

RUSHCLIFFE BOROUGH COUNCIL

BUDGET SETTING REPORT AND ASSOCIATED FINANCIAL STRATEGIES

2025/26-2029/30

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1 INTRODUCTION AND EXECUTIVE SUMMARY

1.1 Introduction

The economic environment continues to be challenging, the aftereffects of the global pandemic, continued international conflict and the unprecedented levels in inflation have elevated the Council's cost base. The general election in the summer has for the first time in 14 years resulted in a change to a Labour UK Government and this has added yet more uncertainty to financing and policy, making budget setting over the Medium-Term even more challenging. Globally, political volatility is increasing with the US Presidential election outcome and further highlighted by the collapse of the French Government and turmoil in South Korea.

A white paper on Local Government Reorganisation (LGR) has been recently released with a focus on simpler structures and efficiency savings. This may see two tier Council's restructured from as early as 2027 or 2028. This Council despite significant uncertainty will continue to make sensible financial decisions to ensure it provides the best possible services for its residents and delivers Corporate Plan objectives. The clear message is that there are still tough choices to be made in the Medium-Term Financial Strategy (MTFS) and the Council must continue to seek efficiencies through the Transformation and Efficiency Plan (TEP) and a focus on continuing to deliver vital services to the residents and businesses of Rushcliffe.

The local government financial settlement resulted in a 0.9% increase in core spending power for 2025/26 for RBC. Given ongoing inflation this continues to make balancing the budget even more challenging. New Homes Bonus (NHB) has one final year in its current form, and it has been confirmed that we will receive £1.05m in 2025/26 in UK Shared Prosperity Funding (UKSPF). A significant risk for the Council in 2026/27 will be wider local government finance reform prior to any LGR which will focus on redirecting funding to more deprived areas and Business Rate reforms and further consultation with regards to NHB. For Rushcliffe this represents a likely pessimistic outcome and is reflected in prudent financial projections going forward.

Employers National Insurance contributions (NIC) have increased by 1.2% to 15% in addition to the lowering of the threshold at which NIC becomes payable. This has a budget pressure of approximately £300k per annum to the Council. The final settlement confirmed that the Council will receive £123k in government grant for increased NICs accounting for 41% of the additional costs. Furthermore this compensation will only apply to Local Government and not any third parties used to deliver services. This therefore has implications for the supply chain of the Council such as Leisure Services and is likely to translate in rising support service, transport, premises costs etc for the Council.

There remain uncertainties around developing initiatives such as Extended Producer Responsibility Scheme (EPR) and Simpler Recycling (SR) which places additional responsibility on the Council, with funding and additional costs not yet fully known. There is currently an anticipated shortfall in funding to be met from the Collection Fund Reserve and a newly created Simpler Recycling Reserve. The Council will continue to make representations to the Government that the imposition of such duties should be properly funded by the Government as with any 'new burden'.

Inflation has now fallen closer to the target of 2% (2.3% as at October 2024) it is more recent higher increases that have placed significant pressure on the MTFS. Energy costs have been subject to high levels of volatility and soaring prices in the past few years, whilst costs have reduced prices are expected to rise therefore, we have assumed 10% per annum in the budget. The Government uses interest rates as a key tool to contain inflation. If inflation remains higher then interest rates will be higher. Commendably the Council remains debt free, so is not yet subject to interest costs from borrowing. Higher interest rates do mean interest earned on treasury investments is elevated. The net projected financial position over the 5 years gives a virtually balanced budget of £171,900. The impact of LGR and its timing is unknown and will be factored in as the MTFS is developed further next year.

The Council remains sustainable due to its range of income streams, including Council Tax, commercial property income and fees and charges, with a proportionate approach to generating income. Government assumes Council Tax will be maximised at the higher of £5 or 3% in its funding assessment and the Council has budgeted at the maximum of 2.99% (£5.31) increasing the total Band D equivalent (including Special Expenses) from £177.63 to £182.94 with Rushcliffe's element of the charge increasing from £157.88 to £161.77 (£3.89 or 2.46%). The Council must also consider the rising costs of discretionary services and therefore the need to increase fees and charges and/or reduce expenditure. Broadly fees for discretionary services have been increased by 4% to recover the increase in the costs to deliver these services, however this is also balanced with the demand for services (given cost of living pressures) and services used by the more vulnerable in our community.

The focus is delivering our priorities within a balanced budget for 2025/26 and ensuring the budget is robust for the future. The main pressures in addition to those posed by inflation come from the new Simpler Recycling requirements and a downward trend in planning income from reduced demand from new developments. These are somewhat offset by associated savings on planning agency and various other efficiencies such as the transition to Hydrotreated Vegetable Oil (HVO) in addition to supporting carbon targets. The Council's leisure contract is due to end in 2027, however a short-term extension to 2030 has been proposed which aims to align Council facilities under one contract end date and provides further budget efficiencies the

next five years. After this extended period there may be further opportunities to generate efficiencies from the Leisure Strategy as the Council looks to undertake a full review and maximise the potential from its complete leisure portfolio and if the Council has transitioned into a new authority the opportunity for further synergy with a wider leisure portfolio.

The East Midlands Development Corporation (EMDevCo) has been wound up and transferred to the East Midlands Combined County Authority (EMCCA) meaning reserves of £0.2m held for future commitments have been repurposed to the Organisation Stabilisation reserve. The £1m allocated for land acquisition for travellers' site has been repatriated and partially earmarked towards the acquisition of land for planting for carbon offsetting.

Capital resources are increasingly strained, with main pressures arising from Simpler Recycling, climate change and Disabled Facilities Grants. A rising asset base demands more from replacement programmes and has a knock-on effect to the challenges of balancing the revenue budget. Despite these pressures, the Council continues to develop and enhance its facilities with a budget of £27m over the 5-year Capital Programme. Schemes include focus on upgrades to facilities, (especially leisure centres to improve energy efficiency, both to reduce expenditure and deliver green objectives); play areas; vehicle replacement and delivering Warm Home Grants.

Nationally, councils are reporting difficulties in bridging their funding gaps, forcing cuts in discretionary services and an increasing reliance on reserves. Several Councils were forced to issue Section 114 notices (effectively declaring bankruptcy), and it is suggested this could worsen with one in five Councils at risk. The Council are one of the few who are debt free with a reasonable level of reserves, which helps to protect against this eventuality, but with reserves reducing from £21.4m in 2024/25 to £15.3m by end of 2029/30 financial risk remains significant. The expectation is that at some point in this period assets and liabilities will transfer to a new authority.

One-year settlements have provided little certainty for councils in recent years and the 2025/26 budget setting period is no exception, there is some hope in sight with a further stage of the Spending Review concluding in late spring 2025 and hopefully giving certainty for at least two more financial years. Thereafter there is likely to be LGR and undoubtedly further changes to funding allocations. Given the uncertainty of LGR, and the challenges of an unstable international economy and new burdens from government legislation the fact we have a virtually balanced budget for 5 years is testament to the hard work of both Councillors and officers and we will not rest on our laurels.

Executive Summary

This report outlines the Council's Medium Term Financial Strategy (MTFS) through to 2029/30 including the revenue and capital budgets, supported by several key associated financial policies alongside details of changes to fees and charges. Some of the key figures are as follows:

Table 1 – Five-year Budget Estimate

| Year | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | Total |
|----------------------------------|-------------|-----------|-----------|---------|---------|---------|
| Net (Surplus)/Deficit (£) | (3,549,800) | 1,161,100 | 1,057,600 | 817,400 | 685,600 | 171,900 |

Table 2 – Key changes

| | 2024/25 | 2025/26 |
|--------------------------------------------|---------|---------|
| RBC Precept | £7.419m | £7.728m |
| Council Tax Band D | £157.88 | £161.77 |
| Council Tax Increase | 2.55% | 2.46% |
| Council Tax Band D with Special Expenses | £177.63 | £182.94 |
| Council Tax Increase with Special Expenses | 2.90% | 2.99% |
| Retained Business Rates | £5.463m | £6.676m |
| New Homes Bonus | £1.509m | £1.478m |

Table 3 – Change in precepts - Special Expenses

| | | | | |
|-------------------------------|----------|------------|---------|----------|
| Total Special Expense Precept | £928,000 | £1,011,600 | 83,600 | 9.01% |
| West Bridgford | £59.44 | £64.84 | £5.40 | 9.08% |
| Keyworth | £4.69 | £3.21 | (£1.48) | (31.56%) |
| Ruddington | £3.29 | £3.14 | (0.15) | (4.56%) |

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

2 BUDGET ASSUMPTIONS

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

| Assumed increases/inflation | Note | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--------------------------------------|------|---------|---------|---------|---------|---------|
| Utilities | a | 10% | 10% | 10% | 10% | 10% |
| Diesel/Fuel | b | 2% | 2% | 2% | 2% | 2% |
| Contracts | a | 3% | 3% | 3% | 3% | 3% |
| Pay costs increase | c | 4% | 3% | 2% | 2% | 2% |
| Employer's pension contribution rate | d | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| Return on cash investments | e | 4.06% | 3.75% | 3.50% | 3.00% | 3.00% |
| Tax base increase | f | 1.66% | 1.80% | 1.80% | 1.80% | 1.80% |
| Employers National Insurance | g | 15.00% | 15.00% | 15.00% | 15.00% | 15.00% |

Notes to assumptions

- a) Inflation peaked at 11.2% in October 2022, this has steadily fallen to 2.6% as at September 2024 but is not expected to return to the Government's target of 2% within the MTFs period. High inflation has resulted in a permanent increase in the Councils spending levels and has been built into future year budgets to ensure commitments can be met.
- b) The Council completed successful conversion of some of the Council's fleet vehicles to using HVO fuel. The 2025/26 diesel/fuel budget has been re-assessed as the price was less than anticipated in the 2024/25 budget cycle. Fuel by its nature is volatile in price but we have assumed a 2% increase in future years, but we will continue to review costs over the medium term.
- c) Payroll projections have increased due to upward pressure on National Living Wage and pay negotiations (also driven by inflation) which also include the agreed pay award for 2024/25 of the higher of £1,290 or 2.5% per employee an average of 4% compared to average 6% in 2023/24.
- d) The Council is in the third year of its triennial valuation of the pension fund with the review due next year (covering the period 2023/24 to 2025/26). There was an increase to the employer's contribution rate to 18.5% (from 17.9%) but a reduction in the estimated annual deficit payment (to meet historical pension liabilities) from £0.976m per annum to £0.84m, £0.72m, £0.6m in 2023/24, 2024/25 and 2025/26 respectively. The Council has in the past chosen

to prepay the deficit however for this triennial valuation the saving from prepaying the deficit is £125k over 3 years. As interest rates are currently high, the lost opportunity cost from investing the funds would balance out any saving from prepaying the deficit and therefore this option does not make financial sense.

- e) Cash investment returns are based on projections consistent with the Council's Capital and Investment Strategy. The Bank of England Base rate dropped from 5% to 4.5% in February 2025, and it is expected that this will continue to decline with current predictions of 3.75% by December 2025 and 3% by the end of the MTFS period, recent UK and World events may affect this and projections can change.
- f) The tax base for 2025/26 has reduced from 2% to 1.66% due to the declining trend in housing growth, this has been reduced for future years to 1.8%
- g) The increase in Employers National Insurance (1.2% to 15%) equates to approximately £300k per annum. We assumed that the Council would receive a grant towards this increase (budgeted at £130k) however in the final settlement it was confirmed this would only be £123k.
- h) A £0.3m contingency is in place to manage adverse budget variances and potential unexpected increases.

3 FINANCIAL RESOURCES

- 1.1. In the Autumn spending review, The Government has reiterated its commitment to a single fiscal event each year and to holding a Spending Review every two years, setting departmental budgets for a minimum of three years. The second phase of the Spending Review will conclude in late spring 2025. It is not clear how many years the second phase will cover, but the Government's general commitment would suggest at least 2026/27 and 2027/28. However, the recently announced white paper on English Devolution brings into question whether a longer-term settlement would be issued. This uncertainty and short-term decisions make long term planning challenging.

Across local government there was an increase in Core Spending Power of 3.2%. Rushcliffe like many district councils attained a much lower increase (for Rushcliffe 0.9%) This assumed also that district councils maximise their ability to raise Council Tax to referendum limits.

Government have expressed a commitment to funding reforms within the Local Government Finance Settlement by redistributing funding to ensure that it reflects an up-to-date assessment of need and local revenues. This is expected to include a review of the funding formula and reforms on business rates (BR) likely involving a 'reset' of BR growth and a potential replacement for New Homes Bonus (NHB). Rushcliffe is unlikely to see any increase in funding with a potential scenario being a reduction in overall spending power linked to removing and redistributing BR growth. It's possible this could be initially compensated by some form of grant however the Council has taken the prudent approach and not included any such assumption in the budget.

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

3.1 Business Rates

In 2024/25 indexation was split creating multipliers for small and standard businesses, allowing the Government to protect smaller businesses from tax rises, whilst still getting the bulk of the additional revenues from indexation, which are paid by larger businesses. For 2025/26 the business rates standard multiplier will be indexed (1.65% increase), and the small multiplier

will be frozen. From 2026-27 onwards, new sectoral multipliers will be set, with lower multipliers for Retail, Hospitality, and Leisure (RHL) properties along with a new multiplier for properties with a rateable value of over £500k.

In 2025/26 the RHL relief will be reducing from 75% to 40%, resulting in a higher risk as the Council will have £1.3m more rates to collect. Compensation for reliefs will be paid as normal.

The proposals for Local Government funding (i.e., Fairer Funding and Business Rates) which were delayed due to the forthcoming General Election are expected in 2026 with significant uncertainties and risks still ahead. The delay in the business rates reset (now not likely until at least 2026/27) means that the Council retains growth which would otherwise be removed on a reset. Whilst this is a support to the budget it is only temporary and effectively moved the pressure on by another year. Further uncertainty has arisen due to the revised schedule of regular revaluations, now to occur every three years with the next one due 01/04/2026 (previously ad hoc from 5-7 years) this may result in fluctuations in collectible rates and makes the budget harder to predict.

The Power Station ceased production in October 2024 although for 2025/26 it remains a chargeable hereditament during the decommissioning and demolition stage albeit it now makes up a much smaller proportion of total collectable rates with a charge for business rates of £833k (2.42%).

The business rates reset has been built into the budget from 2026/27 and assumes no loss due to fairer funding. From 2027/28 the budget includes the effect of a reset and some growth (2%). There is a high level of uncertainty regarding the reduction in retained BR following the reset and for prudence the budget has been set to assume that the Council will only retain baseline funding (the level of business rates that Government have determined the Council should receive) plus renewables (Business Rates collected from renewable energy hereditaments). Alternative scenarios are considered at section 3.2. The real impact of this is demonstrated in Table 5 with a significant reduction in business rates in 2026/27.

The Council ordinarily makes assumptions reflecting national experience of successful ratings appeals and for this year will continue to use the national average appeals percentage to calculate the provision required. The national average included in the settlement is 3.2% (the same as in 2024/25) and this is reflected in the Council's budget for retained Business Rates.

The Business Rates element of the Collection Fund is estimated to be in surplus by £2.1m (RBC share £0.83m) at the end of 2024/25. The balance in the Collection Fund Reserve will be repatriated to support the additional costs of Simpler Recycling (see paragraph 4.2).

The Council continues to be a partner in the Nottinghamshire Business Rates Pool for 2025/26 and an assumption has been that this will result in a share of the surplus whilst growth is still anticipated. This is not included in the budget forecast after 2026/27 as the anticipated Business Rates reset will likely remove all growth. From 2026/27 onwards, arrangements will need to be revisited for both potential changes to the Business Rates system to determine the relevant tier split between districts and Nottinghamshire County Council or the potential new system of Local Government if LGR is in place by then.

There remains a challenge in setting the Business Rates budget, such as the decoupling of the multiplier and closure of the Power Station and the Freeport, further complicated now by potential new BR system and LGR proposals.

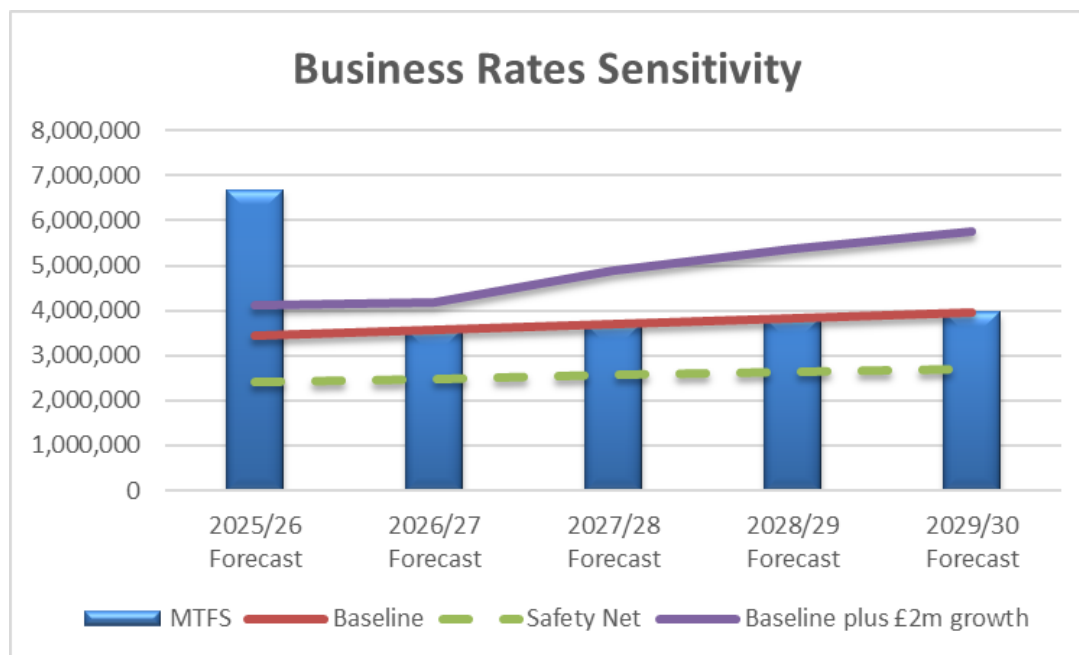
Table 5 - Forecast position for Business Rates

| | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| Retained Business Rates £'000 | (5,463) | (6,676) | (3,578) | (3,704) | (3,834) | (3,970) |
| Increase/(Decrease) £'000 | 558 | 1,213 | (3,098) | 126 | 130 | 136 |
| Increase/(Decrease) % | 11% | 22% | (46%) | 4% | 4% | 4% |

3.2 Business Rates Sensitivity Analysis

As explained above, there is uncertainty surrounding Business Rates from 2026/27. The level of Business Rates baseline for Rushcliffe will be adjusted at the Business Rates reset which will determine how much growth the Council retains. It is unknown at this stage what baseline will be set and for prudence we have therefore assumed the Council will receive baseline plus renewables for the remainder of the MTFS because of the Power Station closure and the reset. However, there is an upside risk that the reset will see the baseline set at higher levels than expected meaning there would be the benefit of higher growth or alternatively transitional support. The Safety Net shown in the graph below is the minimum amount the Council could receive (in accordance with government regulations) calculated as 92.5% of the baseline set for the Council.

Chart 1 – Business Rates Sensitivity



3.3 Council Tax

The Government has assumed in future funding projections that Councils will take up the option of increasing their Council Tax by the higher of 3% or £5 for a Council Tax Band D (maintained at 3% for a third year). The overriding Rushcliffe principle is that the Council aims to stay in the lower quartile for Council Tax. The Council acknowledges the cost-of-living challenges being faced by its residents however the Council must also consider the future delivery of services and reserves needed to withstand financial shocks. The Council is required to consider Special Expenses when assessing increases against the referendum limit and together both the Special Expenses and Borough increase totalling £5 or 3%. The total increase is £5.31 or 2.99% with Rushcliffe's element £3.89 or 2.46%. We have assumed an increase in Council Tax of 3% each year for the remainder of the MTFS. A Council Tax freeze on the RBC element of Council Tax in 25/26 would result in a reduction of £0.254m in revenue in 2025/26 and £1.6m over the 5 years.

The 2025/26 tax base has been set at 47,769.8 (an increase of 1.66%). The projections for 2025/26 have been based upon the current Council Tax base. Anticipated growth during 2025/26 has been calculated and included in the projections and thereafter we have assumed a 1.8% increase per annum. This will be reviewed as the Council looks to deliver its housing growth targets.

The overall net surplus is expected to be £63k (RBC share £6k).

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

| | | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|-------------------------------|---------|-------------|-------------|-------------|-------------|-------------|-------------|
| Council Tax Base | (a) | 46,989.80 | 47,769.80 | 48,629.70 | 49,505.00 | 50,396.10 | 51,303.20 |
| Council Tax | (b) | £157.88 | £161.77 | £165.82 | £170.72 | £175.68 | £181.63 |
| Annual Increase (RBC element) | | £3.93 | £3.89 | £4.05 | £4.90 | £4.96 | £5.95 |
| % Increase | | 2.55% | 2.46% | 2.50% | 2.96% | 2.91% | 3.39% |
| Gross Council Tax Collected | (a x b) | (7,418,700) | (7,727,700) | (8,063,800) | (8,451,500) | (8,853,700) | (9,318,200) |
| Increase in Precept | | £326,500 | £309,000 | £336,100 | £387,700 | £402,200 | £464,500 |
| Council Tax (Surplus)/Deficit | | £3,200 | £6,100 | | | | |

3.4 Second Homes Premium

The Council remains committed to ensuring properties are brought into use for residents. The proposal to introduce the Second Home Premium was approved by Members in March 2024, but the earliest that this could be implemented was from 1 April 2025. The Government has subsequently issued revised legislation, giving certain exceptions where a premium may not be imposed (for example if a property is actively marketed for sale). This will be incorporated into our policies.

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 previous years, special expenses will be levied in West Bridgford, Ruddington and Keyworth.

Appendix 1, summarised in Table 7, details the Band D element of the precepts for the special expense areas. Expenditure in West Bridgford has increased by £87.7k, this is mainly due to the new Edwalton Community Centre £30k, Bridge Field tree works and £25k capital contribution to play area works. This results in an increase in the Band D charge of £5.40 (9.08%) or 10.4p per week. Costs in Keyworth have decreased by £4.1k due to reduced annuity charge resulting from reprofiling of cemetery health and safety works from 2024/25 to 2025/26 meaning repayments via the annuity will not commence until 2026/27. This equates to a 31.56% decrease (£1.48). The Band D amount for Ruddington has decreased by £0.15 (-4.56%) the precept has remained the same and there is an increase in the tax base.

The budgets for the West Bridgford Special Expense area have been discussed at the West Bridgford Special Expenses and Community Infrastructure Levy group, given the more detailed nature of the budget.

Table 7 - Special Expenses

| | 2024/25 | | 2025/26 | | |
|----------------|----------------|----------|------------------|----------|----------|
| | Cost £ | Band D £ | Cost £ | Band D £ | % Change |
| West Bridgford | 903,400 | 59.44 | 991,100 | 64.84 | 9.08 |
| Keyworth | 14,200 | 4.69 | 10,100 | 3.21 | (31.56) |
| Ruddington | 10,400 | 3.29 | 10,400 | 3.14 | (4.56) |
| Total | 928,000 | | 1,011,600 | | |

3.6 Revenue Support Grant (RSG)

The Council no longer receives any historical RSG and this equates to £3.25m in lost income. The Council has mitigated the impact of this loss largely through its Transformation and Efficiency Plan. There is now a small element of RSG included in the grants line of the budget however these are operational grants that had previously been included in the net cost of services and include Local Council Tax Support Administration Subsidy and Family Annex Discount (£105,374), and now also include Electoral Integrity (£10,495) and Transparency Code funding (£8,103).

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. 2024/25 (£1.509m) was expected to be the final payment, however this has been extended to 2025/26. The Council will receive £1.478m funding, this will top up the NHB reserve and used towards future Minimum Revenue Provision (MRP) payments to offset any impact on the revenue budget and Council Tax.

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. Some fees and charges have been increased to offset increased cost caused by higher-than-normal inflation and pay increases although limiting these in areas for the more vulnerable (such as home alarms).

The Fees, Charges and Rental Income budget is shown in Table 8.

Table 8 – Fees, Charges and Rental Income

| | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|----------------------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Car Parks | (1,118) | (1,228) | (1,228) | (1,228) | (1,328) | (1,328) |
| Licences | (317) | (334) | (341) | (348) | (355) | (355) |
| Non Sporting Facility Hire | (154) | (160) | (148) | (152) | (157) | (157) |
| Other Fees & Charges | (733) | (966) | (971) | (979) | (988) | (992) |
| Planning Fees | (1,532) | (1,585) | (1,629) | (1,675) | (1,722) | (1,769) |
| Rents | (2,134) | (2,217) | (2,281) | (2,284) | (2,289) | (2,293) |
| Service Charge | (488) | (486) | (489) | (489) | (489) | (489) |
| Crematorium Income | (711) | (759) | (867) | (946) | (1,000) | (1,054) |
| Garden Waste & Bin sales | (1,688) | (1,770) | (1,939) | (2,110) | (2,285) | (2,466) |
| Total | (8,875) | (9,505) | (9,893) | (10,211) | (10,613) | (10,903) |

Income assumptions are determined by several factors including current performance, decisions already taken and known risks and opportunities. Where possible, the MTFS has made provision for future inflationary increases in fees and charges to balance the cost of providing services whilst having regard for the local economy, service market position and the ability of residents to pay. Where possible income on discretionary fees have increased by 4%. Anticipated income from commercial property investments are budgeted to increase in-line with contractual rent reviews.

Car Parking charges have recently been introduced in Bingham, so there are currently no plans to increase charges further however it is proposed to increase charges at West Bridgford Car Parks. To protect short term visits, incremental increases are proposed to longer stays (over one hour) in alignment with the off-street car parking strategy. These are shown at Appendix 5.

The budget for Other Fees and Charges shows an increase from 2024/25, mainly due to the re-classification of some sales income which was previously classified as other income and increased income from Gresham all-weather pitch.

Statutory increases in Planning Fees came into effect December 2023 together with inflationary increases in non-statutory planning fees and charges. The Levelling Up Bill requires Councils to meet statutory deadlines for processing applications or risk refunding the fee.

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

Garden Waste, historically increased every three years, is now increased annually by £2 per annum to balance the additional costs incurred to deliver the service. The 2025/26 and 2026/27 budgets include an increase in charge of £5 for second and subsequent bins in addition to the annual inflationary increase. There will remain a differential of £5 from 2027/28 between first bin and two or more bins (see Appendix 5 for the current and revised charges).

3.9 Other Income

In addition to fees and charges, the Council also receives a range of other forms of income, these are summarised in Table 9 below. The majority relates to Housing Benefit Subsidy (£11.758m in 2025/26) which is the Council's reimbursement for the costs of the national housing benefit scheme. Over recent years the subsidy has reduced due to the transfer of new claimants to Universal Credits, and this is expected to continue to decline over the coming years although offset by inflationary increases to benefits.

Other Income is mainly the Leisure Services contract proposed to extend to 2030 pending further reviews of this service provision. The Transformation and Efficiency Plan includes leisure budget efficiencies of £1.732m over the next five years although the delivery contract for this service will be reviewed ahead of the extended contract end date of 2030. There may be additional budget efficiencies arising out of this exercise.

Interest on investments reflect assumptions based on balances available to invest and expected interest rates (see Appendix 8). Interest receipts have increased from the 2024/25 budget due to interest rate assumptions and balances available for investment. Interest rates are anticipated to reduce gradually over the next couple of years plateauing around the 3% rate. This, together with a drop in the amount available for investment (namely due to reserve balances and S106 and Community Infrastructure Levy (CIL) monies declining), will see interest on investments fall by the end of 2029/30.

Recycling Credits reduce to zero from 2025/26 as Simpler Recycling comes into effect, and this is expected to be subsumed within the Extended Producer Responsibility (EPR) funding. EPR funding has been assumed to continue at the 2025/26 level of £1.407m for the remainder of the MTFS however this is a risk as future funding has not yet been confirmed and if producer habits change then the funding may well reduce.

Other Government Grants consists of NNDR (£119k), Domestic Violence (£35k), Housing Benefits Administration (£19k) Universal Credits (£1k) and Homelessness Prevention (£360k)

Table 9 – Other Income

| | 2024/25 £'000 | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 | 2029/30 £'000 |
|-------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Council Tax Costs Recovered | (236) | (305) | (305) | (305) | (305) | (305) |
| Council Tax/ Housing Benefit Admin Grants | (141) | (148) | (149) | (154) | (159) | (164) |
| Interest on Investments | (1,043) | (1,435) | (1,308) | (1,177) | (1,017) | (922) |
| Other Income | (1,340) | (1,517) | (1,633) | (1,641) | (1,649) | (1,656) |
| Recycling Credits | (200) | - | - | - | - | - |
| Other Government Grants | (491) | (534) | (534) | (534) | (534) | (534) |
| Sub Total | (3,451) | (3,939) | (3,929) | (3,811) | (3,664) | (3,581) |
| Housing Benefit Subsidy | (12,300) | (11,758) | (12,103) | (12,459) | (12,825) | (13,203) |
| Total | (15,751) | (15,697) | (16,032) | (16,270) | (16,489) | (16,784) |

3.10 Income Summary

Table 10 – All Sources of Income

| | 2024/25 £'000 | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 | 2029/30 £'000 |
|---------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Retained Business Rates | (5,463) | (6,676) | (3,578) | (3,704) | (3,834) | (3,970) |
| Business Rates Pool Surplus | (300) | (400) | - | - | - | - |
| Other Grant Income* | (616) | (1,761) | (1,537) | (1,537) | (1,537) | (1,537) |
| New Homes Bonus | (1,509) | (1,478) | - | - | - | - |
| Council Tax (RBC) | (7,419) | (7,728) | (8,064) | (8,451) | (8,854) | (9,318) |
| Council Tax (Special Expenses) | (928) | (1,012) | (1,100) | (1,157) | (1,221) | (1,245) |
| Collection Fund Surplus | (32) | (835) | - | - | - | - |
| Fees, charges and rental income | (8,875) | (9,505) | (9,893) | (10,211) | (10,613) | (10,903) |
| Other income | (15,751) | (15,697) | (16,032) | (16,270) | (16,489) | (16,784) |
| Total Income | (40,893) | (45,092) | (40,204) | (41,330) | (42,548) | (43,757) |

* The majority of this budget is made up of EPR funding £1.407m announced for 2025/26 and which is assumed to continue each year going forward. Compensation for increases in NIC are also included £0.13m for each year of the MTFS. It has now been confirmed that Rushcliffe will receive £123k. Services Grant has been abolished with Minimum Funding Guarantee continuing albeit at a reduced level for 2025/26. For Rushcliffe this amounts to £0.1m. There is uncertainty in 2026/27 relating to potential Business Rates reform and how this will impact on the Minimum Funding Guarantee grant, for prudence nothing has been included. Revenue Support Grant of £123k includes Local Council Tax Support admin subsidy and Family Annex Discount (included in RSG in 24/25) and Electoral Integrity and Transparency Code funding which is not typical RSG.

4 2025/26 SPENDING PLANS

The Council's spending plans for the next five years are shown in Table 11 and include the assumptions in Section 2.

Table 11 – Spending Plans

| | 2024/25 £'000 | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 | 2029/30 £'000 |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Employees | 15,502 | 16,403 | 16,955 | 17,877 | 18,619 | 18,982 |
| Premises | 1,706 | 1,763 | 1,858 | 1,957 | 2,064 | 2,189 |
| Transport | 1,651 | 1,757 | 1,860 | 2,040 | 2,217 | 2,329 |
| Supplies & Services | 5,351 | 5,212 | 5,327 | 5,475 | 5,450 | 5,547 |
| Transfer Payments | 12,283 | 11,949 | 12,311 | 12,686 | 13,069 | 13,465 |
| Third Party | 1,260 | 1,311 | 1,345 | 1,402 | 1,437 | 1,446 |
| Depreciation / Impairment | 1,895 | 1,895 | 1,895 | 1,895 | 1,895 | 1,895 |
| Capital Salaries Recharge | (240) | (175) | (73) | (32) | (30) | (28) |
| Gross Service Expenditure | 39,408 | 40,115 | 41,478 | 43,300 | 44,721 | 45,825 |
| Reversal of Capital Charges | (1,895) | (1,895) | (1,895) | (1,895) | (1,895) | (1,895) |
| Transfer to Reserves | 1,078 | 2,148 | 1,043 | 809 | 365 | 339 |
| Minimum Revenue Provision | 1,178 | 1,174 | 739 | 174 | 174 | 174 |
| Overall Expenditure | 39,769 | 41,542 | 41,365 | 42,388 | 43,365 | 44,443 |

4.1 Explanations for some of the main movements

- Employee costs reflects both an increase in employers NI announced in the Autumn Statement (an increase of 1.2% to 15%) and salaries increase (4% budgeted increase in 2025/26, 3% 2026/27 and 2% thereafter).
- Premises costs include utilities which include future increases at 10% per annum. Within this budget line is a there is a net saving of £44k following the relocation of Customer Services to the library.
- Transport costs show an increase over the 5-year period mainly due to increased motor insurance premiums, increased maintenance costs and the additional vehicle costs related to Simpler Recycling.
- Supplies and services have dropped slightly in 2025/26 due to the completion of the digital upgrade of Home Alarm Service.
- Transfer Payments (Housing Benefits) are reducing as more people are moving to Universal Credit; however, the subsidy the Council receives does not fully cover the costs paid out. This is mainly due to rent increases in Supported Housing for which the Council only receives 60% subsidy.
- Depreciation is net zero impact on the general fund (fully offset by the reversal of capital charges line)
- Capital Salaries recharge increase in 2025/26 due to rephasing of the Capital Programme and Property staff costs in relation to investment properties such as Manvers Business Park and community buildings at Edwalton and West Park, which reduces in later years as the capital works are completed.
- The £835k Collection Fund surplus relates to Business Rates (£829k) and Council tax (£6k) both anticipated surpluses arising at outturn in 2024/25.
- Minimum Revenue Provision (MRP) decreases in 2026/27 to reflect the final payment in relation to the Arena which when repaid in full, causes MRP to fall further to £174k per annum as no new debt is envisaged over the medium term and the Capital Programme is fully funded.

4.2 Simpler Recycling

In October 2023 the Government announced their plans for the introduction of 'Simpler Recycling', which intends to ensure all homes in England recycle the same materials at the kerbside. In essence the Council will incur additional costs for kerbside waste collection of both glass and food. The January Cabinet report gives more detail, and the capital section of this report details the capital consequences. There is uncertainty around the costs to bring in the new scheme in addition to increased capital replacement costs in the future. The revenue budget pressures are detailed below and the respective impact on employee costs etc are within each of the budget lines in Table 11.

Table 12 Revenue Budget Pressure

| | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|------------------------------------------------------|----------------|--------------------|------------------|------------------|------------------|
| Revenue | £'000 | £'000 | £'000 | £'000 | £'000 |
| Glass | 40,300 | 129,400 | 157,500 | 185,700 | 189,000 |
| Food | 0 | 0 | 613,200 | 1,238,100 | 1,261,000 |
| Total | 40,300 | 129,400 | 770,700 | 1,423,800 | 1,450,000 |
| Loss of recycling credits (replaced by EPR grant) | 231,300 | 275,000 | 275,000 | 275,000 | 275,000 |
| EPR grant | 0 | (1,407,000) | (1,407,000) | (1,407,000) | (1,407,000) |
| Net Budget Pressure | 271,600 | (1,002,600) | (361,300) | 291,800 | 318,000 |

5 BUDGET REQUIREMENT

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

Table 13 Budget requirement

| | 2024/25 £'000 | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 | 2029/30 £'000 |
|--------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Total Income | (40,893) | (45,092) | (40,204) | (41,330) | (42,548) | (43,757) |
| Gross Expenditure | 39,769 | 41,542 | 41,365 | 42,388 | 43,365 | 44,443 |
| Net Budget Position (Surplus)/Deficit | (1,124) | (3,550) | 1,161 | 1,058 | 817 | 686 |
| Planned Transfer (to)/from Reserves | (1,078) | (2,148) | (1,043) | (809) | (365) | (339) |
| Revised Transfer (to)/from Reserves | (2,202) | (5,698) | 118 | 249 | 452 | 347 |

Table 13 shows a budget surplus of £3.55m in 2025/26, followed by deficits in the following years: £1.161m in 2026/27 £1.058m in 2027/28 before dropping slightly in 2028/29 to £0.817m and £0.686m in 2029/30, due mostly to the reduction in Business Rates income from the anticipated reset. The total deficit position of £0.172m over the 5-year period will be managed using the Organisation Stabilisation Reserve to smooth the effect of variation in net budget requirement. The budget includes Transformation and Efficiency Plan savings of £1.7m over the 5-year period helping to reduce the deficit to more manageable levels.

Planned Transfer to/from reserves include items outside of the revenue budget such as the transfer from New Homes Bonus to fund Minimum Revenue Provision (MRP)

The significant movement in 2026/27, moving from a surplus to a deficit is due to the fall out of New Homes Bonus (NHB), the Business Rates reset and corresponding reduction in rates received. This deficit position increase further in 2027/28 as simpler recycling comes into effect offset partly by reductions in MRP due to the end of payments in relation to Rushcliffe Arena.

Section 7 covers the Transformation and Efficiency Plan - including the use of reserves, balancing the budget for 2025/26 and future financial pressures.

6 RESERVES

To comply with the requirements of the Local Government Act 2003, a review has been undertaken of the Council's reserves, considering current and future risks. This has included an assessment of risk registers, pressures upon services, inflation, and interest rates.

Table 14 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 £20.9m to £15.3m (2024/25 – 2029/30). Appendix 4 details the movement in reserves for 2025/26 which also includes capital commitments. This shows that the balance increases from £21.4m to £23.2m. The in-year movement reflects the release of £1.2m from NHB to offset the MRP charged in the year and the in-year NHB receipt of £1.478m. Other significant movements include topping up the Organisation Stabilisation reserve by the estimated surplus £3.5m and the receipt and use of EPR government grant for Simpler Recycling Reserve, as discussed at Section 4.2. What the reserves do not yet show is any commitment with regards to potential Local Government Reorganisation. Future MTFS will be updated when more information is available.

The Climate Change Action Reserve remains despite the economic pressures. The reserve supports projects that contribute to the Council's ambitions to protect and enhance the environment including the reduction of its carbon footprint. A projected balance of £0.918m is available from 2025/26. It should be noted that a provision of £1.5m was made in 24/25 to acquire land for carbon offsetting. Any unspent balance will be carried forward to 25/26. Allocations from the Climate Change Reserve will be made as projects get approved. Existing capital schemes are assessed for any carbon reduction measures and funding from the reserve allocated. A new Simpler Recycling Reserve has been created to hold EPR government grants for use on both capital and revenue Simpler Recycling schemes – glass and food waste. The Council continues to look at avenues of external funding to support carbon reduction initiatives (such as at its leisure centres); and if successful these will be reported via Cabinet and Corporate Overview Group in their financial updates. Capital funding is not sufficient to meet the anticipated capital pressures of £3.31m for both food waste and glass kerb recycling collection, therefore an appropriation from the current Collection Fund Reserve is proposed of £0.746m.

A Vehicle Replacement Reserve exists to support the acquisition of new vehicles, plant, and equipment arising from Streetwise insourcing. This will be actively used to support the capital programme where there are insufficient capital receipts.

The Treasury Capital Depreciation Reserve (currently £1.2m) exists to mitigate the potential losses of reductions in the capital value of the Council's multi-asset investments. These assets provide a considerable proportion of the Council's total investment income but are however at-risk fluctuations on market value linked to adverse impacts on the economy of the Covid pandemic and the continued war in Ukraine. There is currently a statutory override in place until March 2025. The override is currently subject to consultation but early indications are that it will not be extended.

A new Flood Grant and Resilience Reserve was created, with an allocation of £28k from part of Guaranteed Funding Grant awarded for 2024/25. This reserve commenced to be used for flooding in 2024/25. It is allocated for grants of £120 for properties with integral or stand-alone garages flooded and to top up the existing flood resilience store grant scheme. Its future balance will depend on the extent of future floods and claims against the reserve.

It is important that the level of reserves is regularly reviewed to manage future risks. All the reserves have specifically identified uses including some of which are held primarily for capital purposes: Investments Reserve, Vehicle Replacement Reserve, and Regeneration and Community Projects Reserve (to meet special expense and other economic growth-related capital commitments). The release of reserves will be constantly reviewed to balance funding requirements and the potential need to externally borrow to support the Capital Programme. Being prudent, we need to ensure we do have future funds to deliver capital projects, and we aim to top up reserves from any in-year revenue efficiencies identified.

It 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 14 – Specific Reserves

| £ 000's | Balance 31.03.24 | Balance 31.03.25 | Balance 31.03.26 | Balance 31.03.27 | Balance 31.03.28 | Balance 31.03.29 | Balance 31.03.30 |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <i>Investment Reserves:</i> | | | | | | | |
| Regeneration and Community Projects | 3,226 | 3,506 | 3,046 | 2,452 | 2,308 | 2,104 | 1,215 |
| Sinking Fund - Investments | 795 | 810 | 644 | 324 | 524 | 639 | 839 |
| <i>Corporate Reserves:</i> | | | | | | | |
| Organisation Stabilisation | 3,262 | 4,533 | 7,710 | 6,031 | 4,955 | 4,138 | 3,452 |
| Treasury Capital Depreciation Reserve | 1,173 | 1,173 | 1,173 | 1,173 | 1,173 | 1,173 | 1,173 |
| Collection Fund S31 | 1,085 | - | - | - | - | - | - |
| Climate Change Action | 201 | 918 | 818 | 533 | 233 | 158 | 158 |
| Flood Grant & Resilience | - | 22 | 22 | 22 | 22 | 22 | 22 |
| Freeport Reserve | 200 | - | - | - | - | - | - |
| Simpler Recycling Reserve | - | 1,020 | 445 | 1,448 | 1,366 | 1,074 | 756 |
| Vehicle Replacement Reserve | 770 | 605 | 460 | 345 | 230 | 115 | - |
| Risk and Insurance | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Planning Appeals | 349 | 349 | 349 | 349 | 349 | 349 | 349 |
| Elections | 51 | 101 | 151 | 201 | 51 | 101 | 151 |
| <i>Operating Reserves:</i> | | | | | | | |
| Planning | 56 | 131 | 75 | 75 | 75 | 75 | 75 |
| Leisure Centre Maintenance | 28 | - | - | 15 | 30 | 45 | 60 |
| Total Excluding NHB Reserve | 11,296 | 13,268 | 14,993 | 13,068 | 11,416 | 10,093 | 8,350 |
| New Homes Bonus | 9,652 | 8,131 | 8,185 | 7,446 | 7,272 | 7,098 | 6,924 |
| Total Earmarked Reserves | 20,948 | 21,399 | 23,178 | 20,514 | 18,688 | 17,191 | 15,274 |
| <i>General Fund Balance</i> | 2,604 | 2,604 | 2,604 | 2,604 | 2,604 | 2,604 | 2,604 |
| TOTAL | 23,552 | 24,003 | 25,782 | 23,118 | 21,292 | 19,795 | 17,878 |

7 THE TRANSFORMATION AND EFFICIENCY PLAN

Since 2010, the Council has successfully implemented a Transformation and Efficiency Plan (TEP), to drive change and efficiency activity to deal with the scale of the financial challenges the Council faces, currently inflation pressures and potential changes to the system of local government finance. An updated TEP (and dovetails with previous Government requirements for a Productivity Plan) is provided in Appendix 7. The Executive Management Team, alongside budget managers, have undertaken a review of all Council budgets resulting in savings which have been fed into the MTFS. The TEP focuses on the following themes:

- Transformation of services to make better use of resources e.g. Service Efficiencies and Asset Reviews
- Take advantage of advances in technology e.g. the Digital By Design Programme
- Reduce wasteful spend within systems or for example on consultants (as part of member/management challenge)
- Barriers preventing activity that the Government can help to reduce

This Programme will form the basis of how the Council meets the financial challenge summarised at Appendix 7 reducing the gross deficit position. The below demonstrates that by 2029/30 with £1.762m of efficiencies their remains an annual deficit of £0.686m.

Table 15 – Savings targets

| | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|----------------------------------------------------|---------|---------|---------|---------|---------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Gross Budget Deficit excluding Transformation Plan | 3,107 | 8,133 | 8,248 | 8,326 | 8,281 |
| Cumulative Savings in Transformation Plan | (5,833) | (6,658) | (6,972) | (7,189) | (7,509) |
| Gross Budget Deficit/(Surplus) | (2,726) | 1,475 | 1,276 | 1,137 | 772 |
| Additional Transformation Plan savings | (824) | (314) | (218) | (320) | (86) |
| Net budget Deficit/(Surplus) | (3,550) | 1,161 | 1,058 | 817 | 686 |
| Cumulative additional Transformation savings | (824) | (1,138) | (1,356) | (1,676) | (1,762) |

The Council's budget for 2025/26 and beyond includes the impact of inflationary increases whilst also being restricted by Government policy on commercial activity to generate additional income, limiting borrowing for wider projects dependent upon capital spending proposals, and excluding borrowing from the Public Works Loan Board (PWLb) where capital spend is solely for commercial gain. The Council has continued to review its services and processes and, where possible, identify efficiencies and increase income. The impact of the above pressures will result in a need to draw on reserves from 2026/27 onwards with 2025/26 temporarily supported by additional business rates due to the delay in the Business Rates reset.

The Council must continue to review its existing transformation projects on an on-going annual basis. In recent years, the Transformation plan has included large projects such as Bingham Arena and Enterprise Centre and Rushcliffe Oaks Crematorium, it will be a challenge to continue to identify projects against the backdrop of the cost-of-living challenge and higher levels of inflation and now LGR. Increasingly transformation will focus upon transitioning to a potential new authority and the limited capacity within the Council to do much more. Going forward, the plan includes service efficiencies and income generation, Officers continue to seek efficiencies wherever possible and look for wider projects to improve value for money, this is becoming increasingly difficult in already lean budgets. Both the officers and Members have worked together to identify £1.762m of expected efficiencies over the 5-year period, The current transformation projects and efficiency proposals which will be worked upon for delivery from 2025/26 are given in Appendix 7. Particularly a focus on greater leisure contract efficiencies and generating more income as the Council's cost base increases, such as in relation to green bins, car parking and the crematorium.

8 RISK AND SENSITIVITY

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

Table 16 – Key Risks

| Risk | Likelihood | Impact | Action |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Central Government policy changes e.g., Fairer Funding, ceasing NHB and Business Rates reset leading to reduced revenue; or increased demand on resources for example environmental policy changes with regards to waste will create future financial risk (Extended Producer Responsibility (EPR) and weekly food collections). | Medium | Medium | Engagement in consultation in policy creation and communicating to senior management and members the financial impact of changes via the MTFS. Budget at baseline plus renewables for business rates in years of uncertainty. Inclusion of demand and/or income in the MTFS and Capital Programme and calculations to understand the impact of any proposals. |
| Impact on resources to transition to a new authority as part of LGR | High | High | Engage in relevant working groups and report back to Cabinet or Full Council. |
| Lifespan of this MTFS likely to be curtailed, for example 2027/28 could be the last year for this Borough Council's budget | High | High | To update the MTFS in future years and report to Full Council |
| Environmental carbon reduction and bio-net diversity gain (BNG) commitments leading to greater pressure on revenue and capital budgets. | High | Medium | Climate Change Reserve being replenished (including for potential land acquisition for carbon reduction), ongoing review of significant projects and outcome of scrutiny review. A vehicle replacement reserve which will help fund, for example, electric vehicles. Apply for external funding where possible. |
| The Council is unable to balance its budget, and the budget is not sustainable in the longer term as a result of increased inflation (largely driven by pay and utility cost increases) and | Medium | Medium | Going concern report presented to Governance Group to confirm that the Council has sufficient reserves to withstand the short-term financial shocks. Budget set to include latest assumptions on inflationary increases. Further |

| Risk | Likelihood | Impact | Action |
|-----------------------------------------------------------------------------------------------------------------------|------------|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| government funding reductions with uncertainty due to one-year settlement. | | | plans for the transformation strategy to mitigate risk over the longer term. Budget reporting processes and use of budget efficiencies and reserves. Maintain reserves at a sufficient level. With LGR the Council will cease to be an entity in its current form, to be referenced in future reports. |
| Increased demand for services such as homelessness and migration or general housing growth. | Medium | Medium | Additional government funding and internal resources provided. |
| Risk of increased capital programme costs due to either increased demand (e.g., DFGs, Traveller's site) or inflation. | High | High | Continuation of the waiting list for Disabled Facilities Grants (DFGs). Working with Nott's authorities on a more equitable distribution of resources. Further resource in capital reserves to be appropriated if efficiencies are identified. |
| Insufficient capital resources to fund the capital programme. | Medium | Medium | Ongoing cashflow management. The Council has the ultimate recourse to borrow or lease. Review of Capital Programme to prioritise. |
| Opportunity for additional business rates from the Freeport or risk of liabilities if it does not progress. | Medium | Medium | Continue to monitor progress and inform business rate assumptions through Officer working Groups/Board. |
| Risk of financial loss resulting from the decline in the capital value of pooled investments. | Medium | Medium | Treasury Capital Depreciation Reserve to mitigate any losses. Regular monitoring of environment and fund values. Seek advice from Treasury Advisors on strategy going forward. |
| The ongoing impact of flooding in the borough linked to climate change. | Medium | Medium | The Council continues to deliver flood relief schemes and bears the impact of the Internal Drainage Board levy. Contingency budget maybe utilised if the levy continues to rise. New Flood Resilience Reserve created. |

| Risk | Likelihood | Impact | Action |
|---------------------------------------------------------------------------------|------------|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Understanding the impact on RBC of the Combined Mayoral Authority. | Medium | Medium | Continue to play a role in the inaugural year of the authority, and going forward, and report implications back to Council through its usual governance processes. |
| Unknown impact of further year of UKSPF on the budget and on staffing resources | Medium | Medium | Estimate potential revenue and capital budget allocations and prepare potential schemes in advance to be reported to future Cabinet |

The Council recognises there are upside risks in maximising opportunities. The risks above can change depending on changes in the services as a result of TEP projects or other changes to the environment that the Council operated in such as the Freeport and Combined Mayoral Authority. The Council maximises income generating opportunities and efficiencies wherever possible, so it remains self-sufficient and continues to grow the Borough and provide excellent services.

The MTFS presents a net deficit of approximately £172k over the 5-year period and this will be funded using the Organisation Stabilisation Reserve or by identifying other business efficiencies or further income. There is a budgeted surplus arising in 2025/26 due to the delay in Business Rates reset and this will be used to fund the deficits arising from 2026/27 onwards. Reserves are necessary to ensure the Council can continue to deliver services to its residents and to protect the Council from risks in relation to funding uncertainty and rising costs. The expectation is LGR will be within the lifespan of this MTFS and any year prior to 2029/30 given a budget surplus over the period. Any upfront costs of LGR are yet to be assessed.

9 CAPITAL PROGRAMME

9.1 Setting the Capital Programme

Officers submit schemes to be included in a draft Capital Programme, which also includes on-going provisions to support Disabled Facilities Grants (DFG) and investment in Social Housing. This draft programme is discussed by Executive Management Team (EMT) along with supporting information and business cases where appropriate with the big projects and the overall fiscal impact reported to Councillors in budget update sessions. The draft Capital Programme continues to be further refined and supported by detailed appraisals as set out in the Council's Financial Regulations. These detailed appraisals are included at Appendix 3 along with the proposed five-year capital programme which is summarised at Table 17. This remains an ambitious programme totalling £27.1m for 5 years, although the programme is diminishing as resources reduce and therefore the likelihood of borrowing increases.

9.2 Significant Projects in the Capital Programme

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

- a) £0.971m is included in the programme for enhancements to the Council's portfolio of Investment Properties. This investment ensures that we have high quality lettable retail and business units capable of delivering a robust revenue income stream thereby supporting economic development. Cost of works on Investment Properties are met from the Investment Property Reserve.
- b) A provision of £500k has been included for West Bridgford Town Centre Regeneration, to help 'pump prime' a larger initiative with public sector partners, such as pedestrianisation of Central Avenue.

- c) The on-going vehicle replacement programme totals £6.9m in the programme over 5 years. This includes provision for investment in new vehicles/bins/caddies to accommodate new legislation to provide kerbside glass and food recycling – estimated expenditure £3.3m with expected government grants totalling £2.564m, the balance to be met from the Simpler Recycling Reserve (topped up by transfer from the Collection Fund Reserve). The vehicle replacement programme will be subject to future review as consideration is given to transitioning to electric/hybrid vehicles.
- d) The provision for Support to Registered Housing Providers has benefitted significantly from Planning Agreements monies arising from Land North of Bingham £3.8m. This sum, together with the balances of other Planning Agreement monies and capital receipts set aside for Affordable Housing gives a total provision available of £4.8m. Options for commitment of these monies continue to be assessed and has therefore been profiled to the last three years of the programme.
- e) £2.7m over the 5 years for investment in the upgrade of facilities at Keyworth and Cotgrave Leisure Centres and other Leisure Facility Sites. There are planned refurbishments to changing villages; floor replacement; roof enhancements; and upgrades for plant and lighting. Schemes are considered in the light of the Leisure Strategy and are aimed at maintaining excellent standards of leisure provision.
- f) £840k has been included in the programme for the development of Edwalton Community Facility. The costs for this new facility have increased since its inception. It is planned to fund this from: £250k New Homes Bonus and £590k as a Special Expense Annuity. An appraisal is included in Appendix 3.
- g) Disabled Facilities Grants (DFGs) provision of £4.5m has been provided in the 5-year programme. Funding has become extremely tight to meet the statutory spending requirement and Rushcliffe had to take the unusual step of allocating £0.7m of its own resources to support spending pressures, this is not sustainable. Cabinet and Senior Officers will continue to actively lobby Central Government and Local Authorities across Nottinghamshire for additional and redistributed Better Care Fund (BCF) grant allocations. An additional allocation of £113k was made for 24/25 and this increased level of support is confirmed for 25/26 (total £939k including the Handy Persons Scheme which is operated by Nottinghamshire County Council). Rushcliffe's BCF spending plans are no longer able to support DFGs, Assistive Technology (Home Alarms) or the Warmer Homes on Prescription scheme. This will be reviewed in the light of additional grant monies made available.
- h) A new government grant has been awarded £2.550m for the Warm Homes Scheme. This will greatly assist residents to improve the energy efficiency of their properties.

- i) Rolling provisions for the Information Systems Strategy (£1.178m across the 5 years) will ensure that the Council keeps pace with innovative technologies, protects itself against cyber-attacks and continues to modernise services and deliver 'channel shift' in an increasingly virtual world.
- j) £450k has been included across the 5 years to enhance Play Areas in West Bridgford on a rolling programme. These costs are subject to the West Bridgford Special Expense.
- k) A Contingency sum of £0.15m - £0.1m has been included each year, to give flexibility to the delivery of the programme and to cover unforeseen circumstances.
- l) Given the projected level of the Council's cash balances at March 2025 and future years and LGR, external borrowing is unlikely to be needed in the medium term. The cash flow balances are strongly underpinned by the holding of Developer Contributions: S106s and CIL monies. It is anticipated that the Council will not need to borrow internally either to finance the Capital Programme. The projected Capital Financing Requirement (CFR - the Council's underlying need to borrow) reduces from is £7.7m at the end of 2024/25 to £5.2m at the end of 2029/30. These figures will be subject to amendment upon completion of the work needed to implement IFRS16 – the new leasing standard. The impact is not expected to be significant. The timing and incidence of internal/external borrowing will be affected by any slippage in, or additions to, the capital programme, delayed capital receipts, and cash balances and this is reflected in the CFR shown at table 2 of the Capital and Investment Strategy (Appendix 8).

9.3 Table 17 – Five-year capital programme, funding and resource implications

CAPITAL PROGRAMME 2025/26 - 2029/30

| | 2025/26 Indicative Estimate | 2026/27 Indicative Estimate | 2027/28 Indicative Estimate | 2028/29 Indicative Estimate | 2029/30 Indicative Estimate | 5 years TOTAL |
|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Expenditure Summary | | | | | | |
| Development and Economic Growth | 761 | 1,230 | - | 115 | - | 2,106 |
| Neighbourhoods | 7,065 | 4,031 | 5,107 | 3,235 | 3,855 | 23,293 |
| Finance and Corporate | 518 | 220 | 330 | 330 | 330 | 1,728 |
| Total | 8,344 | 5,481 | 5,437 | 3,680 | 4,185 | 27,127 |
| Funded By | | | | | | |
| Usable Capital Receipts | (2,719) | (295) | (246) | (178) | (795) | (4,233) |
| Government Grants | (1,650) | (2,640) | (1,997) | (840) | (840) | (7,967) |
| Use of Reserves | (3,919) | (2,546) | (1,577) | (1,045) | (1,570) | (10,657) |
| Grants and Contributions | (56) | - | - | - | - | (56) |
| Section 106 Monies | - | - | (1,617) | (1,617) | (980) | (4,214) |
| Borrowing | - | - | - | - | - | - |
| Total | (8,344) | (5,481) | (5,437) | (3,680) | (4,185) | (27,127) |
| Resources Movement | | | | | | |
| Opening Balances: | 16,419 | 12,110 | 10,189 | 7,695 | 5,789 | |
| Projected Receipts: | 4,035 | 3,560 | 2,943 | 1,774 | 1,779 | |
| Use of Resources: | (8,344) | (5,481) | (5,437) | (3,680) | (4,185) | |
| Balance Carried Forward | 12,110 | 10,189 | 7,695 | 5,789 | 3,383 | |

9.4 Capital Funding Resources

The Council's capital resources are slowly being depleted to fund the Capital Programme. It is projected that capital resources will be in the region of £3.4m at the end of the five-year life of the Programme. This comprises: £2.7m Earmarked Capital Reserves; £0.4m Capital Receipts; and £0.3m S106 contributions. The level of Capital Receipts will slowly be replenished by repayment of loans by third parties but will only significantly increase if major assets are identified for disposal in the future. The Council has committed to undertaking a review of all assets held.

There are no significant capital receipts expected over the course of the MTFS:

- £0.559m in repaid loan principal from Nottinghamshire County Cricket Club
- An estimated £50k per year from the Right to Buy Clawback agreement which gives the Council a share of Preserved Right to Buy arrangements following Large Scale Voluntary Stock Transfer in 2003

The capital resources position should be viewed in the context of funding the completed redevelopment of the Rushcliffe 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' in 2026/27 (10 years on from completion) from the income stream provided by New Homes Bonus.

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

- £4.2m from Planning Agreements for off-site affordable housing. £3.8m of this comes from a new S106 for Land North of Bingham
- £2.564m government grant awards under EPR to fund Simpler Recycling: glass and food waste.
- £2.550m funding via the East Midlands Net Zero Hub to deliver Warm Home Grants.
- An estimated £0.840m per annum from the Better Care Fund to deliver Mandatory Disabled Facilities Grants
- UKSPF funding is covered in section 9.6.

9.5 Future Capital and Principles

Last year we projected forward to 2033/34 the impact on capital resources of spend on core capital such as property, vehicle and ICT replacement and ongoing DFG pressures. Given prospective LGR future capital spend will be the preserve of a new local authority.

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

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

9.6 Shared and Rural Prosperity Funds

In April 2022, Government launched the UK Shared Prosperity Fund (UKSPF). This was a £2.6bn fund and in September 2022, the Government also announced a Rural England Prosperity Fund (REPF) of which Rushcliffe's allocation was £0.6m.

The UKSPF and REPF funding has been fully allocated to capital and revenue projects, and it is anticipated that it will be fully spent by 31 March 2025 which is the deadline. Notification has been received that we can expect a new allocation of UKSPF funding for 2025/26 of £1.051m. The revenue and capital budgets will be amended accordingly once schemes have been assessed and agreed. As the programme develops, capital and revenue updates will be provided to both Cabinet and Corporate Overview Group (COG) through the Council's usual budget quarterly reporting process.

10 TREASURY MANAGEMENT

Attached at Appendix 8 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 18 – Treasury Assumptions

| | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|----------------------------------------|-----------|-----------|-----------|-----------|---------|
| Anticipated Interest Rate | 4.06% | 3.75% | 3.50% | 3.00% | 3.00% |
| Expected Interest from investments (£) | 1,434,900 | 1,307,700 | 1,176,600 | 1,016,700 | 922,000 |
| Total interest (£) | 1,434,900 | 1,307,700 | 1,176,600 | 1,016,700 | 922,000 |

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

The CIS covers the Council's approach to treasury management activities including commercial assets. It documents the spreading of risk across the size of individual investments and diversification in totality across different sectors. The Council primarily focusses on maximising the returns from its existing portfolio with no new commercial investments included in the Capital Programme. The Council undertakes regular performance reviews on its commercial assets with the next review due to be reported to Governance Scrutiny Group in February 2026 and there is also a wider review of other Council fixed assets to be reviewed in the summer of 2025 by the Corporate Overview Group.

11 OPTIONS

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

Instead of increasing Council Tax by 3% as per the proposals in section 3.4, the Council could choose to increase by a lower amount of £5 or the Council could freeze its Council Tax. Table 19 provides details of the impact on budgets of the recommended option of a 3% increase each year (Rushcliffe's element £3.89 (2.46%) increase in 2025/26) against the scenarios of a tax freeze (2025/26 only and £5 thereafter) or £5 each year. If the Council chose to freeze its Council Tax in 2025/26, the income foregone in is approximately £0.25m per annum and over the 5-year period £1.646m when compared to the 3% per annum increase. If the Council chose to increase by £5 this would decrease income by £0.4m over the 5-year period. The difference between a freeze in 2025/26 and £5 all years being £1.24m over the 5-year period.

Table 19 – Alternative Council Tax Levels

| Total council tax income £'000 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | Total |
|------------------------------------------------------------------------------------|---------|---------|---------|----------|----------|----------|
| Band D £182.94 (Rushcliffe element £161.77) in 2025/26 and 3% per annum thereafter | (8,739) | (9,163) | (9,608) | (10,074) | (10,564) | (48,148) |
| Total for Freeze (Band D £177.63 or Rushcliffe element £157.88) and £5 thereafter | (8,485) | (8,881) | (9,289) | (9,708) | (10,139) | (46,502) |
| Total for £5 increase each year | (8,724) | (9,124) | (9,536) | (9,960) | (10,396) | (47,740) |

| Difference (£'000) | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | Total |
|--------------------|---------|---------|---------|---------|---------|---------|
| Freeze vs £5 | (239) | (243) | (248) | (252) | (256) | (1,238) |
| 3% vs £5 | (15) | (39) | (72) | (114) | (168) | (408) |
| Freeze vs 3% | (254) | (282) | (319) | (367) | (424) | (1,646) |

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

12 APPENDICIES

12.1 Appendix 1 - Funding Analysis for Special Expenses Areas

Funding Analysis for Special Expense Areas

| | 2024/25 £ | 2025/26 £ | Change % |
|----------------------------------------|-------------------|---------------------|-----------------|
| West Bridgford | | | |
| Parks & Playing Fields | 486,700.00 | 496,000.00 | |
| West Bridgford Town Centre | 115,100.00 | 117,400.00 | |
| Community Halls | 101,300.00 | 131,300.00 | |
| Repayment of revenue deficit | 7,300.00 | 16,000.00 | |
| Revenue Contribution to Capital Outlay | 75,000.00 | 100,000.00 | |
| Annuity Charges | 98,000.00 | 110,400.00 | |
| Sinking Fund | 20,000.00 | 20,000.00 | |
| Total | 903,400.00 | 991,100.00 | |
| Tax Base | 15,199.40 | 15,285.10 | |
| Special Expense Tax | 59.44 | 64.84 | 9.08% |
| Keyworth | | | |
| Cemetery | 9,600.00 | 9,600.00 | |
| Annuity Charges | 4,600.00 | 500.00 | |
| Total | 14,200.00 | 10,100.00 | |
| Tax Base | 3,030.20 | 3,148.20 | |
| Special Expense Tax | 4.69 | 3.21 | (31.56%) |
| Ruddington | | | |
| Cemetery | 10,400.00 | 10,400.00 | |
| Total | 10,400.00 | 10,400.00 | |
| Tax Base | 3,156.40 | 3,311.30 | |
| Special Expense Tax | 3.29 | 3.14 | (4.56%) |
| Total Special Expenses | 928,000.00 | 1,011,600.00 | 9.01% |

12.2 Appendix 2 – Revenue Budget Service Summary

| | 2024/25 £ | 2025/26 £ | 2026/27 £ | 2027/28 £ | 2028/29 £ | 2029/30 £ |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Chief Executive | 1,523,900 | 1,612,700 | 1,685,500 | 1,895,100 | 1,717,600 | 1,749,700 |
| Finance and Corporate Services | 4,952,200 | 4,892,300 | 5,255,400 | 5,589,300 | 5,999,400 | 6,338,500 |
| Development and Economic Growth | 482,400 | 469,400 | 474,100 | 500,200 | 502,500 | 519,900 |
| Neighbourhoods | 7,823,600 | 7,937,100 | 8,137,100 | 8,833,400 | 9,399,300 | 9,529,200 |
| Net Service Expenditure | 14,782,100 | 14,911,500 | 15,552,100 | 16,818,000 | 17,618,800 | 18,137,300 |
| Reversal of Capital Charges | (1,894,600) | (1,894,600) | (1,894,600) | (1,894,600) | (1,894,600) | (1,894,600) |
| Transfer to/(from) Reserves | 1,077,700 | 2,148,000 | 1,043,000 | 809,000 | 365,000 | 339,000 |
| Minimum Revenue Provision | 1,178,000 | 1,174,000 | 739,000 | 174,000 | 174,000 | 174,000 |
| Total Net Service Expenditure | 15,143,200 | 16,338,900 | 15,439,500 | 15,906,400 | 16,263,200 | 16,755,700 |
| Funding | | | | | | |
| Other Grant Income | (615,800) | (1,761,000) | (1,537,000) | (1,537,000) | (1,537,000) | (1,537,000) |
| Business Rates | (5,463,200) | (6,676,000) | (3,578,100) | (3,703,900) | (3,834,400) | (3,969,800) |
| Collection Fund (Surplus)/Deficit | (32,100) | (835,000) | - | - | - | - |
| Business Rates Pool Surplus | (300,000) | (400,000) | - | - | - | - |
| Council Tax Income | | | | | | |
| - Rushcliffe | (7,418,700) | (7,727,500) | (8,063,700) | (8,451,400) | (8,853,700) | (9,318,200) |
| - Special Expenses Areas | (928,000) | (1,011,600) | (1,099,600) | (1,156,500) | (1,220,700) | (1,245,100) |
| New Homes Bonus | (1,509,000) | (1,477,600) | - | - | - | - |
| Total Funding | (16,266,800) | (19,888,700) | (14,278,400) | (14,848,800) | (15,445,800) | (16,070,100) |
| Net Budget (Surplus) / Deficit | (1,123,600) | (3,549,800) | 1,161,100 | 1,057,600 | 817,400 | 685,600 |

12.3 Appendix 3 – Capital Programme

| | Scheme | 2025/26 Indicative | 2026/27 Indicative | 2027/28 Indicative | 2028/29 Indicative | 2029/30 Indicative |
|----|---------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Development and Economic Growth | | | | | |
| 1 | The Point Enhancements | 25 | 400 | - | - | - |
| 2 | Rushcliffe Tourism/Signage | 70 | - | - | - | - |
| | 6F Boundary Court | - | - | - | 35 | - |
| | Cotgrave Business Hub | 70 | - | - | - | - |
| 3 | Manvers Business Park Enhancements | 200 | 70 | - | 50 | - |
| | Bingham Arena | - | - | - | 30 | - |
| 4 | Streetwise Depot | 100 | 60 | - | - | - |
| | Bridgford Park Kiosk | 25 | - | - | - | - |
| 5 | Colliers BP Enhancements | 16 | 50 | - | - | - |
| | Walkers Yard 1a/b and 3 | 30 | - | - | - | - |
| | Highways Verges: Cotgrave/Bingham/CB | 200 | - | - | - | - |
| | Wilwell Cutting Bridge | - | 50 | - | - | - |
| | Devonshire Road Railway Bridge Special Exp | - | 100 | - | - | - |
| 6 | WBTC Regeneration | - | 500 | - | - | - |
| | Keyworth Cemetery | 25 | - | - | - | - |
| | Sub total | 761 | 1,230 | - | 115 | - |
| | Neighbourhoods | | | | | |
| 7 | Vehicle Replacement and Recycling | 2,511 | 496 | 2,075 | 603 | 1,288 |
| | Support for Registered Housing Providers | - | - | 1,617 | 1,617 | 1,617 |
| 8 | Hound Lodge - Enhancements | - | 395 | - | - | - |
| | Discretionary Top Ups | 56 | - | - | - | - |
| | Disabled Facilities Grants | 1,040 | 840 | 840 | 840 | 840 |
| | Toot Hill Sports Centre Enhancements | 100 | - | - | - | - |
| 9 | CLC & KLC - Enhancements | 1,200 | - | 125 | - | - |
| 10 | ELLC Enhancements | - | 75 | 50 | - | - |
| 11 | Rushcliffe Arena Enhancements | - | 50 | 175 | - | 35 |
| | EGC Enhancements | - | 100 | - | - | - |
| | Car Park Resurfacing | 18 | - | - | - | - |
| 12 | Play Areas - Special Expense | 100 | 100 | 100 | 75 | 75 |
| | West Park Enhancements Special Expense | 425 | - | - | - | - |
| | Gresham Sports Pavilion | - | 150 | - | - | - |
| 13 | Rushcliffe CP - Enhancements | - | 25 | - | 25 | - |
| 14 | Rushcliffe CP - Play Area | 25 | - | - | - | - |
| | Lutterell Hall Special Expense | - | - | 125 | 75 | - |
| 15 | Edwalton Community Facility Special Expense | 840 | - | - | - | - |
| | Warm Homes Grants | 750 | 1,800 | - | - | - |
| | Sub total | 7,065 | 4,031 | 5,107 | 3,235 | 3,855 |
| | Finance and Corporate Services | | | | | |
| 16 | Information Systems Strategy | 368 | 120 | 230 | 230 | 230 |
| | Contingency | 150 | 100 | 100 | 100 | 100 |
| | Sub total | 518 | 220 | 330 | 330 | 330 |
| | PROGRAMME TOTAL | 8,344 | 5,481 | 5,437 | 3,680 | 4,185 |

PROJECT APPRAISAL FORM

| | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------------------------------------------|---------------|
| Project Name: The Point Enhancements | Cost 0360 | Centre: | Ref: 1 |
| Project Lead: Property Services' Manager | | | |
| Request for Project from: Property Services' Manager | | | |
| Detailed Description: £25k provision has been slipped from 2024/25 to 25/26 for improvements to automatic entrance doors and controls, which are at end of useful life. £400k has been included in 26/27 for replacement of office comfort heating and cooling systems which are end of useful life. Operational reliability will become less predictable and obtaining replacement parts will become increasingly difficult and expensive. | | | |
| Location: The Point | | Executive Manager: Economic Growth and Development | |
| Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Efficient Services – operational efficiency of existing equipment is less certain and more expensive compared to modern technology. The Environment – replacement equipment is more energy efficient reducing carbon emissions. Strategic Commitments: <ul style="list-style-type: none"> Responsible income generation and prudent borrowing where deemed appropriate, to facilitate the delivery of services. Ongoing appraisal and alignment of resources linked to growth aspirations. Bringing new business to the Borough and nurturing our existing businesses, helping them to grow and succeed. Working to achieve a carbon neutral status for the Council's operations. | | | |
| Community Outcomes: Upgrade works will enhance the efficiency of the premises, improve reliability of equipment and maximise the comfort of users whilst maximising use of resources. | | | |
| Environmental Outcomes Committing to enhancing the operational and thermal performance of the facility will ensure that ongoing carbon emissions are mitigated which aligns with corporate ambitions to be net zero by 2030. | | | |
| Other Options Rejected and Why: Do not carry out upgrade works – this would put at risk operational certainty of the facility, negatively impact customer/tenant comfort and safety and fail to minimise | | | |

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------|--|
| operational costs. Effective maintenance and replacement are essential to uphold property asset values and ensure high levels of occupation/income. | | | | |
| Procurement route proposed and stage: External door upgrade – detailed design will commence early 2025 with site installation during Summer of 2025. Procurement will be via restricted process. Office heating/cooling equipment – detailed cost estimates and design will commence early 2026 with site installation during the Summer of 2026 – procurement will be via open tender or Framework. | | | | |
| Project Management Office support required: Yes/No | | | | |
| Start Date: to be determined | | | Completion Date: | |
| Capital Cost (Total): | Year 1: 25/26 | Year 2: 26/27 | | |
| £425,000 | £25,000 | £400,000 | | |
| Capital Cost (Breakdown) £: | | | | |
| Works £23,000 | Equip £396,000 | Other | Fees £6,000 | |
| Revenue cost per annum: | Year 1: 25/26 Not quantifiable at this stage, but should see revenue spend on repairs reduce | | Year 2: 26/27 As for 25/26 | |
| Year 3: 27/28 As for 25/26 | Year 4: 28/29 As for 25/26 | | Year 5: 29/30 As for 25/26 | |
| Proposed Funding | | | | |
| External: | | Internal: Investment Properties Reserve | | |

| | |
|--------------------------------------------|---------------------------------------------------------------------------------|
| Useful Economic Life (years): 15 | New/Replacement: Replacements |
| Depreciation per annum: N/A | Capital Financing Costs: £17k p.a. as opportunity cost of lost interest. |
| Residual Value: N/A | Category of Asset: Investment Property |

| | | |
|-------------------------------------------|------------------------|-----|
| IFRS New Lease Checklist Completed | | N/A |
| VAT Treatment Assessed | | N/A |
| Approval Required from: | Council Budget Setting | |

PROJECT APPRAISAL FORM

| | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------------|
| Project Name: Rushcliffe Tourism and Signage | Cost 0512 | Centre: Ref: 2 |
| Project lead: | Head of Economic Growth and Property | |
| Request for project from: | Request from Cabinet (Cabman) | |
| Detailed Description: <p>RBC will work with Nottinghamshire County Council and National Highways to install 'Welcome to Rushcliffe' signage on key routes into the Borough.</p> <p>Locations have been identified for 8 signs (3 on National Highways roads and 5 on NCC roads). Final sign design is yet to be agreed but options have been explored and high-level costs obtained from NCC and National Highways.</p> | | |
| Location: Across the Borough | Executive Director: Economic Growth and Development | |
| Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Quality of Life Sustainable Growth Strategic Commitments: <ul style="list-style-type: none"> Working to create great communities to live and work in Improvements to tourism and the visitor economy to sustain economic development and growth. | | |
| Community Outcomes: <ul style="list-style-type: none"> Tourism and the visitor economy is a key priority within the Council's new economic growth strategy and the installation of signage assists with this, helping to promote the Borough as a destination for residents and visitors. | | |
| Environmental Outcomes: N/A | | |
| Other Options Rejected and Why: | | |

| | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|--|
| The option not to instal signage and promote tourism was rejected as it would not align to the new economic growth strategy. | | | | |
| Procurement route proposed and stage: High level costs provided by NCC and National Highways. Neither quote includes potential traffic management as this will only be available when site assessments have been carried out. Indicative costs for preferred signage style have also been sought but these could change. | | | | |
| Project Management Office support required: No | | | | |
| Start Date: to be determined | | | Completion Date: | |
| Capital Cost (Total): | Year 1:25/26 | Year 2: 26/27 | | |
| £70,000 | £70,000 | | | |
| Capital Cost (Breakdown) £: | | | | |
| Works Approx. £33,000 | Equipment £3,800 (signs) | Other Nothing included for possible traffic management which would increase costs significantly. Approx. £33,200 allocated | Fees | |
| Additional Revenue cost/ (saving) per annum: | Year 1: 25/26 | | Year 2: 26/27 Likely some ongoing cleaning/maintenance cost | |
| Year 3: 27/28 | Year 4: 28/29 | | Year 5: 29/30 | |

| Proposed Funding | |
|-------------------------|------------------------------------------------------------------------------------------------|
| External: | Internal: Organisation Stabilisation Reserve/ Potential to use new UKSPF allocation. |

| | |
|-----------------------------------------------|----------------------------------------|
| Useful Economic Life (years): 25 years | New/Replacement: New |
| Depreciation per annum: £2,800 | Capital Financing Costs: £2,800 |
| Residual Value: N/A | Category of Asset: Equipment |
| IFRS16 New Lease Checklist Completed | N/A |
| VAT Treatment Assessed | N/A |

| | |
|--------------------------------|------------------------|
| Approval required from: | Council Budget Setting |
|--------------------------------|------------------------|

PROJECT APPRAISAL FORM

| | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------------------------------------------|---------------|
| Project Name: Manvers Business Park Enhancements | Cost 0206 | Centre: | Ref: 3 |
| Project Lead: Property Services' Manager | | | |
| Request for Project from: Property Services' Manager | | | |
| Detailed Description: £200k 25/26 reprofiled from 24/25. Existing roof coverings, fascias and rainwater goods to early phases of the development are in excess of 20 yrs old and showing signs of deterioration. Proposal is to refurbish roof coverings to extend life by application of accredited/warranted liquid roofing compounds and upgrade fascias and rainwater goods. £70k 26/27 to improve the EPC rating - upgrade LED lighting/extractor fans | | | |
| Location: Manvers Business Park | | Executive Manager: Economic Growth and Development | |
| Contribution to the Council's aims and objectives: Corporate Themes: <ul style="list-style-type: none"> Deliver economic growth to ensure a sustainable, prosperous and thriving local economy. Transforming the Council to enable the delivery of highly efficient high-quality services. Strategic Tasks: <ul style="list-style-type: none"> Maintain commercial viability of existing business units and protect income stream. Capital enhancement works to roof areas will improve the visual appearance of the site and extend the useful life of the structure, whilst also minimising likelihood of reactive maintenance work. The energy efficiency improvements will ensure that the premises comply with forecast MEES standards, a requirement for letting. Examine the future viability of all Council owned assets including property and equipment. Improve efficiency and reliability of service and reduce operating costs. | | | |
| Community Outcomes: <ul style="list-style-type: none"> Capital enhancement works to roof areas will improve the visual appearance of the site. The Borough is more attractive and prosperous if business units are well maintained helping to sustain on-going employment opportunities and protect thriving local businesses | | | |
| Environment Outcomes: Improvements to the EPC rating will support the Council's aim to be carbon neutral by 2030. | | | |
| Other Options Rejected and Why: | | | |

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| <p>Do not carry out refurb works – this would result in further deterioration of the fabric and shortening of the life span of the roof covering to a point where wholesale replacement would become necessary. Visual impact of poorly maintained assets would reflect poorly on tenant/customer perception and ultimately rental yields. Effective maintenance and replacement are essential to uphold property asset values and ensure high levels of occupation/income. Failure to achieve relevant MEES standard will render the premises unlettable.</p> | | | | |
| <p>Procurement route proposed and stage:</p> <p>Proposed roofing scheme cost estimate review to be carried out early in 2025. This will be followed by detailed design and site delivery in late Spring – procurement will be either open tender or via Framework route.</p> <p>Energy efficiency enhancements – budget review in early 2026 followed by scheme design in Spring 2026.</p> | | | | |
| <p>Project Management Office support required: Yes/No</p> | | | | |
| <p>Start Date: to be determined</p> | | | <p>Completion Date:</p> | |
| <p>Capital Cost (Total):</p> | <p>Year 1: 25/26</p> | <p>Year 2: 26/27</p> | | |
| <p>£270,000</p> | <p>£200,000</p> | <p>£70,000</p> | | |
| <p>Capital Cost (Breakdown) £:</p> | | | | |
| <p>Works £182,000</p> | <p>Equipment £64,000</p> | <p>Other</p> | <p>Fees £24,000</p> | |
| <p>Additional Revenue cost/ (saving) per annum:</p> | <p>Year 1: 25/26</p> | | <p>Year 2: 26/27</p> | |
| <p>Year 3: 27/28</p> | <p>Year 4: 28/29</p> | | <p>Year 5: 29/30</p> | |
| <p>Proposed Funding</p> | | | | |
| <p>External:</p> | | | <p>Internal: Investment Property Reserve</p> | |
| <p>Useful Economic Life (years): 15</p> | | | <p>New/Replacement: Replacement</p> | |
| <p>Depreciation per annum: N/A Investment Property</p> | | | <p>Capital Financing Costs: £10,800 p.a.</p> | |
| <p>Residual Value: N/A</p> | | | <p>Category of Asset: Investment Property</p> | |
| <p>IRFS New Lease Checklist Complete</p> | | | <p>N/A</p> | |

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| VAT Treatment Assessed | N/A |
| Approval required from: | Council Budget Setting |

PROJECT APPRAISAL FORM

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| Project Name: Streetwise Depot Operational and Energy Efficiency Enhancements | Cost 0208 | Centre: | Ref: 4 |
| Project Lead: Property Services' Manager/Streetwise Manager | | | |
| Request for Project from: Property Services' Manager/Streetwise Manager | | | |
| Detailed Description: £100k reprofiled from 24/25 to 25/26 for improvements to vehicle wash facilities, in addition to enhancement of PPE store and alterations to improve pedestrian safety. £60k 26/27 for building fabric thermal improvements to enhance energy efficiency and reduce operational heating costs. | | | |
| Location: Bingham | Executive Manager: Economic Growth and Development/Neighbourhood | | |
| Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Efficient Services – improvements planned will help to control operational costs. The Environment – improvements will help to minimise environmental operational impacts Strategic Commitments: <ul style="list-style-type: none"> Ongoing appraisal and alignment of resources to support efficient service delivery. Reviewing service delivery approach to ensure compliance with environmental standards. Working to achieve a carbon neutral status for the Council's operations. | | | |
| Community Outcomes: <ul style="list-style-type: none"> Residents believing that the Council delivers Value for Money Council has a clear road map to achieving carbon neutral status. | | | |
| Environmental Outcomes: <ul style="list-style-type: none"> Planned improvement to vehicle wash will ensure compliance with environmental standards. Fabric thermal enhancements will help to minimise site energy usage, carbon emissions and wider carbon management ambitions. | | | |
| Other Options Rejected and Why: Doing nothing – in terms of the vehicle wash facility, this would potentially leave the Council open to challenge in terms of environmental legislation. In terms of rationalising storage and pedestrian safety, it could give rise to operational difficulties and potential | | | |

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| H&S issues. In terms of thermal fabric insulation, it would impact the Council's commitment to be carbon neutral by 2030 in its own operations. | | | |
| Procurement route proposed and stage: Scheme design for vehicle wash, storage and pedestrian safety has begun, procurement will take place early 2025 and site works in Spring 2025 – procurement will be via individual works packages and restrictive tender. Scheme design for thermal fabric improvements will commence early in 2026 with site delivery Summer 2026. Procurement will be via restrictive tender or Framework. | | | |
| Project Management Office support required: Yes/No | | | |
| Start Date: | | Completion Date: | |
| Capital Cost (Total): | Year 1: 25/26 | Year 2: 26/27 | |
| £160,000 | £100,000 | £60,000 | |
| Capital Cost (Breakdown) £: | | | |
| Works £146,000 | Equipment | Other | Fees £14,000 |
| Additional Revenue cost/(saving) per annum: | Year 1: 25/26 | | Year 2: 26/27 |
| Year 3: 27/28 Gas consumption will be reduced from this point onwards but unable to predict at this point | Year 4: 28/29 | | Year 5: 29/30 |
| Proposed Funding | | | |
| External: | | Internal: Climate Change Reserve and Capital Receipts | |

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| Useful Economic Life (years): 15 | New/Replacement: New and Replacement |
| Depreciation per annum: £10,600 | Capital Financing Costs: £6,400 p.a. |

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| Residual Value: N/A | Category of Asset: Operational Land and Buildings |
| IFRS16 New Lease Checklist Completed? | N/A |
| VAT treatment assessed | N/A |
| Approval Required from: | Council Budget Setting |

PROJECT APPRAISAL FORM

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| Project Name: Colliers Business Park Enhancements | Cost 0210 | Centre: | Ref: 5 |
| Project Lead: Property Services' Manager | | | |
| Request for Project from: Property Services' Manager | | | |
| Detailed Description: £16k reprofiled from 24/25 to 25/26 for enhancements to site perimeter security for Phase 2 units. £50k 26/27 – energy efficiency and roof covering improvements to Phase 1 units. | | | |
| Location: Colliers Business Park | | Executive Manager: Economic Growth and Development | |
| Contribution to the Council's aims and objectives: Corporate Themes: <ul style="list-style-type: none"> Deliver economic growth to ensure a sustainable, prosperous and thriving local economy. Transforming the Council to enable the delivery of highly efficient high-quality services. Strategic Tasks: <ul style="list-style-type: none"> Maintain commercial viability of existing business units and protect income stream. Capital enhancement works to roof areas will improve the visual appearance of the site and extend the useful life of the structure, whilst also minimising likelihood of reactive maintenance work. The energy efficiency improvements will ensure that the premises comply with forecast MEES standards, a requirement for letting. Examine the future viability of all Council owned assets including property and equipment. Improve efficiency and reliability of service and reduce operating costs. | | | |
| Community Outcomes: <ul style="list-style-type: none"> Capital enhancement works to roof areas will improve the visual appearance of the site. Perimeter security improvements will help to safeguard against criminal activity. The Borough is more attractive and prosperous if business units are well maintained helping to sustain on-going employment opportunities and protect thriving local businesses. | | | |
| Environmental Outcomes: <ul style="list-style-type: none"> The energy efficiency improvements will support the Council's aim to be carbon neutral by 2030. | | | |
| Other Options Rejected and Why: Do not carry out refurb works – this would result in further deterioration of the fabric and shortening of the life span of the roof covering to a point where wholesale replacement would become necessary. Visual impact of poorly maintained assets | | | |

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| <p>would reflect poorly on tenant/customer perception and ultimately rental yields. Effective maintenance and replacement are essential to uphold property asset values and ensure high levels of occupation/income. Failure to achieve relevant MEES standard will render the premises unlettable.</p> | | | | |
| <p>Procurement route proposed and stage:</p> <p>Proposed roofing scheme cost estimate review to be carried out early in 2025. This will be followed by detailed design and site delivery in late Spring – procurement will be either open tender or via Framework route.</p> <p>Energy efficiency enhancements – budget review in early 2026 followed by scheme design in Spring 2026.</p> | | | | |
| <p>Project Management Office support required: Yes/No</p> | | | | |
| <p>Start Date: to be determined</p> | | | <p>Completion Date:</p> | |
| <p>Capital Cost (Total):</p> | <p>Year 1: 25/26</p> | <p>Year 2: 26/27</p> | | |
| <p>£66,000</p> | <p>£16,000</p> | <p>£50,000</p> | | |
| <p>Capital Cost (Breakdown) £:</p> | | | | |
| <p>Works £23,000</p> | <p>Equipment £37,500</p> | <p>Other</p> | <p>Fees £5,500</p> | |
| <p>Additional Revenue cost/ (saving) per annum:</p> | <p>Year 1: 25/26</p> | | <p>Year 2: 26/27</p> | |
| <p>Year 3: 27/28</p> | <p>Year 4: 28/29</p> | | <p>Year 5: 29/30</p> | |
| <p>Proposed Funding</p> | | | | |
| <p>External:</p> | | <p>Internal: Investment Property Reserve</p> | | |
| <p>Useful Economic Life (years): 15</p> | | <p>New/Replacement: Replacement</p> | | |
| <p>Depreciation per annum: N/A Investment Property</p> | | <p>Capital Financing Costs: £2,600 p.a.</p> | | |
| <p>Residual Value: N/A</p> | | <p>Category of Asset: Investment Property</p> | | |
| <p>IRFS New Lease Checklist Complete</p> | | <p>N/A</p> | | |
| <p>VAT Treatment Assessed</p> | | <p>N/A</p> | | |

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| Approval required from: | Council Budget Setting |
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PROJECT APPRAISAL FORM

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| Project Name: WBTC Regeneration | Cost Centre: 0665 | Ref: 6 |
| Project lead: | Head of Economic Growth and Property | |
| Request for project from: | Included in the Economic Growth Strategy which was endorsed by Cabinet in October 2024. | |
| Detailed Description: £500k included in 26/27 to support the pedestrianisation of Central Avenue in West Bridgford. The project will require additional funding from other sources as costs will exceed the £500k. | | |
| Location: WBTC | Executive Director: Economic Growth and Development | |
| Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Quality of Life Sustainable Growth The Environment Strategic Commitments: <ul style="list-style-type: none"> Working with our partners to create great, safe, and clean communities to live and work in Recognising opportunities to create vibrant town centres which are attractive and accessible to all, as well as providing a pleasant retail experience Improving accessibility and specifically pedestrianising Central Avenue in West Bridgford are key priorities and actions included in the Economic Growth Strategy. | | |
| Community Outcomes: Our town centres are about more than economic growth, they play a fundamental role in good quality of life in the Borough. Giving residents access to amenities and services as well as providing space for community and leisure activities. | | |

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| This project, if delivered, will support and enhance West Bridgford town centre, helping support local businesses as well as improving the environment for local residents. | | | |
| Environmental Outcomes: Pedestrianising the Avenue will reduce vehicle movement in the centre of Bridgford and it is intended will encourage more people to travel in on foot or bikes. | | | |
| Other Options Rejected and Why: The scope of the work to Central Avenue is yet to be agreed and will include some options: e.g. leave as is; restrictions on bus movements; full pedestrianisation etc. The preferred option will depend on the outcome of studies and consultation that needs to be carried out ahead of any work. | | | |
| Procurement route proposed and stage: This has not been progressed yet, an SLA with NCC to enable them to award to ViaEM may be an option. | | | |
| Project Management Office support required: Yes/No If the project progresses, PM support may be required, and this will be discussed with the team as the detail is worked up. | | | |
| Start Date: to be determined | | Completion Date: | |
| Capital Cost (Total): | Year 1: 25/26 | Year 2: 26/27 | |
| £500,000 | | £500,000 | |
| Capital Cost (Breakdown) £: | | | |
| Works | Equipment | Other £500,000 grant | Fees |
| Additional Revenue cost/ (saving) per annum: | Year 1: 25/26 | Year 2: 26/27 | |
| Year 3: 27/28 | Year 4: 28/29 | Year 5: 29/30 | |
| Proposed Funding | | | |
| External: | | Internal: Organisation Stabilisation Reserve | |
| Useful Economic Life (years): 30 | | New/Replacement: New | |

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| Depreciation per annum: N/A | Capital Financing Costs: £20,000 p.a. | |
| Residual Value: | Category of Asset: Revenue Expenditure funded from Capital Under Statute | |
| IFRS16 New Lease Checklist Completed | | N/A |
| VAT Treatment Assessed | | N/A |

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| Approval required from: | Council Budget Setting |
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PROJECT APPRAISAL FORM

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| Project Name: Vehicle Replacement | Cost 0680 | Centre: | Ref: 7 |
| Project Lead: Fleet and Vehicle Infrastructure Manager/Service Manager Neighbourhoods | | | |
| Request for Project from: Rolling Vehicle Replacement Programme. Government Directive for Glass Recycling. | | | |
| <p>Detailed Description:</p> <p>The authority owns vehicles ranging from large refuse freighters to small vans and items of mechanical plant. As these vehicles and plant age and become uneconomic to maintain and run, they are replaced on a new for old basis. Although there is a programme for replacements for the next ten years, each vehicle or machine is assessed annually, and the programme continually adjusted to take account of 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 as well as alternative fuel use to look at cutting down on emissions whilst ensuring the vehicles remain operationally viable and offer value for money.</p> <p>The 25/26 provision includes £1.710m for Glass Recycling comprising £460k vehicles and £1.250m containers.</p> | | | |
| Location: Eastcroft Depot | | Executive Manager: Neighbourhoods | |
| <p>Contribution to the Council's aims and objectives:</p> <p>Corporate Priorities:</p> <ul style="list-style-type: none"> • Quality of Life • Efficient Services • The Environment <p>Strategic Commitments:</p> <ul style="list-style-type: none"> • Working with our partners to create great, safe, and clean communities to live and work in. • Ongoing appraisal and alignment of resources linked to growth aspirations. • Reviewing our policies and ways of working to protect natural resources, and to implement environmentally beneficial infrastructure changes. To reduce waste and increasingly reuse and recycle to protect the environment for the future. • Working with key partners to respond to any proposals from the new Environment Act and any changes or directives from central government regarding what wastes should be collected and how. • Delivering a high-quality waste and recycling collection service. • Delivering a high-quality street cleansing, grounds maintenance and arboriculture service • A commitment to look at cleaner vehicles in line with our commitment to protect the environment, in particularly alternative fuel vehicles. | | | |

- Working to achieve a carbon neutral status for the Council's operations

The replacement of vehicles is critical to the performance of the front-line services. Regular vehicle and plant replacement with new updated engines help to meet climate change and national indicator targets for emissions and helps maintain a cleaner air quality within the Borough.

Community Outcomes:

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

Environmental Outcomes:

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

Other Options Rejected and Why:

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

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

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

It should be noted that the transition of Streetwise back to an in-house service sees some vehicles used, tied into current lease arrangements which continue to be assessed for outright purchase.

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

Glass Recycling – whilst the Council has previously collected glass from a range of bring sites, the new Simpler Recycling legislation places a statutory service for collection of glass from the kerbside.

Procurement route proposed and stage:

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

Project Management Office support required: No

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| Start Date: Ongoing | | Completion Date: Ongoing | |
| Capital Cost (Total): | Year 1: 24/25 | Year 2: 25/26 | |
| £3,007,000 (2 years) | £2,511,000 | £496,000 | |
| Capital Cost (Breakdown) | | | |
| Works | VPE | Other | Fees |
| £0 | £3,007,000 | £0 | £0 |
| Additional Revenue cost Glass Recycling/ (saving) per annum: | Year 1: 25/26 | Year 2: 26/27 | |
| | £40,300 | £129,400 | |
| Year 3: 27/28 | Year 4: 28/29 | Year 5: 29/30 | |
| £157,500 | £185,700 | £189,000 | |
| As each vehicle replaces an existing vehicle, there is no increase in the overall revenue costs. Whilst newer vehicles can lead to less expenditure on breakdown and repair, older vehicles will cost more. The overall fleet profile remains relatively constant and therefore service budgets remain the same. However, with property growth and the | | | |

potential impact on waste collections as a result of the Environment Act, there is the likelihood moving forward that additional revenue expenditure may be incurred, and this will need to be considered for future budget years. The introduction of mandatory weekly food waste collections (due October 2027) will have a significant effect on the number of vehicles required and whilst we have an indicative figure and potential central government funding this is likely to change as and when the implementation date gets closer.

Glass Recycling revenue costs for vehicles only estimated to be 2025/26 £5,500, 2026/27 £27,200 and then £37,200 for future years. These figures are included in the additional revenue costs section above. All of the costs are expected to be covered by EPR Government Grant.

Proposed Funding:

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| External: N/A | Internal: Capital Receipts, Vehicle Replacement Reserve, and Simpler Recycling Reserve | |
| Useful Economic Life (years): Various | New/Replacements: New and Replacements | |
| Depreciation per annum: Various | Capital Financing Costs: £96k p.a. in year 1 plus £20k p.a. in year 2 as opportunity cost of lost interest on outlay of capital resources | |
| Residual Value: Various | Category of Asset: Vehicle and Plant | |
| IFRS16 New Lease Checklist Completed? | | N/A |
| VAT treatment assessed? | | N/A |
| Approval Required from: | Council Budget Setting | |

PROJECT APPRAISAL FORM

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| Project Name: Hound Lodge Enhancements | Cost 0308 | Centre: Ref: 8 |
| Project Lead: Property Services' Manager/Strategic Housing Manager | | |
| Request for Project from: Property Services' Manager | | |
| Detailed Description: <p>Hound Lodge provides temporary accommodation for families who find themselves unintentionally homeless; providing accommodation in this circumstance is a statutory function of the Council. The building has existed in broadly its current form since the 1990s when the Council acquired and carried out conversion works which included the addition of a single storey rear extension. The original areas of the building are circa 100 years old.</p> <p>The building requires enhancement not only to improve how it can be operated and managed in terms of residents, but also from an energy consumption and efficiency perspective.</p> <p>.</p> | | |
| Location: West Bridgford | Executive Manager: Economic Growth and Development/Neighbourhoods | |
| Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Quality of Life – the enhancements will create a more comfortable living environment for residents. Efficient Services – the enhancements will help to minimise operational energy/utility costs. The Environment – the enhancements will help to mitigate carbon emissions. Strategic Commitments: <ul style="list-style-type: none"> Protecting our residents' health and facilitating healthier lifestyle choices Providing high quality facilities which meet the needs of our residents Creating opportunities for young people to realise their potential Protecting the most vulnerable in our communities | | |
| Community Outcomes: <ul style="list-style-type: none"> The Council fulfils its statutory duties for the provision of suitable temporary accommodation and avoids the need to use B& B accommodation at an additional cost Residents of the Borough continue to receive the council services they require | | |
| Environmental Outcomes: <ul style="list-style-type: none"> Committing to reviewing and enhancing the operational and thermal performance of the facility will ensure that ongoing carbon emissions are mitigated which aligns with corporate ambitions to be net zero by 2030. | | |

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| Other Options Rejected and Why: | | | |
| <ul style="list-style-type: none"> Not reviewing and enhancing the operational and thermal performance of the facility will allow current shortcomings to continue, this in turn will put strain on resources and limit the Council's overall ambitions to achieve net zero by 2030. | | | |
| Procurement route proposed and stage: | | | |
| Detailed scheme design and the obtaining of any statutory approvals will take place through 25/26; the procurement and delivery of the improvements will take place through 26/27 – any interruptions to space heating etc will be targeted to take place outside of heating season. Procurement will either be via open tender or Framework. | | | |
| Project Management Office support required: Yes/No | | | |
| Start Date: to be determined | | Completion Date: | |
| Capital Cost (Total): | Year 1: 25/26 | Year 2: 26/27 | |
| £395,000 | | £395,000 | |
| Capital Cost (Breakdown) £: | | | |
| Works £173,000 | Equipment £205,000 | Other | Fees £17,000 |
| Additional Revenue cost/(saving)per annum: | Year 1: 25/26 | Year 2: 26/27 | |
| Year 3: 27/28 (gas consumption will be reduced from this point onwards, but unable to predict at this point) | Year 4: 28/29 | Year 5: 29/30 | |
| Proposed Funding | | | |
| External: | | Internal: Capital Receipts £110k and Climate Change Reserve £285k | |
| Useful Economic Life (years): 25 | | New/Replacement: New and Replacement | |

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| Depreciation per annum: £15,800 | Capital Financing Costs: £15.8k p.a. in lost interest | |
| Residual Value: | Category of Asset: Operational L & B | |
| IFRS16 New Lease Checklist Completed? | | N/A |
| VAT Treatment Assessed | | N/A |
| Approval required from: | Council Budget Setting | |

PROJECT APPRAISAL FORM

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| Project Name: Cotgrave Leisure Centre and Keyworth Leisure Centre - Enhancements | Cost 0402 | Centre: | Ref: 9 |
| Project Lead: Team leader Leisure Contract, Sport and Health/Communities' Manager | | | |
| Request for Project from: Team leader Leisure Contract, Sport and Health/Communities' Manager | | | |
| Detailed Description: The scheme was approved as part of the 23/24 Budget Setting Report - appraisals 6 and 7. £1m has been reprofiled from 24/25 to 25/26 to complete the works at Cotgrave and undertake the enhancement works at Keyworth. An additional £200k has been included in the 25/26 Capital Programme for additional works at Keyworth. It is planned to extend the scope of refurbishment works to include regrouting of pool tiles in both pools, additional cosmetic refurbishment to walls in the pool hall and the pool surrounds currently not in scope, replacement pool covers and a new pool hoist alongside enhanced graphics, vinyls and café fit out to enhance the finished centre. | | | |
| Location: Cotgrave Leisure Centre and Keyworth Leisure Centre | | Executive Manager: Neighbourhoods | |
| Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> • Quality of Life • Efficient Services • The Environment • Sustainable Growth Strategic Commitments: <ul style="list-style-type: none"> • Protecting our residents' health and facilitating healthier lifestyle choices. • Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council. • Ensuring well maintained facilities to support growing populations and increased usage • Creating opportunities for young people to realise their potential. • Ongoing appraisal and alignment of resources linked to growth aspirations. • Working to achieve carbon neutral status for the Council's operations. • | | | |
| Community Outcomes: <ul style="list-style-type: none"> • To ensure the provision of high-quality community facilities which meet community need. • To protect our residents' health and facilitate healthier lifestyle choice. | | | |
| Environmental Outcomes: <ul style="list-style-type: none"> • Material selection, wherever possible locally sourced, carbon efficient production, longevity of materials will be considered when selecting finishes | | | |

- Upgrades to lighting and mechanical building elements will look to use low energy technology wherever feasible

Other Options Rejected and Why:

Do not carry out refurb works – this would result in further deterioration of the fabric/fixtures/finishes which will potentially increase revenue maintenance/operating costs and with worsening visual appearance, diminish customer experience/satisfaction.

This may also lead to loss of customers resulting in a less efficient service and not be in line with the commitments made in the Leisure Strategy refresh which was adopted by Cabinet in December 2022.

Procurement route proposed and stage:

The contractor is already appointed and delivering decarbonisation and refurbishment works at Cotgrave leisure centre whilst completing the design and pricing of Keyworth leisure centre refurbishment works. The Keyworth works are currently costed at £586K. Any additional works funded by the additional £200k will be logged as contract variation, with quotes and cost verified by the council's employed Cost Management (Quantity Surveyor) Consultant.

Project Management Office support required: Yes/No

The scheme is being delivered through internal project management through the Team leader, Leisure Contract, Sport and Health and external project Management Consultants. The cost of these services is already accounted for.

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| Start Date: 2023 | | Completion Date: 2025 | |
| Capital Cost (TOTAL): | Previous Years: | Year 1: 25/26 | Year 2: 26/27 |
| £5.521m | £4,321,000 | £1,200,000 | |
| Capital Cost (Breakdown) £: to be determined | | | |
| Works | Equipment | Other | Fees |
| Additional Revenue cost/(saving)per annum: | Year 1: 25/26 | | Year 2: 26/27 |
| Year 3: 27/28 | Year 4: 28/29 | | Year 5: 29/30 |
| Proposed Funding: | | | |

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| External: Government Grants £1.875m S106/CIL £1.149m | Internal: Capital Receipts £1.576m Reserves £0.921m |
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| Useful Economic Life (years): Tiling ad poolside works 25 years, hoist and pool covers 10 years, café fit out and vinyl's 7 years | New/Replacement: New and Replacement | |
| Depreciation per annum: will vary | Capital Financing Costs: £100k p.a. as opportunity cost of lost interest on use of own resources. | |
| Residual Value: N/A | Category of Asset: Operational Land & Buildings/Equipment/Plant | |
| IFRS16 New Lease Checklist Completed | | N/A |
| VAT Treatment Assessed | | N/A |
| Approval required from | Council Budget Setting | |

PROJECT APPRAISAL FORM

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| Project Name: ELLC Enhancements | Cost Centre: 0686 | Ref: 10 |
| Project lead: Team Leader Leisure Contracts, Sport and Health | | |
| Request for project from: | Team Leader Leisure Contracts, Sport and Health/ Communities' Manager | |
| Detailed Description: This scheme is a ring-fenced sum to be drawn on and used to enhance East Leake Leisure Centre when the PFI arrangement ends. Whilst the PFI requires the centre to be handed back with a determined lifespan remaining on assets, mechanical & electrical installations and fixtures and fittings, it is anticipated that some cosmetic enhancement to aid with rebranding from the incumbent operator Mitie to bring the centre in line with other RBC leisure facilities will be required. The precise use of the funds will be better understood as the PFI dilapidation and handover surveys are completed in Summer 2026 and there is clarity on the standard of assets being handed back. Works may include decoration, flooring, replacement lighting, new signage, enhanced audio-visual equipment and public realm items to improve the attractiveness of the centre. | | |
| Location: East Leake | Executive Director: Neighbourhoods | |
| Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> • Quality of Life • Efficient Services • The Environment • Sustainable Growth Strategic Commitments: <ul style="list-style-type: none"> • Protecting our residents' health and facilitating healthier lifestyle choices. • Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council. • Ensuring attractive and well-maintained facilities to support growing populations and increased usage • Creating opportunities for young people to realise their potential. • Ongoing appraisal and alignment of resources linked to growth aspirations. • Working to achieve carbon neutral status for the Council's operations. • | | |
| Community Outcomes: <ul style="list-style-type: none"> • To ensure the provision of high-quality community facilities which meet community need. | | |


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| <ul style="list-style-type: none"> To protect our residents' health and facilitate healthier lifestyle choice. | | | |
| Environmental Outcomes: <ul style="list-style-type: none"> Material selection, wherever possible locally sourced, carbon efficient production, longevity of materials will be considered when selecting finishes Upgrades to lighting and mechanical building elements will look to use low energy technology wherever feasible | | | |
| Other Options Rejected and Why: Do not carry out any enhancement and accept the centre exactly as passed back – this would fail to optimise ability to rebrand to the community and modernise the offer to attract new customers, thus limiting the financial success of the centre. Failure to invest may be detrimental to the visual appearance and diminish customer experience/satisfaction. | | | |
| Procurement route proposed and stage: Once the works packages are known the services/products will be procured either as a series of small lots/individual items, or as a single enhancement package, in line with the council's procurement policy and financial regulations, through seeking 3 quotes or tender as appropriate. | | | |
| Project Management Office support required: Yes/No These works will be managed by the Team Leader Leisure Contracts, Sport and Health | | | |
| Start Date: August 2026 | | | |
| Capital Cost (Total): | Year 1: 25/26 | Year 2: 26/27 | |
| £75,000 | | £75,000 | |
| Capital Cost (Breakdown) £: to be determined | | | |
| Works | Equipment | Other | Fees |
| Additional Revenue cost/ (saving) per annum: | Year 1: 25/26 | Year 2: 26/27 | |
| Year 3: 27/28 | Year 4: 28/29 | Year 5: 29/30 | |
| Proposed Funding | | | |

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| External: | Internal: Regeneration and Community Projects Reserve |
|------------------|--------------------------------------------------------------|

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| Useful Economic Life (years): 10 | New/Replacement: New and replacement |
| Depreciation per annum: £7,500 | Capital Financing Costs: £3,000 p.a. |
| Residual Value: | Category of Asset: Operational Land & Building |
| IFRS16 New Lease Checklist Completed | Checked |
| VAT Treatment Assessed | N/A |

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| Approval required from: | Council Budget Setting |
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PROJECT APPRAISAL FORM

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| Project Name: Rushcliffe Arena Enhancements | Cost 0415 | Centre: | Ref: 11 |
| Project lead: Communities' Manager | | | |
| Request for project from: Communities' Manager | | | |
| <p>Detailed Description: Scheme to remove the Studio 3(Former Bowls Hall) parapet wall to make the space more inclusive and functional for events.</p> <p>The former bowls green is covered with wood flooring, leaving a gully around the perimeter and a parapet wall around the entire hall with only 4 access points in the four corners of the space which is less than ideal for inclusion and event set up.</p> <p>Since the decision to stop providing bowls due to declining demand, the space has gone from strength to strength, hosting fitness classes, extreme Air, Boxing events and Council activity such as the Celebrating Rushcliffe Awards and Council Elections</p> <div style="text-align: center; margin-top: 20px;">  </div> | | | |



The business case has now been proven, and bowls will not return. Therefore, to improve the user experience even further, the removal of the parapet wall would allow flat level access throughout the space and improve functionality for users.

To provide flat level access removing the parapet wall may also require some door alterations to the

access doors and emergency exits which is yet to be determined at this time and requires detailed surveys to define the scope of the scheme

Location: Rushcliffe Arena

Executive Director: Neighbourhoods

Contribution to the Council's aims and objectives:

Corporate Priorities:

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

Strategic Commitments:

- Protecting our residents' health and facilitating healthier lifestyle choices.
- Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council.
- Ensuring well maintained facilities to support growing populations and increased usage
- Creating opportunities for young people to realise their potential.
- Ongoing appraisal and alignment of resources linked to growth aspirations.
- Working to achieve carbon neutral status for the Council's operations.

Community Outcomes:

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

Environmental Outcomes:

The works will aim to use local contractors where possible to minimise miles travelled. The waste material such as brick will be recycled, and replacement materials or carpets will be sourced with the lowest carbon footprint.

Other Options Rejected and Why:

The council could decide to do nothing and maintain the status quo; however, this does nothing to address the users experience and limits opportunities to maximise revenue opportunities in the space

Procurement route proposed and stage:

| | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------|--------------------|
| This will be designed and procured with the internal property and estates department in conjunction with Nottinghamshire County Council's procurement team. | | | |
| Project Management Office support required: Yes/No It is proposed that this project managed internally by the Team Manager for Health and Leisure Contracts in conjunction with Property and Estates and Parkwood Leisure. | | | |
| Start Date: May/June 2026 Post Elections although none are planned for 2026 currently so an ideal time window to do these improvement works | | Completion Date: July 2026 | |
| Capital Cost (Total): | Year 1:25/26 | Year 2: 26/27 | |
| £50,000 | | £50,000 | |
| Capital Cost (Breakdown) £: | | | |
| Works £47,500 | Equipment | Other | Fees £2,500 |
| Additional Revenue cost/ (saving) per annum: | Year 1: 25/26 Additional income expected, not yet quantified. | Year 2: 26/27 as 25/26 | |
| Year 3: 27/28 as 25/26 | Year 4: 28/29 as 25/26 | Year 5: 29/30 as 25/26 | |
| Proposed Funding | | | |
| External: | | Internal: Regeneration and Community Projects Reserve | |

| | |
|------------------------------------------------------------------------------|---------------------------------------------|
| Useful Economic Life (years): remaining life of Arena building | New/Replacement: Replacement |
| Depreciation per annum: will form part of Arena building depreciation | Capital Financing Costs: £2,000 p.a. |

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|---------------------------------------------|-------------------------------------------------------|
| Residual Value: N/A | Category of Asset: Operational Land & Building |
| IFRS16 New Lease Checklist Completed | N/A |
| VAT Treatment Assessed | N/A |

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| Approval required from: | Council Budget Setting |
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PROJECT APPRAISAL FORM

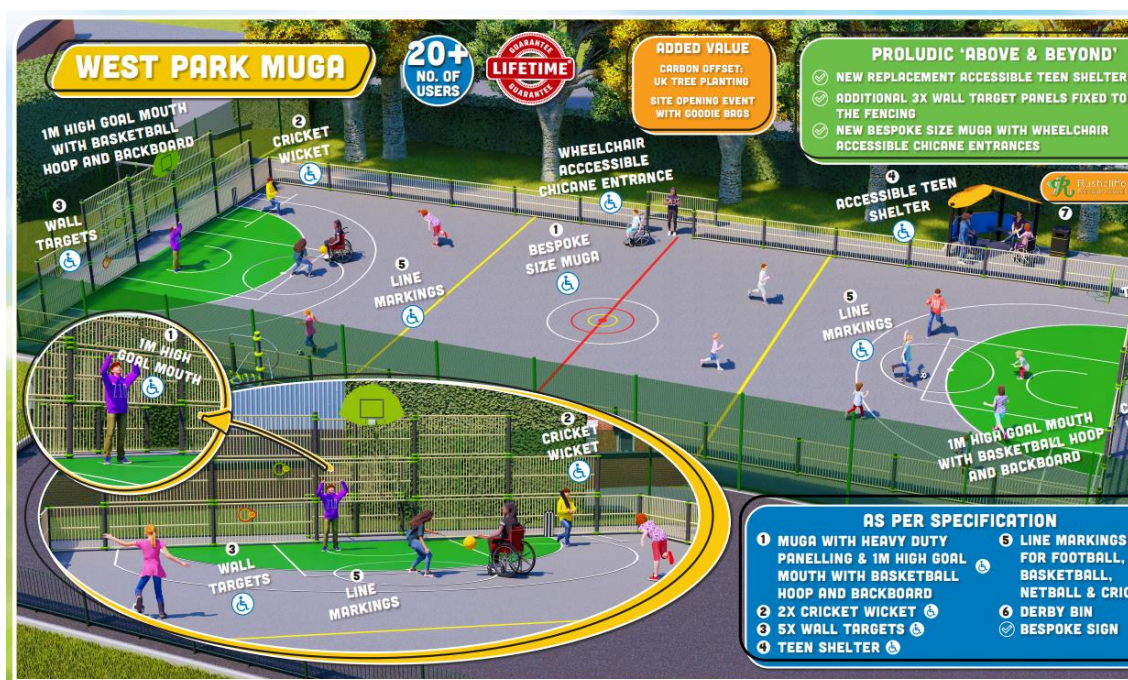
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| Project Name: Play Areas W.B. (Special Expense) | Cost 0664 | Centre: | Ref: 12 |
| Project Lead: Communities' Manager | | | |
| Request for Project from: Rushcliffe Play Strategy | | | |
| Detailed Description: <p>The priority project for 2025/26 is West Park Children's Play Area and Teen facility, this will include some accessible improvements.</p> <p>For 2026/27, it is hoped will be looking at individual pieces of play equipment and safety surfacing across all the West Bridgford play sites to replace end of life equipment and safety surfacing with new equipment and surfacing to improve including and accessibility aligned with our play strategy.</p> <p>West Park Play area and Teen Area</p> <p>In 2025/26 financial year we will look to refurb the existing play area by replacing the wet pour safety surfacing and some refurbished or replaced equipment on the Junior Play and then replacing the existing half ball court and dynamic equipment with a standard MUGA to improve the surface and reduce ongoing maintenance to bark area.</p> <p>West Park site</p> | | | |



Play area



The below MUGA will replace the half ball court and dynamic play equipment area, the works would also include a refurbishment of the existing Teen Shelter.



2026/2027

The 2026/2027 programme will not necessarily focus on a one out and one in project but will instead be informed by undertaking a full audit of all the special expenses play provision and safety surfacing across all sites and aim to replace end of life equipment and surfacing across multiple sites instead of focussing on one of the lesser used sites. The replacement equipment and surfacing will aim to be more inclusive following the refreshed play strategy guidance and will also take pressure off the revenue repairs budget over the financial year.

Location: West Bridgford

Executive Manager: Neighbourhoods

Contribution to the Council's aims and objectives:

Corporate Priorities:

- Quality of Life
- Efficient Services
- The Environment

Strategic Commitments:

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

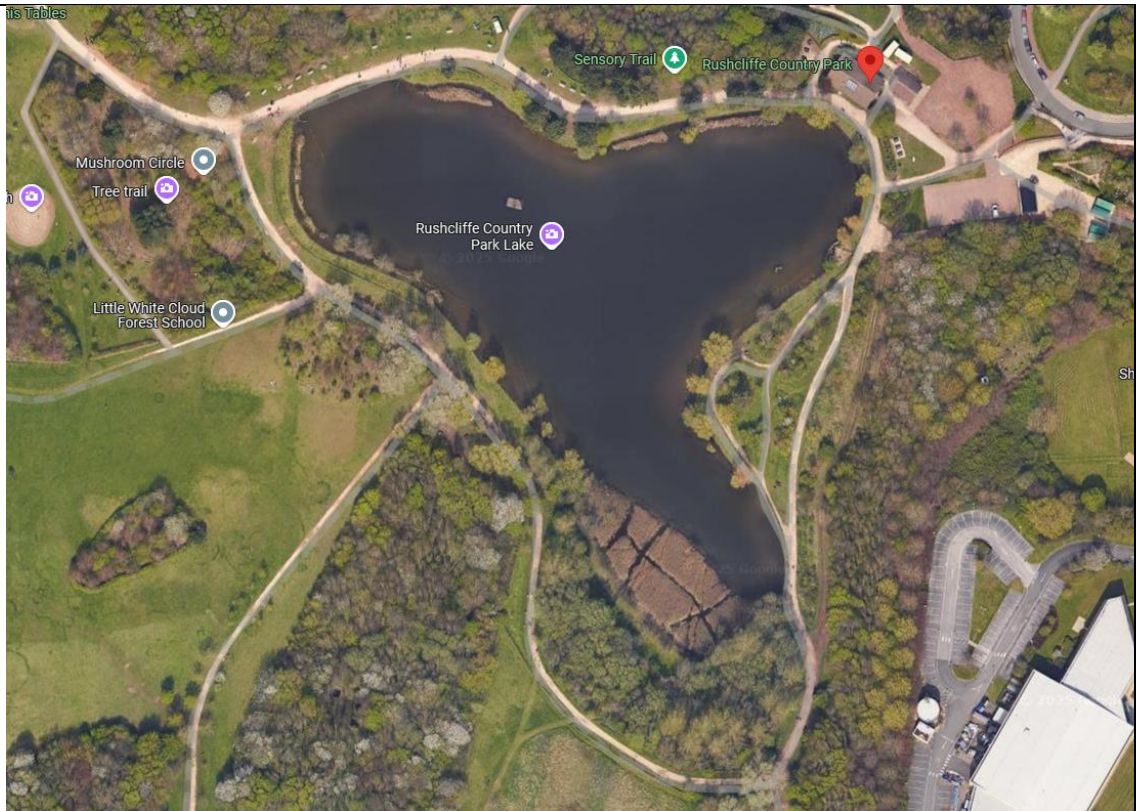
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| Community Outcomes: <ul style="list-style-type: none"> To ensure the provision of high-quality community facilities which meet community need. To protect our residents' health and facilitate healthier lifestyle choice. To provide a facility to engage with young people who may otherwise not take part in formal sports or physical activity. | | | |
| Environmental Outcomes: <ul style="list-style-type: none"> The tender process will take into consideration supply chain, Carbon reduction measures from the supplier use of materials to procure the most sustainable play facility for the community. | | | |
| Other Options Rejected and Why: <p>Doing nothing would result in increased maintenance costs for ageing equipment, reduced appeal of the play areas leading to lower levels of use and be inconsistent with the vision of high-quality parks and leisure facilities. A lack of replacement programme would over time lead to an increased health and safety risk.</p> | | | |
| Procurement route proposed and stage: <p>ESPO Framework tender for larger schemes that has the 12 leading play manufacturers on it. The procurement will be supported by Nottinghamshire Councils procurement team and project managed by VIA East Midlands</p> | | | |
| Project Management Office support required: Yes <p>Due to lack of internal capacity or expertise within the property and Estates team we propose to use the tried and trusted project management relations established with VIA East Midlands over the last 5 years, who provide procurement and project management support through to completion</p> | | | |
| Start Date: April 2025 | | Completion Date: March 2027 | |
| Capital Cost (Total): | Year: 25/26 | Year 2: 26/27 | |
| £200,000 | £100,000 | £100,000 | |
| Capital Cost (Breakdown) £: split of equipment costs to be determined | | | |
| Works £182,000 | Equipment | Other | Fees £18,000 |
| Additional Revenue cost/ (saving) per annum: | Year 1: 25/26 | | Year 2: 26/27 |
| Year 3: 27/28 | Year 4: 28/29 | | Year 5: 29/30 |

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| External: | Internal: Regeneration and Community Projects Reserve (Special Expense) |
|------------------|--------------------------------------------------------------------------------|

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| Useful Economic Life (years): 15 | New/Replacement: Replacement and new |
| Depreciation per annum: £6,700 25/26 plus £6,700 26/27 | Capital Financing Costs: Nil as funds raised through WB Special Expense |
| Residual Value: N/A | Category of Asset: L & B/Equipment |
| IFRS16 New Lease Checklist Completed? | N/A |
| VAT treatment assessed? | N/A |
| Approval required from: | Council Budget Setting |

PROJECT APPRAISAL FORM

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| Project Name: Rushcliffe Country Park Enhancements | Cost 0504 | Centre: | Ref: 13 |
| Project Lead: Communities' Manager | | | |
| Request for project from: Neighbourhoods Feedback/Communities' Manager | | | |
| <p>Detailed Description: Rushcliffe Country Park Footpath rolling investment programme.</p> <p>Rushcliffe Country Park will be 32 years old in 2026 and up to 2022 had a passive management of the paths, by filling potholes and spreading some material in worn areas over the last 30 years.</p> <p>In 2022 the council began to proactively manage the 8km of paths by undertaking some path resurfacing work. This has enabled a specialist contractor to tackle the poorest and most heavily trafficked paths sections in the park in priority order to improve the overall quality and longevity of these sections. It also as re-instated the camber in the paths to support rainwater runoff and tackled stretching in sections where the path appears bigger than intended so the path return to its original intended state.</p> <p>The works in 2026/27 will amongst other areas focus on the orbital path around the lake with the aim to provide as inclusive a surface as possible for those visiting the park with mobility issues and compliment the café areas and Changing Places toilet provision.</p> | | | |



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| Location: Rushcliffe Country Park | Executive Neighbourhoods | Manager: |
| <p>Contribution to the Council's aims and objectives:</p> <p>Corporate Priorities:</p> <ul style="list-style-type: none"> • Quality of Life • Efficient Services <p>Strategic Commitments:</p> <ul style="list-style-type: none"> • Protecting our residents' health and facilitating healthier lifestyle choices. • Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council. • Creating opportunities for young people to realise their potential. • Ongoing appraisal and alignment of resources linked to growth aspirations. | | |
| <p>Community Outcomes:</p> <ul style="list-style-type: none"> • To ensure the provision of high-quality community facilities which meet community need. • To protect our residents' health and facilitate healthier lifestyle choice. | | |
| <p>Environmental Outcomes:</p> | | |

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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------------------------|-----------------------|
| <ul style="list-style-type: none"> The tender process will take into consideration supply chain, Carbon reduction measures from the supplier use of materials to procure the most sustainable outdoor facility for the community. | | | |
| Other Options Rejected and Why: Doing nothing would put at risk the operational performance and efficiency of the facility, reducing customer experience/satisfaction and, in turn, reduce revenue income. | | | |
| Procurement route proposed and stage: We would aim to get three quotes for the surfacing but have struggled in the past with getting three companies to quote. | | | |
| Project Management Office support required: No It is envisaged that this project will be managed by the Country Park Manager with the support of the Communities' Manager in house. | | | |
| Start Date: April 2026 | | Completion Date: April 2026 | |
| Capital (Total): | Cost | Year 1: 25/26 | Year 2: 26/27 |
| £25,000 | | £25,000 | |
| Capital Cost (Breakdown) £: to be determined | | | |
| Works £23,000 | Equipment | Other | Fees £2,000 |
| Additional Revenue cost/(saving)per annum: | Year 1: 25/26 | | Year 2: 26/27 |
| Year 3: 27/28 | Year 4: 28/29 | | Year 5: 29/30 |
| Proposed Funding | | | |
| External: | | Internal: Capital Receipts | |

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|----------------------------------------------|--------------------------------------------------------------------------------|
| Useful Economic Life (years): 15 | New/Replacement: Replacement section |
| Depreciation per annum: £1.6kpa | Capital Financing Costs: £1k p.a. as opportunity cost of lost interest. |
| Residual Value: N/A | Category of Asset: Infrastructure |
| IFRS16 New Lease Checklist Completed? | N/A |
| VAT Treatment Assessed | N/A |
| Approval required from: | Council Budget Setting |

PROJECT APPRAISAL FORM

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| Project Name: Rushcliffe Country Park Play Area | Cost 0412 | Centre: | Ref: 14 |
| Project Lead: Communities' Manager | | | |
| Request for project from: Neighbourhoods feedback/Rushcliffe Play Strategy | | | |
| <p>Detailed Description: Rushcliffe Country Park Play Area Inclusive Enhancements</p> <p>The scheme will complement the recent play development with additional inclusive elements aligned with the Council's Play Strategy to make the Country Park, which is the Council's destination NEAP (Neighbourhood Equipped Area for Play) Play area, the most inclusive and development centred provision in the Borough.</p> <p>Our aim is to capture the imagination of every visitor through inventive designs and inclusive play.</p> | | | |
| Location: Rushcliffe Country Park | Executive Manager: Neighbourhoods | | |
| <p>Contribution to the Council's aims and objectives:</p> <p>Corporate Priorities:</p> <ul style="list-style-type: none"> Quality of Life Efficient Services <p>Strategic Commitments:</p> <ul style="list-style-type: none"> Protecting our residents' health and facilitating healthier lifestyle choices. Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council. Creating opportunities for young people to realise their potential. Ongoing appraisal and alignment of resources linked to growth aspirations. | | | |
| <p>Community Outcomes:</p> <ul style="list-style-type: none"> To ensure the provision of high-quality community facilities which meet community need. To protect our residents' health and facilitate healthier lifestyle choice. | | | |
| <p>Environmental Outcomes:</p> <ul style="list-style-type: none"> The tender process will take into consideration supply chain, Carbon reduction measures from the supplier use of materials to procure the most sustainable play facility for the community. | | | |
| Other Options Rejected and Why: | | | |

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

Procurement route proposed and stage:

Given the relatively low values, it is proposed to do direct awards for the playground equipment to the play manufacturer who did the substantive play area to maintain consistency of equipment and path works to the surfacing company that has done the other path in the park and has a strong working relationship with the borough and have proven best value on recent tender exercises.

The scheme aims to spend approximately:

£10k on inclusive equipment;

£10k on Porus Macadam surfacing including a small section of new path to provide a closer link to the toilets for those users with additional needs which then can have thermoplastic ground graphics applied for visual inclusion;

£1k on an additional inclusive gate;

£2k on a linking path; and

£2k on fees.

Project Management Office support required: /No

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

| Start Date: April 2025 | | Completion Date: April 2025 | |
|-----------------------------------------------------|---------------|-----------------------------|---------------|
| Capital Cost (Total): | Year 1:25/26 | Year 2: 26/27 | |
| £25,000 | £25,000 | | |
| Capital Cost (Breakdown) £: to be determined | | | |
| Works | Equipment | Other | Fees |
| £23,000 | | | £2,000 |
| Additional Revenue cost/(saving)per annum: | Year 1: 25/26 | | Year 2: 26/27 |
| | | | |

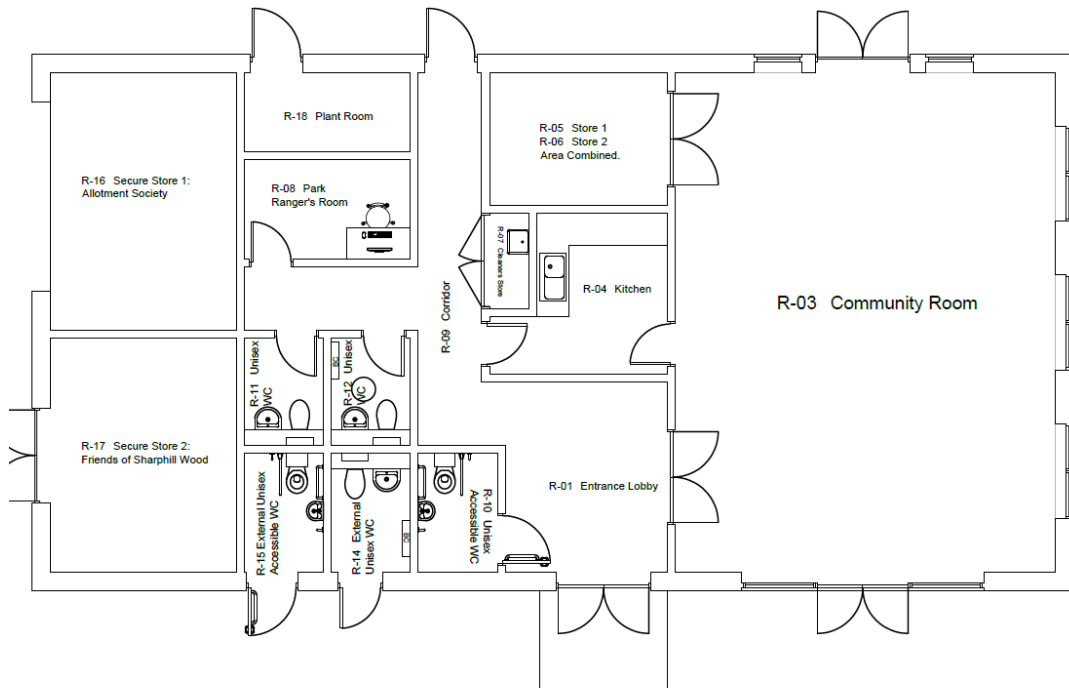
| | | |
|-------------------------|----------------------|-----------------------------------|
| Year 3: 27/28 | Year 4: 28/29 | Year 5: 29/30 |
| Proposed Funding | | |
| External: | | Internal: Capital Receipts |

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|----------------------------------------------|--------------------------------------------------------------------------------|
| Useful Economic Life (years): 15 | New/Replacement: Replacement/New |
| Depreciation per annum: £1.6k | Capital Financing Costs: £1k p.a. as opportunity cost of lost interest. |
| Residual Value: N/A | Category of Asset: Equipment |
| IFRS16 New Lease Checklist Completed? | N/A |
| VAT Treatment Assessed | N/A |
| Approval required from | Council Budget Setting |

PROJECT APPRAISAL FORM

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| Project Name: Edwalton Community Facility – Special Expense | Cost 0643 | Centre: | Ref: 15 |
| Project Lead: Communities' Manager | | | |
| Request for Project from: Council's Corporate Strategy | | | |
| Detailed Description: Edwalton Community Facility | | | |
| <p>The Edwalton Community Hall proposals will form part of a new community focal point for the area as part of the Sharphill Sustainable Urban Extension (SUE). They will provide connections to the community parks and woods supporting environmental conservation projects, community groups and volunteers. Shown below as item 3 with its associated car parking, community orchard and allotments.</p> | | | |
| | | | |
| <p>The community hall will complement existing community infrastructure, including the newly opened Rosecliffe Spencer Academy Primary School which would cater for larger group gatherings.</p> | | | |
| <p>The proposed development will have a meeting room serving groups with a capacity of up to 40 people. The building will also include rangers/facilities office, storage, toilets, and kitchen facilities. It is also proposed to have externally accessed toilets for working parties using the woods and community groups that can be accessed when the main</p> | | | |

building is closed. The building will also have externally accessed storage for the allotment holders and Friends of Sharphill Wood to store materials which will improve co-ordination and the delivery of environmental based projects.



The Standard specifications we would like to see incorporated are:

External Standard Specification:

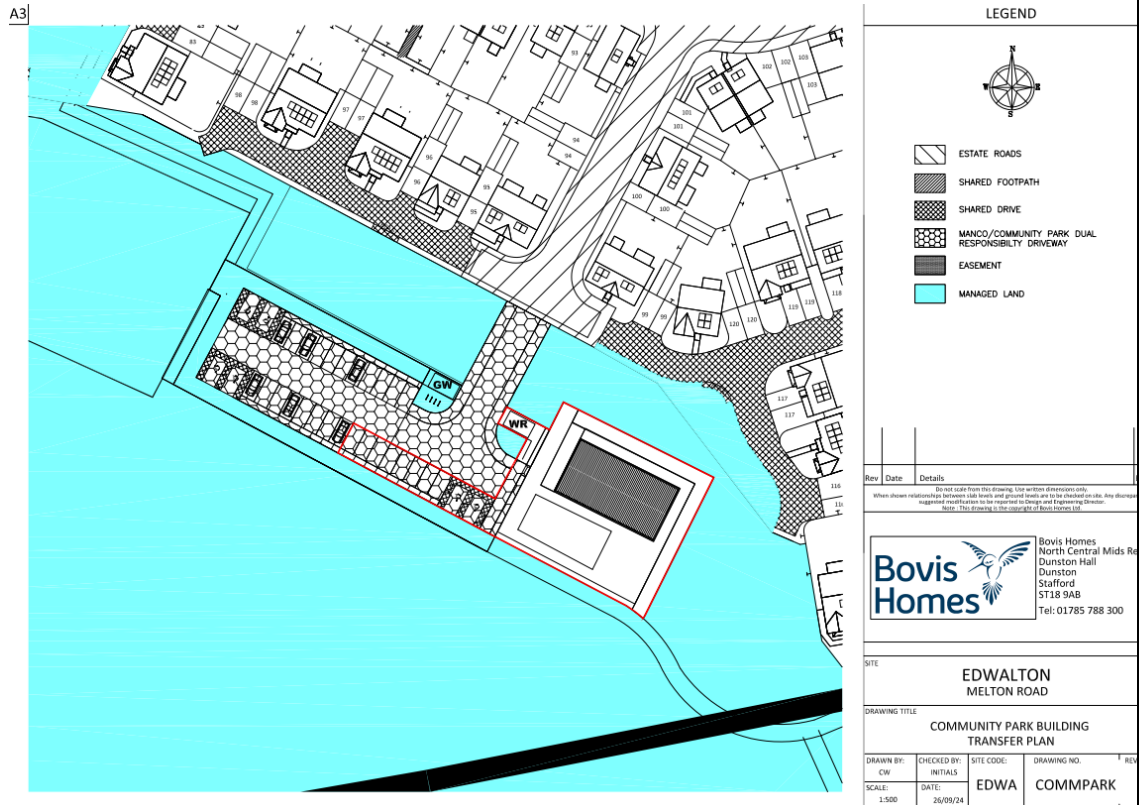
- Traditional masonry cavity external walls with brick work outer leaf and block work inner leaf
- Eaves height to be 3m to soffit minimum
- Truss rafter roof construction with Decra pan tiled effect roof finish
- Windows powered coated aluminium
- Roller shutters to all glazed openings (Doors and windows)
- External doors to the toilets and store rooms to be steel door sets.
- PV panels to the southern roof slope
- Paved area surrounding the building
- Anti vandal rain water pipes
- Anti vandal wall mounted bulk head fittings.

Internal Standard Specification:

- Solid floor construction, either a ground bearing slab or a beam and block solution
- Internal Walls, Plaster boarded ceilings with suitable paint finish
- Non-Slip vinyl flooring throughout. Polyflor Safety
- Entrance Matting. Burmatex
- Lighting, LED lighting throughout with PIR controls
- Air source heat pump for space heating and domestic hot water

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| <p>-Ventilation to the kitchen and toilets</p> <p>-All domestic water services to be mains fed except for the hot water calorifier.</p> | |
| Location: Edwalton | Executive Manager: Neighbourhoods |
| <p>Contribution to the Council's aims and objectives:</p> <p>Corporate Priorities:</p> <ul style="list-style-type: none"> • Quality of Life • Efficient Services • The Environment <p>Strategic Commitments:</p> <ul style="list-style-type: none"> • Provide high quality community facilities which meet the needs of our residents and contribute towards the financial independence of the Council. • Responsible income generation where deemed appropriate, to facilitate the delivery of services. • Ongoing appraisal and alignment of resources linked to growth aspirations. • Reviewing our policies and ways of working to protect natural resources, and to implement environmentally beneficial infrastructure changes. • Working to achieve carbon neutral status for the Council's operations. | |
| <p>Community Outcomes:</p> <ul style="list-style-type: none"> • To provide additional community infrastructure. • 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. | |
| <p>Environmental Outcomes:</p> <p>The Edwalton Community building would be built to the latest building regulations and environmental standards, it is postposed to have solar PV to its southern roof elevation and an air source heat pump to ensure it is minimising its Carbon Footprint.</p> <p>One of the key objectives of the building is to support community projects and groups to conserve and protect Sharphill Woods and the associated community parkland that will be created.</p> | |
| <p>Other Options Rejected and Why:</p> <p>The Authority could decide not to progress the project, but this would not address the community need identified in the area.</p> | |
| <p>Procurement route proposed and stage:</p> <p>It is proposed the project will be split into two elements: one which is the land transfer and then a direct award JCB build contract.</p> | |

Please see below the proposed transfer plan



Project Management Office support required: Yes

Yes, full project Management support will be required for the newly established Project Corporate Project team and also provided by the Communities' Manager

Start Date: to be determined

Completion Date:

Capital (Total):

Cost
Year 1:25/26

Year 2: 26/27

£840,000

£840,000

Capital Cost (Breakdown) £: to be determined

Works

£750,000

Additions to
building spec

£25,000 = £775k

Equipment

Other

Awaiting
formal advice
on Stamp
Duty. Liability
not expected
but would be
approx. £32k

Fees: £65k =

Legal £25k

Clerk of works
£20k

External advice
£20k

| | | |
|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Additional Revenue cost/(saving)per annum: | Year 1: 25/26 £30k | Year 2: 26/27 30K |
| Year 3: 27/28 30K | Year 4: 28/29 30K | Year 5: 29/30 30k |
| Proposed Funding | | |
| External: | Internal: £250k New Homes Bonus; £590k Capital Receipts in the first instance repayable by annuity. Climate Change elements to be determined and assessed for funding from the specific reserve. | |

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| Useful Economic Life (years): 40 years | New/Replacement: New |
| Depreciation per annum: £21,000 | Capital Financing Costs: £33,600 |
| Residual Value: N/A | Category of Asset: Operational Land and Buildings Special Expense |
| IFRS16 New Lease Checklist Completed? | To be assessed |
| VAT Treatment Assessed | Yes, exercise Option to Tax |
| Approval Required from: | Council Budget Setting |

PROJECT APPRAISAL FORM

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| Project Name: Information Systems Strategy | Cost Centre: 0596 | Ref: 16 |
| Project Lead: Strategic ICT Manager | | |
| Request for Project from: Rolling Capital Programme | | |
| Detailed Description: An emerging strategy will therefore exist enabling an agile approach to operational delivery, taking advantage of new proven developments. The ICT Technical Delivery Plan details all technical projects, and the schedule for implementation, during the lifetime of the ICT Strategy. | | |
| Location: Rushcliffe Arena | Executive Manager: Finance and Corporate | |
| Contribution to the Council's aims and objectives: Corporate Priorities: <ul style="list-style-type: none"> Efficient Services Quality of Life Protecting the Environment Digital-by-Design Strategic Commitments: <ul style="list-style-type: none"> Ongoing appraisal and alignment of resources linked to growth aspirations. Include digital principles in our communications and ways of undertaking business. Working to achieve carbon neutral status for the Council's operations. Continue to invest in Cloud Services to enhance the Councils Business Continuity Plans and provide support for 'Smarter Ways of Working' policies. People and Technology working together to provide efficiencies and remove barriers to simplify the Council's operations. | | |
| Community Outcomes: <ul style="list-style-type: none"> To ensure that we make best use of digital development where appropriate to deliver better services and operate more efficiently. To enable residents to do business with us in a digital way if that is their preference. To use public spend in an efficient and economical way. <p style="margin-top: 20px;">The ICT Strategy is closely aligned to the Council's "Four Year Plan" reviews and ICT will be instrumental in delivering the outcomes identified during these reviews. The Strategy will deliver:</p> <ul style="list-style-type: none"> People and Smarter Ways of Working. <ul style="list-style-type: none"> With a focus on people and their experience when accessing Council services. Investing time to find the correct and appropriate solution, which provides efficient and economic systems across the Council. To bring people along the journey and promote flexible, remote and agile solutions, and digital transformation programmes that take advantage of self-service initiatives, intelligent automation (IA), and artificial intelligence (AI). Key elements are | | |

| | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------|-----------------------------------------|--|
| <p>people and the use of technology as an enabler and improving customer service and experience.</p> <ul style="list-style-type: none"> • Business Continuity, Cloud Services and Hybrid Technologies <ul style="list-style-type: none"> ○ Continue to improve business continuity arrangements and underpin other strategic objectives and their success. Seek opportunities to use cloud services to improve access and resilience for our residents and staff accessing Council services. Recognising when Hybrid technologies can be used to accommodate for complex and flexible solutions. • Information Management and Governance, and Security <ul style="list-style-type: none"> ○ To safeguard Council data by ensuring legislative, central government security standards are followed and using security and privacy by design principles. • Think Green <ul style="list-style-type: none"> ○ To be aware of and help achieve local net zero targets from energy efficiency savings when upgrading existing or implementing new systems. To report on energy usage and seek out opportunities to provide positive impact on carbon reduction. • Collaboration and Partnerships <ul style="list-style-type: none"> ○ Continue to work closely with other authorities, establishing effective partnerships to share common challenges for efficient outcomes. | | | | |
| <p>Environmental Outcomes:</p> <ul style="list-style-type: none"> • When new infrastructure or ICT equipment is procured, power consumption forms part of the decision making when assessing quality of products. The supplier is also reviewed to see what their carbon footprint is and will add to the Council's. | | | | |
| <p>Other Options Rejected and Why:</p> <p>Every project is the subject of a proposal or business case to be presented to, and approved by, the Executive Manager for the corresponding Service Area to ensure that the most appropriate IT solution is chosen, having due regard to the alignment of technologies already in use across other local authorities, value for money and resilience. The option of not doing so would lead to outdated or incompatible technology, which would result in lower performance, higher maintenance costs and hinder the drive for greater efficiencies.</p> | | | | |
| <p>Proposed Procurement route and stage: schemes will be procured in line with procurement rules, utilising the Framework where possible, with open tenders where necessary.</p> | | | | |
| <p>Project Management Office support required: No</p> | | | | |
| <p>Start Date: On-going</p> | | | <p>Completion Date: On-going</p> | |
| <p>Capital (Total):</p> | <p>Cost</p> | <p>Year 1:25/26</p> | <p>Year 2: 26/27</p> | |
| <p>£488,000</p> | <p>(2 years)</p> | <p>£368,000</p> | <p>£120,000</p> | |
| <p>Capital Cost (Breakdown):</p> | | | | |
| <p>Works</p> | <p>Equipment £448,000</p> | <p>Other £40,000</p> | <p>Fees</p> | |

| | | | |
|-------------------------------------------|------------------|-----------------------------------------------------------------------------------------------------|----------------------|
| Additional Revenue (saving) annum: | cost/ per | Year 1: 25/26 | Year 2: 26/27 |
| Year 3: 27/28 | | Year 4: 28/29 | Year 6: 29/30 |
| Proposed Funding | | | |
| External: N/A | | Internal: Regeneration and Community Projects Reserve and Organisation Stabilisation Reserve | |

| | |
|------------------------------------------------------------|-----------------------------------------------------------|
| Useful Economic Life (years): 3 | New/Replacement: New and Replacement |
| Depreciation per annum: £123k 24/25 plus £40k 25/26 | Capital Financing Costs: £19,500 |
| Residual Value: Nil | Category of Asset: Intangible Assets and Equipment |
| IFRS16 New Lease Checklist Completed? | N/A |
| VAT treatment assessed? | N/A |
| Approval Required | Council Budget Setting |

12.4 Appendix 4 – Use of Earmarked Reserves in 2025/26

| <u>Use of Earmarked Reserves in 2025/26</u> | Projected Opening Balance | Projected Income | Projected Expenditure | Net Change in Year | REF | Projected Closing Balance |
|----------------------------------------------------|------------------------------------------|-----------------------------|----------------------------------|-----------------------------------|------------|------------------------------------------|
| Investment Reserves | | | | | | |
| Regeneration and Community Projects | 3,506 | 333 | (793) | (460) | 1 | 3,046 |
| Sinking Fund - Investments | 810 | 200 | (366) | (166) | 2 | 644 |
| New Homes Bonus (NHB) | 8,131 | 1,478 | (1,424) | 54 | 3 | 8,185 |
| Corporate Reserves | | | | | | |
| Organisation Stabilisation | 4,533 | 3,550 | (373) | 3,177 | 4 | 7,710 |
| Treasury Capital Depreciation Reserve | 1,173 | 0 | 0 | 0 | | 1,173 |
| Collection Fund S31 | 0 | 0 | 0 | 0 | | 0 |
| Climate Change Action | 918 | 0 | (100) | (100) | 5 | 818 |
| Flood Grant & Resilience | 22 | 0 | 0 | 0 | | 22 |
| Freeport Reserve | 0 | 0 | 0 | 0 | | 0 |
| Simpler Recycling Reserve | 1,020 | 1,407 | (1,982) | (575) | 6 | 445 |
| Vehicle Replacement Reserve | 605 | 185 | (330) | (145) | 7 | 460 |
| Risk and Insurance | 100 | 0 | 0 | 0 | | 100 |
| Planning Appeals | 349 | 0 | 0 | 0 | | 349 |
| Elections | 101 | 50 | 0 | 50 | 8 | 151 |
| Operating Reserves | | | | | | |
| Planning | 131 | 29 | (85) | (56) | 9 | 75 |
| Leisure Centre Maintenance | 0 | 15 | (15) | 0 | 10 | 0 |
| Total Earmarked Reserves | 21,399 | 7,247 | (5,468) | 1,779 | | 23,178 |

Notes

1. Income - £168k from Special Expenses and Annuity Charges; £165k to create sinking funds for: Skateparks, Gresham Pitches, Crematorium, and Edwalton Golf Course. **Expenditure** - £283k IT; £200k KLC; Play Areas £100k; Contingency £150k; Highways Verges £60k.

2. Income - £200k from profit to create sinking funds for Investment Properties including Bridgford Hall. **Expenditure** - £200k Manvers BP Enhancements; £70k Cotgrave business Hub; £30k Walkers Yard 1a/b and 3; £25k Bridgford Kiosk; £25k the Point; and £16k Colliers Business Park.

3. Income - £1.478m NHB in year. **Expenditure** - £1.174m to offset MRP in year and £250k Edwalton Community Facility.

4. Income - £3.55m estimated surplus in year. **Expenditure** - £200k DFGs; £70k Tourism/Signage; £85k IT; and £18k IT App Guard.

5. Expenditure - £100k Streetwise Depot decarbonisation works.

6. Income £1.407m EPR Government Grant. **Expenditure** - £1.710m Kerbside Glass Recycling Capital; £272k Revenue

7. Income - £185k to top up Vehicle Replacement Reserve; **Expenditure** - £330k to fund Vehicle Replacements.

8. Income - £50k to top up Elections Reserve.

9 Income - £29k to top up the reserve. **Expenditure** - £85k to meet Local Plan Costs.

10. Income - £15k sinking fund for Athletics Track/Hockey Pitch old BLC; **Expenditure** - £15k Athletics Track/Hockey Pitch.

12.5 Appendix 5 – Proposed pricing schedules (Car Parking and Garden Waste)

Car Parking

| West Bridgford | Current Charges £ | Revised Charges £ | % increase |
|------------------|-------------------------|-------------------------|---------------|
| Up to 30 minutes | 0.70 | 0.70 | 0% |
| Up to 1 hour | 1.20 | 1.20 | 0% |
| Up to 1.5 hours | 1.70 | 2.00 | 18% |
| Up to 2 hours | 2.50 | 2.80 | 12% |
| Up to 2.5 hours | 3.00 | 3.50 | 17% |
| Up to 3 hours | 3.50 | 4.00 | 14% |
| Over 3 hours | 30.00 | 30.00 | 0% |

Garden Waste

| | Current £ | 2025/26 £ | 2026/27 £ | 2027/28 £ | 2028/29 £ | 2029/30 £ |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| First Bin | 45 | 47 | 49 | 51 | 53 | 55 |
| Second and subsequent bin | 30 | 37 | 44 | 46 | 48 | 50 |

External Appendices

12.6 Appendix 6 – Pay Policy

12.7 Appendix 7 – Transformation and Efficiency Plan (TEP)

12.8 Appendix 8 – Capital and Investment Strategy

Rushcliffe Borough Council Pay Policy Statement 2025-2026

1. Introduction

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

2. Objectives of this Statement

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

3. Senior Officers

- 3.1 For the purposes of this Statement, Senior Officers are defined as those posts with a salary above £50,000 in line with the Local Government Transparency Code 2015. Using this definition Senior Officers within Rushcliffe currently consists of 11 posts out of an establishment of 317. The posts are as follows:-
- Chief Executive
 - Director – Finance and Corporate Services (Section 151 Officer)
 - Director – Development and Economic Growth
 - Director - Neighbourhoods
 - Head of Service Chief Executive's Department and Monitoring Officer

- Head of Service – Finance
- Head of Service - Economic Growth and Property
- Head of Service – Planning
- Head of Service – Neighbourhoods
- Head of Service – Public Protection
- Head of Service – Corporate Services

4 The Policies

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

5. Pay of the Council's Lowest Paid Employees

- 5.1 The total number of Council employees is presently 317 The Council has defined its lowest paid employees by taking the average salary of five permanent staff on the lowest pay grade the Council operates, who are not undergoing an apprenticeship. On this basis the lowest paid full-time equivalent employee of the Council earned £23,556 The Council currently pays £12.21 per hour for its lowest paid employees.
- 5.2 The Council does not explicitly set the pay of any individual or group of posts by reference to a pay multiple. The Council feels that pay multiples cannot capture the complexity of a dynamic and highly varied workforce in terms of job content, skills and experience required. In simple terms, the Council sets different levels of basic pay to reflect differences in levels of responsibility. Additionally, the highest paid employee of the Council's salary does not exceed 10 times that of the lowest paid group of employees.
- 5.3 The Head of Paid Service, or their delegated representative, will give due regard to the published Pay Policy Statement before the appointment of any Officers. Full Council will have the opportunity to discuss any appointment of Statutory Officer roles before an offer of appointment is made, in line with the Council's Officer Employment procedure rules within Part 4 of the Council's Constitution. Appointment to Director level is via a member employment panel.

6 Additional Payments Made to Chief Officers – Election Duties

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

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

6.3 As these fees are related to performance and delivery of specific elections duties, they are distinct from the process for the determination of pay for Senior Officers. The fees have been reviewed for 2025/26 and agreement made that the fees will increase annually in line with the national pay award.

Appendix to the Pay Policy Policies on other aspects of pay

Process for setting the pay of Senior Officers

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

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

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

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

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

Terms and Conditions – All Employees

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

Local Government Pension Scheme

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

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

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

Car Allowances

The Council pays mileage rates at HMRC recommended rates.

Pay Increments

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

Relocation Allowance

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

Professional fees

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

Returning Officer Payments

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

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

Managing Organisational Change Policy

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

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

Payments on termination

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

Publication of information relating to remuneration of Senior Officers

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

Gender Pay gap reporting

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

Rushcliffe Borough Council

Transformation Strategy and Efficiency Plan 2025/26 – 2029/30

Introduction

The council has had a transformation Plan since 2010 and widened this to incorporate other efficiencies. The purpose of the Transformation and Efficiency Plan (TEP) is 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. This Transformation and Efficiency Plan also constitutes what was the previous Government's requirements for a Productivity Plan. This plan covers four key themes:

- Transformation of services to make better use of resources
- Take advantage of advances in technology
- Reduce wasteful spend within systems or, for example, on consultants
- Barriers preventing activity that the Government can help to reduce or remove

The Transformation Programme since its inception and going forward aims to support the delivery of over £7.6m in efficiencies. The following are guiding principles used, to identify ways to make efficiencies through the TEP:

- Where possible individuals that use facilities should pay for them
- Maximise income where we can and ensure costs are recovered
- Focus on reducing discretionary expenditure
- Continue to identify budget expenditure efficiencies
- Maximise the use of Council assets
- Digital by design programme and other innovations

The aim is to achieve this without significantly impacting on service quality or resident satisfaction. Our latest resident polling data shows us that 82% of residents are satisfied with Rushcliffe as a place to live and 61% of residents are satisfied with the way the Council runs its services. (2024).

The TEP is updated each year and sets out the Council's approach to making further savings between now and 2029/30, projects are summarised in Appendix B. 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. However with the Local Government Reorganisation expected within the five-year Medium Term Financial Strategy (MTFS) period, the focus of transformation, and the resources required, are likely to switch to transitioning to a new authority. The plan will evolve when we know more.

Addressing the funding gap

The most significant achievement of the TEP in recent years is the delivery in 2023 of both the Rushcliffe Oaks Crematorium and the Bingham Arena and Enterprise Centre. Despite the challenges on Council resources as a result of Covid and international conflict, these projects were delivered on time and with savings against budget and will continue to make a significant contribution to the growing financial pressures during this MTFS period and help to deliver socio-economic benefits.

The Council continues to constrain spending and increase income where possible but also continues to review how it delivers its services for potential efficiency savings and to investigate opportunities for further transformation projects. Already lean budgets coupled with Inflation, National Insurance increases and policy changes such as Simpler Recycling and Extended Producer Responsibility places pressure on costs, making this a more challenging endeavour.

The Council has identified additional service efficiencies and income generating opportunities for 2025/26 onwards, see Appendix B. Decisions which help to reduce the budget requirement include; a review of the Council's leisure contract, the relocation of the Customer Contact Centre in 2024 with savings on rent and running costs, the home alarms digitalisation project, increases in garden waste charges and long stay car parking changes. A collaboration with Nottinghamshire County Cricket Club to increase the use of leisure facilities at West Park is set to deliver additional income from 2026/27.

The impact of high inflation rates and reduced funding, means that the council has a need to draw on reserves, however due to savings identified this has been mitigated to a value of £k0.172 over the five-year period to 2029/30 (subject to risks outlined in the MTFS).

Savings targets

| | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|----------------------------------------------------|---------|---------|---------|---------|---------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Gross Budget Deficit excluding Transformation Plan | 3,107 | 8,133 | 8,248 | 8,326 | 8,281 |
| Cumulative Savings in Transformation Plan | (5,833) | (6,658) | (6,972) | (7,189) | (7,509) |
| Gross Budget Deficit/(Surplus) | (2,726) | 1,475 | 1,276 | 1,137 | 772 |
| Additional Transformation Plan savings | (824) | (314) | (218) | (320) | (86) |
| Net budget Deficit/(Surplus) | (3,550) | 1,161 | 1,058 | 817 | 686 |
| Cumulative additional Transformation savings | (824) | (1,138) | (1,356) | (1,676) | (1,762) |

Partnering arrangements are pursued where this results in efficiencies. Existing examples are; Building Control partnership with South Kesteven and Newark & Sherwood, Payroll with Gedling Borough Council, Procurement provision by Nottingham County Council and Eastcroft Depot premises shared with Nottingham City Council, the insourcing of Streetwise in 2022 and part-outsourcing of the IT help desk in 2024 to the Cutter Group.

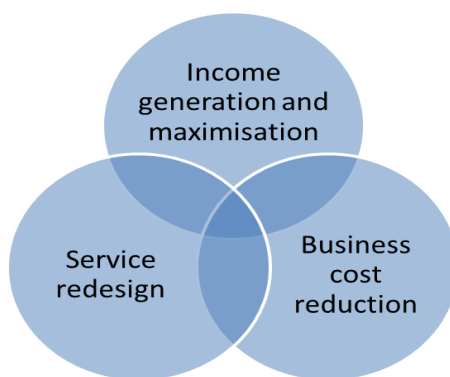
In March 2024 Nottinghamshire set up the East Midlands Combined County Authority (EMCCA) with a directly elected Mayor covering Derbyshire, Derby, Nottinghamshire and Nottingham. This was formed to improve the region through local funding and decision making, as a result there may be additional opportunities for collaboration and funding to deliver

efficiencies not yet included in the budget. In the coming years the advent of LGR will result in a whole new collaboration.

This Strategy can be revised at any time by Full Council and as part of our Capital and Investment 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 Councillors and officers to limit the impact upon residents. However, we recognise to be successful in bridging the remaining funding gap it may be necessary to consider and implement large scale transformational change which can generate a large fiscal impact.



The TEP 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 to deliver over £7.6m by 2029/30 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 Strategy – a defined plan of how the authority will work towards a balanced budget and maintain viability,
- The Transformation and Efficiency Plan/Productivity Plan – 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.



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 and Efficiency Plan (TEP)

This document details the different areas of work Officers and Councillors will focus upon to meet the stretching financial targets and requirements of the Productivity Plan 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 we do undertake is a commercial culture. Impending LGR is a 'thinking big' item and will take-up significant council resource going forward.



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 and Scrutiny Groups when required.

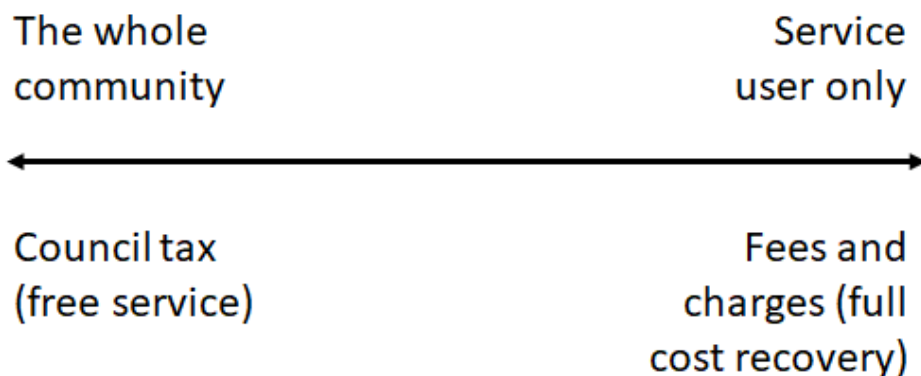
Service Efficiencies/Transformation of Services

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 .

Process Reviews/Technology

The Council introduced its digital by design strategy in 2019 with the objective of understanding the Council's digital needs and delivering a programme of planned improvements. This strategy promoted four areas; Digital Culture, Efficiencies, Customer Satisfaction, and Security and Privacy, and successfully delivered a total of 18 projects. A cumulative savings of approx. £74k has been achieved in efficiencies per annum due to initiatives such as the 'My Account' portal for our residents, the Councillors portal for our elected Members, improved website, new booking system, new workflow and automation, and Hybrid Mail. There will continue to be an improvement plan; however, future developments will be based on the new ICT Strategy 2025–2028.

The Council has a Fees and Charges Policy which aims to ensure that fees are set in a transparent and consistent manner. In the current economic climate, fees and charges offer an opportunity for the Council to maximise its financial position, and to achieve policy objectives, for example by encouraging or discouraging the use of a service or to alter patterns of behaviour. The corporate charging policy covers: Which services should be subject to full cost recovery, and which should be met from the General Fund; Which services should be eligible for concessions within a broader equality and fairness framework; How charges relate to and support wider corporate priorities; and the impact of any competition and whether the Council is or should be competing with local businesses in the economy. Ultimately the balance between taxpayer and service user should be aligned. The diagram below demonstrates this principle.



Management Challenge/Reducing Waste

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 Director 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 2029/30. Budget update sessions (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 options that could significantly change the face of the Council and the services it delivers.

Immediate savings

Each year, Members are presented with several 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).

Transformational Projects 2025-2030

As has already been mentioned above, this Strategy is a continuation of the Council's original Transformation Programme and consequently, several 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 transformation and efficiency projects are:

- Leisure strategy review
- Additional income from garden waste and car parking charges

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.

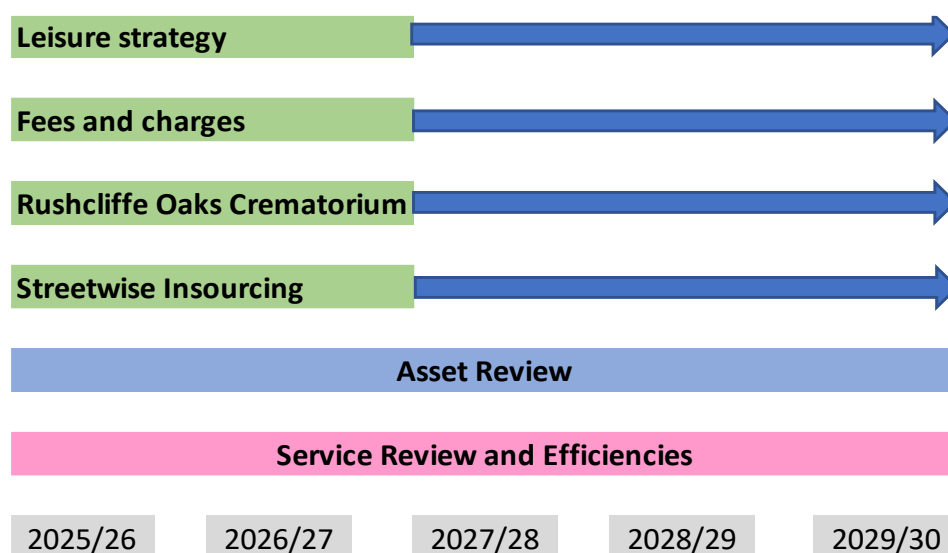
The Leisure strategy review will continue to ensure the Council provides high quality leisure facilities across the borough, that are affordable and accessible for residents whilst maximising the return to the Council to support its budget position and continue to provide such services. Additional income from fees and charges for garden waste and car parking to ensure that efficient services continue to be delivered whilst meeting rising costs.

Leisure Strategy Activation

The new Bingham Arena and Enterprise Centre opened in February 2023 giving even more added value for the taxpayer and the offices providing opportunities for small and growing businesses. Leisure Services continue to be improved, Keyworth and Cotgrave leisure centres during 2024 and 2025, to improve carbon efficiency through green technology measures, further supporting the Council's targets to be carbon neutral by 2030. The council has secured £1.2m external funding from SALIX to support these improvements. A short term extension to the Leisure Centre Management Contract to 2030 has been agreed and will deliver savings as per appendix B and will allow aligned of all of the Councils Leisure offering which may present opportunities to secure further efficiencies.

Summary of the Transformation Plan Work Programme

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



Governance

Whilst this strategy establishes a framework and timeframe for the individual projects within the programme, arrangements are flexible to allow for unforeseen circumstances and redirection of resources to maximise opportunities as they arise. It is anticipated that these same principles of agile working will apply to the 2025-2030 rolling Transformation Programme.

Each project within the programme has appropriate governance arrangements depending on the size, complexity, and risk. Overall, monitoring of the Strategy ultimately is reported Finance and Performance reports to both Cabinet and Corporate Overview Group and as necessary a relevant Scrutiny Group 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. Regular reporting in budget papers. |
| 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 external factors | 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) to assess likelihood of income falling. |

Conclusion

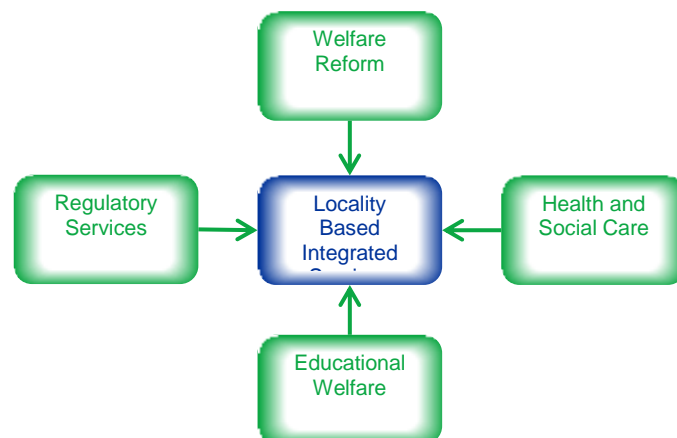
The above sets out Rushcliffe's plans over the next five years and the Council's commitment towards delivering these plans. This plan supports the Council's MTFS and is the vehicle upon which the Council will achieve a balanced budget. The Council is required to produce and publish a Productivity Plan and approval of this Strategy by Council satisfies this requirement.

Appendix A - Rushcliffe's Accepted Models of Partnership Working

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.



The Council's Customer Services Team operates in locations across the Borough on a remote access basis in buildings operated by partners such as libraries and health centres. The main Customer Service Centre is in West Bridgford library, the largest of the towns in Rushcliffe.

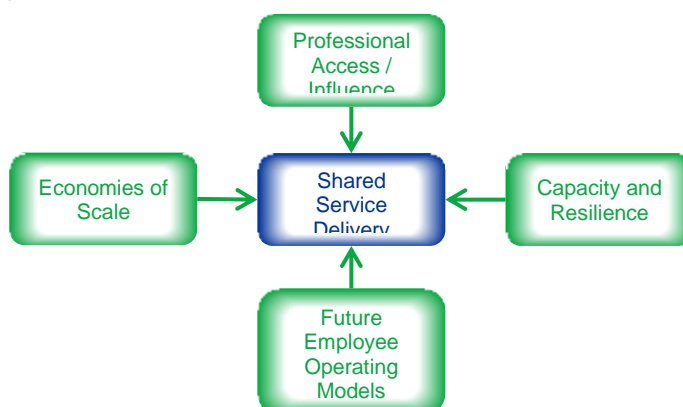
The service is delivered in Bingham where an integrated delivery service model has been deployed and is being delivered from its Health Centre. In addition, there are contact points in Cotgrave and East Leake located in libraries, supporting extended opening times of these facilities and providing increased remote access for 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, Lark in the Park and Business Partnership events and networking.

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 several such partnerships in the past, of which the following, mostly back-office services, have come to fruition: payroll services (Gedling), building control (South Kesteven, Newark & Sherwood), procurement (Nottinghamshire County Council), and emergency planning (Nottinghamshire County Council).

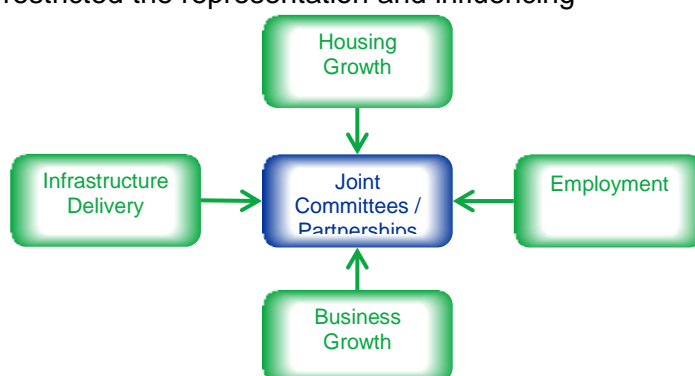
Following continued encouragement from Central Government, there has been an increased willingness and determination from the Leaders within Nottinghamshire to forge closer partnerships of scale – agreement with Nottingham City Council to relocate Depot Services to operate out of Eastcroft, now housing a shared depot for refuse fleet maintenance. Further opportunities will be assessed as opportunities arise. The Council is actively involved with the East Midlands County Combined Authority (EMCCA) which may present opportunities for collaboration.

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).

The Council is also working with partners on the power station site as part of the now approved East Midlands Freeport. along with East Midlands Airport and East Midlands Intermodal Park in South Derbyshire. To support the development of the site the Council worked with Uniper and others to adopt a Local Development Order for Ratcliffe on Soar, this is intended to accelerate the planning process to meet the challenging timescales of the EMF incentives.

The emergence and growth of other forums has restricted the representation and influencing role of individual districts. The Health and Wellbeing Boards is a prime example of 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 the Strategic Growth Board, Development and Community Boards and task and finish groups focused on particular areas or themes 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 these 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, districts, and the City. 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. Going forward LGR will lead to a reset of relationships when a newly constituted local authority corporate entity is created.

Appendix B – Transformation and Efficiency Plan – Productivity Plan

| Efficiency | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | Total |
|------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| THEMATIC | | | | | | 0 |
| LEISURE STRATEGY | (385) | (33) | 17 | (5) | (5) | (411) |
| CREMATORIUM | (61) | (70) | (64) | (40) | 0 | (235) |
| WEST PARK NCCC (SPECIAL EXPENSE) | 0 | (36) | 1 | 1 | | (34) |
| CUSTOMER CONTACT CENTRE | (50) | (1) | (1) | (1) | | (53) |
| ADDITIONAL INCOME | | | | | | 0 |
| CHARGING FOR NEW BINS | 50 | | | | | 50 |
| CAR PARKING | (15) | | | (100) | | (115) |
| GREEN BIN SCHEME | (98) | (106) | (100) | (100) | | (404) |
| GREEN BIN SCHEME (2ND AND SUBSEQUENT PRICE INCREASE) | (34) | (69) | (71) | (75) | (81) | (330) |
| BINGHAM ENTERPRISE | | (8) | | | | (8) |
| COTGRAVE PHASE 2 | (1) | (6) | | | | (7) |
| MARKETING SERVICES | 10 | (10) | | | | 0 |
| EDWALTON GOLF COURSE | 21 | | | | | 21 |
| HOME ALARMS DIGITALISATION | (97) | 26 | | | | (71) |
| CAR PARKING BINGHAM | (11) | | | | | (11) |
| CAR PARKING | (84) | | | | | (84) |
| SAVINGS | | | | | | 0 |
| PUBLIC CONVENIENCES | (15) | (1) | | | | (16) |
| CIVIC DINNER | (11) | | | | | (11) |
| POSITIVE FUTURES | (25) | | | | | (25) |
| RUSHCLIFFE REPORTS (2 PAPER COPIES) | (18) | | | | | (18) |
| TOTAL | (825) | (314) | (218) | (320) | (86) | (1,762) |
| CUMULATIVE SAVINGS TO DATE | (5,833) | (6,658) | (6,972) | (7,189) | (7,509) | |
| CUMULATIVE SAVINGS CARRIED FORWARD | (6,658) | (6,972) | (7,189) | (7,509) | (7,595) | |

CAPITAL AND INVESTMENT STRATEGY 2025/26 – 2029/30

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) has issued Guidance on Local Council Investments that requires the Council to approve an investment strategy before the start of each financial year.
3. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the MHCLG Guidance.

The Capital Strategy

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

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

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

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

Capital Prudential Indicators

a) Capital Expenditure Estimates

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

Table1: Projected Capital Expenditure and Financing

| | 2024/25 Estimate £'000 | 2025/26 Estimate £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 | 2029/30 Estimate £'000 |
|----------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Capital Expenditure | 12,095 | 8,344 | 5,481 | 5,437 | 3,680 | 4,185 |
| Less Financed by: | | | | | | |
| Capital Receipts | 2,571 | 2,719 | 295 | 246 | 178 | 795 |
| Capital Grants/ Contributions | 6,434 | 1,706 | 2,640 | 3,614 | 2,457 | 1,820 |
| Reserves | 3,090 | 3,919 | 2,546 | 1,577 | 1,045 | 1,570 |
| Total Financing | 12,095 | 8,344 | 5,481 | 5,437 | 3,680 | 4,185 |
| Underlying need to Borrow | 0 | 0 | 0 | 0 | 0 | 0 |

9. The key risks to the capital expenditure plans are that the level of grants estimated is subject to change, anticipated capital receipts are not realised/deferred or spend is more than expected in the medium term. There is uncertainty surrounding the future of New Homes Bonus which has impacted on

the level of capital grants received going forward. The provisional allocation for 2025/26 is £1.478m with nothing anticipated in future years.

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

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

Table 2: CFR and Investment Resources

| | 2024/25 Estimate £'000 | 2025/26 Estimate £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 | 2029/30 Estimate £'000 |
|---------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Opening CFR | 9,889 | 7,689 | 6,515 | 5,776 | 5,602 | 5,428 |
| CFR in year | - | - | - | - | - | - |
| Less: MRP etc | (1,200) | (1,174) | (739) | (174) | (174) | (174) |
| Less: Capital Receipts Applied | (1,000) | - | - | - | - | - |
| Closing CFR | 7,689 | 6,515 | 5,776 | 5,602 | 5,428 | 5,254 |
| Less: External Borrowing | - | - | - | - | - | - |
| Internal Borrowing | 7,689 | 6,515 | 5,776 | 5,602 | 5,428 | 5,254 |
| Less: | | | | | | |
| Usable Reserves | (32,267) | (31,516) | (28,730) | (25,197) | (22,058) | (18,524) |
| Working Capital | (50,020) | (48,020) | (46,020) | (44,020) | (42,020) | (40,020) |
| Available for Investment | (74,598) | (73,021) | (68,974) | (63,615) | (58,650) | (53,290) |

13. The Council is currently debt free and the assumption in the capital expenditure plan is that the Council will not need to externally borrow over the period of the MTFS predominantly due to Community infrastructure Levy (CIL) and S106 monies. Available resources (usable reserves and working capital) gradually reduce with usable reserves being used over the medium term to finance both capital and revenue expenditure. Working capital is projected to steadily reduce as S106 monies in relation to education are no longer paid to the Council and monies from developers are released.
14. Projected levels of the Council's total outstanding debt are shown below, compared with the capital financing requirement (see above). Statutory guidance is that debt should remain below the CFR, except in the short term. As

can be seen from table 3, the Council expects to comply with this. A reducing CFR is also positive as the Council's underlying need to borrow reduces.

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

| | 2024/25 Forecast £'000 | 2025/26 Forecast £'000 | 2026/27 Forecast £'000 | 2027/28 Forecast £'000 | 2028/29 Forecast £'000 | 2029/30 Forecast £'000 |
|--------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Debt (incl. PFI & leases) | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Financing Requirement | 7,689 | 6,515 | 5,776 | 5,602 | 5,428 | 5,254 |

15. The new accounting standard IFRS16 came into force on 1st April 2024. 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 to be determined but it is thought that it is unlikely to impact significantly on the CFR.

Minimum Revenue Provision Policy

16. DLUHC Regulations require the Governance Scrutiny Group to consider a Minimum Revenue Provision (MRP) Statement in advance of each year. Further commentary regarding financing of the debt is provided in paragraphs 28-33. 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. (MHCLG revised guidance states maximum asset lives of 40 and 50 years for property and land respectively)

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

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

17. As well as the need to pay off an element of the accumulated General Fund borrowing requirement, used to fund capital expenditure each year (the CFR), through a revenue charge (the MRP), the Council is also allowed to make

additional voluntary contributions (VRP). In times of financial crisis, the Council has the flexibility to reduce voluntary contributions. Once payments in relation to the Arena finish (2026-27) the Council does not envisage making VRP contributions on any other scheme. Table 2 (paragraph 12) includes the use of capital receipts to bring the CFR down by funding capital expenditure.

Treasury Management Strategy 2025/26 to 2029/30

18. The CIPFA Treasury Management Code (2021) defines treasury management activities as:

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

The code also includes non-cash investments which are covered at paragraph 71 to 78 below. Under the revised Prudential code, investments are separated into categories for Treasury Investment, Service Investment and Commercial Investment.

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

The Current Economic Climate and Prospects for Interest Rates

21. The impact on the UK from the government’s Autumn Budget, slower interest rate cuts, modestly weaker economic growth over the medium term, together with the impact from President Trump’s second term in office and uncertainties around US domestic and foreign policy, will all influence the UK economy and ultimately impact on the performance of the Council’s treasury management strategy for 2025/26.
22. The Bank of England’s (BoE) Monetary Policy Committee (MPC) reduced the Bank Rate to 4.75% at its meeting in November 2024 (since maintained at this level at the December meeting), having previously cut it by 25 basis points from the 5.25% peak at the August MPC meeting. The Council’s treasury management adviser Arlingclose forecasts that interest rates will continue reducing through 2025, taking the Bank Rate to around 3.75% by the end of the 2025/26 financial year. The effect from the Autumn Budget on economic growth

and inflation has reduced expectations in terms of the pace of interest rate cuts as well as pushing up the rate.

23. The Consumer Prices Index (CPI) rose by 2.6% in the 12 months to November 2024, up from 2.3% in October. However, a shock release showed the December year-on-year figure was 2.5% slightly lower than expected. The outlook for CPI inflation in the November Monetary Policy Report (MPR) showed it rising above the MPC's 2% target from 2024 into 2025 and reaching around 2.75% by the summer 2025. This is due to the ongoing impacts from higher interest rates and the Autumn Budget. Over the medium-term, once these pressures ease, inflation is expected to stabilise around 2% target.
24. The unemployment rate in the UK rose slightly from 4% in October to 4.3% November 2024. The BoE MPR showed the unemployment rate is expected to increase modestly, rising to around 4.5%, the assumed medium term equilibrium level.
25. Table 4 below shows the assumed average interest (which reflects a prudent approach) that will be made over the next five years for budget setting purposes.

Table 4: Budgetary Impact of Assumed Interest Rate Going Forward

| | 2025/26 Estimate | 2026/27 Estimate | 2027/28 Estimate | 2028/29 Estimate | 2029/30 Estimate |
|-----------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Anticipated Interest Rate | 4.06% | 3.75% | 3.50% | 3.00% | 3.00% |
| Expected interest from investments (£) | 1,375,900 | 1,248,800 | 1,117,600 | 957,700 | 863,000 |
| Other interest (£) | 59,000 | 59,000 | 59,000 | 59,000 | 59,000 |
| Total Interest (£) | 1,434,900 | 1,307,800 | 1,176,600 | 1,016,700 | 922,000 |
| Sensitivity: | £ | £ | £ | £ | £ |
| - 0.25% Interest Rate | 80,800 | 73,500 | 72,500 | 59,600 | 56,800 |
| + 0.25% Interest Rate | (80,800) | (73,500) | (72,500) | (59,600) | (56,800) |

26. 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.
27. 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 2025/26 to 2029/30

Prudential Indicators for External Debt

28. Table 2 above identifies that the Council will not need to externally borrow over the MTFS instead choosing to internally borrow. Whilst this means that no

external borrowing costs (interest/debt management) are incurred, there is an opportunity cost of using internal borrowing by way of lost interest on cash balances.

29. The approved sources of long-term and short-term borrowing are:

- UK Municipal Bond Agency and other special purpose companies created to enable local authority bond issues
- HM Treasury's PWLB lending facility
- Any other public sector body
- UK public and private sector pension funds
- Any other bank or building societies authorised to operate in the UK
- Capital market bond investors
- National Wealth Fund (formerly UK Infrastructure Bank)
- Any institution approved for investments
- Retail investors via a regulated peer-to-peer platform

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

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

- Hire purchase
- Leasing
- Sale and leaseback
- Private Finance Initiative

a) Authorised Limit for External Debt

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

Table 5: The Authorised Limit

| | 2024/25 Estimate £'000 | 2025/26 Estimate £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 | 2029/30 Estimate £'000 |
|-------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Authorised Limit | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |

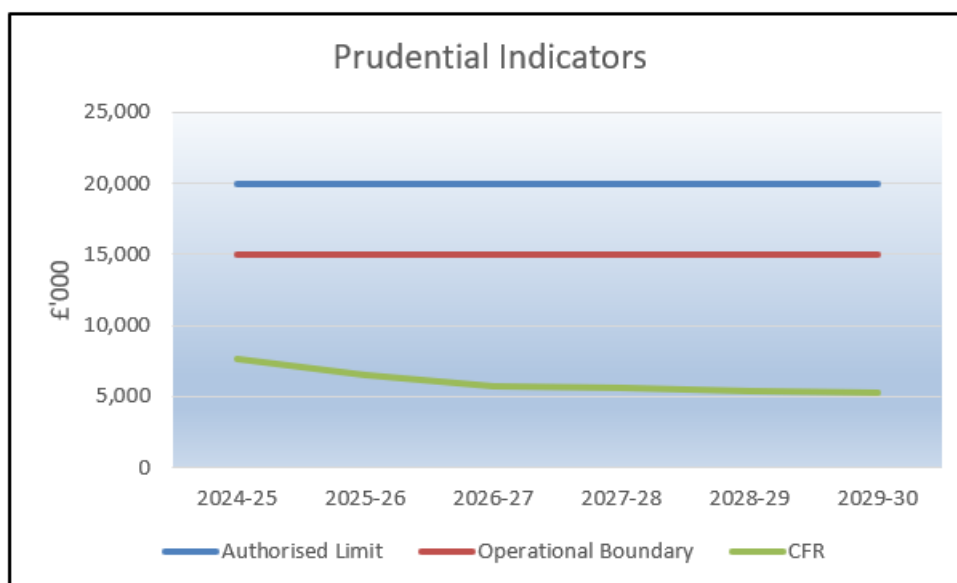
b) Operational Boundary for External Debt

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

Table 6: The Operational Boundary

| | 2024/25 Estimate £'000 | 2025/26 Estimate £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 | 2028/29 Estimate £'000 | 2029/30 Estimate £'000 |
|-----------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Operational Boundary | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |

Chart 1 below shows the prudential indicators graphically



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

Table 7 – Prudential Indicator: Refinancing Risk Indicator

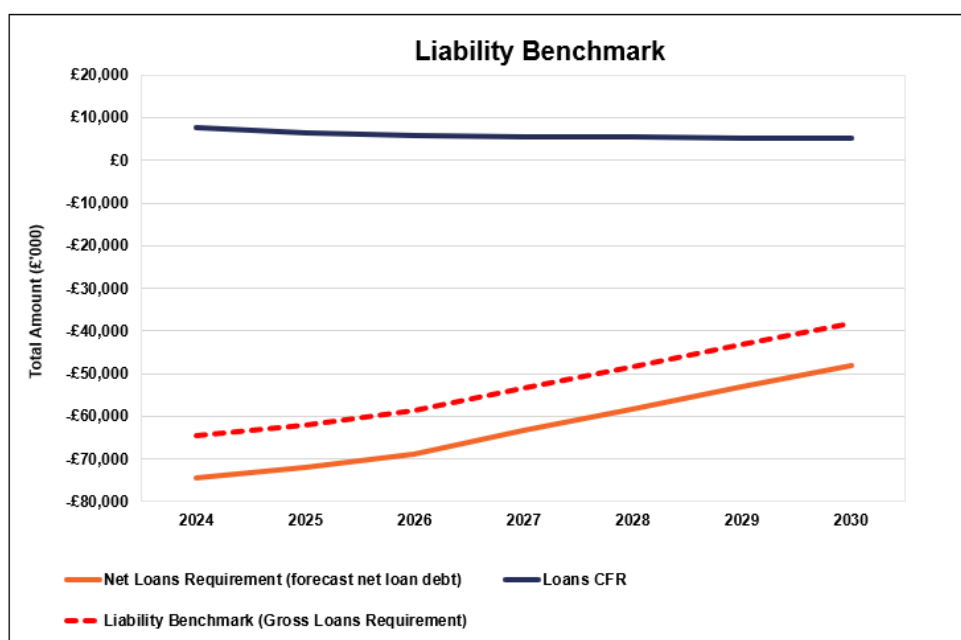
| Refinancing rate risk indicator | Upper limit | Lower limit |
|---------------------------------|-------------|-------------|
| Under 12 months | 100% | 0% |
| 12 months and within 24 months | 100% | 0% |
| 24 months and within 5 years | 100% | 0% |
| 5 years and within 10 years | 100% | 0% |
| 10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

33. The Liability Benchmark reflects the real need to borrow and can be seen in table 8. In accordance with the Code this must also be shown graphically (Chart 2). The Council's CFR is reducing due to MRP repayments, reserves are being used to fund future capital expenditure and working capital/S106 monies are returning to a normal level. As demonstrated by the credit figures below, the Council expects to be a long-term investor and has no need to borrow over the medium term.

Table 8 Prudential Indicator: Liability Benchmark

| | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Estimate | Estimate | Estimate | Estimate | Estimate | Estimate |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Closing CFR | 7,689 | 6,515 | 5,776 | 5,602 | 5,428 | 5,254 |
| Less: | | | | | | |
| Usable Reserves | (32,267) | (31,516) | (28,730) | (25,197) | (22,058) | (18,524) |
| Working Capital | (50,020) | (48,020) | (46,020) | (44,020) | (42,020) | (40,020) |
| Plus minimum investment: | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| LIABILITY BENCHMARK | (64,598) | (63,021) | (58,974) | (53,615) | (48,650) | (43,290) |

Chart 2 Prudential Indicator: Liability Benchmark



Prudential Indicators for Affordability

34. 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

35. This indicator identifies the trend in net financing costs which include borrowing costs (MRP only for Rushcliffe) less investment income, against net revenue income. The purpose of the indicator is to show how the proportion of net income used to pay for financing costs is changing over time.
36. A credit indicates interest earned rather than an interest cost. The figures fluctuate over the MTFS period but from 2025/26 all figures are in credit. This is reflective of the reducing MRP payments, as payments in relation to Rushcliffe Arena finish in 2026/27. There are other non-treasury capital commitments in relation to Rushcliffe Oaks Crematorium and Bingham Arena and Enterprise Centre which give rise to further MRP, but repayments are lower because they are spread over a longer period.
37. Net revenue streams fluctuate over the period. New Homes Bonus has been extended a further year, but no further income is expected after 2025-26. Later years reflect both the downward trend in interest from lower investment balances whilst net revenue streams increase from Council Tax and Localised Business Rate increases.

Table 9: Proportion of Financing Costs to Net Revenue Stream

| | 2025/26 Estimate | 2026/27 Estimate | 2027/28 Estimate | 2028/29 Estimate | 2029/30 Estimate |
|-------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Net Interest Payable/(Receivable) | (261) | (569) | (1,003) | (843) | (748) |
| Net Revenue Stream | 19,392 | 14,883 | 14,849 | 15,446 | 16,070 |
| Financing costs:Net Revenue Stream | -1.35% | -3.82% | -6.75% | -5.46% | -4.65% |

b) Estimates of net income to net revenue stream

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

Table 10: Proportion of Net Income to Net Revenue Stream

| | 2025/26 Estimate | 2026/27 Estimate | 2027/28 Estimate | 2028/29 Estimate | 2029/30 Estimate |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Net Income from investments | (2,142) | (2,286) | (2,331) | (2,354) | (2,373) |
| Net Revenue Stream | 19,392 | 14,883 | 14,849 | 15,446 | 16,070 |
| Net Income:Net Revenue Stream | 11.0% | 15.4% | 15.7% | 15.2% | 14.8% |

Investment Strategy 2025/26 to 2029/30

39. Table 11 below shows the Council's investment projections. The downward movement reflects the use of capital receipts to finance capital expenditure. In addition, it reflects the release of S106 monies and the loss of S106 receipts for Education which are no longer paid to the Council.

Table 11: Investment Projections

| | 2024/25 Estimate | 2025/26 Estimate | 2026/27 Estimate | 2027/28 Estimate | 2028/29 Estimate | 2029/30 Estimate |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Investments at 31 March £'000 | 74,598 | 73,021 | 68,974 | 63,615 | 58,650 | 53,290 |

40. Both the CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitable low investment income.

Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, to maintain the spending power of the sum invested. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing. The Council ensures that robust due diligence procedures cover all external investments.

41. As demonstrated by the liability benchmark above (paragraph 33), the Council expects to be a long-term investor and treasury investments will therefore include both short-term low risk instruments to manage day to day cash flows and longer-term instruments where limited additional risk is accepted in return for higher investment income to support the services the Council provides.
42. Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Council will (in accordance with treasury advice) prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.
43. 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.
44. The Council will invest its surplus funds with any of the counterparty types in Table 12 below, subject to the limits shown and counterparties included at Appendix i.

Table 12: Counterparty Details

| Sector | Time limit | Counterparty limit | Sector limit |
|-----------------------------------------------|------------|--------------------|--------------|
| The UK Government | 50 years | Unlimited | n/a |
| Local authorities & other government entities | 25 years | £10m | Unlimited |
| Secured investments * | 25 years | £10m | Unlimited |
| Banks (unsecured) * | 13 months | £3m | Unlimited |
| Building societies (unsecured) * | 13 months | £3m | £3m |
| Registered provider * | 5 years | £5m | £5m |
| Money market funds * | n/a | £10m | Unlimited |
| Strategic pooled funds | n/a | £10m | £30m |
| Real estate investment trusts | n/a | £5m | £10m |
| Other investments * | 5 years | £5m | £10m |

*Please refer to Glossary at Appendix (iv)

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

45. Credit rating information is provided by Arlingclose on all active counterparties that comply with the criteria above. A counterparty list will be maintained from this information and any counterparty not meeting the criteria will be removed from the list.
46. 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.
47. 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.
48. The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will be given to other available information on the credit quality of the organisations in which it invests, including financial

statements, information on potential government support, reports in the quality financial press and analysis and advice from Arlingclose.

49. The Council is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism that may affect its public reputation, and this risk will also be considered when making investment decisions. Many local authorities are not rated by credit rating agencies, although some are. The Council will always take reasonable steps as mentioned in paragraph 48 and carry out due diligence before investing.
50. Although the Council has never made use of financial derivatives and has no current plans to do so, in line with the Cipfa code, the Council would seek external advice before entering into such an agreement to ensure that it fully understands the implications (see paragraphs 65 to 67 for more detail).

Credit Risk

51. 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.
52. When deteriorating financial market conditions affect the credit worthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned but will protect the principal sum invested.

Current investments

53. The Council uses its own processes to monitor cash flow and determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium term financial strategy and cash flow forecast.

54. 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. Generally speaking, in times of rising interest rates it is prudent to invest short term, whilst also ensuring a diversified portfolio. Funds are separated between service investment and non-specified investments as detailed in paragraphs 58 to 60 below.
55. Historically (prior to 2011) the Council held £2m in pooled/diversified funds. In 2018 it purchased an additional £2m, a further £9m in 2019, followed by £2m in 2021 giving a total of £15m. The fair value of these funds fluctuates, the current value of these investments can be seen in Appendix ii. The downward trend experienced by the political turmoil last year coupled with high levels of inflation and monetary policies surrounding interest rates has impacted on these.
56. The fluctuations in capital value of the pooled funds to date is a loss of £0.978m. This is currently reversed by the statutory override preventing any accounting loss impacting on the revenue accounts. This is due to end 31 March 2025. The risk of this loss crystallising after this period has been largely mitigated by appropriations of £1.173m to the Pooled Funds reserve.
57. It should be noted that whilst the value of this type of investment can fluctuate, the revenue returns make up a significant proportion of the overall returns on investments (the fair value of these investments accounted for 19% of average investment balances in 2023/24 but generated 34% interest) and over the period of investment has returned £3.5m in interest. The Council will continue to monitor the position on these investments and take advice from the treasury advisors.

Service investments

58. The Council invests its money for three broad purposes:
- because it has surplus cash as a result of its day-to-day activities (treasury management),
 - to support local public services by lending to or buying shares in other organisations (service investments), and
 - to earn investment income (or known as commercial investments where this is the main purpose).
59. The Council can lend money to its suppliers, parish councils, local businesses, local charities, employees, housing associations to support local public services and stimulate local growth. The Council has existing loans to Nottinghamshire Cricket Club which not only stimulates the local economy but provides social outcomes. The Trent Bridge: Community Trust delivers projects that have

positive impacts on local communities such as tackling social exclusion and anti-social behaviour. The main risk when making service loans is that the borrower may be unable to repay the principal lent and/or the interest due. In order to limit this risk and ensure that total exposure to service loans remains proportionate to the size of the Council, the upper limit on any category of borrower will be £5 million.

Non-specified investments

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

Investment Limits

61. The Council's revenue reserves available to cover investment losses in a worst-case scenario are forecast to be around £15.8 million on 31st March 2025. 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 13: Additional investment limits

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

Treasury Management limits on activity

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

a) Interest Rate Exposures

63. This indicator is set to control the Council'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. The Council has set a limit of 50% on fixed interest rate exposure. During a time of falling interest rates as forecast (paragraph 25) this indicator should not be restrictive, preventing the Council from locking into higher interest rates. The definition of fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12

months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Table 14: Interest Rate Exposure

| | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|-------------------------------------------------------|---------|---------|---------|---------|---------|---------|
| Upper Limit on fixed interest rate exposure | 50% | 50% | 50% | 50% | 50% | 50% |
| Upper Limit on variable interest rate exposure | 100% | 100% | 100% | 100% | 100% | 100% |

Principal Sums Invested over 1 year

64. 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 principal sum invested to final maturities beyond the period end are set at 50% of the sum available for investment (to the nearest £100k), as follows:

Table 15: Principal Sums Invested over 1 year

| | 2024/25 Estimate | 2025/26 Estimate | 2026/27 Estimate | 2027/28 Estimate | 2028/29 Estimate | 2029/30 Estimate |
|------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Limit on Principal invested over 1 year £'000 | 37,300 | 36,500 | 34,500 | 31,800 | 29,300 | 26,600 |

Policy on the use of financial derivatives

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

present will be managed in line with the overall treasury risk management strategy.

67. 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

68. Arlingclose will act as the Council's treasury management advisors until 31 October 2026. 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.

69. Whilst the treasury management advisors provide support to the internal treasury function, the current market rules and the CIPFA Treasury Management Code confirms that the final decision on treasury management matters rests with the Council. The service provided by the Council's treasury management advisors is subject to regular review.

Other Options Considered

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

Commercial Investments

71. The CIPFA definition of investments in 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.

72. Under the updated Prudential Code, Local Authorities are no longer allowed to borrow to fund non-financial assets solely to generate a profit.

73. The Council will maintain a summary of current material investments, subsidiaries, joint ventures, and liabilities, including financial guarantees and the organisation's risk exposure. The current summary is included at Appendix iii.

74. The Council will also monitor past commercial property investments against original objectives and consider plans to divest as part of a biennial review. The last report was presented to Governance Scrutiny Group in February 2024 (see paragraph 84).

75. Proportionality is included as an objective in the Prudential Code. Clarification and definitions to define commercial activity and investment are also included, and the purchase of commercial property purely for profit cannot lead to an increased capital financing requirement (CFR).

76. The Council must disclose its dependence on commercial income and the contribution non-core investments make towards core functions. This covers assets previously purchased through the Council's Asset Investment Strategy (AIS), as well as other pre-existing commercial investments.

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

77. The expected contributions from existing commercial investments are shown in Table 16. To manage the risk to the Council's budget, the contribution from commercial investments should not account for a significant proportion of the Council's total income. Over the medium term the contribution from commercial investments is around 11% each year leaving the Council less exposed to risks surrounding commercial property.

78. This was slightly higher in 2024/25 due to the Council's budgeted total income at the time being lower primarily due to interest receipts forecasts reflecting interest rate cuts which were anticipated at the time of budget setting.

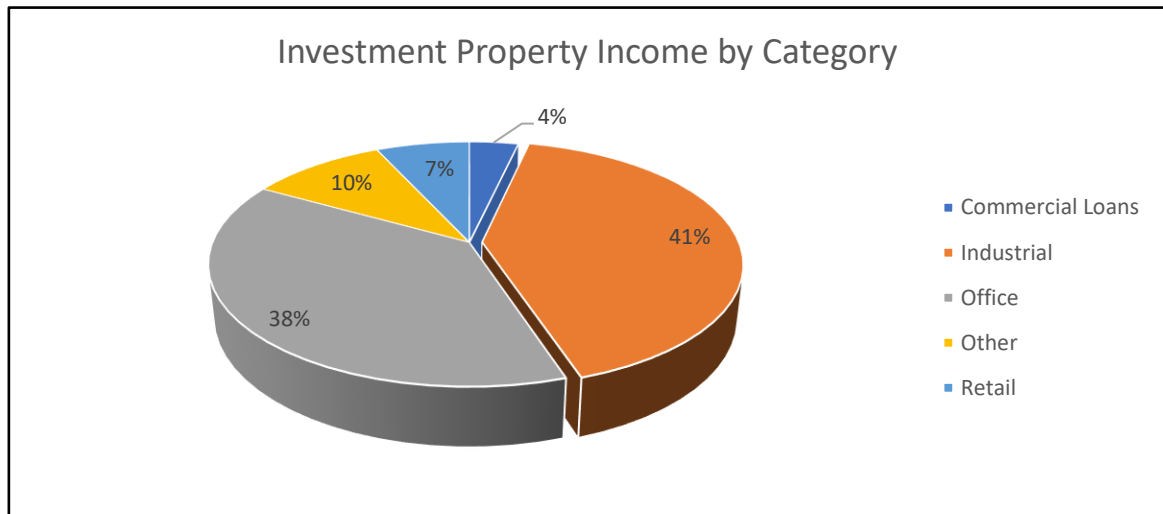
Table 16: Commercial Investment income and costs

| | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|---------------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Commercial Property Income | (1,902) | (1,979) | (2,041) | (2,041) | (2,044) | (2,047) |
| Running Costs | 458 | 465 | 467 | 476 | 486 | 497 |
| Net Contribution to core functions | (1,444) | (1,514) | (1,574) | (1,565) | (1,558) | (1,550) |
| Interest from Commercial Loans | (63) | (59) | (59) | (59) | (59) | (59) |
| Total Contribution | (1,507) | (1,573) | (1,633) | (1,624) | (1,617) | (1,609) |
| Sensitivity: | | | | | | |
| +/- 10% Commercial Property Income | 190 | 198 | 204 | 204 | 204 | 205 |
| Indicator: | | | | | | |
| Total Contribution as a % of total Council Income | 13.4% | 11.5% | 11.7% | 11.6% | 11.4% | 11.1% |
| Total Income | 11,231 | 13,650 | 13,949 | 13,977 | 14,228 | 14,436 |

b) Risk Exposure Indicators

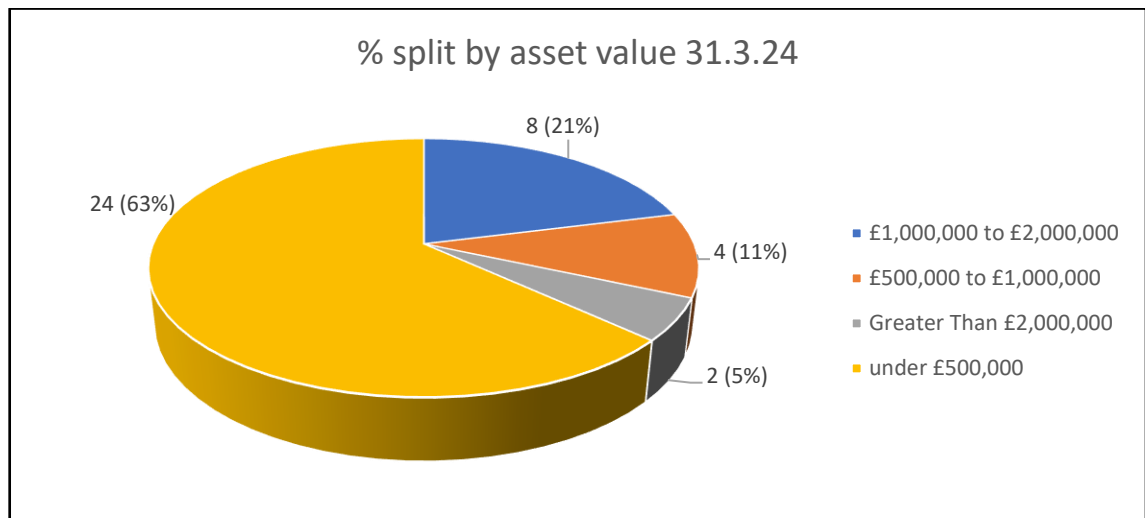
79. The Council can minimise its exposure to risk by spreading investments across sectors and by avoiding single large-scale investments (Chart 3 and 4 below). Generally, there is a spread of investment across sectors in the Council's portfolio. The Council's previous commitment to economic regeneration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

Chart 3 Investment Income by Category



c) Security and Liquidity

Chart 4 Investment by Asset Value



80. 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.

81. 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.

82. 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.
83. 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.
84. The investments are subject to ongoing review with regards to their financial viability or indeed whether they are surplus to requirement. At the February 2024 Governance Scrutiny Group Meeting, details on the risks surrounding the Council's commercial properties were reported, as well as providing a pathway to potential commercial asset disposal, if required.

Knowledge and Skills

85. The TM Code requires Local Authorities to document a formal and comprehensive knowledge and skills schedule reflecting the need to ensure that both members and officers responsible for treasury management are suitably trained and kept up to date (TMP 10). There will be specific training for members involved in scrutiny and broader training for members who sit on full Council. Training for Members was last delivered in December 2024. Previously these needs have been reported through the Member Development Group, with the Council specifically addressing this important issue by:

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

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

The Governance Scrutiny Group have completed the CIPFA self-assessment tool and the results of this were scrutinised at the 28 November meeting. Actions arising from this self-assessment will be implemented during 2025. Attendance at training is recorded and members are encouraged to attend all Treasury training.

86. The Council will continue to have its Annual Treasury Management training session with Councillors provided by its Treasury advisers.
87. The Treasury Management Policy Statement attached at Appendix B follows the recommendations set out in Section 6 of CIPFA's Treasury Management in the Public Services: Code of Practice (2021).

Counterparty Registrations under MIFID II

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

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

Pooled Funds – Changes in Fair Value since Acquisition

| Fair Value | | Difference from | | | Difference in valuation |
|--------------------------------|-------------------|-------------------|-----------------|-----------------|-------------------------|
| 31.03.24 | | 31.12.24 | 31.03.24 | Amount Invested | from initial investment |
| Aegon-Previously Kames | 4,597,766 | 4,634,285 | 36,519 | 5,000,000 | (365,715) |
| Ninety One-Previously Investec | 4,535,612 | 4,511,518 | (24,094) | 5,000,000 | (488,482) |
| RLAM | 1,005,085 | 1,012,717 | 7,633 | 1,000,000 | 12,717 |
| CCLA Property | 1,970,157 | 1,991,128 | 20,970 | 2,000,000 | (8,872) |
| CCLA Divesified | 1,929,604 | 1,872,395 | (57,209) | 2,000,000 | (127,605) |
| | 14,038,224 | 14,022,043 | (16,181) | 15,000,000 | (977,957) |

Current Book Value of Non-Treasury Investments

| | Book Value 31.3.24 £000 | Book Value 31.3.23 £000 |
|-----------------------------------------------|----------------------------------|----------------------------------|
| The Point Office Accommodation | 3.272 | 3.429 |
| Hollygate Lane, Cotgrave Industrial Units | 2.776 | 2.918 |
| Unit 3 Edwalton Business Park | 2.223 | 2.432 |
| Bardon Single Industrial Unit | 1.929 | 2.078 |
| Unit 1 Edwalton Business Park | 1.787 | 1.954 |
| Trent Boulevard | 1.428 | 1.559 |
| Colliers Business Park Phase 2 | 1.386 | 1.422 |
| Cotgrave Phase 2 | 1.227 | 1.266 |
| Bingham Hub Offices | 1.112 | - |
| Bridgford Hall Aparthotel and Registry Office | 1.061 | 1.150 |
| Finch Close | 0.911 | 0.978 |
| Boundary Court | 0.787 | 0.838 |
| Colliers Business Park Phase 1 | 0.775 | 0.787 |
| Cotgrave Precinct Shops | 0.487 | 0.478 |
| Mobile Home Park | 0.477 | 0.400 |
| New Offices Cotgrave | 0.470 | 0.484 |
| TOTAL INVESTMENT PROPERTY | 22.108 | 22.173 |
| Notts County Cricket Club Loan | 1.499 | 1.611 |
| TOTAL | 23.607 | 23.784 |

Glossary

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

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

UK Government

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

Local authorities and other government entities: Loans to, and bonds and bills issued or guaranteed by, other national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk.

Secured investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds, secured deposits and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

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

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

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

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

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

Other investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and unsecured loans to companies and universities. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk.

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