be an additional one-off payment made to Local Authorities in 2021/22 due to delays in

consulting on the closure of the existing scheme. This will not form part of any remaining legacy payments. Government also confirmed that it would be consulting on the potential future replacement of the NHB scheme in 2021. The table below depicts both the reduced funding and cessation of the scheme by 2023/24.

Table 5 – New Homes Bonus

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
New Homes Bonus Received in Year	(2,311)	(1,633)	(653)	0	0	0

### 3.8 Fees, Charges and Rental Income

The Council is dependent on direct payment for many of its services. The income, from various fees, charges and rents, is a key element in recovering the costs of providing services which, in turn, assists in keeping the Council Tax at its current low level. Covid has had a significant impact on the fees and charges receipts during 2020/21 and it is anticipated that the effects of the virus will continue into 2021/22 and 2022/23 as the rollout of the vaccines will take time to take effect therefore extending the period of social distancing. The budget assumes anticipated reductions in fees and charges of approximately 20% in 2021/22 and 10% in 2022/23. The Government has announced that Local Authorities will be reimbursed for 75% of lost Sales Fees and Charges income for the first quarter of 2021/22 only. The methodology of the reimbursement calculation has not yet been agreed and therefore we have currently assumed £0.17m based expected reductions in receipts for the first quarter of 2021/22. This is included in the other grant income line in table 8 below.

The Fees, Charges and Rental Income budget is shown in Table 6.

Table 6 – Fees, Charges and Rental Income

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Car Parks	(858)	<b>(683)</b>	(771)	(858)	(858)	(858)
Licences	(303)	<b>(308)</b>	(308)	(308)	(308)	(308)
Non Sporting Facility Hire	(188)	<b>(138)</b>	(140)	(142)	(142)	(142)
Other Fees & Charges	(605)	<b>(529)</b>	(810)	(894)	(954)	(1,016)
Planning Fees	(1,138)	<b>(958)</b>	(1,063)	(1,167)	(1,167)	(1,167)
Rents	(1,724)	<b>(1,796)</b>	(1,913)	(2,017)	(2,037)	(2,037)
Green waste income	(1,324)	<b>(1,400)</b>	(1,400)	(1,587)	(1,587)	(1,587)
Service Charges	(301)	<b>(302)</b>	(303)	(305)	(305)	(305)
<b>Total</b>	<b>(6,441)</b>	<b>(6,114)</b>	<b>(6,708)</b>	<b>(7,278)</b>	<b>(7,358)</b>	<b>(7,420)</b>

Income assumptions are determined by a number of factors including current performance, decisions already taken and known risks and opportunities.

The budget for Other Fees and Charges sees an increase from 2022/23 onwards due to the Crematorium which is expected to open in 2022. Garden Waste is increased on a cyclical basis every 3 years. The charge was last increased in 2020/21 and the next planned increase is due in 2023/24. This takes account of future inflation and potential pressures linked to the environmental agenda which is likely to further increase costs such as vehicle purchases. Future increases will need to be considered and agreed by Members.

There has been no increase assumed for car parking charges due to the expected position in the economy with only a gradual recovery expected and highly dependent on the success of the vaccine. Encouraging consumers back into the high streets will be a key part in the recovery of the economy.

Except where current or previous decisions will affect future income yields, the MTFS does not make any provision for future inflationary increases in fees and charges which is consistent with the treatment of expenditure. Anticipated income from commercial property investment forms part of the Council's Transformation Strategy and Efficiency Plan.

### 3.9 Other income

In addition to fees and charges the Council also receives a range of other forms of income, the majority of which relates to Housing Benefit Subsidy (£11.6m) which is used to meet the costs of the national housing benefit scheme. Other Income is shown in Table 7. Interest on investments reflect assumptions based on balances available to invest and expected interest rates (see Appendix 5). Other Income line shows an increase year on year which reflects the planned receipts from the Leisure Contract to include Bingham Hub which is scheduled to open in June 2022. The Homelessness funding was expected to cease in 2021/22 reflected in a reduction in the Other Government Grants line on the table below. It has recently been announced that there will be an additional grant for Homelessness paid in 2021/22 and this is shown on the Other Grant Income line on table 8. Costs recovered relate mostly to Council Tax Court Costs.

Table 7

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000	£'000
Costs recovered*	(188)	<b>(156)</b>	(172)	(188)	(188)	(188)
Council Tax/ Housing Benefit Admin Grants	(230)	<b>(214)</b>	(200)	(200)	(200)	(200)
Interest on Investments	(377)	<b>(462)</b>	(504)	(557)	(552)	(546)
OLAs Contribution	(95)	<b>(86)</b>	(86)	(86)	(86)	(86)
Other Income	(368)	<b>(337)</b>	(530)	(732)	(800)	(850)
Recycling Credits	(160)	<b>(180)</b>	(180)	(180)	(180)	(180)
Other Government Grants	(245)	<b>(120)</b>	(120)	(120)	(120)	(120)
Sub Total	(1,663)	<b>(1,555)</b>	(1,792)	(2,063)	(2,126)	(2,170)
Housing Benefit Subsidy	(14,264)	<b>(11,788)</b>	(11,788)	(11,788)	(11,788)	(11,788)
<b>Total Other Income</b>	<b>(15,927)</b>	<b>(13,343)</b>	<b>(13,580)</b>	<b>(13,851)</b>	<b>(13,914)</b>	<b>(13,958)</b>



3.10. SummaryTable 8 – All sources of income

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Retained Business Rates	(3,984)	<b>(2,820)</b>	(2,928)	(2,978)	(2,836)	(2,893)
Other Grant Income*	(18)	<b>(1,130)</b>	0	0	0	0
New Homes Bonus	(2,311)	<b>(1,633)</b>	(653)	0	0	0
Council Tax (RBC)	(6,279)	<b>(6,522)</b>	(6,876)	(7,242)	(7,619)	(8,008)
Council Tax (Special Expenses)	(712)	<b>(733)</b>	(733)	(733)	(733)	(733)
Collection Fund (Surplus)/deficit	(445)	<b>0</b>	0	0	0	0
Fees, Charges and Rental Income	(6,441)	<b>(6,114)</b>	(6,708)	(7,278)	(7,358)	(7,420)
Other income	(15,927)	<b>(13,343)</b>	(13,580)	(13,851)	(13,914)	(13,958)
Transfers from Reserves**	0	<b>(3,034)</b>	(197)	(1,111)	(530)	(355)
<b>Total Income</b>	<b>(36,117)</b>	<b>(35,329)</b>	<b>(31,675)</b>	<b>(33,193)</b>	<b>(32,990)</b>	<b>(33,367)</b>

\*The table below summarises the grants allocated to the Council in 2021/22. Covid Support Tranche 5 is expected to be paid in April 2021 and follows four earlier tranches of grant paid during 2020/21. As referred to in section 3.8 above the Government will be reimbursing Local Government for lost sales, fees and charges for the first quarter of 2021/22 and it is anticipated that this will be based on losses against the 2020/21 budget. The Lower Tier Grant is a new grant with the purpose of supporting services such as homelessness, planning, recycling and refuse collection and leisure services and looks to partially rebalance the impact of the loss of New Homes Bonus (the other grants are Covid linked). Government have extended the Homelessness and Rough Sleeping funding for a further year and the Council's allocation is £163k. Section 4 details the expenditure that this grant will be used to fund. The Council will also be receiving £100k under the Local Council Tax Support funding to mitigate the impact of a reduced tax base.

<b>Grant Awarded</b>	<b>Description</b>
£397,000	Covid support (Tranche 5)
£170,000	Fees and Charges reimbursement (estimated)
£300,000	Lower Tier Grant
£163,000	Homelessness and Rough Sleeping
£100,000	Local Council Tax Support
<b>£1,130,000</b>	<b>Total</b>

\*\* The transfer from reserves in 2021/22 includes the mitigation of the budgeted deficit in Business Rates referred to in section 3.3 above. The net transfer from reserves in 2023/24 increases as there are no NHB receipts being transferred to reserves. This line also incorporates the £1m per annum payment for the Arena. The net transfer from reserve decreases from 2024/25 as contributions are made from investment property income to the sinking fund reserve. The position on reserves is shown in Section 6.

#### 4. 2021/22 SPENDING PLANS

- 4.1 The Council's spending plans for the next five years are shown in Table 9 and take into account the assumptions in Section 2. As Transformation Programme Savings/Growth projects are delivered (e.g. Bingham Hub and the Crematorium) the spending profile will change.

Table 9 – Spending Plans

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000	£'000
Employees	10,586	<b>10,637</b>	10,566	10,732	10,748	10,842
Premises	1,072	<b>1,008</b>	1,026	1,010	1,010	1,010
Transport	864	<b>926</b>	932	941	938	938
Supplies & Services	3,580	<b>3,763</b>	3,852	3,994	3,910	3,934
Transfer Payments	14,297	<b>11,773</b>	11,783	11,793	11,793	11,793
Third Party	2,636	<b>2,811</b>	2,874	2,937	3,003	3,070
Depreciation/Impairment	2,131	<b>1,768</b>	1,768	1,768	1,768	1,768
Capital Financing	76	<b>45</b>	111	132	129	127
<b>Gross Service Expenditure</b>	<b>35,242</b>	<b>32,731</b>	<b>32,912</b>	<b>33,307</b>	<b>33,299</b>	<b>33,482</b>
Reversal of Capital Charges	(2,131)	<b>(1,768)</b>	(1,768)	(1,768)	(1,768)	(1,768)
Collection Fund Deficit	0	<b>4,045</b>	51	51	0	0
Net Contribution to Reserves	1,859	<b>0</b>	0	0	0	
Minimum Revenue Provision	1,000	<b>1,074</b>	1,274	1,274	1,000	1,250
Revenue Contribution to Capital	147	<b>0</b>	0	0	0	0
<b>Overall Expenditure</b>	<b>36,117</b>	<b>36,082</b>	<b>32,469</b>	<b>32,864</b>	<b>32,531</b>	<b>32,964</b>

#### 4.2 Explanations for some of the main variances above are:

- Employee costs reflect a zero-pay award in 2021/22 and 2022/23 and 1% thereafter. 2023/24 also reflects pay costs associated with the upcoming Borough elections (£76k);
- Supplies and services increase due to Streetwise costs of £35k, Tanker Services up by £34k due to increased disposal costs and contingency by £32.5k to cover potential increases to National Living Wage. The cost of Borough Elections included in 2023/24 is £116k and there is a contribution from reserves to mitigate the impact.
- Transfer Payments are expected to reduce. Estimates are based on current caseload and the DWP handling working age claims under Universal Credits.
- Capital Financing costs increase reflecting the borrowing costs arising from the estimated £7.5m borrowing in relation to the capital programme (referred to in paragraph 9.4);
- There is no longer a net contribution to reserves due to the reduction in NHB receipts being transferred to reserves; and
- The revenue contribution to capital is now included within the net transfer from reserves shown in table 8 above.
- The £4m Collection Fund deficit relates to the deficit arising in 2020/21 as a result of additional reliefs granted to retail and childcare.

4.3 The Council will receive £163k in 2021/22 in Homeless and Rough Sleeping funding. This grant will continue to fund two posts supporting housing options and homelessness prevention and provides a prevention fund to assist with rent deposits or advances to secure private rented accommodation for those at risk. It also includes provision for Street Outreach initiative to assist rough sleepers and grants to support homelessness provision, education and advice.

## 5 BUDGET REQUIREMENT

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

Table 10 – Budget Requirement

	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
Total Income	(36,117)	(35,329)	(31,675)	(33,193)	(32,990)	(33,367)
Gross Expenditure	36,117	36,082	32,469	32,864	32,531	32,964
<b>Net Budget Position (Surplus)/Deficit</b>	<b>0</b>	<b>753</b>	<b>794</b>	<b>(329)</b>	<b>(459)</b>	<b>(403)</b>
<b>Revised Transfer From Reserves</b>	<b>0</b>	<b>(3,787)</b>	<b>(991)</b>	<b>(782)</b>	<b>(71)</b>	<b>48</b>

- 5.2 The above shows a deficit position of £753k in 2021/22 and £794k in 2022/23 mostly relating to the anticipated impact of Covid on income streams and additional expenditure. It is anticipated that from 2023/24 the budget will move into a surplus position which will then be used to replenish the reserve, the total for the period being deficit £357k. Due to the current uncertainty surrounding Business Rates the budget does not include any surplus from the Nottinghamshire Pool. Any surplus arising will be transferred to the Organisation Stabilisation Reserve to further mitigate the risks going forward on Business Rates from reforms and the loss of the Power Station.
- 5.3 Section 7 covers the Transformation Programme - including the use of reserves, balancing the budget for 2021/22 and future financial pressures.

## 6. RESERVES

- 6.1 In order to comply with the requirements of the Local Government Act 2003, a review has been undertaken of the Council's reserves, taking into account current and future risks. This has included an assessment of risk registers, pressures upon services, inflation and interest rates. In previous budgets, the Council has supported the controlled release of reserves to support service delivery. It is anticipated that at the end of 2020/21 £5.165m will be transferred to the Organisation Stabilisation reserve. Of this sum, £3.769m arises from the Business Rates S31 grants allocated in 2020/21 to compensate for additional reliefs given to the retail sector. This will be required to be released back to revenue in 2021/22 to meet the Collection Fund deficit arising from these additional reliefs. £673k arises as a result of additional grant funding received in the year. This will be used to support the budget and uncertainty of the impact of Covid on future years. The balance of £523k comprises £723k surplus from the Nottinghamshire Business Rates Pool less £200k which has been moved to the Development Corporation (DevCo) Reserve. It is expected around £0.17m of the DevCo Reserve will be utilised in 2021/22. Reserves will continue to be used to help manage the impact of Covid, reduced government funding, future changes to the Business Rates Retention scheme and ensuring ongoing service stability.
- 6.2 In 2020/21 the balance on the Organisation Stabilisation reserve (OSR) is expected to be £7.176m. This is a higher level than previously estimated because it contains the temporary transfer of S31 grants surplus (£4.0m needs to be released in 2021/22). Future projections indicate the reserve will have a balance of £2.748m by 2025/26 subject to the ongoing impact of Covid. Covid has clearly demonstrated the benefit of having this reserve to support Council services at a time of significant crisis. Going forward not only due to Covid but also the prevailing uncertainty in relation to both large Council projects and future funding means that this reserve is necessary.
- 6.3 Table 11 details the estimated balances on each of the Council's specific reserves over the 5 year MTFS. This also shows the General Fund Balance. Total Specific Reserves reduce from £22m to £14.5m (20/21 – 25/26). **Appendix 6** details the movement in reserves for 2021/22 which also includes capital commitments. This shows a reduction from £19.5m to 15.175m primarily reflecting the aforementioned release of £4.0m to meet S31 grant commitments in 2021/22. In addition, the sum of £0.753m is required to be released to support the revenue budget deficit. It is important that the level of reserves is regularly reviewed to manage future risks. The projections are based on current understanding regarding New Homes Bonus receipts. All of the reserves have specifically identified uses including some of which are held primarily for capital purposes namely the Council Assets and Service Delivery, Invest to Save, and Regeneration and Community Projects Reserve (to meet special expense capital commitments). The release of reserves will be constantly reviewed in order to balance funding requirements and the potential need to externally borrow to support the Capital Programme.

- 6.4 Whilst part of the annual allocations of New Homes Bonus (NHB) will be used to offset the MRP requirements arising from internal borrowing, the remaining NHB reserve may still be called upon in future years as major infrastructure projects come to bear and the potential for investment in economic development through arrangements such as the 'Growth Deal'. The projections reflect the allocation of at least £1m per annum from the NHB reserve to offset the Minimum Revenue Provision (MRP) charge to the revenue budget comprising of a statutory and a voluntary amount arising from internal borrowing (primarily for the Arena). As there is more spend on capital the requirement to fund MRP and utilise reserves will increase, or funding will be required from the revenue budget. Year-on-year additions to the NHB reserve increase are predicated on the assumptions made on NHB in Section 3.7.

The MTFS presented to Council last year supported the creation of the Climate Change Action Reserve and despite the pressures of Covid this reserve remains. The reserve will support projects that contribute to the Council's ambitions to protect and enhance the environment including reduction of its carbon footprint. A balance of £0.8m is available and will be allocated as projects get approved with £30k provisionally earmarked for a contribution to an electric car charging canopy at Gamston (note from the £1m reserve £0.2m has been transferred to the Development Corporation Reserve). As presented to Full Council in December 2020 the East Midlands Development Corporation will support partnership working to deliver transformational infrastructure and economic development projects, with the reserve to be utilised over the next 3 years. A further £0.2m is being transferred from the Nottinghamshire Business Rates Pool surplus for 2020/21 and combined with the existing £0.1m in the revenue budget this will support expenditure of up to £0.5m.

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

Table 11 – Specific Reserves

	Balance 31.03.20 £'000	Balance 31.03.21 £'000	Balance 31.03.22 £'000	Balance 31.03.23 £'000	Balance 31.03.24 £'000	Balance 31.03.25 £'000	Balance 31.03.26 £'000
<i>Investment Reserves:</i>							
Regeneration and Community Projects	1,794	1,721	1,859	2,016	2,176	2,343	2,515
Sinking Fund - Investments	166	179	0	0	50	100	150
<i>Corporate Reserves:</i>							
Organisation Stabilisation	2,402	7,176	2,399	1,581	1,886	2,345	2,748
Climate Change Action	1,000	800	800	800	800	800	800
Development Corporation	100	400	400	400	400	400	400
Risk and Insurance	100	100	100	100	100	100	100
Planning Appeals	350	350	350	350	350	350	350
Elections	50	100	150	200	50	100	150
<i>Operating Reserves:</i>							
Planning	209	209	131	45	45	45	45
Leisure Centre Maintenance	116	7	7	7	7	7	7
<b>Total Excluding NHB Reserve</b>	<b>6,287</b>	<b>11,042</b>	<b>6,196</b>	<b>5,499</b>	<b>5,864</b>	<b>6,590</b>	<b>7,265</b>
New Homes Bonus	7,186	8,420	8,979	8,385	7,138	5,891	4,644
<b>Total Earmarked Reserves</b>	<b>13,473</b>	<b>19,462</b>	<b>15,175</b>	<b>13,884</b>	<b>13,002</b>	<b>12,481</b>	<b>11,909</b>
<i>General Fund Balance</i>	2,604	2,604	2,604	2,604	2,604	2,604	2,604
<b>TOTAL</b>	<b>16,077</b>	<b>22,066</b>	<b>17,779</b>	<b>16,488</b>	<b>15,606</b>	<b>15,085</b>	<b>14,513</b>



## 7. THE TRANSFORMATION STRATEGY AND EFFICIENCY STRATEGY

7.1 For the past 6 years the Council has successfully implemented a Transformation Strategy and supporting Transformation Programme (this is also the Council's efficiency strategy). This drives change and efficiency activity and is a vehicle to deal with the scale of the financial challenges the Council faces. An updated Transformation Strategy and Programme are provided in **Appendix 3**, this also includes an Appendix on the Council's approach to commercialism. Alongside this work the Executive Management Team has undertaken a review of all Council budgets resulting in savings which have been fed into the MTFS. The Transformation Strategy focuses on the following themes:

- (a) Service efficiencies and management challenge as an on-going quality assurance process;
- (b) Areas of review arising from Member challenge; and
- (c) Longer term reviews with further work being required and particularly impacting upon the Council's asset base.

7.2 This Programme will form the basis of how the Council meets the financial challenge summarised at Table 12.

Table 12 – Savings targets

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000	£'000
Gross Budget Deficit excluding Transformation Plan	3,932	<b>5,191</b>	5,946	5,345	5,008	5,140
Cumulative Savings in Transformation Plan	(3,932)	<b>4,185</b>	4,668	5,171	5,319	5,431
Gross Budget Deficit/(Surplus)	0	<b>1,006</b>	1,278	174	(311)	(291)
Additional Transformation Plan savings	(192)	<b>(253)</b>	(483)	(503)	(148)	(112)
Net budget Deficit/(Surplus)	0	<b>753</b>	795	(329)	(459)	(403)
Cumulative Transformation Target (Appendix 3)	(192)	<b>(445)</b>	(928)	(1,431)	(1,579)	(1,691)

- 7.3 In order to deliver a balanced budget for 2021/22 amidst increasing funding pressures from the legacy of Covid, the Council has looked to constrain Council spend and increase income. The Council continues to review how it delivers its services, to identify innovative ways of delivering its services more economically, efficiently and effectively, however the impact of Covid has made this a challenging year and as such this budget proposes a substantial use of reserves in 2021/22 and 2022/23. There are several significant asset investment projects, particularly the development of a Crematorium and the Bingham Leisure Hub which will deliver both socio-economic and financial benefits. These are also subject to their own project risks.
- 7.4 Moving forward, this momentum must continue, and the Council's key transformation projects need to be reviewed on an on-going annual basis. While the Council has identified a range of projects that can be used to deliver the anticipated savings required, this will still be a challenging exercise. As can be seen at Table 12 over the five-year period £1.691m of expected efficiencies have been identified. The current transformation projects which will be worked upon for delivery from 2021/22 are given at **Appendix 3**.
- 7.5 The Council has added to their asset portfolio with two brand new units at Edwalton Business Park. The income generated from these assets contribute approximately £0.25m per annum to the Transformation Programme.
- 7.6 Included in the programme for 2021/22 are staffing efficiencies arising from natural wastage (i.e. not replacing staff when they leave). In total this contributes £0.135m per annum to the transformation plan savings.

## 8. RISK AND SENSITIVITY

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

Table 13 - Key Risks

Risk	Likelihood	Impact	Action
The Council is unable to balance its budget and the budget is not sustainable in the longer term as a result of Covid.	Low	High	Going concern report presented to Governance Group to confirm that the Council has sufficient reserves to withstand the short-term financial shock as a result of Covid.
Fluctuation in Business Rates linked to the impact of Covid, business appeals and in particular the power station and a decline in the retail sector	High	Medium	Growth plans and accurate monitoring, lobbying central government, potential alternative use of the power station site, increase in S31 grants to offset additional Business Rate reliefs. Playing an active role supporting the Development Corporation with a £0.5m reserve created and the potential for a Freeport. Growth Boards will also help support the business community. Budget at safety net position and we achieve our central case predictions this will reduce the need to utilise reserves.
Central Government policy changes e.g. Fairer Funding, changes to NHB and 75% Business Rates transfer to local government leading to reduced revenue. Environmental policy changes with regards to waste will create future financial pressures	High	Medium	Engagement in consultation in policy creation and communicating to senior management and members the financial impact of changes via the MTFS. Budget at safety net position.

Risk	Likelihood	Impact	Action
The Council does not achieve Council Tax income levels as projected in the MTFS and linked to Government referendum limits. Covid impacts upon levels of Council tax collected	Medium	High	Continue to monitor government policy and lobbying. Budget workshops for members so they are clearly informed regarding the impact of alternative decisions. Spread Council Tax losses over 3 years as per statutory instrument.
Inadequate capital resources	Medium	Medium	Proportionate spending and sale of surplus assets and ongoing review of assets, maximising pooled funding opportunities e.g. DFGs, external funding such as LEP funding, managing the impact of reducing NHB and reporting of new schemes that may come to fruition. The need to revisit the Council Tax strategy to meet the cost of capital, along with cost efficiencies and raising income. Borrowing when necessary.
Fee income volatility linked to Covid, for example number and size of planning applications, the impact on leisure provision.	High	Medium	Engagement in consultation in policy creation. Ensure future changes are built into the MTFS. Additional grant funding from Government for quarter 1 in 2021/22
Inflationary pressures, particularly pay and utility costs. Pay rises are linked to the outcome of national negotiations and whether they are adopted locally.	Medium	low	Budget reporting processes and use of budget efficiencies and reserves
Pensions triennial revaluation and the potential increase to pension contributions	High	Medium	To be aware of actuary's report and implications. Risks affected by local demographics and the impact on interest rates and share prices of international economic conditions. The Covid impact to be assessed at the next valuation. Also the ability to influence central government policy on the Local Government scheme. Budget impact reflected in the MTFS

<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Action</b>
Variable demand for services given the potential impact of Covid on housing and businesses in the Borough	Medium	Medium	A robust performance management framework
Failure to deliver the required Transformation Strategy and in particular projected savings/costs from larger projects such as the Crematorium and Bingham Leisure Hub.	Low	High	Effective programme and project management
The impact of wider economic conditions (particularly Covid and BREXIT) on interest rates, the property market, impacting on investments and any future borrowing	High	Medium	Advice from the Council's treasury advisors, and more investment diversification with a wider range of institutions and property investment diversification. Monitoring borrowing rates. Prudent assumptions in the MTFS.
The impact of changes to accounting standards upon leases	High	Low	Monitor the impact of IFRS16 on Council budgets and CFR based on the reclassification of Leases. Implementation deferred to 1 April 2022. Assess and monitor.
Environmental Agenda Impact on both revenue and capital budgets	High	Medium	Creation of Climate Change Action Reserve (£1m less £0.2m transferred to Development Corporation Reserve), ongoing review of significant projects and outcome of scrutiny review.

- 8.2 The Covid pandemic has resulted in an unprecedented impact on health, wellbeing and the economy both nationally and locally. This is highlighted in the risks above and the resultant impact on the Council's budget from anticipated reductions in income, impact on leisure costs and use of the Council's Organisation Stabilisation Reserve.
- 8.3 The changing environment of local authority finance means that the Council is facing increasing risks and uncertainty in respect of available resources. While predicting and controlling the level of external funding resources remains a challenge, wherever possible the Council uses its budget management processes, reserves and general balances to mitigate these risks. Such pressures will also be mitigated through changes in service delivery and the use of assets. For example, our commercial property acquisitions not only

deliver a rental income in excess of that available to the Council through treasury management investments, but also we aim for appreciating asset values and generating economic growth. The Council has increased the number of property investments by diversifying, in terms of geographical location and asset use. A combination of capital demands and risks surrounding the property market means the Council's direction has changed with a focus on projects in the Borough. Due to recent changes in PWLB loan criteria, the Council's capital programme does not include any investments that are purely for financial return.

8.4 The MTFS presents a deficit position for 2021/22 and 2022/23 funded by the use of Organisation Stabilisation Reserve. The budget then moves into a surplus position when the reserves will be replenished. Reserves are necessary to protect the Council from risks in relation to uncertainty concerning government funding and the Business Rates system and delivering the Council's Transformation Programme. There is a current climate of an unprecedented level of funding uncertainty (notwithstanding those related to Covid). In this regard it should be noted that particular risks exist with regards to:

- Benefits from Business Rates repatriation to local government (i.e. 75% to local government) is unknown. For example, we do not know what the tier split is between the County and district councils and whether the Nottinghamshire Pool will continue.
- Business Rates - has a number of significant risks and is a highly volatile tax base. The planned de-commissioning of the power station in 2025, given it accounts for around a tenth of Business Rate income, potentially undermines any benefits the Council may gain in Business Rates from business growth. Furthermore, the Government remains committed to supporting the retail sector and in the future, this is likely to lead to changes to the whole Business Rates system
- Businesses were revalued in 2017 with a further revaluation now planned for 2022. There may also be further reliefs announced in 2021/22 for the retail, hospitality and leisure sectors as the impact of Covid is expected to continue
- There is also upside Business Rates risk dependent on the resilience of local businesses and if business rates income achieves the central case then this will significantly reduce the need for the use of reserves
- New Homes Bonus - as identified at 3.7, the Government intends to cease the New Homes Bonus (NHB) scheme in 2023/24. There may be a replacement scheme which gives an opportunity for further funding. The Council will continue to lobby Government to ensure it is rewarded for growth and that there is funding in relation to the consequences of growth.

## 9. CAPITAL PROGRAMME

- 9.1 Officers submit schemes to be included in a draft Capital Programme, which also includes on-going provisions to support Disabled Facilities Grants, investment in Social Housing, and Partnership Grants. This draft programme is discussed by EMT along with supporting information and business cases where appropriate with the big projects and the overall financial impact reported to Councillors in Budget update sessions. The draft Capital Programme continues to be further refined and supported by detailed appraisals as set out in the Council's Financial Regulations. These detailed appraisals are included at **Appendix 4** along with the proposed five-year capital programme which is summarised below. This is an ambitious programme totalling £38.9m for 5 years (slippage of £18.4m has been approved from the 2020/21 programme and is included in this figure).

Table 14 – Five-year capital programme, funding and resource implications

**CAPITAL PROGRAMME 2021/22 – 2025/26**

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year
	Current Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>EXPENDITURE SUMMARY</b>							
Transformation	6,471	23,730	250	105	400	820	25,305
Neighbourhoods	2,281	2,828	1,988	1,918	1,868	993	9,595
Communities	2,087	1020	75	125	115	100	1,435
Finance and Corporate	5,239	580	480	480	530	480	2,550
<b>Total</b>	<b>16,078</b>	<b>28,158</b>	<b>2,793</b>	<b>2,628</b>	<b>2,913</b>	<b>2,393</b>	<b>38,885</b>
<b>FUNDED BY</b>							
Usable Capital Receipts	(7,829)	(15,199)	(1,880)	(1,915)	(1,850)	(1,160)	(22,004)
Government Grants	(726)	(613)	(613)	(613)	(613)	(613)	(3,065)
Use of Reserves	(452)	(500)	(300)	(100)	(450)	(620)	(1,970)
Grants and Contributions	(586)	(2,572)	0	0	0	0	(2,572)
Section 106 Monies	(1,258)	(2,818)	0	0	0	0	(2,818)
Internal Borrowing and Borrowing	(5,227)	(6,456)	0	0	0	0	(6,456)
<b>Total</b>	<b>(16,078)</b>	<b>(28,158)</b>	<b>(2,793)</b>	<b>(2,628)</b>	<b>(2,913)</b>	<b>(2,393)</b>	<b>(38,885)</b>
<b>RESOURCES MOVEMENT</b>							
Opening Balances:	5,834	2,155	2,125	4,228	5,098	5,930	
Projected Receipts:	7,172	21,672	4,896	3,498	3,745	1,574	
Use of Resources:	(10,851)	(21,702)	(2,793)	(2,628)	(2,913)	(2,393)	
Balance Carried Forward:	2,155	2,125	4,228	5,098	5,930	5,111	



- 9.2 The Council's five-year capital programme shows the Council's commitment to deliver more efficient services, improve its leisure facilities and enable economic development. Against a background of financial challenge as a result of Covid, the strength of the Council's financial position is such that it continues to support economic growth and recovery in the Borough. The Programme is approved for the five-year period and allows flexibility of investment to enhance service delivery, provide widened economic development to maximise business and employment opportunities and for investment to go between years as long as the value of the five-year programme is not exceeded for each scheme. The programme is reviewed by Full Council as part of the budget setting process. A major focus of the Capital Programme is to improve services, be transformative and generate revenue income streams in order to help balance the Council's MTFS. Significant projects in the Capital Programme include:
- a) A provision of £16m for the continued development of Bingham Hub for 2021/22 (this figure includes £11m approved brought forward from 2020/21). This will ensure there are new leisure facilities (including a Community Hall) to replace the existing Bingham Leisure Centre and new office units to expand business and employment opportunities. A contractor has been appointed and it is planned that the centre will open in 2022. The overall investment total is estimated to be no more than £20m.
  - b) £6.5m to provide a new Crematorium in the Borough. Of this, £4.5m has been brought forward from 2020/21 plus £2m to meet revised expected costs. This gives a total provision for the scheme of £8.5m.
  - c) £1.745m over the 5 years for investment in the upgrade of facilities at leisure centres. There are: planned refurbishments to changing villages; roof enhancements; and upgrades for plant and lighting. Schemes are considered in the light of the Leisure Strategy and are aimed at maintaining excellent standards of leisure provision.
  - d) £0.29m in 2021/22 for development of facilities at Rushcliffe Country Park for an enhanced Visitor Centre.
  - e) Information Systems Strategy (£0.33m plus a four-year rolling programme to give a total of £1.3m) will ensure that the Council keeps pace with new technologies and maintains digital integrity;
  - f) On-going vehicle replacement programme (£3.61m over the next five years).
  - g) Support for Registered Housing Providers £1m to continue to facilitate the provision of affordable homes across the Borough.
  - h) Disabled Facilities Grants (DFGs) provision of £0.515m has been provided each year but there has been further funding announced and this is subject to change when the formal Better Care Funding (BCF) allocations are approved. Other schemes in the programme supported by BCF include discretionary DFGs, Assistive Technology (Home Alarms), and Warmer Homes on Prescription.
  - i) Ongoing provisions of £0.15m per annum to provide market loan facilities for Streetwise Environmental Ltd to support their vehicle replacement programme.
  - j) Smaller sums have been included to enhance our land and buildings and investment property portfolios.

- k) A Contingency sum of £0.1m has been included each year to give flexibility to the delivery of the programme and to cover unforeseen circumstances.
- l) Expected total borrowing, including 2020/21, totals £11.7m. It is anticipated that up to £7.5m of this may need to be externally borrowed rather than the utilisation of Council cash balances (internally borrowed). The timing and incidence of actual external borrowing will be affected by any slippage in the capital programme or unexpected capital funding (e.g. capital receipts) and this is reflected in the capital financing requirement shown at table 2 of the Capital and Investment Strategy (Appendix 5).

9.3 The Council has previously allocated £20m to the Asset Investment Strategy within its Capital Programme. Just over £16m of this has been utilised for investment opportunities, asset acquisitions, and development of office/industrial/retail units which will secure strong future income streams to support the revenue budget. The remaining balance of £3.8m is to be taken out of the programme.

9.4 The Council's capital resources are slowly being replenished as potential receipts from the Sharphill Overage Agreement are recognised. Sums have been received in the current year and are expected each year until 2024/25. It is predicted that capital resources will be in the region of £4.9m at the end of the five-year life of the Programme. This comprises: £2.5m Capital Receipts; £2.3m Earmarked Capital Reserves; and £0.1m minor capital contributions. It is likely that all of the Council's Usable Capital Receipts will be exhausted by the end of 2021/22 to support the Capital Programme but will slowly build back up from 2022/23 to 2024/25 as income from Sharphill is received. The balance dips again in 2025/26 to £2.5m.

9.5 Projected capital receipts over the course of the MTFS include:

- A further £11m from the Sharphill Overage Agreement (£8.1m already received);
- Over £0.988m in repaid loan principal from Nottinghamshire County Cricket Club and Streetwise;
- Disposal of the old Depot Site, approximately £4.8m; and
- Sale of land in Cotgrave: approximately £7m.

9.6 The capital resources position should be viewed in the context of funding the completed redevelopment of the Arena. This scheme was part funded by use of the Council's reserves and the remainder through internal borrowing. It is planned to repay this 'internal debt' from the future income stream provided by New Homes Bonus, subject to the risks highlighted in Sections 3.7 and 8.4.

9.7 The projected borrowing of £7.5m is likely to be achieved through loans from the Public Works Loan Board benefitting from a certainty rate of interest. Consideration will also be given to borrowing over shorter terms from other Local Authorities to mitigate any

long-term indebtedness and give flexibility to required financing. In addition to external borrowing, the Council anticipates up to £3m internal borrowing for the Crematorium. Formal funding decisions are taken at the end of each financial year when the level of capital expenditure is assessed in line with the capital resources and usable reserves available.

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

- £0.75m of Growth Development Fund grant from the Local Enterprise Partnership (LEP) and £1.65m Sustainable Urban Development (SUD) funding to support the development of new offices in Bingham. £0.174m has also been approved from the LEP to support the Community Hall element of Bingham Leisure Hub;
- The potential to release up to £2.8m from developer contributions to support works associated with the Bingham Leisure Hub and the activation of the Leisure Strategy; and
- An estimated £0.613m per annum from the Better Care Fund to deliver Disabled Facilities Grants, Discretionary Top-up Grants, and Assistive Technology (Home Alarms);

## 10. TREASURY MANAGEMENT

- 10.1 Attached at **Appendix 5** is the Capital and Investment Strategy (CIS) which integrates capital investment decisions with cash flow information and revenue budgets. The key assumptions in the CIS are summarised in the following table:

Table 15 – Treasury Assumptions

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Anticipated Interest Rate (%)	0.1	0.25	0.5	0.5	0.5
Expected interest from investments (£)	(373,000)	(422,500)	(484,900)	(488,400)	(486,700)
Other interest (£)	(89,000)	(81,000)	(72,000)	(64,000)	(59,000)
Total Interest (£)	<b>(462,000)</b>	<b>(503,500)</b>	<b>(556,900)</b>	<b>(552,400)</b>	<b>(545,700)</b>

- 10.2 The CIPFA Treasury Code has been updated to include assets held for financial returns. The CIS covers the Council's approach and risk management with regards to such assets. It documents the spreading of risk across the size of individual investments and diversification in totality across different sectors. The Council's Asset Investment Strategy (which governs the Council's approach to Asset Investment) is also appended to the CIS and is reviewed by the Governance Scrutiny Group.
- 10.3 Government recently undertook a consultation into Local Authority borrowing as a result of a small number of Local Authorities borrowing disproportionate amounts to fund commercial investments. Following the outcome of this it has been announced that borrowing from PWLB will not be permitted if there is any investment included in the Capital Programme that is primarily for commercial gain. The Council does not currently have any investments in the Capital Programme that meet this definition and therefore should not be restricted in future borrowing from the PWLB.

## 11. OPTIONS

- 11.1 As part of its consideration of the budget, the Council is encouraged to consider the strategic aims contained within the Corporate Strategy and, in this context, to what extent they wish to maintain existing services, how services will be prioritised, and how future budget shortfalls will be addressed.
- 11.2 Instead of increasing its Council Tax by the higher of 2% or up to £5 the Council could freeze its Council Tax. Table 16 provides details of the impact on budgets of the recommended option of a £4.62 increase in 2021/22 and thereafter a £4.95 increase against the 2 scenarios of a tax freeze or a 2% increase. If the Council chose to freeze its Council Tax, the income foregone in 2025/26 is £1.17m and over the 5-year period £3.389m.

Table 16: Alternate Council Tax Levels

£'000	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Band D £147.36 in 2021/22						
Increase at £4.62 in 2021/22 and £4.95 each year thereafter – Recommended Option						
Total Council Tax Income	(6,279)	(6,522)	(6,876)	(7,241)	(7,619)	(8,008)

Total for Freeze (Band D £142.74)		(6,318)	(6,444)	(6,573)	(6,704)	(6,838)
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Total for 2% each year (Band D £145.59)		(6,444)	(6,704)	(6,975)	(7,257)	(7,550)
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Difference (£'000)	2021/22	2022/23	2023/24	2024/25	2025/26	Total
Freeze vs £4.95	(204)	(432)	(669)	(914)	(1,170)	(3,389)
2% vs £4.95	(78)	(172)	(266)	(362)	(458)	(1,336)

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

## Appendix 1

**Funding Analysis for Special Expense Areas**

	2020/21	2021/22	% Change
	(£)	(£)	
<b>West Bridgford</b>			
Parks and Playing Fields	404,400	398,900	
West Bridgford Town Centre	55,900	91,400	
Community Halls	68,700	56,900	
Contingency	14,700	14,700	
Revenue Contribution to Capital Outlay	50,000	50,000	
Annuity Charges	76,800	80,700	
Sinking Fund	20,000	20,000	
<b>Total</b>	<b>690,500</b>	<b>712,600</b>	
<b>Tax Base</b>	<b>14,233.5</b>	<b>14,353.8</b>	
<b>Special Expense Tax</b>	<b>48.51</b>	<b>49.65</b>	<b>2.35%</b>
<b>Keyworth</b>			
Cemetery & Annuity Charges	8,800	7,900	
Annuity	1,300	1,300	
<b>Total</b>	<b>10,100</b>	<b>9,200</b>	
<b>Tax Base</b>	<b>2,689.7</b>	<b>2,700.60</b>	
<b>Special Expense Tax</b>	<b>3.76</b>	<b>3.41</b>	<b>-9.31%</b>
<b>Ruddington</b>			
Cemetery & Annuity Charges	11,300	11,100	
<b>Total</b>	<b>11,300</b>	<b>11,100</b>	
<b>Tax Base</b>	<b>2,743.9</b>	<b>2,777.5</b>	
<b>Special Expense Tax</b>	<b>4.12</b>	<b>4.00</b>	<b>-2.91%</b>
<b>TOTAL SPECIAL EXPENSES</b>	<b>711,900</b>	<b>732,900</b>	

**REVENUE BUDGET SERVICE SUMMARY****Appendix 2**

	2020/21 £	2021/22 ESTIMATE £	2022/23 ESTIMATE £	2023/24 ESTIMATE £	2024/25 ESTIMATE £	2025/26 ESTIMATE £
Communities	2,907,200	<b>3,458,900</b>	3,387,900	3,246,400	3,264,700	3,270,600
Finance and Corporate Services	3,442,800	<b>3,244,200</b>	3,305,900	3,527,200	3,392,000	3,459,500
Neighbourhoods	6,520,700	<b>6,749,500</b>	6,195,000	5,746,600	5,714,400	5,699,900
Transformation	2,000	<b>(179,800)</b>	(265,300)	(343,000)	(344,600)	(326,100)
Net Service Expenditure	12,872,700	<b>13,272,800</b>	12,623,500	12,177,200	12,026,500	<b>12,103,900</b>
Capital Accounting Adjustments	(2,130,600)	<b>(1,767,600)</b>	(1,767,600)	(1,767,600)	(1,767,600)	(1,767,600)
Minimum Revenue Provision	1,000,000	<b>1,074,000</b>	1,274,000	1,274,000	1,000,000	1,250,000
Revenue Contribution to Capital	146,800	<b>0</b>	0	0	0	
Transfer to/(from) Reserves	1,859,200	<b>(3,034,000)</b>	(197,000)	(1,111,000)	(530,000)	(355,000)
<b>Total Net Service Expenditure</b>	13,748,100	<b>9,545,200</b>	11,932,900	10,572,600	10,728,900	<b>11,231,300</b>
Funding						
Other Grant Income	(17,500)	<b>(1,129,700)</b>	0	0	0	0
Localised Business Rates, includes SBRR	(3,984,300)	<b>(2,819,600)</b>	(2,927,500)	(2,978,000)	(2,835,900)	(2,892,600)
Collection Fund (Surplus)/Deficit	(444,500)	<b>4,045,000</b>	51,000	51,000	0	0
Council Tax Income						
- Rushcliffe	(6,278,800)	<b>(6,522,100)</b>	(6,876,000)	(7,241,500)	(7,618,800)	(8,008,300)
- Special Expenses Areas	(711,900)	<b>(732,900)</b>	(732,900)	(732,900)	(732,900)	(732,900)
New Homes Bonus	(2,311,100)	<b>(1,632,900)</b>	(653,100)	0	0	0
<b>Total Funding</b>	(13,748,100)	<b>(8,792,200)</b>	(11,138,500)	(10,901,400)	(11,187,600)	<b>(11,633,800)</b>
<b>Net Budget (Surplus)/Deficit</b>	<b>0</b>	<b>753,000</b>	<b>794,400</b>	<b>(328,800)</b>	<b>(458,700)</b>	<b>(402,500)</b>

**Appendix 3****Rushcliffe Borough Council****Transformation Strategy and Efficiency Plan 2021/22 – 2025/26****Introduction**

The Council has consistently embraced a Transformation agenda and Efficiency Plan. In 2010, the Council adopted an original 4 Year Plan which set out a measured approach to meeting the emerging financial challenges. The plan was written to identify cost efficiencies, increase income opportunities and develop transformational alternatives for the future delivery of services. The adopted approach aimed to reduce overall expenditure by £2.8m over the original life of the Plan. This approach was reinforced in 2012 with the publication of our Corporate Strategy subtitled 'Proactively Preparing for the Future'.

The Transformation Programme since its inception and going forward aims to support the delivery of over £5.4m in efficiencies. In making our savings, services to residents in some cases have been changed from universally free services towards chargeable choice-based services. Other services have been streamlined, to be even more efficient and leaner. Costs have been reduced through rationalisation of assets and staff, with the sharing of both posts and key services. The Council also absorbs inflation increases across many areas except where there is contractual inflation or areas of higher risk. For 2021/22 this is estimated at £105k. Concurrently, we have made it easier for customers to transact their business with us at a time and in a way that suits them. We have done all of this without significantly impacting on service quality or resident satisfaction. Our latest resident polling data shows us that 83% of residents are satisfied with Rushcliffe as a place to live and 63% of residents are satisfied with the way the Council runs its services. (2018).

This revised Transformation Strategy sets out the Council's approach to making further savings between now and 2025/26. It also explains our approach to identifying and working with partners, recognising and maximising opportunities, and leading the way in delivering high quality services that match the needs of residents. It is clear that as the organisation becomes leaner, it will become increasingly challenging to find further savings. Achieving the increased targets requires a bolder and more strategically focussed way of thinking.



## Addressing the funding gap

Some of the more significant savings already achieved are:

- Service Efficiencies – general review of services identifying structural and process efficiencies in addition to a detailed review of the budgets to identify further savings
- Thematic – Savings achieved from the Leisure Strategy, renovation of Bridgford Hall and income generation from the Asset Investment Strategy
- Income Reviews – Garden Waste, Car Parking and general review of Fees and Charges
- Additional Savings – Income generated from investment projects, transfer of leisure provider to a community interest company and growth in planning income

Whilst the Council has achieved significant savings, further savings are required to address the estimated funding gap particularly in the wake of Covid. It has been a challenging year and as such the balanced budget proposed relies substantially on the utilisation of reserves. Going forward identifying potential savings will be both more important and challenging. This revised Transformation Programme will form the basis of how the Council meets the financial challenge summarised in the table below.

### Savings targets

	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Gross Budget Deficit excluding Transformation Plan	5,191	5,946	5,345	5,008	5,140
Cumulative Savings in Transformation Plan	4,185	4,668	5,171	5,319	5,431
Gross Budget Deficit/(Surplus)	1,006	1,278	174	(311)	(291)
Additional Transformation Plan savings	(253)	(483)	(503)	(148)	(112)
Net budget Deficit/(Surplus)	753	795	(329)	(459)	(403)

In order to deliver a balanced budget for 2021/22 the Council has looked to constrain Council spend and increase income. The Council have also procured two brand new business units at Edwalton Business Park which will generate revenue in the form of rental receipts. The Council continues to review how it delivers its services and meet the funding gap. Other arrangements exist with neighbouring authorities such as the Building Control partnership with South Kesteven and Newark & Sherwood, and creating companies, such as Streetwise and looking to expand its company base through Rushcliffe Enterprises Ltd. The Council continues to identify innovative ways of delivering its services more economically, efficiently and effectively, including collaboration where a business case supports such an initiative.

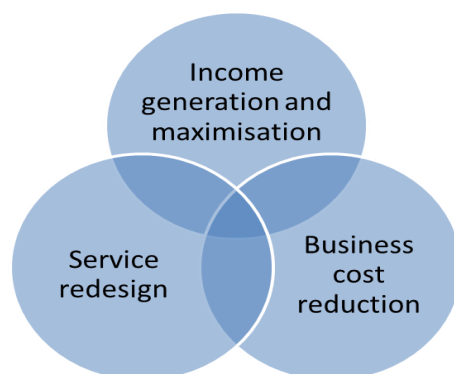
Moving forward, this momentum must continue, and the Council's key transformation projects need to be reviewed on an on-going annual basis. While the Council has identified a range of projects that can be used to deliver the anticipated savings required, this remains a challenging exercise. The current transformation projects which will be worked upon for delivery from 2021/22 are given at [Appendix B](#). Some of the more significant projects include:

- Income streams from investments made through the Asset Investment Strategy (e.g. Edwalton Business Park units as mentioned above);
- The development of a crematorium;
- The continued activation of the Leisure Strategy focusing on the options for leisure provision in Bingham and surrounding area;
- Commercialisation: maximising asset usage, sponsorship and Leisure Community Interest Company; and
- Cyclical reviews of all service areas including staff savings from natural wastage

It should be noted there is guidance on the capitalisation of transformation costs where an income stream is generated. It relates to set-up and implementation costs not on-going savings. These should be reported through this document. This Strategy can be revised at any time by Full Council and as part of our Treasury Management Strategy reporting we must show the impact on our prudential indicators.

### **Rushcliffe's core operating principles**

Rushcliffe has three core principles which underpin its approach to transformation – income generation and maximisation, business cost reduction and service redesign. Transformation has been achieved to date by focusing on a 'one' Council approach and great teamwork between Members and officers to limit the impact upon residents. However, we recognise to be successful in bridging the remaining funding gap it will be necessary to consider and implement large scale transformational change which can generate a large fiscal impact.

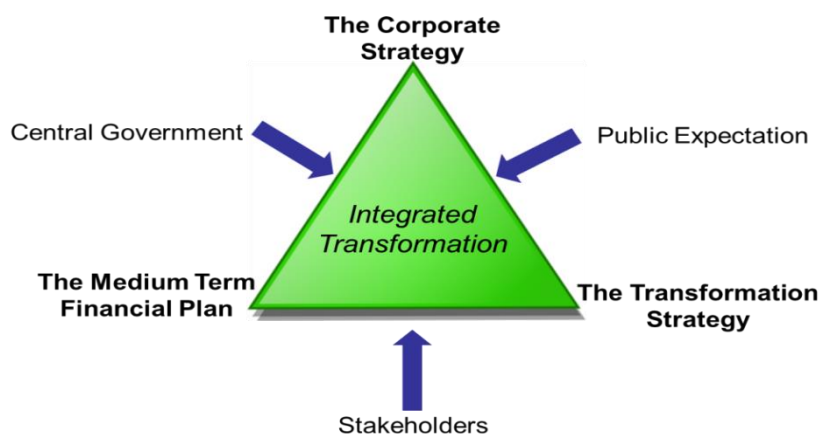


The Transformation Strategy is an evolving document and although it essentially covers the next five years it should not be bound by time or scope. To this end and within the emerging complex environment, three partnership models have been identified to provide a framework to generate further efficiencies. These are covered in more detail in [Appendix A](#).

### **An Integrated Approach to Transformation**

This Strategy formalises the Council's integrated approach to transformation. It highlights the work that has been, and continues to be, done in the last seven years to deliver over £5.4m in efficiencies and formalises the Council's principles of partnership working (detailed at [Appendix A](#)). At a strategic level it highlights the important relationship between:

- The Council's Corporate Strategy – which provides the overall direction of the Council, its core values and its four key priorities,
- The Medium-Term Financial Plan – a defined plan of how the authority will work towards a balanced budget and maintain viability,
- The Transformation Strategy – a document providing direction in respect of the strategically focussed streams of work to meet the financial targets whilst fulfilling the Council's corporate priorities. As the Transformation Strategy evolves Commercialism is emerging as cross cutting strategy, detailed in [Appendix C](#), to support the sustained delivery of the financial targets.



### **Rushcliffe's Integrated Approach to Transformation**

The diagram above also shows how this trio of documents can be influenced by external factors such as central government, public expectation and other stakeholders.

### **The Transformation Strategy**

This document details the different areas of work officers and Members will focus upon to meet the stretching financial targets set whilst continuing to fulfil our corporate priorities. The diagram below highlights the different work streams and

shows how they fit together over the next five years. Underpinning the work streams is our approach to Commercialism as documented at [Appendix C](#).



### ***Management Responsibility with Member Challenge***

Each year, officers undertake an internal programme of investigations looking specifically at improving efficiency through different ways of working. We also challenge our budgets every year to drive out further savings whilst minimising the impact of front-line services. We have a strong leadership focused on corporate priorities using regular performance clinics to manage performance and budgets. We also ensure that every large-scale project (where there is deemed to be a significant impact on residents, staff or budgets) has its own project board and governance structure. Activities are challenged through Leader and Portfolio Holder briefings and constituted and established processes such as Member Groups. Reports on policy changes are passed through the Cabinet, and our Corporate Overview Group and other scrutiny groups regularly scrutinise review findings. Additional Member Groups are created by Cabinet where required. For example, the Bingham Member working group which allows for Member involvement in key decisions regarding the development of Bingham Hub.

## **Service Efficiencies**

The culture at Rushcliffe has been to ensure different services are reviewed regularly to make sure they are as focused upon the customer and as streamlined as possible, any identified inefficiency removed from the system and where appropriate services are moved online. The way the service is delivered is also investigated and consideration is given to potential partnership opportunities or alternative methods of delivery to protect the services that residents value without a pre-determined view. Headline efficiency targets have been identified for each area of the Council and these are illustrated at [Appendix B](#).

## **Management Challenge**

The Service Efficiencies are strengthened by on-going management of the services through regular performance clinics and a management challenge as part of the annual budget setting process – each Executive Manager is charged with scrutinising their budget to identify any additional savings or remove unused budget. Again, top level targets have been identified where appropriate and these are illustrated in the table at [Appendix B](#).

## ***Members and Officers Working Together***

The upper area of the diagram above focuses on activities where Members and officers work together to identify further savings and different ways of working. These aspects of the Strategy have been arrived at through our budget proposals which have continued to be radical and challenging as we look at ways of bridging the financial gap by 2025/26. Budget workshops (both this year and in the past), incorporating Members from all political groups, have looked at what has been achieved so far, policy changes that can be made immediately to save money in the coming year, different ways of delivering services in the future, and more long-term ‘Thinking Big’ options that could significantly change the face of the Council and the services it delivers.

## **Immediate savings**

Each year, Members are presented with a number of policy changes which hit one or more of our core principles of income generation and maximisation, business cost reduction or service redesign. These operational changes form part of the budget setting process each year and generally result in savings or additional income for the following year(s).

## **Member Involvement and Budget Workshops**

As part of the budget setting process for 2021/22, Members discussed the impact of Covid 19 on the budget, options for Council tax increases and the impact on both capital and transformation programmes of significant capital projects namely the Crematorium and the Bingham Leisure Hub. These ‘Thinking Big’ ideas have the potential to contribute significantly to bridging the funding gap we are experiencing without reducing frontline services, but they are not decisions to be taken lightly which is why robust investigations are undertaken. Over the past few years there

have been several “Thinking Big” initiatives including moving to the Arena, focusing on Fairham Pastures and the development of housing and employment land and the development of the Abbey Road Depot site. These are also subject to a combination of involvement of Growth Boards, Scrutiny work or Member Development Groups. The Asset Investment Strategy has paid dividends although the Council’s focus is now on maximising value for money from its existing assets.

### **Transformational Projects 2021-2026**

As has already been mentioned above, this Strategy is a continuation of the Council’s original Transformation Programme and as a consequence a number of key projects which influence service delivery and finances over the next few years are already in progress. Good progress has been made with new Transformational Projects as mentioned above.

Going forwards, two major Transformational projects are:

- redevelopment of Chapel Lane Site with the creation of a new leisure centre, community hall, and separate provision of office units; and
- Provision of a Crematorium in Stragglethorpe.

Both of these schemes are embedded in the Corporate Strategy and fully embrace the Council’s four priorities:

- Quality of Life
- Efficient Services
- Sustainable Growth
- The Environment.

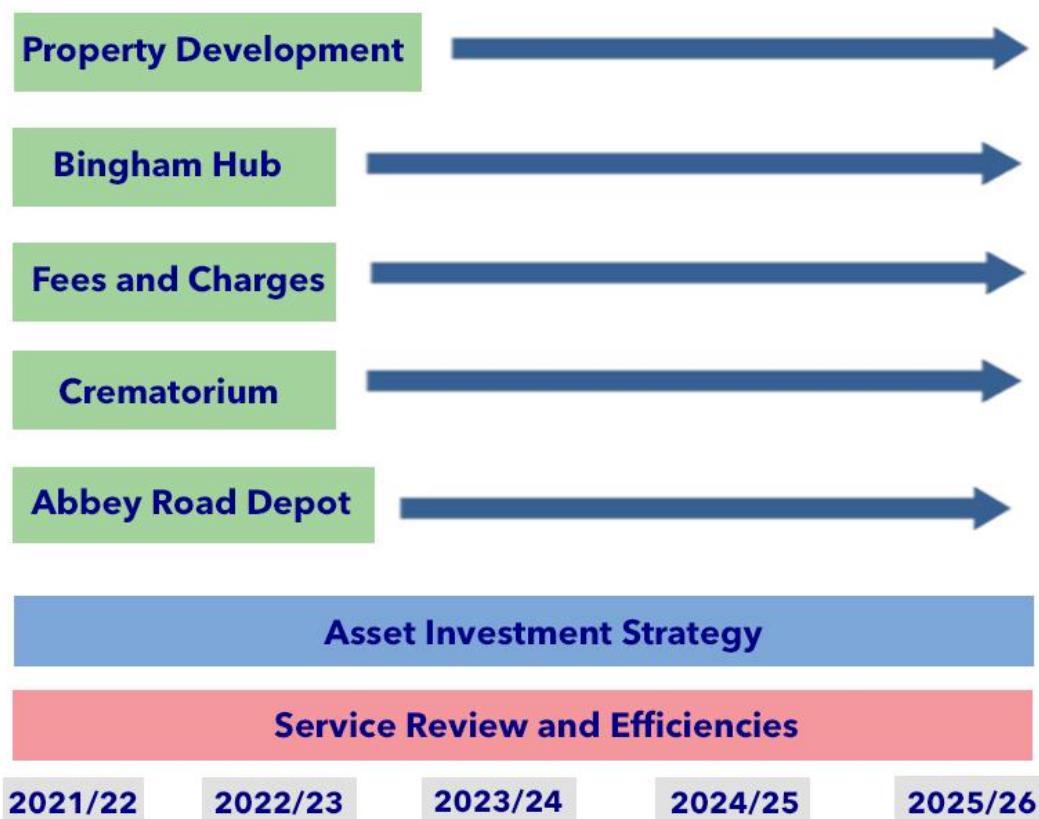
The leisure centre by providing high quality leisure and community facilities, as well as employment opportunities, to the growing population in the east of the Borough. The Crematorium will provide much needed community infrastructure and quality service delivery for Rushcliffe and the residents of neighbouring districts.

### **Leisure Strategy Activation**

Since 2006, the Council’s Leisure Strategy highlighted the authority’s ambition to rationalise leisure facilities in West Bridgford to one site – Rushcliffe Arena and to consider the options for built leisure provision in the Bingham area. The new Arena leisure centre and Rushcliffe Borough Council’s new offices successfully opened in January 2017. The next phase of the Leisure Strategy focuses on the Bingham Hub. It is planned that Bingham Hub will be operational from 2022/23. The Council have secured funding from European Regional Development Funding Sustainable Urban Development (ERDF SUD) and D2N2 Local Enterprise Partnership (LEP) to the value of £2.4m to support the development of Bingham Hub including a leisure centre, community hall and office building giving even more added value for the taxpayer.

### **Summary of the Transformation Strategy Work Programme**

The diagram below summarises the Transformation Strategy Work Programme for the next five years and provides a framework within which the required efficiencies will be delivered.



## Governance

The original version of this strategy (2013) established a framework and timeframe for the individual projects within the programme. While in general these have been achieved, arrangements have been flexible to allow for unforeseen circumstances and to redirect resources to maximise opportunities as they have arisen. It is anticipated that these same principles of agile working will apply to the 2021-2026 rolling Transformation Programme.

Each project within the programme has appropriate governance arrangements depending on the size, complexity and risk. Overall, monitoring of the Strategy will take place quarterly by the Chief Executive and the Executive Management Team. Where it is required by individual projects, consultation and engagement with members of the public will take place.

The following risks have been identified and will be monitored accordingly.

Risk	Probability	Impact	Mitigation
Reviews do not achieve anticipated savings	Probable	>£250k	Individual reviews where there is underachievement may be offset by others with higher savings.

Risk	Probability	Impact	Mitigation
Programme slippage	Possible	>£250k	Monitoring of programme and taking early corrective action
Insufficient capacity to undertake the programme	Possible	>£250k	Procure extra resources – i.e. consultancy
Insufficient interest from alternative providers	Possible	Negative	Find appropriate savings from direct service provision by quality reduction (probably)
Delay in anticipated savings or a reduction or removal of current savings due to Covid	Possible	>£250k	Accurate profiling of efficiencies. Close monitoring of the environment (e.g. rising prices) that may affect the feasibility of projects and regular reviews on the commercial market (e.g. rental demand) in order to assess likelihood of income falling.

## Conclusion

The above sets out Rushcliffe's plans over the next five years and the Council's commitment towards delivering these plans. This plan supports the Council's MTFS and is the vehicle upon which the Council will achieve a balanced budget.



## Appendix A

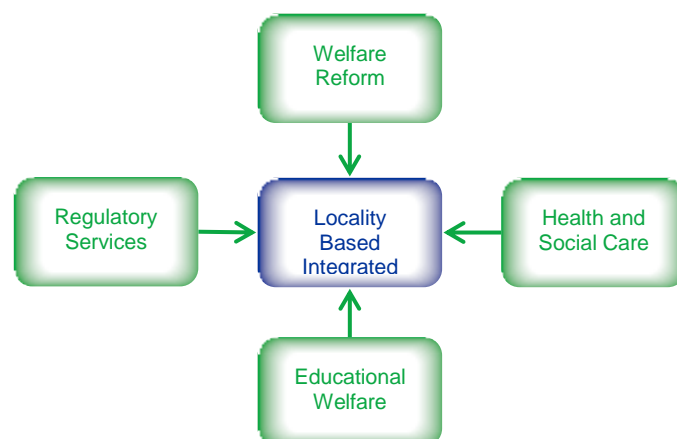
### Rushcliffe's Accepted Models of Partnership Working

#### 1. Localised Integrated Working Partnerships

These types of integrated delivery partnerships involve working with other agencies and organisations whose services are delivered to Rushcliffe Borough residents. These partnerships are aimed at improving the connectivity of public services, public regulation, reducing the need to cross-refer people and issues.

The Government has recognised and begun to embrace the value of partnerships of scope and is increasingly looking to realise both financial and customer benefits from these. Central Government policies around community safety, health outcomes, welfare reform and community budget pilots, all demonstrate recognition of the importance of different agencies working together in a single locality to benefit their residents.

Rushcliffe is a pioneer in this area. The successful development of the Rushcliffe Community Contact Centre which originally brought together joint customer services for the Police, Job Centre plus, voluntary sector, South Nottinghamshire College and other services has been recognised nationally. The transfer to a new location in West Bridgford now facilitates signposting support services to these partners. This approach has been supported by our ability to work in other locations on a remote access basis.



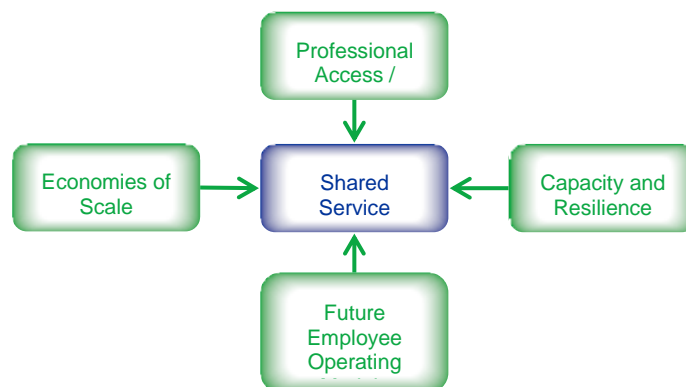
The service was expanded into Bingham where an integrated delivery service model has been deployed and is being delivered from the new Health Centre. This has been further rolled out to Cotgrave and East Leake where the contact points are located in libraries, supporting extended opening times of libraries and increased remote access to the Customer Services Team.

There are also a range of projects underway involving our locality partners, which embed these principles and take services out into the community, including Positive Futures, Sunday Funday, Lark in the Park and Business Partnership events.

## 2. Partnerships of Scale

This term describes two or more organisations joining together largely to benefit from economies of scale. These partnerships can, like localised integrated working partnerships, drive efficiencies but they may not, in themselves, directly improve the way in which the service is delivered to Rushcliffe Borough residents. Opportunities exist in this area to share back office services, such as payroll, reducing costs and removing duplication whilst maintaining and improving capacity and resilience

If scale partnerships are to be successful, previous experience has shown that there is a greater chance for success if they cover a broad range of services but are focussed and aligned on a small number of culturally similar and willing partners. It is possible to develop these partnerships organically – that is, as opportunities arise.



As mentioned above, to date partnerships of scale have developed organically – the Council has been successful in developing a number of such partnerships, of which the following, mostly back office services, have come to fruition: payroll services (Gedling), ICT (Broxtowe, Newark & Sherwood), building control (South Kesteven, Newark & Sherwood), procurement (Welland)), homelessness (Gedling) and emergency planning (Nottinghamshire County Council).

Following continued encouragement from Central Government, there has been an increased willingness and determination from the Leaders within Nottinghamshire to forge closer partnerships of scale – agreement with Nottingham City Council to relocate Depot Services to operate out of Eastcroft. Further opportunities will be assessed as opportunities arise.

## 3. Partnerships for Governance

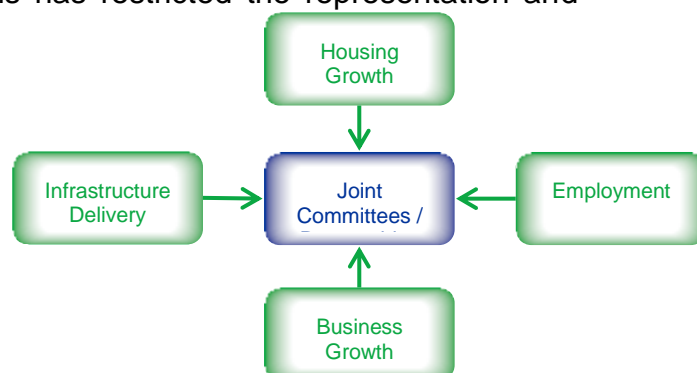
There has been a growth of place-based and themed partnership arrangements. These have largely been designed to implement and administer arrangements within defined areas focussed upon common objectives including: The Joint Planning and Advisory Board (Nottingham City, Nottinghamshire County Council, Broxtowe BC, Gedling BC, Erewash DC and Rushcliffe BC).

A recent and exciting development in Partnerships for Governance is the agreement by the Council to support the creation of an interim vehicle for the establishment of the East Midlands Development Corporation. This will entail commitment of a financial contribution from other affected local authorities and Government in a match funding arrangement. To this end, a Development Corporation Reserve of £500k has been created.

If the interim vehicle is established and supported with the required resources and expertise, the Development Corporation would attract nationally and internationally

significant investment and development into the East Midlands and more specifically in to the Ratcliffe on Soar Power Station site. It is believed that this type of investment is not something that Rushcliffe, or the owners of the power station, could attract on their own. Concurrently the Council is also looking at the power station site having a significant role as part of a 'freeport' along with East Midlands Airport.

The emergence and growth of other forums has restricted the representation and influencing role of individual districts. The Health and Wellbeing Boards and Local Enterprise Partnerships are prime examples where representation is restricted to one district or borough council. However Officers ensure that regular updates are received and sent between district and borough councils to keep colleagues informed and good relationships are maintained with these organisations so we remain aware of opportunities as they arise. However, to further combat this, other supporting arrangements are in place. For example the Council has created Growth Boards to either facilitate local economic growth or deal with the challenges growth creates. There is also the City of Nottingham and Nottinghamshire Economic Prosperity Committee to drive future investment in growth and jobs in the City and County. At a regional level there is a Development Corporation Board which focuses on, for example agreeing joint objectives, allocating resources and monitoring outcomes which will impact regionally.



As theses develop, there will be an increasing reliance upon forging relationships which can influence outcomes for Rushcliffe residents; for example, agreeing key infrastructure requirements which benefit not only Rushcliffe but neighbouring boroughs and districts. These models of partnership working provide a framework within which officers can be swift to take advantage of opportunities as they arise. They build upon our existing core principles model highlighted above and provide a clear map for the future.

## Appendix 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>2025/26</b>
<b>Transformation Savings to date</b>						
Service Efficiencies	1,767					
Thematic Reviews	1,111					
Additional income	725					
Additional Savings	329					
<b>Overall Total</b>	<b>3,932</b>					
<b>Transformation Targets</b>						
Additional Green Bin Income		76		187		
Transformation employee efficiencies		113				
Finance employee efficiencies		22				
Car Parking Partnership		16				
Projects*		26	483	316	148	112
<b>Total</b>		<b>253</b>	<b>483</b>	<b>503</b>	<b>148</b>	<b>112</b>
<b>Cumulative Transformation savings</b>	<b>3,932</b>	<b>4,185</b>	<b>4,668</b>	<b>5,171</b>	<b>5,319</b>	<b>5,431</b>

\* Includes Bingham Leisure Hub, Crematorium and new units at Edwalton Business Park

## Appendix C

**Commercialisation of Rushcliffe -**  
**A balanced investment in our future**

With reduction in and eventual removal of Government grants to Local Authorities there is a need for Rushcliffe Borough Council, like other authorities, to consider new opportunities to help ensure the sustainability of the services delivered. Merely cutting costs will, in the long term, not be sufficient to fill the funding black hole. Local Authorities need to explore options to operate in a more commercial manner than would be traditionally expected of them.

This does not mean taking unnecessary risks with public money. It means, in these challenging financial times, the opportunity to continue to deliver the excellent services that our residents depend upon and expect.

Commercialisation for Rushcliffe informs and is integral to the Transformation Plan and Efficiency Strategy. This document should be viewed alongside:

- Corporate Strategy
- Asset Investment Strategy
- Medium Term Financial Plan

### **Core principles**

Commercialisation contributes towards the aims of the Medium-Term Financial Strategy and the following strategic goals, contained within the Council's Corporate Strategy 2019-2023, improving:

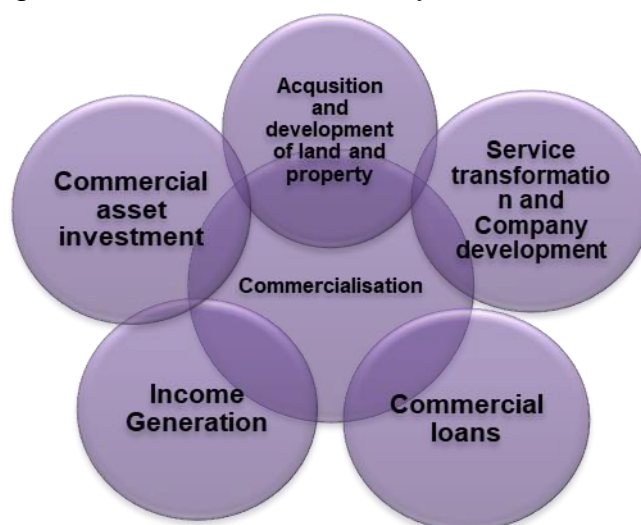
1. Quality of Life
2. Efficient Services
3. Sustainable Growth
4. The Environment

All decisions are considered against and aligned with these strategic goals as well as some core principles to ensure the Council is protecting the interests of our communities. Rushcliffe's core principles for commercialisation are:

- **Values** – commercial opportunities will align with the Council's values and enable the Borough Council to continue to deliver the vital services our communities rely on.
- **Broad/mixed approach** - It is not solely focused on income generation. It also focuses on deployment of resources and doing things differently.
- **Responsive** - be bold and opportunistic and prepared to think outside our comfort zone. This includes an acceptance that not all schemes will succeed but it is the value of the commercial programme as a whole that is critical.
- **Culture** – a strong organisational culture supported by a clear vision and good communication. Rushcliffe ensures that staff have the skills to deliver and where this is not possible external professional advice is sought.
- **Risk** - understand risk, this includes reputational risk, and be risk aware not risk adverse; the risk of doing nothing can sometimes be greater.

## The Rushcliffe approach

Rushcliffe has embraced opportunities to operate in more commercial ways and has developed a strong programme of work across 5 key areas of commercialisation:



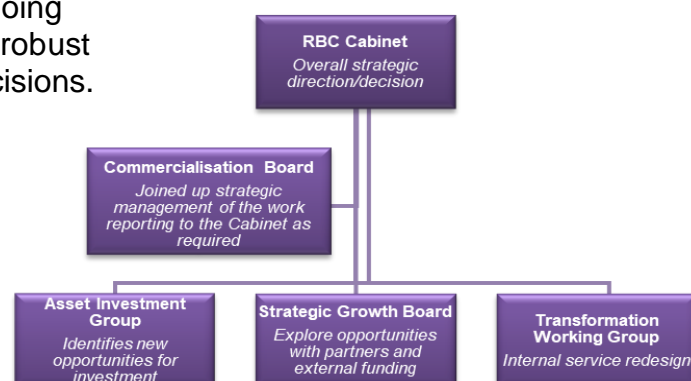
## What we have already achieved

- Extending our property portfolio with the construction of 15 new industrial units in Cotgrave.
- Purchase of the Point office complex in the main town centre in the Borough
- Purchase of commercial land for development – Chapel Lane and Moorbridge Road. The land at Moorbridge was subsequently sold to facilitate the development of Industrial Units.
- Office move to the Arena which has meant the development of new more flexible ways of working and a digital transformation, with the council being a more responsive and leaner organisation.
- Acquisition of commercial property in the East Midlands region.
- Loan to Nottinghamshire County Cricket Club to secure the future of big sporting events including the Ashes in the Borough.
- Significant reviews of a range of services including collaboration in areas like Building Control and the creation of Streetwise Trading Company.
- Significant income generation for example through green waste.
- Acquisition of two new build Business Units in West Bridgford under the Asset Investment Strategy and supporting the Commercialism Agenda.

## Governance and monitoring

To ensure transparency, accountability and ongoing monitoring and management the Council has a robust structure in place to oversee all commercial decisions.

This work is led by the Commercialisation Board (Executive Management Team) to provide strategic leadership to the commercialisation agenda:



## CAPITAL PROGRAMME 2021/22

## Appendix 4

Ref	Scheme	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
		Latest Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate
		£000	£000	£000	£000	£000	£000
	<b>Transformation</b>						
	Cotgrave Regeneration PH II	1,819	570	0	0	0	0
1	Crematorium	667	6,500	0	0	0	0
2	The Point Enhancements	15	150	250	50	250	500
	New Depot	340	0	0	0	0	0
	Cotgrave Business Hub	0	0	0	0	0	70
	Manvers Business Park - Roof Refurbishment	0	200	0	0	0	0
	Bingham Leisure Hub (£20m)	3,408	16,000	0	0	0	0
	Compton Acres Water Course	0	210	0	0	0	0
	Manvers Business Park - Roller Shutters	0	100	0	0	0	0
	Manvers Business Park - Car Park Surface/Drainage	42	0	0	0	0	0
	Colliers BP - Car Park Surface/Drainage	46	0	0	0	0	0
	Bridgford Pk Toilets Refurbishment	25	0	0	0	0	0
	Bridgford Hall Enhancements	20	0	0	0	0	0
	Bingham Mkt Place Enhancements	89	0	0	0	0	0
	Park Cottage Fabric Upgrade	0	0	0	0	90	0
	Walkers Yard 1a/b	0	0	0	0	60	0
	Abbey Circus WB fencing open space	0	0	0	35	0	0
	Highways Verges: Cotgrave/Bingham/CB	0	0	0	0	0	250
	Keyworth Cemetery	0	0	0	20	0	0
	<b>Sub total</b>	<b>6,471</b>	<b>23,730</b>	<b>250</b>	<b>105</b>	<b>400</b>	<b>820</b>

Ref	Scheme	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
		Latest Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate
3	<b>Neighbourhoods</b>						
	Vehicle Replacement	282	730	490	930	1055	405
	Support for Registered Housing Providers	612	500	500	0	0	0
	Hound Lodge - Access Control System	25	0	0	0	0	0
	Hound Lodge - Annexe Patio Doors	35	0	0	0	0	0
	Hound Lodge - roof refurbishment/rewire	0	0	150	0	75	0
	Hound Lodge - external wall thermal upgrade	0	0	75	0	0	0
	Assistive Technology	17	16	16	16	16	16
	Discretionary Top Ups	57	57	57	57	57	57
	Disabled Facilities Grants	627	515	515	515	515	515
	Arena Reception and Corridor Floor Upgrade	0	75	0	0	0	0
	Bowls Hall Replacement Furniture	0	15	0	0	0	0
	BLC Improvements	109	0	0	0	0	0
	CLC Pool and Plant Enhancements	0	0	15	200	150	0
	CLC - Changing Village Refurb	12	300	0	0	0	0
	CLC - Pool Lining	25	0	0	0	0	0
	CLC - Refurb Roofs to Sports Hall and Pool Hall	0	150	0	0	0	0
	CLC - Sports Hall Floor Replacement	0	0	0	100	0	0
	CLC - Dry Change Refurbishment	0	0	0	100	0	0
	KLC - Plant and Lighting Enhancements	0	0	170	0	0	0
	KLC - Refurb Pool Hall and Changing Village	0	250	0	0	0	0
	KLC - Refurb Pitched/Flat Roof Areas	0	220	0	0	0	0
	Arena Enhancements	115	0	0	0	0	0
	Car Park Resurfacing	215	0	0	0	0	0
	Car Park Improvements - Lighting Other	102	0	0	0	0	0
	Car Park Improvements - Lighting West Bridgford	48	0	0	0	0	0
	<b>Sub total</b>	<b>2,281</b>	<b>2,828</b>	<b>1,988</b>	<b>1,918</b>	<b>1,868</b>	<b>993</b>



Ref	Scheme	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
		Latest Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate	Indicative Estimate
	<b>Communities</b>						
	Capital Grant Funding	59	0	0	0	0	0
	VE 75th Commemoration	20	0	0	0	0	0
4	Play Areas W.B. - Special Expense	150	50	50	50	50	50
	West Park Fencing and Drainage Special Expense	25	0	0	0	0	0
	West Park Car Park Lighting Special Expense	25	0	0	0	0	0
	West Park Public Toilet Upgrade Special Expense	20	0	0	0	0	0
	West Park Julien Cahn Pavilion Special Expense	0	115	0	0	0	0
5	Gresham Sports Pitches/Pavilion	1,295	125	0	0	0	0
	Rushcliffe CP - Buildings Enhancements	10	0	0	0	0	0
	Rushcliffe CP - Vehicle Access Controls	0	15	0	0	0	0
	Rushcliffe CP - Footpath Imps	0	15	0	0	0	25
	Rushcliffe CP - Skatepark	218	0	0	0	0	0
	Rushcliffe CP - Visitor Centre	0	285	0	0	0	0
	Lutterell Hall Special Expense	50	225	0	0	0	0
	Skateboard Parks	190	0	0	0	0	0
	Gamston Community Hall Special Expense	0	115	0	50	40	0
	Extnl Door/Window Upgrades Various Sites	0	50	0	0	0	0
	Warm Homes on Prescription	25	25	25	25	25	25
	<b>Sub total</b>	<b>2,087</b>	<b>1,020</b>	<b>75</b>	<b>125</b>	<b>115</b>	<b>100</b>
	<b>Finance and Corporate Services</b>						
6	Information Systems Strategy	385	330	230	230	280	230
7	Streetwise Loan	150	150	150	150	150	150
	Asset Investment Strategy	4,554	0	0	0	0	0
	Contingency	150	100	100	100	100	100
	<b>Sub total</b>	<b>5,239</b>	<b>580</b>	<b>480</b>	<b>480</b>	<b>530</b>	<b>480</b>
<b>PROGRAMME TOTAL</b>		<b>16,078</b>	<b>28,158</b>	<b>2,793</b>	<b>2,628</b>	<b>2,913</b>	<b>2,393</b>

## PROJECT APPRAISAL FORM

<b>Project Name: The Crematorium</b>	<b>Cost Centre: 0684</b>	<b>Ref: 1</b>
<b>Detailed Description:</b> <p>In November 2018, Cabinet approved the principle of providing a new crematorium on a site at Stragglethorpe to provide much needed additional community infrastructure to serve Rushcliffe residents.</p> <p>In December 2019 Cabinet approved purchase of a site and design and procurement of the crematorium. The land was purchased and procurement is estimated to take up to 9 months with a further 12 month build period resulting in the new facility opening late 2021 or early 2022.</p> <p>The Cabinet report July 2020 authorised the Chief Executive to appoint the successful multi-disciplinary design team to develop detailed designs and perform contract administration and management duties for the construction contract. The in-house operating model was supported as that which provides the best return for the Council. New technologies continue to be explored to enable delivery of a greener crematorium for the Borough within the project budget. The design team has been appointed.</p>		
<b>Location:</b> Stragglethorpe	<b>Executive Manager:</b> Transformation	
<b>Contribution to the Council's aims and objectives:</b> <b>Corporate Priorities:</b> <ul style="list-style-type: none"> <li>• <b>Quality of Life</b> - Sensitive after-life care and bereavement services are an essential part of the quality of life for residents, their friends and family members. This scheme will provide timely services in a peaceful location with modern and flexibly sized accommodation</li> <li>• <b>Efficient Services</b> - This is an opportunity for the Council to invest its capital in new services for its residents which will be run in an efficient manner with high levels of care and customer service for the bereaved as the priority.</li> <li>• <b>Sustainable Growth</b> - The level of housing growth in the Borough is 13,150 during the life of the Local Plan. This will lead to an additional population growth and the crematorium is an example of the community infrastructure that is needed to support population growth</li> <li>• <b>The Environment</b> - The designs for the crematorium will include carbon offsetting and energy efficiency measures as far as is practicable in line with the Council's commitment to become carbon neutral</li> </ul> <b>Strategic Commitments:</b> <ul style="list-style-type: none"> <li>• Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council.</li> <li>• Responsible income generation and prudent borrowing where deemed appropriate, to facilitate the delivery of services.</li> <li>• Ongoing appraisal and alignment of resources linked to growth aspirations.</li> <li>• Bringing new business to the Borough.</li> <li>• Reviewing our policies and ways of working to protect natural resources, and to implement environmentally beneficial infrastructure changes.</li> </ul>		
<b>Community Outcomes:</b> <ul style="list-style-type: none"> <li>• To provide additional community infrastructure resulting in additional capacity in the Borough alongside the existing Crematorium at Wilford Hill.</li> <li>• Ensuring we are maximising our property holdings and aligning them with the needs of residents. Properties may be held for operational purposes, for community use, or for investment purposes.</li> <li>• The designs for the crematorium will include carbon offsetting and energy efficiency measures as far as is practicable in line with the Council's commitment to become carbon neutral.</li> </ul>		
<b>Other Options Rejected and Why:</b>		

The Council could leave the delivery of a new crematorium in the Borough to the wider market. This option would not provide a revenue return to the Council which could be used to contribute to other community infrastructure projects and would reduce Council influence on the design and operation of the facility. Feedback from local residents and businesses following the granting of planning permission has been that they would prefer this to be a Council run facility. The in-house operating model was supported as that which provides the best return for the Council.			
<b>Start Date:</b> 29/06/21 (start on site)		<b>Completion Date:</b> 16/05/22	
<b>Capital Cost (Total) :</b>	<b>Previous Years</b>	<b>Year 1: 21/22</b>	<b>Year 2: 22/23</b>
£8,500,000	£2,000,000	£6,500,000	
<b>Capital Cost (Breakdown) £:</b> 8,500,000: Land £1.333m in 19/20; £667k design fees and surveys in 20/21; split of remainder to be determined			
<b>Works</b>	<b>Equipment</b>	<b>Other</b> £1.333m land acquired 19/20	<b>Fees</b> £667k
<b>Additional Revenue cost/(saving)per annum:</b>	<b>Year 1: 21/22</b> £35,000		<b>Year 2: 22/23</b> (£257,000)
<b>Year 3: 23/24</b> (£316,000)	<b>Year 4: 24/25</b> (£376,000)		<b>Year 5: 25/26</b> (£438,000)
<b>Proposed Funding</b>			
<b>External:</b> £2,950,000 Borrowing – internal or external		<b>Internal:</b> £5,550,000 Capital Receipts	

<b>Useful Economic Life (years):</b> 50 years	<b>New/Replacement:</b> New
<b>Depreciation per annum:</b> £170,000	<b>Capital Financing Costs:</b> Principal and interest on borrowing of £2,950,000 is £100,000 p.a. Opportunity Cost in the form of lost interest on the use of Capital Receipts £13,875p.a.
<b>Residual Value:</b> N/A	<b>Category of Asset:</b> Operational Land and Buildings

## PROJECT APPRAISAL FORM

<b>Project Name: The Point Balcony Waterproofing and Passenger Lifts upgrade</b>		<b>Cost Centre: 0360</b>		<b>Ref: 2</b>	
<b>Detailed Description:</b> £20k provision for the Car Park Security Gate has been slipped from 2020/21 The waterproof coating to the 2 <sup>nd</sup> floor front balcony is blistering and in poor condition; wholesale replacement is required to maintain the integrity of the structure and prevent water ingress to offices below. £50k The passenger lifts are approx. 15 years old and reaching the end of their service life; substantial upgrade is proposed to ensure that customers can continue to be transported safely and reliably. £80k. These works will not be commissioned until late 2021/22 so may slip to 2022/23.					
<b>Location: The Point</b>			<b>Executive Manager: Transformation</b>		
<b>Contribution to the Council's aims and objectives:</b> <b>Corporate Priorities:</b> <ul style="list-style-type: none"> <li>• Efficient Services</li> <li>• Sustainable Growth</li> <li>• The Environment</li> <li>•</li> </ul> <b>Strategic Commitments:</b> <ul style="list-style-type: none"> <li>• Responsible income generation and prudent borrowing where deemed appropriate, to facilitate the delivery of services.</li> <li>• Ongoing appraisal and alignment of resources linked to growth aspirations.</li> <li>• Bringing new business to the Borough and nurturing our existing businesses, helping them to grow and succeed.</li> <li>• Working to achieve a carbon neutral status for the Council's operations.</li> <li>•</li> </ul>					
<b>Community Outcomes:</b> Upgrade works will enhance the efficiency of the facility, improving comfort for users and help to maximise use of resources.					
<b>Other Options Rejected and Why:</b> Do not carry out upgrade works – this would put at risk operational certainty for the facility, negatively impact customer comfort and safety and fail to minimise operational costs.					
<b>Start Date:</b>			<b>Completion Date:</b>		
<b>Capital Cost (Total) :</b>	<b>Year 1: 21/22</b>	<b>Year 2: 22/23</b>			
£150,000	£150,000				
<b>Capital Cost (Breakdown) £:</b>					
<b>Works £45,000</b>	<b>Equip £95,000</b>	<b>Other</b>	<b>Fees £10,000</b>		
<b>Revenue cost per annum:</b>	<b>Year 1: 21/22</b> Not quantifiable at this stage, but should see revenue spend on repairs reduce		<b>Year 2: 22/23</b> As for 21/22		
<b>Year 3: 23/24</b> As for 21/22	<b>Year 4: 24/25</b> As for 21/22		<b>Year 5: 25/26</b> As for 21/22		
<b>Proposed Funding</b>					

<b>External:</b>	<b>Internal:</b> £150,000 from Investment Properties Reserve
<b>Useful Economic Life (years):</b> 15 -20 years	<b>New/Replacement: New</b>
<b>Depreciation per annum:</b> N/A	<b>Capital Financing Costs:</b> £375 p.a. as opportunity cost of lost interest.
<b>Residual Value:</b> N/A	<b>Category of Asset:</b> Investment Property

## PROJECT APPRAISAL FORM

<b>Project Name: Vehicle Replacement</b>	<b>Cost Centre: 0680</b>	<b>Ref: 3</b>
<b>Detailed Description:</b> The authority owns vehicles ranging from large refuse freighters to small vans and items of mechanical plant. As these vehicles and plant age and become uneconomic to maintain and run, they are replaced on a new for old basis. Although there is a programme for replacements for the next ten years, each vehicle or machine is assessed annually and the programme continually adjusted to take into account actual performance. This provision will be used to acquire new vehicles and plant, undertake refurbishments to extend vehicle life and value and to purchase second hand vehicles and plant as and when appropriate. There is beginning to be a concentration of focussing on newer cleaner technology as we replace existing fleet vehicles in line with the Council's Carbon management agenda, exploring alternatives such as electric and hydrogen cell technology to look at cutting down on emissions whilst ensuring the vehicles remain operationally viable and offer value for money		
<b>Location:</b> Eastcroft Depot	<b>Executive Manager:</b> Neighbourhoods	
<b>Contribution to the Council's aims and objectives:</b> <b>Corporate Priorities:</b> <ul style="list-style-type: none"> <li>• Quality of Life</li> <li>• Efficient Services</li> <li>• The Environment</li> </ul> <b>Strategic Commitments:</b> <ul style="list-style-type: none"> <li>• Working with our partners to create great, safe, and clean communities to live and work in.</li> <li>• Ongoing appraisal and alignment of resources linked to growth aspirations.</li> <li>• Reviewing our policies and ways of working to protect natural resources, and to implement environmentally beneficial infrastructure changes. To reduce waste and increasingly reuse and recycle to protect the environment for the future.</li> <li>• Respond to any proposals from the new Environment Bill due to become legislation later in 2021 which may have a significant effect of what wastes should be collected and how.</li> <li>• Delivering a high quality waste and recycling collection service.</li> <li>• A commitment to look at cleaner vehicles in line with our commitment to protect the environment, in particularly alternative fuel vehicles</li> </ul> The replacement of vehicles is critical to the performance of the front line services. Regular vehicle and plant replacement with new updated engines helps to meet climate change and national indicator targets for emissions and helps maintain a cleaner air quality within the Borough.		
<b>Community Outcomes:</b> <ul style="list-style-type: none"> <li>• To address climate change and the need to reduce carbon emissions. The introduction of new euro standard engines will lower emissions. The new vehicles will also reduce maintenance costs on the vehicles they replace however it should be noted that the remainder of the fleet ages and therefore the fleet profile and maintenance costs overall remain stable.</li> </ul>		
<b>Other Options Rejected and Why:</b> An historic review was undertaken to consider the leasing and hiring in of vehicles. Due to the level of capital resources, it was concluded that it was uneconomical to do either of these two options but as resources reduce these options may need to be revisited again. However, there are also distinct advantages in direct purchase:- <ol style="list-style-type: none"> <li>a) The authority has control over the maintenance of the vehicles.</li> <li>b) It is difficult to change the terms and conditions of a lease.</li> <li>c) High performing vehicles can have their lifespan lengthened.</li> <li>d) Poor performing vehicles can have their lifespan shortened.</li> </ol> Not being tied in to lengthy lease/hire contracts means the service can react and adapt to change		

quickly.

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

<b>Start Date:</b> Ongoing		<b>Completion Date:</b>	
<b>Capital Cost (Total) :</b>	<b>Year 1: 21/22</b>	<b>Year 2: 22/23</b>	
£1,220,000 (2 years)	£730,000	£490,000	
<b>Capital Cost (Breakdown)</b>			
<b>Works</b> £0	<b>Equipment</b> £1,220,000	<b>Other</b> £0	<b>Fees</b> £0
<b>Additional Revenue cost/ (saving) per annum:</b>		<b>Year 1: 21/22</b> £0	<b>Year 2: 22/23</b> £0
<b>Year 3: 23/24</b> £0		<b>Year 4: 24/25</b> £0	<b>Year 5: 25/26</b> £0
As each vehicle replaces an existing vehicle, there is no increase in the overall revenue costs. Whilst newer vehicles can lead to less expenditure on breakdown and repair, older vehicles will cost more. The overall fleet profile remains relatively constant and therefore service budgets remain the same. However with property growth there is the likelihood moving forward that additional revenue expenditure may be incurred and this will be need to be considered for the budget year 2022/23.			
<b>Proposed Funding:</b>			
<b>External:</b> N/A		<b>Internal:</b> Capital Receipts	
<b>Useful Economic Life (years):</b> Various		<b>New/Replacements:</b> New and Replacements	
<b>Depreciation per annum:</b> Various		<b>Capital Financing Costs:</b> £1,825 year 1	
<b>Residual Value:</b> Various		<b>Category of Asset:</b> Vehicle and Plant	

## PROJECT APPRAISAL FORM

<b>Project Name:</b> Play Areas W.B. (Special Expense)		<b>Cost Centre:</b> 0664		<b>Ref:</b> 4	
<b>Detailed Description:</b> The priority project for 2021/22 will be Alford Road Play area looking at upgrade work to structure and equipment. Projects for 2022/23 will be assessed and prioritised.					
<b>Location:</b> West Bridgford			<b>Executive Manager:</b> Communities		
<b>Contribution to the Council's aims and objectives:</b> <b>Corporate Priorities:</b> <ul style="list-style-type: none"> <li>• Quality of Life</li> <li>• Efficient Services</li> </ul> <b>Strategic Commitments:</b> <ul style="list-style-type: none"> <li>• Protecting our residents' health and facilitating healthier lifestyle choices.</li> <li>• Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council.</li> <li>• Creating opportunities for young people to realise their potential.</li> <li>• Delivering a scheme refurbishment identified within the Rushcliffe Play Strategy</li> </ul>					
<b>Community Outcomes:</b> <ul style="list-style-type: none"> <li>• To ensure the provision of high quality community facilities which meet community need.</li> <li>• To protect our residents' health and facilitate healthier lifestyle choice.</li> <li>• To provide a facility to engage with young people who may otherwise not take part in formal sports or physical activity.</li> </ul>					
<b>Other Options Rejected and Why:</b> Doing nothing – this would result in increased maintenance costs for ageing equipment, reduced appeal of the play areas leading to lower levels of use and be inconsistent with the vision of high quality parks and leisure facilities. A lack of replacement programme would over time lead to an increased health and safety risk.					
<b>Start Date:</b> April 2021			<b>Completion Date:</b> March 2022		
<b>Capital Cost (Total) :</b>		<b>Year 1: 21/22</b>	<b>Year 2: 22/23</b>		
£100,000		£50,000	£50,000		
<b>Capital Cost (Breakdown) £: split of equipment costs to be determined</b>					
<b>Works</b> £95,000	<b>Equipment</b>		<b>Other</b>		<b>Fees</b> £5,000
<b>Additional Revenue cost/ (saving) per annum:</b>		<b>Year 1: 21/22</b>		<b>Year 2: 22/23</b>	
<b>Year 3: 23/24</b>		<b>Year 4: 24/25</b>		<b>Year 5: 25/26</b>	
<b>Proposed Funding</b>					
<b>External:</b>			<b>Internal:</b> Regeneration and Community Projects Reserve (Special Expense)		
<b>Useful Economic Life (years):</b> 15			<b>New/Replacement:</b> Replacement		
<b>Depreciation per annum:</b> £3,300			<b>Capital Financing Costs:</b> £125 p.a.		



## PROJECT APPRAISAL FORM

<b>Project Name: Gresham Sports Pavilion</b> <b>Changing room refurb</b>		<b>Cost Centre: 0347</b>		<b>Ref: 5</b>	
<b>Detailed Description:</b> The changing areas are in excess of 10 years old and as well as looking visually tired they are also increasingly difficult to maintain in a clean and safe condition. Use of the facility is set to increase with the addition of a further 3G pitch later this year; these refurb works are intended to tie-in with the launch of the new facilities. Refurb will generally include floor, wall and selected ceiling finishes and upgrade to some plant services including lighting to LED.					
<b>Location:</b> Gresham Sports Pavilion			<b>Executive Manager:</b> Communities		
<b>Contribution to the Council's aims and objectives:</b> <b>Corporate Priorities:</b> <ul style="list-style-type: none"> <li>• Quality of Life</li> <li>• Efficient Services</li> </ul> <b>Strategic Commitments:</b> <ul style="list-style-type: none"> <li>• Protecting our residents' health and facilitating healthier lifestyle choices</li> <li>• Providing high quality community facilities which meet the needs of our residents.</li> <li>• Creating opportunities for young people to realise their potential.</li> <li>• Ongoing appraisal and alignment of resources linked to growth aspirations.</li> </ul>					
<b>Community Outcomes:</b> <ul style="list-style-type: none"> <li>• Number of leisure users</li> <li>• Satisfaction of leisure users</li> <li>• Participation in sport figures</li> <li>• Quality of facility</li> </ul>					
<b>Other Options Rejected and Why:</b> Do not upgrade the refurbishment works– this would potentially put at risk operational performance of the facility, increase maintenance costs, reduce customer perception/satisfaction and miss an opportunity to reduce year on year revenue running costs.					
<b>Start Date:</b>			<b>Completion Date:</b>		
<b>Capital Cost (Total) :</b>		<b>Year 1:21/22</b>	<b>Year 2: 22/23</b>		
£125,000		£125,000			
<b>Capital Cost (Breakdown) £:</b>					
<b>Works</b> £120,000		<b>Equipment</b>		<b>Other</b>	
				<b>Fees</b> £5,000	
<b>Additional Revenue cost/ (saving) per annum:</b>		<b>Year 1: 21/22</b>	<b>Year 2: 22/23</b>		
			Not quantifiable at this stage, but should see revenue spend on repair work reduce.		
<b>Year 3: 23/24</b> As 22/23		<b>Year 4: 24/25</b> As 22/23	<b>Year 5: 25/26</b> As 22/23		
<b>Proposed Funding</b>					
<b>External:</b>			<b>Internal:</b> Capital Receipts		
<b>Useful Economic Life (years):</b> 15			<b>New/Replacement:</b> Replacement		
<b>Depreciation per annum:</b> £8,300			<b>Capital Financing Costs:</b> £312 p.a.		
<b>Residual Value:</b> N/A			<b>Category of Asset:</b> Operational Land and Buildings		

## PROJECT APPRAISAL FORM

<b>Project Name:</b> Information Systems Strategy	<b>Cost Centre:</b> 0596	<b>Ref:</b> 6
<b>Detailed Description:</b> The ICT Strategy 2017 to 2021 agreed on 12 <sup>th</sup> September 2017 is an emerging ICT Strategy. While the strategy contains broad strategic objectives along with the rationale behind those objectives, including the benefits and deliverables that will be achieved it does not set out to provide a strict formula or action plan dictating the approach. An emerging strategy will therefore exist enabling an agile approach to operational delivery, taking advantage of new proven developments and partnership opportunities. The ICT Technical Delivery Plan details all technical projects, and the schedule for implementation, during the lifetime of the ICT Strategy.		
<b>Location:</b> Rushcliffe Arena	<b>Executive Manager:</b> Finance and Corporate	
<b>Contribution to the Council's aims and objectives:</b> <b>Corporate Priorities:</b> <ul style="list-style-type: none"> <li>• Efficient Services</li> <li>• The Environment</li> </ul> <b>Strategic Commitments:</b> <ul style="list-style-type: none"> <li>• Ongoing appraisal and alignment of resources linked to growth aspirations.</li> <li>• Include digital principles in our communications and ways of undertaking business</li> </ul>		
<b>Community Outcomes:</b> <ul style="list-style-type: none"> <li>• To ensure that we make best use of digital development where appropriate to deliver better services and operate more efficiently.</li> <li>• To enable residents to do business with us in a digital way if that is their preference.</li> </ul> <p>The ICT Strategy is closely aligned to the Council's "Four Year Plan" reviews and ICT will be instrumental in delivering the outcomes identified during these reviews. The Strategy will deliver:</p> <ul style="list-style-type: none"> <li>• <b>Enabling Efficiency</b> <ul style="list-style-type: none"> <li>○ Using Digital by Design principles to enabling the Council to redesign processes/services to be more accessible and efficient, producing better, quicker and more consistent outcomes for customers.</li> </ul> </li> <li>• Responding flexibly and with agility to <b>customer</b> needs           <ul style="list-style-type: none"> <li>○ To facilitate channel shift where appropriate by creating digital service that our customers view as their access channel of choice moving transactions away from face to face and telephony towards self-service facilities via Internet, automated telephony and kiosk technologies.</li> </ul> </li> <li>• Increase our ability to work in effective <b>partnerships</b> <ul style="list-style-type: none"> <li>○ To continue the work to facilitate common policies, standards, systems and infrastructure to drive out cost and create opportunities for greater resilience, efficiencies and savings.</li> </ul> </li> <li>• Modern architecture supporting efficient and agile working <b>culture</b> <ul style="list-style-type: none"> <li>○ Enabling the greater flexibility and agility of both employees and members through the deployment of appropriate technology including effective collaboration systems and tools.</li> </ul> </li> <li>• Robust arrangements for <b>business continuity, information management and governance</b> and <b>security</b> <ul style="list-style-type: none"> <li>○ Safeguarding the Council's data by ensuring compliance with all relevant legislative, financial and central government security standards. Improving maturity of the management and governance of information assets and delivering appropriate arrangements to ensure compliance with such as the General Data Protection Regulation (GDPR).</li> </ul> </li> </ul>		
<b>Other Options Rejected and Why:</b> Every project is the subject of a business case to be presented to, and approved by, the Executive Management Team (EMT) in order to ensure that the most appropriate IT solution is chosen, having due		

regard to the alignment of technologies across the partnership, value for money and resilience. The option of not doing so would lead to out dated or incompatible technology which would result in lower performance, higher maintenance costs and hinder the drive for greater efficiencies.			
Start Date: On-going		Completion Date: On-going	
Capital Cost (Total) :	Year 1:21/22	Year 2: 22/23	
£560,000 (2 years)	£330,000	£230,000	
Capital Cost (Breakdown): To be determined			
Works	Equipment	Other	Fees
Additional Revenue cost/ (saving) per annum:		Year 1: 21/22	Year 2: 22/23
Year 3: 23/24		Year 4: 24/25	Year 6: 25/26
Proposed Funding			
External: N/A		Internal: Capital Receipts	

<b>Useful Economic Life (years):</b> 3	<b>New/Replacement:</b> New and Replacement
<b>Depreciation per annum:</b> £110,000 year 1	<b>Capital Financing Costs:</b> £825 year 1
<b>Residual Value:</b> Nil	<b>Category of Asset:</b> Intangible Assets and Equipment

## PROJECT APPRAISAL FORM

<b>Project Name: Streetwise Loan</b>		<b>Cost Centre: 0656</b>		<b>Ref: 7</b>	
<b>Detailed Description:</b> This provision to facilitate a loan to Streetwise Environmental Ltd to assist with the purchase of new and replacement vehicles. The loans will be repayable over 4 years, quarterly intervals at a market rate of interest to be agreed by the S151 Officer.					
<b>Location:</b> Unit 10 Moorbridge - Streetwise premises			<b>Executive Manager:</b> Finance and Corporate		
<b>Contribution to the Council's aims and objectives:</b> <b>Corporate Priorities:</b> <ul style="list-style-type: none"> <li>• Efficient Services</li> <li>• Sustainable Growth</li> </ul> <b>Strategic Commitments:</b> <ul style="list-style-type: none"> <li>• Ongoing appraisal and alignment of resources lined to growth aspirations</li> <li>• Reviewing service delivery models to ensure that residents are receiving consistently excellent services either delivered directly by the Council, or by our arm's length companies, or by private and public sector partners.</li> <li>• Bringing new business to the borough and nurturing our existing businesses, helping them to grow and succeed.</li> </ul>					
<b>Community Outcomes:</b> <ul style="list-style-type: none"> <li>• To ensure that we have an integrated and strategic approach to how we provide our services.</li> </ul>					
<b>Other Options Rejected and Why:</b> Offering the loan from ourselves maintains the strong working partnership between RBC and Streetwise Environmental Ltd. The loans will be repaid in full and thereby sums returned to the capital receipts pot. RBC revenue budget will be supported by the interest earned on the loans.					
<b>Start Date:</b> On-going			<b>Completion Date:</b>		
<b>Capital Cost (Total) :</b>		<b>Year 1: 21/22</b>	<b>Year 2: 22/23</b>		
£300,000 (2 years)		£150,000	£150,000		
<b>Capital Cost (Breakdown) £:</b>					
<b>Works</b>	<b>Equipment</b>	<b>Other</b> £300,000 - loan		<b>Fees</b>	
<b>Additional Revenue cost/(saving)per annum:</b>	<b>Year 1: 21/22</b> (£2,330)	<b>Year 2: 22/23</b> (£3,910)			
<b>Year 3: 23/24</b> (£2,420)	<b>Year 4: 24/25</b> (£1,820)	<b>Year 5: 25/26</b> (£)			
<b>Proposed Funding</b>					
<b>External:</b>			<b>Internal:</b> Capital Receipts		
<b>Useful Economic Life (years):</b> N/A			<b>New/Replacement:</b> N/A		
<b>Depreciation per annum:</b> N/A			<b>Capital Financing Costs:</b> Net nil as loan repaid		
<b>Residual Value:</b> N/A			<b>Category of Asset:</b> Long/Short Term Debtor		

## **CAPITAL AND INVESTMENT STRATEGY 2021/22 – 2025/26**

### **Introduction**

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

### **The Capital Strategy**

4. The Council's capital expenditure plans are summarised below and forms the first of the prudential indicators. Capital expenditure needs to have regard to:
  - Corporate objectives (e.g. strategic planning);
  - Stewardship of assets (e.g. asset management planning);
  - Value for money (e.g. option appraisal);
  - Prudence and sustainability ( e.g. implications for external borrowing and whole life costing);
  - Affordability (e.g. implications for council tax); and
  - Practicability (e.g. the achievability of the Corporate Strategy)
5. Each year the Council will produce a Capital Programme to be approved by Full Council in March as part of the Council Tax setting.
6. Each scheme is supported by a detailed appraisal (which may also be a Cabinet Report), as set out in the Council's Financial Regulations. The capital appraisals will address the following:
  - a) A detailed description of the project;
  - b) How the project contributes to the Council's aims and objectives;
  - c) Anticipated outcomes;
  - d) A consideration of alternative solutions;
  - e) An estimate of the capital costs and sources of funding;
  - f) An estimate of the revenue implications, including any savings and/or future income generation potential;
  - g) Any other aspects relevant to the appraisal of the scheme as the S151 Officer may determine.

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

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

## Capital Prudential Indicators

### a) Capital Expenditure Estimates

8. Capital expenditure can be financed immediately through the application of capital resources, for example, capital receipts, capital grants or revenue resources. However, if these resources are insufficient or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need. Table 1 summarises the capital expenditure projections and anticipated financing.

**Table1: Projected Capital Expenditure and Financing**

	2020/21 Original £'000	2020/21 Revised £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
<b>Capital Expenditure</b>	18,936	16,078	28,158	2,793	2,628	2,913	2,393
<b>Less Financed by:</b>							
Capital Receipts	14,922	7,829	15,199	1,880	1,915	1,850	1,160
Capital Grants/ Contributions	2,428	2,570	6,003	613	613	613	613
Reserves	70	452	500	300	100	450	620
<b>Total Financing</b>	<b>17,420</b>	<b>10,851</b>	<b>21,702</b>	<b>2,793</b>	<b>2,628</b>	<b>2,913</b>	<b>2,393</b>
<b>Underlying need to Borrow</b>	<b>1,516</b>	<b>5,227</b>	<b>6,456</b>	-	-	-	-

9. The key risks to the capital expenditure plans are that the level of grants estimated is subject to change, anticipated capital receipts are not realised or are more than expected in the medium term; and the future of New Homes Bonus (NHB). Government intend to cease the NHB scheme in 2023/24 which impacts on the level of capital grants received.

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

10. The Capital Financing Requirement (CFR) represents the Council's underlying need to borrow for capital expenditure. This underlying need to borrow will increase the CFR (i.e. the use of internal borrowing, which reduces our investment balance). This increase is offset by Minimum Revenue Provision (MRP) and any additional voluntary contributions (VRP) raised through Council Tax, as a result of financing requirements in relation to the

Arena development, Cotgrave redevelopment and in later years Bingham Leisure Hub and the Crematorium.

11. The Council also holds usable reserves and working capital which represent the underlying resources available for investment. The Council's current strategy is to use these resources, by way of internal borrowing, to avoid the commitment to external debt.
12. The table below summarises the overall position with regard to borrowing and available investments and shows an increase in CFR reflecting the capital commitment on projects such as the crematorium and Bingham Leisure Hub

**Table 2: CFR and Investment Resources**

	2019/20 Projected £'000	2020/21 Forecast £'000	2021/22 Forecast £'000	2022/23 Forecast £'000	2023/24 Forecast £'000	2024/25 Forecast £'000	2025/26 Forecast £'000
Opening CFR	8,300	7,300	11,527	16,909	15,635	14,361	13,361
CFR in year	-	5,227	6,456	-	-	-	-
Less: MRP etc	(1,000)	(1,000)	(1,074)	(1,274)	(1,274)	(1,000)	(1,250)
<b>Closing CFR</b>	<b>7,300</b>	<b>11,527</b>	<b>16,909</b>	<b>15,635</b>	<b>14,361</b>	<b>13,361</b>	<b>12,111</b>
Less: External Borrowing	-		(4,957)	(7,348)	(7,216)	(7,082)	(6,945)
<b>Internal Borrowing</b>	7,300	11,527	11,952	8,287	7,145	6,279	5,166
<b>Less:</b>							
Usable Reserves	(19,835)	(22,314)	(18,039)	(18,694)	(18,522)	(18,666)	(17,103)
Working Capital	(18,757)	(15,670)	(14,665)	(15,579)	(15,579)	(15,579)	(15,579)
<b>Available for Investment(-)</b>	<b>(31,292)</b>	<b>(26,457)</b>	<b>(20,752)</b>	<b>(25,986)</b>	<b>(26,956)</b>	<b>(27,966)</b>	<b>(27,516)</b>

13. The Council is currently debt free although there is an underlying assumption in the capital expenditure plans that the Council may need to externally borrow £5 million in 2021-22 and a further £2.5 million in 2022-23. Available resources (usable reserves and working capital) remain steady over the medium term, with usable reserves being used to finance both capital and revenue expenditure over time.
14. The total amount borrowed will not exceed the authorised borrowing limit of £25m. The Authority is not required to link particular loans with particular items of expenditure.
15. CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Authority's gross external debt should be lower than its highest forecast CFR over the next three years. Table 2 shows that the Authority expects to comply with this recommendation.
16. The new accounting standard IFRS16 has been delayed a further year and comes into force on 1<sup>st</sup> April 2022. IFRS 16 affects how leases are measured, recognised and

presented in the accounts and essentially means that some leases may have to be classified as capital expenditure. The full impact of this change is still yet to be determined and this is likely to impact on the CFR. As we currently have no external borrowing this is unlikely to affect the Authorised Limit.

## Minimum Revenue Provision Policy

17. Revised MHCLG Regulations have been issued which require the Governance Scrutiny Group to consider a Minimum Revenue Provision (MRP) Statement in advance of each year. Further commentary regarding financing of the debt is provided in paragraphs 30-34. A variety of options are provided to Councils, so long as there is prudent provision. The Council has chosen the Asset Life Method (Option 3 within the Guidance) with the following recommended MRP Statement:

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

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

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

18. As well as the need to pay off an element of the accumulated General Fund borrowing requirement used to fund capital expenditure each year (the capital financing requirement - CFR) through a revenue charge (the MRP) it is also allowed to make additional voluntary contributions (voluntary revenue provision – VRP). In times of financial crisis the Council has the flexibility to reduce voluntary contributions.



## Treasury Management Strategy 2021/22 to 2025/26

19. The CIPFA Treasury Management Code defines treasury management activities as:

*“The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.*

The code also covers non-cash investments which are covered at paragraph 66 below.

20. The CIPFA Code of Practice for Treasury Management in the Public Services (the “CIPFA Treasury Management Code”) and the CIPFA Prudential Code require local authorities to produce a Treasury Management Strategy Statement on an annual basis.
21. This Strategy Statement includes those indicators that relate to the treasury management functions and help ensure that the Council’s capital investment plans are affordable, prudent and sustainable, while giving priority to the security and liquidity of those investments.

### The Current Economic Climate and Prospects for Interest Rates.

22. **The UK faces a long road to economic recovery in the wake of the COVID-19 pandemic.** The furlough scheme was set to end October but has now been extended to the end of March 2021 due to the fear that its withdrawal will lead to many job losses. Consumers will also probably remain cautious in spending and this will dampen growth. While the UK has been gripped by the long running saga of whether or not a deal would be made by 31.12.20, the final agreement on 24.12.20, followed by ratification by Parliament and all 27 EU countries in the following week, has eliminated a significant downside risk for the UK economy. The initial agreement only covers trade so there is further work to be done on the services sector where temporary equivalence has been granted in both directions between the UK and EU; that now needs to be formalised on a permanent basis. Economic recovery is expected to be only gradual and, therefore, prolonged. The trajectory will be dependent on factors such as the success of the Coronavirus vaccine.
23. The November lockdown in England is expected to see economic growth fall again in Q4. As a result, output in 2020 as a whole will contract by 11.3%. A partial recovery in 2021 could see growth of 5.5% next year but it is not anticipated that output will reach pre-Covid levels before Q2 2022.
24. The extension of the furlough scheme in November has potentially forestalled a sharp increase in unemployment in the final quarter of 2020. The rate of unemployment is now expected to peak at 7.5% around May next year before gradually subsiding, reaching 4.4% by the end of 2024.

25. The current Bank of England base rate is 0.1%. The Bank of England took emergency action in March to cut the Bank Rate to first 0.25% and then to 0.1%. It has remained unchanged, but some forecasters are suggesting that a cut into negative territory could happen. The Bank of England suggest such a move would do more damage than good. Link (the Council's Treasury Advisors) are forecasting no change within the forecast horizon ending on 31 March 2023.
26. Inflation levels are expected to increase to 2% in 2021 and 2.1% in 2022 and 2023.
27. The table below shows the assumed average interest (which reflects a prudent approach) that will be made over the next five years for budget setting purposes.

**Table 3: Budgetary Impact of Assumed Interest Rate Going Forward**

	2021/22	2022/23	2023/24	2024/25	2025/26
Anticipated Interest Rate (%)	0.10	0.25	0.50	0.50	0.50
Expected interest from investments (£)	373,100	422,500	484,900	488,400	486,700
Other interest (£)	89,000	81,000	72,000	64,000	59,000
<b>Total Interest (£)</b>	<b>462,100</b>	<b>503,500</b>	<b>556,900</b>	<b>552,400</b>	<b>545,700</b>
<b>Sensitivity:</b>	£	£	£	£	£
- 0.25% Interest Rate	(14,500)	(12,500)	(19,500)	(21,300)	(21,300)
+ 0.25% Interest Rate	14,500	12,500	19,500	21,300	21,300

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

### **Borrowing Strategy 2021/22 to 2025/26**

#### **Prudential Indicators for External Debt**

30. Table 2 above identifies that the Council may need to externally borrow over the MTFS if it is not possible to internally borrow. This would result in borrowing costs. Anticipated levels of external borrowing are reflected in the figures.
31. The approved sources of long-term and short-term borrowing are:
- Internal borrowing
  - Municipal Bond Agency
  - Public Works Loan Board (or the body that will replace the PWLB in the future)
  - Local authorities

- UK public and private sector pension funds
- Commercial banks
- Building Societies in the UK
- Money markets
- Leasing
- Capital market bond investors
- Special purpose companies created to enable local authority bond issue

Following the recent consultation PWLB have published new lending terms effective from 26<sup>th</sup> November and now General Fund Borrowing is in line with HRA at Gilts +80bps (certainty rate). There is also now the need to categorise the capital programme into 5 categories including service, housing, regeneration etc. If any Authority has assets that are being purchased 'primarily for yield' anywhere in their capital programme they will not be able to access PWLB funding.

#### a) Authorised Limit for External Debt

32. The authorised limit is the "affordable borrowing limit" required by section 3 (1) of the Local Government Act 2003 and represents the limit beyond which borrowing is prohibited. It shows the maximum amount the Council could afford to borrow in the short term to maximise treasury management opportunities and either cover temporary cash flow shortfalls or use for longer term capital investment.

**Table 4: The Authorised Limit**

	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
<b>Authorised Limit</b>	25,000	25,000	25,000	25,000	25,000	25,000

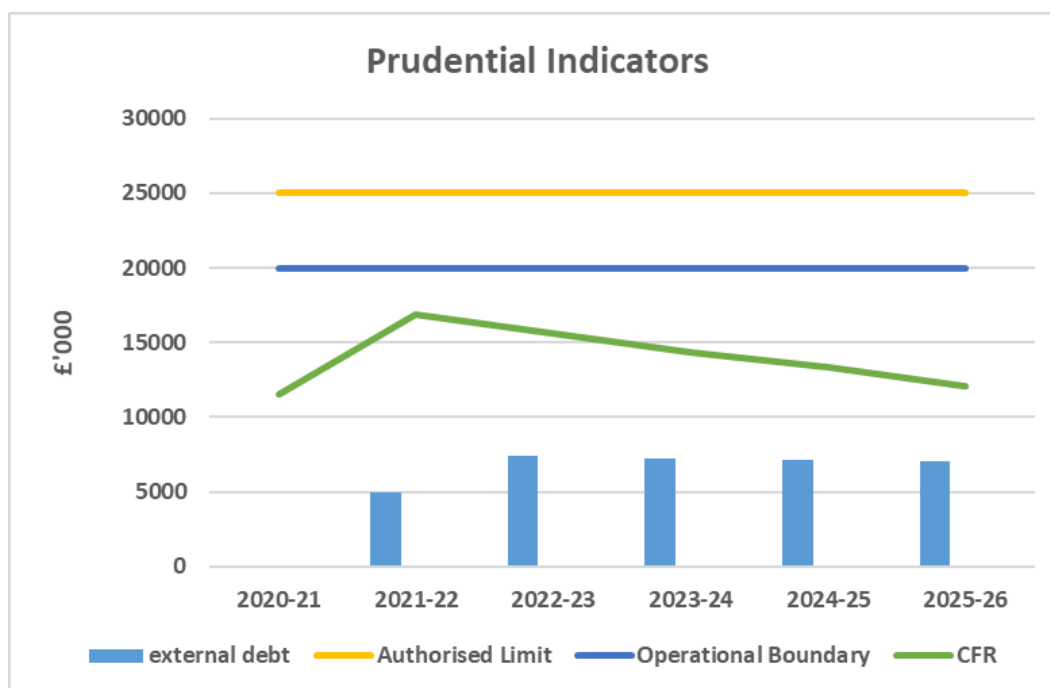
#### b) Operational Boundary for External Debt

33. The operational boundary is the expected borrowing position of the Council during the course of the year. The operational boundary is not a limit and actual borrowing can be either below or above the boundary subject to the authorised limit not being breached. The Operational Limit has been set at £20m as the Council is expected to borrow over the period of the MTFS.

**Table 5: The Operational Boundary**

	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
<b>Operational Boundary</b>	20,000	20,000	20,000	20,000	20,000	20,000

34. The Prudential indicators for debt discussed are shown graphically below.



### Prudential Indicators for Affordability

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

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

36. This indicator identifies the trend in net financing costs (borrowing costs less investment income) against net revenue income. The purpose of the indicator is to show how the proportion of net income used to pay for financing costs (a credit indicates interest earned rather than cost) is changing over time. The trend below reflects the decision to temporarily remove the voluntary element of the amount charged to revenue in 2022/23 and 2023/24, to set aside a provision for repaying external borrowing. Treasury investments will benefit in the interim years despite non-treasury capital commitments in the Crematorium and Bingham Hub.

**Table 6: Proportion of Financing Costs to Net Revenue Stream**

	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
<b>General Fund</b>	5.88%	5.45%	7.53%	7.54%	4.99%	6.99%

**Investment Strategy 2020/21 to 2025/26**

36. The movement in investments are due to increases in capital receipts related to Sharphill and S106 receipts as shown below.

**Table 7: Investment Projections**

	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
<b>Investments at 31 March</b>	26,457	20,752	25,986	26,956	27,966	27,516

37. Both the CIPFA Code and the MHCLG Guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitable low investment income. Accordingly, the Council ensures that robust due diligence procedures cover all external investments.
38. The Council will not knowingly invest directly in businesses whose activities and practices pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the Council's Corporate Objectives and values. This would include avoiding direct investment in institutions with material links to:
- a) Human rights abuse (e.g. child labour, political oppression);
  - b) Environmentally harmful activities (e.g. pollutants, destruction of habitat, fossil fuels); and
  - c) Socially harmful activities (e.g. tobacco, gambling).
39. The Council will keep under review the sensitivity of its treasury assets and liabilities to inflation and will seek to manage the risk accordingly in the context of the whole of the Council's inflation exposures.
40. The Council will invest its surplus funds with approved counterparties. Where appropriate, the Council is registered as a professional client (under "MIFID II") with the counterparty limits shown below in Table 8 and counterparties included at Appendix (i):

**Table 8: Counterparty Details**

Credit Rating	Banks* Unsecured	Banks* Secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 20 Years	n/a	n/a
AAA	£3.0m 3 years	£10.0m 10 years	£10.0m 20 years	£3.0m 10 years	£5.0m 10 years
AA+	£3.0m 2 years	£10.0m 10 years	£10.0m 5 years	£3.0m 4 years	£5.0m 4 years
AA	£3.0m 1 year	£10.0m 4 years	£10.0m 3 years	£3.0m 2 years	£5.0m 4 years
AA-	£3.0m 1 year	£10.0m 2 years			£5.0m 4 years
A+	£3.0m 6 months	£10.0m 2 years			£5.0m 2 years
A	£3.0m 6 months	£10.0m 1 year			£5.0m 2 years
A-	£3.0m 3 months	£10.0m 6 months			£5.0m 2 years
Pooled Funds**	£10m per fund				

\*Banks includes Banks and Building Societies.

\*\*Pooled funds do not have a defined maturity date. Monies in Money Market Funds can be withdrawn on the same date; monies in other pooled funds can be withdrawn giving the requisite notice, generally between 1 and 7 days.

Monies in the CCLA Property Fund can be withdrawn on each monthly redemption date, if required; it is the Council's intention to hold its investment over a reasonable time frame for property investments, which is 5 years, subject to cash flow requirements.

41. Although the above table details the counterparties that the Council could invest funds with, it would not invest funds with counterparties against the advice of Link (our TM Advisors) even if they met the criteria above.
42. Changes to any of the above can be authorised by the Section 151 Officer or the Financial Services Manager and thereafter will be reported to the Governance Scrutiny Group. This is to cover exceptional circumstances so that instant decisions can be made in an environment which is both fluid and subject to high risk.
43. The Authority may incur operational exposures, for example though current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore

be kept below £2,000,000 per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

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

## Credit Risk

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

## Current investments

49. The Council uses its own processes to monitor cash flow and determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable

terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium term financial strategy and cash flow forecast.

50. Surplus funds are invested based on the most up to date forecasts of interest rates and in accordance with the Council's cash flow requirements in order to gain the maximum benefit from the Council's cash position throughout the year. Funds are separated between specified and non-specified investments as detailed below.

### **Specified investments**

51. The MHCLG guidance defines specified investments as those:
- Denominated in pound sterling,
  - Due to be repaid within 12 months of arrangements,
  - Not defined as capital expenditure by legislation, and
  - Invested with one of:
    - The UK Government
    - A UK local authority, parish council, or community council, or
    - A body or investment scheme of "high credit quality"
52. The Council now defines "high credit quality" organisations as those having a credit rating of A- and above.

### **Non-specified investments**

53. Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and scheme not meeting the definition on high credit quality. Limits on non-specified investments are shown in the following table:

**Table 9: Non-specified Investment Limits**

	<b>Cash Limit</b>
Total long-term investments	£15m
Total investments without credit ratings or rated below A- (except UK Government and local authorities)	£5m
Total investments (except pooled funds) with institutions domiciled in foreign countries rated below AA+	£3m
Total non-specified investments	£15m



## Investment Limits

54. The Authority's revenue reserves available to cover investment losses in a worst-case scenario are forecast to be £18.7 million on 31st March 2021. The maximum that will be lent to any one organisation (other than the UK Government) will be £10.0 million. This figure is constantly under review to assess risk in the case of a single default. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

**Table 10: Investment limits**

	<b>Cash limit</b>
Any single organisation, except the UK Central Government	£10m each
UK Central Government	Unlimited
Any group of organisations under the same ownership	£10m per group
Any group of pooled funds under the same management	£10m per manager
Negotiable instruments held in a broker's nominee account	£10m per broker
Foreign countries	£3m per country
Registered providers	£5m in total
Unsecured investments with any building society	£3m in total
Loans across unrated corporates	£5m in total
Money Market Funds	£30m in total

## **Treasury Management limits on activity**

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

### **a) Interest Rate Exposures**

56. This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the amount of net interest payable will be:

**Table 11: Interest Rate Exposure**

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Upper Limit on fixed interest rate exposure</b>	50%	50%	50%	50%	50%	50%
<b>Upper Limit on variable interest rate exposure</b>	100%	100%	100%	100%	100%	100%

57. Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

### **Principal Sums Invested over 1 year**

58. This limit is intended to contain exposure to the possibility of any loss that may arise as a result of the Council having to seek early repayment of any investments made. The limits on the long-term principle sum invested to final maturities beyond the period end are set at 50% of the sum available for investment (to the nearest £100k), as follows:

**Table 12: Principal Sums Invested over 1 year**

	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
<b>Limit on Principal invested over 1 year</b>	13,200	10,400	13,000	13,500	14,000	13,800

### **Policy on the use of financial derivatives**

59. Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).
60. The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining

the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

61. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

### **Treasury Management Advisors**

62. Link Asset Services will act as the Council's treasury management advisors until 31<sup>st</sup> October 2022. The company provides a range of services which include:
  - Technical support on treasury matters and capital finance issues
  - Economic and interest rate analysis
  - Generic investment advice on interest rates, timing and investment instruments; and
  - Credit ratings/market information service comprising the three main credit rating agencies.
63. Whilst the treasury management advisors provide support to the internal treasury function, the current market rules and the CIPFA Treasury Management Code confirms that the final decision on treasury management matters rests with the Council. The service provided by the Council's treasury management advisors is subject to regular review.

### **Member and Officer Training**

64. The increased member consideration of treasury management matters and the need to ensure that officers dealing with treasury management are trained and kept up to date requires a suitable training process for members and officers. In general, members training needs are reported through the Member Development Group, however, the Council will also specifically address this important issue by:
  - Periodically facilitating workshops for members on finance issues;
  - Interim reporting and advising members of Treasury issues via GSG;

With regards to officers:

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

## Other Options Considered

65. The MHCLG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Executive Manager – Finance and Corporate Services, having consulted the Cabinet Member for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller

## Commercial Investments

66. The definition of investments in CIPFA's definition of treasury management activities above (paragraph 18) covers all financial assets of the organisation as well as other non-financial assets which the organisation holds primarily for financial returns, such as investment property portfolios. This may therefore include investments which are not managed as part of normal treasury management or under treasury management delegations. All investments require an appropriate investment management and risk management framework, which is outlined below.
67. The Council is committed to becoming self-sustainable as Central Government funding reduces. This previously included ensuring that the Council maximised any income from existing assets and, where there was a business case, investing in assets where there was a commercial return. PWLB will no longer allow Local Authorities to borrow if they invest 'primarily for yield'. The Council has historically held significant capital funding resources but these have been committed to major schemes and, going forward, it may need to undertake external borrowing. Current resources are invested with various financial institutions in line with the Treasury Management Strategy.
68. In recent years, the Council identified specific sums for its Asset Investment Strategy within the Capital Programme which totalled £20m. This included commercial investment in areas such as property and subsidiaries, or loans that supported service outcomes. Of the £8.382m balance at the start of the year, £4.554m was committed to two acquisitions of Business Units in West Bridgford. The purchase of Unit 1 Edwalton Business Park was completed 9 July for £2.083m and Unit 3 Edwalton Business Park was completed 13

October for £2.449m. These were reported to Governance Scrutiny Group in November 2020. The balance £3.828m will be referred to Council for removal from the Programme and will not require funding.

69. The Council will maintain a summary of current material investments, subsidiaries, joint ventures and liabilities, including financial guarantees (ie Streetwise) and the organisation's risk exposure. The current summary is included at Appendix (ii).
70. Individual commercial investment proposals included within the Asset Investment Strategy are subject to specific business appraisals. The governance surrounding such decisions is included in the AIS. As well as considering the Net Present Value, Internal Rate of Return and impact on the General Fund of any commercial investment proposals, the decision to invest also takes into account the following assessment matrix:

ASSESSMENT CRITERIA	Excellent / very good	Good	Satisfactory	Marginal	Uncertain
Tenancy strength	Multiple tenants with strong financial covenant	Single tenant with strong financial covenant	Single or multiple tenants with good financial covenant	Tenants with average financial covenant	Tenants with poor financial covenant strength
Lease length and break (for main tenants/income)	>15 years	11 - 15 years	10 - 8 years (10 year lease)	7 - 5 years (5 year break)	<5 years or vacant (break Dec 2021 & )
Rate of Return - % rent against capital	>8%	7%-8%	5%-7%	3%-5%	<3%
Portfolio mix (asset type is balanced in portfolio - no more than x% of )	<50%	50%-60%	>60%-70%	70%-80%	>80% of portfolio
Property Sector & Risk	Industrial (lower risk)	Office (lower-mid risk)	Warehouse Retail (med risk)	Retail, Leisure (higher risk)	Residential (not part of investment strategy)
Void (after Lease end including marketing, fit out and rent free)	0-9 months	9-12 months	12-18 months	18-24 months	>24 months
Location	Prime	Not prime but in established location	Secondary	Remote from other developments	Isolated, undeveloped area, limited infrastructure links
Tenure	Freehold	Lease >200 years	Lease 100 - 199 years	Lease 75 - 99 years	Lease <75 years
Repairing terms links to Building quality	Full repairing & insuring	Internal repairing 100% recoverable	Internal repairing partially recoverable	Internal repairing non recoverable	Landlord
Building Quality/Age	<10 years	10-20 years	21-30	31-35	>35
Rental Growth	within 1 year	within 2-5 years	within 5-7 years	within 7-10 years	>10 years
Purchase Price	<£2m	Between £2m and £3m	Between £3m and £4m	Between £4m and £7m	>£7m
Proximity to Borough	within Borough	within Nottinghamshire	within East Midlands	within the Midlands	National
Energy Rating (2018 legislation can't let with F/G assessment)	A/B	C	D	E	F/G

71. To be considered for investment 50% of the criteria above must be excellent, good or satisfactory.
72. The matrix above is supplemented by additional contextual information covering resale opportunities (liquidity), location, risks, benefits and economic conditions.
73. The Government has issued revised guidance on Local Government Investments, effective from April 2018. This guidance introduces additional disclosure requirements some of which are specific to investments of a commercial nature. These disclosures and indicators cover items included in the Council's Asset Investment Strategy, as well as pre-existing commercial investments and are detailed below:

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

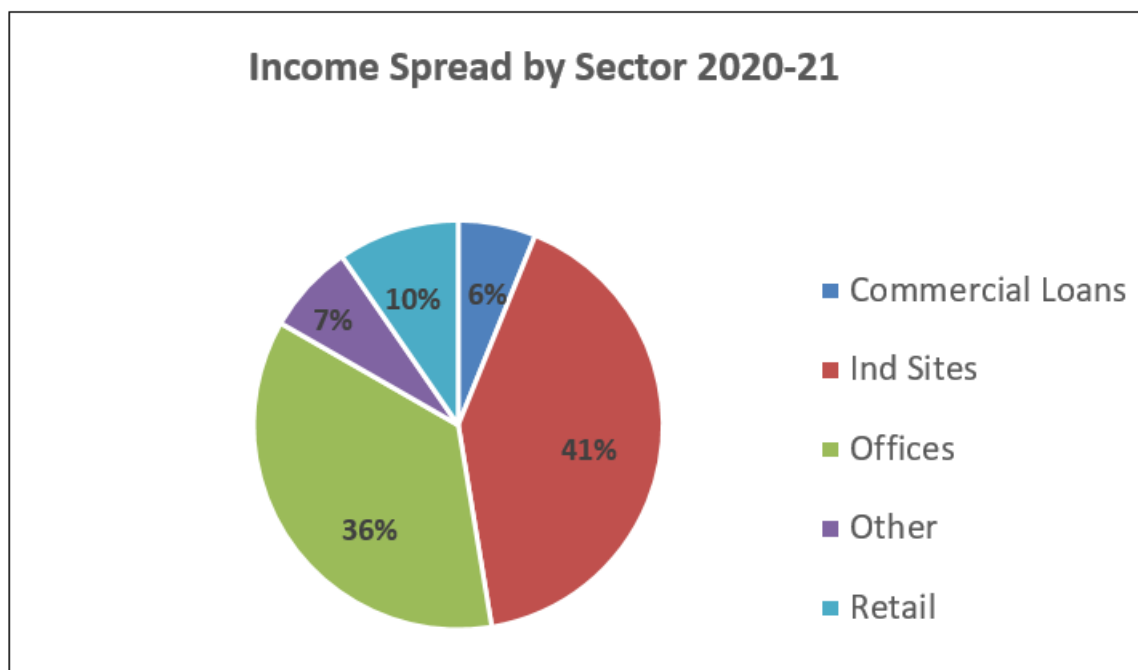
74. The expected contributions from commercial investments included in the Asset Investment Strategy are shown in Table 13. In order to manage the risk to the Council's budget, income from commercial investments should not be a significant proportion of the Council's income. Our objective is that this ratio should not exceed 30%, subject to annual review (as demonstrated below).

**Table 13: Commercial Investment income and costs**

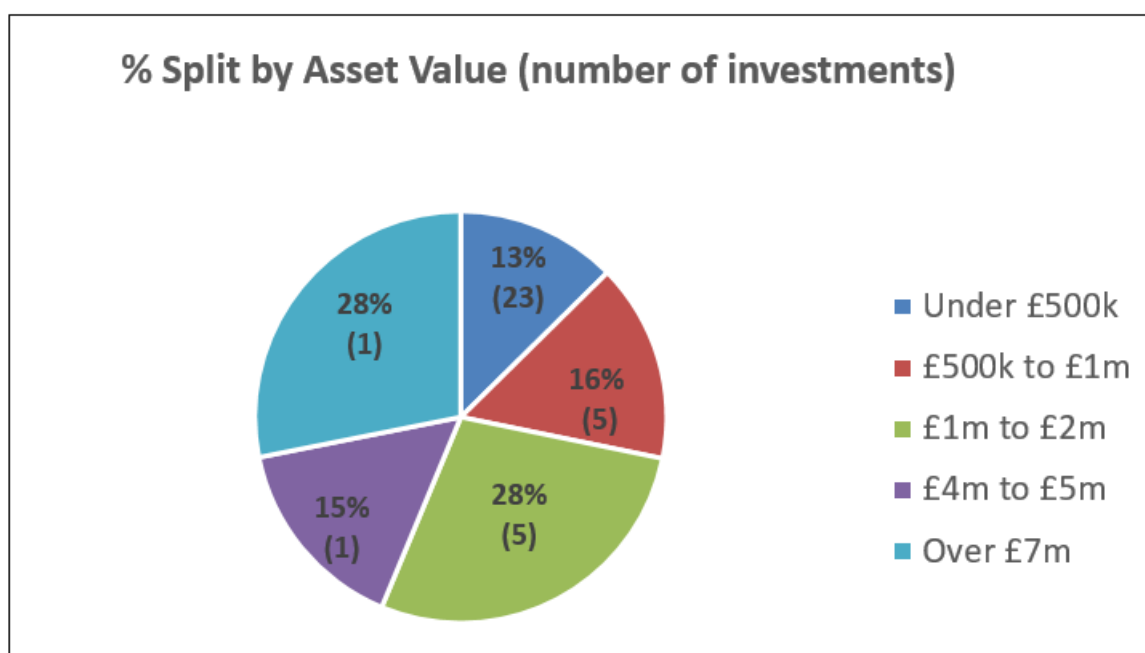
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Commercial Property Income</b>	(1,557)	(1,660)	(2,015)	(2,160)	(2,240)	(2,302)
<b>Running Costs</b>	618	516	517	517	517	517
<b>Net Contribution to core functions</b>	<u>(939)</u>	<u>(1,144)</u>	<u>(1,499)</u>	<u>(1,644)</u>	<u>(1,724)</u>	<u>(1,786)</u>
<b>Interest from Commercial Loans</b>	(83)	(89)	(80)	(72)	(63)	(60)
<b>Total Contribution</b>	<u>(1,022)</u>	<u>(1,233)</u>	<u>(1,579)</u>	<u>(1,716)</u>	<u>(1,787)</u>	<u>(1,846)</u>
<b>Sensitivity:</b>						
<b>+/- 10% Commercial Property Income</b>	156	166	202	216	224	230
<b>Indicator:</b>						
<b>Investment Income as a % of total Council Income</b>	20.0%	22.8%	24.7%	23.9%	24.3%	24.6%
<b>Total Income</b>	8,209	7,669	8,500	9,341	9,485	9,590

## b) Risk Exposure Indicators

75. The Council can minimise its exposure to risk by spreading investments across sectors and by avoiding single large-scale investments. Generally there is a spread of investment across sectors. The Council's commitment to economic regeneration (not purely financial return) has meant that many of its investments have been in industrial units, which have been very successful.



## c) Security and Liquidity



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



## Counterparty Registrations under MIFID II

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

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

## Appendix (ii)

	<b>Current Book Value £000</b>	<b>Previous Book Value £000</b>
The Point Office Accommodation	4.017	3.200
Hollygate Lane, Cotgrave Industrial Units	2.709	2.435
Bardon Single Industrial Unit	1.800	1.800
Trent Boulevard	1.407	1.400
Colliers Business Park Phase 2	1.315	1.250
Bridgford Hall Aparthotel and Registry Office	1.214	1.220
Finch Close	0.959	0.925
Boundary Court	0.816	0.805
Unit 10 Chapel Lane	0.677	0.670
Colliers Business Park Phase 1	0.721	0.610
New Offices Cotgrave	0.452	0.345
Mobile Home Park	0.476	0.330
Cotgrave Precinct Shops	0.500	0.450
<b>TOTAL INVESTMENT PROPERTY*</b>	<b>17.063</b>	<b>15.440</b>
Notts County Cricket Club Loan	1.775	1.775
<b>TOTAL</b>	<b>18.838</b>	<b>17.215</b>

\* Note values are as at 31<sup>st</sup> March 2019 and 2020

## **Glossary of Terms**

CCLA Property Fund - this a local authority property investment fund. The property fund is designed to achieve long term capital growth and a rising income from investments in the commercial property sector.

Covered Bonds – these investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means they are exempt from bail-in.

Financial Derivatives – A financial contract that derives its value from the performance of an underlying asset

LIBID – London Inter Bank Bid Rate. The rate at which banks are willing to borrow from other banks

Money Market Funds – these funds are pooled investment vehicles consisting of money market deposits and similar instruments. They have the advantage of providing wide diversification of investment risks.

Pooled Funds – shares in diversified investment vehicles consisting of different investment types including banks, equity shares and property, these funds have the advantage of providing wide diversification of investment risks

**Use of Earmarked Reserves in 2021/22****Appendix 6**

	Projected Opening Balance	Projected Income	Projected Expenditure	Net Change in Year	REF	Projected Closing Balance
	£'000	£'000	£'000	£'000		£'000
<b>Investment Reserves</b>						
Regeneration and Community Projects	1,721	188	(50)	138	1	1,859
Sinking Fund - Investments	179	271	(450)	(179)	2	0
New Homes Bonus (NHB)	8,420	1,633	(1,074)	559	3	8,979
<b>Corporate Reserves</b>						
Organisation Stabilisation	7,176	0	(4,777)	(4,777)	4	2,399
Climate Change Action	800	0	0	0		800
Development Corporation	400	0	0	0		400
Risk and Insurance	100	0	0	0		100
Planning Appeals	350	0	0	0		350
Elections	100	50	0	50	5	150
<b>Operating Reserves</b>						
Planning	209	0	(78)	(78)	6	131
Leisure Centre Maintenance	7	0	0	0		7
<b>TOTAL</b>	<b>19,462</b>	<b>2,142</b>	<b>(6,429)</b>	<b>(4,287)</b>		<b>15,175</b>

**Notes:**

1. Net £138k being the movement on this reserve to support Special Expenses capital schemes
2. £271k from Investment Property income to support future capital expenditure. £450k used for enhancement works at The Point and Manvers Business Park
3. £1.633m Receipts; MRP release: Arena £1.012m and Cotgrave Redevelopment £62k.
4. £4m release of S31 Grant Surplus needed in 21/22; £753k to meet the in-year budget deficit and £24k release of Council Tax reimbursement payment.
5. £50k to replenish the Elections Reserve
6. £78k release for Local Plan Examinations

## Rushcliffe Borough Council Pay Policy Statement 2021-22

### 1. Introduction

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

### 2. Objectives of this Statement

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

<http://www.rushcliffe.gov.uk/councilanddemocracy/aboutthecouncil/seniorofficers/roleandremuneration/> -

### **3. Senior Officers**

3.1 The Localism Act sets out a definition of Senior Officers for the purposes of pay policy statements. Applying that definition to roles at Rushcliffe Borough Council, the following 10 posts from an overall current establishment of 259, would be included: -

- Chief Executive
- Executive Manager – Finance and Corporate Services (Section 151 Officer)
- Executive Manager - Transformation
- Executive Manager - Neighbourhoods
- Executive Manager - Communities
- Service Manager – Finance and Commercial
- Service Manager – Transformation
- Service Manager – Neighbourhoods
- Service Manager – Communities
- Borough Solicitor & Monitoring Officer

### **4 The Policies**

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

### **5. Pay of the Council's Lowest Paid Employees**

5.1 The Council has defined its lowest paid employees as those on the lowest pay point of the Council's pay and grading structure, excluding apprentices. On this basis the lowest paid full-time equivalent employee of the Council earns £17,841. The hourly rate of this salary, at £9.25 is above the National Living Wage which is currently £7.83 per hour for employees aged 25 or over and exceeds the National Minimum Wage maximum of £8.20 for employees aged 21-24. From 1<sup>st</sup> April 2021, these statutory rates will be increasing to £8.91 and £8.36 per hour respectively.

5.2 The Council does not explicitly set the pay of any individual or group of posts by reference to a pay multiple. The Council feels that pay multiples cannot capture the complexity of a dynamic and highly varied workforce in terms of job content, skills and experience required. In simple terms, the Council sets different levels of basic pay to reflect differences in levels of responsibility.

5.3 The Head of Paid Service, or her delegated representative, will give due regard to the published Pay Policy Statement before the appointment of any Officers. Full Council will have the opportunity to discuss any appointment exceeding £100,000 before an offer of appointment is made, in line with the Council's Officer Employment procedure rules within Part 4 of the Council's Constitution.

### **6. Additional Payments Made to Chief Officers – Election Duties**

6.1 The Chief Executive is nominated as the Returning Officer. In accordance with the national agreement, the Chief Executive is entitled to receive and retain the personal

fees arising from performing the duties of Returning Officer, Acting Returning Officer, Deputy Returning Officer or Deputy Acting Returning Officer and similar positions which he or she performs subject to the payment of pension contributions thereon, where appropriate.

- 6.2 The role of Deputy Returning Officer may be applied to any other post and payment may not be made simply because of this designation. Payments to the Returning Officer are governed as follows:
- for national elections, fees are prescribed by legislation;
  - for local elections, fees are determined within a local framework used by other district councils within the county. This framework is applied consistently and is reviewed periodically by lead Electoral Services Officers within Nottinghamshire. This includes proposals on fees for all staff employed in connection with elections. These fees are available for perusal on the Council's website.
- 6.3 As these fees are related to performance and delivery of specific elections duties, they are distinct from the process for the determination of pay for Senior Officers.

### **Appendix to the Pay Policy Policies on other aspects of pay**

#### **Process for setting the pay of Senior Officers**

The pay of the Chief Executive is based on an agreed pay scale which is agreed by Council prior to appointment. Changes to this are determined by the Leader, Deputy Leader and Leader of the Opposition, who are advised by an agreed external professional and the Council's Strategic Human Resources Adviser. This pay scale is subject to pay awards which are negotiated nationally by the JNC for Chief Executives of Local Authorities.

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

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

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

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

## **Terms and Conditions – All Employees**

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

### **Local Government Pension Scheme**

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

For more comprehensive details of the local government pension scheme see: [www.lgps.org.uk](http://www.lgps.org.uk) and [www.nottspf.org.uk](http://www.nottspf.org.uk)

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

### **Car Allowances**

The Council pays mileage rates at HMRC recommended rates.

### **Pay Increments**

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

### **Relocation Allowance**

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

### **Professional fees**

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

### **Returning Officer Payments**



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

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

### **Managing Organisational Change Policy**

The original Managing Organisation Change Policy was agreed by Council in March 2007 (revised 2010). The Council's policy on the payment of redundancy payments is set out in this policy. The redundancy payment is based on the length of continuous local government service which is used to determine a multiplier which is then applied to actual pay.

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

The policy is subject to review to ensure it is compliant with any new legislation and regulations which affect redundancy payments.

### **Payments on termination**

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

### **Publication of information relating to remuneration of Senior Officers**

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

### **Gender Pay gap reporting**

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

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**Council**

**Thursday, 4 March 2021**

**Council Tax Resolution 2021/22**

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

### **Portfolio Holder for Finance, Councillor G Moore**

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

- 1.1. The purpose of this report is to approve the statutory Council Tax Resolution for 2021/22. The resolution is a statutory requirement for billing authorities to approve prior to the billing and collection of Council Tax for the forthcoming financial year.
- 1.2. The resolution consolidates the precepts of Nottinghamshire County Council, Nottinghamshire Police and Crime Commissioner, Nottinghamshire Fire Authority, Rushcliffe Borough Council and individual Town and Parish Councils. The report and recommendations are subject to the budget meetings of Nottinghamshire Police and Crime Commissioner, Nottinghamshire County Council, and Nottinghamshire Fire Authority respectively on 4, 25, and 26 February 2021. If there are any amendments following these meetings a revised report will be provided.

#### **2. Recommendation**

It is RECOMMENDED that Council approves the Council Tax Resolution for 2021/22 as detailed at Appendix A.

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

To comply with relevant legislation in setting both the Council's budget and associated local taxation levels.

#### **4. Supporting Information**

##### **Council Tax Resolution 2021/22**

- 4.1. The resolution is set out at Appendix A of this report.
- 4.2. The Council Tax for Nottinghamshire Police and Crime Commissioner, Nottinghamshire County Council, and Nottinghamshire Fire Authority will be set at separate meetings on 04 February 2021, 25 February 2021, and 26 February 2021 respectively.
- 4.3. The table below illustrates the Council Tax increases approved by each of the major precepting bodies. It also shows the new average weekly and yearly Council Tax levels.

Based on Band D	Increase	New Weekly (£)		New Yearly (£)	
	%	Amount	Increase	Amount	Increase
Nottinghamshire County Council	1.99	27.52	0.59	1431.21	30.55
Nottinghamshire County Council – Adult Social Care precept	1.00	2.88	0.30	149.64	15.35
Rushcliffe Borough Council	3.24	2.83	0.09	147.36	4.62
Nottinghamshire Police	6.67	4.70	0.29	244.26	14.94
Nottinghamshire Fire	1.95	1.60	0.03	82.95	1.59

\*This is calculated in accordance with The Council Tax (Demand Notices)(England)(Amendment) Regulations 2017 and advice from the Ministry of Housing, Communities and Local Government (MHCLG). The calculation to arrive at the 2% increase is as follows:

NCC 2020/21 Precept	£1400.66
NCC ASC 2020/21 Precept	£134.29
Total	£1,534.95
1% of Total	£15.35

In addition to the major precepting bodies, Town and Parish Councils can elect to raise a local precept; these will also form part of the Council Tax Resolution.

## 5. Alternative options considered and reasons for rejection

In order to comply with relevant legislation, the Council must set and approve the Council Tax levels for the forthcoming year. There are no alternative options.

## 6. Risks and Uncertainties

If the Council Tax levels are not set by 4 March 2021, there is a risk that billing will be delayed resulting in cash flow issues for the Council.

## 7. Implications

### 7.1. Financial Implications

The financial impact of the Council Tax setting is described in the report.

### 7.2. Legal Implications

To accord with both the Local Government Finance Act 1992 (as amended by the Local Audit and Accountability Act 2014), Localism Act 2011 and The Council Tax (Demand Notices) (England)(Amendment) Regulations 2017; the Council has to set its Council Tax Base, Council Tax Requirement, Parish

Precepts and tax levels and state whether Council Tax referendum limits will be exceeded or not.

### 7.3. Equalities Implications

None

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

None

## 8. Link to Corporate Priorities

Quality of Life	Council Tax helps ensure the Council has a balanced budget to resource all corporate objectives.
Efficient Services	
Sustainable Growth	
The Environment	

## 9. Recommendations

It is RECOMMENDED that Council approves the Council Tax Resolution for 2021/22 as detailed at Appendix A.

<b>For more information contact:</b>	Peter Linfield Executive Manager – Finance and Corporate 0115 914 8439 <a href="mailto:plinfield@rushcliffe.gov.uk">plinfield@rushcliffe.gov.uk</a>
<b>Background papers available for Inspection:</b>	Relevant websites and Council tax setting reports for Nottinghamshire County Council, Nottinghamshire Fire Authority and the Nottinghamshire Police and Crime Commissioner
<b>List of appendices:</b>	Appendix A – Council Tax Resolution 2021/22

**APPENDIX A****Council Tax Resolution 2021/22****Report of the Executive Manager – Finance and Corporate Services**

The Council is recommended to resolve as follows:

That it be noted that the Council calculated the following amounts for the year 2021/22 in accordance with the Local Government Finance Act 1992 as amended (the “Act”);

- a) Rushcliffe Borough Council's Council Tax Base for 2021/22 has been calculated as 44,259.6 [Item T in the formula in Section 31B of the Local Government finance Act 1992 as amended by Section 74 of the Localism Act 2011 (the “Act”)];
- b) For dwellings in those parts of the Borough to which a Parish Precept relates as detailed in Appendix Ai;
- c) The Council Tax requirement for the Council's own purposes for 2021/22 (excluding Parish Precepts) is £6,522,100;
- d) That the following amounts be now calculated by the Council for the year 2021/22 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by Section 74 of the Localism Act 2011;
  - i. £38,401,910 being the aggregate of the amounts which the Council estimates for the items set out in Section 31 A (2)(a) to (f) of the Act taking into account all precepts issued to it by Parish Councils. (Gross expenditure, parish and special expenses, any contingencies, any provisions for reserves);
  - ii. £28,827,300 being the aggregate of the amounts which the Council estimates for the items set out in Section (A) (3) (a) to (d) of the Act. (Gross income, any use of reserves);
  - iii. £9,574,610 being the amount by which the aggregate at (d)(i) above exceeds the aggregate of (d) (ii) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax Requirement. [Item R in the formula in Section 31B of the Act] (Expenditure less income);
  - iv. £216.33 being the amount at (d) (iii) above [Item R], all divided by Item T (a) above, calculated by the Council, in accordance with Section 31B (1) of the Act, as the basic amount of its council tax for the year (including parish precepts and special expenses);

- v. £3,052,510 being the aggregate amount of the Parish Precepts and Special Expenses referred to in Section 34 (3) of the Act. (Total amount of parish precepts as per Appendix Ai);
  - vi. £147.36 being the amount at (d) (iii) above less (d) (v) above dividing the result by item T ((1) (a) above), calculated by the Council, in accordance with section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish Precepts or Special Expenses relate. (i.e. the Borough Council's precept of £6,522,100 divided by the Council Tax base of 44,259.6 this Council's own Council Tax at Band D);
- e) That it be noted for the year 2021/22 Nottinghamshire County Council, Nottinghamshire Police and Crime Commissioner and Nottinghamshire and City of Nottingham Fire Authority have issued precepts in accordance with Section 40 of the Act for each of the categories of dwellings shown in Table 1;
- f) That the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the Appendices A(i) and A(ii) for 2021/22 for each part of the Borough and for each of the categories of dwellings;
- g) The Council has determined that its relevant basic amount of Council Tax for 2021/22 is **not** excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992 (as amended by the Local Audit and Accountability Act 2014). As the billing authority, the Council has **not** been notified by a major precepting authority that its relevant basic amount of Council Tax for 2021/22 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.

**Table 1**

Band	Rushcliffe Borough Council	Nottinghamshire County Council	Nottinghamshire Police & Crime Commissioner	Nottingham and Nottinghamshire Fire Authority	Total
	£	£	£	£	£
A	98.24	1053.90	162.84	55.30	1370.28
B	114.61	1229.55	189.98	64.52	1598.66
C	130.99	1405.20	217.12	73.73	1827.04
<b>D</b>	147.36	1580.85	244.26	82.95	2055.42
E	180.11	1932.15	298.54	101.38	2512.18
F	212.85	2283.45	352.82	119.82	2968.94
G	245.60	2634.75	407.10	138.25	3425.70
H	294.72	3161.70	488.52	165.90	4110.84

**Appendix A (i)**

**Council Tax to be Levied Within the Borough for the Year Ending 31 March 2022**

<b>2021/22 PARISH/AREA</b>	<b>TAX BASE</b>	<b>PRECEPT</b>	<b>SPECIAL CHARGES</b>	<b>TAX RATE PARISH AREA</b>	<b>MAJOR PRECEPTS</b>	<b>COUNCIL TAX BAND D</b>
ASLOCKTON	430.5	14,372	0	33.38	2,055.42	2,088.80
BARTON-IN-FABIS	210.1	5,446	0	25.92	2,055.42	2,081.34
BINGHAM	3,647.0	318,237	0	87.26	2,055.42	2,142.68
BRADMORE	169.0	3,400	0	20.12	2,055.42	2,075.54
BUNNY	293.7	22,350	0	76.10	2,055.42	2,131.52
CAR COLSTON	84.2	0	0	-	2,055.42	2,055.42
CLIPSTON	31.1	0	0	-	2,055.42	2,055.42
COLSTON BASSETT	125.6	11,200	0	89.17	2,055.42	2,144.59
COSTOCK	300.5	18,000	0	59.90	2,055.42	2,115.32
COTGRAVE	2,431.9	230,225	0	94.67	2,055.42	2,150.09
CROPWELL BISHOP	661.2	96,508	0	145.96	2,055.42	2,201.38
CROPWELL BUTLER	337.8	12,420	0	36.77	2,055.42	2,092.19
EAST BRIDGFORD	854.9	42,144	0	49.30	2,055.42	2,104.72
EAST LEAKE	3,193.7	313,686	0	98.22	2,055.42	2,153.64
ELTON-ON-THE-HILL	45.8	0	0	-	2,055.42	2,055.42
FLAWBOROUGH	27.0	0	0	-	2,055.42	2,055.42
FLINTHAM	220.4	15,000	0	68.06	2,055.42	2,123.48
GOTHAM	615.2	38,260	0	62.19	2,055.42	2,117.61
GRANBY-CUM-SUTTON	176.9	10,280	0	58.11	2,055.42	2,113.53
HAWKSWORTH	66.9	10,400	0	155.46	2,055.42	2,210.88
HICKLING	252.6	8,134	0	32.20	2,055.42	2,087.62
HOLME PIERREPONT & GAMSTON	1,086.1	37,250	0	34.30	2,055.42	2,089.72
KEYWORTH	2,700.6	190,135	9,200	73.81	2,055.42	2,129.23
KINGSTON-ON-SOAR	136.5	4,600	0	33.70	2,055.42	2,089.12
KINOULTON	422.7	6,500	0	15.38	2,055.42	2,070.80
KNEETON	22.7	0	0	-	2,055.42	2,055.42
LANGAR-CUM-BARNSTONE	356.0	39,516	0	111.00	2,055.42	2,166.42
NEWTON	322.9	19,300	0	59.77	2,055.42	2,115.19
NORMANTON-ON-SOAR	187.5	14,208	0	75.78	2,055.42	2,131.20
NORMANTON-ON-THE-WOLDS	154.8	8,500	0	54.91	2,055.42	2,110.33
ORSTON	220.3	9,500	0	43.12	2,055.42	2,098.54



OFFICIAL

2021/22 PARISH/AREA	TAX BASE	PRECEPT	SPECIAL CHARGES	TAX RATE PARISH AREA	MAJOR PRECEPTS	COUNCIL TAX BAND D
OWTHORPE	49.7	0	0	-	2,055.42	2,055.42
PLUMTREE	123.5	5,105	0	41.34	2,055.42	2,096.76
RADCLIFFE-ON-TRENT	3,280.2	308,798	0	94.14	2,055.42	2,149.56
RATCLIFFE-ON-SOAR	53.2	0	0	-	2,055.42	2,055.42
REMPSTONE	202.8	5,350	0	26.38	2,055.42	2,081.80
RUDDINGTON	2,777.5	314,274	11,100	117.15	2,055.42	2,172.57
SAXONDALE	15.0	0	0	-	2,055.42	2,055.42
SCARRINGTON	84.6	750	0	8.87	2,055.42	2,064.29
SCREVEYTON	78.3	0	0	-	2,055.42	2,055.42
SHELFORD	116.0	10,000	0	86.21	2,055.42	2,141.63
SHELTON	62.3	750	0	12.04	2,055.42	2,067.46
SIBTHORPE	58.5	1,800	0	30.77	2,055.42	2,086.19
STANFORD-ON-SOAR	64.2	4,000	0	62.31	2,055.42	2,117.73
STANTON-ON-THE-WOLDS	213.7	7,240	0	33.88	2,055.42	2,089.30
SUTTON BONINGTON	652.2	33,500	0	51.36	2,055.42	2,106.78
THOROTON	71.3	0	0	-	2,055.42	2,055.42
THRUMPTON	73.7	3,680	0	49.93	2,055.42	2,105.35
TOLLERTON	812.8	65,824	0	80.98	2,055.42	2,136.40
UPPER BROUGHTON	161.9	8,500	0	52.50	2,055.42	2,107.92
WEST BRIDGFORD	14,353.8	0	712,600	49.65	2,055.42	2,105.07
WEST LEAKE	68.4	2,100	0	30.70	2,055.42	2,086.12
WHATTON-IN-THE-VALE	379.5	15,832	0	41.72	2,055.42	2,097.14
WIDMERPOOL	170.2	6,500	0	38.19	2,055.42	2,093.61
WILLOUGHBY-ON-WOLDS	289.6	10,836	0	37.42	2,055.42	2,092.84
WIVERTON & TITHBY	53.3	0	0	-	2,055.42	2,055.42
WYSALL & THORPE IN THE GLEBE	207.3	15,200	0	73.32	2,055.42	2,128.74
TOTAL RUSHCLIFFE BOROUGH COUNCIL	44,259.6	2,319,610	732,900	68.97		

## RUSHCLIFFE BOROUGH COUNCIL – COUNCIL TAX BANDS – 2021/22

At its meeting on 4 March 2021, Rushcliffe Borough Council, in accordance with section 30 of the Local Government Finance Act 1992, set the amounts shown below as the amounts of Council Tax for the year 2021/2022 for each of the categories of dwellings and areas indicated.

**PARISH AREA**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
	£	£	£	£	£	£	£	£
Aslockton	1,392.53	1,624.62	1,856.71	2,088.80	2,552.98	3,017.16	3,481.33	4,177.60
Barton-in-Fabis	1,387.56	1,618.82	1,850.08	2,081.34	2,543.86	3,006.38	3,468.90	4,162.68
Bingham	1,428.45	1,666.53	1,904.60	2,142.68	2,618.83	3,094.98	3,571.13	4,285.36
Bradmore	1,383.69	1,614.31	1,844.92	2,075.54	2,536.77	2,998.00	3,459.23	4,151.08
Bunny	1,421.01	1,657.85	1,894.68	2,131.52	2,605.19	3,078.86	3,552.53	4,263.04
Car Colston	1,370.28	1,598.66	1,827.04	2,055.42	2,512.18	2,968.94	3,425.70	4,110.84
Clipston	1,370.28	1,598.66	1,827.04	2,055.42	2,512.18	2,968.94	3,425.70	4,110.84
Colston Bassett	1,429.73	1,668.01	1,906.30	2,144.59	2,621.17	3,097.74	3,574.32	4,289.18
Costock	1,410.21	1,645.25	1,880.28	2,115.32	2,585.39	3,055.46	3,525.53	4,230.64
Cotgrave	1,433.39	1,672.29	1,911.19	2,150.09	2,627.89	3,105.69	3,583.48	4,300.18
Cropwell Bishop	1,467.59	1,712.18	1,956.78	2,201.38	2,690.58	3,179.77	3,668.97	4,402.76
Cropwell Butler	1,394.79	1,627.26	1,859.72	2,092.19	2,557.12	3,022.05	3,486.98	4,184.38
East Bridgford	1,403.15	1,637.00	1,870.86	2,104.72	2,572.44	3,040.15	3,507.87	4,209.44
East Leake	1,435.76	1,675.05	1,914.35	2,153.64	2,632.23	3,110.81	3,589.40	4,307.28
Elton	1,370.28	1,598.66	1,827.04	2,055.42	2,512.18	2,968.94	3,425.70	4,110.84
Flawborough	1,370.28	1,598.66	1,827.04	2,055.42	2,512.18	2,968.94	3,425.70	4,110.84
Flintham	1,415.65	1,651.60	1,887.54	2,123.48	2,595.36	3,067.25	3,539.13	4,246.96
Gotham	1,411.74	1,647.03	1,882.32	2,117.61	2,588.19	3,058.77	3,529.35	4,235.22
Granby	1,409.02	1,643.86	1,878.69	2,113.53	2,583.20	3,052.88	3,522.55	4,227.06
Hawksworth	1,473.92	1,719.57	1,965.23	2,210.88	2,702.19	3,193.49	3,684.80	4,421.76
Hickling	1,391.75	1,623.70	1,855.66	2,087.62	2,551.54	3,015.45	3,479.37	4,175.24
Holme Pierrepont & Gamston	1,393.15	1,625.34	1,857.53	2,089.72	2,554.10	3,018.48	3,482.87	4,179.44
Keyworth	1,419.48	1,656.07	1,892.65	2,129.23	2,602.39	3,075.56	3,548.71	4,258.46
Kingston-on-Soar	1,392.75	1,624.87	1,857.00	2,089.12	2,553.37	3,017.62	3,481.87	4,178.24
Kinoulton	1,380.53	1,610.62	1,840.71	2,070.80	2,530.98	2,991.16	3,451.33	4,141.60
Kneeton	1,370.28	1,598.66	1,827.04	2,055.42	2,512.18	2,968.94	3,425.70	4,110.84
Langar cum Barnstone	1,444.28	1,684.99	1,925.71	2,166.42	2,647.85	3,129.27	3,610.70	4,332.84
Newton	1,410.13	1,645.15	1,880.17	2,115.19	2,585.23	3,055.27	3,525.32	4,230.38
Normanton-on-Soar	1,420.80	1,657.60	1,894.40	2,131.20	2,604.80	3,078.40	3,552.00	4,262.40
Normanton-on-the-Wolds	1,406.89	1,641.37	1,875.85	2,110.33	2,579.29	3,048.25	3,517.22	4,220.66
Orston	1,399.03	1,632.20	1,865.37	2,098.54	2,564.88	3,031.22	3,497.57	4,197.08
Owthorpe	1,370.28	1,598.66	1,827.04	2,055.42	2,512.18	2,968.94	3,425.70	4,110.84
Plumtree	1,397.84	1,630.81	1,863.79	2,096.76	2,562.71	3,028.65	3,494.60	4,193.52
Radcliffe-on-Trent	1,433.04	1,671.88	1,910.72	2,149.56	2,627.24	3,104.92	3,582.60	4,299.12
Ratcliffe-on-Soar	1,370.28	1,598.66	1,827.04	2,055.42	2,512.18	2,968.94	3,425.70	4,110.84
Rempstone	1,387.87	1,619.18	1,850.49	2,081.80	2,544.42	3,007.04	3,469.67	4,163.60
Ruddington	1,448.38	1,689.78	1,931.18	2,172.57	2,655.36	3,138.16	3,620.95	4,345.14
Saxondale	1,370.28	1,598.66	1,827.04	2,055.42	2,512.18	2,968.94	3,425.70	4,110.84
Scarrington	1,376.19	1,605.56	1,834.92	2,064.29	2,523.02	2,981.75	3,440.48	4,128.58
Screveton	1,370.28	1,598.66	1,827.04	2,055.42	2,512.18	2,968.94	3,425.70	4,110.84
Shelford	1,427.75	1,665.71	1,903.67	2,141.63	2,617.55	3,093.47	3,569.38	4,283.26
Shelton	1,378.31	1,608.02	1,837.74	2,067.46	2,526.90	2,986.33	3,445.77	4,134.92
Sibthorpe	1,390.79	1,622.59	1,854.39	2,086.19	2,549.79	3,013.39	3,476.98	4,172.38
Stanford-on-Soar	1,411.82	1,647.12	1,882.43	2,117.73	2,588.34	3,058.94	3,529.55	4,235.46
Stanton-on-the-Wolds	1,392.87	1,625.01	1,857.16	2,089.30	2,553.59	3,017.88	3,482.17	4,178.60
Sutton Bonington	1,404.52	1,638.61	1,872.69	2,106.78	2,574.95	3,043.13	3,511.30	4,213.56
Thoroton	1,370.28	1,598.66	1,827.04	2,055.42	2,512.18	2,968.94	3,425.70	4,110.84
Thrumpton	1,403.57	1,637.49	1,871.42	2,105.35	2,573.21	3,041.06	3,508.92	4,210.70
Tollerton	1,424.27	1,661.64	1,899.02	2,136.40	2,611.16	3,085.91	3,560.67	4,272.80
Upper Broughton	1,405.28	1,639.49	1,873.71	2,107.92	2,576.35	3,044.77	3,513.20	4,215.84
West Bridgford	1,403.38	1,637.28	1,871.17	2,105.07	2,572.86	3,040.66	3,508.45	4,210.14
West Leake	1,390.75	1,622.54	1,854.33	2,086.12	2,549.70	3,013.28	3,476.87	4,172.24
Whatton	1,398.09	1,631.11	1,864.12	2,097.14	2,563.17	3,029.20	3,495.23	4,194.28
Widmerpool	1,395.74	1,628.36	1,860.99	2,093.61	2,558.86	3,024.10	3,489.35	4,187.22
Willoughby-on-the-Wolds	1,395.23	1,627.76	1,860.30	2,092.84	2,557.92	3,022.99	3,488.07	4,185.68
Wiverton & Tithby	1,370.28	1,598.66	1,827.04	2,055.42	2,512.18	2,968.94	3,425.70	4,110.84
Wysall & Thorpe in the Glebe	1,419.16	1,655.69	1,892.21	2,128.74	2,601.79	3,074.85	3,547.90	4,257.48



**Council**

**Thursday, 4 March 2021**

**Electoral Review of Rushcliffe**

## **Report of the Chief Executive**

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

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

The Council has participated in a Review of Council Size as requested by the Local Government Boundary Commission for England (LGBCE). This report presents the Review for discussion before submission to the LGBCE.

### **2. Recommendation**

It is RECOMMENDED that Council:

- a) endorses the Review of Council Size which proposes an increase in the number of councillors for Rushcliffe Borough Council to 46 councillors; and
- b) requests that the Chief Executive make arrangements for the Review to be sent to the Commission completing the first part of the review process.

### **3. Reasons for recommendation**

- 3.1. The Review of Council Size required the Council to consider how many councillors are needed to effectively represent the electorate and govern the authority.
- 3.2. The Borough is anticipating growth of 18% over the review period of 2020-2027. This increases the average number of electors per councillor from 2,058 to 2,509 based on the current number of councillors.
- 3.3. However, this growth is not evenly spread across the Borough. When considered at a ward level there are much greater variances between wards. Therefore, the Council is recommending an increase of two councillor positions bringing the overall number of councillors for Rushcliffe to 46. This increase in the number of councillors brings the average number of electors per councillor to 2,400.

- 3.4. The increase has been recommended to meet the substantial growth in two particular areas of the Borough (the Fairham development and the Gamston / Tollerton development). Numbers of electors in these two areas are predicted to be between 3,500 and 4,000 in 2027 (with further growth continuing after that date) making these areas comparable in size to those which already have two ward councillors. Further details are provided in the submission.
- 3.5. This recommended increase is also in response to feedback from councillors who have already experienced significant growth within their ward and have reported the increased workload involved in dealing with new developments, new residents and the existing community.
- 3.6. The Council welcomes the second stage of the Review process which looks at the boundaries between wards to equalise (as far as is possible) the number of electors per councillor.

#### **4. Supporting information**

- 4.1. In September 2020, Council received a briefing from the Local Government Boundary Commission for England (LGBCE) outlining the Review of the Council Size process and background to the review. The review process requires the Council to make a submission setting out its proposals for council size evidencing the reasoning and rationale for this. This report presents the draft Review of Council Size for consideration before it is submitted to the LGBCE.
- 4.2. The Review document, based on a template provided by the Commission, covers:
  - The context in which the Council operates;
  - Strategic Leadership including its governance model, portfolios, and delegated responsibilities;
  - Accountability including internal scrutiny, statutory functions, and external partnerships; and
  - Community Involvement including both community leadership and casework.
- 4.3. As well as an analysis of Council meetings (demonstrating how much time councillors spend representing the Borough in the decision-making process), a councillor workload survey has been undertaken. Amongst other findings detailed in the report, the survey responses from councillors suggested that their current workload was about right and that they felt the Borough Council had the right number of councillors for its current electorate.
- 4.4. The Review of Council Size document recommends that the number of councillors at Rushcliffe Borough Council is increased to 46. Consideration has been given to the affect of reducing the number of councillors (as has been done in the last two reviews) and increasing the number of councillors on the Council's ability to self-govern.

- 4.5. At present the number of electors represented by each councillor is 2,058 on average. There are five wards in which this differs by more than 10% (which is the Commission's trigger for a Review).
- 4.6. The Borough is anticipating growth of 18% over the review period of 2020-2027. This increases the average number of electors per councillor to 2,509 – an additional 451 electors per councillor. Whilst the Council is confident of its ability to continue to self-govern effectively despite this level of growth, Rushcliffe's councillors take their community leadership role very seriously. Therefore, the submission recommends an increase of two councillors taking the total number of councillors for Rushcliffe to 46. This increase in the number of councillors brings the average number of electors per councillor to 2,400.
- 4.7. The increase has been recommended to meet the substantial growth in two particular areas of the Borough (the Fairham development and the Gamston / Tollerton development). Numbers of electors in these two areas are predicted to be between 3,500 and 4,000 in 2027 (with further growth continuing after that date) making these areas comparable in size to those which already have two ward councillors. Further details are provided in the submission.
- 4.8. This recommended increase is also in response to feedback from councillors who have already experienced significant growth within their ward and have reported the increased workload involved in dealing with new developments, new residents and the existing community.
- 4.9. The Council appreciates that this growth is not evenly spread across the Borough. When considered at a ward level, there are much greater variances between wards and a variance of more than 10% can be seen in twelve wards across the borough.
- 4.10. Therefore, the Council welcomes the second stage of the Review process which will look at the boundaries between wards to minimise the variance in the number of electors per councillor. This second stage of the process will take place over the summer of 2021, with any new ward boundaries being in place for the next Borough Council elections in May 2023.

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

- 5.1. The Review of Council Size has been triggered by current electoral inequalities in five wards. Growth within the Borough is likely to increase this to twelve wards. The attached Council Size submission considers a number of different sources of evidence to support the view that the number of councillors at Rushcliffe is increased to 46.
- 5.2. No action is not an option in this case.

## **6. Risks and uncertainties**

- 6.1. Failure to ensure electoral representation is fair and equitable restricts the Council's ability to deliver services reflective of local need, demand and choice.

Disproportionate electorate to councillor numbers reduces capacity to ensure understanding of local representation and ensure it properly reflects community identity.

- 6.2. Five of the Council's 25 wards currently show an electoral variance of 10% from the average. This is likely to increase to twelve wards by 2027, as a result of growth in certain areas of the Borough. Therefore, it is essential that a reasoned and justified submission on Council size is made by the authority at this formative stage. This will enable the Council to influence and inform the review process ensuring its proposals will provide sufficient councillors for effective and convenient governance and community leadership.

## **7. Implications**

### **7.1. Financial Implications**

An increase of two councillors would incur additional costs of approximately £11k per annum in Basic Allowances. Potentially there could also be an increase in transport and training costs. If approved this would be included within the revenue budget from 2023/24.

### **7.2. Legal implications**

If approved by the Commission, the electoral arrangements for Rushcliffe will be laid by draft order before Parliament in Summer 2022. If made, the order will come into force in 2023. Until such date, the existing ward boundaries and councillor numbers will continue in their current format.

### **7.3. Equalities implications**

Adequate representation of the electorate is one of the primary drivers behind this review. The Council is satisfied that an increase of two councillors will address the anticipated growth in the Borough ensuring that electors are represented fairly and equitably.

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

There are no Section 17 implications to this report.

## **8. Link to Corporate Priorities**

Quality of Life	Fair, equitable, and responsive democratic representation is a key element of quality of life for our residents.
Efficient Services	By ensuring that each councillor represents an fairly equal number of electors, each councillor will have the best opportunity to deliver efficient and effective representation for their ward.
Sustainable Growth	Whilst the borough is expanding it is important to maintain fair, equitable, and responsive democratic representation
The Environment	

## 9. Recommendation

It is RECOMMENDED that Council:

- a) endorses the Review of Council Size which proposes an increase in the number of councillors for Rushcliffe Borough Council to 46 councillors; and
- b) requests that the Chief Executive make arrangements for the Review to be sent to the Commission completing the first part of the review process.

<b>For more information contact:</b>	Charlotte Caven-Atack Service Manager – Finance and Corporate Services 0115 914 8278 <a href="mailto:ccaven-attack@rushcliffe.gov.uk">ccaven-attack@rushcliffe.gov.uk</a>
<b>Background papers available for Inspection:</b>	
<b>List of appendices:</b>	Appendix One – Review of Council Size submission document

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# Council Size Submission

Rushcliffe Borough Council – March 2021

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## How to Make a Submission

1. It is recommended that submissions on council size follow the format provided below. Submissions should focus on the future needs of the council and not simply describe the current arrangements. Submissions should also demonstrate that alternative council sizes have been considered in drawing up the proposal and why you have discounted them.
2. The template allows respondents to enter comments directly under each heading. It is not recommended that responses be unduly long; as a guide, it is anticipated that a 15 to 20-page document using this template should suffice. Individual section length may vary depending on the issues to be explained. Where internal documents are referred to URLs should be provided, rather than the document itself. It is also recommended that a table is included that highlights the key paragraphs for the Commission's attention.

## About You

3. The respondent should use this space to provide the Commission with a little detail about who is making the submission, whether it is the full Council, Officers on behalf of the Council, a political party or group, or an individual.

This draft Council Size Submission has been drawn up by Rushcliffe Borough Council with cross party consultation via the Group Leaders, and will be presented at the Council meeting on 4 March 2021 for approval.

## Reason for Review (Request Reviews Only)

4. Please explain the authority's reasons for requesting this electoral review; it is useful for the Commission to have context. *NB/ If the Commission has identified the authority for review under one of its published criteria, then you are not required to answer this question.*

This Review has been triggered by perceived electoral inequalities highlighted by the Local Government Boundary Commission for England and was not requested by the Council. However, the Council has welcomed the opportunity to review its local arrangements in light of the substantial population growth the Borough is expecting over the coming years, to meet the requirements of its Local Plan housing allocation numbers, and ensure it continues to represent its residents fairly and equitably.

## Local Authority Profile

5. Please provide a short description of the authority and its setting. This should set the scene for the Commission and give it a greater understanding of any current issues. The description may cover all, or some of the following:
  - Brief outline of area - are there any notable geographic constraints for example that may affect the review?
  - Rural or urban - what are the characteristics of the authority?
  - Demographic pressures - such as distinctive age profiles, migrant or transient populations, is there any large growth anticipated?

- Are there any other constraints, challenges, issues or changes ahead?

Rushcliffe Borough Council is a non-metropolitan district council operating as part of a 2-tier administrative structure, with Nottinghamshire County Council responsible for social services, education and highways.

Rushcliffe is located in the East Midlands region and is situated immediately to the south of the city of Nottingham. It covers an area of approximately 400 square kilometres. The Borough is also in close proximity to Loughborough to the south and Newark on Trent to the north east. Although a large proportion of the Borough's residents work in these larger towns and Nottingham, the Borough is also home to a number of established employers, including the British Geological Survey, British Gypsum and Experian. East Midlands Airport lies just outside the borough boundary in neighbouring North West Leicestershire. A small part of the HS2 line will pass through the Borough near to the Ratcliffe on Soar power station, itself scheduled for decommissioning in 2025.

Rushcliffe has a population of around 119,200 people<sup>1</sup>. Currently, 20.6% are aged 0-17, (compared to 21.4% nationally), 58.2% aged 18-64 (compared to 60.2% nationally) and 21.1% aged 65+ (compared to 18.4% nationally). The 2018 based population projections<sup>2</sup> indicate a rise of 20.6% in Rushcliffe's population over the 25 years from 2018 to 2043.

According to the 2019 Index of Multiple Deprivation (IMD), Rushcliffe is one of the least deprived local authority areas in England. Based on the overall IMD score, Rushcliffe is ranked as the fourth least deprived in the country<sup>3</sup>. There are, however, pockets of relative deprivation within the Borough.

Economic activity rates compare favourably to the East Midlands and national averages. In October 2018, 84.1% of residents aged 16-64 were economically active in Rushcliffe, compared to 79.4% for the East Midlands and 78.9% for Great Britain.

Around one third of the Borough's population live in West Bridgford which is a large suburb of the Nottingham conurbation area. The remainder of the Borough is largely rural<sup>4</sup>, with the population divided between six larger rural settlements of Bingham, Cotgrave, East Leake, Keyworth,

<sup>1</sup> Mid year estimate 2019 (ONS)

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland>

<sup>2</sup> 2018 based subnational population projections (ONS)

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/localauthoritiesinenglandtable2>

<sup>3</sup> <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>

<sup>4</sup> [The Rural and Urban Area Classification \(2011\) classifies Rushcliffe as "largely rural \(rural including hub towns 50-79%\)"](#)

Radcliffe on Trent and Ruddington (which range in population from around 6,800 to 10,200) and a number of smaller rural settlements. A large part of the Borough (around 40%) falls within the Nottingham / Derby Green Belt that encircles Greater Nottingham.

The Council's Local Plan sets out that the Borough will deliver 13,150 additional homes between 2011 and 2028 (this equates to a 27% increase in the number of homes in the Borough from the 2011 base). To date around 4,000 of these have been built. It is estimated that a further 6,360 homes will be built over the next five years. The new houses will be spread across the Borough; however, the majority are planned for the area adjacent to the main built-up area of West Bridgford on several large strategic sites (Fairham Pastures, Land east of Gamston/north of Tollerton and Melton Road, Edwalton), on a large extension to the north of Bingham, on a former RAF base at Newton, and on a number of other allocated sites adjacent to some of our key villages.

Rushcliffe currently has 44 borough councillors across 25 wards, comprising 11 single councillor wards, nine wards with two councillors, and five wards with three councillors. All councillors are elected for a four-year term. The main centre of population is the urban area of West Bridgford with the remaining area of the Borough being 59 parishes, 41 of which elect parish councillors.

The Borough electorate as at 1 December 2020 is 90,558. This has grown 5.1% since 2010 (86,169 electors).

The Borough has a high level of electoral turnout as follows:

2016 – PCC Elections 27.47%; EU Referendum 81.56% (national turnout 72.2%)

2017 – County Council 43.03%; Parliamentary 77.16% (national turnout 68.8%)

2019 – Borough Council 42.36%; European 44.95% (national turnout 51%); Parliamentary 78.85% (national turnout 67.3%).

A Periodic Electoral Review of the Borough was undertaken by the Local Government Commission for England in 1999/2000. This review reduced the number of councillors from 54 to 50 across 28 wards. A further review was undertaken in 2012 by the Local Government Boundary Commission for England. This review reduced the number of borough councillors further to 44 over 25 wards. In both of its previous electoral reviews, Rushcliffe has seen its councillor numbers reduced despite growth in population and electorate within the Borough.

## The Context for your proposal

Your submission gives you the opportunity to examine how you wish to organise and run the council for the next 15 years. The Commission expects you to challenge your current arrangements and determine the most appropriate arrangements going forward. In providing context for your submission below, please demonstrate that you have considered the following issues.

- When did your Council last change/reorganise its internal governance arrangements and what impact on effectiveness did that activity have?
- To what extent has transference of strategic and/or service functions impacted on the effectiveness of service delivery and the ability of the Council to focus on its remaining functions?
- Have any governance or capacity issues been raised by any Inspectorate or similar?
- What impact on the Council's effectiveness will your council size proposal have?

## Current size and effectiveness

Following a Local Government Boundary Commission for England (LGBCE) Review in 2012, Rushcliffe Borough Council has 44 councillors across 15 wards serving an electorate of 90,558.

A councillor workload survey for this Review demonstrates that 89% of councillors responding thought that Rushcliffe had the right number of councillors at the moment to effectively self-govern. A similar proportion of those responding to the survey reported that they felt their workload was about right.

The Borough surveys residents every three years to ensure the Council is meeting their needs. The last residents' survey was conducted in 2018 and highlighted that 63% of residents responding were happy with the way the Borough Council is run (compared to 61% nationally). Additionally, 50% believed the Council provided good value for money (compared to 45% nationally). Overall, satisfaction with specific services such as bin collections, events and street cleansing was very high.

The Council is high-performing with a stable financial position. In 2019, the Council reported, during its annual budget setting process, that it was financially self-sufficient and no longer reliant on the central government award of the revenue support grant (which is being removed). The Council has done this through a series of measures designed to capitalise on its assets (making its money work harder), operate in a more business-like fashion (setting up a grounds maintenance company to deliver council services where more can be done outside of the parameters of a local authority), and investing in the borough (building or buying property when others were closely safeguarding what they currently had). In recent years, the Borough has won the MJ Management Team of the Year award 2016, the LGC Entrepreneurial Council of the Year award in 2018, the

MJ Commercial Council of the Year award in 2018 and been shortlisted for the MJ Council of the Year award in 2019. Whilst proud of its achievements, the Council is not complacent, opening its doors to an LGA corporate peer challenge, an LGA planning peer challenge, a CFGS scrutiny review and an LGA communications health check over the last five years.

Rushcliffe believes in continuous improvement and its approach to governance is no different. Rushcliffe has responded to the reduction in overall councillor numbers at the last review by reducing the number of committee seats available and the number of outside bodies the Council is represented on to ensure that councillors are not overstretched in dealing with Council business and can still dedicate much of their available time to their community leadership role.

As part of this Review, the Council has considered the effect of a potential increase or decrease in councillor numbers on its ability to self-govern and can see no evidence to suggest either move is necessary. However, how the Council is run is only one factor under consideration when deciding whether the Council has sufficient councillors to represent the community and make decisions on behalf of the electorate. The Borough is expecting 18% growth in the electorate between 2020 and 2027. Meeting the Government target of 13,150 new homes in the Borough over the life of the current local plan is challenging, both to deliver but also in terms of managing local concerns and expectations. Ward councillors in areas that have already seen a large proportion of growth report a significant difference in the number and complexity of issues raised by new residents in emerging developments than from those in established residential areas. This is in addition to the increased demand on local councillors from existing residents whilst the new development is under construction. It is primarily for this reason that this submission is recommending an increase of 2 councillors from 44 to 46 for Rushcliffe Borough Council. This review document presents evidence to support this recommendation.

### **Comparison against neighbouring authorities**

As part of the evidence gathering to inform this submission, the Council has compiled a list of neighbouring authorities highlighting their electoral ratio and how this compares to the electoral ratio in the borough of Rushcliffe. This evidence can be found at appendix one. In summary, within Nottinghamshire, Bassetlaw District Council has the lowest number of electors per councillor with 1,836 electors per councillor (48 councillors for an electorate of 88,146) and Ashfield District Council has the highest number of electors per councillor with 2,686 electors per councillor (35 councillors for 94,024 electors). Out of the seven councils in this group, Rushcliffe is ranked 3rd when ordered on electoral ratio from lowest to highest. In terms of numbers of councillors, Ashfield District Council has the lowest number of councillors at 35, with Bassetlaw District Council having the highest at 48. Taking this evidence into account, it is not felt that Rushcliffe residents are significantly over or under represented by their councillors at the present time.

### **Comparison against similar authorities**

As well as comparing the electoral ratios in neighbouring authorities as part of the evidence gathering for this review, work was also undertaken to establish the electoral ratios in a list of similar authorities to Rushcliffe (roughly based on a previous CIPFA grouping). This evidence can be found

at appendix two. In summary, Ribble Valley Borough Council has the lowest number of electors per councillor with 1,201 electors per councillor (40 councillors for an electorate of 46,792) and Stafford Borough Council has the highest number of electors per councillor with 2,600 electors per councillor (40 councillors for 104,000 electors); closely followed by Hinckley and Bosworth Borough Council at 2,594 electors per councillor (34 councillors for 88,196 electors). Out of the 15 councils in this group, Rushcliffe is ranked 7th when ordered on electoral ratio from lowest to highest again falling in the middle of this grouping. In terms of numbers of councillors, Maldon District Council has the lowest number of councillors at 31 with Stroud District Council having the highest at 51. This evidence supports the view that Rushcliffe has the appropriate number of councillors for its current electorate.

**Electoral Ratios at the Ward Level**

This review has been triggered by the Local Government Boundary Commission for England as a result of the number of electors represented by councillors in one or more of Rushcliffe’s wards varying by more than 10% from the average for the Borough. In fact, data analysed for this review shows that a variance of + or – 10% from the Borough average occurs in five different wards:

+10%	-10%
East Bridgford (+13.2%)	Sutton Bonington (-29.1%)
Leake (+12.4%)	Musters (-13.6%)
	Bingham West (-10.4%)

The average number of electors per councillor within Rushcliffe is 2,058. As demonstrated above, through comparison with other local authorities, this figure overall is not dissimilar to others. However, the electoral inequality can be more clearly seen at ward level. A full list of the electoral variances by ward can be found at appendix three.

The highest electoral ratio per councillor occurs in the East Bridgford ward at 2,330 electors per councillor (a variance of +13.2%), whilst the lowest electoral ratio per councillor can be seen in Sutton Bonington at 1,459 electors per councillor (a variance of -29.1%). These current variances can be explained as follows:

East Bridgford (variance +13.2%) currently has too many electors per councillor compared to the borough average (2,330 compared to 2,058). This is as a result of growth in the ward (over 380 new electors) that was not predicted at the time of the last electoral review. Further growth of around 700 new homes in this area is expected before 2027.

Leake (variance +12.4%) currently has too many electors per councillor compared to the borough average (2,314 compared to 2,058). This is a result of unplanned growth in the area since the last review in 2016 – 1,250 new electors with a further 550 new homes expected by 2027 (for information, Leake ward is outside the greenbelt and, as a consequence, this ward has been particularly affected by unplanned development, often permitted on appeal).



Bingham West (variance -10.4%) currently has too few electors per councillor compared to the borough average (1,843 compared to 2,058). Growth in this ward has been fairly static in the last six years resulting in an increased variance as it has not kept pace with growth in other areas of the Borough. However, an additional 800 new homes are due to be built in this ward by 2027 which brings it back within 10% of the average number of electors per councillor without any additional action being taken.

Musters (variance -13.6%) currently has too few electors per councillor compared to the borough average (1,777 compared to 2,058). This variance is primarily due to the changes in the way in which electors register to vote under Individual Electoral Registration (IER) in comparison to the previous methodology. This ward has a large student population and the Council now has limited powers to register students; many remain registered at their family home or simply do not register to vote. As a built-up urban suburb there is limited scope in this ward for growth which would counter the electoral variance in this area.

Sutton Bonington (variance -29.1%) currently has too few electors per councillor compared to the borough average (1,459 compared to 2,058). This ward suffers even more than the Musters ward as a result of a large student population. Less than 100 new homes are expected to be built in this ward by 2027 and the variance is unlikely to resolve itself.

The councillor workload survey conducted as part of this review, highlighted that the majority of councillors responding to the survey estimated that between 20-40% of their time was spent on community leadership activities including representing their residents, resolving issues on their behalf, and attending community events. This equates to a third of their time spent on 'being a councillor' and clearly indicates how importantly Rushcliffe's councillors take their community leadership role.

### **Growth within Rushcliffe and the impact on electoral equality**

Rushcliffe is anticipating electorate growth of 18% in the next seven years – the equivalent of 19,829 additional electors across the Borough. This would take the number of electors per councillor to an average of 2,509 (an increase of 451 per councillor). This, in itself, is not considered to be problematic as these figures remain similar to other authorities.

There is, however, no getting away from the fact that housing growth between now and 2027 is not uniform across the Borough and that whilst some areas of current electoral inequality will be naturally remedied, variance in other areas increases dramatically. If the predicted electoral growth by 2027 is considered at ward level, significant variances can be seen:

+10%	-10%
Gotham (+66.7%)	Sutton Bonington (-32.8%)
East Bridgford (+47.2%)	Musters (-25.6%)
Tollerton (+41.8%)	Lady Bay (-19.3%)

Edwalton (+21.4%)	Gamston North (-18.8%)
Radcliffe-On-Trent (+13.4%)	Gamston South (-17.6%)
	Cramner (-14.9%)
	Lutterell (-11.6%)

The Council considers that two additional councillors are required to enable greater electoral equality to be achieved across the Borough by 2027 and, in particular, to ensure adequate representation in two areas of considerable growth – Gotham and Tollerton. By 2027, it is expected that there will be 4,148 electors in the Gotham ward – this is comparable to Compton Acres where there are currently 4,242 electors and two councillors; as well as Lady Bay (3,913 electors and two councillors), Abbey (4,252 electors and 2 councillors), and Lutterell (4,292 electors and two councillors). This is expected to rise again in the years following 2027 to around 8,946 by 2034. In addition, by 2027, there will be 3,557 electors in the Tollerton ward – this is comparable to Musters where there are currently 3,553 electors and 2 councillors; as well as Bingham East (3,867 electors and two councillors), and Bingham West (3,687 electors and two councillors). This is expected to rise again in the years following 2027 to around 9,254 by 2034. Given the growth anticipated across the Borough and, in particular, in Gotham and Tollerton, an increase of two councillors for the Borough is not considered to be unreasonable.

It is clear to councillors at Rushcliffe that adjustments to boundaries will have to be made at stage two of the Review process. A full explanation of the changes within the Borough leading to the variances outlined in the table above are presented at appendix four.

### Views of councillors regarding their workload

It is recognised that conducting council business only forms part of the councillor role. Therefore, a survey of all councillors was conducted to inform this submission and provide a more complete picture. The survey was conducted electronically in October 2020. 27 of the 44 councillors responded to the survey providing a response rate of 61%. A full copy of the results is provided at appendix five. In summary:

- Councillors were asked whether they felt the number of councillors representing their ward was correct. Of those responding to the survey 19 felt that the correct number of councillors represented their ward and 6 did not.
- Councillors were asked whether they felt that the number of councillors Rushcliffe had was too many, about right or too few. 4% (one councillor) of councillors felt that the Council had too many councillors, 89% of councillors felt that the number was about right, whilst 7% (two councillors) felt that the Council had too few councillors.
- Councillors were also asked about their views on their councillor workload and whether it was too big, about right, or too small. 89% of councillors felt that their current workload was about right; 7% (two councillors) felt that it was too big and 4% (one councillor) felt that they could manage a larger workload.

## **Impact of increasing or decreasing councillor numbers on committee positions and as a consequence the ability of the council to self-govern**

The 2012 LGBCE Electoral Review reduced the number of councillors at Rushcliffe from 50 to 44 to address electoral inequality in nine wards. As a result of this change, and to ensure councillors can be effective in their roles, a number of internal changes to the way Rushcliffe is governed have been made. These changes streamline the work that councillors do as part of the Council allowing them to focus more on community leadership, as well as ensuring councillors find their roles stimulating and satisfying.

These changes include:

- A review of planning which resulted in changes to the planning committee, reducing the number of seats on the planning committee by four, and introducing new speaking rights for councillors not on the committee.
- A review of scrutiny, reducing the number of seats available on scrutiny groups by two, refocusing the terms of reference for each scrutiny group, and changing the way the work programmes are created to allow groups to be more focused and responsive to community needs.
- Removing duplication in licensing by removing the need for a separate alcohol and entertainments licensing committee, instead sending all business to one over-arching licensing committee – a reduction in five seats.
- A reduction in the number of outside bodies councillors are nominated to each year from 63 to 25 seats.

The Council believes it has acted to match workload and resources to the governance of the Council. This is supported by the evidence provided in the councillors' workload survey undertaken as part of this review and summarised above.

### **Consultation and discussion regarding proposals**

Between September and December 2020, Rushcliffe Borough Council reviewed its council size, namely how many councillors it needed to effectively carry out the business of the Council. This review has been prompted by a current electoral variance of more than 10% from the borough average in five of the Borough's 25 wards, and it is expected that 12 wards will hold a variance of more than 10% from the borough average in 2027 if changes are not made to address these variances. The average number of electors represented by each borough councillor will be 2,558 in 2027 if the number of councillors remains at 44, and drops to 2,400 if two additional councillors are elected. It is considered that electoral equality is essential in a democracy and as far as possible each representative elected for an area should represent the same number of voters, meaning that each vote is equal. There is also an optimal number of voters represented by a single councillor; this differs at each level of government.

During this review, the Council has considered:

- Strategic leadership including how the Council is governed currently and whether any change is expected in this area that would require the Council to alter its governance model; the make-up of the Council and its Cabinet including the portfolios held by members of the Cabinet; and how decisions are made and the Council's scheme of delegation.
- Accountability including the construction, operation and effectiveness of internal scrutiny, the Council's statutory committees and the Council's partnership arrangements.
- Community involvement including how councillors engage with the people they represent and deal with casework.

Councillors have been consulted electronically about their workload and invited to submit their views about the number of councillors the Council has by email. A short presentation was given to the Cabinet and all Group Leaders presenting the initial findings of the review and seeking views on the effect of increasing and decreasing the number of councillors the Council has on its ability to self-govern effectively. This full review document was debated at Cabinet in February 2021 and at Council in March 2021.

## Council Size

6. The Commission believes that councillors have three broad aspects to their role. These are categorised as: Strategic Leadership, Accountability (Scrutiny, Regulation and Partnerships), and Community Leadership. Submissions should address each of these in turn and provide supporting evidence. Prompts in the boxes below should help shape responses.

## Strategic Leadership

7. Respondents should provide the Commission with details as to how elected members will provide strategic leadership for the authority. Responses should also indicate how many members will be required for this role and why this is justified.

Topic	
<b>Governance Model</b>	<div data-bbox="398 1166 573 1241">Key lines of explanation</div> <div data-bbox="595 1054 2094 1343"> <ul style="list-style-type: none"> <li>➤ <i>What governance model will your authority operate? e.g. Committee System, Executive or other?</i></li> <li>➤ <i>The Cabinet model, for example, usually requires 6 to 10 members. How many members will you require?</i></li> <li>➤ <i>If the authority runs a Committee system, we want to understand why the number and size of the committees you propose represents the most appropriate for the authority.</i></li> <li>➤ <i>By what process does the council aim to formulate strategic and operational policies? How will members in executive, executive support and/or scrutiny positions be involved? What particular demands will this make of them?</i></li> </ul> </div>

		<p>➤ <i>Whichever governance model you currently operate, a simple assertion that you want to keep the current structure does not in itself, provide an explanation of why that structure best meets the needs of the council and your communities.</i></p>
	Analysis	<p>The council currently has 44 councillors, elected every four years. The Council's previous review of council size was undertaken in 2011-2013 and came into effect at the May 2015 election. In this review, the number of councillors was reduced from 50 to 44. The Council has not significantly changed in the last five years in terms of demographics or the way it is governed, and it is for these reasons that the Council is recommending the number of councillors remains appropriate to provide strong strategic leadership and accountability.</p> <p>All councillors are members of full council which is responsible for appointing the Leader, the committees of the Council (excluding cabinet), and for setting its budget and policy framework on the recommendation of the Cabinet.</p> <p>The Council has five scheduled meetings per year including Annual Council (though 2019/20 had an additional meeting) and these are generally well attended by councillors.</p> <p>An analysis of the meetings of Council covering the period May 2018 to April 2020 shows that the average length of a council meeting is one hour 38 minutes, with the longest one lasting just under three hours. Each meeting considered between 1 and 8 substantive reports. Outside of the Annual Council meeting, at which motions are not encouraged, most, but not all, meetings contain at least one motion; there is also the ability to present amended motions which can substantially increase the time and complexity of the debate. At Council, there is the opportunity for councillors to ask questions, and a follow-up supplementary question – these number between one per meeting and eight per meeting in the time frame analysed. Additionally, the Council also permits citizens' questions at Council – these are infrequent and rarely number more than two in a single meeting – and petitions may be presented.</p> <p>The councillor workload survey conducted as part of this review, highlighted that the majority of councillors responding to the survey estimated that between 20-40% of their time was spent preparing for, or attending, official Council meetings. This equates to a third of their time spent on 'being a councillor'.</p> <p>The Council operates a leader and cabinet model. The Cabinet comprises the Leader, who is elected by the Council for a term of four years, following the local elections, and five other councillors, appointed by</p>

	<p>the Leader. The constitution provides for the Cabinet to consist of up to 10 councillors (including the Leader and Deputy Leader). From May 2011, the Council has operated the 'Strong Leader Model' in line with the requirements of the Local Government and Public Involvement in Health Act 2007 and to ensure more efficiency and accountability in decision-making.</p> <p>All Cabinet decisions are taken collectively in Cabinet meetings which occur monthly. Between May 2018 and April 2020, the Cabinet met 16 times (meetings may be cancelled if there are no items to consider). The average length of a Cabinet meeting is 25 minutes (with the longest meeting in this time frame taking 35 minutes). Meetings of the Cabinet generally consider between two and five substantive reports. There is also the opportunity for citizens to ask questions (there were six questions asked in this time frame) and for opposition leaders to ask questions at Cabinet (there have been nine in this time frame).</p> <p>Individual members of the Cabinet have an allocated portfolio (see below) and each Portfolio Holder has regular briefing meetings with the most appropriate Executive Manager. The Leader and Chief Executive meet on a weekly basis.</p> <p>At this time, the Council is not aware of any further major change in legislation that would give the Cabinet greater or fewer responsibilities and would justify the need for a review in the size of the Cabinet. Given the experience of running a cabinet of six members, it is felt that this number and the division of portfolio responsibilities enables effective and convenient leadership of the authority.</p> <p>The Cabinet can also commission working groups to undertake specific task and finish work when necessary. These groups usually comprise nine members, chaired by a cabinet member and their composition is politically representative. It is important to recognise that the number, frequency and purpose of cabinet-led working groups are determined by Cabinet. As such, the number of councillors required to deliver these groups is clearly within the control of Cabinet.</p> <p>An analysis of the working groups commissioned by cabinet covering the period May 2018 to April 2020 shows that only one group was commissioned by Cabinet in this time – it has met six times.</p> <p>All councillors are provided with the Forward Plan which details the proposed decisions to be taken by the Cabinet and Council. This is circulated to all councillors each month and published on the Council's website.</p>
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Following each meeting of Cabinet, details of the decisions taken are circulated to all councillors the following day and published on the Council's website. Key decisions of the Cabinet come into effect seven working days (not including the day of the meeting) after the meeting, unless five councillors give notice in writing to the Chief Executive requesting a 'call-in'. If no notice requesting a call-in is received within the seven working day period, the decision will come into effect. No call-ins have been received in the past two years.

Membership on all other council committees and groups (outside of Council and Cabinet) is determined once a year at Annual Council. In advance of the meeting, nominations are sought from political groups based on the number of seats awarded to each political group following the last borough council election. These nominations are then approved at Annual Council and any competition for seats voted upon. An annual schedule of meetings is also approved at the same meeting so that councillors are aware of the commitments placed on their time at the beginning of the year.

Most public meetings of the Council are held in the evening, at 7pm, as it is recognised that daytime meetings can limit the availability of councillors and the active participation of residents. Exceptions to this include the Planning Committee, which starts at 6.30pm to accommodate longer agendas and more complex discussions than other meetings (this decision was based upon investigation and analysis as part of an LGA Planning Review in 2018). On occasion, meetings of member groups or panels such as the Civic Hospitality Panel take place at alternative times in consultation with members.

At the present time, due to Covid-19, all council meetings are taking place virtually to ensure the safety of councillors, officers and members of the public who would like to attend the meeting. This was a significant change for all involved as, prior to March 2020, the Council did not even webcast its meetings except on rare occasions eg the adoption of the Local Plan (though audio recordings were being published). Meetings are held via Zoom or MS Teams and live streamed to YouTube. Over the summer period, the Council invested significantly in static video cameras for the council chamber and hopes to begin holding hybrid meetings at some point during 2021 as the Covid-19 situation improves. This will enable councillors to join the meeting in person, in the council chamber, or to dial in via MS Teams and be present in the meeting virtually. Whether present in the building or attending remotely, councillors will be able to fully participate in the debate and decision-making process, and the whole meeting will be live streamed to YouTube.



	<p>The number and proportionality of committee places per political party is calculated following a borough council election (and reviewed if needed, such as following a by-election for example). This exercise was last undertaken in May 2019.</p> <p>Currently, Rushcliffe has 44 councillors. If you remove seats on cabinet and those prescribed in the constitution as being held by a member of cabinet (usually the Leader), as well as the chairman of the Civic Hospitality Panel, a position taken up by the Mayor regardless of political party, then 116 seats are available on committees for non-executive councillors (May 2019 data). This results in an average of three committee positions per non-executive councillor (an increase on 2.44 committee positions for each non-executive councillor at the time of the last review).</p> <p>As part of this review, an increase or decrease in the number of councillors Rushcliffe has was taken into account in terms of the allocation of committee positions. It can be seen that varying the number of councillors by two or four in either direction has very little effect on the number of seats available per councillor.</p> <ul style="list-style-type: none"> <li>• Increase by two councillors to 46 (39 non-executive / mayoral positions) = 2.9 committee positions per councillor</li> <li>• Increase by four councillors to 48 (41 non-executive / mayoral positions) = 2.8 committee positions per councillor</li> <li>• Decrease by two councillors to 42 (35 non-executive / mayoral positions) = 3 committee positions per councillor (same as current model)</li> <li>• Decrease by four councillors to 40 (33 non-executive / mayoral positions) = 3.5 committee positions per councillor</li> </ul> <p>Therefore, the Council feels that increasing or decreasing the number of councillors it has will have very little effect, positive or negative, on the workload of councillors attributed to preparing for and attending committee meetings. Since the last review, in order to create additional capacity and make the most effective use of councillor time, the Council has made changes to the number and size of its committees and this is now felt to be reflective of the councillor resource available. The Council's effectiveness in terms of governance is not affected by either retaining 44 councillors or increasing that number to 46 as is being</p>
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		recommended; however, the benefits of increasing the number of councillors by two would be felt in terms of community leadership and representation as explained elsewhere in this submission.
<b>Portfolios</b>	Key lines of explanation	<p>➤ <i>How many portfolios will there be?</i></p> <p>➤ <i>What will the role of a portfolio holder be?</i></p> <p>➤ <i>Will this be a full-time position?</i></p> <p>➤ <i>Will decisions be delegated to portfolio holders? Or will the executive/mayor take decisions?</i></p>
	Analysis	<p>The current number and remit of portfolio holders was last reviewed in 2019. There are six portfolios each held by a member of Cabinet. They are as follows:</p> <ul style="list-style-type: none"> <li>• Strategic and Borough Wide Leadership</li> <li>• Community and The Environment</li> <li>• Finance</li> <li>• Business and Economic Growth</li> <li>• Housing and Planning</li> <li>• Neighbourhoods</li> </ul> <p>The constitution contains an outline of what each of these roles covers and what individual portfolio holders are responsible for. The Leader of the Council interviews and appoints his Cabinet members and each of these is allocated a portfolio. The exact nature of the portfolios and what they consist of is kept under review to ensure alignment with Council structures. The number of portfolios is considered appropriate at this time.</p> <p>Executive powers have not been granted to individual members of the Cabinet, with the exception of the Portfolio Holder for Resources who has been given delegated authority to approve capital grants in accordance with the approved policy.</p> <p>The constitution also contains a full scheme of delegation laying out in detail who is responsible for which decisions the Council takes. The Council publishes details of all decisions delegated to senior managers and taken in line with the Council's constitution on its website in line with The Openness of Local Government Bodies Regulations 2014. These can be viewed: <a href="#">Delegated Decisions - Rushcliffe Borough Council</a>.</p>

<b>Delegated Responsibilities</b>	<i>Key lines of explanation</i>	<ul style="list-style-type: none"> <li>➤ <i>What responsibilities will be delegated to officers or committees?</i></li> <li>➤ <i>How many councillors will be involved in taking major decisions?</i></li> </ul>
	Analysis	<p>Delegations to Portfolio Holders and senior managers are discussed above.</p> <p>The Council has a well-developed and comprehensive Scheme of Delegation to officers which sets out where the responsibility and extent of delegation lies. This Scheme of Delegation was last reviewed in July 2019 as part of the overall annual review of the constitution. The Council feels that the scheme accurately reflects the way the Council delivers its services and its management structure. The Council's monitoring officer has delegated authority to revise the scheme of delegation to comply with legislation when needed. The constitution contains delegation to the Chief Executive in consultation with the Leader to take decisions on an urgent basis. These provisions were used to respond to the Covid-19 pandemic in early 2020. These urgent decisions were later reported to Cabinet for transparency and understanding.</p>

## Accountability

8. Give the Commission details as to how the authority and its decision makers and partners will be held to account. The Commission is interested in both the internal and external dimensions of this role.

Topic	
<b>Internal Scrutiny</b>	The scrutiny function of authorities has changed considerably. Some use theme or task-and-finish groups, for example, and others have a committee system. Scrutiny arrangements may also be affected by the officer support available.
<i>Key lines of explanation</i>	<ul style="list-style-type: none"> <li>➤ <i>How will decision makers be held to account?</i></li> <li>➤ <i>How many committees will be required? And what will their functions be?</i></li> <li>➤ <i>How many task and finish groups will there be? And what will their functions be? What time commitment will be involved for members? And how often will meetings take place?</i></li> <li>➤ <i>How many members will be required to fulfil these positions?</i></li> <li>➤ <i>Explain why you have increased, decreased, or not changed the number of scrutiny committees in the authority.</i></li> <li>➤ <i>Explain the reasoning behind the number of members per committee in terms of adding value.</i></li> </ul>
Analysis	<p>The Council currently has 44 councillors; six of these form the Council's cabinet and are exempt from serving on the Council's scrutiny groups; it is also generally accepted that the Mayor does not serve on a scrutiny group. Therefore, 37 councillors are available to sit on scrutiny groups. All scrutiny groups are politically balanced to comply with proportionality and are appointed at Annual Council on the basis of nominations received from political groups prior to the meeting.</p> <p>Following a review of scrutiny in 2018-19, the Council now has an overarching corporate overview group (comprised of seven positions), and three themed scrutiny groups (comprised of nine members each). Therefore, 34 seats on scrutiny groups exist. The Council does not feel that an increase of councillors is needed to enable it to fulfil its scrutiny requirements. In addition, a reduction of councillors would put added pressure on all non-executive councillors who have to attend both scrutiny and regulatory duties.</p> <p>Prior to the review of scrutiny in 2018-19 (which altered the structure, focus and names of our scrutiny groups as well as reducing the overall number of seats by two), the Council had four scrutiny groups of nine councillors each. Three scrutiny groups met four times a year, but the Corporate Governance group had two additional meetings to cover a broader remit. The average meeting lasted one hour and 43 minutes, attendance was generally high with most meetings having all nine members (or their substitutes).</p>

From May 2019 to April 2020, the Council's scrutiny structure was slightly different. There are still four scrutiny groups, but the Corporate Overview group manages the workload for the other three groups. The Corporate Overview group has an independent chairman, and the rest of its membership consists of the individual chairmen and vice chairmen of the other three scrutiny groups. During 2019/20, the Corporate Overview group met four times for a total of six hours and 36 minutes (one hour and 39 minutes per meeting on average) and considered 21 items. The governance scrutiny group met four times for a total of four hours and 42 minutes (one hour and 11 minutes per meeting on average) and considered 20 items. Unfortunately, due to the beginning of the Covid19 pandemic, both the Communities scrutiny group and the Growth and Development scrutiny group had meetings postponed from the time period under analysis. As a result, both groups only met twice considering nine items each. The average length of a Communities scrutiny group meeting was one hour and 57 minutes and the average length of a Growth and Development scrutiny group meeting was slightly shorter at one hour and 54 minutes. An average scrutiny meeting during the year 2019/20 lasted one hour and forty minutes, 13 minutes less than the average scrutiny meeting the previous year. Since July 2020, all scrutiny groups have been able to meet virtually and so they will be able to meet the usual number of times each year moving forward.

The terms of reference for the four scrutiny committees are set out in the Council's constitution. There is also a job description for the role of scrutiny group chairman which is used by the Leader of the council in appointing the chairmen. This was last done after the May 2019 local elections. Members of the Governance scrutiny group must attend a number of mandatory training courses before serving on the group.

The scrutiny groups can commission member panels to undertake in-depth scrutiny of a particular service area or topic. These member panels usually consist of nine councillors and are politically balanced. Membership is drawn from all non-executive councillors. Over the period under analysis for this review, no member panels have been convened and the new scrutiny structure means that the need for such panels is expected to remain low. The corporate overview group now has the ability to programme items for the Communities, and Growth and Development scrutiny groups that enable much more in-depth investigation and discussion to take place, sometimes spanning a number of meetings. The Council has retained the ability to establish member panels for additional flexibility in terms of scrutiny but does not currently see the need to use this function of the constitution.

		The Council's constitution makes provision for the call-in of key decisions made by Cabinet. If a call-in is made, and determined to be valid, it is considered by the most appropriate scrutiny group; this meeting is usually additional to the scheduled meetings for the year. No call-ins have been received by the Council in the two-year period analysed as part of this review.
<b>Statutory Function</b>		This includes planning, licencing and any other regulatory responsibilities. Consider under each of the headings the extent to which decisions will be delegated to officers. How many members will be required to fulfil the statutory requirements of the council?
<b>Planning</b>	<i>Key lines of explanation</i>	<ul style="list-style-type: none"> <li>➤ <i>What proportion of planning applications will be determined by members?</i></li> <li>➤ <i>Has this changed in the last few years? And are further changes anticipated?</i></li> <li>➤ <i>Will there be area planning committees? Or a single council-wide committee?</i></li> <li>➤ <i>Will executive members serve on the planning committees?</i></li> <li>➤ <i>What will be the time commitment to the planning committee for members?</i></li> </ul>
	<b>Analysis</b>	<p>Membership of the Planning Committee is drawn from the 38 non-executive councillors, excluding the Mayor. The committee is politically balanced and appointed at the Annual Council meeting in May each year.</p> <p>The committee usually meets once a month to determine planning applications; it also occasionally considers tree preservation orders and appeal outcomes. The committee comprises 11 members after a reduction in the number of seats on this committee from 15 in 2017 following an LGA Planning Review. All members of the Planning Committee (and any substitutes) have to undertake compulsory training prior to sitting on the committee.</p> <p>Between May 2018 and April 2020, the Planning Committee sat 21 times and considered a total of 93 applications. The majority of meetings were attended by all 11 committee members (or their substitutes). The average meeting lasted two hours and 46 minutes and considered between two and six items.</p> <p>Significant applications (such as those for large scale developments) are scheduled for meetings organised outside of the usual monthly meetings and are considered as single item agendas. Although this adds to the number of meetings overall, it does help to keep agendas focused and meetings running smoothly.</p> <p>At the time of the previous review, development control committees (as they were then known) lasted an average of two hours. The increase in meeting length is primarily down to the introduction of public speaking</p>

		<p>(in 2017) for applicants, agents, objectors and ward councillors. The number of items considered at each meeting has dropped slightly and a larger proportion of applications are decided under delegated powers.</p> <p>The scheme of delegation to council officers means that the majority of planning applications are determined without the need for consideration by the committee. Over the last two years, 2,447 applications have been determined by the council, with only 4% of these going before the Planning Committee (down from 7% at the time of the last review).</p> <p>There is no denying the time commitment for councillors with regard to planning is considerable. This does not just apply to members of the planning committee as all councillors are consulted on every application within their ward.</p> <p>The Council feels that the membership and size of the planning committee is now commensurate with the decisions needing to be taken by the Planning Committee. Despite the anticipated growth within the Borough, the Council does not anticipate a significant growth in the business needing to be taken before the planning committee and, therefore, does not believe the committee needs to increase (or decrease) in size at this time.</p>
<b>Licensing</b>	Key lines of explanation	<ul style="list-style-type: none"> <li>➤ <i>How many licencing panels will the council have in the average year?</i></li> <li>➤ <i>And what will be the time commitment for members?</i></li> <li>➤ <i>Will there be standing licencing panels, or will they be ad-hoc?</i></li> <li>➤ <i>Will there be core members and regular attendees, or will different members serve on them?</i></li> </ul>
	Analysis	<p>The Council currently has one overarching licensing committee which is politically representative and appointed each year at Annual Council. Members of the committee have to undertake specific licensing training prior to their first meeting.</p> <p>Between May 2018 and April 2019, the Council had an Alcohol and Entertainments Licensing Committee and a Licensing Committee. The Alcohol and Entertainments Licensing Committee, which comprises of 15 members, met once to consider one item. This meeting lasted two hours and 50 minutes. In the same time frame, no meetings of the Licensing Committee were held. In May 2019, the Council took the opportunity to scale down its licensing scrutiny and only appointed to one overarching Licensing Committee at Annual Council. The Committee comprises of 15 councillors and met once in 2019/20 to consider two items.</p>

Other Regulatory Bodies	Key lines of explanation	<p>➤ What will they be, and how many members will they require?</p> <p>➤ Explain the number and membership of your Regulatory Committees with respect to greater delegation to officers.</p>
	Analysis	<p><b>Standards Committee</b></p> <p>There is a requirement under the Local Government Act 2000 for each authority to have a Standards Committee. Membership is drawn from a body of 38 non-executive councillors, excluding the Mayor. The Committee is politically balanced and is appointed at Annual Council each year. The Standards Committee comprises nine members (six councillors and three co-opted independent members) and has three meetings scheduled each year. Between May 2018 and April 2020, seven meetings of the Standards Committee were held considering a total of 19 items (between two and four items at each meeting). The average Standards Committee meetings lasts 54 minutes. The demands of this group are not considered to be material to the number of councillors Rushcliffe Borough Council has.</p> <p><b>Other Committees and Member Groups (regulatory and non-regulatory)</b></p> <p>In addition to the committees and groups detailed above, Rushcliffe has a number of other groups appointed at Annual Council. On the basis that these too have a pull on the time of councillors and contribute to the overall workload of councillors they are felt to be worth taking into account. These committees do not have set work programmes and scheduled meeting patterns. A brief appraisal of each group is provided below:</p> <ul style="list-style-type: none"> <li>• <b>Employment Appeals Committee</b> This Committee comprises of five members (including the Leader and Deputy Leader) and is appointed at Annual Council. It is politically representative. It hears and determines appeals in accordance with the Council's procedures in respect of dismissal arising from misconduct and capability only. There were no meetings of this committee between May 2018 and April 2020.</li> <li>• <b>Interviewing Committee</b> This Committee comprises of five members (including the Leader and Deputy Leader) and is appointed at Annual Council. It is politically representative. It makes recommendations for appointment to the post of Chief Executive subject to Council approving the appointment and Executive Managers. The Committee met twice between May 2018 and April 2020.</li> </ul>

		<ul style="list-style-type: none"> <li> <b>Local Development Framework Group</b>            This Group comprises of 15 members and is appointed at Annual Council. It is politically representative. This Group deals with progression of the Core Strategy and it meets as required. It is chaired by the Cabinet Member with the Portfolio for Housing and Planning and the vice chairman is also the Chairman of the Planning Committee. There were two meetings of the Group between May 2019 and April 2020. They considered five items over those two meetings each of which lasted around two hours. It is accepted that in the lead up to the publication of a new Local Plan more meetings of this Group will be required.         </li> <li> <b>Member Development Group</b>            This Group comprises nine members and is appointed at Annual Council. It is politically representative. The Group is primarily responsible for the development and delivery of the Councillor Induction Programme (every four years following local elections) and the councillors' Annual Training Plan. Both of these programmes are designed with the specific aim of ensuring that councillors have the information and skills they need to undertake their roles. Both programmes are divided between compulsory and discretionary sessions and delivered through a variety of means. It is generally accepted that the demands of the induction programme on councillors' time is high, but this is limited to the first few months after election. The forward-looking training programme also draws upon councillors' time, but officers try to limit events to two or three per month to ensure councillors have time to attend despite other commitments.         </li> <li> <b>Civic Hospitality Panel</b>            This Panel comprises of six members and is appointed at Annual Council. It is chaired by the Mayor and the Deputy Mayor is the Vice Chairman. The Leader of the Council and the Deputy Leader are also Panel members. The Panel is politically representative. The Panel meets once a year to consider the forthcoming civic arrangements for the mayoral year.         </li> <li> <b>Growth Boards</b>            The Council has a Strategic Growth Board and five subsidiary Growth Boards in our larger towns and villages. Each of these Boards is chaired by a member of Cabinet and each meets between two and four times a year depending on demand and workload. They involve both local councillors, business owners, town or parish council representatives and local schools and colleges.         </li> </ul>
<b>External Partnerships</b>		Service delivery has changed for councils over time, and many authorities now have a range of delivery partners to work with and hold to account.



Key lines of explanation	<ul style="list-style-type: none"> <li>➤ Will council members serve on decision-making partnerships, sub-regional, regional or national bodies? In doing so, are they able to take decisions/make commitments on behalf of the council?</li> <li>➤ How many councillors will be involved in this activity? And what is their expected workload? What proportion of this work is undertaken by portfolio holders?</li> <li>➤ What other external bodies will members be involved in? And what is the anticipated workload?</li> </ul>
Analysis	<p><b>Partnership Arrangements</b></p> <p>The majority of the Council's partnership arrangements are connected to economic growth and the future of the Borough. The Leader is currently the Nottinghamshire District Councils' representative on the D2N2 Local Enterprise Partnership. On this group the Leader is acting on behalf of all district councils in the county. The Leader is also the shareholder representative for the Council for the Interim Vehicle (Company Limited by Guarantee) for the proposed East Midlands Development Corporation where he is representing the interests of the Borough as one of the owners of the company and local planning authority and business rates authority for the Ratcliffe on Soar power station site which is within the Development Corporation redline. The Leader is also a member of the N2 Economic Prosperity Committee where he represents the Council.</p> <p><b>Outside Bodies</b></p> <p>At the time of the last Electoral Review in 2012, Rushcliffe appointed to 63 seats on officially recognised outside bodies. Whilst outside the remit of council meetings and community leadership, membership of an outside body is part of a councillor's role and can have a significant draw on their time. However, since that time two reviews of appointments to outside bodies have taken place. Immediately prior to the most recent review in 2018, 38 seats on outside bodies were available. In 2019 and 2020, appointments were made to 25 seats on outside bodies including eight seats on the West Bridgford Local Area Forum (one per ward in the West Bridgford urban area which does not have a parish council). The frequency with which these outside bodies meet, and the time commitment required from their members, is diverse. 50% of the available seats on outside bodies are reserved for the Leader of the Council or a member of his Cabinet; thus, the impact of this activity on the time of all councillors is minimised. The Council believes that it has already acted to match the demands placed upon councillors with the time they have available for this kind of activity and no further adjustments are necessary.</p>

## Community Involvement

9. The Commission understands that there is no single approach to community leadership and that members represent, and provide leadership to, their communities in different ways. The Commission wants to know how members are required to provide effective community leadership and what support the council offers them in this role. For example, does the authority have a defined role and performance system for its elected members? And what support networks are available within the council to help members in their duties?

Topic		Description
Community Leadership	Key lines of explanation	<ul style="list-style-type: none"> <li>➤ In general terms how do councillors carry out their representational role with electors?</li> <li>➤ Does the council have area committees and what are their powers?</li> <li>➤ How do councillors seek to engage with their constituents? Do they hold surgeries, send newsletters, hold public meetings or maintain blogs?</li> <li>➤ Are there any mechanisms in place that help councillors interact with young people, those not on the electoral register, and/or other minority groups and their representative bodies?</li> <li>➤ Are councillors expected to attend community meetings, such as parish or resident's association meetings? If so, what is their level of involvement and what roles do they play?</li> <li>➤ Explain your approach to the Area Governance structure. Is your Area Governance a decision-making forum or an advisory board? What is their relationship with locally elected members and Community bodies such as Town and Parish Councils? Looking forward how could they be improved to enhance decision-making?</li> </ul>
	Analysis	<p>For many of Rushcliffe's councillors, serving their community is the main reason they become a councillor. Councillors employ a variety of means to make themselves available to electors; the Council does not prescribe how councillors should represent their community.</p> <p>The Council's website provides a list of all councillors making it clear to all electors who their councillor is and how to contact them. The Council also publishes a Know Your Councillor poster in its residents' magazine following a borough council election. This contains a photo of the councillor, their ward and key contact details. The Council makes councillor business cards, and posters advertising ward surgeries or contact details, available on request.</p> <p>Most councillors are active in their local communities, including with the relevant parish councils; they are often stopped in the street or local shop, and many also write for their local community newsletter. Some councillors hold regular surgeries, and some are active on social media. The majority of councillors are contacted by residents via email or on the telephone. If councillors are unable to resolve the query directly then they are able</p>

to contact a link officer at the Council or key people in other agencies (the Council provides a list of key contacts within partner agencies).

Outside of West Bridgford, Rushcliffe is parished; with 59 parishes (42 elect parish councillors, 17 are parish meetings and do not hold elections). 11 borough councillors are also parish councillors and the majority of borough councillors attend meetings of parish councils in their wards even though they are not parish councillors. Seven councillors are county councillors in addition to being a borough councillor; two borough councillors serve on their local parish council and represent their division at county level.

Within West Bridgford, there are a number of very active community groups which are well attended by ward councillors serving the West Bridgford area. In the absence of a parish council for this area, councillors also provide the only link between the community and the Council – the direct demand this places on councillors in this area tends to be underestimated.

To inform this review the council undertook a councillor workload survey. The full results are at appendix five.

Councillors were asked about how they spent their time each month. 61.6% of councillors who responded to the survey spent between 0-5 hours per month meeting with residents; 2 councillors spent between 11-15 hours per month meeting with residents. 53.8% of councillors spent more than 6 hours per week communicating with residents via email or on the phone. 51.8% of councillors spent more than 6 hours per week communicating with the Council or other agencies on behalf of residents.

Councillors were also asked how their time spent on council activities was spent. The majority of councillors indicated that they spend between 20-40% of their time on community leadership activities including representing their residents, resolving issues on their behalf, and attending community events. A similar proportion of councillors reported spending between 20-40% of their time preparing for, or attending, official Council meetings.

Outside of the workload survey, councillors have fed back that there is a significant difference between being a ward councillor for an established community and that of an emerging community. This includes the management of local feeling and concern from existing residents during the planning stages of development, to very practical concerns about the development as it proceeds, and those of the new residents when they are

		<p>able to move to their new homes and need to establish new links with the Council and other local amenities, the natural place to turn for assistance is their local councillor.</p> <p>The substantial growth the Council is anticipating in some areas of the Borough is equal to the creation of entire new villages over the next 10-15 years. This will substantially impact on the local ward representative which in the two areas expecting the largest developments is just one councillor currently. It is for this reason that the council is recommending that the overall councillor numbers for Rushcliffe are increased by two at the next election.</p>
<div>page 174</div> <div>Casework</div>	Key lines of explanation	<ul style="list-style-type: none"> <li>➤ <i>How do councillors deal with their casework? Do they pass it on to council officers? Or do they take a more in-depth approach to resolving issues?</i></li> <li>➤ <i>What support do members receive?</i></li> <li>➤ <i>How has technology influenced the way in which councillors work? And interact with their electorate?</i></li> <li>➤ <i>In what ways does the council promote service users' engagement/dispute resolution with service providers and managers rather than through councillors?</i></li> </ul>
	Analysis	<p>The Council does not have a formal casework management system. As mentioned above, if councillors are unable to resolve the query directly then they are able to contact a link officer at the Council or key people in other agencies (the Council provides a list of key contacts within partner agencies).</p>

### Other Issues

10. Respondent may use this space to bring any other issues of relevance to the attention of the Commission.

The Council has been able to highlight its proposal above.

### Summary

11. In following this template respondents should have been able to provide the Commission with a robust and well-evidenced case for their proposed council size; one which gives a clear explanation as to the number of councillors required to represent the authority in the future. Use this space to summarise the proposals and indicate any other options considered. Explain why these alternatives were not appropriate in terms of their ability to deliver effective Strategic Leadership, Accountability (Scrutiny, Regulation and Partnerships), and Community Leadership.

The Council is recommending an increase of two councillors taking the overall number of councillors for Rushcliffe to 46. The Council feels that 46 councillors provides the optimal solution for Rushcliffe in terms of Strategic Leadership, Accountability (Scrutiny, Regulation and Partnerships), and, primarily, Community Leadership.

The Council is not aware of any changes in the near future that would affect the way the Council self-governs. The obvious caveat to this is Local Government Reform but there are no stable plans in the county at present and the agenda would appear to be on hold at least until the Government publishes its Devolution White Paper in 2021.

In undertaking this Review, the Council has undertaken a councillor workload survey to establish councillor opinions on council size. It has also considered the effect of increasing and decreasing the number of councillors by two and four on councillor workload and the ability of the Council to self-govern.

The Council recognises that the electorate of the Borough is expected to grow by 18% between 2020 and 2027 in line with the Council's Local Plan. This takes the average number of electors per councillor from 2,058 to 2,558 in 2027. The majority of this growth is focused in two or three areas where developments are essentially the creation of entire new villages. The Council feels that to provide effective representation and community leadership in these areas, as well as giving the Council scope to review ward boundaries to address the recognised electoral variances, two additional councillors should be elected in May 2023.

The Council accepts that five of its 25 wards are currently showing an electoral ratio which differs by more than 10% from the borough average. Electoral projections based on housing growth in the Borough have been examined. Variances of more than 10% are expected to occur in twelve of the council's wards by 2027 if boundaries are kept the same and growth occurs at the predicted rate. Further growth will occur in two key areas after 2027 until the end of the life of the current Local Plan. These are Barton-in-Fabis where there are an estimated further 1400 properties to be built between 2028-2034, this would see the electorate increase by a further predicted 2631 to 4764; and Tollerton where there is also an estimated further 1400 properties to be built between 2028-2034 seeing the electorate increase by a further predicted 2631 to 5697. Whilst we appreciate these figures cannot be taken into account during this exercise, we feel that the further increases in these two areas are worth noting at this stage. The Council suggests that changes to ward boundaries will resolve the variations between wards and actively looks forward to the next part of the Review process.

## Neighbouring Authorities – Electoral Ratio

Authority	Electorate	Number of councillors	Electoral ratio (number of electors per councillor)
Ashfield District Council	94,024	35	2686
Bassetlaw District Council	88,146	48	1836
Broxtowe Borough Council	86,509	44	1966
Gedling Borough Council	90,463	41	2206
Mansfield District Council	81,738	36	2271
Newark and Sherwood District Council	92,008	39	2359
Rushcliffe Borough Council	90,496	44	2057

Lowest number of electors per councillor – Bassetlaw with 1,836 electors per councillor (48 councillors for an electorate of 88,146)

Highest number of electors per councillor – Ashfield with 2,686 electors per councillor (35 councillors for 94,024 electors)

Ashfield has the lowest number of councillors at 35 with Bassetlaw having the highest at 48

Out of the 7 councils in this group, Rushcliffe is ranked 3rd when ordered on electoral ratio from lowest to highest

All data correct as of 9 November 2020.

## Similar Authorities – Electoral Ratio

	Electorate	Number of district / borough councillors	Electoral ratio (number of electors per councillor)
Babergh District Council	70,131	32	2191
Blaby District Council	77,262	39	1981
East Hampshire District Council	96,952	43	2294
Harborough District Council	71,249	34	2190
Hinckley and Bosworth Borough Council	88,196	34	2594
Lichfield District Council	82,905	47	1763
Maldon District Council	51,682	31	1667
Ribble Valley Borough Council	46,792	40	1201
Rushcliffe Borough Council	90,496	44	2056
Cherwell and South Northamptonshire District Council	106,254	48	2214
South Ribble Borough Council	86,659	50	1733
Stafford Borough Council	104,000	40	2600
Stroud District Council	96,445	51	1891
Test Valley Borough Council	94,399	43	2195
Wychavon District Council	101,202	45	2249

Lowest number of electors per councillor – Ribble Valley with 1,201 electors per councillor (40 councillors for an electorate of 46,792)

Highest number of electors per councillor – Stafford with 2,600 electors per councillor (40 councillors for 104,000 electors); closely followed by Hinckley and Bosworth at 2,594 electors per councillor (34 councillors per 88, 196 electors)

Maldon has the lowest number of councillors at 31 with Stroud having the highest at 51

Out of the 15 councils in this group, Rushcliffe is ranked 7th when ordered on electoral ratio from lowest to highest

All data correct as of 9 November 2020.

## Rushcliffe Borough Council – Councillors per ward / electorate per ward councillor 2020

Ward	Number of Cllrs	Electorate as at 1 December 2020	Electorate per Councillor	Variance from the Average (2,058)
Abbey	2	4252	2126	+3.3%
Bingham East	2	3867	1933	-6.0%
Bingham West	2	3687	1843	-10.4%
Bunny	1	2012	2012	-2.2%
Compton Acres	2	4242	2121	+3.1%
Cotgrave	3	6252	2084	+1.3%
Cranmer	1	2026	2026	-1.6%
Cropwell	1	2063	2063	0%
East Bridgford	1	2330	2330	+13.2%
Edwalton	2	3958	1979	-3.8%
Gamston North	1	1936	1936	-5.9%
Gamston South	1	1963	1963	-4.6%
Gotham	1	2022	2022	-1.7%
Keyworth & Wolds	3	6569	2189	+6.4%
Lady Bay	2	3913	1956	-4.9%
Leake	3	6944	2314	+12.4%
Lutterell	2	4292	2146	+4.3%
Musters	2	3553	1777	-13.6%
Neville & Langar	1	2245	2245	+9.1%
Radcliffe on Trent	3	6524	2175	+5.6%
Ruddington	3	5848	1949	-5.2%
Sutton Bonington	1	1459	1459	-29.1%
Thoroton	1	2105	2105	+2.3%
Tollerton	1	2024	2024	-1.7%
Trent Bridge	2	4472	2236	+8.6%

Highest electoral ratio per councillor – East Bridgford at +13.2% (2,330 electors per councillor)

Lowest Electoral ratio per councillor – Sutton Bonington at -29.1% (1,459 electors per councillor)

Average ratio of electors per councillor for Rushcliffe Borough Council – 2,058

There are five wards where the variance from the average is +/- 10% (the LGBCE trigger for an electoral review)

+10%	-10%
East Bridgford (+13.2%)	Sutton Bonington (-29.1%)
Leake (+12.4%)	Musters (-13.6%)
	Bingham West (-10.4%)

\*Figures correct at 1 December 2020



## Rushcliffe Borough Council – Councillors per ward / electorate per ward councillor 2027

Ward	Number of Cllrs	Predicted Electorate at 1 December 2027	Electorate per Councillor	Variance from the Average (2509)
Abbey	2	4610	2305	-8.1%
Bingham East	2	4529	2265	-9.7%
Bingham West	2	5087	2544	+1.4%
Bunny	1	2312	2312	-7.9%
Compton Acres	2	4835	2418	-3.6%
Cotgrave	3	7049	2350	-6.3%
Cranmer	1	2136	2136	-14.9%
Cropwell	1	2313	2313	-7.8%
East Bridgford	1	3693	3693	+47.2%
Edwalton	2	6091	3046	+21.4%
Gamston North	1	2037	2037	-18.8%
Gamston South	1	2067	2067	-17.6%
Gotham	1	4182	4182	+66.7%
Keyworth & Wolds	3	8088	2696	+7.5%
Lady Bay	2	4048	2024	-19.3%
Leake	3	8,142	2714	+8.2%
Lutterell	2	4,438	2219	-11.6%
Musters	2	3732	1866	-25.6%
Nevile & Langar	1	2386	2386	-4.9%
Radcliffe on Trent	3	8537	2846	+13.4%
Ruddington	3	7143	2381	-5.1%
Sutton Bonington	1	1685	1685	-32.8%
Thoroton	1	2421	2421	-3.5%
Tollerton	1	3577	3557	+41.8%
Trent Bridge	2	5249	2625	+4.6

Highest electoral ratio per councillor – Gotham at 66.7% (4,182 electors per councillor)

Lowest Electoral ratio per councillor – Sutton Bonington at -32.8% (1,685 electors per councillor)

Average ratio of electors per councillor for Rushcliffe Borough Council – 2,509

There are twelve wards where the variance from the average is +/- 10% (the LGBCE trigger for an electoral review)

+10%	-10%
Gotham (+66.7%)	Sutton Bonington (-32.8%)
East Bridgford (+47.2%)	Musters (-25.6%)
Tollerton (+41.8%)	Lady Bay (-19.3%)
Edwalton (+21.4%)	Gamston North (-18.8%)
Radcliffe-On-Trent (+13.4%)	Gamston South (-17.6%)
	Cramner (-14.9%)
	Lutterell (-11.6%)

\* Estimated figures

In the following seven wards, growth is below the Borough average leading to too few electors per councillor if ward boundaries remain the same.

### **Cramner**

Electorate only expected to grow by 110 electors between 2020 and 2027 leading to an electoral variance of 14.9%.

### **Gamston North**

Electorate only expected to grow by 101 electors between 2020 and 2027 leading to an electoral variance of 18.8%.

### **Gamston South**

Electorate only expected to grow by 131 electors between 2020 and 2027 leading to an electoral variance of 14.9%.

### **Lady Bay**

Electorate only expected to grow by 135 electors between 2020 and 2027 leading to an electoral variance of 19.3%.

### **Lutterell**

Electorate only expected to grow by 146 electors between 2020 and 2027 leading to an electoral variance of 11.6%.

### **Musters**

Electorate only expected to grow by 180 electors between 2020 and 2027 leading to an electoral variance of 25.6%.

### **Sutton Bonington**

Electorate only expected to grow by 226 electors between 2020 and 2027 leading to an electoral variance of 32.8%.

In the following five wards, growth is above the Borough average leading to too many electors per councillor if ward boundaries remain the same.

### **East Bridgford**

The East Bridgford ward (2330 electors in 2020) is expected to grow to around 3690 electors by 2027 due to the building of 680 new homes in this ward. This is expected to lead to an electoral variance of 47.2%.

### **Edwalton**

The Edwalton ward (3958 electors in 2020) is expected to grow to around 6090 electors by 2027 due to the building of 1100 new homes in this ward. This is expected to lead to an electoral variance of 21.4%.

**Gotham**

The Gotham ward (2022 electors in 2020) is expected to grow to around 4180 electors by 2027 due to the building of 1100 new homes in this ward. This is expected to lead to an electoral variance of 66.7%.

**Radcliffe on Trent**

The Radcliffe on Trent ward (6524 electors in 2020) is expected to grow to around 8537 electors by 2027 due to the building of 940 new homes in this ward. This is expected to lead to an electoral variance of 13.4%.

**Tollerton**

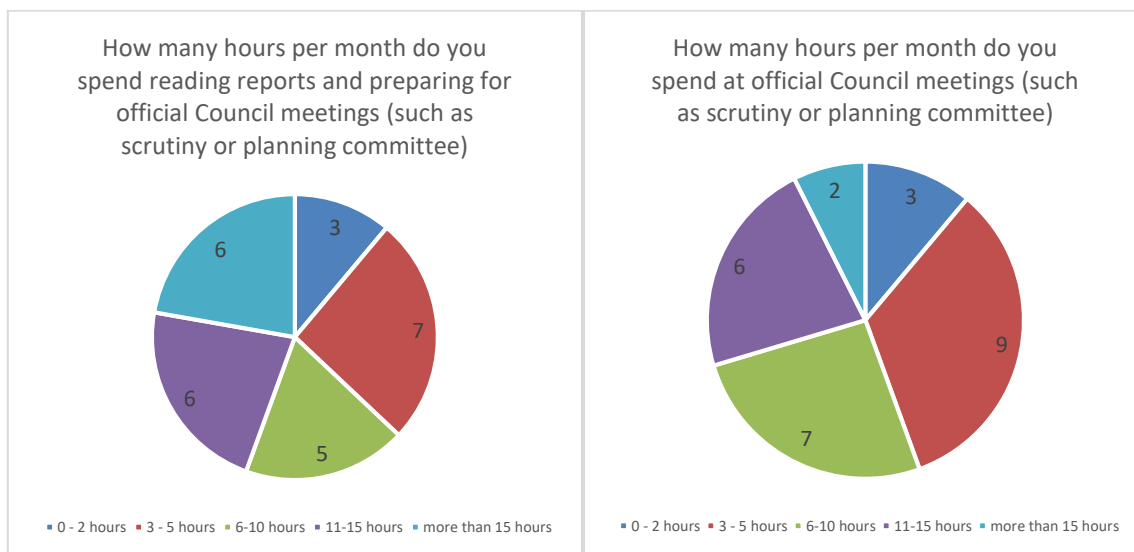
The Tollerton ward (2024 electors in 2020) is expected to grow to around 3577 electors by 2027 due to the building of 750 new homes in this ward. This is expected to lead to an electoral variance of 41.8%.

## Councillors Survey regarding workload – October 2020

It is recognised that conducting council business only form part of the councillor role. Therefore, a survey of all 44 councillors was conducted to inform this submission and provide a more complete picture. The survey was conducted electronically in October 2020. 27 of the 44 councillors responded to the survey providing a response rate of 61%. The below follows the structure of the survey and presents the findings along with feedback from councillors where this was provided.

### Membership

The first group of questions focused on the committee places held by councillors. There are 119 seats on recognised Council committees and groups outside of Full Council and Cabinet. The average number of committee positions held per councillor is three. Councillors were asked how long they spent reading reports and preparing for meetings of the Council. Most councillors spent between 3-5 hours per month preparing for meetings, but 6 councillors spent more than 15 hours per month preparing for meetings. Councillors were also asked how long they spent attending meetings of the Council. Most councillors spent between 3-5 hours per month attending meetings, but 2 councillors spent more than 15 hours per month attending meetings.



### Wards

The second set of questions focused on councillor's wards; asking councillor views on whether there were sufficient councillors to adequately represent their ward as well as enquiring about how they spent their time each month. 61.6% of councillors who responded to the survey spent between 0-5 hours per month meeting with residents; 2 councillors spent between 11-15 hours per month meeting with residents. 53.8% of councillors spent more than 6 hours per week communicating with residents via email or on the phone. 51.8% of councillors spent more than 6 hours per week communicating with the Council or other agencies on behalf of residents.

Rushcliffe has 44 councillors representing 25 wards; 11 are single member wards, nine wards have two members, and the Council has five wards with three members. Councillors were asked whether they felt the number of councillors representing their ward was correct. Of those responding to the survey 19 felt that the correct number of councillors represented their ward and 6 did not. One councillor commented that the expected population growth in their area may warrant an increase from 3 to 4 ward members. Another commented that their ward should be combined with another with one ward member only. One councillor from a very rural area pointed out that if they were to attend all parish council or parish meetings in their ward each year, they would attend a minimum of 54 additional meetings – in some areas the geographical make up of the area should be taken into account as well as the number of electors.

### Additional Duties

Councillors were also asked about what other positions they held in addition to being a borough councillor. The results indicated that:

- 26% of respondents were also Parish or Town Councillors (7 of 27 – the actual figure is closer to 11)
- 78% of respondents participated in other Community Groups (21 of 27 respondents)
- 15% of respondents were also County Councillors (4 of 27 – the actual figure is 7)

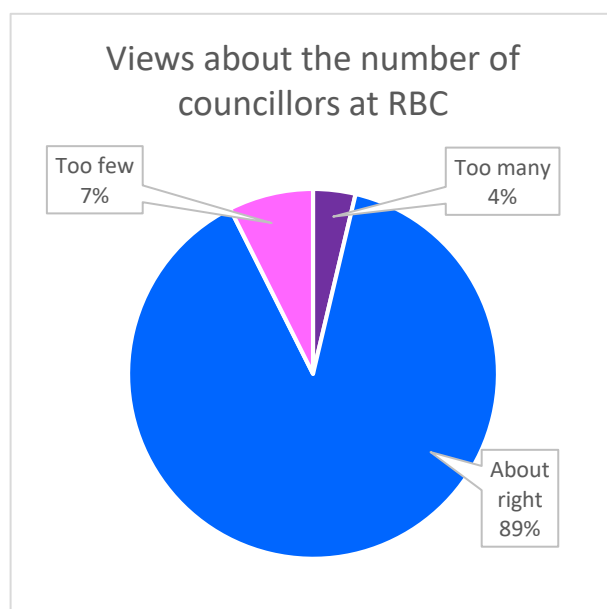
Rushcliffe's councillors are very active within their communities in addition to their roles as borough councillors. Whilst there is likely to be overlap between activities, this clearly has an impact on their time.

Of the seven borough councillors who were also parish councillors, four spent less than five hours a month on parish council business and three spent over five hours per month. Of the four borough councillors responding to the survey reporting that they were also county councillors, all reported spending over five hours per month on county council business. The majority of borough councillors also participating in other community groups spent less than five hours per week on community group business.

### General Views

Councillors were asked whether they felt that the number of councillors Rushcliffe had was too many, about right or too few. The answers were as follows:

A number of very clear views were expressed by councillors. A small number are presented below for illustrative purposes:



- A single councillor could represent a larger proportion of the local population without facing a large increase in representative workload
- The current workload is not too large to attract and retain councillors who also work full-time – fewer councillors would increase the individual workload and prevent those who work full-time from also being councillors
- Reducing the number of councillors would also reduce accountability and discourage residents from engaging in local democracy
- Some wards have increased in population over the last decade, these would benefit from consideration for more representation
- There was a reduction in the number of councillors a few years ago but the Borough's population is growing
- More councillors could reduce the Council's ability to be swift and effective in terms of decision making and fewer councillors would make it difficult to represent the residents
- At present, with the scrutiny and cabinet system, the workload is distributed fairly
- There are 2 considerations: skills and experience brought and optimum ward size. Having a wide range of councillors of working age, as well as retirement age, and with a broad range of life experiences is important. 44 for this council seems to achieve this. If population growth means a slight increase above 44 then that is appropriate. To be accessible and to know your patch, and to produce information leaflets if necessary, a ward size of around 2,000 properties is the optimum in my view
- It should be recognised that ward members in the very rural wards have numerous parish councils and parish meetings to cover over a large geographical area. The total electorate numbers can be similar to suburban wards where the population is much more condensed. The more controversial planning applications tend to fall into our rural areas and can involve a lot of additional correspondence and attendance at public meetings

Councillors were also asked about their views on their councillor workload and whether it was too big, about right, or too small. 89% of councillors felt that their current workload was about right; 7% (two councillors) felt that it was too big and 4% (one councillor) felt that they could manage a larger workload. The following feedback was received from councillors completing the survey:

- A good councillor will always be busy and engage in both ward and council activities. Within wards with multiple councillors the work load can be shared
- Councillor workload is entirely dependent on how much effort individual councillors are willing to make on behalf of those they represent
- Given the population growth expected in the borough, workload will increase but this is likely to be incrementally so may be absorbed within impacting on the ability of councillors to carry out their roles
- Personal circumstances are a big factor in determining whether the workload is balanced or not. For those with no other commitments, such as employment or a young family, several committees might prove more manageable. I have found the workload since I was elected to be greater than

I had anticipated and there are pinch points where several committees are meeting in a given week or month

- It all depends on how much work you are willing to put in. Given the amount I do, I feel the ward is possibly too big
- I feel I am able to represent my community adequately without being overloaded
- It keeps me occupied but is not too onerous. I'm not sure I could cope well with the workload if I wasn't retired though, so it might be difficult for people with full time jobs / families / caring responsibilities to get involved
- As someone who works full time, I probably don't do as much as others who have more free time, but it is manageable for me
- It will vary month on month - but also, with the current situation (Covid-19) there are more questions being asked by residents and local businesses and these take up more time. Pre-pandemic, I wasn't receiving as many questions via email or on social media
- The work is manageable, bearing in mind this is not a full-time job. I am on the Cabinet and some months I am extremely busy, but others are a little quieter

Councillors were also asked how their time spent on council activities was spent. The majority of councillors indicated that they spend between 20-40% of their time on community leadership activities including representing their residents, resolving issues on their behalf, and attending community events. A similar proportion of councillors reported spending between 20-40% of their time preparing for, or attending, official Council meetings.

A smaller number of respondents reported spending time working as part of the Council Executive (working closely with senior managers of the Council, at portfolio briefings, and on outside bodies) which is to be expected. Between 10-30% of councillor time was reported as being spent preparing for, or attending, Group meetings and events. This data illustrates that Rushcliffe's councillors split their time roughly equally between their role as a community leader, working within and for their community, and that of a borough councillor, working together to benefit the whole borough.

### **Personal details**

Councillors were asked to indicate which age bracket they fell into:

- 0% of respondents were under 30
- 11% of respondents were aged 31 - 40
- 15% of respondents were aged 41 - 50
- 22% of respondents were aged 51 - 60
- 15% of respondents were aged 61 - 70
- 37% of respondents were aged over 70

Respondents were also asked to indicate their employment status:

- 44% were retired or not working (a decrease of 15% on the last time this question was asked)

- 7% worked part time
- 37% worked full time (an increase of 15% on the last time this question was asked)

Final comments from councillors completing the survey included:

- If the area boundaries are too large, then service levels will fall away. A heavily populated concise ward is often easier to manage, and issues are usually more generic, than a ward that covers multiple villages which have different needs and servicing is much more difficult
- Any redrawing of ward boundaries should try to follow local features such as roads, rivers, etc.....
- I think there are too many councillors for the borough of Rushcliffe
- In looking at the amount of work councillors undertake, any local government reorganisation should be taken into account. It would appear likely there might be a considerable increase in councillor work in the future if the structure of local government is altered by a reorganisation
- Populations in each ward are changing, particularly where there are substantial new developments, and this needs to be taken into consideration when planning for future boundaries and number of councillors
- Perhaps attention should be focused on the number of residents rather than a geographical area
- Parish councils in some rural areas find it difficult to attract a sufficient number of councillors who are able to actively contribute to the work of the parish council, the real workload can fall to just 2 or 3 people. Parish clerks tend to clerk for more than one parish, the average clerk is in the older age group. There needs to be a concerted effort to recruit more parish clerks
- As a "dual hatter", I find a lot of my work crosses over between the different councils anyway. It is unusual that my (smaller) borough ward, is multi member, whereas my county ward (much larger and with more roles and responsibilities), is single member and works OK as a single member county division
- It works well currently. Obviously, there can be unforeseen circumstances, however we should ensure we take a pragmatic approach here
- Sooner than sticking rigidly to population numbers, it would be more sensible to include communities in full rather than splitting them for the wrong reasons.

From the results of the survey it is difficult to establish if an increase or reduction in the number of councillors would increase or decrease councillor workloads. This is because some of the differences in workload and time spent on activities could be related to a councillor's particular role, issues within their ward or the taking on of a new committee position. However, the survey data makes it clear that there is very little to drive a reduction or increase in councillor numbers from councillors themselves. Inevitably, some are busier than others – much of this is down to personal circumstances and their role within the council, as well as their personal investment in representing and working on behalf of their ward. But no councillor has



reported in response to the survey that they are overwhelmed by the workload expected of them.

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**Council**

**Thursday, 4 March 2021**

**Planning Enforcement Policy**

## **Report of the Executive Manager – Communities**

### **Cabinet Portfolio Holder for Housing, Councillor R Upton**

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

- 1.1. Unlike the determination of planning applications, which is a statutory function, the enforcement of planning control is discretionary. However, the National Planning Policy Framework (NPPF) acknowledges that effective enforcement is important to maintaining public confidence in the planning system and advocates that local planning authorities should consider publishing a local enforcement plan, which should set out how they will monitor the implementation of planning permissions and investigate alleged cases of unauthorised development, to manage enforcement proactively in a way that is appropriate to their area.
- 1.2. The current Planning Enforcement Code of Practice is due for review and renewal in March 2021. Therefore, in line with the recommendations in the NPPF, a draft Planning Enforcement Policy has been produced, which is more detailed and will replace the Code of Practice.
- 1.3. The draft Policy was considered by the Growth and Development Scrutiny Group in August and October 2020, following amendments to the Policy in line with the recommendations of the Group, the Group resolved that the updated Planning Enforcement Policy be referred to Cabinet for approval.
- 1.4. The matter was considered by Cabinet at the meeting held on 8 December 2020, where it was resolved that the draft Planning Enforcement Policy be approved for the purposes of public consultation, prior to the Policy being referred to Council for adoption.
- 1.5. The consultation exercise attracted a total of twenty-seven responses from a Ward Councillor, a number of Parish Councils, other organisations and from several residents. A number of the responses included comments about the planning process generally with twenty-two providing comments specifically in relation to the Enforcement Policy. Officer responses have been provided to all the comments received and changes made to the Policy accordingly, which are set out in Appendix 2 to this report.

## **2. Recommendation**

It is RECOMMENDED that Council:

- a) adopts the Planning Enforcement Policy; and
- b) delegates to the Executive Manager – Communities authority to make minor changes/updates to the Policy as required.

## **3. Reasons for Recommendation**

The Council's Corporate Strategy 2019-2023 was adopted in September 2019. The Strategy includes a new Corporate Priority of 'The Environment'. The enforcement of planning controls is an important aspect of protecting the natural, built and historic environment. Furthermore, there is a need for the Policy to set out clearly for all residents and businesses, including those who may be undertaking development, to understand the approach that the Council will take when investigating alleged breaches of planning control.

## **4. Supporting Information**

- 4.1. A copy of the draft Planning Enforcement Policy is appended to this report and is the document which is recommended for adoption by Council.
- 4.2. The current Corporate Enforcement Policy was adopted in March 2010 and was last revised in October 2019. The Policy is an umbrella policy, which applies to legislation enforced or administered by the Council in the following service areas and to officers engaged in enforcement activity in those areas:
  - a) street cleansing;
  - b) 'enviro' crime – fly tipping, graffiti, litter, abandoned vehicles;
  - c) environmental health – food safety, health and safety, private sector housing, environmental protection, statutory nuisance, dogs;
  - d) licensing;
  - e) building control;
  - f) planning and development control (now referred to as Planning and Growth); and
  - g) benefit fraud.
- 4.3. The purpose of the umbrella policy is to provide guidance to, amongst others, the officers within the Council responsible for enforcement of regulations. Within the specific areas detailed above, other policies may apply.
- 4.4. The primary purpose of enforcement is to protect the public and individuals. This includes protecting health and safety, the environment, business and legitimate economic interests. The Policy sets out how the Borough Council will generally carry out its enforcement functions and each service will then operate in accordance with its own practices and legislative requirements.

- 4.5 This report deals solely with the planning enforcement function. In the case of planning enforcement, an Enforcement Code of Practice exists, and the intention is to now adopt a policy document which will replace the code of practice.
- 4.6 The draft Policy has been considered by the Growth and Development Scrutiny Group, which provided Councillors with an understanding of the process and the opportunity for them to influence changes to be made to the Policy prior to adoption. Furthermore, the process included the opportunity for all Councillors to provide comments on the enforcement function and their experiences of particular issues in their wards that would help influence the final Policy. This was a two-part process, the initial report was considered at the meeting of the Group on 25 August 2020, and the Policy amended to take account of the comments received, prior to the matter being reconsidered by the Group at the meeting held on 14 October 2020. The report also included information regarding the level of resource available to undertake the enforcement function, which had been the subject of a review by consultants, who found that the resources available were appropriate and the Group resolved to note these findings.
- 4.7 The draft Policy was subsequently considered by Cabinet at the meeting held on 8 December 2020, where it was resolved to approve the draft Policy for the purposes of public consultation. The consultation period ran for six weeks commencing on 17 December 2020. Consultations were undertaken with all Borough Councillors, all Town and Parish Councils and Parish Meetings, together with the use of social media posts on three separate occasions.
- 4.8 The consultation exercise attracted a total of twenty-seven responses from a Ward Councillor, a number of Parish Councils, other organisations and from several residents. A number of the responses included comments about the planning process generally with twenty-two providing comments specifically in relation to the Enforcement Policy. The comments received relating specifically to the policy are summarised in Appendix 2 to this report, including officer responses and indicating where changes are proposed to be made to the Policy. The comments received fall into the following general areas:
- Availability of information to the public, including on the Council's website;
  - Format of document and suggested alternative wording;
  - Process for reporting/investigating alleged breaches;
  - Prioritisation for investigation of alleged breaches;
  - Resources;
  - Need to portray tougher stance;
  - Standards for communicating progress of investigations;
  - Register of Enforcement Notices;
  - Level of penalties for breaching planning controls; and
  - Level of proactive monitoring.
- 4.9 Given the recent pace of change in planning legislation/regulations, it is vital that the Policy is kept up to date with any changes to legislation and guidance,

therefore, delegated authority is sought for the Executive Manager - Communities to make minor amendments to the Policy as and when necessary. To ensure transparency, all such minor variations to the Policy will be reported to the relevant Portfolio Holder.

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

Enforcement Action is discretionary, and the Borough Council could choose not to adopt a Planning Enforcement Policy and determine the level of service it wishes to deliver. However, as highlighted in the NPPF and above, effective enforcement is important in maintaining public confidence in the planning system. It is considered that the Policy would provide clear information on how the Council will deliver an effective enforcement service.

## **6. Risks and Uncertainties**

- 6.1. Failure to deliver an effective planning enforcement service and to respond promptly to complaints regarding alleged breaches of planning control can impact on public confidence in the Planning Service and the reputation of the Service and the Council as a whole.
- 6.2. It is also important to ensure that the Policy is measured according to the constraints and requirements of the legislative framework and resources available to the Council. Setting false/undeliverable expectations could create negative reputational issues and lack of confidence in the planning process generally.

## **7. Implications**

### **7.1. Financial Implications**

- 7.1.1. The cost of the dedicated officers responsible for undertaking enforcement work and any additional costs such as court costs are contained within current budgets.
- 7.1.2. Where enforcement action is taken without justification or such action cannot be robustly defended, there may be a risk of an award of costs in the event of an appeal or claims for compensation, principally in connection with the service of a Stop Notice. It is not possible to provide an estimate of such costs as these will vary from case to case and will depend on the factors impacted by any action, e.g. cost of plant and machinery, lost earnings, cost of expert witnesses to defend appeals etc.

### **7.2. Legal Implications**

Enforcement action must be considered, and where appropriate, taken in accordance with the relevant legislation. Outcomes must be proportionate and in the public interest. To ensure a proportionate approach is taken, particularly before serving a Temporary Stop Notice or a Stop Notice, the local planning authority must be satisfied that there has been a breach of planning control and

that the activity which amounts to the breach must be remedied or, in the case of a Stop Notice, stopped immediately and before the end of the period allowed for compliance with the related Enforcement Notice.

### 7.3. Equalities Implications

The Council is committed to delivering all enforcement activities in accordance with its Equality and Diversity Policy and will embed the principles of that Policy in its approach to its enforcement and regulatory functions. Therefore, the Council will treat all people equally and fairly.

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

Whilst there may be community safety implications associated with the delivery of the enforcement function, they are not considered to be any such implications associated with the recommendation and consideration of this report.

## 8. Link to Corporate Priorities

Quality of Life	Unauthorised development may give rise to impacts which may adversely affect the amenities and quality of life of residents which can be resolved by taking appropriate enforcement action where this is justified or in seeking to regularise unauthorised development through a retrospective planning application and the imposition of conditions which can mitigate the impact of development.
Efficient Services	The delivery of an efficient and effective Planning Enforcement Service is consistent with the Council's Corporate Priority to transform the Council to enable the delivery of efficient high-quality services.
Sustainable Growth	Sustainable development can be delivered through the preparation of Development Plan documents and the application of policies within the NPPF. The operation of an effective Enforcement Service can ensure that development is compliant with national and local planning policies and is therefore sustainable.
The Environment	Unauthorised development may give rise to impacts which may adversely affect the natural and built environment, impacts which can be resolved by taking appropriate enforcement action where this is justified or in seeking to regularise unauthorised development through a retrospective planning application and the imposition of conditions which can mitigate the impact of development.

## 9. Recommendations

It is RECOMMENDED that Council:

- a) adopts the Planning Enforcement Policy; and

- b) delegates to the Executive Manager – Communities authority to make minor changes/updates to the Policy as required.

<b>For more information contact:</b>	Andrew Pegram Service Manager – Communities 01159148598 apegram@rushcliffe.goc.uk
<b>Background papers available for Inspection:</b>	<p>The Corporate Enforcement Policy and the Rushcliffe Borough Council's Planning Enforcement Code of Practice. These documents are available on the Council's website at:  <a href="https://www.rushcliffe.gov.uk/aboutus/aboutthecouncil/">https://www.rushcliffe.gov.uk/aboutus/aboutthecouncil/</a>  (Corporate Enforcement Policy is available under the heading Documents, policies and strategies)  and  <a href="https://www.rushcliffe.gov.uk/planningandgrowth/enforcement/">https://www.rushcliffe.gov.uk/planningandgrowth/enforcement/</a></p> <p>The reports considered by the Growth and Scrutiny Group at their meetings held on 25 August 2020 and 14 October 2020 are also available on the Council's website at:  <a href="https://democracy.rushcliffe.gov.uk/ieListMeetings.aspx?Committeeld=269">https://democracy.rushcliffe.gov.uk/ieListMeetings.aspx?Committeeld=269</a></p> <p>The report considered by Cabinet at the meeting held on 8 December 2020 is available on the Council's website at:  <a href="https://democracy.rushcliffe.gov.uk/ieListMeetings.aspx?Committeeld=137">https://democracy.rushcliffe.gov.uk/ieListMeetings.aspx?Committeeld=137</a></p>
<b>List of appendices:</b>	Appendix 1 – Draft Planning Enforcement Policy Appendix 2 – Summary of Consultation Responses Appendix 3 – Equality Impact Assessment



## Planning Enforcement Policy

This policy statement relates to Rushcliffe Borough Council's (the Council's) Planning Enforcement service and will describe the purpose of the enforcement service and how the Council will deliver the service to the community.

The policy aims to provide an efficient planning enforcement service in support of the Council's statutory planning service in a clear, consistent, proportionate and open manner, in accordance with its [Corporate Enforcement Policy](#). It is recognised that establishing effective controls over unauthorised development assists in conserving the natural and built environment whilst helping to protect the quality of people's lives and maintaining the Council's integrity.

### Government advice and legislation

The revised National Planning Policy Framework (NPPF) was introduced in February 2019. Paragraph 58 of the Framework states that:

*"Effective enforcement is important to maintain public confidence in the planning system. Enforcement action is discretionary, and local planning authorities should act proportionately in responding to suspected breaches of planning control. They should consider publishing a local enforcement plan to manage enforcement proactively, in a way that is appropriate to their area. This should set out how they will monitor the implementation of planning permissions, investigate alleged cases of unauthorised development and take action where it is appropriate."*

In addition to the statement made in the NPPF the Town and Country Planning Act 1990 provides the main legislative background regarding breaches of planning control along with the Planning Practice Guidance document entitled "Ensuring effective enforcement" which was published on 6 March 2014.

### The purpose of planning enforcement

The integrity of the planning service depends on the Council's readiness to take enforcement action when appropriate. The Council is committed to providing an effective planning enforcement service.

The planning system is designed to achieve a balance between the rights of landowners to enjoy their property and protecting the amenity of neighbours and the general public. The enforcement of planning control focuses on proportionate resolution rather than punishing those who have acted in breach, sometimes unknowingly. It is expected that land owners and developers will observe the spirit of planning legislation and refrain from carrying out development until the necessary planning permissions have been obtained.

**The Council will not condone wilful breaches of planning control and will exercise its discretion to take enforcement action if it is considered expedient to do so. The Council will investigate alleged breaches of planning control, to determine whether a breach has, as a matter of fact occurred, and if it has, determine the most appropriate course of action.**

The key objectives of the enforcement policy:

- To provide an accessible service that maintains public confidence in the planning system;
- To provide a service that is both reactive and proactive in its commitment to remedy undesirable effects of unauthorised development;
- To provide a service response that is prioritised according to the harm or the potential harm caused by the breach;
- To provide a development monitoring service that is prioritised according to the scale and complexity of the development permitted; and
- To seek resolution of planning breaches through informal and formal action including, where appropriate, prosecution of offenders to uphold the integrity of the planning system.

What is a breach of planning control?

A breach of planning control is defined in section 171A of the Town and Country Planning Act 1990 (the 1990 Act) as either:

- a) the carrying out of development without the required planning permission; or
- b) failing to comply with any condition or limitation subject to which planning permission has been granted.

(development undertaken which is not in accordance with approved plans would fall under b) above)

Important factors to consider include the extent of the powers of the planning service which is only concerned with 'development'. Section 55 of the 1990 Act provides the meaning of development as "...the carrying out of building, engineering, mining or other operations in, on, over or under land, or the making of any material change in the use of any buildings or other land."

- a) For the purposes of 1990 Act, 'development' also includes demolition of buildings but DOES NOT include: the carrying out for the maintenance, improvement or other alteration of any building of works which—
  - (i) affect only the interior of the building, or
  - (ii) do not materially affect the external appearance of the building,

A breach of planning control could involve such matters as the unauthorised erection of a building or extension to a building, a material change of use of land or breaches of conditions attached to planning permissions. Other matters that the Planning Enforcement Service might investigate include:

- The display of unauthorised advertisements;
- Works to Listed Buildings without the relevant consent;
- Unauthorised works to trees which are the subject of a tree preservation order (TPO) or are in a conservation area;
- Untidy land adversely affecting the amenity of the area;
- Failure to comply with a Section 106 agreement

## Matters that are not breaches of planning control

- Internal works to a non-listed building;
- Nuisances caused by odour, noise, light or vermin;
- Obstruction of a highway or public right of way (PROW);
- Parking of vehicles on the highway or on grass verges;
- Parking caravans on residential driveways or within the curtilage of domestic properties providing their use remains incidental to the enjoyment of the property;
- Running a business from home where the residential use remains the primary use and there is no adverse impact on residential amenity;
- Land ownership disputes or trespass issues;
- Covenants imposed on property Deeds;
- Rights of access or access for maintenance to a property;
- Any works that are deemed to be 'permitted development' under the Town and Country Planning (General Permitted Development) Order 2015 as amended and or substituted;
- The display of advertisements that benefit from deemed consent under the Town and Country Planning (Control of Advertisements) (England) Regulations 2007 (i.e. consent is granted by the regulations);
- Dangerous structures or other health and safety issues;
- High hedge disputes (dealt with by the Borough Council's Senior Design and Landscape Officer).

It is not the function of the planning authority to become involved in private neighbour disputes where no planning issue is evident. Additionally, it is not the Council's role to mediate in private legal disputes such as boundary disputes or damage to private property. Such cases will not be investigated as they are civil matters and the customers will be advised accordingly.

## Who to contact for non-planning issues

Many property and land issues may arise which are not the responsibility of, or within the jurisdiction of, the Borough Council. The following examples are provided as a guide and are not intended to be exhaustive or to cover every situation.

Internal works to a non-listed building are not development and not the responsibility of the Borough Council as Local Planning Authority. If the alterations are structural, these may fall under the remit of the relevant body which discharges the Building Regulations function, in the case of Rushcliffe this would be the East Midlands Building Consultancy (EMBC). EMBC would also be the responsible body for investigating dangerous structures.

Matters relating to nuisances caused by odour, noise, light or vermin would be dealt with by the Environmental Health department within the Borough Council.

Any matters relating to the highway, including obstruction of a highway or public right of way (PROW) or indiscriminate parking would be dealt with by the Nottinghamshire County Council as Highway Authority, or in some cases the police.

Other issues, such as restrictions imposed by legal covenants which may restrict the parking of caravans on domestic properties, the operation of a business from home, land ownership disputes and issues over rights of way or access to property for maintenance purposes, would be civil matters and advice may need to be sought from a solicitor.

The Council will endeavour to, where possible, pass on details of complaints which relate to other regulatory regimes, particularly those which constitute a criminal offence, such as breaches of Habitat Regulations.

## Enforcement action is discretionary

As outlined above, paragraph 58 of the NPPF advises that whilst effective enforcement is important to maintain public confidence in the planning system, enforcement action is a discretionary function.

It is important to note that, just because there may be a breach of planning control, this in itself may not be sufficient reason to take enforcement action. The Council must first decide, having given regard to the policies contained in its Local Development Plan, the National Planning Policy Framework (NPPF) and any other material planning considerations, whether or not it is '**expedient**' to take formal action.

The test of expediency requires a careful assessment of the nature and extent of the breach or breaches of planning control and the degree of harm they might be causing to the environment and/or amenity of the area. Therefore, enforcement action is **discretionary** and each case must be assessed on its own merits.

The NPPF also advises that councils should act proportionately with regard to suspected breaches of planning control. Generally, the use of formal enforcement powers should be a last resort, unless the extent and nature of the breach is such that it is causing unacceptable and irreversible harm. Typically the Council will give those responsible for a breach of planning control the opportunity to cease the breach of planning control or seek to regularise the breach before resorting to using its formal enforcement powers. Ultimately the use of such powers must be proportionate and commensurate to the breach of planning control.

**This means that the Council may not take formal enforcement action in all cases where there has been a breach of planning control identified.**

All complaints will be:

- Given a priority based on the Council's published priority table (see below);
- Investigated, including visiting the site where necessary in line with the published timescales contained in the policy document; and

- Pursued until such a time that the matter is satisfactorily resolved by one of the following:
  - The breach is ceased/removed following informal negotiations with enforcement officers;
  - The breach is regularised (either by the grant of retrospective planning permission or the taking of formal action);
  - found to be lawful;
  - A decision is taken that it is not expedient to pursue the breach formally.

In the event that a formal notice is served and there is a failure to comply with the requirements of the notice, it is an option for cases to be pursued through the Magistrates' Courts or higher court where necessary.

## How to report an alleged breach of planning control

The Council considers a large number of complaints each year concerning alleged breaches of planning control. In order that a complaint can be dealt with as soon as possible it is important to provide the Council with as much information as possible. Below is a list of the type of information that would assist the Council in dealing with a complaint:

- An accurate description of the exact location or address where the alleged breach is taking place;
- A detailed description of the activities taking place that are cause for concern;
- Where known, the names, addresses and phone numbers of those persons believed to be responsible for the alleged breach or the land owner's details;
- The date and times of when the alleged breach first took place and whether it is ongoing;
- If the complaint relates to a material change of use of the land, a description of the previous use and condition of the land;
- Any other information or evidence that may be able to assist (eg: photographs, vehicle registration numbers);
- The complainant's name, telephone number and address or e-mail address;

Complaints about alleged breaches of planning control will be accepted by either:

e-mail – [planningandgrowth@rushcliffe.gov.uk](mailto:planningandgrowth@rushcliffe.gov.uk)

via the Council's website at

<https://www.rushcliffe.gov.uk/planningandgrowth/enforcement/>

letter addressed to - Rushcliffe Customer Service Centre, Fountain Court Gordon Road, West Bridgford, Nottingham, NG2 5LN

telephone - **0115 981 9911**, or

in person at the Rushcliffe Customer Service Centre or one of our Contact Points, provided the complainant provides their name, address and telephone number.

It is important for the Council to hold the details of the complainant so that the outcome of the investigation can be communicated to them, or if additional information is required during the course of the investigation. The details of the complainant are normally treated as confidential; however, in some circumstances this may not be

possible particularly when matters progress to court and the complainant may be required to give evidence and/or details of the complaint must be disclosed.

The substance of enforcement complaints are not in themselves confidential. In some cases it may be necessary to rely on evidence from complainants in order to take action and the complainant would need to consider whether they are willing to assist the Council by collecting evidence and potentially acting as a witness at an appeal or in Court. A planning enforcement officer will explain what may be required in these cases.

Once a breach of control has been established, the complainant may be asked to make a note of your observations and keep a log of any relevant activities. It is particularly useful to note times, dates, names, addresses, telephone numbers and registration details of any vehicles involved.

**Anonymous complaints** will not normally be investigated. Complainants who do not wish to give their personal details will be advised to contact either their Ward Councillor or their parish council who may then raise their concerns on their behalf.

**Vexatious, malicious or repeated** complaints that do not have any substantive planning basis will not normally be investigated.

**Abusive or unreasonable complainants** The Council will not tolerate any insulting, threatening words or behaviour towards its staff at any time, either in person or via any other means. Any abusive telephone calls will be terminated.

## How will we prioritise complaints?

In order to make the best use of resources available it is important to prioritise the complaints received in accordance with the seriousness of the alleged breach. This will initially be decided by the Council following receipt of the complaint. However, this may be subject to change following a site inspection or when further information comes to light.

### Priority Categories

#### **Priority 1 (High)**

Development causing significant and irreversible damage to the environment or amenity. Typical examples are:

- Unauthorised works to, or demolition of a listed building or building within a Conservation Area.
- Unauthorised development within a Conservation Area (where the development may impact on the character and appearance of the area).
- Unauthorised works to trees protected by a Tree Preservation Order or in a Conservation Area.
- Unauthorised development close to or within a Site of Special Scientific Interest (SSSI).

- Large scale engineering operations within the Green Belt.
- Breaches of statutory planning notices such as Enforcement Notices.

### **Priority 2 (Medium)**

Development causing less significant but continued harm to the environment or amenity, time-sensitive breaches or development that compromises public safety. Examples include:

- Large-scale unauthorised engineering/construction works where a significant impact is felt over a wide area.
- Substantial operational development in the Green Belt.
- Unauthorised changes of use causing significant harm to the amenity of an area, for example car repairs business from a residential property.
- Unauthorised vehicle accesses causing significant risk to highway safety.
- Development/operations which are not in accordance with approved plans/conditions of a planning permission.
- Unauthorised development within a Conservation Area (not falling within Priority 1).

### **Priority 3 (Routine)**

Development causing a limited degree of disturbance to local residents or damage to the environment. Examples include:

- Unauthorised operational development which would be likely to receive planning permission.
- Unauthorised fences/walls/gates (unless public safety is compromised/ attached to or adversely affecting the setting of a listed building).
- Unauthorised telecommunications equipment/satellite dishes/equipment on residential dwellings.
- Display of advertisements not causing significant harm to amenity or public safety.

## **Timescales for investigations**

Enforcement officers will endeavour to carry out an initial site visit for The Priority 1 cases within 1 working day. Priority 2 cases within 5 working days Priority 3 cases within 10 working days.

Each complaint will be allocated a Priority upon receipt based on the information available at that time. Complaints will be re-categorised should further information become available which suggests a quicker response time is more appropriate.

## **What are the possible outcomes of an investigation?**

**No breach established** – Following an initial site visit it may be found that there is no breach of planning control because, for example, the activity or operations do not amount to development, the unauthorised use has ceased or the development already has planning permission or is permitted development.

**There is a breach of planning control but not considered expedient to pursue –**

Just because a breach may exist does not automatically mean that formal action will be taken. Enforcement powers are discretionary and minor technical breaches or circumstances where the development is considered acceptable (i.e. planning permission might be granted) may not be considered expedient to pursue as it may be considered to be 'de minimis' or not in the public interest to warrant pursuing.

**The development is lawful and immune from enforcement action** - This is when the unauthorised development or unauthorised change of use has occurred over a long period of time without being brought to the attention of the Council. There are certain time limits involved in relation to operational development and changes of use. Enforcement action cannot be taken against developments which are immune under planning legislation due to specific time limits which are:

- 4 years for unauthorised operational development or change of use of a building to use as a single dwelling house;
- 10 years for a material change of use of land and buildings or a breach of a condition imposed on a planning permission.

**NB:** Where it appears that a person has deliberately attempted to conceal a breach of planning control in order to achieve immunity from enforcement action, the Council can apply to the Magistrates' Court for a "Planning Enforcement Order" in respect of the breach. If granted, the Order allows the Council up to a year to take formal enforcement action against the apparent breach. Such circumstances are normally very rare and the Council must be satisfied that there has been a deliberate attempt to conceal the breach of planning control.

**Negotiations take place to find a solution** – In accordance with Government guidance the first priority is to try and resolve any breaches of planning control through negotiation. Only when such negotiations fail to secure a solution should formal action be considered. The Council will not, however, allow negotiations to become protracted where there is a need to make the development acceptable or where there is a requirement for a particular use to cease.

**Lack of Evidence** - In some cases it may not be possible for the Council to confirm that the alleged breach is taking place. In such cases, complainants will be asked to assist in providing evidence that could be used at both the appeal stage and at any subsequent legal proceedings. A lack of sufficient evidence may result in no action being taken.

**Invite a retrospective application** - In accordance with Government advice the Council will firstly seek to negotiate an amicable solution to any confirmed breach of planning control. By entering into negotiations with the parties involved, a solution may be found which could involve the cessation of any unauthorised change of use or building operations, the removal of any unauthorised building works or items constituting a material change of use of land, the remedy of any breach by the submission of a retrospective planning application.

A retrospective application will be invited where it is considered that there is a reasonable likelihood that planning permission may be granted in line with local and national planning policies or where unacceptable impacts of development could be



mitigated or a development may be made acceptable by way of the imposition of conditions.

Minor or technical breaches of planning control may not be pursued in the event that a retrospective application has been requested and not submitted or where it is not considered expedient or in the public interest to do so.

### **Formal Action**

The Council has a range of formal powers under the Town and Country Planning Act that it can use to remedy breaches of planning control. More information on these powers can be found at Appendix 1:

In addition to the powers detailed above, the Local Planning Authority also has powers under the Planning (Listed Buildings and Conservation Areas) Act 1990 to serve a repairs notice or require urgent works to be undertaken in the interests of preserving a listed building/structure.

Further information is available in The National Planning Practice Guidance (NPPG) (<https://www.gov.uk/guidance/ensuring-effective-enforcement#planning-enforcement--overview>)

In addition to the above further action is available including taking direct action to remedy a breach or to instigate prosecution proceedings in The Magistrates' Courts for non-compliance with a formal notice where it is deemed necessary to do so.

The Council will comply with the provisions of the Police and Criminal Evidence Act 1984 when interviewing persons suspected of a criminal offence. In exceptional circumstances surveillance may be considered to investigate an alleged breach, in these circumstances the Regulation of Investigatory Powers Act 2000 (RIPA) and the Council's policy will apply

## **What happens if an allegation is made against you?**

If a complaint is received that affects you, the first thing that will happen is either you will be contacted (where your details are known to the Council) or the site in question will be visited by an enforcement officer. The purpose of this initial visit is to establish the facts of the case and whether there is any basis to the allegations made. The officer will, where necessary, take measurements and photographs of the development or activity taking place. This site inspection may be undertaken without any prior notification.

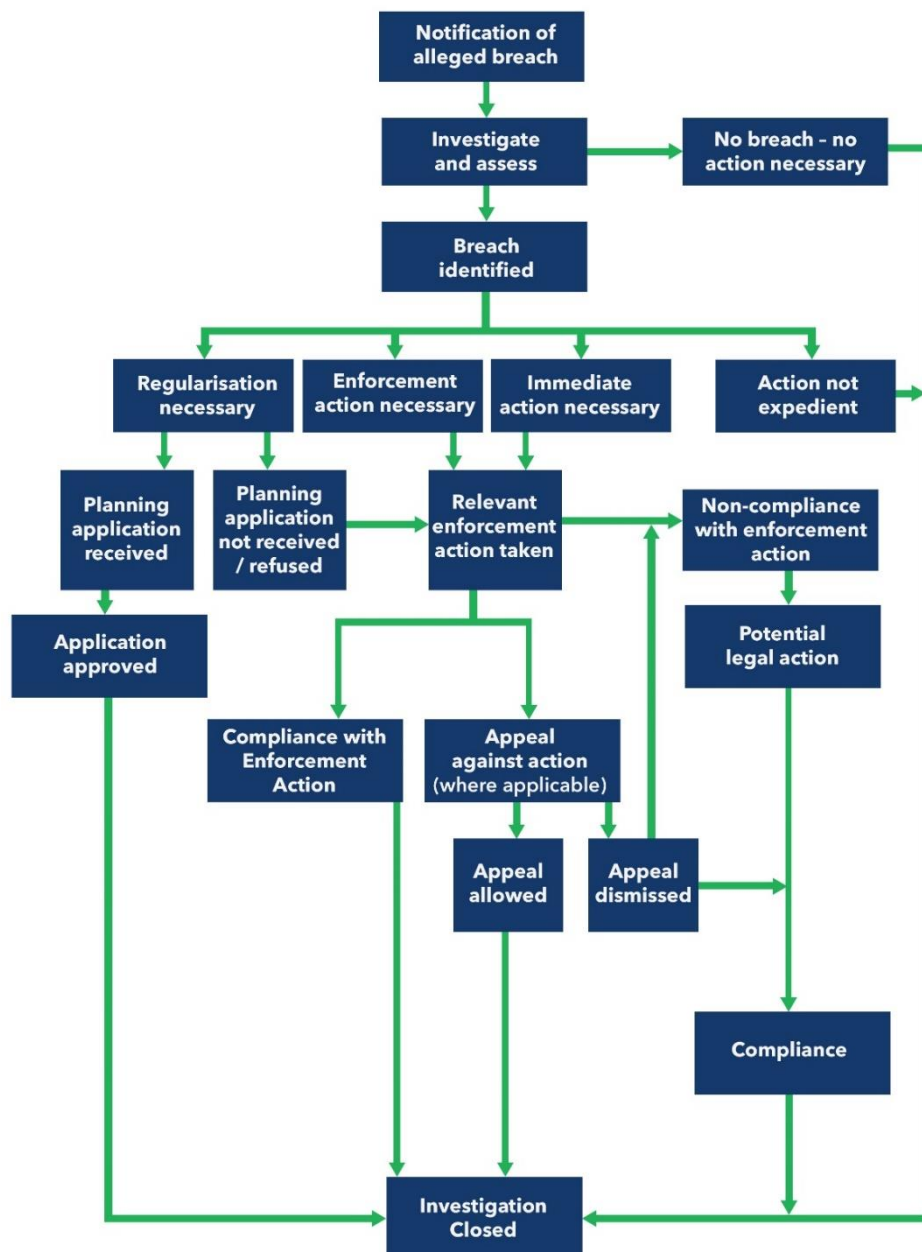
If it is established that a breach of planning control has occurred you will be advised of the details of the breach and of what steps that need to be taken to either rectify the breach or regularise the situation.

You will be given a reasonable period of time (subject to the nature of the breach) to resolve any breach of planning control. If compliance is not secured through amicable negotiations or the submission of a retrospective planning application, formal action may be instigated.

The Council will seek to avoid long drawn out negotiations intended to hold the council back from taking formal action. In many cases, particularly where the works are likely to be acceptable, you may be invited, without prejudice, to submit a retrospective planning application. In cases where pre-commencement conditions have not been discharged, you may still be able to apply to discharge the condition providing the permission has not lapsed. Alternatively, you may need to submit a new planning application.

If you are served with a formal notice, the enforcement officer can help to explain the general meaning of the notice and assist you to understand its implications. However, the Council's enforcement officers cannot act as your advisors and cannot make decisions on your behalf. In such circumstances you are strongly advised to also seek your own independent legal advice.

The process for dealing with allegations of unauthorised development is set out in the flowchart below:



## **Power of entry onto land**

Section 196 of the Town and Country Planning Act (as amended) and the Planning (Listed Buildings and Conservation Area) Act 1990 gives officers of the Council the power to enter land and/or premises at all reasonable hours in order to undertake his/her official duties. Wilful obstruction of a person exercising a right of entry is an offence.

The above does not allow the admission to any building used as a dwelling house to be demanded as a right by virtue of the aforementioned legislation, unless twenty four hours prior notice of the intended entry has been given to the occupier of the building.

## **Reporting on successful resolutions**

The Council understands that the enforcement process can often appear opaque from the public's perspective as the Council do not hold regular consultations on specific investigations. This is to ensure that the evidence collected during investigations is legitimate and admissible in court should an opportunity arise. However, in order to ensure that the public see real enforcement work being carried out either through positive negotiation, regularisation or through stronger enforcement powers, Officers will create a 6 monthly update of particular cases which show positive action being achieved within the community. This 6 monthly update will be circulated to ward Councillors for their information and their records.

## **Planning Enforcement Register**

The Council hold a Planning Enforcement Register which provides details of the Enforcement Notices issued by the Local Planning Authority. It includes details of;

- Enforcement Notices
- Breach of Condition Notices
- Stop Notices
- Temporary Stop Notices
- Planning Enforcement Orders
- S215 Notice
- Tree Replacement Notices
- High Hedge Remedial Notices
- Hedgerow Replacement Notices
- Listed Building Enforcement Notices
- Advertisement Removal Notices
- Advertisement Action Notices

Details of how to access the Register can be found at:

<https://www.rushcliffe.gov.uk/planningandgrowth/enforcement/>

## **Proactive Development Monitoring**

Paragraph 58 of the NPPF requires councils to, whilst setting out their Enforcement Plan, set out how they will monitor the implementation of planning permissions being developed out within their area.

Rushcliffe Borough Council is currently delivering a large amount of development as part of our adopted Local Plan and these developments, usually of a large scale, are mostly located close to existing settlements and therefore have potential to impact on the amenities of existing residents during the construction phase. Furthermore, developers are often required to implement various environmental safeguards and enhancements as part of their development package which must be delivered in a timely fashion, as controlled by the planning permission. For many larger scale developments, financial obligations or infrastructure are also secured and the payment of these funds or the delivery of the infrastructure is often provided for by complying with the requirements of the Section 106 Agreement.

For these reasons the Council operate a proactive development monitoring service to ensure that developments are carried out strictly in accordance with the restrictions, limitations and requirements of the planning permissions, including any conditions imposed on the consent as well as any obligations secured through a Section 106 Agreement. The Council will achieve this by:

- Actively monitoring the progress of developments, including commencement and occupation levels;
- Ensuring that, where appropriate, developers provide details and information secured by condition and through Section 106 Agreements in accordance with the required timescales of the planning permission;
- Ensuring that the development is carried out in accordance with the approved plans/details and that this is achieved within the agreed timescales; and
- Ensuring that all financial obligations are secured and collected as required by the planning permission.

The Council consider and make decisions on over 1600 planning applications and related submissions per annum and, therefore, it would not be possible to proactively monitor all developments within the Borough. Larger sites have the potential to cause the greatest level of disturbance to residents and to the wider environment if they are not developed out in accordance with their planning permissions. For this reason, the Council will normally proactively monitor residential development of 50 dwellings or more. Other development types such as commercial/leisure development will be reviewed on a case by case basis only.

Certain elements of the development such as the adoption of roads and sewers as well as occupier contributions to fund management companies are not controlled through the planning permission and therefore sit outside of the remit of the Borough Council.

Through the proactive monitoring of development sites the Council will, when a breach is identified, investigate the breach in accordance with monitoring and timescales explained earlier in this policy. As with reactive planning enforcement and in line with national planning policy guidance, not all breaches of planning control will result in formal enforcement action. Each breach will be investigated and considered on its own merits appropriately considering the level of harm arising from the breach. Carrying out proactive compliance in this way should result in a reduction in the number of retrospective enforcement complaints received.

## Human Rights Act

When making decisions relating to enforcement activity officers will have regard to the Human Rights Act 1998.

## How you can help us

If you are unsure as to whether planning permission is required, please contact Planning and Growth for advice **before** starting work.

If you already have planning permission, check to see if any conditions must be satisfied **before** starting work and ensure you build in accordance with the approved plans. If you want to make any changes please contact Planning and Growth **before** carrying out work which deviates from or is not shown on your approved plans.

## Complaints about the service

If you are unhappy about the level of service you have received from the Planning Service or how the process has been managed, then you may firstly discuss your concerns with the Principal Planning Officer (Monitoring and Implementation) or take it further through the Council's Corporate Complaints Procedure by writing to the Service Manager (Communities) at the address below. Following the initial investigation of your complaint, you may ask for the matter to be escalated to the second stage of the Council's complaints procedure. If, after the matter has been through the Council's complaints procedure you remain unhappy, you may then write to the Local Government Ombudsman who may investigate your concerns. However, please note that the Local Government Ombudsman will only become involved if the matter has been considered under the Council's complaints procedure.

You can contact us:  
by telephone on 0115 981 9911

by e-mail at [planningandgrowth@rushcliffe.gov.uk](mailto:planningandgrowth@rushcliffe.gov.uk)

by post to: Planning and Growth Manager  
Rushcliffe Borough Council  
Rushcliffe Arena  
Rugby Road  
West Bridgford  
Nottingham  
NG2 7YG

## APPENDIX 1

### **Summary of enforcement powers**

This Appendix contains a summary of the main formal enforcement powers available to the Council when investigating enforcement enquiries and dealing with breaches of planning control. In each individual case the Council must assess which action or combination of actions is best suited to dealing with the particular breach of planning control in order to achieve a satisfactory and cost-effective remedy. Most of these powers are contained within the Town and Country Planning Act 1990 (*"The 1990 Act"*). Furthermore, the Borough Council has other powers at its disposal which may be the responsibility of other areas of the Council, e.g. Environmental Health, and the most appropriate powers or combination of powers may be used to address a situation.

### **Requests for Information Notices**

#### **Planning Contravention Notice (PCN) (Section 171C of the 1990 Act)**

This can often be the first formal step in resolving a breach of planning control. It is the main method for gathering further information regarding suspected breaches of planning control. The intention of a PCN is also to send a clear warning that further formal action is being considered once the facts of the case have been established.

#### **Section 330 Notice (Section 330 of the 1990 Act)**

This power is also used to obtain information, although usually in cases where the Council has sufficient details about the activities being carried out but requires further information concerning ownership. It involves serving a formal notice on occupiers and/or persons with other interests in the premises or land.

**NB: For both of these notices it is an offence to fail to comply with the requirements of the notice within the period set for its return OR to make false or misleading statements in reply.**

### **Formal Enforcement Notices**

#### **Enforcement Notice (EN) (Section 172 of the 1990 Act)**

This is the most common form of notice used to deal with a breach of planning control. It is served when the Council is satisfied that there has been a breach of planning control and that it is expedient to take action. An EN will allege the breach or breaches of planning control that has or have taken place, the steps that must be taken to remedy that breach or breaches, and specify the time period for compliance with the requirements of the notice.

An EN does not take effect until at least 28 days after being served to allow the recipient(s) time to lodge an appeal with the Secretary of State. An appeal stops the notice taking effect until the appeal is determined. If an appeal is lodged all complainants and immediate neighbours will be advised of the appeal and how to make representations to the Planning Inspectorate.

**Failure to comply with the requirements of an EN once it has taken effect is a criminal offence which, on conviction in the Magistrates' Court, can lead to a fine of up to £20,000 or an unlimited fine on conviction in the Crown Court.**

**Breach of Condition Notice (BCN) (Section 187A of the 1990 Act)**

Can be used as an alternative to an EN but only in circumstances where there has been a failure to comply with certain conditions placed on a planning permission. (It does not apply to breaches of control relating to listed buildings, advertisements or protected trees). A BCN will specify details of the breach and the steps required to secure compliance. Unlike an EN, there is no right of appeal against a BCN and it takes effect immediately. However, a minimum period of 28 days has to be given for compliance.

**Failure to comply with the requirements of a BCN is a criminal offence which, on conviction in the Magistrates' Court, can lead to a fine up to £2,500.**

**Stop Notice (SN) (Sections 183 & 184 of the 1990 Act)**

Used alongside the serving of an EN, when the effects of continued unauthorised activity are seriously detrimental to amenity, public safety or causing irreversible harm to the environment an immediate action to stop the activity is justified. This notice can be used to ensure that the activity does not continue during the time before the EN takes effect or when an appeal is lodged against the EN.

SN's are normally only used in very exceptional circumstances as there can be significant compensation liabilities against the Council if the EN is subsequently quashed.

**Failure to comply with the requirements of an SN is a criminal offence which, on conviction in the Magistrates' Court, can lead to a fine up to £20,000 or an unlimited fine on conviction in the Crown Court.**

**Temporary Stop Notice (TSN) (Section 171E-H of the 1990 Act)**

As with SN's, TSN's are normally only used in exceptional circumstances. Unlike an SN, however, a TSN can be served without first having to serve an EN. However, TSN's can only seek cessation of activity for a period of 28 days and so will only be applied where the serious breach needs to be stopped immediately whilst the Council considers whether an EN needs to be issued.

**Failure to comply with the requirements of a TSN is also a criminal offence which, on conviction in the Magistrates' Court, can lead to a fine up to £20,000 or an unlimited fine on conviction in the Crown Court.**

**Planning Enforcement Order (Sections 171BA to 171 BC of the 1990 Act)**

Used where the normal time periods for immunity, a period after which enforcement action cannot be taken, has passed. Where a person deliberately conceals unauthorised development, the deception may not come to light until after the time limits for taking enforcement action have expired. A Planning Enforcement Order enables an authority to take action in relation to an apparent breach of planning control, notwithstanding that the time limits may have expired.

### **Untidy Land Notice (ULN) (Section 215 of the 1990 Act)**

The Council has the power to issue a ULN on the owner or occupier of land if it appears that the amenity of the area is adversely affected by the condition it is being kept in. A ULN may deal with buildings as well as land and would specify the steps required to remedy the existing condition and within what time scale. The recipient of ULN can appeal against it to the Magistrates' Court.

**Failure to comply with a ULN is an offence which, on conviction in the Magistrates' Court, can lead to a fine up to £1,000 on conviction. The Council may also use its direct action powers (see below) to enter the land and carry out the requirements of a ULN that has not been complied with.**

### **Tree Replacement Notice (TRN) (Section 207 of the 1990 Act)**

If a tree that is protected by a Tree Preservation Order is removed, uprooted or destroyed in contravention of the Order there is a duty on the landowner to plant a replacement tree of appropriate size and species in the same place. Where the landowner does not comply with this duty, the council has the power to serve a TRN requiring them to plant a replacement tree or trees. The TRN will specify the species and size of tree or trees to be planted and also the time period for compliance. A TRN does not take effect until at least 28 days after being served to allow the recipient(s) time to lodge an appeal to the Secretary of State. An appeal stops the notice taking effect until the appeal is determined.

### **Works in Default Powers (ie: Direct Action)**

The Council may enter land and carry out the required works to secure compliance when an EN, ULN, LBEN (see below) or TRN has taken effect but has not been complied with. There is no requirement to give notice to either the owner or occupier of the land and anyone who wilfully obstructs the exercise of these powers is guilty of a criminal offence. The costs of the works in default can be recovered from the landowner or a legal charge placed on the land.

## **Other Enforcement Powers**

### **Prosecution**

#### *Unauthorised works to a Listed Building.*

Under Section 9 of the Planning (Listed Buildings and Conservation Areas) Act 1990 it is a criminal offence to demolish a listed building or to carry out works/alterations which affect its character without the Council's prior written consent. Where such works have taken place without permission the Council may prosecute anyone who is found to have executed the work or to have caused the work to be executed.

It is also an offence to demolish unlisted buildings/structures in a Conservation Area (subject to some exceptions) without planning permission.

**The penalty on conviction in the Magistrates Court for this offence could be imprisonment for up to six months or a fine of up to £20,000 or both. The penalty on conviction in the Crown Court for this offence could be imprisonment for up to two years or an unlimited fine or both.**



*Unauthorised works to protected trees.*

Under section 210 of the 1990 Act, it is a criminal offence to cut down, uproot, wilfully destroy or wilfully damage a tree protected by a Tree Preservation Order or in a Conservation Area. Consent from the Council also has to be obtained for any remedial works to a protected tree such as lopping or pruning. Where such works have taken place without consent the Council may prosecute anyone who is found to have carried out the work or anyone who has caused or permitted the work to be carried out.

**The penalty on conviction in the Magistrates Court for this offence could be a fine of up to £20,000. The penalty on conviction in the Crown Court for this offence could be an unlimited fine.**

*Display of Unauthorised Advertisements.*

Under section 224 of the 1990 Act it is a criminal offence for any person to display an advertisement in contravention of the Town and Country Planning (Control of Advertisements) (England) Regulations 2007.

**The penalty on conviction in the Magistrates Court for this offence could be a fine of up to £1000.**

**Injunctions (section 187B of the 1990 Act)**

In exceptional cases where there is a necessary and serious need to restrain an actual or apprehended breach of planning control, the Council can apply to the County Court or High Court for injunctive relief. An injunction can be sought whether or not any other enforcement action(s) has been taken.

Injunctive action can be very costly and is normally only considered as a last resort where other enforcement action is unlikely to resolve a breach. If successful the Council will obtain an Order from the Court restraining the breach of planning control against the landowner and even against persons unknown.

**If a person fails to comply with an injunction they can be committed to prison for contempt of court.**

**Listed Building Enforcement Notice (LBEN)**

Under the Planning (Listed Buildings and Conservation Areas) Act 1990, the Council has the power to issue a Listed Building Enforcement Notice where unauthorised works have been or are being carried out to the listed building without Listed Building Consent. As with a standard Enforcement Notice, a Listed Building Enforcement Notice will specify the nature of the unauthorised works, the steps that must be taken to restore the building to its former state or, where this is not possible, any further remedial works that are considered necessary. The notice will also specify the time period for compliance with the requirements of the notice and may specify a different time period for each different step that is required to be undertaken. A Listed Building Enforcement Notice does not take effect until at least 28 days after being served to allow the recipient(s) time to lodge an appeal to the Secretary of State. An appeal stops the notice taking effect until the appeal is determined. If an appeal is lodged all complainants and immediate neighbours will be advised of the appeal and how to make representations to the Planning Inspectorate

**Failure to comply with a Listed Building Enforcement Notice that has taken effect is a criminal offence which, on conviction in the Magistrates' Court, can lead to a fine of up to £20,000 or an unlimited fine on conviction in the Crown Court.**

## **APPENDIX 2**

### **Summary of consultation responses to Enforcement Policy**

The consultation exercise attracted a total of twenty-seven responses from a Ward Councillor, a number of Parish Councils, other organisations and from several residents. A number of the responses included comments about the planning process generally with twenty-two providing comments specifically in relation to the Enforcement Policy. The comments received relating specifically to the policy are summarised below, including officer responses and where changes are proposed to be made to the policy.

#### **Comments from Borough Councillors**

1. Introduce more publicly available information into the enforcement policy akin to that available for planning applications. (Cllr R Walker)

##### **Officer comments:**

During the period of investigation and up to when a breach has been regularised and/or formal action taken, it is not appropriate to publicise details of the ongoing investigation. The Council hold a Planning Enforcement Register which lists all formal notices served by the Council under Planning Enforcement Powers and this is free for inspection by any member of the public at any point (currently being updated to an online viewable format). Officers do however recognise that following the outcome of an investigation, there is an opportunity to highlight action carried out, either through positive negotiations or through use of formal powers. As such, Officers will commit to providing a six monthly update to Councillors with details of the outcomes of concluded investigations through planning enforcement to showcase the work carried out.

**Action 1** – Include a paragraph within the Policy to commit to this requirement.

#### **Comments from Parish Councils**

2. Colston Bassett Parish Council suggested improved wording to be included in the policy:
  - a. To meet the requirements of the NPPF, this Plan sets out how the Council will:
    - Carry out proactive enforcement;
    - Monitor the implementation of planning permissions;
    - Investigate alleged cases of unauthorised development; and
    - Take appropriate action where an acceptable solution to the breach cannot be secured.

Officer comments:

The Policy already sets out how the council will deliver a proactive enforcement service and explains which permissions will be subject to this service (larger scale development). It is considered that the Policy also explains in which circumstances and how the Council will take formal action and how it will investigate alleged cases of unauthorised development in general.

No action/changes to the policy considered necessary.

b. The purpose of planning enforcement is to investigate:

- Breaches of planning control
- Breaches of the conditions attached to planning permissions
- Allegations of unauthorised development which may cause harm to public amenity
- take formal action where a satisfactory outcome to the breach cannot be achieved by negotiation.

Officer comments:

The purpose of Planning Enforcement is already included within the Policy Document. Reference to the type of breach (breach of conditions and breaches causing harm to public amenity) are also referenced elsewhere in the document. The Policy also identifies elsewhere in the document that formal action will be **considered** where a satisfactory outcome cannot be achieved by negotiation.

No action/changes to the policy considered necessary.

c. “Retrospective planning applications will only be invited where it is considered that the changes may be acceptable and, any such opportunity to resolve breaches will not delay effective action where this is clearly needed.”

Officer comments:

The Policy is clear that “the Council will give those responsible for a breach of planning control the opportunity to cease the breach of planning control or seek to regularise the breach before resorting to using its formal enforcement powers”. Each breach is assessed on its merits and in instances where harm is significant and immediate, formal action will be taken and no invitation to submit planning applications will be made. The current version of the Policy is clear that this is the approach. However, if an application is submitted in response to investigations, the Borough Council has a duty to consider the submission.

No action/changes to the policy considered necessary.

- d. Unauthorised development in a Conservation Area is also included in Priority 1 Enforcement where it causes irreversible damage and harm to amenity in a Conservation Area.

Officer comments:

Priority 1 thresholds already include “Unauthorised works to, or demolition of a listed building or building within a Conservation Area”. This could be expanded to “include works of significant scale within a conservation area”. It is recognised that the Borough’s Conservation Areas are places of special historic or architectural interest and warrant additional protection that may not be justified in undesignated areas within the Borough.

**Action 2** – Amend priority 1 to include works within a Conservation Area which may impact on character and appearance of the area

- e. In considering whether it is expedient to take enforcement action the Council shall have regard to any material planning objections/complaints concerning harm to the environment and amenity raised by local residents.

Officer comments:

This is outlined within the current draft of the Policy.

No action/changes to the policy considered necessary.

- f. Inform councillors of investigations of cases in their ward areas.

Officer comments:

A monthly report could be produced to inform Cllrs of Enforcement cases received for the previous month. However, it is not considered suitable for this type of operational issue/interaction between Officers and Councillors to be stipulated in a policy such as this.

No action/changes to the policy considered necessary.

- g. Actively monitor pre commencement conditions and other conditions relating to significant planning applications.

Officer comments:

The Council approve a significant number of planning applications per annum and the Planning Enforcement Department do not carry sufficient resources to monitor ‘all’ permissions. The Proactive Enforcement commitment made within the Policy seeks to strike a balance between the resources available and the types of development which are likely to cause greater environmental harm and harm to amenity.

No action/changes to the policy considered necessary.

- h. Continue to review and improve delivering of planning enforcement services
- i. Continue to work to ensure breaches of planning control are reduced
- j. Increase publicity and interaction with the public and business community to raise awareness of planning enforcement and compliance.
- k. That a Statutory Planning Enforcement Register is included in the Policy

Officer comments:

As part of the Proactive Enforcement requirements, Officers are engaging with developers much more frequently and earlier in the development process. It is expected that this early engagement will reduce the number of complaints received as developers will adhere more closely to the conditions and requirements of their planning permissions. As stated above, the Council already hold a publicly accessible Enforcement Register, which is a legal requirement, this will be updated as and when formal action is taken and notices are served, therefore, it would not be appropriate to include the register as part of the Policy. In terms of review, this Policy will reviewed as part of the Council's regular reviewing cycle to ensure it remains fit for purpose.

No action/changes to the policy considered necessary.

3. Radcliffe on Trent Parish Council supports the policy

Officer comments:

No comment

4. Bunny Parish Council generally supports policy and considers that it is clearly structured and written in a readily accessible style with helpful cross referencing to relevant legislation and regulation/policy documents. They also comment as follows:

- a. Page numbering would be useful
- b. Strong emphasis on discretionary and expediency, provides too much scope for RBC to do nothing despite evidence showing a breach
- c. Policy makes no mention of staffing/budgetary constraints. Is RBC geared up to provide effective enforcement?

Officer comments:

Page numbers will be added to the document once the final version is published. The Policy intentionally highlights the regulations and guidance around discretion and expediency. It is not the case that every breach will be enforced against, as the Policy explains. This is in line with government guidance and the regulations.

Matters of staffing and budgets are beyond the scope of this document. These are ultimately matters for consideration by the Head of Paid Service.

**Action 3** – ensure page numbers are included within the document.

5. Ruddington Parish Council comments:

Monitoring takes place regarding the replacement of trees where they are removed, uprooted or destroyed in contravention of a TPO and Tree Replacement Orders are served.

Appropriate action is taken against wilful breaches of planning control and retrospective applications are not used to avoid taking enforcement action where significant harm has been caused.

Swift action is taken where there are unauthorised works within the Conservation Area

Officer comments:

Officers would ordinarily ensure that replacement planting takes place if required following works or removal of a tree the subject of a TPO. This would form part of the compliance section of an investigation and cases would not be closed until compliance had been ensured. In respect of retrospective planning applications, the developer is entitled to apply for planning permission at their will. This will, however, not prevent the Council using faster action powers to prevent significantly harmful breach from occurring or continuing, where deemed necessary. There will however be some circumstances where the Council will invite an application in order to regularise a breach of planning control, this would only normally apply where the development may be considered acceptable or potentially unacceptable impacts could be mitigated by the use of appropriate conditions. This is action used for breaches which are more acceptable in planning terms and not causing significant harm to amenity or the environment. See note above in relation to breaches within a conservation area.

No action/changes to the policy considered necessary.

6. Barton in Fabis Parish Council comments:

- a. All parties should expect clarity and objectivity so that everyone is treated fairly and equitably. The 18 page draft document is poorly structured, imprecise, ambiguous and incomplete. In some instances it is not consistent with Rushcliffe's Corporate Enforcement Policy
- b. Suggests wording "The enforcement of planning control focuses on proportionate resolution to ensure the interests of the wider community are protected and planning policies respected." And "Land owners are required to meet the requirements of planning legislation and refrain from carrying out development until the necessary planning permissions have been obtained"
- c. Include specific reference to consideration of whether a breach might create a precedent which might at a subsequent point cause a greater degree of harm than the development in question

- d. A clear matrix should be included in the policy of the extent of the breach (wide – narrow) v degree of harm (serious – minor) to identify the most serious breaches of planning control.
- e. With reference to prioritising complaints it would help all parties if the document could attempt to identify objective measures to differentiate between “large scale” and “substantial”.
- f. The document should establish that all breaches of planning control in the Green Belt are ‘high priority’
- g. The phrases “You will be given a reasonable period of time” and “The Council will seek to avoid long drawn out negotiations” are unacceptably vague and weak and lack ‘teeth’

Officer comments:

Officers believe the Policy as drafted accords with the Council’s umbrella Enforcement Policy. In terms of point (b) above, the Policy explains that “the Council will not condone wilful breaches of planning control and will exercise its discretion to take enforcement action if it is considered expedient to do so.” This terminology is considered to be more appropriate for a document of the intended purpose which is to be used by both members of the public and developers in helping them guide their way through the complex planning process. On receipt of enquiries regarding an alleged breach of planning control, the case will be assessed to determine the priority rating for investigation. A large part of the Borough is covered by the Green Belt and it is not considered appropriate that all alleged breaches within the designation are investigated as a high priority, however, other factors will be taken into account including the degree of any harm and whether this might be irreparable.

No action/changes to the policy considered necessary.

- 7. East Leake Parish Council suggest that pages are numbered and a list of sections added with links at the beginning to make it easier to navigate the document (ie links to email addresses etc)

Officer comments:

Page numbers will be added to the final document (see Action 3 above). Officers will investigate the inclusion of an index and links to sections in the document for use in a web based version.

**Action 4** – investigate inclusion of interactive index for a web-based version of the document (include page numbers in document – see Action 3 above)

- 8. Homle Pierrepoint & Gamston Parish Council comment:

- a. Applications for retrospective planning permission should be discouraged in most cases
- b. Rates of fines should reflect the potential profit made by being in breach of the planning regulations. The policy makes a lot of use of the word “discretionary” but when it comes to fines, an expensive court case would



- be necessary to levy a sufficient amount to discourage deliberate breaches.
- c. Section 6 of the planning application form asks "Will any trees or hedges need to be removed or pruned in order to carry out your proposal?" but there seems to be no enforcement mentioned unless a TPO is in place. It has been observed that some applicants have 'tidied' their gardens before applying for planning permission thus being able to answer "no" to the question in Section 6.

Officer comment:

It is not possible to set a target to discourage retrospective applications for planning permission. This will depend on the specific nature and likely acceptability of each case. The level of fines is not set by the Borough Council but by the courts. The removal of trees which are not protected by Preservation Order or by their presence within a conservation order is not a breach of planning control. The Council have no ability to prevent this approach being taken by developers.

No action/changes to the policy considered necessary.

**Comments from other organisations**

9. Rushcliffe Nature Conservation Implementation Group (RNCSIG) comment:
  - a. Whilst they welcome the inclusion of TPO's and SSSI's in Category One, this is very limited in terms of wildlife protection and they feel that this must be extended to read "Unauthorised development close to or within a Site of Special Scientific Interest (SSSI), Local Wildlife Sites (LWS), Local Nature Reserves (LNR), protected species and habitats as per the RBC Local Plan Part 2 Policy 36."
  - b. "If any breaches of wildlife legislation are identified alongside breaches of planning control, then the authority has the right to discuss any issues with the police, statutory nature conservations organisations (i.e. Natural England, Environment Agency etc.) and assist them with any investigations they may pursue"
  - c. As developments proceed complaints about damage to wildlife habitats and species must be treated as a serious issue ie. Priority One and for the policy to have any real effect, regular on the ground monitoring is essential for all aspects of a development, both built and natural. We are not convinced that the cut off point for active monitoring should be at 50 houses.
  - d. Mention of the following pieces of wildlife legislation should be included as an Appendix. The Wildlife and Countryside Act 1981 (as amended), The Protection of Badgers Act 1992, Countryside and Rights of Way Act 2000, Natural Environment & Rural Communities Act 2006 and The Conservation of Habitats and Species Regulations 2010.

Officer comments:

The context and location of any breach will pay a large part of the consideration process when the Council allocate a priority to the incoming case. Impact upon wildlife will be one of those many material considerations however, it is not appropriate to list all considerations in a Policy document.

No action/changes to the policy considered necessary.

In respect of point b) this happens already as part of our day to day business but there is merit in including a paragraph to inform members of the public that we will pass on information to other bodies.

**Action 5** – Include in Policy commitment to refer matters which do not relate to a breach of planning to the relevant agency/regulatory regime, for example works which may cause harm to a protected species or their habitat which may constitute a breach of the Habitat regulations.

10. The Green Party comments that the policy concentrates on the built environment, with only a small consideration of wildlife and wildlife habitat, and local green space. They also reiterate the comments made by RNCSIG.

Officer comments:

See above comments.

No action/changes to the policy considered necessary.

**Comments from residents**

11. The consultation exercise attracted submissions from 12 residents making comments specifically about the Policy. These are summarised below.
12. The following comments were received from a resident:
  - a. A strong mission statement is required so your planning enforcement team truly understand that their role is also to support and protect local residents, especially from the unscrupulous behaviour of these new build developers such as Avant Homes. Currently interactions with your team feel like an exercise in escaping responsibility with little interest in support residents in their concerns.
  - b. Improved website. The website makes it very difficult to find signed off planning applications and most importantly any conditions that apply to them. Availability of information to the public is a vital element of an effective system.
  - c. Where issues with developments are not technically breaches of planning control, such as blocking of highways, your officers should be charged with enabling the complainant to find the best place to direct their complaint. The current "its not my problem" approach is really poor service.

Officer comments:

The Policy sets out at the start, the purpose of Planning Enforcement and explains how Rushcliffe Borough Council will exercise these powers, in accordance with the regulations and guidance issued by central government. In terms of accessing approved planning documents, the Council maintain a widely accessible public access system whereby all documents associated with the planning files, including the decision notices, are available for inspection. Customer services is at the heart of Officers at Rushcliffe Borough Council and Officers will always endeavour to assist customers with their issues, even if these means signposting them to the correct department more suited in providing the assistance. The Policy does include information in relation to some other bodies that deal with issues outside of the planning discipline, however, it is not possible to cover every scenario in the policy.

No action/changes to the policy considered necessary.

13. Resident supports 'converting the discretionary code of practice for the enforcement of planning conditions to that of a policy. Now more than ever is it crucial for the elected councillors of the Rushcliffe Borough Council be given more enforcement responsibilities relating to the monitoring and oversight of building and development conditions across the Ruddington area. They are the elected representatives of our community and need the power to act and enforce conditions on our behalf.'

Officer comments:

The responsibility for investigating breaches of planning control and seeking resolutions to breaches, including taking formal action where this is considered expedient rests with officers.

No action/changes to the policy considered necessary.

14. 4 residents supports the policy, 1 suggesting large fines for breaches.

Officer comments:

The level of fines is not set by the Borough Council but by the courts.

No action/changes to the policy considered necessary.

15. The following comments were received from a resident:
  - a. Confidence in the system requires good communication and a clear understanding of response times, proposed actions and follow up monitoring. The Consultation paper does not set any standards to address this nor detail as to how it will keep the public updated on enforcement enquiries. As an example, the current online system does not generate an acknowledgement nor does it assign a case number, and it can be difficult to track what action has been taken. Complaints

about service should also be assigned specific case numbers and acknowledged. This will allow the complaint to be monitored against timescales for the complaints process and give a reference point for escalation through the complaint's procedures.

- b. The Consultation paper indicates proactive management will be restricted to larger developments. It is recommended that this is extended to developments in Conservation Areas where breaches of planning conditions can cause irreversible harm to the area and environment. If adopting a reactive approach and relying on monitoring by the public, then a simple system for identifying possible breaches is required. A simple checklist of all the planning conditions and recommendations in sub reports would help monitoring by the public. The public should also be given notice when a request for discharge of conditions is submitted.
- c. The Priority 1 service response includes unauthorised works on trees in a Conservation Area. This is too narrow and should be extended to address unauthorised works which endanger important features in the Conservation Area. For example, excavations or building works in close proximity to trees that pose a risk to their long term survival.
- d. It is recognised that the Local Authority has limited resources. If resources limit proactive monitoring for important smaller sites, such as in Conservation Areas, then thought could be given to self certification, paid for by the developer, using outside consultants similar to building regulations. This could take place at regular or critical points in the construction process, e.g. pre-commencement where conditions have been set.
- e. A register of historic enforcement notices or breaches would help identify repeat offenders. Alternatively, there could be a requirement to disclose prior enforcement notices/condition breaches when submitting a new application. This could be then taken into consideration for new applications from the same individuals. A record of enforcement notices issued by the council would also give visibility and confidence to the public that the council is being proactive in the area of enforcement.

Officer comments:

- a. When complaints are received and adequate contact information is given, the Council acknowledges the receipt of the complaint by issuing an acknowledgment letter to the complainant. This letter contains details about who the case officer is, the unique reference number for the case as well as detailing timeframes for updates from Officers. This is of course only possible where contact details are left by complainants, some complainants wish to remain anonymous. A process already exists for the issues raised, therefore no changes are proposed to the Policy.
- b. The threshold for proactive monitoring has been set to meet the current and expected levels of resources the Council can direct towards the planning enforcement function. To lower this threshold as suggested would not be possible with current resources, particularly given the number of applications approved by the Council each year. This policy

is designed to be achievable with the resources available at the time of its publication. With regard to the suggestion that residents should be given notice when conditions are discharged, it should be noted that in the majority of cases conditions relate to technical issues and consultations will be undertaken with the relevant consultee. There is no legal requirement to consult more widely on submissions to discharge conditions. No action/changes to the policy considered necessary.

- c. This has been recognised and Priority 1 updated accordingly to widen the scope to include more types of development within a Conservation Area.

**Action 6** – widen the scope of priority 1 cases to include more breaches within a Conservation Area.

- d. This is an interesting concept but unfortunately falls outside of the powers of the Council at this current time. Whilst the legislation is in place to enable approved inspectors to discharge the Building Regulation function, this is not the case for the planning regime. No action/changes to the policy considered necessary.
- e. The Council maintain a Planning Enforcement Register which holds details of all enforcement notices (and associated notices) served. This is available for inspection and work is currently being undertaken to make this more readily available online, similar to planning applications. However, the credibility or previous enforcement history of an applicant or a site is not material in either the consideration of planning applications or breaches of planning control. Each planning application and enforcement investigation is considered on its own merits, in line with regulation and policy/guidance at the time of decisions being made and the planning system should not be used punitively to punish previous breaches/offences that may have been committed.

**Action 7** – make reference to enforcement register in the Policy document.

16. The following comments were received from a resident:

- a. Is additional resourcing and funding required to properly enforce this policy? If not, has it been clearly set out how it is expected current resources will be used to meet this new requirement?
- b. Large developers dislike large fines and they also dislike negative publicity about their shortcomings. Could you highlight breaches and enforcement action and publicise them in a section on the Rushcliffe website for news agencies to see and report on?

Officer comments:

Issues regarding resources and the commitments made within the Policy document are discussed elsewhere in this document. In terms of fines, these are set by the magistrates and not by the Council. The Council will continue to publicise successful outcomes from Planning Enforcement Investigations where considered appropriate. It is however outside the scope of this Policy to set requirements for this.

No action/changes to the policy considered necessary.

17. A resident supports the Policy but comments that the Policy should have built in compensation for development that causes any breaches.

Officer comments:

The harm arising from any alleged breach of planning control will be taken into account when determining the appropriate course of action to take. Where development is unacceptable and impacts arising could not be mitigated by conditions, action may be appropriate and in such circumstances the requirements of any formal action will need to be proportionate to the breach and the harm arising.

No action/changes to the policy considered necessary.

18. A member of the public comments that it ought to be part of any planning application site visit that the Borough Council's planning personnel proactively check for then report possible unauthorised development and/or planning breach(es).

Officer comment:

Possible breaches of planning are not always obvious to officers when visiting sites but if any issues are identified they will be reported to the Enforcement Officers for further investigation.

No action/changes to the policy considered necessary.

19. Rushcliffe resident supports policy but believes that all permissions should be subject to proactive monitoring.

Officer comment:

This matter is addressed in comments in response to issues raised by another resident above.

No action/changes to the policy considered necessary.

20. A resident commented as follows:

- a. Should give clear and precise instructions as to whom and to what address should be used when reporting breaches.
- b. Planning conditions are designed to ensure that any allowed development is not a nuisance to neighbours. Concern is expressed that when reporting breaches no action is taken.
- c. Clear and evidenced breaches of planning conditions will always be treated as a matter of the Highest Priority.

Officer comments:

The Policy includes a section on 'How to report an alleged breach of planning control' including the different methods by which complaints can be submitted, e.g. telephone, email etc. Additional information could be added to this section, including relevant telephone number, email address etc. Reports of non-compliance of planning conditions sits within the Priority 2 (Medium) in the current version of the Policy. This category has maximum response time from officers of up to 5 working days (although often it will be sooner than this). However, each complaint will be considered on facts of the case and in some instances, where the breach of condition would also possibly lead to irreversible affects (such as examples given in Priority 1) the breach of condition complaint will be elevated to a Priority 1 case. As the Policy states, Officers have the ability to escalate complaints if they see fit. Where a breach of condition has been established, officers will, in the first instance, seek to remedy the situation through discussions/negotiations with the person(s) carrying out the work. If this is not possible, and it is deemed expedient, formal action will be taken to resolve the matter.

**Action 8** – include in policy document relevant email address, telephone number etc for use when reporting alleged breaches of planking control.

Actions arising following consultation exercise	
Action 1	Include a paragraph within the Policy to commit to publicising/making available the outcome of investigations where appropriate.
Action 2	Amend priority 1 to include works within a Conservation Area which may impact on character and appearance of the area
Action 3	Include page numbers within the document.
Action 4	Investigate inclusion of interactive index for a web-based version of the document
Action 5	Include in Policy commitment to refer matters which do not relate to a breach of planning to the relevant agency/regulatory regime, for example works which may cause harm to a protected species or their habitat which may constitute a breach of the Habitat regulations.
Action 6	Widen the scope of priority 1 cases to include more breaches within a Conservation Area (see action 2).
Action 7	Include reference to enforcement register in the Policy document.
Action 8	Include in policy document relevant email address, telephone number etc for use when reporting alleged breaches of planking control.

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## EQUALITY IMPACT ASSESSMENT FORM

Name and brief description of proposal/project / policy / service being assessed:

### Planning Enforcement Policy

Effective enforcement is important to maintain public confidence in the planning system. It is recognised that establishing effective controls over unauthorised development assists in conserving the natural and built environment whilst helping to protect the quality of people's lives and maintaining the Council's integrity. Therefore, the Government encourages Local Planning Authorities to publish a local enforcement plan to manage enforcement proactively, in a way that is appropriate to their area.

Information used to analyse the effects of equality:

Planning legislation imposes a regulatory control on the use and development of land and applies to all land and property owners.

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	Could particular benefit (X)	May adversely impact (X)	How different groups could be affected: Summary of impacts	Details of actions to reduce negative or increase positive impact (or why action not possible)
People from different ethnic groups	X		Planning legislation imposes regulatory controls over the use and development of land and buildings and the personal circumstances of Individuals involved will rarely be a material consideration.	The needs of equality groups will be taken into account where appropriate in any planning decisions and weighed against policy requirements and other material considerations.
Men, women (including maternity/pregnancy impact), transgender people	X		As above	As above
Disabled people or carers	X		As above	As above

People from different faith groups	X		As above	As above
Lesbian, gay or bisexual	X		As above	As above
Older or younger people	X		As above	As above
Other (marriage/civil partnership. Looked after children, cohesion/good relations, vulnerable children/adults)	X		As above	As above

**OUTCOME(S) OF EQUALITY IMPACT ASSESSMENT:** *(delete as appropriate)*

No major change need    Adjust policy/proposal/project    ~~Adverse impact but continue~~    ~~Stop/remove project/policy/proposal~~

**Arrangements for future monitoring of equality impact of this policy/proposal/project:**

*Note when assessment will be reviewed (e.g. review assessment in 6 months or annual review).*

The Policy will be kept under review and amended as necessary in response to changes in legislation/regulations.

**Names of officers who conducted EIA and date**

Andrew Pegram

**Approved by:**  
*(manager signature)*

**Date:** 16 February 2021