

## Joint Report of the Chief Executive and the Deputy Chief Executive

**BUSINESS GROWTH – BUSINESS PLANS AND FINANCIAL ESTIMATES 2021/22 - 2023/24**1. Purpose of report

To consider proposals for business plans, detailed revenue budget estimates for 2021/22; capital programme for 2021/22 to 2023/24; and proposed fees and charges for 2021/22 in respect of the Council's priority areas.

2. Detail

As part of the Council's performance management framework, the business and financial plans for the five corporate priority areas identified within the Corporate Plan are brought together in one report so that the linkages between service priorities, spending proposals and targets are clear.

Ordinarily, financial and business planning is reported to the Committee which has primary responsibility for oversight of the relevant corporate priority area and related services. The proposals relating to the Business Growth priority were due to be considered at the Jobs and Economy Committee on 28 January 2021. Due to the necessity to consider the Stapleford Town Investment Plan, this programmed meeting was brought forward to 13 January 2021, which was too early to consider this report. On this occasion it was agreed with the Chair and Vice Chair of the Jobs and Economy Committee, in consultation with the Deputy Chief Executive, that these proposals could be considered by this Committee, just as this Committee approves the business plans of the service areas as evidenced earlier in the agenda. An extract of the proposed Business Growth Business Plan is provided in appendix 1b for approval by Members.

The revenue and capital budget proposals for the corporate priority and relevant service areas, together with the proposed fees and charges, are provided in in appendices 2a to 2c.

Following consideration by each respective Committee, a summary of the estimates, including any changes recommended, is presented to this Committee for consideration and recommendation to Full Council on 3 March 2021. This summary report is elsewhere on this agenda.

**Recommendations**

1. **The Committee is asked to RESOLVE that the Business Growth Business Plan be approved.**
2. **The Committee is asked to RECOMMENDS to Council that the following be approved:**
  - a) **The detailed revenue budget estimates for 2021/22 (base) including any revenue development submissions.**
  - b) **The capital programme for 2021/22 to 2023/24**
  - c) **The fees and charges for 2021/22.**

Background papers – Nil

**APPENDIX 1****Introduction**

The Council's business and financial planning framework is one of identifying key service and spending pressures and prioritising resources accordingly, taking into account national and local priorities.

The targeted outcomes from these key issues and the anticipated impact on service performance are set out in business plans. These plans are combined with financial information, including proposals for reducing business costs and increasing income, to form the Business Plans for each priority area.

This report considers the detail in respect of the Business Plan covering the priority areas of Business Growth. The financial consequences of the business plans, together with the expenditure and income from maintaining existing services, are set out in the revenue budget proposals, the capital programme and the proposed fees and charges which follow the plan.

Within the business plans there are some key tasks which can be met from existing resources or which relate to policy preparation. These are not included in the key spending proposals detailed in the appendices. Any planned activities which will have a financial implication either by increasing costs or reducing income are identified in the budget papers.

There are several key tasks where it is not appropriate to make financial provision at this stage. These include areas that are subject to external funding bids, partnership arrangements or where insufficient information exists at the present time. In addition, there are a number of capital schemes within the programme which are deemed to be 'awaiting funding' pending receipt of the necessary resources to complete them. These schemes will be brought forward for approval once a potential funding source has been identified.

All of these items will be the subject of further reports throughout 2021/22 as further information and resources become available, thus ensuring that the service and financial planning framework is a fluid process.

**Business planning**

As part of the Council's performance management framework, it is the responsibility of each Committee to consider its business plans prior to recommendations being made to Council. The purpose of the plans is twofold. Firstly, they establish the linkage between the Council's high-level objectives and the strategies and aims of the respective services, and secondly, they outline the services' proposals for meeting those aims and objectives.

This report deals with the Business Growth Business Plan and associated budgets covering this priority area. The Council's corporate objectives and aims, as included in the Corporate Plan, are shown at appendix 1a to provide the framework for consideration of the plans.

### **Financial background**

The revenue and capital budget proposals for the corporate priority, together with proposed fees and charges, are shown in appendices 2a to 2c.

The revenue budgets show the 2020/21 revised estimate as of December 2020 and the 2021/22 base estimate for the areas encompassed by the relevant business plans. The base estimate figures generally reflect the same level of service as in the current year with a few exceptions.

The following are included in the 2021/22 base figures in this report:

- a) Allowance for certain inflationary pressures including the pay award and cost of utilities. These allowances are guided by the best indications available at the time.
- b) Anticipated additional income within the General Fund and the Housing Revenue Account (HRA) arising from the review of fees and charges.
- c) The revenue effects of the 2021-2024 capital programme including the cost of any new borrowing to support the capital programme.
- d) Any revenue developments.

The classification of expenditure shown in the revenue estimates is based on the CIPFA Standard Accounting Classification. The following shows the type of expenditure charged to each heading:

- Employee Expenses – salaries and wages; employer’s national insurance and pensions contributions
- Premises Related Expenses – repairs, alterations and maintenance of buildings, fixed plant and grounds; energy costs; rents; national non-domestic rates; water charges; fixtures and fittings; cleaning and domestic supplies.
- Transport Related Expenses – direct transport costs; recharge of pooled transport costs; travelling allowances
- Supplies and Services – equipment, furniture and materials; clothing, uniforms and laundry; printing, stationery and general; office expenses; postages; telephones; insurances; grants and subscriptions; miscellaneous expenses
- Third Party Payments – other local authorities; private contractors; charges from trading services
- Transfer Payments – Housing and Council Tax Benefits
- Central, Departmental and Technical Support Services - administrative buildings expenses; central departmental support; departmental administration
- Capital Financing Costs – operating lease charges; asset register charges

## Appendix 1a

**FRAMEWORK FOR BUSINESS PLANNING**

The Corporate Plan is subject to annual review to ensure that it continues to reflect the aims and objectives of the Council.

**Vision**

The Council's Vision for Broxtowe is "**greener, safer, healthier Broxtowe, where everyone prospers**".

**Priorities**

The Council's updated priorities have been updated have been developed within the context of national, regional and countywide plans and priorities with the aim being to align these with our own aspirations wherever possible.

The Council's priorities are **Housing, Business Growth, Environment, Health and, Community Safety**.

Underpinning the above and all of the Council's work is a series of values which the Council has adopted, namely:

**G**oing the extra mile: *a strong, caring focus on the needs of communities*

**R**eady for change: *innovation and readiness for change*

**E**mployees: *valuing our employees and enabling the active involvement of everyone*

**A**lways improving: *continuous improvement and delivering value for money*

**T**ransparent: *integrity and professional competence.*

**Objectives**

Each priority area is underpinned by its strategic objectives. Each strategic objective has targeted outcomes against which progress can be monitored.

The priorities and objectives for **Business Growth** are 'New and growing businesses providing more jobs for people in Broxtowe and improved town centres':

- Complete the redevelopment of Beeston Town centre
- Undertake regeneration schemes in Eastwood, Kimberley and Stapleford
- Support skills development apprenticeships, training opportunities and wellbeing in our workforce.

## Appendix 1b

**BUSINESS GROWTH BUSINESS PLAN 2021–2024**Introduction

An extract of the proposed Business Growth Business Plan is provided below includes the relevant critical success indicators (CSI), key performance indicators (KPI) and the key tasks and priorities for improvement (actions) that are required to be approved by this Committee.

In an attempt to streamline the reporting process, the extract does not include the regular information and data relating to:

- published strategy and policy documents supporting the delivery of priorities and objectives;
- service level objectives;
- contextual baseline service data;
- management performance indicators (MPI); and
- summary of key risks.

This information will be added to the extract below and included in the full Business Plan that will be published on the Council's website in advance of the financial year.

Background

The Business Plan details the projects and activity undertaken in support of the Corporate Plan priority of **Business Growth**.

The Corporate Plan prioritises local community needs and resources are directed toward the things they think are most important. These needs are aligned with other local, regional and national plans to ensure the ambitions set out in the Corporate Plan are realistic and achievable.

The Business Plan covers a three-year period but will be revised and updated annually. Detailed monitoring of progress against key tasks and outcome measures is undertaken quarterly by this Committee. The Policy and Performance Committee also receives a high level report of progress against Corporate Plan priorities on a quarterly basis.

Business Plan – Performance Indicators and Key Tasks for Improvement

The critical success indicators (CSI), key performance indicators (KPI) and the key tasks and priorities for improvement (actions) are considered in detail below for approval.

**MEASURES OF PERFORMANCE AND SERVICE DATA**

**CRITICAL SUCCESS INDICATORS (CSI)**

Priority leaders should work corporately to **define** the **outcome objective** for each priority area and **identify an outcome indicator** or indicators which will be **Critical Success Indicators**. There will be a maximum of two CSI for each corporate priority.

| Indicator Description<br>(Pentana Code)  | Achieved<br>2017/18 | Achieved<br>2018/19 | Achieved<br>2019/20 | Target<br>2020/21 | Target<br>2021/22 | Future<br>Years | Indicator Owner<br>and Comments<br>(incl. benchmarking)   |
|--|---------------------|---------------------|---------------------|-------------------|-------------------|-----------------|---|
| Town Centre occupancy rates: (TCLocal_01)  | 91%                 | 91%                 | 91%                 | 91%               | 91%               | 91%             | Business Growth Manager   |
| <ul style="list-style-type: none"> <li>• Beeston</li> <li>• Kimberley</li> <li>• Eastwood</li> <li>• Stapleford</li> </ul> | 94%                 | 95%                 | 93%                 | 93%               | 90%               | 95%             | Targets are adjusted for the future due to the severe impact of COVID-19 on the high streets of our towns. Predicting decreased occupancy in 20/21. |
|  | 95%                 | 92%                 | 87%                 | 93%               | *80%              | 93%             | Kimberley has a lower target due to the lower number of commercial units, resulting in a higher representation per unit.                            |
|  | 91%                 | 89%                 | 91%                 | 93%               | 85%               | 93%             |   |
|  | 83%                 | 86%                 | 87%                 | 93%               | 85%               | 93%             |   |

**KEY PERFORMANCE INDICATORS (KPI)**

Priority leaders should identify two sets of performance indicators namely **Key Performance Indicators (KPI)** for reporting to GMT and Members and **Management Performance Indicators (MPI)** for use in business planning and performance monitoring at a service level.

| Indicator Description<br>(Pentana Code)   | Achieved<br>2017/18 | Achieved<br>2018/19 | Achieved<br>2019/20 | Target<br>2020/21 | Target<br>2021/22 | Future<br>Years | Indicator Owner and Comments<br>(incl. benchmarking)   |
|---|---------------------|---------------------|---------------------|-------------------|-------------------|-----------------|--|
| Supply of ready to develop housing sites (NI150)  | 78%                 | 78%                 | 100%                | 100%              | 100%              | 100%            | Head of Planning and Economic Development  |
| Planning applications approved for employment development (Class B1, B2 or B8) (ERLocal_03)                   | n/a                 | 8                   | 7                   | 20                | 10                | 15              | Head of Planning and Economic Development<br>2018/19 is baseline for this new indicator<br>Figures are realistic to reflect lower economic base following pandemic   |
| Planning applications approved for new retail and commercial floor-space within the town centres (TCLocal_05) | 26                  | 2                   | 4                   | 40                | 10                | 15              | Head of Planning and Economic Development<br>Figures are realistic to reflect lower economic base following pandemic   |
| Major planning applications determined within 13 weeks (NI157a)   | 88%                 | 92%                 | 100%                | 92%               | 92%               | 92%             | Head of Planning and Economic Development<br>Targets are realistic having up to date policy expectations clearly set out in the Part 2 Local Plan thus saving time on negotiations for Section 106 agreements. The government's threshold for performance is 60% |

| Indicator Description<br>(Pentana Code)  | Achieved<br>2017/18 | Achieved<br>2018/19 | Achieved<br>2019/20 | Target<br>2020/21 | Target<br>2021/22 | Future<br>Years | Indicator Owner and Comments<br>(incl. benchmarking)  |
|--|---------------------|---------------------|---------------------|-------------------|-------------------|-----------------|---|
| Minor planning applications determined within 8 weeks (NI157b)   | 92.8%               | 94.7%               | 97.4%               | 94%               | 94%               | 94%             | Head of Planning and Economic Development<br><br>Where extensions of time are agreed and decisions are issued within this extended time, they would be reported as within target. The government's threshold for performance is 70% |
| Other planning applications determined within 8 weeks (NI157c)   | 96.6%               | 98.3%               | 99.6%               | 98%               | 98%               | 98%             | Head of Planning and Economic Development<br><br>Where extensions of time are agreed and decisions are issued within this extended time, they would be reported as within target The government's threshold for performance is 70%  |
| Appeals allowed against refusals (delegated decisions or committee decisions in line with officer recommendation (BV204) | 33.3%               | 33.3%               | 35.3%               | 35%               | 10%               | 10%             | Head of Planning and Economic Development<br><br>2017/18 2 of 6 appeals<br>2018/19 4 of 12 appeals allowed 2019/20 6 of 17 appeals allowed  |
| Appeals allowed against refusals % (Committee overturns). (DSDData_18)   | 33%                 | 33%                 | 20%                 | 30%               | 10%               | 10%             | Head of Planning and Economic Development<br><br>In 2018/19, the nine appeals allowed were out of a total of 15 overall decisions.<br><br>This has been monitored since 2019/20.  |



**KEY TASKS AND PRIORITIES FOR IMPROVEMENT 2021/22 – 2023/24 INCLUDING COMMERCIAL ACTIVITIES**

| Pentana Code       | Description   | Targeted Outcome  | Partnership/<br>Procurement<br>Arrangement  | Officers<br>Responsible/<br>Target Date  | Budget Implications/<br>Efficiencies/Other<br>comments   |
|--------------------|---|---|---|--|--|
| BG2023_01          | Implement Apprenticeship Strategy                                       | Increase the number of apprentices in the workforce   | Job Centre Plus, NAS, NNF, DNCC, FSB, Colleges and Schools                        | Head of HR and Public Protection<br>Ongoing  | Apprenticeship levy is based on a formula percentage of employee costs   |
| BG1620_09          | Fully implement the Redevelopment of Beeston Square Phase 2             | Mixed use development   | Specialist advice and development and construction partners                       | Head of Asset Management and Maintenance<br>June 2021 (cinema)<br>December 2022 (F&B's)      | Within agreed capital allocation   |
| BG2124_01<br>(New) | Review the Economic Development Strategy in line with recovery response | A new framework for economic development within the Borough aligned to the SEP and LIS. Including specific plans for Stapleford, Eastwood and Kimberley | Stakeholders in the public, private and voluntary sector as well as local people. | Head of Planning and Economic Development<br>July 2021                                       | This is now a COVID-19 recovery strategy and will transition into a new strategy when coming out of response/recover cycle. Predicted Summer 2021  |
| BG2023_05          | Bring forward the Core Strategy review                                  | Successfully steer the Core Strategy through its examination process receiving a report recommending adoption from the appointed Planning Inspector     | Neighbouring Local Planning Authorities in Greater Nottingham                     | Head of Planning and Economic Development<br>Adoption is currently anticipated in late 2022. | Town centre studies, employment allocation and identification of policies to undertake as part of the Core Strategy.<br><br>This will create efficiencies in co-ordinated evidence gathering with the progression of the neighbourhood plans. Local plan examination expected to cost £80,000. |

| <b>Pentana Code</b> | <b>Description</b>                               | <b>Targeted Outcome</b>  | <b>Partnership/<br/>Procurement<br/>Arrangement</b>            | <b>Officers<br/>Responsible/<br/>Target Date</b>  | <b>Budget Implications/<br/>Efficiencies/Other<br/>comments</b>   |
|---------------------|--|--|--|---|---|
| JBG1518_06          | Assist in the preparation of Neighbourhood Plans | Approve Neighbourhood Plan Area designations for all parish areas where they are wanted and progress to 'adoption' of the Plans.<br>Toton and Chetwynd likely to be first in 2021/22 | Town and Parish Councils                                       | Head of Planning and Economic Development<br><br>Target dates will vary depending on the details of each emerging Plan. | Make a claim for up to £20,000 per plan if progress to referendum   |
| BG2023_06           | Policy intervention on HiMO                      | Reports to Jobs and Economy Committee for appropriate actions in 2021  | n/a  | Head of Planning and Economic Development<br>Consultation starting January 2021.  | Possible compensation claims submitted by residents affected by the scheme. Amount unknown.   |
| BG2023_07           | Gypsy and Traveller site allocation              | Reports to Jobs and Economy Committee for appropriate actions in 2021  | Study of need jointly procured with Greater Notts JPAB         | Head of Planning and Economic Development<br>June 2021  | Dependant on location and further feasibility work  |
| BG2124_02<br>(New)  | Stapleford Town Deal Bid                         | Regeneration and Development of Stapleford Town Centre   | To be determined to support the bid and regeneration programme | Business Growth Manager<br>Major Projects Officer<br>January 2021   | Funding Bid from Towns Deal Fund being prepared for a share of up to £25m   |
| BG2124_03<br>(New)  | Eastwood Regeneration Plan                       | Regenerations and Development of Eastwood Town Centre  | To be determined to support the bid and regeneration programme | Business Growth Manager<br>Major Projects Officer<br>December 2021  | Subject to external funding opportunities. Bids for funding will be entered in attempts to secure funding for development projects. |

| <b>Pentana Code</b> | <b>Description</b>                          | <b>Targeted Outcome</b>   | <b>Partnership/<br/>Procurement<br/>Arrangement</b>   | <b>Officers<br/>Responsible/<br/>Target Date</b>                          | <b>Budget Implications/<br/>Efficiencies/Other<br/>comments</b>   |
|---------------------|---|---|---|---|---|
| BG2124_04<br>(New)  | Kimberley<br>Regeneration Plan              | Regenerations and<br>Development of Kimberley<br>Town Centre  | To be determined to<br>support the bid and<br>regeneration<br>programme   | Business Growth<br>Manager<br>Major Projects<br>Officer<br>September-2022 | Subject to external funding<br>opportunities. Bids for funding<br>will be entered in attempts to<br>secure funding for<br>development projects. |
| BG2124_05<br>(New)  | East Midlands<br>Development<br>Corporation | Progress the creation of the<br>interim vehicle for the<br>EMDevco and create a work<br>programme for year1 | Working in<br>partnership with the<br>county councils of<br>Nottinghamshire<br>and Leicestershire<br>and Rushcliffe and<br>North West<br>Leicestershire | Chief Executive<br>March 2022   | Funding of up to £500k<br>agreed for 3 years subject to<br>provisos   |