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| Meeting            | <b>CABINET</b>   |
| Time/Day/Date      | 5.00 pm on Tuesday, 19 July 2022                                 |
| Location<br>3FJ    | Council Chamber, Council Offices, Whitwick Road, Coalville, LE67 |
| Officer to contact | Democratic Services (01530 454512)                               |

## AGENDA

| Item  | Pages          |
|---|----------------|
| <b>1. APOLOGIES FOR ABSENCE</b>   |                |
| <b>2. DECLARATION OF INTERESTS</b>  |                |
| Under the Code of Conduct members are reminded that in declaring interests you should make clear the nature of that interest and whether it is a disclosable pecuniary interest, registerable interest or other interest. |                |
| <b>3. PUBLIC QUESTION AND ANSWER SESSION</b>  |                |
| <b>4. MINUTES</b>   |                |
| To confirm the minutes of the meeting held on 7 June 2022   | <b>5 - 6</b>   |
| <b>5. LEICESTER &amp; LEICESTERSHIRE STATEMENT OF COMMON GROUND ON HOUSING AND EMPLOYMENT NEEDS (APRIL 2022)</b>  |                |
| Report of the Strategic Director of Place<br>Presented by the Planning Portfolio Holder   | <b>7 - 30</b>  |
| <b>6. TREASURY MANAGEMENT STEWARDSHIP REPORT 2021/22</b>  |                |
| Report of the Head of Finance and Customer Services<br>Presented by the Corporate Portfolio Holder  | <b>31 - 40</b> |
| <b>7. MEDIUM TERM FINANCIAL PLAN OUTLOOK</b>  |                |
| Report of the Head of Finance and Customer Services<br>Presented by the Corporate Portfolio Holder  | <b>41 - 48</b> |

|            |  |                  |
|------------|--|------------------|
| <b>8.</b>  | <b>AIR QUALITY CAPITAL GRANT FUNDING (DEFRA)</b>   |                  |
|            | Report of the Strategic Director of Place<br>Presented by the Community Services Portfolio Holder  | <b>49 - 54</b>   |
| <b>9.</b>  | <b>HOUSING ASSET MANAGEMENT PLAN 2022 TO 2024</b>  |                  |
|            | Report of the Strategic Director of Housing and Customer Services<br>Presented by the Housing, Property and Customer Services Portfolio Holder   | <b>55 - 80</b>   |
| <b>10.</b> | <b>ZERO CARBON ROADMAP UPDATE</b>  |                  |
|            | Report of the Strategic Director of Place<br>Presented by the Community Services Portfolio Holder  | <b>81 - 102</b>  |
| <b>11.</b> | <b>QUARTER 4 PERFORMANCE REPORT</b>  |                  |
|            | Report of the Chief Executive<br>Presented by the Deputy Leader  | <b>103 - 132</b> |
| <b>12.</b> | <b>MINUTES OF THE COALVILLE SPECIAL EXPENSES WORKING PARTY</b>   |                  |
|            | Report of the Strategic Director of Place<br>Presented by the Community Services Portfolio Holder  | <b>133 - 140</b> |
| <b>13.</b> | <b>THE AWARD OF THE THREE YEAR CONTRACT FOR THE SUPPLY OF BINS AND RECYCLING CONTAINERS</b>  |                  |
|            | Report of the Strategic Director of Place<br>Presented by the Community Services Portfolio Holder  | <b>141 - 148</b> |
| <b>14.</b> | <b>EXCLUSION OF PRESS AND PUBLIC</b>   |                  |
|            | The officers consider that the press and public should be excluded during consideration of the following items in accordance with Section 100(a) of the Local Government Act 1972 as publicity would be likely to result in disclosure of exempt or confidential information. Members are reminded that they must have regard to the public interest test and must consider, for each item, whether the public interest in maintaining the exemption from disclosure outweighs the public interest in making the item available. |                  |
| <b>15.</b> | <b>A CINEMA FOR COALVILLE - UPDATE</b>   |                  |
|            | Report of the Strategic Director of Place<br>Presented by the Leader   | <b>149 - 166</b> |
| <b>16.</b> | <b>LINDEN WAY, COALVILLE - HIGHWAY EXTENSION</b>   |                  |
|            | Report of the Strategic Director of Place<br>Presented by the Leader   | <b>167 - 178</b> |

**17. HOUSING REVENUE ACCOUNT DISPOSALS AND ACQUISITIONS  
UPDATE**

Report of the Strategic Director of Housing and Customer Services **179 - 184**  
Presented by the Housing, Property and Customer Services Portfolio Holder

**18. UK SHARED PROSPERITY FUND - NWL INVESTMENT PLAN**

Report of the Strategic Director of Place **185 - 254**  
Presented by the Business and Regeneration Portfolio Holder

**19. AWARD OF HOUSING CONTRACTS**

Report of the Strategic Director of Housing and Customer Services **255 - 262**  
Presented by the Housing and Customer Services Portfolio Holder

Circulation:

Councillor R Blunt (Chairman)  
Councillor R Ashman (Deputy Chairman)  
Councillor R D Bayliss  
Councillor T Gillard  
Councillor K Merrie MBE  
Councillor N J Rushton  
Councillor A C Woodman

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MINUTES of a meeting of the CABINET held in the Council Chamber, Council Offices, Coalville on TUESDAY, 7 JUNE 2022

Present: Councillor R Ashman (Chair)

Councillors R D Bayliss, T Gillard, K Merrie MBE, N J Rushton and A C Woodman

In Attendance: Councillors S Sheahan

Officers: Mrs J Davidson, Mr M Walker, Mr J Arnold, Mr A Barton, Miss E Warhurst, Mr K Bassett, Ms R Haynes and Mrs R Wallace

**1. APOLOGIES FOR ABSENCE**

Apologies were received from Councillor R Blunt.

**2. DECLARATION OF INTERESTS**

No interests were declared.

**3. PUBLIC QUESTION AND ANSWER SESSION**

No questions were received.

**4. MINUTES**

The minutes of the meeting held on the 26 April were considered.

It was moved by Councillor T Gillard, seconded by Councillor K Merrie and

RESOLVED THAT:

The minutes of the meeting held on 26 April 2022 be confirmed as an accurate record of the proceedings.

**5. LEICESTER & LEICESTERSHIRE STATEMENT OF COMMON GROUND ON HOUSING AND EMPLOYMENT NEEDS (APRIL 2022)**

It was noted that one of the consultant's reports, relating to employment land, which informed the statement of common ground, needed to be updated. Other supporting documents also needed to be checked to ensure that there would be no consequential changes as a result. As an important matter, it was necessary to ensure that Cabinet and Council had the latest information before them when making a decision. For this reason, Cabinet could not consider Item 5 "Leicester and Leicestershire Statement of Common Ground on Housing and Employment Needs (April 2022)" and it was agreed this report would be brought back at a later date.

**6. ENVIRONMENTAL HEALTH - FOOD SAFETY SERVICE DELIVERY PLAN 2022/23**

The Community Services Portfolio Holder presented the report to the meeting, which described the way in which public health in North West Leicestershire would be protected through enforcement and education. It also outlined the way in which the authority would be monitored and audited by the Food Standards Agency.

Members highlighted how vital this work is and congratulated officers responsible for a comprehensive report.

It was moved by Councillor A Woodman, seconded by Councillor K Merrie and

RESOLVED THAT:

- 1) The Environmental Health Food Safety Service Delivery Plan 2022/23 appended to this report be approved.
- 2) The performance and achievements in 2021/22 be noted.

**Reason for decision:** To approve the content of the Food Safety Service Delivery Plan 2022/23 as required by the Food Standards Agency.

## **7. FORMER TENANT RENT ARREARS, CURRENT TENANT RENT ARREARS, COUNCIL TAX, NON DOMESTIC RATES AND SUNDRY DEBTOR WRITE OFFS**

The Corporate Portfolio Holder presented the report to the meeting, which detailed debts written off to date under delegated powers and the grounds for writing off these debts.

It was moved by Councillor N Rushton, seconded by Councillor R Bayliss and

RESOLVED THAT:

The Non-Domestic Rates Write Offs that are over £10,000 be approved by Cabinet.

**Reason for decision:** To comply with proper accounting practices.

## **8. MINUTES OF THE COALVILLE SPECIAL EXPENSES WORKING PARTY**

The Community Services Portfolio Holder presented the report to the meeting and expressed thanks to members and officers for their hard work in the Coalville Special Expense area.

It was noted that the events programme continued to flourish and the additional tree planting supported by County Council colleagues was welcomed.

The meeting was informed that the financial position continued to be a focus for members of the working party, as did the structure of meetings, which had been reviewed and revised to ensure that the working party continued to be as effective as possible.

It was moved by Councillor A Woodman, seconded by Councillor T Gillard and

RESOLVED THAT:

The minutes of the Coalville Special Expenses Working Party at Appendix 1 be noted by Cabinet.

**Reason for decision:** So that the decisions of the Coalville Special Expenses Working Party can be considered.

The meeting commenced at 5.00 pm

The Chairman closed the meeting at 5.07 pm

|                               |  |                           |
|-------------------------------|--|---------------------------|
| <b>Title of Report</b>        | <b>LEICESTER &amp; LEICESTERSHIRE STATEMENT OF COMMON GROUND ON HOUSING &amp; EMPLOYMENT NEED (APRIL 2022)</b>   |                           |
| <b>Presented by</b>           | Councillor Keith Merrie<br>Planning and Infrastructure Portfolio Holder  |                           |
| <b>Background Papers</b>      | <a href="#">Report to Local Plan Committee 25 May 2022</a><br><br><a href="#">NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL (nwleics.gov.uk)</a><br><br><a href="#">National Planning Policy Framework</a><br><br><a href="#">National Planning Practice Guidance</a><br><br><a href="#">Statement of Common Ground (2021)</a><br><br><a href="#">Statement of Common Ground (2022)</a><br><br><a href="#">Housing Economic Needs Assessment (June 2022)</a><br><br><a href="#">Housing and Economic Needs Assessment – Housing Distribution</a><br><br><a href="#">Housing and Economic Needs Assessment – Employment Distribution</a><br><br><a href="#">Statement of Common Ground – Sustainability Appraisal</a><br><br><a href="#">NWLDC SHELAA 2019</a> | <b>Public Report:</b> Yes |
|                               |  |                           |
| <b>Financial Implications</b> | The cost of preparing the statement of Common Ground and the supporting evidence is met by all of the Leicester and Leicestershire authorities making agreed contributions.<br><b>Signed off by the Section 151 Officer:</b> Yes   |                           |

|  |  |
|--|--|
| <b>Legal Implications</b>                  | Under the Duty to Cooperate the Council is under an obligation to work with other local planning authorities “ <i>constructively, actively and on an on-going basis</i> ” to address strategic planning matters. The Statement of Common Ground helps to address this requirement.   |
|  | <b>Signed off by the Monitoring Officer:</b> Yes   |
| <b>Staffing and Corporate Implications</b> | None identified  |
|  | <b>Signed off by the Head of Paid Service:</b> Yes   |
| <b>Purpose of Report</b>                   | To consider and agree the Council’s response to a Statement of Common Ground which has been prepared covering Leicester and Leicestershire to deal with the issues of unmet housing and employment needs from Leicester City.  |
| <b>Reason for Decision</b>                 | To determine Cabinet’s views on the proposed Statement of Common Ground for forwarding to Council.   |
| <b>Recommendations</b>                     | <p><b>THAT CABINET:</b></p> <p><b>(I) NOTES THE STATEMENT OF COMMON GROUND WHICH ADDRESSES THE ISSUE OF UNMET HOUSING AND EMPLOYMENT NEEDS FROM LEICESTER CITY;</b></p> <p><b>(II) NOTES THAT THE VIEWS OF CABINET ON THE STATEMENT OF COMMON GROUND WILL BE FORWARDED TO COUNCIL FOR IT TO HAVE REGARD TO WHEN DETERMINING THIS COUNCIL’S POSITION; AND</b></p> <p><b>(III) RECOMMENDS THAT THE COUNCIL’S POSITION ON WHETHER OR NOT TO SUPPORT THE STATEMENT OF COMMON GROUND BE FORMALLY AGREED AT A MEETING OF COUNCIL ON 6 SEPTEMBER 2022</b></p> |

## 1 BACKGROUND

- 1.1 Members will be aware that the Leicestershire authorities have known since February 2017 that Leicester City does not have sufficient land available to accommodate its housing and employment land needs in full.
- 1.2 Members will also be aware that all local planning authorities are under an obligation under the Duty to Cooperate to “*cooperate with each other, and with other prescribed bodies, on strategic matters that cross administrative boundaries*” (National Planning Policy Framework (2021), paragraph 24). To demonstrate such cooperation, the NPPF requires authorities to “*prepare and maintain one or more statements of common ground, documenting the cross-boundary matters being addressed and progress in cooperating to address these*”.
- 1.3 To address the issue of unmet need from Leicester City, all of the Leicester and Leicestershire authorities have been working together under the auspices of the Member Advisory Group (MAG) to prepare a Statement of Common Ground (SoCG). MAG does not have decision making powers. Therefore, when it met on 28 April 2022 it agreed that the SoCG should be considered by each of the Leicester and Leicestershire authorities through their own governance procedures.

- 1.4 Whether this Council should support the SoCG will be determined by Council at its meeting on 6 September 2022, thus providing an opportunity for all members to consider the SoCG.
- 1.5 The Local Plan Committee (LPC) is responsible for overseeing the preparation of the Council's Local Plan, although final decision on the Local Plan resides with Council. The SoCG has significant implications for the current Local Plan review as it will determine the amount of development that needs to be provided for. Therefore, the SoCG was considered by the LPC at its meeting on 25 May 2022. A copy of the report and appendices considered by LPC is attached at Appendix 1 to this report.
- 1.6 The following points were made by the Local Plan Committee:
- The level of growth set in the SoCG has potential implications in terms of infrastructure which needs to be provided in advance of development.
  - The City Council should be approached to support the provision of infrastructure, such as the National Forest line, outside of the City in recognition of the assistance being provided by this Council to meet the city's unmet need.
  - Why wasn't the unmet need simply redistributed based on an equal share basis?
  - Lack of functional relationship between North West Leicestershire and Leicester City
  - There is a need to ensure that whatever housing is provided meets the needs of local communities including more affordable housing.
  - Some of the evidence is based on 2011 census but noted that there is nothing more up-to-date. Will an increase in home working have any implications?
  - The SoCG is not about where development will go in North West Leicestershire, that is a matter for the local plan.
- 1.7 Following publication of the SoCG and the supporting papers, an error was identified in respect of employment land. The issue relates to the conversion of future employment floorspace needs forecasts when converted into land requirements. It is generally accepted, and stated in the report, that for general industrial and distribution premises 40% of land is covered by floorspace (therefore a ratio of 0.4). The calculations had erroneously used a ratio of 0.54 (therefore underestimating land need in the April report).
- 1.8 As a result, a decision was made under the auspices of the Strategic Planning Group to withdraw the documents until such time as the necessary corrections were made and all documents had been rechecked.
- 1.9 Correcting the ratio error has led to an increase in the amount of B2 / small B8 employment land required (ha), but not the amount of floorspace for this use. Correcting the ratio also required an adjustment to the Employment Distribution Paper (for Leicester and Leicestershire) which is based on the outputs of the Housing and Economic Needs Assessment (HENA). The Employment Distribution Paper originally identified that Charnwood was able to support Leicester in taking its declared unmet employment need of 23.3ha, given a surplus of 40.3ha. After updating the paper's position to reflect the corrected plot ratio issue as above, the original recommendations remain. Charnwood is still able and best placed to absorb the unmet need from Leicester (23.3 ha) given that Charnwood has a 31.0 ha surplus.
- 1.10 A statement explaining what the errors were and why this resulted in a temporary withdrawal of the SoCG and supporting papers has been published documents on the Strategic Growth Plan website. In addition, the SoCG and the corrected supporting documents have also been republished
- 1.11 Cabinet, in its executive role, is also invited to consider the SoCG with a view to its comments being forwarded to Council for consideration alongside those of the Local Plan Committee.

| <b>Policies and other considerations, as appropriate</b> |   |
|--|---|
| Council Priorities:                                      | Local people live in high quality, affordable homes   |
| Policy Considerations:                                   | None identified   |
| Safeguarding:  | There are no implications directly arising from this report.  |
| Equalities/Diversity:                                    | There are no implications directly arising from this report.  |
| Customer Impact:   | There are no implications directly arising from this report.  |
| Economic and Social Impact:                              | The outcome of the Statement of Common Ground will be addressed as part of the Local Plan review  |
| Environment and Climate Change:                          | The outcome of the Statement of Common Ground will be addressed as part of the Local Plan review  |
| Consultation/Community Engagement:                       | The Statement of Common Ground has been the subject of direct engagement with all of the Leicester and Leicestershire authorities. The outcome of the Statement of Common Ground will be considered as part of the Local Plan review which will be subject to consultation with the community and wider stakeholders. |
| Risks:   | Not agreeing the Statement of Common Ground would represent a significant risk to the Local Plan review.  |
| Officer Contact  | Ian Nelson<br>Planning Policy and Land Charges Team Manager<br>01530 454677<br><a href="mailto:ian.nelson@nwleicestershire.gov.uk">ian.nelson@nwleicestershire.gov.uk</a>   |

## LOCAL PLAN COMMITTEE – 25 MAY 2022

|  |  |                           |
|--|--|---------------------------|
| <b>Title of Report</b>                     | <b>LEICESTER &amp; LEICESTERSHIRE STATEMENT OF COMMON GROUND ON HOUSING &amp; EMPLOYMENT NEED (APRIL 2022)</b>   |                           |
| <b>Presented by</b>                        | Councillor Robert Ashman<br>01530 273762<br><a href="mailto:robert.ashman@nwleicestershire.gov.uk">robert.ashman@nwleicestershire.gov.uk</a>   |                           |
| <b>Background Papers</b>                   | <a href="#">National Planning Policy Framework</a><br><br><a href="#">National Planning Practice Guidance</a><br><br><a href="#">Statement of Common Ground (2021)</a><br><br><a href="#">Statement of Common Ground (2022)</a><br><br><a href="#">Housing and Economic Needs Assessment (April 2022)</a><br><br><a href="#">Housing and Economic Needs Assessment – Housing distribution</a><br><br><a href="#">Housing and Economic Needs Assessment – Employment distribution</a><br><br><a href="#">Statement of Common Ground – Sustainability Appraisal</a><br><br><a href="#">NWLDC SHELAA 2019</a> | <b>Public Report:</b> Yes |
|  |  | <b>Key Decision:</b> Yes  |
| <b>Financial Implications</b>              | The cost of preparing the statement of Common Ground and the supporting evidence is met by all of the Leicester and Leicestershire authorities making agreed contributions.  |                           |
|  | <b>Signed off by the Section 151 Officer:</b> Yes  |                           |
| <b>Legal Implications</b>                  | Under the Duty to Cooperate the Council is under an obligation to work with other local planning authorities “ <i>constructively, actively and on an on-going basis</i> ” to address strategic planning matters. The Statement of Common Ground helps to address this requirement.   |                           |
|  | <b>Signed off by the Monitoring Officer:</b>   |                           |
| <b>Staffing and Corporate Implications</b> | None identified  |                           |
|  | <b>Signed off by the Head of Paid Service:</b> Yes   |                           |
| <b>Purpose of Report</b>                   | To consider a Statement of Common Ground which has been prepared covering Leicester and Leicestershire to deal with the issues of unmet housing and employment needs from Leicester  |                           |

|                        |  |
|------------------------|--|
|                        | City and for the views of this Committee to be forwarded on to Council for when it considers the Statement of Common Ground .  |
| <b>Recommendations</b> | <p><b>THAT LOCAL PLAN COMMITTEE:</b></p> <p><b>(I) NOTES THE STATEMENT OF COMMON GROUND WHICH ADDRESSES THE ISSUE OF UNMET HOUSING AND EMPLOYMENT NEEDS FROM LEICESTER CITY;</b></p> <p><b>(II) NOTES THAT THE COUNCIL’S POSITION ON THE STATEMENT OF COMMON GROUND WILL BE FORMALLY AGREED AT A MEETING OF COUNCIL ON 21 JUNE 2022 AND</b></p> <p><b>(III) THAT THE VIEWS OF THIS COMMITTEE ON THE STATEMENT OF COMMON GROUND BE FORWARDED TO COUNCIL FOR IT TO HAVE REGARD TO WHEN DETERMINING THIS COUNCIL’S POSITION</b></p> |

## 1 BACKGROUND

- 1.1 Members will be aware that all local planning authorities are under an obligation under the Duty to Cooperate to “*cooperate with each other, and with other prescribed bodies, on strategic matters that cross administrative boundaries*” (National Planning Policy Framework (2021), paragraph 24). To demonstrate such cooperation, the NPPF requires authorities to “*prepare and maintain one or more statements of common ground, documenting the cross-boundary matters being addressed and progress in cooperating to address these*”.
- 1.2 The purpose of this report is to consider a Statement of Common Ground (SoCG) which has been prepared covering Leicester and Leicestershire to deal with the issues of unmet housing and employment needs from Leicester City. The SoCG can be viewed from this [link](#).
- 1.3 The SoCG has been prepared under the auspices of the Member Advisory Group (MAG) comprising members from each of the Leicester and Leicestershire authorities and which was established to oversee joint work on strategic planning matters. MAG does not have decision making powers. Therefore, when it met on 28 April 2022 it agreed that the SoCG should be considered by each of the Leicester and Leicestershire authorities through their own governance procedures.
- 1.4 Whether this Council should support the SoCG will be determined by Council at its meeting on 21 June 2022, thus providing an opportunity for all members to consider the SoCG. The views of this Committee will be forwarded to Council alongside those of Cabinet who are considering the SoCG at its meeting on 7 June 2022.

## 2 DUTY TO COOPERATE

- 2.1 The Duty to Cooperate was introduced by the Localism Act of 2011. One of the reasons for requiring this is that National Policy recognises not all authorities will be able to meet housing and employment needs in full. When this happens the statutory Duty to Cooperate requires authorities to work together “*constructively, actively and on an on-going basis*”. Each individual authority must therefore be able to demonstrate to a planning inspector at a local plan examination how they have met the Duty to Cooperate. Failure to demonstrate compliance means they will not pass the examination process.



### 3 NATIONAL PLANNING POLICY FRAMEWORK (NPPF) AND THE TESTS OF SOUNDNESS

- 3.1 Even if an authority demonstrates it has met the Duty to Cooperate, it still has to also demonstrate it has complied with National Policy, including the tests of soundness which require an authority's local plan to be:

*"... informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development..."*

*"... based on effective joint working on cross-boundary strategic matters [e.g. unmet need] that have been dealt with rather than deferred, as evidenced by the statement of common ground..."* [emphasis added]

- 3.2 Assisting Leicester City Council to meet its unmet need is a key 'cross boundary strategic matter' which requires joint working, and therefore a key element of the Duty to Cooperate and Government Policy for each Leicester and Leicestershire authority to demonstrate it has dealt with. If an authority is not able to comply with the Duty to Cooperate or the Tests of Soundness, then it cannot get a Local Plan in place. Therefore, the SoCG is a crucial component of the current Local Plan review as it will help to establish the housing and employment land requirements to be provided for as part of the new local plan.
- 3.3 Paragraphs 24-27 of the NPPF set out further details on planning for cross boundary strategic matters (such as unmet need):

*"Local planning authorities and county councils (in two-tier areas) are under a duty to cooperate with each other, and with other prescribed bodies, on strategic matters that cross administrative boundaries [e.g. Leicester's unmet need is a strategic matter that crosses administrative boundaries]."*

*Strategic policy-making authorities should collaborate to identify the relevant strategic matters [e.g. unmet need] which they need to address in their plans..."*

*Effective and on-going joint working between... authorities and relevant bodies is integral to the production of a positively prepared and justified strategy. In particular, joint working should help to determine... whether development needs that cannot be met wholly within a particular plan area could be met elsewhere."*

*In order to demonstrate effective and on-going joint working, strategic policy making authorities [e.g. Local Planning Authorities] should prepare and maintain one or more statements of common ground, documenting the cross-boundary matters being addressed and progress in cooperating to address these. These should be produced using the approach set out in national planning guidance..."*

- 3.3 Taking the above into account, it is critical each Leicester and Leicestershire authority has an up-to-date SoCG in place on how they are dealing with Leicester City Council's unmet need, to help ensure it is able to comply with the Statutory Duty to Cooperate, Government Policy and Government Guidance.
- 3.4 The SoCG, together with the participation of all authorities in the programme of evidence gathering, demonstrates the commitment of the Leicester and Leicestershire authorities to the process of addressing the unmet need from Leicester City Council. This shows how they have complied with National Policy and Legislation.

## 4 THE UNMET HOUSING AND EMPLOYMENT NEEDS

- 4.1 Members may recall that in January 2017 Leicester City Council declared that it was unable to meet all its identified housing needs within the boundaries of the city, although the level of unmet need was not quantified at that time.
- 4.2 The identification of this unmet need resulted in this Council's Local Plan being required to undertake an early review, which culminated in the Partial Review which was adopted in March 2021.
- 4.3 It was not until December 2019 that the Leicester and Leicestershire authorities were made aware of the potential scale of unmet need. Consultation on the Draft Leicester Local Plan (and associated evidence) was delayed due to the COVID-19 pandemic until September to December 2020.
- 4.4 At that time, Leicester's Draft Local Plan consultation indicated a potential unmet need of 7,742 homes and 23 Hectares of employment land (B2 General Industrial and B8 Small Warehousing Units less than 9,000 sq.m) 2019 to 2036.
- 4.5 However, immediately after the consultation closed in December 2020 the Government published a new standard method for calculating housing need. The method stayed the same for all authorities in England apart from the 20 largest cities and urban centres which were given a 35% uplift. As a result, Leicester's housing need increased by 35%, adding a further 9,712 homes to their need between 2020 and 2036 (i.e., an additional 607 homes per year).
- 4.6 When government published the 35% uplift in housing need to Leicester (and the other cities/urban centres), government messaging indicated they "*...expect the increase in homes to be delivered to be met by the cities/urban centres themselves, rather than the surrounding areas.*"
- 4.7 Government Guidance was also updated and says similar i.e. the increase is "*...expected to be met by the cities and urban centres themselves, rather than the surrounding areas, unless it would conflict with national policy and legal obligations.*" [emphasis added] (Planning Practice Guidance – Housing and Economic Needs Assessment Paragraph: 035 Reference ID: 2a-035-20201216).
- 4.8 Government policy requires local plans to be 'deliverable' and the City's evidence shows they are not able to deliver in a sustainable manner their housing and employment needs in full within the City boundary. Therefore, for the City, meeting their needs in full would conflict with national policy.
- 4.9 In addition to the cities uplift, in March 2022 the government published new data in respect of affordability ratios. The Governments' standard method for calculating housing need requires this annually published figure to be taken into account for all authorities (not just cities). As a result, housing need in Leicester increased by a further 2,800 homes to 2036. The change in the affordability ratio in North West Leicestershire results in an increase of only 4 dwellings per annum.
- 4.10 The City's need now stands at 39,421 between 2020 and 2036. When compared to a supply 20,720 homes, this leaves an unmet need of **18,700** homes to be accommodated in the Leicestershire Districts/Boroughs. The unmet employment need remains at **23** Hectares.
- 4.11 The SoCG is therefore based on a 'working assumption' of Leicester's unmet need being 18,700 homes and 23 Hectares of employment land. It is important to note that Members are not being asked to agree what Leicester's unmet need is. This will inevitably evolve over time (e.g. as housing need changes or Leicester's housing supply evolves through

their Local Plan examination). If the unmet need changes significantly in future the SoCG will need to be reviewed and updated as appropriate.

- 4.12 The City have done a significant amount of work over many years on their Local Plan to establish their capacity including updating their SHELAA (Strategic Housing Employment Land Availability Assessment) and Brownfield Land Register and undertaking Character Area and Tall Buildings assessment work. Other works is ongoing and the City are continuing to advance the Local Plan and currently anticipate publishing a Regulation 19 (i.e. pre-submission plan) later in 2022. Assuming that the City Local Plan progress as envisaged, this does mean that by the time this Council's Local Plan gets to Examination stage there should be significantly more certainty about this issue, which should assist the Examination process.

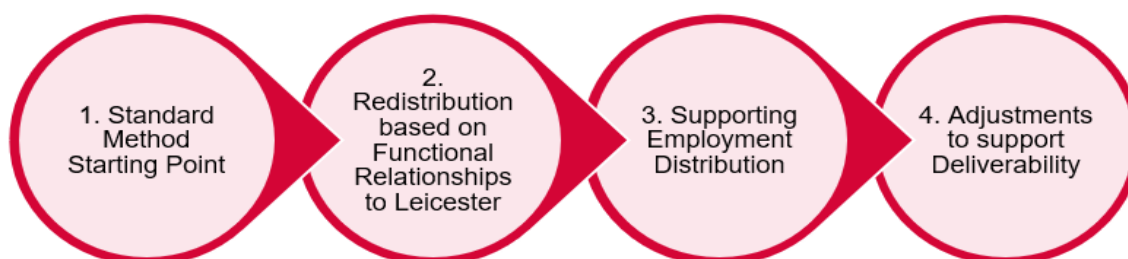
## **5 EVIDENCE INFORMING THE STATEMENT OF COMMON GROUND**

- 5.1 A number of SoCG have previously been agreed by the Leicester and Leicestershire authorities, including one in 2020 to support the Partial Review of this Council's Local Plan.
- 5.2 The most recent SoCG (March 2021) was agreed in light of the 35% uplift in housing to the City. This was done to support the Charnwood Local Plan and represents the latest agreed position on housing and employment needs in Leicester and Leicestershire.
- 5.3 The SoCG identified that the following evidence was being prepared to inform the apportionment of unmet need from Leicester City to the Leicester and Leicestershire Districts/Boroughs:
- Housing and Economic Needs Assessment
  - Strategic Growth Options and Constraints Mapping
  - Strategic Transport Assessment
  - Sustainability Appraisal
- 5.4 The Housing & Economic Needs Assessment (HENA) and the Sustainability Appraisal are the key pieces of evidence that inform the Statement of Common Ground apportioning Leicester City's unmet need to 2036 and they are considered below. The Strategic Transport Assessment and the Strategic Growth Options and Constraints Mapping take a longer-term perspective that will inform the next steps for the previously agreed Strategic Growth Plan for Leicester and Leicestershire to 2050.

### **Housing and Economic Needs Assessment**

- 5.5 Members will be aware that a previous Leicester and Leicestershire wide Housing and Economic Needs Assessment (referred to as the HEDNA) from 2017 informed the housing and employment land provision of the adopted Local Plan. The new study (the HENA) is the first comprehensive Leicester and Leicestershire study since then. The HENA main report can be viewed from the link included at the front of this report. It considers a range of issues including:
- Housing, demographic and economic dynamics;
  - Potential future development needs;
  - The need for different types of homes, including affordable homes and those of different groups (e.g. older persons households, wheelchair user housing)
- 5.6 The outcome from the main HENA report will help to inform appropriate policies as part of this Council's Local Plan review and will be the subject of a later report to this Committee.

- 5.7 The HENA also includes two distribution papers, one for housing and one for employment, which provide an evidence base to the issue of the redistribution of unmet needs from Leicester City. These can be viewed from this [link](#)
- 5.8 The HENA Housing Distribution Paper identifies the following steps in assessing the distribution of homes/unmet housing need across L&L:



- 5.9 Each of these steps is considered below along with commentary as to what this means for North West Leicestershire.

1. The approach treats the government's standard method for calculating housing need as a minimum level of provision for the Leicestershire Districts/Boroughs, as individual local plans would be expected (in line with the NPPF) to meet their own need.

The standard method results in a local housing need figure for North West Leicestershire of 372 dwellings per annum (2022 based)

2. The next step is to consider the functional relationship of each District/Borough with the City, taking account of migration and commuting relationships between the authorities. This generates an initial distribution of unmet need.

For North West Leicestershire, this sees only a small upwards adjustment of 52 dwellings per annum reflecting the fact that there is no common boundary with the City. This is the second smallest of all authorities (Melton being less at 29 dwellings per annum). In contrast, both Blaby and Charnwood see increases of about 300 dwellings per annum and Hinckley & Bosworth and Harborough about 100 dwellings.

3. Adjustments are then made to this distribution to align with the spatial distribution of future employment growth over the period to 2036, to promote a balance in the delivery of jobs and homes at a local level and limit the need to travel. This seeks to locate houses close to where job opportunities arise to provide additional labour where it is needed.

This results in an increase for North West Leicestershire of 182 dwellings per annum (this is discussed below at paragraph 5.10).

4. The final consideration relates to the deliverability of the distribution of development. This reviews the findings from the above steps, taking into account where authorities are already planning for higher growth or where there are land supply constraints which might restrict the scale of development which can be accommodated. It then considers the comparative rate of housing growth implied in different areas and makes adjustments to the distribution to support the deliverability of the distribution proposed, and to ensure that all authorities are contributing proportionally (having regard to their local housing markets) to the unmet need. The report notes that when looking at the annual growth in housing stock (referred to as CAGR (Compound

Annual Growth Rate)), there are very few authorities across the East and West Midlands which have sustained growth rates of more than 1.4% over a 15 or more-year period. The paper, therefore, proposes limiting stock growth for each authority at 1.4%. In doing so it seeks to avoid over-concentrating development in specific areas which could result in localised market capacity issues which inhibit the delivery of overall housing need. This final stage also has regard to the existing balance between jobs and homes in an area and whether higher housing provision might help to improve this balance.

For North West Leicestershire this sees a further increase of 80 dwellings per annum. Hinckley & Bosworth sees a similar increase (85) and Blaby a smaller increase of 32 dwellings. Conversely, Charnwood's figure decreases by 211 dwellings per annum.

- 5.10 As outlined above, different factors drive the distribution of housing growth for different authorities. For example, there is a history of this Council (and Melton) needing to plan for additional homes to support the level of economic growth in the area. The Housing & Economic Development Needs Assessment in 2017 increased this Council's housing need to reflect the specific local economic circumstances. The latest evidence in the HENA also indicates the need in North West Leicestershire to plan above the standard method starting point. There is also a need to support economic growth having regard to the balance of jobs and homes and homes in the area. The paper also notes the recent Freeport designation and concludes that "*The potential for a concentration of employment growth in the north of NW Leicestershire District close to the Airport and Castle Donington is a relevant factor in considering the distribution of development*".
- 5.11 For the other authorities it is the standard method starting point and their functional relationship with the City that are the main considerations driving the level of housing provision.
- 5.12 Adjustments have then been made taking into account other factors such as, land supply and comparative rates of housing growth as outlined above.
- 5.13 Appendix A of this report sets out how the various components of the assessment impact each authority.
- 5.14 This process results in a potential distribution of housing provision across Leicester and Leicestershire over the period to 2036 as set out below.

Table 1 – potential distribution of housing and comparison of housing stock growth per annum

| <b>Authority</b>             | <b>Housing Provision<br/>2020-36</b> | <b>Annual Average<br/>Housing Provision</b> | <b>Stock Growth</b> |
|------------------------------|--------------------------------------|---|---------------------|
| <b>Leicester</b>             | 20,720                               | 1,295                                       | 0.9%                |
| <b>Blaby</b>                 | 10,985                               | 687   | 1.4%                |
| <b>Charnwood</b>             | 19,025                               | 1,189                                       | 1.4%                |
| <b>Harborough</b>            | 10,515                               | 657   | 1.4%                |
| <b>Hinckley and Bosworth</b> | 10,542                               | 659   | 1.2%                |
| <b>Melton</b>                | 4,800                                | 300   | 1.2%                |
| <b>NW Leicestershire</b>     | 10,976                               | 686   | 1.3%                |
| <b>Oadby and Wigston</b>     | 3,840                                | 240   | 1.0%                |
| <b>L&amp;L Total</b>         | 91,404                               | 5,713                                       | 1.2%                |

- 5.15 In terms of employment, the paper concludes that Charnwood is best able to suitably meet Leicester's unmet need of 23 Hectares to 2036. This reflects the existing over-supply of employment land compared to the Borough's own needs; combined with the availability of employment sites and land which is close to the City and can contribute to delivering employment land which can service the needs of Leicester-based companies to 2036.

#### Sustainability Appraisal

- 5.16 As members will be aware, a Sustainability Appraisal is a key tool used in the process of preparing a local plan as it assesses the environmental, social and economic effects of different options and policies. There is no formal requirement for a Sustainability Appraisal to be undertaken when considering the issue of unmet need, but by doing so it helps to make the SoCG more robust. A copy of the full Sustainability Appraisal report can be viewed from the link in the background papers to this report.
- 5.17 In respect of housing, five spatial options were developed for how growth could be distributed across Leicester and Leicestershire:
- Local Plan Roll forward
  - Spread (equal share)
  - Focus on strategic sites
  - Near Leicester Area
  - HENA distribution
- 5.18 More details about these options, together with the scoring method and results, are set out at Appendix B of this report. Further details are also included in the more detailed SA Report which can be viewed from the link at the front of this report.

- 5.19 The findings in the Sustainability Appraisal demonstrate the different distribution options perform fairly similarly, with each having strengths and weaknesses. However, relatively speaking, the HENA distribution option (as outlined above at Table 1) performs as well or better than the alternatives for most sustainability topics.
- 5.20 This serves to provide confidence that following the recommendations of the HENA would be an appropriate approach to take to meeting unmet housing needs from Leicester (and there are no clear indications that suggest a different approach should be taken in the SoCG).
- 5.21 In respect of employment, four options were developed:
- Local Plan Roll forward
  - Strategic sites
  - Near Leicester focus
  - HENA distribution
- 5.22 The result of the Sustainability Appraisal is set out at Appendix C of this report. Further details are also included in the more detailed SA Report which can be viewed from the link at the front of this report. This is broadly supportive of the HENA distribution option which has limited negative effects whilst being positive in terms of both housing and employment.

## **6 THE STATEMENT OF COMMON GROUND**

- 6.1 Having regard to the outcome from the HENA distribution papers and the Sustainability Appraisal conclusions on the distribution they propose, the SoCG proposes that housing be distributed as set out in Table 1 above.
- 6.2 Table 3 of the SoCG shows how the annual unmet need of 1,169 dwellings per annum from the City is apportioned between the individual districts and boroughs. This shows that North West Leicestershire's element of this equates to 314 dwellings. On the face of it, this might appear to be very high, bearing in mind that North West Leicestershire does not share common boundary with Leicester City. However, it is important to recognise that the apportionment, as outlined above in paragraphs 5.9 to 5.14 has had regard to a wider range of factors than just proximity to the City, to arrive at a balanced distribution that reflects economic circumstances and seeks to ensure a deliverable pattern of development.
- 6.3 In terms of employment land, again the SoCG proposes (Table 4) a redistribution based on the separate Employment land distribution paper (see paragraph 5.15 above).
- 6.4 Section 4 of the SoCG notes that Hinckley and Bosworth Borough Council (HBBC) do not agree to the step in the HENA Housing Distribution Paper methodology from paragraph 6.21 to 6.24 and the subsequent table 6.9 which apportions 197 dwellings per year of Leicester's unmet housing need. HBBC note the capping of the redistribution of Charnwood's numbers to 1,189 and believe that the accommodation of the resulting 197 dpa shortfall should be tested as part of each LPAs Local Plan process, including the current Charnwood Local Plan. In effect, this would mean that there was an unmet need of the original unmet need.
- 6.5 In addition, HBBC is of the view that the June 2021 SoCG was clear that the apportionment of unmet need would be informed by 4 pieces of work. Only two of these pieces have been completed, the HENA and the Sustainability Appraisal. Therefore, as reflected in this Statement, the apportionment is a starting point for testing and may be amended based on the completion of the Strategic Growth Options and Constraints mapping work and the Strategic Transport Assessment and the subsequently updated Sustainability Appraisal and the outcome of any local plan 'testing'.

- 6.6 This issue has been subject to discussion at officer level. It is your officer's view that having a residual unmet need is unacceptable and it is not possible to see how the approach advocated by HBBC could work in practice. It would also represent a risk to any local plans as it could be argued that the authorities have collectively failed to discharge the Duty to Cooperate. Basically, the issue needs to be addressed. In terms of the Growth Options and Transport Assessment work these will, as noted at paragraph 5.4, inform future work on the Strategic Growth Plan. To wait for the outcome from these would simply mean a delay in the preparation of local plans, something no authority can afford to do.
- 6.7 The outcome of the discussions is that the other authorities do not agree with HBBC and consider the apportionment to be justified by the evidence.

## **7 SHOULD THE COUNCIL SUPPORT THE STATEMENT OF COMMON GROUND?**

- 7.1 Officers are of the view that proposed distribution set out in the SoCG is based on a robust methodology for redistributing Leicester's unmet housing and employment need to the Leicestershire Districts/Boroughs.
- 7.2 Members will recall from previous reports that national policy is quite clear that when setting a housing requirement in a Local Plan that the outcome from the standard method is only the starting point and that it is necessary to have regard to a range of factors. In this respect the proposed distribution in the SoCG has had regard to the functional relationship between each authority and the City but also other factors including the balance between jobs and homes. This option has been tested alongside other reasonable alternatives through the Sustainability Appraisal. This process found the HENA housing distribution option performs as well or better than the alternatives for most sustainability topics, and there are no clear indications that suggest a different approach should be taken in the SoCG. The employment options appraisal is also broadly supportive of the HENA option.
- 7.3 As noted previously, the Council is required to demonstrate as part of the Local Plan review that it has complied with the Duty to Cooperate. If this Council decided not to support the outcome from the SoCG, then this would represent a significant risk to the Local Plan review. This is because whilst it could demonstrate that it has cooperated on preparing the SoCG, it would also be necessary to demonstrate as to why it was not appropriate to agree the SoCG. For the reasons outlined above it is considered that the process and methodology followed is robust. Whilst the proposed housing provision for this district (686 dwellings) is significantly above the outcome from the standard method, it is within the range of potential housing requirements recently consulted upon as part of the Local Plan review as this has had a figure up to 730 dwellings per annum.
- 7.4 The Council's Strategic Housing and Economic Land Availability Assessment (SHELAA) identifies a potential supply significantly in excess of the total requirement of 10,976 for the period covered by the SoCG (2020-36) (i.e. 686 x 16 years). The Local Plan is currently proposed to go to 2039 (i.e. an additional 3 years beyond the SoCG) but as the issue of growth in the City is likely to become more constrained through time, it would be reasonable to plan for this higher figure for the whole plan period (13,034 dwellings for 2020-39).
- 7.5 The deliverability of such a number is an issue to be assessed through the Local Plan review process. and if it was proven that it could not be delivered then it would be necessary to declare an unmet need which would have to be addressed through a further SoCG (and the same applies to all of the other authorities). However, at this time on the basis of available evidence there is nothing to show that this is the case and therefore, it is considered that there would not be any reasonable reason to not agree the SoCG.



- 7.6 The implications of the SoCG will be considered in more detail in a future report to this committee alongside considerations relating to the future development strategy as part of the Local Plan review.

| <b>Policies and other considerations, as appropriate</b> |   |
|--|---|
| Council Priorities:                                      | Local people live in high quality, affordable homes   |
| Policy Considerations:                                   | None identified   |
| Safeguarding:  | There are no implications directly arising from this report.  |
| Equalities/Diversity:                                    | There are no implications directly arising from this report.  |
| Customer Impact:   | There are no implications directly arising from this report.  |
| Economic and Social Impact:                              | The outcome of the Statement of Common Ground will be addressed as part of the Local Plan review  |
| Environment and Climate Change:                          | The outcome of the Statement of Common Ground will be addressed as part of the Local Plan review  |
| Consultation/Community Engagement:                       | The Statement of Common Ground has been the subject of direct engagement with all of the Leicester and Leicestershire authorities. The outcome of the Statement of Common Ground will be considered as part of the Local Plan review which will be subject to consultation with the community and wider stakeholders. |
| Risks:   | Not agreeing the Statement of Common Ground would represent a significant risk to the Local Plan review.  |
| Officer Contact  | Ian Nelson<br>Planning Policy and Land Charges Team Manager<br>01530 454677<br><a href="mailto:ian.nelson@nwleicestershire.gov.uk">ian.nelson@nwleicestershire.gov.uk</a>   |

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| <b>dpa</b>  | <b>Leicester</b> | <b>Blaby</b> | <b>Charnwood</b> | <b>Harborough</b> | <b>H &amp; B</b> | <b>Melton</b> | <b>NWL</b> | <b>O &amp; W</b> | <b>L &amp; L</b> |
|---|------------------|--------------|------------------|-------------------|------------------|---------------|------------|------------------|------------------|
| <b>Standard Method LHN</b>  | 2464             | 341          | 1111             | 534               | 472              | 231           | 372        | 188              | 5713             |
| <b>Amount to be redistributed from Leicester</b>                        | 1169             |              |                  |                   |                  |               |            |                  |                  |
| <b>Redistribution based on functional relationship to Leicester</b>     |                  | 27%          | 25%              | 11%               | 9%               | 2%            | 4%         | 22%              |                  |
| <b>Additional dpa</b>   |                  | 313          | 289              | 123               | 102              | 29            | 52         | 260              | 1169             |
| <b>Distribution based on Functional Relationship</b>                    | 1295             | 655          | 1400             | 657               | 574              | 260           | 424        | 448              | 5713             |
| <b>Adjustments to support Future Economic Growth</b>                    |                  |              |                  |                   |                  | 3             | 182        |                  | 185              |
| <b>Adjustments based on Current Plan Provision and Land Supply</b>      |                  |              |                  |                   |                  | 37            |            | -208             | -171             |
| <b>Residual Distribution with Adjustments</b>                           | 1295             | 655          | 1400             | 657               | 574              | 300           | 606        | 240              | 5727             |
| <b>Implied Stock Growth (CAGR, 2020-36)</b>                             | 0.9%             | 1.3%         | 1.6%             | 1.4%              | 1.0%             | 1.2%          | 1.2%       | 1.0%             | 1.2%             |
| <b>Final Adjustments to Support Deliverability and Manage Commuting</b> |                  | 32           | -211             |                   | 85               |               | 80         |                  |                  |
| <b>Proposed Redistributed Housing Provision (dpa 2020-36)</b>           | 1295             | 687          | 1189             | 657               | 659              | 300           | 686        | 240              | 5713             |

|                          |  |      |      |      |      |      |      |      |      |
|--------------------------|--|------|------|------|------|------|------|------|------|
| <b>Stock Growth CAGR</b> |  | 1.4% | 1.4% | 1.4% | 1.2% | 1.2% | 1.3% | 1.0% | 1.2% |
|--------------------------|--|------|------|------|------|------|------|------|------|

## SUSTAINABILITY APPRAISAL OF HOUSING OPTIONS – SUMMARY

Distribution options assessed

| Option  | Description   |
|---|---|
| 1 - Local Plan Roll Forward (Spread-Settlement Pattern) | <p>Leicester's unmet need is distributed to the Near Leicester Area (NLA), Market Towns and Other Identified Settlements on the following basis:</p> <ul style="list-style-type: none"> <li>• 34% to NLA</li> <li>• 33% to Market Towns</li> <li>• 33% to Other Identified Settlements</li> </ul> <p>It reflects a distribution that spreads Leicester's unmet need across Leicestershire based on the above settlement hierarchy and continues the existing pattern of development from existing Local Plans. The unmet need is shared first between the three settlement categories and then shared equally between LPAs with potential capacity in that settlement category.</p> |
| 2 - Spread (Equal Share)                                | <p>Leicester's unmet need is distributed 'equally' between the LPAs with potential capacity. The split is not based upon area size or population size.</p> <p>It is similar to Option 1. However, this option reflects a distribution that spreads Leicester's unmet need across Leicestershire on an equal basis to Districts. This option directs more growth to Melton and North West Leicestershire than Option 1.</p> <p>The unmet need is first shared equally between the LPAs with capacity and then distributed to the NLA, Market Towns and Other Identified Settlements taking account of capacity and settlement pattern.</p>   |
| 3 – Focus on Strategic Sites                            | <p>Leicester's unmet need is directed to Strategic Sites. The preference is to locate Leicester's unmet need to Strategic Sites within or close to the NLA. This includes potential sites meeting the following criteria:</p> <ul style="list-style-type: none"> <li>• Sites of at least 1000 homes. Priority may be given to sites able to create a standalone settlement with its own infrastructure (at least 3,500 dwellings).</li> <li>• Within or adjoining the Near Leicester Area, or within close proximity to the Near Leicester Area (i.e. within 1 or 2km of NLA boundary)</li> <li>• Potential to deliver homes up to 2036.</li> </ul>                                 |

|                               |   |
|-------------------------------|---|
|                               | <p>Where there is not sufficient capacity for strategic sites in the NLA, meeting the locational criteria, then strategic site options in the Market Towns and Other Settlements will be considered.</p> <p>The unmet need is shared to those new settlements adjoining or in close proximity to the Near Leicester Area. Where there is not sufficient capacity then other locations for strategic sites will be considered.</p>   |
| 4 – Near Leicester Area (NLA) | <p>100% of Leicester's unmet need is distributed in the Near Leicester Area (NLA).</p> <p>It reflects the principle that Leicester's unmet housing need should be located near to Leicester.</p> <p>The unmet need is shared equally between LPAs with potential housing capacity in the NLA taking account of the scale of that potential capacity.</p>  |
| 5 – HENA Distribution         | <p>The HENA identified a distribution where Leicester's unmet need is directed to:</p> <ul style="list-style-type: none"> <li>• Locations where there is expected jobs growth;</li> <li>• Authorities where there is a functional relationship with Leicester; and</li> <li>• Where the growth is deliverable in terms of land supply and market capacity.</li> </ul> <p>The HENA Report sets out an overall scale of growth for each District and this is the starting point for the distribution.</p> <p>To facilitate the appraisal and allow for differentiation in effects, an apportionment of indicative housing levels is made for each local authority for different levels of the settlement tiers.</p> |

### **Scoring indicators used**

Each option is tested against of range of sustainability indicators and given a score as follows:

|                   |     |                   |     |                              |   |
|-------------------|-----|-------------------|-----|------------------------------|---|
| Major positive    | ✓✓✓ | Minor negative    | ×   | Uncertain effects            | ? |
| Moderate positive | ✓✓  | Moderate negative | ××  | Neutral / negligible effects | - |
| Minor positive    | ✓   | Major negative    | ××× |                              |   |

**Table 5.1** Summary of appraisal scores for each option (Scenario A)

|                            |    | Biodiversity | Health & wellbeing | Housing | Economy | Transport     | Climate change | Landscape and land | Heritage | Water | Minerals |
|----------------------------|----|--------------|--------------------|---------|---------|---------------|----------------|--------------------|----------|-------|----------|
| <i>Settlement tiers</i>    | A1 | ✗            | ✗✗? / ✓✓?          | ✓✓✓?    | ✓✓✓?    | ✓✓/✗✗         | ✓              | ✗✗✗?               | ✗✗?      | -     | ✗        |
| <i>Equal Share</i>         | A2 | ✗            | ✗✗? / ✓✓           | ✓✓✓?    | ✓✓✓?    | ✓✓/✗✗         | ✓              | ✗✗✗?               | ✗✗?      | ✗?    | ✗        |
| <i>Strategic Sites</i>     | A3 | ✗ / ✓        | ✗/ ✓✓✓?            | ✓✓✓?    | ✓✓✓     | ✓✓/✗          | ✓✓             | ✗✗✗?               | ✗✗       | ✗?    | ✗        |
| <i>Near Leicester Area</i> | A4 | ✗            | ✗ / ✓✓             | ✓✓✓     | ✓✓✓     | ✓✓✓?/✗<br>✗✗? | ✓              | ✗✗?                | ✗        | ✗?    | ✗?       |
| <i>HENA distribution</i>   | A5 | ✗            | ✗✗ / ✓✓            | ✓✓✓     | ✓✓✓     | ✓✓/✗✗         | ✓✓?            | ✗✗                 | ✗✗       | ✗?    | ✗        |

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## SUSTAINABILITY APPRAISAL OF EMPLOYMENT OPTIONS – SUMMARY

### Distribution options assessed

| Option                              | Description   |
|-------------------------------------|---|
| 1. Local Plan Roll Forward (Spread) | Leicester's unmet need is distributed equally between the seven Local Planning Authorities.<br>This option directs more growth to Melton and North West Leicestershire than other options.  |
| 2. Strategic Sites                  | Leicester's unmet need is directed to Strategic Sites.<br>This option directs employment growth in line with the housing option for new settlements with a preference to locate Leicester's unmet need to new settlements within or close to the NLA as part of strategic sites of at least 1000 dwellings (priority may be given to standalone settlements) and the potential to deliver homes up to 2036. |
| 3. Near Leicester Focus             | 100% of Leicester's unmet is distributed in the Near Leicester Area (NLA).<br>It reflects the principle that Leicester's unmet employment need should be located near to Leicester. The unmet need is shared equally between LPAs with capacity in the NLA.   |
| 4 HENA Distribution                 | Leicester's unmet need is distributed to the Near Leicester Area taking account of existing commitments.  |

### Scoring indicators used

Each option is tested against of range of sustainability indicators and given a score as follows:

|                   |     |                   |     |                              |   |
|-------------------|-----|-------------------|-----|------------------------------|---|
| Major positive    | ✓✓✓ | Minor negative    | ×   | Uncertain effects            | ? |
| Moderate positive | ✓✓  | Moderate negative | ××  | Neutral / negligible effects | - |
| Minor positive    | ✓   | Major negative    | ××× |                              |   |

**Table 6.1** Summary of overall effects for the employment options

[illegible]

## CABINET – TUESDAY, 19 JULY 2022

|  |   |                           |
|--|---|---------------------------|
| <b>Title of Report</b>                     | <b>TREASURY MANAGEMENT STEWARDSHIP REPORT 2021/22</b>   |                           |
| <b>Presented by</b>                        | Councillor Nick Rushton<br>Corporate Portfolio Holder   |                           |
| <b>Background Papers</b>                   | <a href="#">Capital Strategy 2022/23</a> – Council 1 February 2022<br><br><a href="#">Treasury Management Strategy Statement 2022/23 and Prudential Indicators 2021/22 to 2023/24</a> – Council 1 February 2022<br><br><a href="#">Investment Strategy – Service and Commercial 2022/23</a> – Council 1 February 2022<br><br><a href="#">Budget and Council Tax 2022/2023</a> – Council 1 February 2022<br><br><a href="#">Treasury Management Activity Report April 2021 to December 2021</a> – Audit and Governance 19 January 2022             | <b>Public Report:</b> Yes |
|  |   | <b>Key Decision:</b> No   |
| <b>Financial Implications</b>              | <p>A total of £47,000 in investment interest was earned on balances. This is mainly split between the General Fund £26,000, Housing Revenue Account £15,000 and S106 Fund £6,000.</p> <p>Annual principal repayment of £14.2 million was paid on PWLB loans for the Housing Revenue Account.</p> <p>In addition, interest on loans of £2.7m was paid on external debt, of which £2.2m was for the Housing Revenue Account and £400k for the General Fund.</p> <p>The above has an impact on the financial resources available to the Council.</p> |                           |
|  | <b>Signed off by the Section 151 Officer:</b> Yes   |                           |
| <b>Legal Implications</b>                  | <b>The Council is required to report Treasury Management activity to Cabinet</b>  |                           |
|  | <b>Signed off by the Monitoring Officer:</b> Yes  |                           |
| <b>Staffing and Corporate Implications</b> |   |                           |
|  | <b>Signed off by the Head of Paid Service:</b> Yes  |                           |
| <b>Purpose of Report</b>                   | To inform Cabinet of the Council's Treasury Management activity undertaken for the financial year 2021/22.  |                           |

|                            |   |
|----------------------------|---|
| <b>Reason for Decision</b> | Informing Cabinet of the Council's Treasury Management activity is a statutory requirement. |
| <b>Recommendations</b>     | <b>THAT CABINET APPROVE THIS REPORT.</b>  |

## 1.0 BACKGROUND

- 1.1 Treasury Management activity is underpinned by CIPFA's Code of Practice on Treasury Management ("the code"), which requires local authorities to produce Prudential Indicators and a Treasury Management Strategy Statement annually on the likely financing and Investment activity.
- 1.2 This report fulfils the council's legal obligation under the Local Government Act 2003, to have regard to both the CIPFA Code and the Statutory Guidance on Local Government Investments.
- 1.3 In 2021/22, Council approved its Capital Strategy (included in the Budget and Council Tax report) and Treasury Management Strategy Statement, including the Borrowing Strategy, Debt Rescheduling Strategy, Annual Investment Policy and Strategy, Interest Apportionment Policy, Prudential Indicators and Annual Minimum Revenue Position Statement in its meeting on 23 February 2022.
- 1.4 Investing or borrowing activities expose the council to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risks are therefore central to the council's treasury management strategy.

## 2.0 THE U.K. ECONOMY AND OTHER FACTORS

- 2.0 An economic update and interest rate forecast, as follows, has been provided by our Treasury advisors Arlingclose on 4 April 2022.

### Economic Commentary

**Economic background:** The continuing economic recovery from coronavirus pandemic, together with the war in Ukraine, higher inflation, and higher interest rates were major issues over the period.

Bank Rate was 0.1% at the beginning of the reporting period. April and May saw the economy gathering momentum as the shackles of the pandemic restrictions were eased. Despite the improving outlook, market expectations were that the Bank of England would delay rate rises until 2022. Rising, persistent inflation changed that.

UK CPI was 0.7% in March 2021 but thereafter began to steadily increase. Initially driven by energy price effects and by inflation in sectors such as retail and hospitality which were re-opening after the pandemic lockdowns, inflation then was believed to be temporary. Thereafter price rises slowly became more widespread, as a combination of rising global costs and strong demand was exacerbated by supply shortages and transport dislocations. The surge in wholesale gas and electricity prices led to elevated inflation expectations. CPI for February 2022 registered 6.2% year on year, up from 5.5% in the previous month and the highest reading in the National Statistic series. Core inflation, which excludes the more volatile components, rose to 5.2% y/y from 4.4%.

The government's jobs furlough scheme insulated the labour market from the worst effects of the pandemic. The labour market began to tighten and demand for workers grew strongly as employers found it increasingly difficult to find workers to fill vacant jobs. Having peaked at 5.2%

in December 2020, unemployment continued to fall and the most recent labour market data for the three months to January 2022 showed the unemployment rate at 3.9% while the employment rate rose to 75.6%. Headline 3-month average annual growth rate for wages were 4.8% for total pay and 3.8% for regular pay. In real terms, after adjusting for inflation, total pay growth was up 0.1% while regular pay fell by 1.0%.

With the fading of lockdown – and, briefly, the ‘pingdemic’ – restraints, activity in consumer-facing sectors improved substantially as did sectors such as oil and mining with the reopening of oil rigs but materials shortages and the reduction in the real spending power of households and businesses dampened some of the growth momentum. Gross domestic product (GDP) grew by an upwardly revised 1.3% in the fourth calendar quarter of 2021 according to the final estimate (initial estimate 1.0%) and took UK GDP to just 0.1% below where it was before the pandemic. The annual growth rate was revised down slightly to 7.4% (from 7.5%) following a revised 9.3% fall in 2020.

Having increased Bank Rate from 0.10% to 0.25% in December, the Bank of England hiked it further to 0.50% in February and 0.75% in March. At the meeting in February, the Monetary Policy Committee (MPC) voted unanimously to start reducing the stock of its asset purchase scheme by ceasing to reinvest the proceeds from maturing bonds as well as starting a programme of selling its corporate bonds.

In its March interest rate announcement, the MPC noted that the invasion of Ukraine had caused further large increases in energy and other commodity prices, with the expectation that the conflict will worsen supply chain disruptions around the world and push CPI inflation to around 8% later in 2022, even higher than forecast only a month before in the February Monetary Policy Report. The Committee also noted that although GDP in January was stronger than expected with business confidence holding up and the labour market remaining robust, consumer confidence had fallen due to the squeeze in real household incomes.

GDP growth in the euro zone increased by 0.3% in calendar Q4 2021 following a gain of 2.3% in the third quarter and 2.2% in the second. Headline inflation remains high, with CPI registering a record 7.5% year-on-year in March, the ninth successive month of rising inflation. Core CPI inflation was 3.0% y/y in March, was well above the European Central Bank’s target of ‘below, but close to 2%’, putting further pressure on its long-term stance of holding its main interest rate of 0%.

The US economy expanded at a downwardly revised annualised rate of 6.9% in Q4 2021, a sharp increase from a gain of 2.3% in the previous quarter. In its March 2022 interest rate announcement, the Federal Reserve raised the Fed Funds rate to between 0.25% and 0.50% and outlined further increases should be expected in the coming months. The Fed also repeated its plan to reduce its asset purchase programme which could start by May 2022.

**Financial markets:** The conflict in Ukraine added further volatility to the already uncertain inflation and interest rate outlook over the period. The Dow Jones started to decline in January but remained above its pre-pandemic level by the end of the period while the FTSE 250 and FTSE 100 also fell and ended the quarter below their pre-March 2020 levels.

Bond yields were similarly volatile as the tension between higher inflation and flight to quality from the war pushed and pulled yields, but with a general upward trend from higher interest rates dominating as yields generally climbed.

The 5-year UK benchmark gilt yield began the quarter at 0.82% before rising to 1.41%. Over the same period the 10-year gilt yield rose from 0.97% to 1.61% and the 20-year yield from 1.20% to 1.82%.

The Sterling Overnight Rate (SONIA) averaged 0.39% over the quarter.

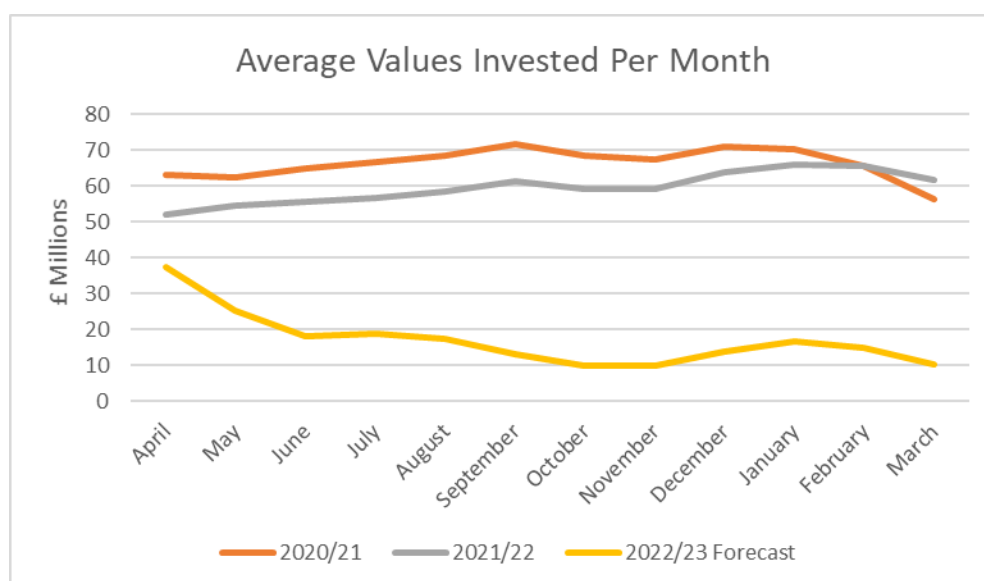
### 3.0 THE COUNCIL'S TREASURY POSITION.

3.1 The Council's current strategy is to use internal borrowing to reduce risk and keep interest costs low. The treasury management position and the change over the reporting period is shown in the table below.

|                             | 01.04.21<br>Balance<br>£m | Movement<br>£m | 31.03.22<br>Balance<br>£m | 31.03.22<br>Rate<br>% |
|-----------------------------|---------------------------|----------------|---------------------------|-----------------------|
| Long-term borrowing         | 79.05                     | -14.19         | 64.86                     | 3.37%                 |
| Short-term borrowing        | 0.00                      | 0.00           | 0.00                      | 0                     |
| <b>Total borrowing</b>      | <b>79.05</b>              | <b>-14.19</b>  | <b>64.86</b>              | <b>3.37%</b>          |
| Long-term investments       | 0.00                      | 0.00           | 0                         | 0                     |
| Short-term investments      | 33.00                     | -2.00          | 31.00                     | 0.67%                 |
| Cash and cash equivalents   | 14.50                     | 3.50           | 18.00                     | 0.38%                 |
| <b>Total investments</b>    | <b>47.50</b>              | <b>1.50</b>    | <b>49.00</b>              | <b>0.55%</b>          |
| Net Borrowing - Investments | 31.55                     |                | 15.86                     |                       |

3.2 The average value of treasury balances per month are shown in the graph below. The forecasted balances for 2022/23 based on expected cash flows are also shown in the graph. The 2022/23 levels are significantly lower than previous years largely due to:

- The repayment of £14m of HRA PWLB loans on the 28 March 2022;
- A £1m bond repayment is due to Cornwall County Council in September 2022;
- Covid 19 and energy rebate grant payments; and
- The delivery of capital programmes.



#### **4.0 BORROWING ACTIVITY.**

- 4.1 The Council's Borrowing Strategy 2022/23 incorporates a prudent and pragmatic approach to borrowing to minimise borrowing costs without compromising the longer-term stability of the portfolio, consistent with the Council's Prudential Indicators.
- 4.2 In 2021/22 two HRA PWLB loans matured at a value of £13m on the 28 March 2022. Additionally, two HRA PWLB annuity loans that require a part of the principle to be repaid each year were repaid at a value of £1.2m. £2.7m has been paid in interest on existing loans split over both the GF and the HRA.
- 4.3 The Treasury Management Strategy Statement (TMSS) identified that borrowing would potentially be required during 2022/23 to maintain MIFID investment levels of £10m. Maintaining £10m in investment balances allows the Council to keep its professional investment status giving greater access to investment opportunities and higher level advice from our treasury advisors Arlingclose. A decision has been made by a previous Head of Finance to keep balances at a minimum £10m for this reason. If borrowing is required during 2022/23 short term investments will be used to maintain balances and keep borrowing costs down until the time at which it is identified that a longer period of borrowing is required.
- 4.4 The Council had approximately £16m of internal debt at 31 March 2022. This is the cumulative value of internal cash balances used to finance new capital expenditure instead of financing through unsupported borrowing. This is currently judged to be the most cost-effective means of funding the capital programme.
- 4.5 The estimated Minimum Revenue Provision (MRP) is intended to ensure that the capital financing debt is paid off over the longer term. The MRP charge made to General Fund revenue account for 2020/21 is £962k.
- 4.6 The Housing Revenue Account is not required to make MRP charges. However, the Council classes the principal repayments made in respect of the two PWLB annuity loans taken out as part of the housing self-financing in 2011/12, as MRP. In 2021/22, this repayment was £14.2m.

#### **5.0 DEBT RESCHEDULING ACTIVITY.**

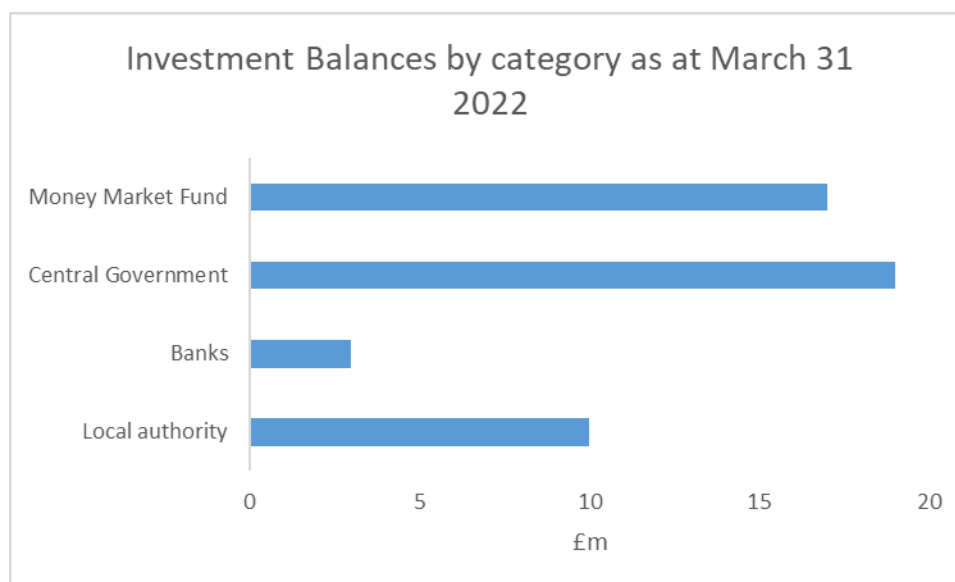
- 5.1 The Council's Debt Rescheduling Strategy 2021/2022 established a flexible approach where the rationale for rescheduling could be one or more of the following:
- Savings in interest costs with minimal risk.
  - Balancing the volatility profile (i.e. the ratio of fixed to variable rate debt) of the debt portfolio.
  - Amending the profile of maturing debt to reduce any inherent refinancing risks.
- 5.2 No opportunities for debt rescheduling were identified which conformed to the above rationale. Accordingly, the council has undertaken no debt rescheduling activity during the year.
- 5.3 The council's portfolio of eleven loans - eight PWLB loans and three market loans continue to be monitored alongside Arlingclose for debt rescheduling opportunities.

#### **6.0 TREASURY MANAGEMENT INVESTMENT ACTIVITY.**

- 6.1 The main objective of the council's Investment Policy and Strategy 2021/22 is to invest its surplus funds prudently.
- 6.2 The council's investment priorities (S.L.Y.) are:
- **S**ecurity of the invested capital;
  - **L**iquidity to permit investments; and,

- Optimum Yield which is commensurate with security and liquidity.

6.3 To lower the inherent investment risk, the Council has set limits for the amount invested in each type of investment. This can be found in the Treasury Management Strategy Statement for 2021/22 and has been updated for the next financial year in the Treasury Management Strategy Statement 2022/23. A range of lengths of investment from overnight to 304 days are currently utilised to ensure that the principles of security, liquidity and yield are followed. The table below shows the range of counterparties used by the council and the values invested at 31 March 2022.

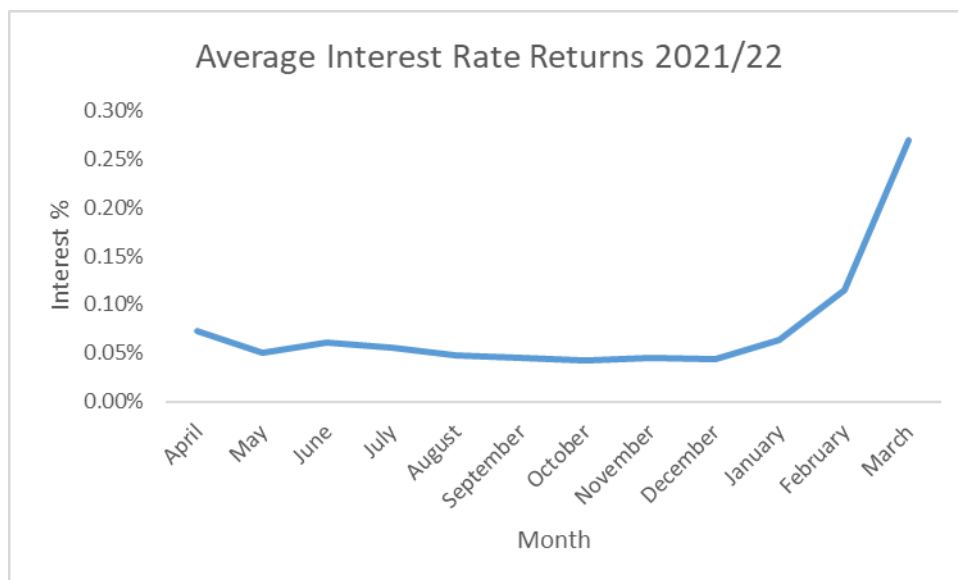


- 6.4 The counterparties that the council currently use all meet the criteria set out in the Treasury Management Strategy Statement 2021/22 and are monitored by the Treasury Management Advisors. A detailed list of the counterparties used and amounts currently invested can be seen in Appendix A.
- 6.5 The Council's investments are made with reference to the Council's cash flow forecast, the outlook for the UK Bank Rate, money market rates, the economic outlook and advice from the Council's treasury adviser.
- 6.6 The Council exercises due diligence by assessing the organisation's financial stability. This is achieved by reviewing their credit status, most recent audited financial statements, auditor's report, budget report and current news which is financial in nature. All decisions are signed off the by the Section 151 Officer or the Deputy Section 151 Officer.
- 6.7 The average rate of return on the Council's investment balances for the year was 0.08%. For comparison purposes, the average benchmark return, SONIA (Sterling Overnight Index Average), for the year was 0.14%. The Council's returns are lower than comparison largely due to taking a very low risk approach in addition to not having funds invested in longer term, higher yield investments due to forecasts expecting the Council to enter into a borrowing position during the next financial year.
- 6.8 Paragraph 6.7 above explains that the current average rate of return of 0.08% has been achieved. This was an over performance from the budgeted interest of 0.03%, this was achieved in part due to the increased bank rate from 0.1% to 0.25% in December 2021 increasing investment income across the board. Bank rate was also increased in February 2022 to 0.5% and again to 0.75% in March 2022. The effects of the later increases can be seen in an increased investment return towards the end of the year shown in the below graph (6.10).



6.9 Investment return for the year was £47,000 which is £36,000 above the budgeted figure of £11,000. This was largely due to the unanticipated bank rate increases which led to increased investment income.

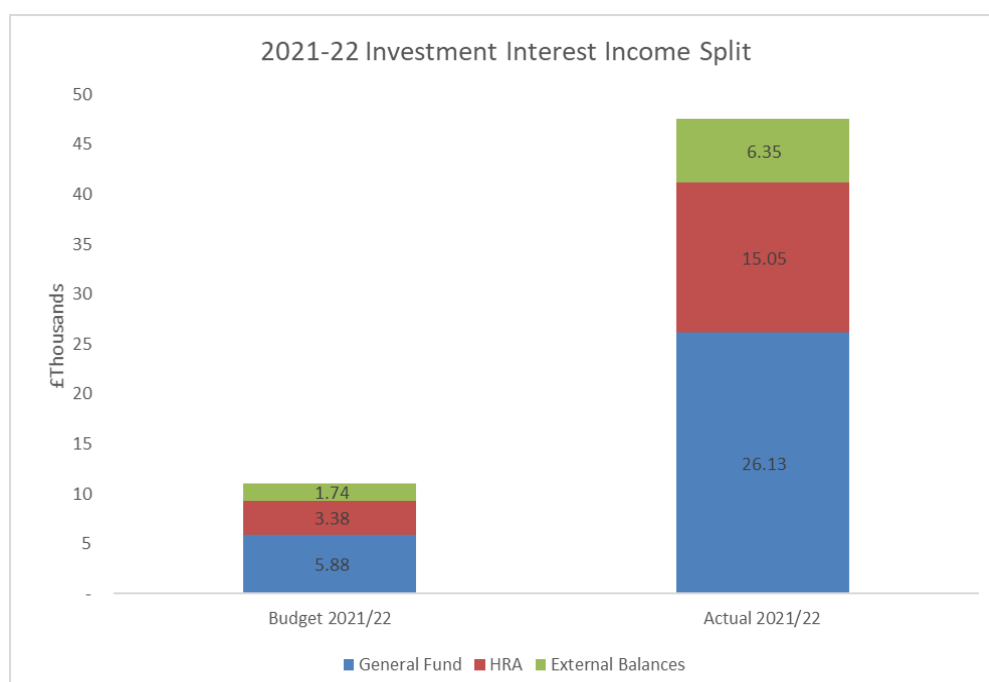
6.10 Average investment percentage returns for the year are shown in the graph below.



6.11 Of the income achieved, an element is applied to balances held on external income. This external income largely represents balances from S106 contributions that have not yet been spent. The amount to be applied is forecast at £6,000. This is not budgeted for as S106 contributions are only achieved when specific conditions are met and are anticipated to be spent.

6.12 The remaining balance of £41,000 is apportioned between the General Fund which will receive £26,000 and Housing Revenue Account which will receive £15,000.

6.13 The budgeted and actual levels of investment income to be apportioned amongst various funds are represented in the table below.



6.14 There were two breaches of investment limits in the year. These have been reported in year to the Audit and Governance Committee:

1. On 20 July 2021 an expected repayment of a loan from a Local Authority was not received resulting in an overdrawn balance of £4.7m. The Local Authority was contacted and funds repaid the following day along with the Authority being invoiced the charge for the overnight overdraft.
2. On 1 December 2021 the bank balance limit of £5m was exceeded by £79,000 this was due to an unexpected, large payment of rates being received into the Council's bank account late in the day.

## 7.0 NON-TREASURY INVESTMENT ACTIVITY

7.1 The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. This is replicated in Statutory Investment Guidance, in which the definition of investments is further broadened to include all such assets held partially for financial return.

7.2 The following list represents the council's current investments in this area.

| Property or Type         | Value at 31 Mar 2022 |
|--------------------------|----------------------|
| Industrial Units         | £6.5 million         |
| Markets                  | £0.2 million         |
| Land                     | £0.6 million         |
| Whitwick Business Centre | £1.8 million         |

7.3 More detailed information can be found in the "Investment Strategy – Service and Commercial" which was presented to Council on 24 February 2022.

## 8.0 SUMMARY

8.1 For the financial year 2021/22, the council can confirm that it has complied with its Prudential Indicators, which were approved as part of the council's Treasury Management Strategy Statement

8.2 The Council can confirm that during the financial year, other than the breach of prescribed limit detailed in paragraph 6.14, it has complied with its Treasury Management Practices.

| Policies and other considerations, as appropriate |   |
|---|---|
| Council Priorities:                               | Value for Money                                   |
| Policy Considerations:                            | Treasury Management Strategy Statement            |
| Safeguarding:                                     | Not Applicable                                    |
| Equalities/Diversity:                             | Not Applicable                                    |
| Customer Impact:                                  | Not Applicable                                    |
| Economic and Social Impact:                       | Not Applicable                                    |
| Environment and Climate Change:                   | Not Applicable                                    |
| Consultation/Community Engagement:                | Audit Committee – 20 April 2022                   |
| Risks:  | Borrowing and investment both carry an element of |

|                 |  |
|-----------------|--|
|                 | <p>risk. This risk is mitigated through the adoption of the Treasury and Investment Strategies, compliance with the CIPFA code of Treasury Management and the retention of Treasury Management Advisors (Arlingclose) to proffer expert advice</p> |
| Officer Contact | <p>Anna Crouch<br/> Finance Team Manager &amp; Deputy S151 Officer<br/> <a href="mailto:anna.crouch@nwleicestershire.gov.uk">anna.crouch@nwleicestershire.gov.uk</a></p>   |

## Counterparties and Investment Summary as at 31/03/2022

| Investments as of 31/03/2022  |           |                      |               |
|-------------------------------|-----------|----------------------|---------------|
| Counterparty                  | Length    | Amount               | Interest Rate |
| Goldman Sachs MMF             | Overnight | 1,000,000.00         | 0.50%         |
| Blackrock MMF                 | Overnight | 5,000,000.00         | 0.32%         |
| Aberdeen Asset Management MMF | Overnight | 5,000,000.00         | 0.43%         |
| Federated Investors MMF       | Overnight | 2,000,000.00         | 0.41%         |
| CCLA MMF                      | Overnight | 4,000,000.00         | 0.30%         |
| Santander Notice Account      | 95 days   | 2,000,000.00         | 0.55%         |
| Lloyds Market Call Account    | Overnight | 1,000,000.00         | 0.01%         |
| Birmingham City Council       | 304 days  | 5,000,000.00         | 0.18%         |
| London Borough of Southwark   | 184 days  | 5,000,000.00         | 0.75%         |
| DMADF                         | Various   | 19,000,000.00        | 0.39%         |
|                               |           |                      |               |
| <b>Total</b>                  |           | <b>49,000,000.00</b> | <b>0.54%</b>  |

## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 19 JULY 2022



|  |   |                           |
|--|---|---------------------------|
| <b>Title of Report</b>                     | <b>MEDIUM TERM FINANCIAL PLAN OUTLOOK</b>   |                           |
| <b>Presented by</b>                        | Councillor Nicholas Rushton<br>Corporate Portfolio Holder   |                           |
| <b>Background Papers</b>                   | <a href="#">2022-2027 Medium Term Financial Plans</a> Cabinet 1<br>February 2022  | <b>Public Report:</b> Yes |
|  |   | <b>Key Decision:</b> Yes  |
| <b>Financial Implications</b>              | <p>The medium term financial plan outlook sets out the environment for the Council's five year financial position, and should be considered when making strategic decisions.</p> <p>There remains significant uncertainty around the general fund's funding position over the medium term but structural deficits are likely to arise within the next 4 years.</p> <p>The HRA, as a self-financing account, remains healthy, with occasional deficits over the medium term period driven by the need to fund the HRA capital programme. Deficits are fully funded through the HRA's working balances.</p> |                           |
|  | <b>Signed off by the Section 151 Officer:</b> Yes   |                           |
| <b>Legal Implications</b>                  | There are no direct legal implications  |                           |
|  | <b>Signed off by the Monitoring Officer:</b> Yes  |                           |
| <b>Staffing and Corporate Implications</b> | <p>There are no immediate staffing or corporate implications. However, over the medium term there may be significant implications if the Council's key funding sources reduce as expected. This will be reviewed as part of the service and financial planning process and revised plans put in place as appropriate.</p>   |                           |
|  | <b>Signed off by the Head of Paid Service:</b> Yes  |                           |
| <b>Purpose of Report</b>                   | To update Cabinet on the Council's medium term financial outlook and to approve the approach to setting the 2023/24 budget.   |                           |
| <b>Reason for Decision</b>                 | To approve the planned approach to budget setting for 2023/24.  |                           |
| <b>Recommendations</b>                     | <p><b>THAT CABINET:</b></p> <p><b>1. NOTE THE REVISED MEDIUM TERM FINANCIAL OUTLOOK, IN PARTICULAR THE UNCERTAINTY SURROUNDING THE COUNCIL'S GENERAL FUND POSITION AND THE LIKELY DELAY, BY A</b></p>   |                           |

|  |  |
|--|--|
|  | <p><b>FURTHER ONE YEAR, OF LOCAL GOVERNMENT FUNDING REFORMS FROM THE POSITION REPORTED IN FEBRUARY 2022.</b></p> <p><b>2. APPROVES THE PLANNED APPROACH TO BUDGET SETTING THIS YEAR.</b></p> |
|--|--|

## 1. BACKGROUND

- 1.1 This report sets out the Council's latest medium term financial plan (MTFP) outlook and the environment that underpin those, with a view to guiding the Council's approach to setting the budgets for 2023/24. At this stage, only factors affecting the plans have been communicated, based on the latest information available. Planned expenditure over the medium term has not been updated.

## 2. GENERAL FUND MEDIUM TERM FINANCIAL PLAN

- 2.1. The medium term financial plan, reported to Council in February 2022, estimated that the general fund would suffer a £30.4m anticipated underlying funding gap over the five-year period 2022/23 to 2026/27. This funding gap was caused by anticipated changes in government policy that would see the council lose significant amounts of funding, specially related to retained business rates and new homes bonus income.
- 2.2. This gap would be offset by making savings over the five-year period, totalling £5.8 million, and the use of one-off reserves totalling £9.4m with the remaining gap in financial years 2024/25 to 2026/27 of £15.3m being covered by future saving and efficiency programmes to be scoped and developed.

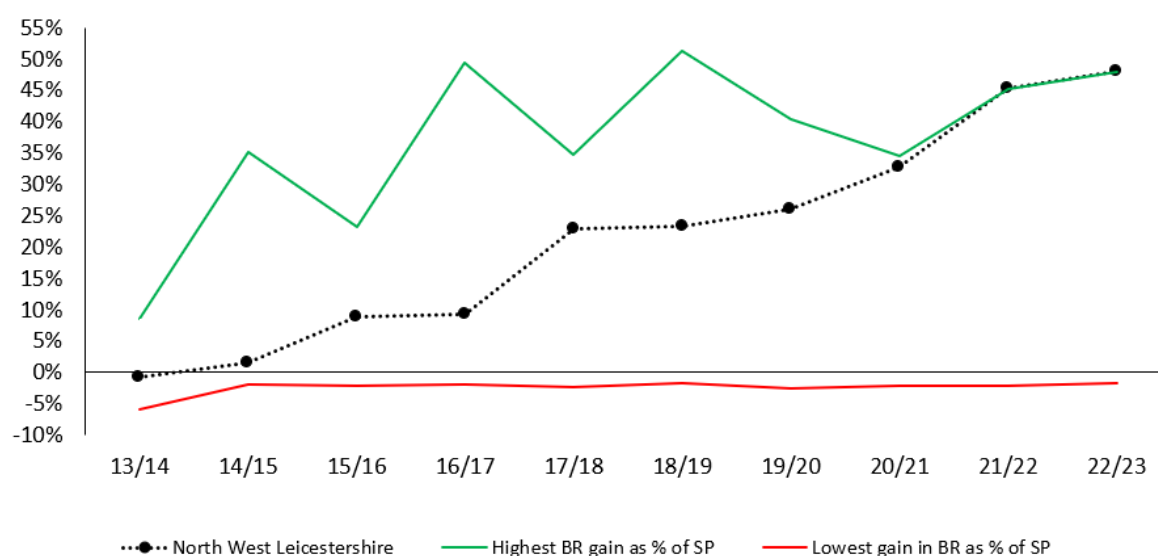
Table 1 – Medium Term financial Plan Deficit

|   | 2022/23          | 2023/24          | 2024/25          | 2025/26          | 2026/27          |
|---|------------------|------------------|------------------|------------------|------------------|
| Net Revenue Expenditure                   | 16,705,449       | 18,556,133       | 18,591,745       | 18,874,385       | 19,350,945       |
| Income/Funding                            | 17,006,504       | 11,129,082       | 11,349,094       | 10,800,209       | 11,355,126       |
| <b>Anticipated Underlying Funding Gap</b> | <b>(301,055)</b> | <b>7,427,051</b> | <b>7,242,651</b> | <b>8,074,176</b> | <b>7,995,819</b> |
| Targeted savings in relation to J2SS      | (895,000)        | (1,120,000)      | (1,245,000)      | (1,270,000)      | (1,270,000)      |
| J2SS Reserves                             | 1,196,055        | (3,242,222)      | (4,260,921)      | 0                | 0                |
| Business Rate Reserves                    | -                | -                | 3,064,829        | -                | -                |
| <b>Anticipated Baseline Funding Gap</b>   | <b>0</b>         | <b>0</b>         | <b>1,736,730</b> | <b>6,804,176</b> | <b>6,725,819</b> |

- 2.3. The reductions in funding communicated in February 2022 were caused by anticipated local government funding reforms due to take effect from 2023/24. This would have resulted and affected a resetting of the business rates retention schemes, which North West Leicestershire District Council has particularly benefited from over the past 10 years. This scheme allows local authorities to keep a proportion of the growth in business rates within its area, with the baseline reset periodically. That reset is now long overdue, as it is part of Government's wider reviews into local authority funding.
- 2.4. As chart 1 indicates North West Leicestershire District Council is now the highest business rate gaining district in England as a percentage of its spending power (48%), now standing at £5.5m over baselines. In essence, the reset would result in the district

losing this income. The district has seen considerable growth over the past 10 years and in particular over the past 3-4 years, comparing against neighbouring districts (table 2) the North West Leicestershire District business rates above baseline have grown to levels now totalling the value of the next two neighbouring districts (Harborough and Blaby) combined.

Chart 1 – NWLDC Business Rate Gain/(Loss) Post Levy As A Percentage of Spending Power



- 2.5. The medium term plan also anticipated local government funding reforms would also have resulted in a reset of the New Homes Bonus regime resulting in a reduction of funding for the Council of £2.2m from 2023/24.

Table 2 – Business Rate Growth Over Period 2013/14 to 2022/23 by Leicestershire District

| District              | Rates Gain as % of SP | Business Rates Gain Above Baseline |
|-----------------------|-----------------------|------------------------------------|
| <b>NWLDC</b>          | <b>47.91%</b>         | <b>5,548,695</b>                   |
| Harborough            | 25.50%                | 2,854,326                          |
| Blaby                 | 22.81%                | 2,424,086                          |
| Hinckley and Bosworth | 20.41%                | 1,950,502                          |
| Melton                | 10.87%                | 707,732                            |
| Charnwood             | 1.14%                 | 196,149                            |
| Oadby and Wigston     | 2.67%                 | 165,861                            |

- 2.6. Considering the substantial business rates retained within North West Leicestershire and the embedding of significant elements of this funding into the net revenue expenditure of the Council the timing and make-up of the anticipated reform is a key financial variable for the Council's medium term financial plan.

### 3. MEDIUM TERM OUTLOOK

- 3.1. A delay in the local government funding reforms until after 2023/24 now seems to be inevitable. Although government ministers had given a strong commitment to update the current funding regime, they were careful not to commit to a specific date. And whilst 2023/24 would have been the Government's preferred timeframe, it is now getting too late to implement any fundamental changes to funding in 2023/24.
- 3.2. To allow for major changes would require a full consultation paper before the parliamentary recess in July with working groups with local authorities needing to be arranged to allow for review, feedback and formal scrutiny. Even seemingly innocuous changes in the funding formulas could cause very significant changes in funding distribution as much of the system is now so out-of-date that any update/changes even marginally can have very significant distributional consequences, sometimes unforeseen.
- 3.3. This was reinforced by the speech that the then Secretary of State Michael Gove, gave to the Local Government conference on 28 June 2022 when he stated that local authorities would be given greater financial certainty, with a simplification of the number of funding streams being introduced and a new two-year settlement which it is assumed would cover the periods 2023-24 and 2024-25.
- 3.4. The proposal for a two-year settlement suggests that there will be rollover settlements in both 2023-24 and 2024-25. That is, that financial settlements will be broadly similar to the 2022-23 settlement. The Fair funding Review, business rates baseline reset, and other funding reforms now look set to be pushed back to 2025-26.
- 3.5. As a result, it is now safe to assume that the funding reforms will not be implemented at the earliest until 2024/25, so in essence a year later than the Council's medium term financial plan had assumed in February 2022.
- 3.6. There are also positive reasons for delay: the Census 2021 data will be available to use in a settlement in 2024/25 or later and there is likely to be a new spending review in 2024. It is therefore safe to assume a rollover settlement in 2023/24, and with the full range of funding reforms implemented in 2024/25. It is possible due to the impending timeline of a general election that even a two-year rollover could be announced, perhaps on a phased basis.
- 3.7. The final New Homes Bonus (NHB) legacy payment was also paid in 2022/23 and in theory (and modelled in the Council's medium term financial plan in February) there will be no further NHB payments in 2023/24 or beyond, the Council is scheduled to receive £2.2m of NHB in 2022/23. However, if there is a roll-over settlement year next year, it would be a reasonable assumption that a further one-off payment would be possible. If that is the case, it will be the fourth year in a row that ministers have made an additional one-off payment.
- 3.8. It therefore seems likely that the following grants and pilots will also continue into 2023/24 and be allocated on the same basis as 2022/23. It is possible, though, that ministers might look at alternative options, although that seems unlikely:
  - 3.8.1. Lower Tier Services Grant
  - 3.8.2. Services Grant
  - 3.8.3. Business Rate Pilots



- 3.9. It is also likely that Council Tax increases will again be capped at the maximum “core” increase of 1.99%, with districts allowed to increase by £5 if this is higher.

#### **4. JOURNEY TO SELF SUFFICIENCY RESERVES**

- 4.1. The Council’s MTFP sought to mitigate against the risks outlined in section 2 above by setting aside surpluses into a reserve, known as the Journey to Self Sufficiency Reserve (J2SS). This is forecast to total £6.3m at the end of financial year 2022/23, with an update on the latest position available following the provisional outturn.
- 4.2. The reserve provides the Council with resources to fund spend to save initiatives and activities to manage the transition through to the anticipated local government funding reforms and/or offset some future years of deficits as a one-off intervention.
- 4.3. The medium term financial plan, reported to Council in February 2022 set out that this fund would be fully depleted by the end of 2024/25 in the main through the offset of deficits forecasted in 2023/24 and 2024/25.
- 4.4. The now likely delay in funding reforms until at the earliest until 2024/25 will, if all other variables remain consistent with the MTFP as set out in February, result in the requirement for the J2SS reserve to offset deficits over the period 2024/25 and 2025/26 rather than the earlier period indicated in 4.3 above.

#### **5. EXTERNAL TRADING ENVIRONMENT**

- 5.1. It is now likely that the external trading environment and UK economy will have a number of adverse impacts on the Council’s short to medium term financial plan that were either unforeseen or not as acute last year:

##### **5.1.1. UK Inflation**

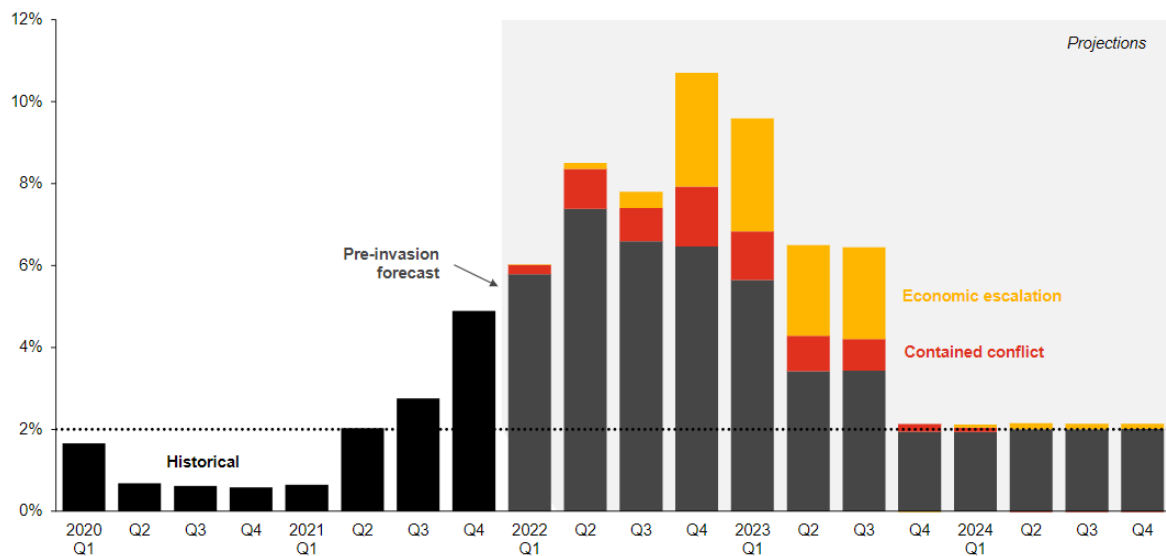
The Consumer Prices Index (CPI) surged to a three decade high of 6.2% in February, more than four percentage points above the Bank of England’s 2% target inflation rate. Around half of the contribution to the headline inflation was driven by fuel, food and electricity prices. In the next few months, households and businesses will need to brace for further price increases, as the war in Ukraine adds to existing inflationary pressures (red bar in chart 2).

The UK inflation rate is forecast to hit a 40 year high of around 11% in Q4 2022, with the energy price cap likely to increase by a further 75%.

UK businesses and public sector organisations do not benefit from energy price caps and therefore the Council is expected to see significant pressures on utility and energy costs which will feed into the short-term planning assumptions/proposals for the budget in 2023/24 and probably 2024/25.

National negotiations are currently taking place with regard to the 2022-23 pay claim but it is likely that there will be pressure on the employers’ side to increase the offer beyond the indicative 4% which we have made provision for in this year’s budget.

Chart 2 - CPI inflation (year-on-year), 2020 Q1 to 2024 Q4



Sources: ONS, PwC analysis

### 5.1.2. Household Incomes and Wage Inflation

The UK's households are under significant financial pressures due to the inflationary impacts of fuel, utilities and food prices. The extent of the cost-of-living squeeze now taking place will impact all household budgets materially, but is likely to be felt most acutely amongst lower income brackets. Along with other factors such as the number of job vacancies and high level of employment there is likely to be significant pressures on higher than inflation pay awards. With public sector finances in the position they are, requiring constraint across all sectors due to the significant rising national debt costs, the pressure on the demands for pay awards and the ability to facilitate them is likely to be intense.

## 6. HOUSING REVENUE ACCOUNT MEDIUM TERM FINANCIAL OUTLOOK

- 6.1. The previous medium term financial position, reported to Council in September 2021, estimated that the Housing Revenue Account would have a £1.7 million deficit over the five-year period. Unlike the General Fund, HRA is financially self-sufficient with a stable income stream from rents. The 5 year deficit is a result of large revenue contributions to capital to fund the HRA capital programme – a cost which is fully met from the HRA's reserve position.
- 6.2. Rental income is the primary income for the HRA, with rent setting regulated by government, with the current policy limiting rent increases to CPI+1% each year until March 2025, this is built into the Council's medium-term financial plans. It is not known what the rent guidance/policy will be after that period, but the current assumption is that rent increases will be in line with CPI from April 2025.
- 6.3. The underlying rises seen and forecasted in CPI over the next 1-2 years and the pressures on households budgets will undoubtedly place pressures on Council's across the country to respond with below inflation rent rises. However, this will prove difficult during a period when underlying costs themselves within the HRA are also rising linked to the underlying economic conditions, outlined in section 5.

- 6.4. The medium and longer term challenge for the HRA is responding to new emerging priorities, such as reducing the carbon footprint of council homes, a potential new standard for the decency of homes and Government's new social housing white paper.

## 7. APPROACH TO SETTING THE 2023/24 BUDGET

- 7.1. The medium term financial position and outlook presented in this report shows that there are significant financial risks on the horizon for the Council, although uncertainty remains as to how and when they will crystallise and what the precise impact will be. It is now highly likely that the deficits outlined to Council in February have moved out to the right, by a now further one year funding rollover into 2023/24. There is also a more remote possibility that reforms will not take place for a further two or three years in view of the timeframes of the next general election.
- 7.2. However, there is little doubt that local government funding reform will take place, the only questions that remain is when this will occur and in what form? What is also likely is that North West Leicestershire will be adversely impacted. Therefore, it is important to continue preparations that give the Council the agility to respond quickly if the risks identified within this report do materialise.
- 7.3. As part of the 2023/24 budget-setting process, officers will perform detailed reviews of services to identify budget efficiencies. This will include asking budget holders to complete benchmarking, efficiency and value for money statements for their service areas. There will also be detailed business cases to support all budget proposals in key areas.
- 4.4 This process aims to improve the understanding, and scrutiny, of overall budgets. This will provide a good basis for moving towards outcomes-based budgeting in the future, should a significant revision of budgets be needed to respond to reduced funding or changing priorities.
- 4.5 In order to facilitate this additional work and to provide more opportunity for member engagement with the process, officers have reviewed the budget timetable to create more time for developing the budgets and to ensure Cabinet is consulted once it's clearer what the national funding position looks like. The timetable would involve:
- **November 2022:** Corporate Scrutiny Committee will be asked to scrutinise the medium-term financial position of the Council. At this point, members of the committee will be asked to feed in any proposals that they think should be considered as part of the budget setting process.
  - **December 2022:** Corporate Scrutiny Committee will be presented with the draft budget proposals for scrutiny.
  - **January 2023:** Cabinet will be asked to review and approve the draft budgets for a three-week public consultation period.
  - **February 2023:** Cabinet will be asked to recommend the final budgets for full Council in the same month.

| <b>Policies and other considerations, as appropriate</b> |   |
|--|---|
| Council Priorities:                                      | The medium term financial plan outlook seeks to understand the amount of resources available to the Council to deliver its priorities in the future.  |
| Policy Considerations:                                   | Not applicable.   |
| Safeguarding:  | Not applicable.   |
| Equalities/Diversity:                                    | Not applicable.   |
| Customer Impact:   | Not applicable.   |
| Economic and Social Impact:                              | Not applicable.   |
| Environment and Climate Change:                          | The plans set out in this report do not fully reflect the potential effort required to make the Council zero carbon by 2030. A £1 million reserve was created to fund initial works but there is likely to be further financial resources required in the run up to 2030 to meet this target. |
| Consultation/Community Engagement:                       | Not applicable.   |
| Risks:   | The financial risks over the medium term are detailed in the report.  |
| Officer Contact  | Mark Walker<br>Head of Finance and Section 151 Officer<br><a href="mailto:mark.walker@nwleicestershire.gov.uk">mark.walker@nwleicestershire.gov.uk</a>  |

## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 19 JULY 2022



| Title of Report                            | AIR QUALITY CAPITAL GRANT FUNDING (DEFRA)   |                              |                             |
|--|---|------------------------------|-----------------------------|
| <b>Presented by</b>                        | Cllr Woodman<br>Community Services  |                              |                             |
| <b>Background Papers</b>                   | Community Scrutiny Minutes 29 June 2022<br><br>Cabinet 8 June 2021<br><a href="http://prod-modgov:9070/mgCommitteeDetails.aspx?ID=126">http://prod-modgov:9070/mgCommitteeDetails.aspx?ID=126</a><br><br>Cabinet 8 Dec 2020<br><a href="http://prod-modgov:9070/mgCommitteeDetails.aspx?ID=126&amp;\$LO\$=1">http://prod-modgov:9070/mgCommitteeDetails.aspx?ID=126&amp;\$LO\$=1</a>  | <b>Public Report:</b><br>Yes | <b>Key Decision:</b><br>Yes |
|  |   |                              |                             |
| <b>Financial Implications</b>              | <p>There are no direct financial implications to the Council. The council has been awarded a grant of £27,240 from the Department for Environment, Food &amp; Rural Affairs (DEFRA) of which £6,000 is a revenue grant and £21,240 is capital.</p> <p>As part of the grant conditions, match funding is required from North West Leicestershire District Council and Harborough District Council of £2,745. This match funding is delivered in terms of staff time which is already included on the General Fund budget.</p> <p><b>Signed off by the Section 151 Officer:</b> Yes</p> |                              |                             |
| <b>Legal Implications</b>                  | <p>The council's Capital Rules do not allow the capital grant money to be spent unless the project is in the Capital Programme. Therefore, in order to spend the capital grant money it is necessary for the Capital Programme to be amended retrospectively.</p> <p><b>Signed off by the Monitoring Officer:</b> Yes</p>   |                              |                             |
| <b>Staffing and Corporate Implications</b> | Match funding elements of the Grant Award   |                              |                             |
|  | <b>Signed off by the Head of Paid Service:</b> Yes  |                              |                             |
| <b>Purpose of Report</b>                   | <p>To advise Cabinet of the successful joint bid for DEFRA Air Quality Grant funding.</p> <p>Cabinet to consider and comment on the retrospective addition to the capital programme prior to approval by Council 6 September 2022. The capital element of the grant funding will be used to purchase air quality monitoring equipment.</p>  |                              |                             |
| <b>Reason for</b>                          | For Cabinet to note the award of the DEFRA air quality grant funding;   |                              |                             |

|                       |   |
|-----------------------|---|
| <b>Decision</b>       | and considers and comments on the retrospective addition to the Council's capital programme of £21,240 for delivery of the air quality project.   |
| <b>Recommendation</b> | That Cabinet recommends to Council at its meeting on 6 September 2022 that the DEFRA air quality grant funding is added retrospectively to the Council's capital programme for delivery of the air quality project. |

## 1. BACKGROUND

- 1.2 In December 2020 the council adopted the Air Quality Delivery Plan. The plan included a priority action to work collaboratively in the county on air quality. The health impacts from particulate matter are a key priority especially from PM2.5.
- 1.3 Each year the government through DEFRA announces funding opportunities for work that supports the improvement of Air Quality.
- 1.4 The criteria DEFRA are looking for is detailed below: -
- To help deliver compliance in areas in current and projected exceedance of UK air pollution targets in the shortest possible time
  - To support LAs (particularly those with a Smoke Control Area) to reduce PM2.5 emissions from domestic wood and coal burning
  - To support projects which develop solutions over the longer term by increasing awareness to encourage behavioural changes.
  - To support projects that align with the objectives of Defra's Clean Air strategy
  - To support projects that reduce nitrogen dioxide (NO2) emissions
  - To support innovative projects that can improve local air quality, especially in relation to delivering effective air pollutant emissions reduction measures, and to share this best practice
- 1.5 Since NWLDC and Harborough District Council (HDC) share an Air Quality Officer and work collaboratively on air quality it was logical to develop a joint bid for the funding that DEFRA announced on 7 Sept 2021.
- 1.6 Local Authorities do not know when DEFRA will announce their funding and do not know what the funding pre-requisites will be. There is also often a narrow window of time to apply for the funding. The deadline for submission of the application was the 8 Oct 2021. The funding round in Sept 2021 required the bid to be composed of 78% Capital and 22% revenue along with match funding elements, bringing the total for the project to £29,985.

## 2. FINANCIAL GOVERNANCE

The table below details the bid funding applied for.

| Element of Project   | Revenue Grant | Capital Grant  | Total Grant    | Match Funding | Total          |
|--|---------------|----------------|----------------|---------------|----------------|
| Work Package 1 – Monitoring  |               | £21,240        | £21,240        | £911          | <b>£22,151</b> |
| Work Package 1 – Monitoring Analysis                                   | £6,000        |                | £6,000         |               | <b>£6,000</b>  |
| Work Package 2 – Public Awareness Campaign                             |               |                |                | £824          | <b>£824</b>    |
| Work Package 3 – Survey of behaviour in relation to solid fuel burning |               |                |                | £333          | <b>£333</b>    |
| Work Package 4 – Monitoring and Evaluation                             |               |                |                | £677          | <b>£677</b>    |
| <b>Total</b>   | <b>£6,000</b> | <b>£21,240</b> | <b>£27,240</b> | <b>£2,745</b> | <b>£29,985</b> |

- 2.1 As per the council's constitution, capital expenditure can only be incurred where it is in the capital programme. Approval by Council of the capital programme shall be a prerequisite for the commencement of a project and to enter into a contract. Due to the tight deadline for the bid application, there was insufficient time to go through the council's governance process to add the capital element of the funding bid into the capital programme which was approved as part of the budget process by Council on the 24 February 2022. Following advice from the Deputy S151 Officer and Deputy Monitoring Officer, a decision was made, due to the value of the expenditure and to avoid the risk of losing the funding, to apply for the grant, commit to the capital expenditure and retrospectively seek approval from Council to add the project into the capital programme.
- 2.2 The capital programme would usually be considered by Corporate Scrutiny as part of the annual budget process. However, the Constitution provides that the items generally falling within the remit of one Scrutiny Committee can be considered by the other Committee if necessary. Given the timescales on this matter and the interest which Scrutiny Committee had shown in the issue of Air Quality, it was considered by Scrutiny Committee on 29 June 2022.
- 2.3 NWLDC is the lead authority for the bid therefore it is NWLDC's governance process that needs to be followed to approve the retrospective addition of this capital project to the Capital Programme.
- 2.4 Having been successful with the joint bid and securing £27,240 of grant funding from DEFRA this report provides an update to Cabinet on the Air Quality Project and asks Cabinet to consider and comment on the retrospective addition to the capital programme of £21,240 (being the capital element of the grant funding) for the Air Quality project prior to approval by Council on 6 September 2022.

- 2.5 Whilst this report primarily relates to the financial governance process for amending the capital programme, it was considered an opportune time to update Cabinet on the Air Quality Project.

### **3. AIR QUALITY PROJECT - SOLID FUEL BURNING**

- 3.1. Due to the tight timeframes and reporting requirements to DEFRA for the project NWLDC and HDC have commenced the project whilst the retrospective governance process is followed.
- 3.2. PM2.5 and solid fuel burning was chosen for the bid because the Government's Clean Air Strategy sets out a wide range of actions by which the UK Government will seek to reduce pollutant emissions and improve air quality. Actions are targeted at four main sources of emissions: Transport, Domestic, Farming and Industry. The Strategy highlights that emissions from solid fuel use are significant. Burning wood and coal in open fires and stoves makes up 38% of the UK's primary emissions of fine particulate matter (PM2.5), and is, therefore, a potentially significant source of primary PM2.5. NWLDC and HDC are more likely to have a greater number of households burning solid fuel as there are several communities that do not have a mains gas supply, due to the rural location.
- 3.3. The objective of the project is to increase the level of knowledge of PM2.5 and ultimately reduce PM2.5 emissions by changing behavioural attitudes to solid fuel burning. There is increasing local public concern around PM2.5 across the two authorities, and it is recognised that currently there is little information in relation to current concentrations, how concentrations vary across the districts and the magnitude of contributions from different sources relative to the overall emissions.
- 3.4. The project will use a combination of additional monitoring, and a public awareness programme to achieve these objectives. The main benefits from the project relate to reduced emissions from solid fuel burning, but also awareness raising more generally. Reduced emissions should ultimately reduce pollutant (PM2.5) concentrations within solid fuel burning areas, and therefore improve health, but this will not be quantifiable or measurable. It is also anticipated that the public awareness work will be built on in the future (if funding allows) and expanded to a more ambitious, and potentially regional awareness campaign in line with public health priorities. This project will test out messaging, and methods of awareness raising in a cost-effective way.
- 3.5. The Public Awareness Campaign and survey will be undertaken just prior to and during peak solid fuel burning season. The project will be underpinned by a communications strategy and both council communications teams are working closely with officers to develop the survey and pre-campaign messaging.
- 3.6. The monitoring period will commence in early late June/July and run for 12 months. This is to ensure that all seasonal variations are accounted for, and that a full analysis at the end of the project can be undertaken. The monitoring will be undertaken using a piece of equipment known as a Zephyr. Both councils already use this equipment and the bid has enabled 3 further Zephyrs to be used, 2 in NWLDC and 1 in HDC. The locations will be chosen by using data on usage of solid fuel burning areas in both districts.
- 3.7. Monitoring Data Analysis will take place after 12 months of monitoring and written up into a report which is public friendly and can be used for knowledge transfer. The final report will be submitted to DEFRA in Oct/Nov 2023. The high-level programme is outlined in a chart in Appendix 1.



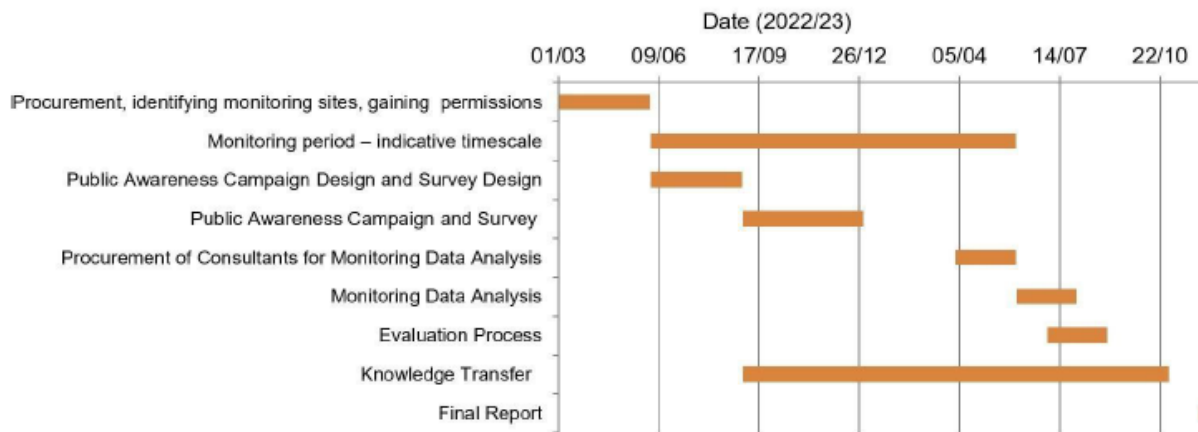
#### 4. COMMENTS FROM COMMUNITY SCRUTINY

- 4.1 Community Scrutiny Committee has at previous meetings requested that since air quality is an important issue for the council that it wished to be informed of any successful applications for Air Quality Grant funding. Therefore, Community Scrutiny considered the retrospective addition to the Council's Capital Programme at its meeting on 29 June. Community Scrutiny supported the report and asked for a sensitive approach to the awareness campaign for the project for those that need to continue to burn solid fuel due to the current economic climate and rising energy costs. Community Scrutiny were reassured that this has been considered by the project group and this forms part of the communications plan for the project.

| Policies and other considerations, as appropriate |  |
|---|--|
| Council Priorities:                               | <ul style="list-style-type: none"> <li>- Developing a clean and green district</li> <li>- Our communities are safe, healthy and connected</li> </ul>   |
| Policy Considerations:                            | N/A  |
| Safeguarding:                                     | N/A  |
| Equalities/Diversity:                             | N/A  |
| Customer Impact:                                  | The project will positively engage with the public and raise awareness.  |
| Economic and Social Impact:                       | N/A  |
| Environment and Climate Change:                   | The project seeks to have a positive effect on the environment and climate by reducing emissions of PM2.5 and behaviour change amongst the public that burn solid fuel and this has been captured in the Zero Carbon agenda for NWL. |
| Consultation/Community Engagement:                | Public awareness campaign and resident surveys in solid fuel burning locations. Communication Strategy in place for the campaign.  |
| Risks:  | Identification and management of any risks have formed part of the project plan for the bid to DEFRA   |
| Officer Contact                                   | Paul Sanders<br>Head of Community Services<br><a href="mailto:Paul.Sanders@nwleicestershire.gov.uk">Paul.Sanders@nwleicestershire.gov.uk</a>   |

## Appendix 1

### High Level Project Programme



## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 19 JULY 2022



|  |  |                           |
|--|--|---------------------------|
| <b>Title of Report</b>                     | <b>HOUSING ASSET MANAGEMENT PLAN 2022 TO 2024</b>  |                           |
| <b>Presented by</b>                        | Karen Connell, Interim Head of Housing<br>Jasbir Singh, Housing Assets Team Manager  |                           |
| <b>Background Papers</b>                   | Housing Asset Management Strategy 2015-2020 approved by Cabinet on 20 October 2015 - <a href="http://prod-modgov:9070/ieListDocuments.aspx?CId=126&amp;MID=1496&amp;\$LO\$=1#AI2078">http://prod-modgov:9070/ieListDocuments.aspx?CId=126&amp;MID=1496&amp;\$LO\$=1#AI2078</a> | <b>Public Report:</b> Yes |
|  |  | <b>Key Decision:</b> Yes  |
| <b>Financial Implications</b>              | Delivery of the Asset Management Plan will require significant investment of both capital and revenue resources, which are allocated in the annual budget setting process, which also projects over a five-year period.  |                           |
|  | <b>Signed off by the Section 151 Officer:</b> Yes  |                           |
| <b>Legal Implications</b>                  | None apparent from this report   |                           |
|  | <b>Signed off by the Monitoring Officer:</b> Yes   |                           |
| <b>Staffing and Corporate Implications</b> |  |                           |
|  | <b>Signed off by the Head of Paid Service:</b> Yes   |                           |
| <b>Purpose of Report</b>                   | The purpose of this report is to seek approval from Cabinet for The Housing Asset Management Plan (AMP). The AMP will provide an interim framework for setting the investment priorities for the Council's housing stock until 2024.   |                           |
| <b>Reason for Decision</b>                 | To seek approval from Cabinet for the 2022-2024 HRA Asset Management Plan  |                           |
| <b>Recommendations</b>                     | <b>IT IS RECOMMENDED THAT CABINET:</b><br><br><b>1) NOTES THE CONTENTS OF THE REPORT; AND</b><br><b>2) APPROVES THE 2022-2024 HRA ASSET MANAGEMENT PLAN.</b>   |                           |

**1.0 BACKGROUND**

- 1.1 The provision of a revised and updated Housing Asset Management Strategy (HAMS) is key to making the right investment decisions in relation to the Council's most valuable physical asset, the housing stock.

- 1.2 The Housing Asset Management Plan (HAMP) attached as Appendix A, is a key document in providing the framework for the interim management and review of services to the tenants of the Councils 4159 domestic properties and associated garages and shops whilst a full 5-year Housing Asset Management Strategy is developed
- 1.3 There are a number of national policy developments due to occur in the next 12 to 18 months, which include the new Fire Safety Bill, the implementation of the Housing White Paper, and the conclusion of the review of the Decent Homes standard, all of which will have a significant impact on the wider policy environment within which asset management decisions relating to the housing stock are going to be made. Producing a full 5-year Asset Management Strategy was therefore considered to be inappropriate given that significant revisions were likely to be necessary in the light of the aforementioned changes. As an alternative approach, the interim Housing Asset Management Plan attached as Appendix 1 has been produced as a bridging document.
- 1.3 Additionally, the data needed to inform the new Asset Management Strategy has very recently been transferred from our legacy ICT systems to the new Aareon QL environment. This is a much more powerful platform from which to produce comprehensive forward forecasts of investment needs and model different scenarios more effectively. Over the months ahead we will be exploring the full functionality of the new system to enable us to use it as the foundation for our future planning as part of the Housing Asset Management Strategy 2024/25 to 2029/30.

| <b>Policies and other considerations, as appropriate</b> |  |
|--|--|
| Council Priorities:                                      | Insert relevant Council Priorities: <ul style="list-style-type: none"> <li>- Support for businesses and helping people into local jobs</li> <li>- Developing a clean and green district</li> <li>- Local people live in high quality, affordable homes</li> <li>- Our communities are safe, healthy and connected</li> </ul> |
| Policy Considerations:                                   | None apparent  |
| Safeguarding:  | None apparent.   |
| Equalities/Diversity:                                    | The Plan includes provision for aids and adaptations funding to tenants homes.   |
| Customer Impact:   | Ensuring our tenants have safe warm and modern homes is a key requirement of being a social landlord.  |
| Economic and Social Impact:                              | Delivery of a significant proportion of the works to be commissioned as a result of this plan will be through our inhouse repairs team, meaning the funding is retained within the local economy via our directly employed workforce   |
| Environment and Climate Change:                          | The plan provides a clear commitment to the Councils ambition to achieve an EPC "C" rating for all our tenants homes by 2030. This will make a significant contribution towards the Zero Carbon by 2030 target the Council has set   |

|   |  |
|---|--|
| <p>Consultation/Community Engagement:</p> | <p>The report was sent for consultation to Housing Team Mangers and wider colleagues on 24<sup>th</sup> February 2022.</p> <p>The report went to Corporate Scrutiny Committee on 9<sup>th</sup> March 2022</p> <p>The report went to Tenants and Leaseholder Consultation Forum and Feedback received on 4<sup>th</sup> April 2022.</p> <p>All feedback has been incorporated in the final version</p> |
| <p>Risks:</p>                             | <p>Risk management relating to the delivery of the contents of this plan will be undertaken through the Councils performance management arrangements and reported as part of the Quarterly monitoring performance reporting processes.</p>   |
| <p>Officer Contact</p>                    | <p>Karen Connell<br/>Interim Head of Housing<br/><a href="mailto:karen.connell@nwleicestershire.gov.uk">karen.connell@nwleicestershire.gov.uk</a></p> <p>Jasbir Singh<br/>Housing Assets Team Manager<br/><a href="mailto:jas.singh@nwleicestershire.gov.uk">jas.singh@nwleicestershire.gov.uk</a></p>   |

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# Housing Asset Management Plan





# Introduction

**Local Authorities across the UK hold large property portfolios (assets made up of buildings and land) which have been acquired, gifted, or inherited over many years.**

North West Leicestershire District Council (NWLDC) owns 4,159 council properties which make up the social housing stock. This Asset Management Plan (AMP) will focus on the council owned housing, garages, and other land held under powers relating to the Housing Revenue Account (HRA).

The council has adopted this new Asset Management Plan (AMP) as a short term bridging document which will ensure that the primary focus remains on managing our assets and more importantly our key stakeholder(s), whilst a new Asset Management Strategy (AMS) is developed to cover the medium to longer term (5 years). The benefit of adopting such an approach is that we can ensure that the council still manages risks and budgets in relation to its assets effectively.

The council vision is that: "North West Leicestershire is a place where people and businesses feel they belong and are proud to call home"

The Council Delivery Plan (CDP) identifies five key priorities,

- Supporting Coalville to be a more vibrant family-friendly town
- Our communities are safe, healthy, and connected
- Local people live in high quality, affordable homes
- Support for businesses and helping people into local jobs
- Developing a clean green district

Since the introduction of self-financing, local authorities have been able to set long term plans

for the strategic management of their assets in a way that has not been possible before. We recognise the importance of sound asset management principles and applying these to our approach to investment.

The proposed revision to the Decent Homes Standard in 2022 and increasing energy standards in the new building regulations will have a significant impact on the management of assets and compliance in the future. These will become clearer over the next two years so this plan is a bridging document.

This document is designed to be an interim, evidenced based Asset Management Plan (AMP) to lead our short-term business decisions, whilst the full five-year Asset Management Strategy (AMS) is developed.

It is based on work that has been done, or is being done, to improve our understanding of the performance of our properties, and it seeks to drive forward work programmes to deliver value for money for the council and its tenants.



# Scope

**This plan sets NWLDC's approach to the management of assets and compliance within its HRA properties.**

It includes all our social rented housing assets as well as garages and some housing commercial premises (shops).

These shops are due to be transferred into our General Fund property portfolio in the near future, in response to revised CIPFA guidance on managing these assets.

It is a high-level plan for managing our assets and ensuring compliance against the relevant statutory legislation.

It will show the journey we will be taking during 2022 to 2024 which will contribute to the development of the final AMS, 1 April 2024 to 31s March 2029.

The AMS will be one of three key strategic documents which will shape the work of Housing Services:

**HRA Business Plan** - Provides the strategic financial and service planning framework for the council's landlord role over the next 30 years. Contains a narrative section and a financial model section.

**Housing Strategy** - Provides a framework through which we assess local housing needs and seek to meet them through the provision of affordable housing and / or support services for all tenures.

**Asset Management Strategy (being developed)** - Provides a framework document for the maintenance and improvement of the council's housing stock over the next 30 years (detailed proposals for the next five years). This includes disposal of poorly performing stock and acquisition of new stock to meet future needs.

All three documents will be interlinked and will be updated periodically in response to changes in local and or national policy including housing market conditions.



# National context

National priorities for housing are primarily focused on new supply and around safety of existing buildings. 'Fixing Our Broken Housing Market', the 2017 white paper, and the new 'The Charter for Social Housing Residents: Social Housing White Paper' articulate the main areas of national housing policy focus.

The social housing white paper sets out proposals to revise the Decent Homes Standard (DHS) which, along with a forthcoming review of the Housing Health and Safety Rating System (HHSRS), is expected to place a greater focus on external and communal areas.

## Decent Homes Standard Review

The Charter for Social Housing Residents: Social Housing White Paper published on 17 November 2020 announced a review of the Decent Homes Standard to understand if it is right for the social housing sector today.

The review is being conducted in two parts.

The first part of the review was completed in Autumn 2021 and this looked at the current criteria for the Decent Homes Standard, following any feedback and any proposed amendments then this will be considered in the second part of the review which is envisaged to be completed by the Summer of 2022.

We anticipate that our main outcome will be a refreshed Decent Homes Standard, incorporating more energy efficiency requirements and factors relating to the external environment around the home.

## Safety Bill

Following the tragic Grenfell fire, the focus on data and safety has never been higher. In March 2020 the Fire Safety Bill clarified the responsibilities of landlords to manage and reduce the risk of fire.

The July 2020 draft Building Safety Bill sets out proposals for new building standards and regulations that will apply to new and existing homes. The bill focuses landlords' attention on checking the accuracy of data held on assets and ensuring health and safety risks are properly

managed. It also proposes new requirements for building safety management and for greater involvement of residents

## Homes Standard

The Regulator of Social Housing has recently reminded Local Authority Housing Providers that their Home Standard must be met. A number of 'serious detriment' interventions by the regulator, and the Sector Risk Survey published for the benefit of all registered providers, have also underlined the importance of good quality data to enable all social landlords to prove compliance with this standard.

## The Homes (Fitness for Human Habitation) Act

The Homes (Fitness for Human Habitation) Act 2018 is designed to ensure that all rented accommodation is fit for human habitation and to strengthen residents' means of redress against landlords.

## Equality Act 2010

The Equality Act 2010 has brought together over 100 separate anti-discrimination measures including race, gender, disability, religious belief, sexual orientation, age and equal pay. The act requires us to have regard to reducing socio-economic inequalities when we make strategic decisions.

## Climate Change and Decarbonisation (Zero Carbon programme)

The Climate Change Act 2008 (2050 Target Amendment Order 2019) was adopted in June 2019 and makes a statutory obligation of the net-zero emissions target recommended by the Committee on Climate Change.

Grant funded works to improve energy efficiency are now required to meet the quality standard of PAS 2035, meaning additional costs, but a much higher quality outcome from works undertaken.



# National context

## Future Buildings Standard - Part L & F Building Regulations

The government hosted a public consultation from 18 January 2021 to 13 April 2021 on proposed changes to the Building Regulations which will affect new build properties, and some retrofit works.

This was the second stage of a -two-part consultation. It built on the [Future Homes Standard consultation](#) by setting out energy and ventilation standards for non-domestic buildings, existing homes and includes proposals to mitigate against overheating in residential buildings.

It set out proposals for a Future Buildings Standard, which provides a pathway to highly efficient non-domestic buildings which are zero carbon ready, better for the environment and fit for the future.

The interim outcomes of this consultation and the previous one, will now be implemented through a statutory instrument and new approved documents which will deliver an uplift in energy efficiency standards for new homes and buildings, improved ventilation, and a requirement to mitigate any overheating in residential buildings.

Uplifts to Part L & Part F of the Building Regulations have set new minimum standards for fabric efficiency. There has also been a New Approved Document – O, which covers the overheating mitigation requirements and applies to new residential buildings.

The government has also published Approved Document S, which provides technical guidance regarding the installation of electric car charge points in homes.



# Main aims and objectives

The primary aim of the council's approach to the management of its HRA stock is to enable the council to provide high quality energy efficient affordable housing that meets the needs of as many residents as possible over the longer term.

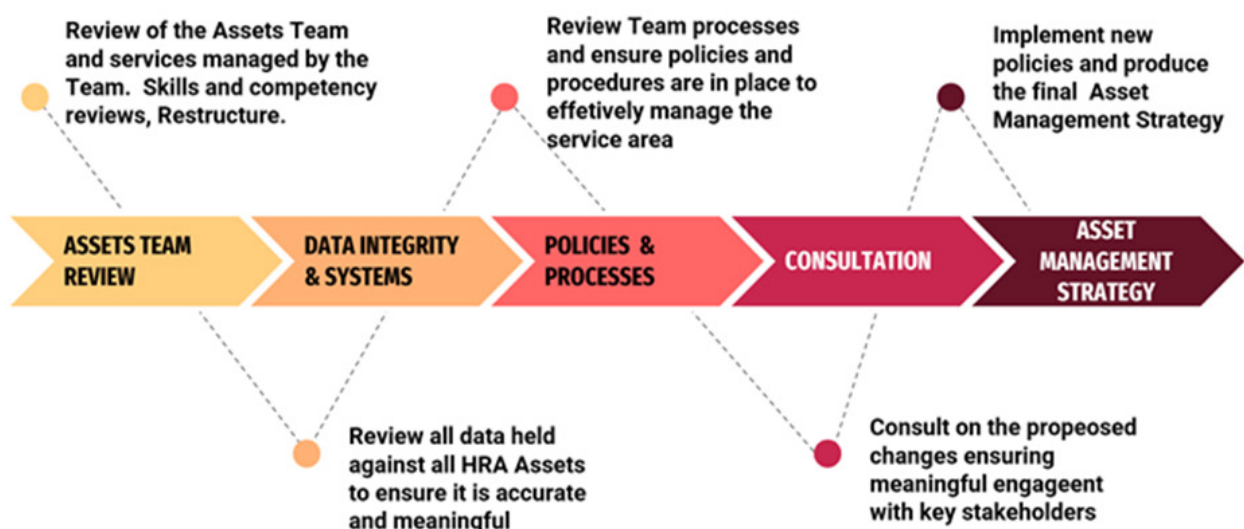
In support of this aim in the interim, whilst the full strategy is being developed, the following key projects / work have been identified

- Continue to maintain and improve tenants' homes to ensure they meet the government's Decent Homes Standard
- Keeping our tenants and staff safe by ensuring we are compliant with all statutory legislation and regulations
- Create successful and sustainable communities aligned to clearly determined plans for regeneration activity and future development in the district
- Tackle fuel poverty and improve energy efficiency and develop plans to ensure that we achieve a minimum of an EPC 'C' rating by 2030
- Continue work to optimise the balance between planned and responsive revenue expenditure, and complete a full VFM assessment of the housing asset management service area during 2022/23 to evidence this

- Continue to deliver value for money and efficiency savings, where possible
- Deliver all improvement works through our in-house repairs team wherever practical, and complete a value for money assessment of their work after completion of the 2022/23 programme, to benchmark costs and quality against external contractors
- Achieve continuous improvement in housing asset management and compliance service area(s) through effective performance management and a complete review of the service area
- To continue to deliver the council's new build and regeneration programmes.

This plan will be a journey to the new Asset Management Strategy and will be broken down into 5 keys stages, as shown in Figure 1. :-

Figure 1



# Our properties

## Portfolio summary

This plan covers all HRA assets, including residential, garages and commercial. The HRA owns and manages 4,159 tenanted homes, 466 garage and or garage sites along with approximately 70 dwellings occupied by leaseholders (flats sold under the Right To Buy scheme).

Social rented homes make up most of our properties and providing these for letting will remain our core business.

Overall, it is expected that the number of rented homes will reduce because of Right to Buy, which we currently estimate to be approximately 44 per year. We will be looking to replace as many of these homes as we can through our new build and acquisitions programme.

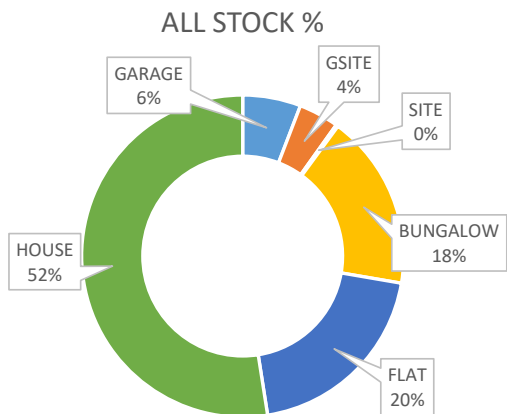
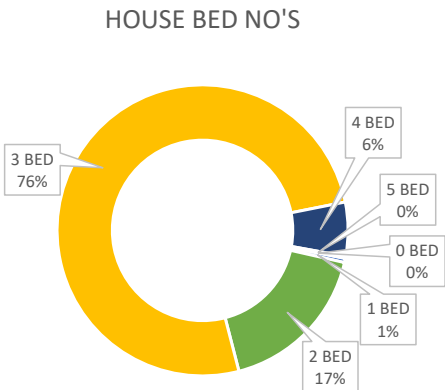
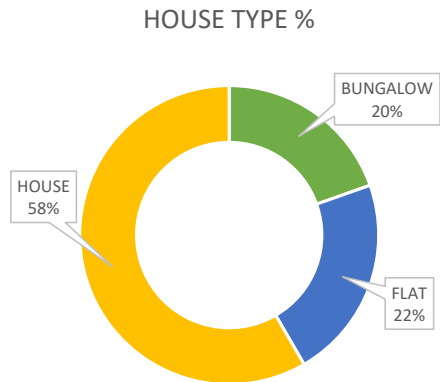
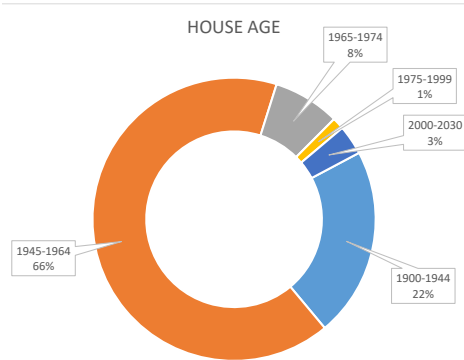
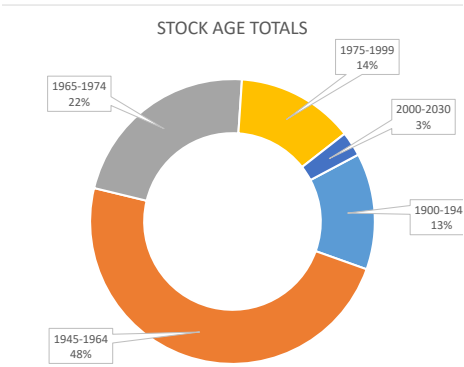


Table 1

| Build type - all    | Qty  |
|---------------------|------|
| Cavity wall         | 3019 |
| Tarran-ref          | 67   |
| Solid brick         | 324  |
| Spooner-improved    | 90   |
| System built        | 180  |
| Wimpey no fines-imp | 252  |
| Airey               | 103  |
| Swedish timber      | 15   |
| Crosswall           | 89   |
| Timber frame        | 20   |

The council also owns a number of commercial units (mainly community use buildings), with a variety of non-residential community assets which are mixed use and managed within the HRA.

We also own 466 garages/garage sites and other related assets such as laundries within sheltered schemes, scooter stores and community rooms.





## Size of homes

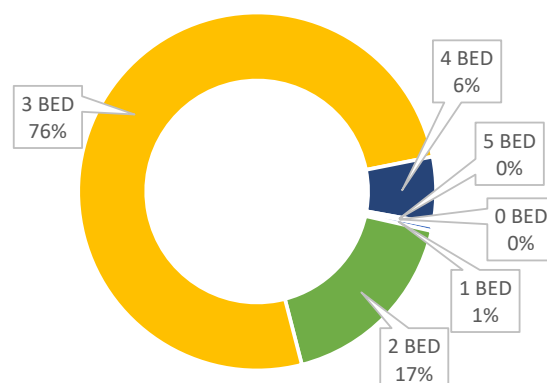
The majority of our rented homes are two and three bedrooms as illustrated in table 2.

This includes 816 properties (known as non-traditional homes) which are expensive to maintain and may require significant investment to deliver the councils net zero carbon targets

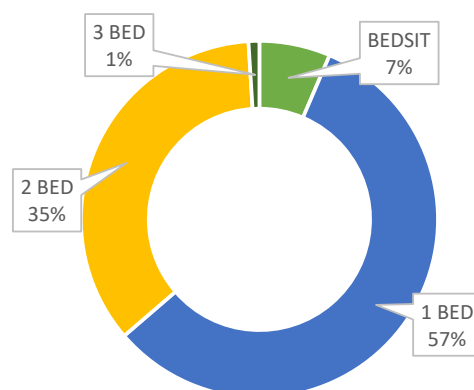
**Table 2**

| Type         | Bed    | No.         | %           |
|--------------|--------|-------------|-------------|
| Bungalow     | Bedsit | 4           | 0.10%       |
| Bungalow     | 1 Bed  | 330         | 7.93%       |
| Bungalow     | 2 Bed  | 475         | 11.42%      |
| Bungalow     | 3 Bed  | 6           | 0.14%       |
| Flat         | 0 Bed  | 59          | 1.42%       |
| Flat         | 1 Bed  | 525         | 12.62%      |
| Flat         | 2 Bed  | 324         | 7.79%       |
| Flat         | 3 Bed  | 9           | 0.22%       |
| House        | Bedsit | 1           | 0.02%       |
| House        | 1 Bed  | 11          | 0.26%       |
| House        | 2 Bed  | 423         | 10.17%      |
| House        | 3 Bed  | 1842        | 44.29%      |
| House        | 4 Bed  | 145         | 3.49%       |
| House        | 5 Bed  | 5           | 0.12%       |
| <b>Total</b> |        | <b>4159</b> | <b>100%</b> |

**HOUSE BED NO'S**



**FLAT BED NO'S**



**BUNGALOW BED NO'S**

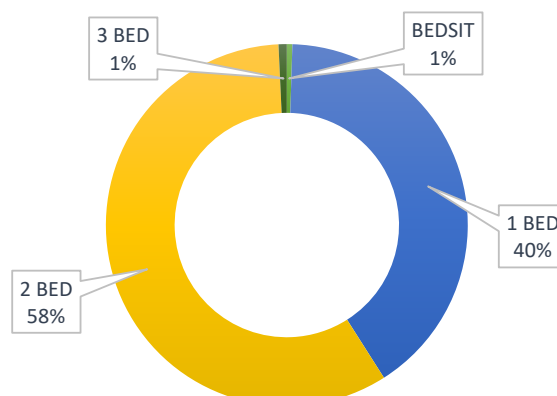
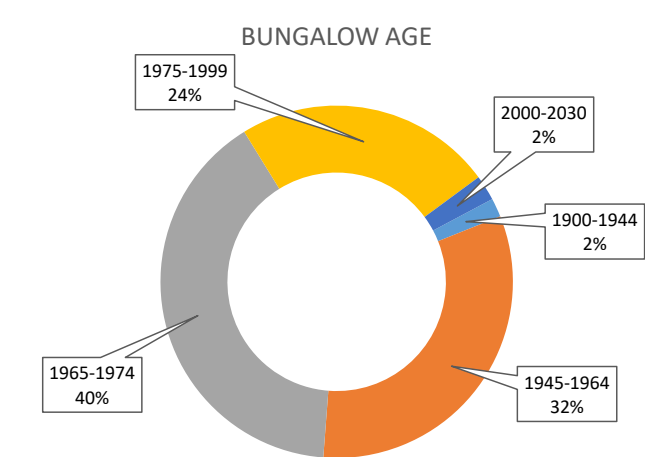
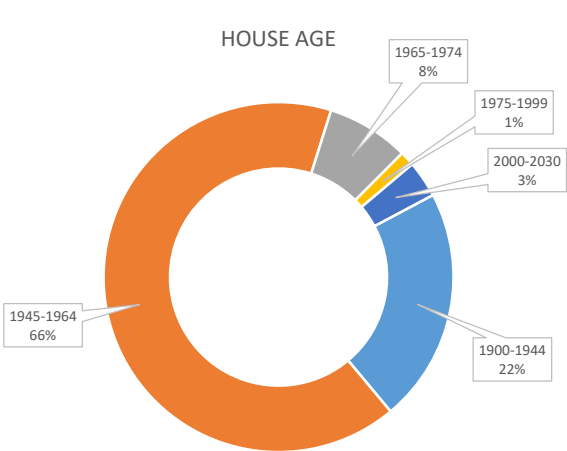
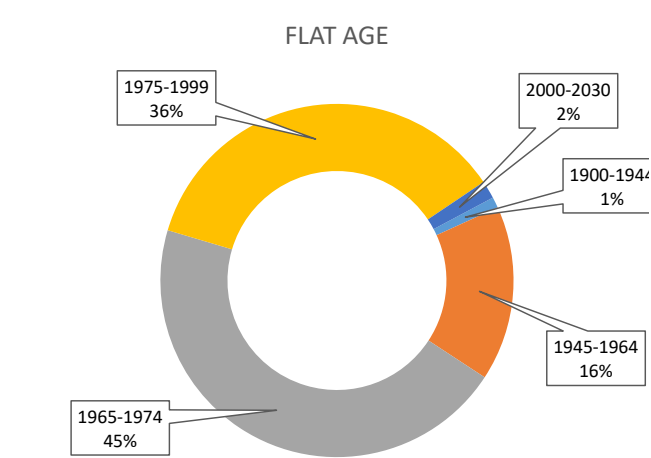


Table 3

| Our property types | Date of construction and number of homes |           |           |           |           | Total |
|--------------------|--|-----------|-----------|-----------|-----------|-------|
|                    | 1900-1944                                | 1945-1964 | 1965-1974 | 1975-1999 | 2000-2030 |       |
| House              | 527                                      | 1600      | 185       | 33        | 82        | 2427  |
| Bungalow           | 14                                       | 263       | 326       | 193       | 19        | 815   |
| Flat               | 9  | 147       | 416       | 330       | 15        | 917   |
| Totals             | 550                                      | 2010      | 927       | 556       | 116       | 4159  |



## Sheltered Housing

We have six specialist or age-restricted sheltered schemes with communal access. The majority of these are age restricted to 55 plus. The performance of these schemes is mixed. We want to ensure our housing offered to older people meets changing needs and aspirations. Having already decommissioned several non-viable schemes we plan to invest in upgrading the remaining ones, including improved support technology and communal areas, to complement the works recently undertaken on fire safety and scooter storage. We will, continue to assess all sheltered schemes you to ensure they are viable and this will include looking at possibilities of remodeling existing schemes and potential ne build schemes though our Growth Strategy.



## Leasehold properties

The council also manages approximately 70 leasehold properties. The council remains responsible for repairs to shared facilities such as lifts, lighting, shared heating and hot-water systems, the roof and structure of the building, as well as internal and external communal

areas. The cost of these works is recharged to leaseholders under the council's policy. We will review our approach to service charges and recharging for major works, and take action to maximise recovery of costs while improving the resident experience.

## Garages

We have approximately 466 garages / sites located across the district. Having determined in the previous asset management strategy that we would be demolishing a majority of our garages due to their poor condition; this programme will continue. We will review our approach to garage management, letting rates and their condition.

A project is underway to determine this and progress has been made to repair / demolish empty garages, increase garage letting rates, assess demand and consider the long term investment needs of garages.

We have an agreed approach to appraise options for garages and sites, which also includes repair and relet, use of the site for new homes as well as using the garages or site for community benefits e.g., car parking.

Table 4

| Type         | Bed | No.        | %           |
|--------------|-----|------------|-------------|
| Garage       | 0   | 270        | 58%         |
| GSite        | 0   | 186        | 40%         |
| Site         | 0   | 10         | 2%          |
| <b>Total</b> |     | <b>466</b> | <b>100%</b> |

Furthermore, we are considering how to use these assets to meet other objectives and we are considering how our garage sites will contribute to achieving NWLDC's zero carbon targets. This will include exploring the feasibility of installing electric vehicle charging points within garage sites.



# Stock condition data

It is essential that we have a clear view as to the level of investment required to the stock, and the reliability of the information that underpins the council's investment and business plans.

Our new ICT system (QL) will replace our previous limited database (PIMMS) which currently holds the stock condition data for all our homes. This data comes from a variety of sources, including:

**Survey data** – Our Stock Condition Surveys (SCS) completed on our homes have allowed us to make informed decisions on future expenditure. We currently hold up to date data on approximately 67% of our stock

**Completed works** – On completion of planned works, relet works, responsive repairs and adaptations, our stock condition data is updated to include date of installation and expected replacement dates based on agreed life cycles.

**Statutory Duty Inspections** – We will use Statutory Duty Inspection data to inform us of future investment decisions within our blocks and schemes.

Further improvements are needed to improve the integrity of our stock condition data, we will:

- Validate our stock condition surveys externally
- Ensure we capture and hold complex information on mechanical and electrical designs
- Undertake a risk based, sample approach to structural appraisals of our blocks and non-traditional homes.

## Energy data

An up-to-date Energy Performance Certificate (EPC) is provided when a property is relet or has major green measures installed. The EPC data as well as the certificate is retrieved to supplement our energy data. We will also be able to calculate carbon emissions and can model scenarios for reducing carbon from the data we will be gathering.



## Compliance data

Keeping tenants and staff safe is a key priority for us. To support compliance with health and safety requirements relating to gas safety, fire safety, legionella, electrical testing, lifts, and asbestos we will ensure that we hold accurate and up to date records of the relevant components in our homes, including records of surveys, servicing and maintenance, and risk assessment requirements. We will also be reviewing our approach to the management and storage of this information.

# Decent Homes

The Decent Homes Standard has been the minimum standard for social housing since its introduction in 2004 – and targets investment at the replacement of key building elements to ensure the home is warm, weathertight and has reasonably modern facilities.

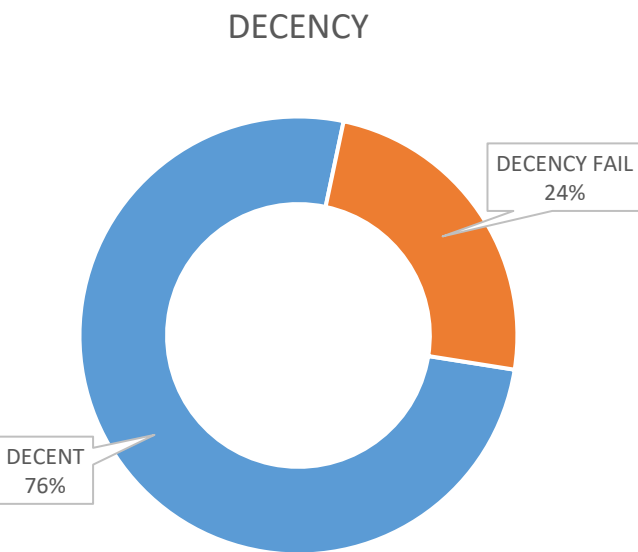
The Housing Health and Safety Rating System is a key element of the standard, and guides investment to addressing hazards.

It was projected that as of 31 March 2022, 76% of our homes met the Decent Homes Standard. This number has reduced over the last two years due to our inability to complete the required improvement programmes due to Covid-19 working restrictions, as tenant’s reluctance to allow access to their homes to have work completed.

We plan to undertake a programme of “catch up” Decent Homes work during 2022/23 with an estimated value of £2.1 million, to address the number of properties that are not currently meeting the Decent Homes standard due to the Covid related delays in completing works.

We will continue to plan works to address non-decent properties each year.

The 24% non-decency chart below shows levels against components



We will be continue to undertake a comprehensive review of the way in which we report non decency, including how our new housing ICT system (QL) can help us to understand non decency triggers and how we plan works in the future.

We will review the emerging changes to Decent Homes following the governments review this summer, and will ensure our systems can monitor own homes’ performance against this standard, as well as appraising options for meeting the standard.

Table 5 shows what we believe to be major components that are required to be replaced due to non-decency, we will be validating this over the next six months.

Table 5

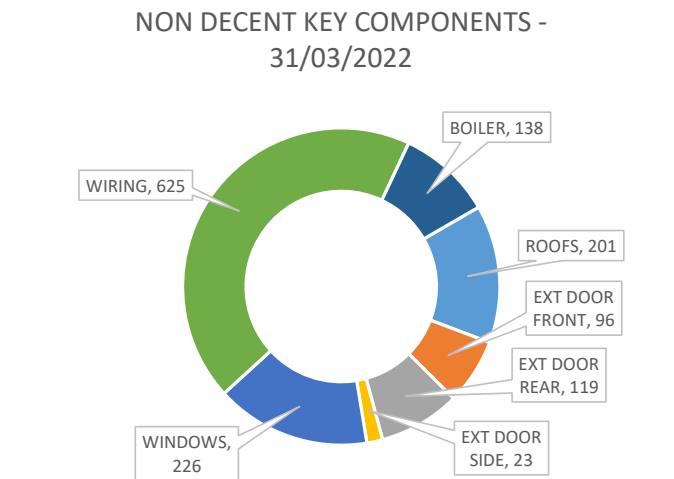
| Key components |       |                |               |               |         |        |        |
|----------------|-------|----------------|---------------|---------------|---------|--------|--------|
| Properties     | Roofs | EXT door front | EXT door rear | EXT door side | Windows | Wiring | Boiler |
| 1181           | 201   | 96             | 119           | 23            | 226     | 625    | 138    |

Table 6

| Total stock  | 4159 |
|--------------|------|
| Decency fail | 1181 |
| % fail       | 28%  |

Table 7

| Total stock  | 4159 |
|--------------|------|
| Refusals     | 175  |
| Decent       | 3153 |
| Decency fail | 1006 |
| % fail       | 24%  |



# Statutory Duty and compliance

Ensuring the health and safety of residents, staff and others using the council's buildings is the top priority for the effective management of the council's assets.

It is also important that management of the asset portfolio ensures compliance with legal agreements minimises the council's exposure to risk, as a result of, environmental, social and economic change, and understands and addresses the council's exposure to risk of all kinds including financial, legal and reputational

The primary statutory instruments driving statutory compliance for property assets are:

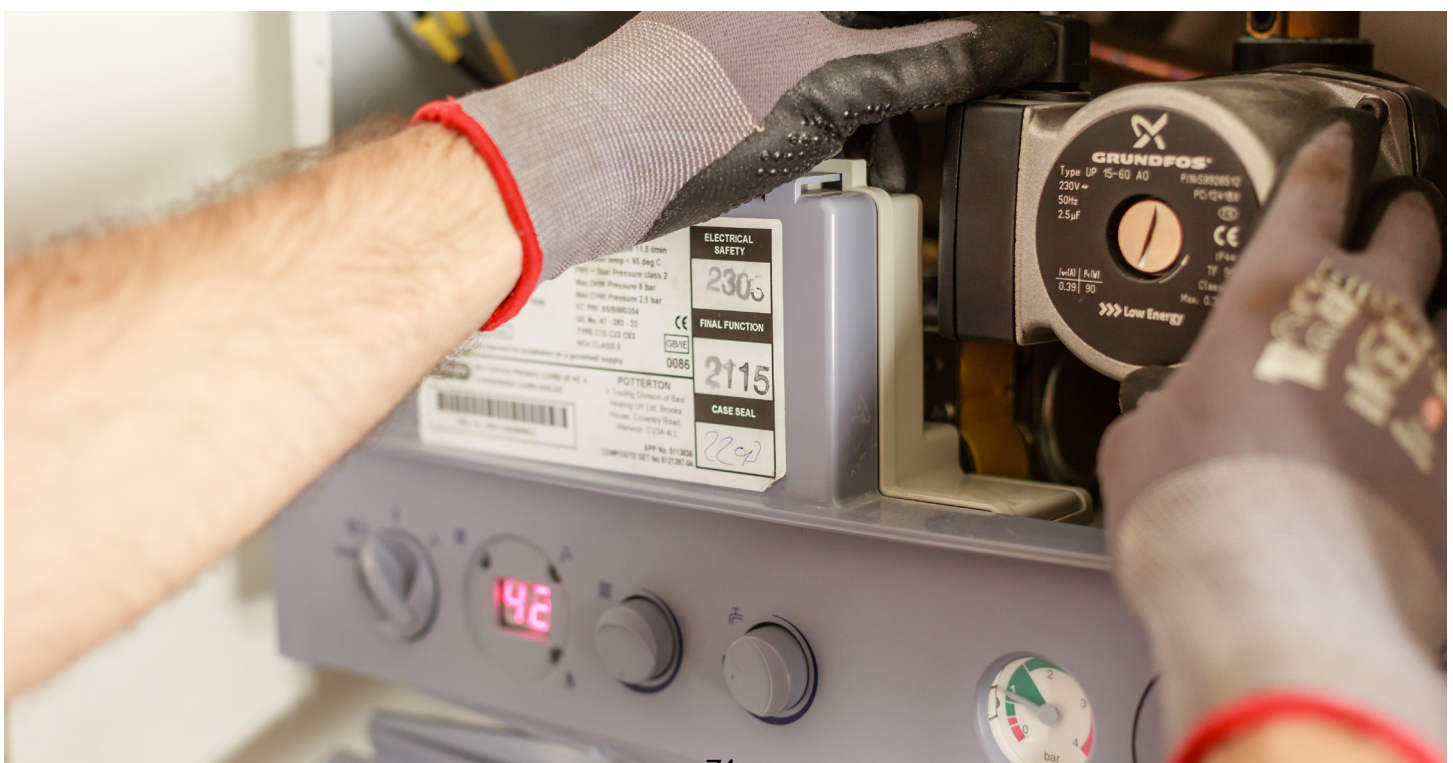
- The Health and Safety at Work etc. Act 1974
- Managing Health and Safety at Work Regulation 1999
- The Regulatory Reform (Fire Safety) Order 2005
- The Building Regulations (as amended)
- The Control of Substances Hazardous to Health COSHH Regulations 2002 and Amendment 2003
- The Construction Design & Management Regulations 2015
- Gas Safety (Installation & Use) Regulations 1998 as amended

- The Control of Asbestos Regulation 2012
- The Electricity at Work Regulations 1989 as amended
- The Health and Safety Executive Approved Code of Practice (ACoP) Guidance on Legionnaires Disease, the Control of Bacteria in Water Systems L8.

Alongside our data we will ensure we have robust policies and procedures that guide us on how we deliver our compliance obligations. We will ensure a robust approach to compliance in all areas.

Our obligations will be satisfied by regular inspections, servicing and maintenance regimes that ensure key elements of the home and communal facilities do not pose undue risk. This will also include third party audits to confirm quality assurance.

To ensure compliance is effectively managed the **Housing Assets Team Manager** will be the **Responsible Person** for managing compliance with the relevant legislation for asbestos, gas, Legionella, fire and electrics to housing assets.



# Net Zero and decarbonisation

NWLDC has already begun its journey toward net zero carbon emissions by declaring a climate emergency and adopting a Zero Carbon Roadmap. Most emissions reductions to date in the district are due to the UK's electricity supply becoming cleaner through the replacement of coal fired electricity generation with wind turbines and solar panels, though the district has made good progress in deploying solar technology. Much more needs to be done to address emissions from domestic dwellings, and we must play our part fully.

## Local plan

The North West Leicestershire Adopted Local Plan highlights that the CO2 emissions per person in the district are substantially higher than the National average. Objective 8 of the Local Plan is to 'Prepare for, limit and adapt to climate change'.

There are also references throughout the Local Plan to issues that are related to carbon emissions, although not always specifically referred to in those terms. For example, the development of transport infrastructure is a key issue for the District, for economic growth, for air quality and also for mitigation of carbon emissions.

## Climate local commitment

NWLDC signed the Climate Local Commitment on 19 December 2014. In signing the commitment, the council committed to set locally-owned and determined targets and actions on both mitigation and adaptation and publish these within six months.

A number of priorities, commitments and actions were set. NWLDC also committed to monitor the council's performance against these actions and report regularly on progress.

The various councils in the UK that have declared a Climate Emergency have in many cases opted to set a target for net zero carbon in their regions at some date in advance of the national target date of 2050.

Setting a target which is consistent with the national context is a reasonable and justifiable science-based approach, and it does not preclude reaching the target ahead of the deadline.

Therefore, our first recommendation is for the **council's operations to be reduced to Net Zero Carbon by 2030.**

Our second recommendation is for North West Leicestershire as a whole **to achieve Net Zero Carbon for all emissions by 2050** and to try to achieve it before that date if possible.

Table 8

| SAP          | No homes    | %      |
|--------------|-------------|--------|
| A            | 4           | 0.10%  |
| B            | 133         | 3.20%  |
| C            | 1263        | 30.37% |
| D            | 2297        | 55.23% |
| E            | 281         | 6.76%  |
| F            | 18          | 0.43%  |
| G            | 0           | 0.00%  |
| H            | 0           | 0.00%  |
| No data      | 193         | 4.42%  |
| <b>Total</b> | <b>4189</b> |        |



Ensuring all our tenants homes achieve an EPC rating of C or above by 2030 will represent an important step in our Zero Carbon journey.

We have made provision within our capital programme to fund the required work, and will also be bidding for grant funding from the government's Social Housing Decarbonisation Fund (SHDF), and other schemes such as the Energy Company Obligation (ECO).

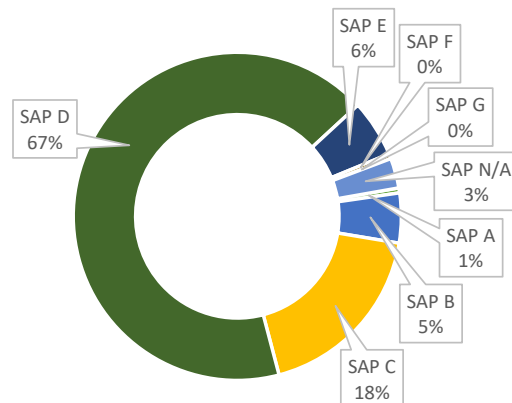
If these funding bids are successful, it may release funds from our allocation towards green homes works to address other priorities, or allow the programme of works to be accelerated.

There may also be opportunities to reallocate funding from the Home Improvement Programme, which is delivering Decent Homes through the need to complete complementary works e.g., a green homes boiler replacement with air source heat pumps when gas boilers are due for replacement due their age or condition.

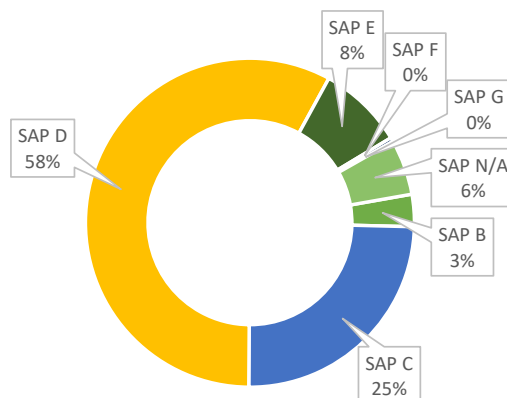
Opportunities to fund works from these sources will be assessed annually as the improvement programme for each year is developed.



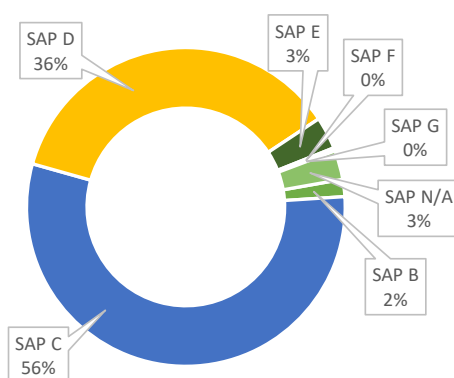
BUNGALOW EPCs



HOUSE EPCs



FLAT EPCs



# Asset Management Controls

**Stock Condition Surveys (SCS)** – The costs used in the SCS are reviewed regularly, to ensure they are consistent with sector benchmarks and updated on a systematic basis based on actual prices obtained for works completed. Repair spend will be tracked to monitor impact of the investment priorities. Updates to the SCS are captured by the QL housing system as the investment programme is implemented.

**Housing Investment Plans (HIP)** – Our planned investment has clear and robust contract management arrangements. There are performance measures in place and there is effective and regular monitoring and management of actual delivery performance against these plans by the asset management team.

**Procurement** – We have effective and efficient procurement plans and processes in place, and the value for money delivered through these is confirmed through benchmarking and external validation exercises.

**Servicing and Repairs** – There are detailed contract controls and performance measures in place. Service outcomes and measures are used to inform forward planning of both responsive and planned repairs and our in-house delivery work streams. Repairs and maintenance, including gas servicing, delivery programmes are all in place and there is effective monitoring and management of outcomes. There are good levels of customer satisfaction with the service and this is routinely tested.

**Asset Management Strategy** – The five-year Asset Management Strategy will be developed as a key part of the annual capacity modelling and corporate planning.

There are risks associated with the ownership and management of large residential property portfolios. These could be a risk to the council's strategic aims and finances, and its reputation. They also relate to quality of life for residents. We will continue to manage asset management associated risks including, but not limited to

- Gas safety compliance
- Asbestos exposure
- Recruitment and retention of staff to deliver programmes
- Impact on planned projects and programmes due to Covid-19
- Fire safety

We will continue to review our corporate risk register to ensure key asset management-related risks are recorded, and that everyone has a good understanding of responsibility for mitigating the risks.

This will include data management to ensure compliance, keeping up to date with emerging regulatory requirements, adequate investment to maintain resident satisfaction, efficient planning and delivery of programmes, and incorporating the costs of new requirements in legislation.

**Disposals and acquisitions** – A key element of our approach to the active asset management of the housing stock will be the continued use of acquisitions and disposals.

For properties in poor condition or of an unpopular style or location, disposal will allow the council to achieve a capital income to reinvest in more relevant housing.

Whilst house building is a key means of adding to the housing stock of the district, the acquisition of existing homes can also provide a cost-effective way of adding to the available stock of social / affordable rented homes.

This may be achieved by open market purchase, acquisition of section 106 planning gains homes on appropriate sites, or buying back former Right To Buy properties when they are returned to the market by their owners.



# Residents and stakeholders

Tenants and leaseholders are integral to the way we conduct our business. They are involved at every level of the council in consultative, scrutiny and decision-making capacities. We will continue to work with them to ensure that the funds to maintain and improve the properties are appropriately prioritised.

Our resident involvement team(s) work closely with our tenants and leaseholders to ensure effective and meaningful involvement. This plan compliments the Resident Involvement Strategy and the principles within it.

We will continue to pro-actively seek representational involvement of tenants and leaseholders through a variety of methods to provide the following:

- Views of the housing service from a resident's perspective
- Shaping policy review work
- Contributing to procurement processes
- Recommending and agreeing the standards of service expected
- Monitoring performance and continuous improvement activity within a live environment.

We also work with a number of other partners and organisations to deliver a wider positive

impact on communities over and above the works delivered through the capital programme of component replacements including repairs and maintenance.

Local external stakeholders include, but are not restricted to, the following organisations:

- Parish councils
- Leicestershire County Council
- Other local social landlords
- Police service and fire service
- Voluntary groups and agencies
- Charitable support;
- Local Primary Care Trust;
- Sure Start Children Centres;
- Citizens Advice
- Tenants and resident groups throughout North West Leicestershire.

The consultative process for agreeing this plan will include

- Housing Senior Management Team
- Corporate Leadership Team
- Scrutiny Panel(s)
- Cabinet



# Action plan

## New build homes

|         |   |
|---------|---|
| AM/NB/1 | Review our approach to the appraisal of land sites and acquisition  |
| AM/NB/2 | Support the council's growth plans by exploring options for poorly performing stock alongside identified development opportunities.                               |
| AM/NB/3 | Maximise the number of social homes that we provide through a programme of acquisition, new build, conversions, re-modelling and regeneration.                    |
| AM/NB/4 | Develop an NWLDC design brief for new build homes which also aligns with housing investment design specifications and reactive maintenance component replacements |
| AM/NB/5 | Develop new procedures and process maps to ensure we confirm we adhere with planning and other relevant legislation / regulations                                 |

## Zero Carbon

|         |  |
|---------|--|
| AM/ZC/1 | <p>We will start retrofitting green measures to existing housing owned by the council or consider demolition /or rebuild opportunities to improve the building energy efficiency, including but not limited to</p> <ul style="list-style-type: none"> <li>• Installation of insulation, improved airtightness and better windows to tenant homes ensuring first priority, is a fabric first and deep retrofit approach, wherever possible</li> <li>• Install Mechanical Ventilation with Heat Recovery (MVHR) wherever possible</li> <li>• Retrofit heat pumps wherever possible</li> <li>• Installation of Solar Photovoltaic (SPV) wherever possible</li> </ul> <p>Target high emission homes first (e.g. those using coal or oil), including a pilot project to establish costs and risks for a potential wider roll out throughout the district.</p> |
| AM/ZC/2 | Set best practice energy standards of future housing built or acquired by the council, or on council land. This should be consistent with the recommendations of the Committee on Climate Change (CCC). Report on the future of housing (i.e. space heating demand < 15-20 kWh/m2.yr). PassivHaus or equivalent should be considered and an assessment against Net Zero Carbon should be required  |
| AM/ZC/3 | Continue to reduce our carbon emissions and to achieve a minimum EPC rating of C by 2030 for all homes, seeking funding to support this with alternative options explored where this is not feasible   |
| AM/ZC/4 | Set best practice energy standards of new buildings built or acquired by the council. This will be consistent with BEIS energy mission to halve energy use in new buildings. PassivHaus or equivalent will be considered and an assessment against Net Zero Carbon will also be undertaken.  |
| AM/ZC/5 | We will review all data available to confirm low efficiency homes through EPC data, future capital works due to the fabric of the building and construction types. A risk rating will be produced against each property which will assist the council in bidding for future grants to install green measures.  |



# Action plan

## Zero Carbon

|         |  |
|---------|--|
| AM/ZC/6 | Develop a programme to replace all inefficient car park lighting schemes in the council's HRA-owned land. This will include a programme to replace existing lighting with efficient LEDs, and improve controls to save energy in the longer term.  |
| AM/ZC/7 | We will review current EPC ratings and determine if these are accurate based on information we hold on similar properties where an EPC has been completed within the last two years. This will help in reclassifying EPC ratings where they are incorrect. New EPC s will be completed to ensure we have accurate information to inform future bids. |
| AM/ZC/8 | We will review our HRA assets to confirm if any sites are suitable for community electric vehicle (EV) charging points. This will include an options appraisals on garage demolition sites.  |

## Systems and processes

|         |  |
|---------|--|
| AM/SP/1 | Embed and improve our use of current systems to record and maintain up to date property condition records to ensure we can capture information, assess risks, plan and monitor delivery of remedial actions and improve our approach to non-decency. |
| AM/SP/2 | Complete our review to confirm accurate non-decency reporting and confirm our approach to internal and external proposed planned works to meet decent homes.   |
| AM/SP/3 | Work to improve our 30 year capital cost forecasts, in particular the mechanical and electrical costs to help better inform investment planning.   |
| AM/SP/4 | Review our approach to future investment planning which ensures works are delivered efficiently and to the required standards.   |
| AM/SP/5 | Ensure we make best use of our non-housing assets, such as our garage and HRA commercial portfolio, ensuring we review the current use and alternative options to maximise income and potential sales or development opportunities.                  |
| AM/SP/6 | Maintaining Decent Homes standard, including adopting any new guidance issued.   |
| AM/SP/7 | Develop a cyclical maintenance & redecoration programme to ensure the current stock is maintained to a good standard, improving component durability and reduce the impact of daily repair revenue expenditure.                                      |

# Action plan

## Compliance and risk

|         |   |
|---------|---|
| AM/CR/1 | Improve our approach to compliance both in respect of policies, procedures and governance across all areas including the introduction of regular third-party quality assurance.   |
| AM/CR/2 | Develop new policies to ensure we comply with statutory duties especially with asbestos, fire, Legionella, electrical and fire compliance.  |
| AM/CR/3 | Review compliance against the Regulator of Social Housing Consumer Standards in respect of asset management and ensure all health and safety risks are adequately managed.  |
| AM/CR/4 | Better understand our future investment costs to ensure we understand any risks in meeting new emerging standards and regulations. E.g. The Safety Bill and fire compliance.  |
| AM/CR/5 | Benchmark in-house and external delivery costs against other providers and carry out a gap analysis of current skills and capacity within the housing assets & compliance team.   |
| AM/CR/6 | Ensure continued compliance with all Health & Safety, regulatory and statutory standards and take on the role of Responsible Person for compliance with asbestos, gas, electrics, Legionella and fire.                      |
| AM/CR/7 | Review team competencies in relation to health and safety compliance and Construction Design & Management Regulations 2015 and develop a training plan to upskill the team.   |
| AM/CR/8 | Carry out a review of all key compliance areas and develop a new risk register that can confirm adherence to the relevant legislation(s) at corporate and executive level. Assurance for the duty holder is a key priority. |

## Stakeholder engagement

|         |  |
|---------|--|
| AM/SE/1 | Ensure that housing, commercial, and strategy teams within the housing service fully support this plan and will ensure a collective response.  |
| AM/SE/2 | Increase our engagement with key stakeholders, and our tenants, including those from diverse groups, through more detailed satisfaction surveys, consultation on policies and the final publication of the new Asset Management Strategy                           |
| AM/SE/3 | Develop a new Housing Asset Management Working Group, which will consist of key officers and stakeholders to assist with the development of the Asset Management Strategy and ensure it is fit for purpose.  |
| AM/SE/4 | Develop a process to produce annual work plans for each district / area that will allow tenants, members and the wider housing team to understand key projects being delivered in each area, detailing works proposed with anticipated start and completion dates. |
| AM/SE/5 | Develop new procedures to ensure meaningful early engagement with leaseholders to comply with s20 legislation  |

# Action plan

## Value for money

|          |   |
|----------|---|
| AM/VFM/1 | Review our approach to leasehold service charges and recharging leaseholders for major works  |
| AM/VFM/2 | Explore further our approach to the asset management of our garages, understanding viability, maximising income, and exploring further option appraisals where there is low demand. |
| AM/VFM/3 | Ensure we have skilled internal expertise and capacity, as well as access to appropriate consultants and contractors to deliver our capital programme and ensure value for money.   |
| AM/VFM/4 | Carry out an initial assessment of the Net Profit Value (NPV) across our HRA stock and develop a procedure to target properties where NPV is below our set and targeted levels.     |
| AM/VFM/5 | A review will be completed of all current procurement contracts to ensure we are achieving value for money and that the agreed key performance indicators are being met.            |
| AM/VFM/6 | Produce a 5-year Housing Assets Procurement Plan, ensuring that social value is considered in all future contracts and meets the needs of the council and our tenants.              |

## ASSET MANAGENET and COMPLIANCE TEAM Asset management and compliance team

|          |   |
|----------|---|
| AM/AMC/1 | Review the current asset management and compliance team, to ensure the team is fit for purpose and has the necessary skills and competencies to deliver and manage the projects, ensuring full compliance with current legislation. |
| AM/AMC/2 | Review and confirm competency levels within the team and individual officers., Further work will be done to upskill and or coach, mentor or provide formal training for officers to ensure we have competent and skilled staff.     |
| AM/AMC/3 | Conduct a fundamental review of support services to ensure that the service is appropriate to meet the needs of the housing asset management and compliance team.   |



**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL**

**CABINET – TUESDAY, 19 JULY 2022**



|  |  |                           |
|--|--|---------------------------|
| <b>Title of Report</b>                     | <b>ZERO CARBON ROADMAP UPDATE</b>  |                           |
| <b>Presented by</b>                        | Andrew Woodman<br>Community Services   |                           |
| <b>Background Papers</b>                   | Minutes of 31 March 2020 Cabinet meeting where Zero Carbon Roadmap & Action Plan was adopted:<br><a href="#">Agenda for Leader of the Council Cabinet Member Meeting on Tuesday, 31st March 2020, 5.00 pm - North West Leicestershire District Council (nwleics.gov.uk)</a>  | <b>Public Report:</b> Yes |
|  | Zero Carbon Roadmap Year 1 report:<br><a href="#">Agenda for Cabinet on Tuesday, 27th July, 2021, 5.00 pm - North West Leicestershire District Council (nwleics.gov.uk)</a><br><br>Minutes of 9 March 2022 Corporate Scrutiny:<br><a href="#">Agenda for Corporate Scrutiny Committee on Wednesday, 9th March, 2022, 6.30 pm - North West Leicestershire District Council (nwleics.gov.uk)</a> | <b>Key Decision:</b> Yes  |
| <b>Financial Implications</b>              | Section 7 of this report sets out the financial implications for both 2021/22 and 2022/23. This report proposes spending £90,000.  |                           |
|  | <b>Signed off by the Section 151 Officer:</b> Yes  |                           |
| <b>Legal Implications</b>                  | All decisions arising from the implementation of the action plan must comply with the Councils' established governance and decision making processes. The project team will seek legal advice on specific aspects of the action plan on a case by case basis.  |                           |
|  | <b>Signed off by the Monitoring Officer:</b> Yes   |                           |
| <b>Staffing and Corporate Implications</b> |  |                           |
|  | <b>Signed off by the Head of Paid Service:</b> Yes   |                           |
| <b>Purpose of Report</b>                   | To provide an update on the council's Zero Carbon Roadmap and Action Plan and seek approval for the year 3 action plan and spend.  |                           |

|                            |  |
|----------------------------|--|
| <b>Reason for Decision</b> | To progress with the Zero Carbon Roadmap   |
| <b>Recommendations</b>     | <p><b>THAT CABINET:</b></p> <ol style="list-style-type: none"> <li><b>1. NOTES THE PROGRESS THAT HAS BEEN MADE WITH YEAR 2 OF THE ZERO CARBON ROADMAP AND</b></li> <li><b>2. APPROVES THE PROPOSED ACTIONS AND SPEND FOR YEAR 3 OF THE ZERO CARBON ROADMAP</b></li> <li><b>3. RECOMMENDS TO COUNCIL THAT:</b> <ol style="list-style-type: none"> <li><b>a) £75,000 FOR LED LIGHTING IN PUBLIC CAR PARKS ; AND</b></li> <li><b>b) £50,000 FOR ELECTRICAL CHARGING POINT INSTALLATIONS</b></li> </ol> <b>ARE ADDED TO THE COUNCIL'S CAPITAL PROGRAMME.</b> </li> </ol> |

## **1. BACKGROUND**

- 1.1. North West Leicestershire District Council (NWLDC) declared a climate emergency on 25 June 2019 and is one of over 300 UK local authorities to do so.
- 1.2. The Zero Carbon Roadmap and Action Plan was adopted by the council on 31 March 2020. The Action Plan summarises recommended activity to achieve the ambition of a net zero carbon council by 2030 and a net zero carbon district by 2050.
- 1.3. The Zero Carbon Roadmap estimated, from a baseline of 2016, that the emissions from council owned assets of 18,000 tCO<sub>2</sub>e represent just 1.5% of the total emissions of the North West Leicestershire (NWL) district. This is dominated by the buildings owned and operated by the council, in particular housing. Whilst tackling the emissions from the council's own operations is an imperative, the scale of the emissions from the wider district highlights how important it is for the council to show leadership to influence wider district emissions.
- 1.4. The target for the council's operations to be net zero carbon by 2030 and the district by 2050 is highly challenging and the council cannot achieve this alone. The council, in its civic leadership role, has a responsibility to lead in this area to help ensure that North West Leicestershire recognises and embraces the crucial activity required to meet the challenge.

## 2. ZERO CARBON ROADMAP KEY THEMES

2.1. The Zero Carbon Roadmap is divided into distinct activity groups.

|           |                     |
|-----------|---------------------|
| Buildings | Forestry & Land Use |
| Power     | Industry            |
| Waste     | Aviation            |
| Transport | F-gases             |

2.2. North West Leicestershire emissions are dominated by transport, buildings, and industrial installations.

2.3. Direct emissions from NWLDC are estimated at 1.5% of the total emissions from the district (council buildings, homes, vehicle fleet).

2.4. The council can directly influence a further 32% of emissions mainly through:

- Planning for new buildings
- Planning control for new industrial installations and site emissions
- Electric vehicle infrastructure
- Waste reduction and diversion from landfill

2.5. The initial focus is on the council's own activities and what direct action it can take. Other categories of activities identified are where the council can influence and where it can help to facilitate.

## 3. WIDER PERSPECTIVE ON CLIMATE CHANGE

3.1. The Prime Minister, Boris Johnson, released his 10 point plan in November 2020, which is built around the UK's strengths and covers clean energy, transport, nature and innovative technologies.



3.2. In June 2021, the UK Climate Change Committee published its third independent assessment of UK Climate Risk (CCRA3) concluding climate change is worsening and the UK needs to prepare and adapt to protect people, economy and the environment.

- 3.3. The UK hosted COP26 in Glasgow in November 2021 which highlighted the criticality to limit global temperature rise to 1.5C, as agreed in the Paris Agreement in 2015.
- 3.4. Legislation and national policies will shape the future focus and activity including the Environment Act 2021, UK Net Zero Strategy: Build Back Greener, Heat and Buildings Strategy and the Transport Decarbonisation Plan. Co-ordination and support will be key to develop an integrated UK wide approach to the net zero challenge.
- 3.5. Across the UK, there is currently an increasing focus on the rising cost of living and concern about fuel poverty. Making homes across North West Leicestershire more energy efficient has both an emissions reduction case and a reduction in the cost of keeping warm. At the Annual Council meeting on 10<sup>th</sup> May 2022, a motion to minimise fuel poverty across the district was referred to Community Scrutiny.

#### 4. EMISSIONS MEASUREMENT

- 4.1. Members requested officers consider how they could report the impact of activity on carbon emissions. Information on measuring methodologies and detailed breakdown of the reporting developed is outlined in Appendix One.
- 4.2. UK Government department BEIS (Department for Business, Energy & Industrial Strategy) carbon emission factors provides the best source for district emissions. This data is produced 2 years in arrears and it is available back to 2005. Data is based on territorial CO2 emissions, those that occur within the district's borders.

4.2.1. The data indicates the following reductions between 2005 and 2019. Further detail is available in Appendix One.

| Sector        | % Change (2005-2019) |
|---------------|----------------------|
| Commercial    | -49%                 |
| Domestic      | -34%                 |
| Industry      | -38%                 |
| LULUCF        | 0%                   |
| Public Sector | -55%                 |
| Transport     | -1%                  |
| Total         | -29%                 |

- 4.3. For NWLDC reporting, the Local Government Association (LGA) carbon emissions accounting tool is used. It is based on the BEIS carbon emission factors.

##### 4.3.1. Summary of emissions

| GHG emissions tCO2e               | Sector         | 2021-22       | 2020-21       | % Change     | 2019-20       | % Change 21/22 v 19/20 | Difference tCO2e |
|-----------------------------------|----------------|---------------|---------------|--------------|---------------|------------------------|------------------|
| <b>Scope 1 - Direct Emissions</b> |                |               |               |              |               |                        |                  |
| Gas                               | Buildings      | 681.4         | 720.5         | -5.4%        | 698.1         | -2.4%                  | -16.7            |
| Diesel, HVO*                      | Fleet vehicles | 797.7         | 880.8         | -9.4%        | 955.8         | -16.5%                 | -158.0           |
| <b>Scope 2 - Energy indirect</b>  |                |               |               |              |               |                        |                  |
| Purchased electricity             | Buildings      | 282.0         | 327.2         | -13.8%       | 429.6         | -34.4%                 | -147.6           |
| <b>Total Emissions</b>            |                | <b>1761.2</b> | <b>1928.4</b> | <b>-8.7%</b> | <b>2083.5</b> | <b>-15.5%</b>          | <b>-322.3</b>    |

\* HVO emissions assumed at 10% of diesel

HVO - fleet switched to HVO 19/1/22 (71 days); assumption is Housing switched 1/3/22 (31 days)



- 4.3.2. The data is sourced from NWLDC invoices for utilities and from fuel and tracker systems for fleet. It excludes the leisure centres and tenanted properties.
- 4.3.3. Note: In the future, emissions reporting may expand to report on more categories, or property portfolios or fleet numbers might change, which may result in an increase in reported emissions at total level but actually reflect an improvement on prior year on a like-for-like basis.
- 4.4. Additional reporting is provided in Appendix One on EPC rating improvements from the recent social housing improvements, EV charging usage and the food waste trial.

## **5. YEAR TWO UPDATE**

- 5.1. Year Two has seen significant progress on the zero carbon agenda.
- 5.2. Key achievements include the Fleet Management Strategy which has informed the fleet replacement capital plan and the switch from diesel to HVO fuel; Green Home Grants work which resulted in significant energy and emissions improvements to 86 homes and a draft asset management plan; electric car charging points have been installed in Coalville, supported by government grants; Local Plan Review is underway and zero carbon has been a key area of focus in the recent consultation; the Whitwick and Coalville Leisure Centre has been built to BREEAM standards and the free tree scheme returned. In addition, significant work has been undertaken on emission data reporting.
- 5.3. Challenges have been around technical complexity and cost of upgrading LED lights in car parks (funding request in Year 3); the lack of government funding to support food waste expansion across the district and limited progress on employee travel and scope 3 emissions. All residual activities feature in Year 3 plans.

| No. | Sector/Action  | Update  |
|-----|--|---|
|     | <b>Buildings</b>   |   |
| 1   | Deliver energy efficiency improvement works to c56 social housing properties supported by the government's Green Home Grant Phase 1B grant (£264,000) and £437,000 council funded investment by end Sept 2021.   | Energy efficiency improvements delivered to 56 social housing. After the success of LAD1B programme, further funding was awarded to support improvements to another 30 properties. The improvement works were all complete on time with the properties all achieving a minimum of EPC rating C. Data is reported in Appendix One.   |
| 2   | Develop HRA asset management strategy for approval within 2021/22 outlining plans for improving energy efficiency and retrofitting the existing housing stock of 4100 tenants' homes with zero carbon a key consideration and include methodology to measure the CO <sub>2e</sub> emissions benefit. | <p>Housing Asset Management Plan is going to Full Council in July 2022 and outlines the interim activity, focusing on 2022-2024, whilst a full five year programme is developed to cover 2024-2029 across the estate of 4159 homes, alongside several legislation changes.</p> <p>Zero carbon is a key theme with the aim for all tenants' homes to meet an EPC rating of C or above by 2030. Prioritisation will be given to high emission homes dependent on coal or oil and improvements will focus on a fabric first approach and deep retrofit wherever possible.</p> <p>There is also the commitment to replace all inefficient car park lighting with LEDs and to review HRA assets to assess if any sites are suitable for community electric vehicle (EV) charging points</p> <p>There is a commitment in the council's budget of £4.1 million per year until 2030, but grant funding, including Social Housing Decarbonisation Fund (SHDF) and Energy Company Obligation (ECO) will be explored in Year 3. Grants will release funding to address other priorities or enable the programme of works to be accelerated</p> |
| 3   | Build technical skills to support the delivery of further efficiency improvement works key to our zero carbon agenda in order to complete works directly rather than via contractors (e.g., air source heat pumps, solar thermal, solar PV etc).   | There has been a focus on building technical skills and capacity to support the delivery of further efficiency improvement works key to the council's zero carbon agenda in order to complete works directly rather than via contractors (e.g., installation of air source heat pumps, solar thermal, solar PV; retrofit assessors and co-ordinator).   |
| 4   | Complete a review of councils' property portfolio to build retrofit plans to drive energy efficiency across the estate and deliver zero carbon agenda.   | <p>An energy and carbon review of properties in the council's portfolio is in progress with the aim to identify opportunities to reduce energy consumption and carbon emissions. The review is due to be completed by the end of May 2022 and will help determine priorities and actions across the estate.</p> <p>The Accommodation project has considered the council's commitment to zero carbon in the changes planned across both Whitwick Business Centre and Stenson House. Final plans are under development.</p>   |
| New |  | NWLDC has been awarded £763,500 by the Midlands Net Zero Hub, after a successful bid in the Sustainable Warmth Competition, to install energy efficiency measures to low income private households in NWL. Funding is provided by on-gas (LAD3) and off-gas (HUG) schemes. This project helps to tackle fuel poverty as well as contribute to the council's carbon reduction ambitions. Leicestershire Authorities are working together to develop a county-wide partnership to deliver Sustainable Warmth across Leicestershire  |
| New |  | With the support of Midland Net Zero Hub, desk top solar PV surveys have been completed on key buildings in the portfolio to provide insight to the opportunities. Ashby Leisure Centre (formerly Hood Park) has been identified as one of the most suitable locations.   |

| No. | Sector/Action   | Update   |
|-----|---|--|
|     | <b>Power/Buildings</b>  |  |
| 5   | Build the council's zero carbon ambition into the substantive review of the local plan including renewable energy, primarily wind and solar; energy efficiency standards for new homes; provision of electric vehicle charging points for residential and employment developments, where electricity supply permits | <p>As part of the Local Plan Review, a consultation was undertaken (17/1/22-14/3/22) on potential development strategy and policy options which outlined a number of key issues that the Local Plan Review must address, including climate change. The consultation set out draft policy wording for renewable energy, energy efficiency, reducing carbon, overheating, water efficiency standards and how new developments can demonstrate that they are addressing climate change. The draft policies included targets for both solar and wind energy generation to 2039 and an efficiency target that seeks higher than Building Regulation targets with regard to energy efficiency standards in new housing developments. There has been a considerable number of responses which will help shape Local Plan policies.</p> <p>The council has secured funding from government to review current Good Design Supplementary Planning Guidance to respond to the governments new design codes and produce a toolkit of design principles to consider for new developments, such as street character, building type and façade as well as environmental, heritage and wellbeing factors.</p> <p>Consultants have been commissioned to assess current provision of wide range of infrastructure such as schools, doctors, and utilities (e.g. electricity, water and gas) and to assess the implications for these arising from proposed new development so as to inform policies in new Local Plan to ensure that new development provides the new infrastructure required.</p> <p>Electric charging points provision now forms part of Building Regulations legislation but should there be any delays to the changes before the final draft of the Local Plan, this will be re-visited.</p> |
| 6   | Explore the setting up of a carbon offset fund  | The council needs to better understand the amount of development to be provided for and what this means in terms of potential carbon emissions, after which options will be explored on how to address the issue of offsetting.  |
|     | <b>Power</b>  |  |
| 7   | Convert car park lighting in public car parks to LED  | Converting the car park lighting to LED has proved more complex and costly than anticipated. There is a request for additional funding in Year 3 to support this activity.   |
| 8   | Install solar panels on Whitwick and Coalville Leisure Centre   | Whitwick and Coalville Leisure Centre has been built to BREEAM building standards, an industry recognised sustainability assessment method, and has solar PV fitted and electric vehicle charging points.  |
| 9   | Review and monitor electricity and gas usage across the council's estate  | A key focus has been on sourcing accurate and timely utility usage data and checking that all energy usage appears on the corporate contracts. This provides a solid foundation to review energy usage at location level. Data is reported in section 4.   |
| 10  | Explore mine water heating opportunities in Coalville   | Mine water could provide low carbon, low cost heat from water from dis-used mines underneath Coalville with the potential to feed the new Leisure Centre, Stephenson College and the council offices. Officers have engaged with the Coal Authority and through initial discussions determined that the current licence does not expire until May 2024. Work will continue to explore the feasibility in partnership with the Coal Authority.  |
| New |   | Leicestershire Authorities are working together on a "Solar Together Leicestershire" group buying scheme to support residents who have been considering installing solar panels and/or battery storage. The scheme launch date is 9 May 2022 with an auction to be held on 14 June and installations to follow within 6 months. It is open to residents and small and medium businesses.   |

| No.              | Sector/Action  | Update  |
|------------------|--|---|
| <b>Waste</b>     |  |   |
| 11               | Continue with the food waste trial (4000 households) and drive participation rates | <p>In 2021/22, 206.68 tonnes of food waste were collected, which equates to a saving of 155.01 tCO<sub>2e</sub>. On average 16.1 tonnes of food waste is collected each month and diverted away from landfill, representing a carbon saving of 12.08 tCO<sub>2e</sub>. Current participation rate in the food waste trial is 32% and activities are planned to drive improvements.</p> <p>The food waste scheme received publicity as part of the COP26 – with an article in Carbon Copy sharing our learnings with others considering following a similar route</p>  |
| 12               | Build business case to expand food waste service across the district               | Whilst it was anticipated that 2022/23 would see the roll-out of food waste collections across the district, this has been paused pending government funding support, an update is expected in spring. The business case is being developed.  |
| 13               | Second container trial with 250 residents  | The second trial is underway and was significantly over-subscribed.   |
| <b>Transport</b> |  |   |
| 14               | Complete Fleet Management Strategy and present to Scrutiny and Cabinet             | <p>Fleet Management Strategy was approved by Cabinet in September 2021 which informed the fleet replacement capital plan and led to switching the fleet from diesel to a hydrotreated vegetable oil (HVO) in January. HVO is a drop-in fuel which reduces CO<sub>2</sub> emissions by up to 90%; vehicles can switch to it immediately without modification. Data is reported in section 4.</p> <p>Fleet replacement for cars will be electric next cycle; the housing fleet will move to electric vans and an initial trial is planned with representation from across the trades which will include home charging. The larger fleet will be replaced with diesel powered engines and run on HVO fuel. As the market is changing rapidly, there is a commitment to explore new technologies as part of each vehicle replacement decision.</p> <p>In addition, Waste Services undertook a route optimisation review of collection routes to reduce the distance travelled by the crews which will have a positive impact on fuel costs and emissions.</p> |
| 15               | Install EV charging points in a Coalville car park and the depot                   | <p>Four EV charging points have been installed at Margaret Street in Coalville, bringing the total locations to five across the council's public car parks. The installation was supported by a grant from the Office for Zero Emission Vehicles (OZEV) of £26,000 and was available for use by residents from November 2021.</p> <p>The electric vehicle charging cost structure was reviewed and changed from a cost per hour to a charge based on kWh usage. The aim is to make the charging costs fairer, especially for those residents who depend on council charging points overnight to charge their vehicles.</p> <p>Analysis of the usage indicates that there has been significant usage growth in 2021/22 saving an estimated 8.25 tCO<sub>2e</sub> versus 1.14 tCO<sub>2e</sub> in 2020/21. Further information is provided in Appendix One</p>  |
| 16               | Explore EV charge points at council offices & Whitwick & Coalville Leisure Centre. | EV charging points have been installed at Whitwick & Coalville Leisure Centre and are planned at Whitwick Business Centre.  |
| 17               | Complete Cycling & Walking Strategy and develop plans for local infrastructure     | The initial strategic overview, which dovetails into the LCC strategy, is now complete and the second phase is underway. This will provide a detailed action plan that builds on the strategy to understand the financial and operational implications of developing routes and maintaining them. It is due to be completed by the end of the year.   |

| No. | Sector/Action  | Update   |
|-----|--|--|
|     | <b>Waste</b>   |  |
| 18  | Reduce taxi vehicle emissions through lower licencing fees for EURO5 engines - target in CDP is 93% 2021/22; 100% 2022/23  | <p>The taxi licence change ensuring that all taxis are a minimum of a Euro 5 engine, has been implemented. The target in the Council Delivery Plan is to achieve 93% of vehicles with a Euro 5 engine or higher in 2021/22 and 100% by 2022/23. The current status is 98%.</p> <p>A further target was determined at the Licensing Committee on 19 February 2020 with the decision that from 1 January 2025, all hackney carriage and private hire vehicles must be fitted with at least a Euro 6 compliant engine or equivalent using retrofit technology. Any vehicle with a Euro 5 compliant engine or older will not be licensed at the time of renewal.</p> |
| 19  | Review travel expense policy to encourage staff to consider their carbon footprint   | Employee travel and the travel expense policy has been reviewed and a number of options are being explored. This work will be concluded in Year 3.   |
|     | <b>Other</b>   |  |
| 20  | Free trees scheme will return in November 2021   | 17,500 trees were given away in 2021 and the scheme will return again in November 2022.  |
| 21  | Explore tree planting opportunities and funding on council owned land.   | Officers have been working with LCC to explore tree planting opportunities and funding on council owned land and been jointly awarded a grant to plant 70 trees from the Urban Tree Challenge Fund.  |
| 22  | Undertake foundation work to complete analysis if the council's indirect emissions (Scope 3) in order to understand risks, identify and prioritise opportunities | Initial works has been undertaken and a source identified to complete the analysis. However, to get the value from any assessment, finance and procurement support is required. Year 3 will focus on establishing the approach to explore Scope 3 emissions reporting, to shape the council's procurement policies and influence spend.  |
| 23  | Support Parish Councils to understand their carbon footprint providing coaching sessions on a community carbon calculator.                                       | This was completed in June 2021.   |
| New |  | The Air Quality Action Plan has been adopted for North West Leicestershire. Following a successful bid to DEFRA, a grant has been awarded to monitor and raise awareness of the impact of PM2.5 particulate matter, working jointly with Harborough District Council.  |
| New |  | A biodiversity report summarising the council's involvement and support has been published and is available on the council's website.  |
| New |  | Business Focus continues to promote zero carbon related activity including signposting to grants, specific schemes, such as the Wheels to Work to get people cycling to work and encouraging bus travel, and carbon footprinting webinars aimed at small businesses.   |

## YEAR THREE PLANS

| No.              | Sector            | Action Plan Overview  |
|------------------|-------------------|---|
| <b>Buildings</b> |                   |   |
| 1                | Social Housing    | Implement the asset management plan, including the zero carbon commitments to drive energy efficiency improvements and emission reduction in tenants' homes. Explore grant funding including Social Housing Decarbonisation Fund (SHDF) and Energy Company Obligation (ECO) |
|                  |                   | Fit LED lighting and explore EV charging opportunities across the HRA estate.   |
|                  |                   | Develop reporting to demonstrate emission benefits from property improvements   |
| 2                | Property          | Develop a property portfolio energy efficiency action plan and address commercial F&G EPC ratings   |
|                  |                   | Explore options for retrofitting of technology that will generate power at a lower carbon cost, including the Accommodation project   |
|                  |                   | Build better understanding capacity of the infrastructure networks around our buildings to support a switch to lower carbon power sources and EV charging.  |
|                  |                   | Regeneration activity will consider zero carbon implications within all projects.   |
|                  |                   | Develop reporting to demonstrate emission benefits from property improvements   |
| 3                | Leisure Centres   | Together with Everyone Active, develop action plan to drive a reduction in emissions at the Leisure Centres.  |
| 4                | Private Sector    | Together with Leicestershire Authorities partnership, deliver the Sustainable Warmth programme to increase the energy performance of homes across the district improve the efficiency of some of the worst energy efficient homes in the district.                          |
| <b>Power</b>     |                   |   |
| 5                | Utilities         | Develop a utilities strategy.   |
|                  |                   | Review usage data/property EPCs to identify opportunities to reduce consumption at council owned and operated buildings.  |
| 6                | LED lighting      | Convert all the lighting in NWLDC car parks to LED and review HRA lighting.   |
| 7                | Planning          | Build the council's zero carbon ambition into the substantive review of the Local Plan including renewable energy and energy efficiency standards for new homes.  |
|                  |                   | Reflect the council's zero carbon ambitions in the Good Design Supplementary Planning Guidance  |
|                  |                   | Explore carbon offset options including opportunities for the council to be a biodiversity and carbon offset provider   |
| 8                | Solar Together    | Support the delivery of the Solar Together group buying scheme to assist householders and small businesses to install solar PV and battery storage  |
| 9                | Mine Water        | Continue to explore mine water feasibility - this technology could provide low carbon, low cost heat from water from dis-used mines underneath Coalville with the potential to feed the new Leisure Centre, Stephenson College and the council offices.                     |
| <b>Waste</b>     |                   |   |
| 10               | Recycle more      | Refresh the Recycle more strategy.  |
|                  |                   | Develop reporting to reflect landfill kgs per person and estimate emission savings through diverting waste from landfill.   |
| 11               | Food Waste        | Continue to develop the business case and explore government funding to expand to provide a cross-district service.   |
| <b>Transport</b> |                   |   |
| 12               | Fleet             | Continue to roll out the Fleet Management Strategy, including fleet replacement, infrastructure and housing trials.   |
| 13               | Cycling & Walking | Complete action plan Q3 and develop local infrastructure plans and priorities to build connectivity improvements.   |
| 14               | EV charging       | Install EV charging at Peggs Close in Measham and Whitwick Business Centre.   |
|                  |                   | Plan EV charging at Money Hill car park.  |
|                  |                   | Support the Flex-D solar hub project with Leicestershire Authorities to develop a business case and seek funding  |
|                  |                   | Explore further EV opportunities across the council's portfolio, including HRA.   |
| 15               | Employee Travel   | Conclude the review of employee travel and travel expense policy to encourage staff to consider their carbon footprint.   |
| <b>Other</b>     |                   |   |
| 16               | Finance           | Investment strategy - review treasury guidelines for use next financial year.   |
|                  |                   | Explore how to reflect and embed zero carbon impact in financial decision making  |
| 17               | Reporting         | Establish approach to explore Scope 3 emissions (indirect, supply chain) reporting, to shape the council's procurement policies and influence spend   |
| 18               | Air Quality       | Continue delivering air quality action plan   |
| 19               | Business          | Continue to promote zero carbon related activity to local businesses  |
| 20               | Biodiversity      | Continue free tree scheme, planting trees and support communities with grants   |
| 21               | Engagement        | Consider LCC net zero consultation and use feedback to shape district engagement plan.  |

## 6. FINANCIAL REPORTING

### 6.1. Zero Carbon Reserve

6.1.1. Each activity will be supported by a detailed business case to assess the affordability and deliverability of a potential project on a case by case basis. In addition, grants and funding options will be explored.

6.1.2. The Zero Carbon Roadmap Financial Summary for Year Two (2021/22):

|  | TOTAL    |
|--|----------|
| Funding - Reserve                              | £885,000 |
| <u>Revenue Projects (c/c 0970)</u>             |          |
| Staffing (funding for 3 year post)             | £192,402 |
| Working Budget (3 year funding)                | £30,000  |
| Food Waste Trial (Measham & Coalville)         | £106,000 |
| Fleet Strategy Consultants (57% contribution)  | £12,284  |
| Mine water feasibility study                   | £50,000  |
| District level resident/housing data           | £10,000  |
| Indirect emissions (Scope 3) evaluation        | £15,000  |
|  | £415,686 |
| <u>Capital Projects</u>                        |          |
| EV charging infrastructure/strategy (c/c 7409) | £50,000  |
| LED lighting for car parks (c/c7011)           | £15,000  |
|  | £65,000  |
|  |          |
| Funding - RCCO                                 | £115,000 |
| <u>Capital Projects</u>                        |          |
| Electric Vehicle Charging Points (c/c 7409)    | £211,597 |
| External Grant for EVCP (OLEV/EST) (9283-7181) | -£96,597 |
|  | £115,000 |
|  |          |
| Total Allocated                                | £595,686 |
| Unallocated Balance                            | £404,314 |

6.1.3. The proposed spend from Zero Carbon Reserve in Year Three (2022/23), from the unallocated balance is:

|   |          |
|---|----------|
| Remaining Earmarked Reserve   | £404,314 |
| LED lighting - public car parks*  | £60,000  |
| Solar PV specification for Leisure Centre   | £10,000  |
| Development of works specification to address commercial properties rated F&G EPC | £20,000  |
| Total   | £90,000  |
| Remaining Earmarked Reserve   | £314,314 |

\* LED lighting project is more complex and costly than originally anticipated and has now been better scoped (£99,000). It will deliver estimated energy and carbon savings of 57% and will reduce both energy and maintenance costs.

6.1.4 As per the council's constitution, capital expenditure can only be incurred where it is in the capital programme. Approval by Council of the capital programme shall be a prerequisite for the commencement of a project and enter into a contract. Therefore, Cabinet is asked to recommend to Council that:

- a) £75,000 for LED lighting in public car parks; and
  - b) £50,000 for electrical vehicle charging point installations
- are added to the Council's capital programme both funded by the zero-carbon reserve.

## 7. CORPORATE SCRUTINY

7.1. This paper was presented to Corporate Scrutiny on 8 June 2022 and was well received. Members' comments included:

- Recognition that social housing is a significant contributor to the council's footprint
- Discussion around electric vehicle charging usage, food waste and LED lighting
- Interest in mine water heating
- Recognition of the role of planning

## 8. RISK IMPLICATIONS

8.1. Risk Management will be a central consideration of each action's business case. Affordability will be a central concern as will the availability of technology that can deliver the required low emission solution.

8.2. There are undoubtedly mixed perceptions of climate change across the various stakeholders and communities of the district that manifest into a spectrum of views that the council will need to navigate in the implementation of the action plan, the prioritisation of resources required as well as messages to communities.

| <b>Policies and other considerations, as appropriate</b> |  |
|--|--|
| Council Priorities:                                      | "Developing a clean and green district"  |
| Policy Considerations:                                   | Zero Carbon Roadmap and Action Plan<br>Local Plan  |
| Safeguarding:  | N/A  |
| Equalities/Diversity:                                    | An impact assessment will need to be carried out as part of each project's business case.  |
| Customer Impact:   | Communities, council tax and businesses in the district will be engaged on the roll out of the programme.                                      |
| Economic and Social Impact:                              | This will be a key aspect of each business case to assess not only the financial impact of intervention but the wider benefits.                |
| Environment and Climate Change:                          | The adoption of the Zero Carbon Roadmap and associated Action Plan sets out the council's future approach to addressing the climate emergency. |
| Consultation/Community                                   | Communities and businesses will be engaged on the roll   |



|                 |  |
|-----------------|--|
| Engagement:     | out of the programme.  |
| Risks:          | Covered under Section 9 of this report.  |
| Officer Contact | Paul Sanders<br>Head of Community Services<br><a href="mailto:paul.sanders@nwleicestershire.gov.uk">paul.sanders@nwleicestershire.gov.uk</a> |

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**ZERO CARBON REPORT APPENDIX**

**APPENDIX ONE**

**1. COVID-19 IMPACT, HYBRID WORKING AND COUNCIL ACCOMMODATION**

The Department for Business, Energy and Industrial Strategy (BEIS), in their provisional emissions results reported in March 2022, advise that Covid-19 will have had a significant impact on greenhouse gas emissions in the UK in 2021, in particular from transport and business, although less so compared to 2020 as restrictions were gradually eased throughout the year.

Since March 2020, due to the global pandemic, there has been a switch to hold meetings, forums and webinars on-line and this has challenged many organisations to re-think their operating models. A BBC survey in April 2021 of 50 of the UK biggest employers reported that almost all do not plan to bring staff back to the office full-time.

During the pandemic, the council delivered its services predominantly remotely, supported by technology and flexible working arrangements. In July 2021, the council adopted its hybrid working model which embraces flexible and agile working arrangements whilst retaining a focus on delivering the best possible level of customer service. This arrangement will see many individuals mixing office work with home working, dependent on their role and personal preference, on a permanent basis.

The council has now confirmed changes to its office accommodation, downsizing the space required due to the hybrid working model, and will re-locate the main council offices to Whitwick Business Centre in autumn 2022. As well as the energy efficiency opportunities a smaller, more modern office space presents, it should also be noted that with hybrid working there will also be a reduction in personal commuting mileage, compared to the pre-pandemic operation model, another positive impact on our zero carbon agenda.

**2. NET ZERO LEICESTERSHIRE 2045**

Leicester County Council (LCC) published their draft net zero strategy and action plan 2045 in May 2022. The plan outlines the approach county proposes to take to achieve its net zero by 2045 ambition and includes:

- enabling actions of leadership through collaboration, research and innovation, informing, engaging and involving and finance
- carbon reduction strategic themes and net zero objectives of decarbonising transport, net zero infrastructure, green economy, climate friendly communities, nature and land use as carbon stores

A consultation has been launched which runs from 12 weeks from 4 May to 26 July 2022 (<https://www.leicestershire.gov.uk/have-your-say/current-engagement/net-zero-strategy-and-action-plan-2045>). The output will provide a useful insight for NWLDC.

The plan recognises several areas for district council involvement and shared agendas. This is an opportunity to work together across Leicestershire and drive the shared net zero carbon agenda.

### **3. EMISSIONS MEASUREMENT**

#### **3.1. Methodology and Considerations**

Members requested that officers consider how they could report the impact of action taken on carbon emissions. This section provides an update on the work undertaken to date.

Measuring emissions is highly complex. At a simple level, usage data can be converted to emissions by applying UK Government department BEIS (Department for Business, Energy & Industrial Strategy) carbon emission factors.

Greenhouse gas emissions are divided into difference scopes:

- Scope 1 – the emissions that the council makes directly
  - e.g. running boilers and vehicles
- Scope 2 – the emissions that the council makes indirectly
  - e.g. electricity to heat or power buildings
- Scope 3 – the most complex, the emissions that the council is indirectly responsible for up and down its value chain
  - e.g. buying products from its suppliers

Greenhouse gas emissions are usually reported in the unit of “CO<sub>2e</sub>” which is an abbreviation for “carbon dioxide equivalent”. It is recognised as the standard unit to measure and compare emissions from greenhouse gases based on how severely they contribute to global warming. Metrics for CO<sub>2e</sub> show how much a gas would contribute to global warming if it were carbon dioxide, which is estimated to account for 80% of emissions on average in recent years.

It should be noted that in the future, emissions reporting may expand to report on more categories which may result in an increase in reported emissions at total level but actually reflect an improvement on prior year on a like-for-like basis.

At NWLDC, an example would be that our property portfolio could change through acquisition or sale impacting utility usage; but a reduction in usage could also be due to the change to a more efficient, lower carbon heating system.

The aim is to increase awareness of our greenhouse gas emissions, to use data to help influence decision making and to improve emissions reporting.

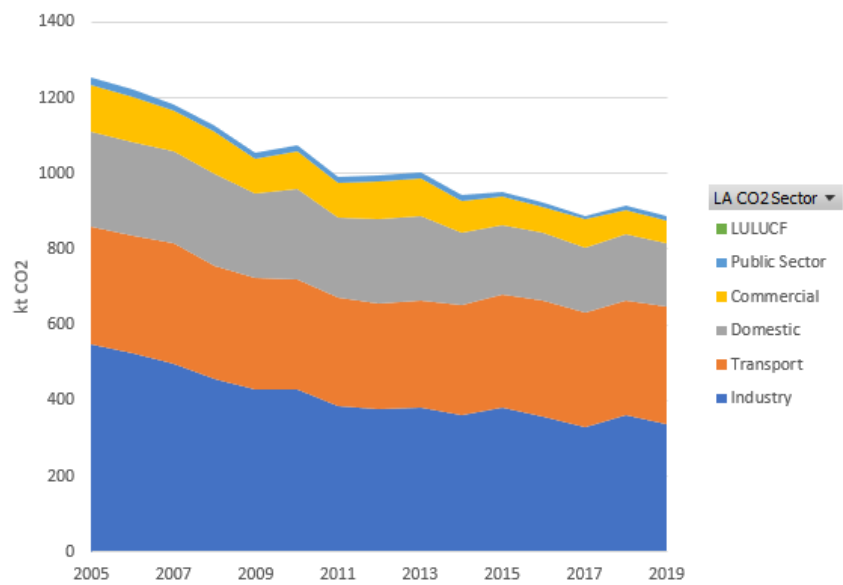
#### **3.2. District Emissions – Government data**

BEIS produces local authority territorial carbon emission estimates data released annually each summer. This data is produced two years in arrears, for example, 2020 carbon data will be published in 2022, and is based on territorial CO<sub>2</sub> emissions, those that occur within the district’s borders.

These statistics provide the most reliable and consistent breakdown of CO<sub>2</sub> emissions across the country using nationally available datasets going back to 2005. (Source: UK local authority and regional carbon dioxide emissions national statistics: 2005 to 2019 - GOV.UK ([www.gov.uk](http://www.gov.uk))).

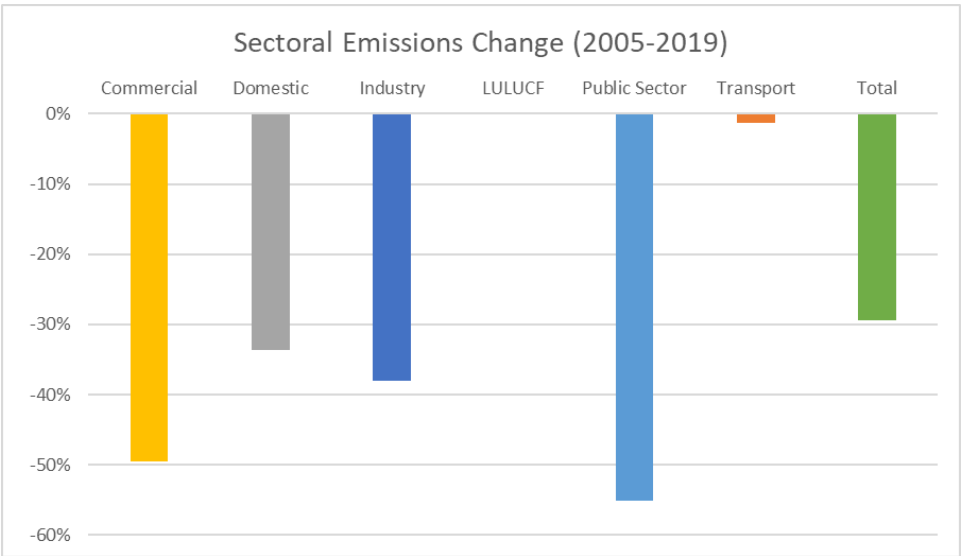
Each year, the intention is that North West Leicestershire district emissions will be assessed against our 2050 target to assess whether carbon reduction is ‘on track’ using the dataset that BEIS publishes of emissions within the scope of Local Authorities. The data used excludes emissions that Local Authorities do not have direct influence over – for example, transport motorway emissions are removed.

This data indicates the following reductions since 2005:

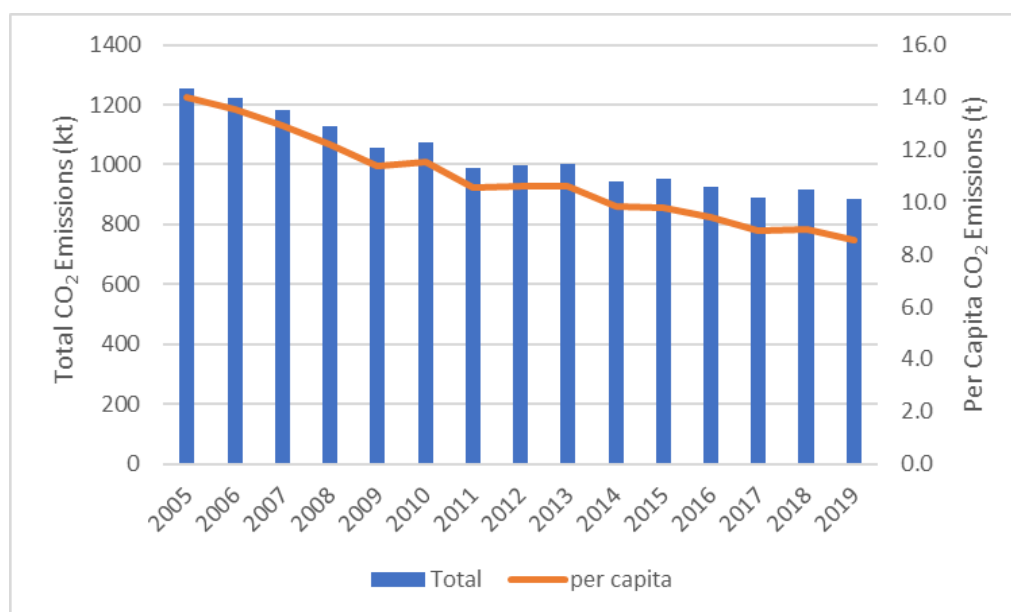


Note: LULUCF = Land use, land use change and forestry

The data is split by sector and the chart below illustrates the percentage change between 2005-2019.



Adding in population data indicates that the reduction per capita is improving at a faster rate.



A key driver of the reduction is the decrease in use of coal for electricity generation.

### 3.3. Council Emissions – In-house data

The Local Government Association (LGA) has developed a tool to help councils report emissions, based on the BEIS conversion factors. It is the tool that NWLDC has selected to report. NWLDC reporting has been completed for the main scope 1 (gas, fleet) and scope 2 (electricity) elements over the last three financial years.

Usage data for utilities has been sourced from NWLDC invoices whereas fleet data has been sourced from fuel systems and tracker systems. Leisure Centre usage has been excluded from this data as Hermitage and Ashby Leisure Centres moved to Everyone Active during 2019. This reporting will be a future development.

Summary of emissions status:

| GHG emissions tCO <sub>2</sub> e  | Sector         | 2021-22       | 2020-21       | % Change     | 2019-20       | % Change 21/22 v 19/20 | Difference tCO <sub>2</sub> e |
|-----------------------------------|----------------|---------------|---------------|--------------|---------------|------------------------|-------------------------------|
| <b>Scope 1 - Direct Emissions</b> |                |               |               |              |               |                        |                               |
| Gas                               | Buildings      | 681.4         | 720.5         | -5.4%        | 698.1         | -2.4%                  | -16.7                         |
| Diesel, HVO*                      | Fleet vehicles | 797.7         | 880.8         | -9.4%        | 955.8         | -16.5%                 | -158.0                        |
| <b>Scope 2 - Energy indirect</b>  |                |               |               |              |               |                        |                               |
| Purchased electricity             | Buildings      | 282.0         | 327.2         | -13.8%       | 429.6         | -34.4%                 | -147.6                        |
| <b>Total Emissions</b>            |                | <b>1761.2</b> | <b>1928.4</b> | <b>-8.7%</b> | <b>2083.5</b> | <b>-15.5%</b>          | <b>-322.3</b>                 |

\* HVO emissions assumed at 10% of diesel

HVO - fleet switched to HVO 19/1/22 (71 days); assumption is Housing switched 1/3/22 (31 days)

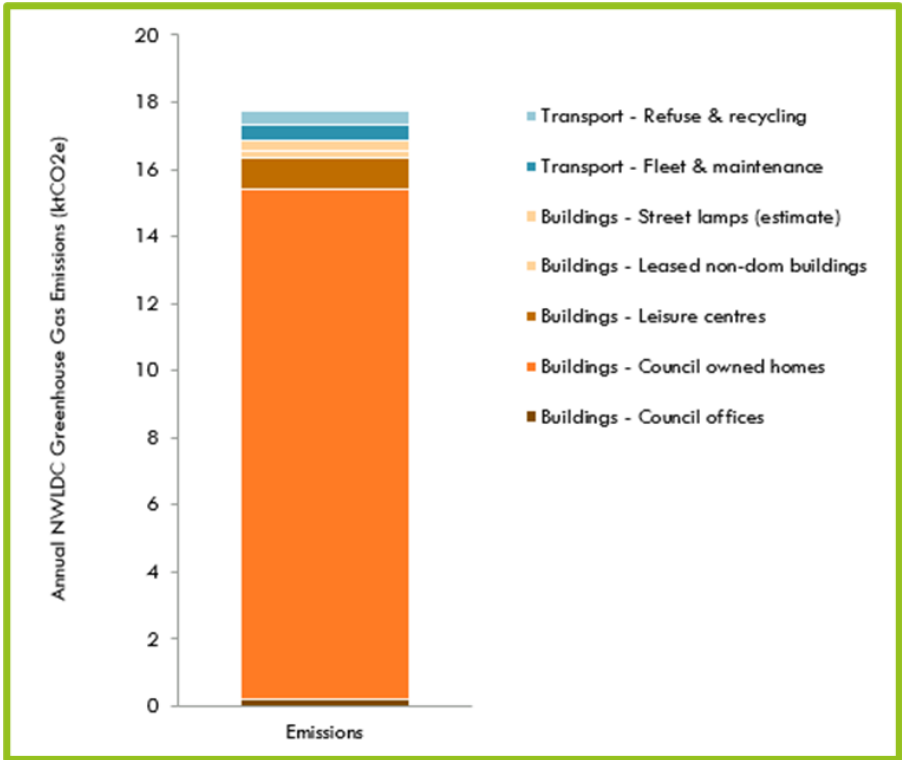
Further analysis is required to understand the causes of change. It is recognised that Covid will have impacted usage both positively and negatively during 2020/21 and 2021/22.

As data collection is improved, Scope 3 emissions need to be considered.

| Scope 1   | Scope 2                               | Scope 3  |
|---|---------------------------------------|--|
| Fuel combustion<br>Company vehicles<br>Fugitive emissions | Purchased electricity, heat and steam | Purchased goods and services<br>Business travel<br>Employee commuting<br>Waste disposal<br>Use of sold products<br>Transportation and distribution (up- and downstream)<br>Investments<br>Leased assets and franchises |

### 3.4. Buildings

The council’s zero carbon roadmap clearly identifies the importance of buildings in reducing the council’s emissions.



Source: Zero Carbon Roadmap, Etude, Baseline year 2016

Buildings are rated on their energy performance as part of their “EPC” review, a “energy performance certificate”. Behind an EPC grading is a “SAP” rating, a “standard assessment procedure”.



EPC calculations consider the amount of energy used by tracing potential sources of energy loss – for example, to get a good rating, the floors, walls and roof should have good insulation so the heat remains within the building.

The SAP methodology is used by government to assess and compare the energy and environmental performance of buildings. The SAP framework will be updated in summer 2022 to reflect the updated Building Regulations Part L and will incorporate various changes to the methodology including updated CO<sub>2e</sub> emissions.

As the energy efficiency ratings of our property portfolio improves, this will drive an emissions saving, however this will vary on the type of works undertaken and the specific building and will be impacted by how the tenant within the building operates. The council does not have access to all of this information.

We can, however, report a before/after status on any improvement works, based on the EPC rating of each building.

As part of the improvements to 56 of our social housing properties, supported by LAD1B scheme, the following EPC improvements have been confirmed:

| LAD1 B       | EPC Before | EPC After |
|--------------|------------|-----------|
| A            |            | 4         |
| B            |            | 30        |
| C            |            | 22        |
| D            | 2          |           |
| E            | 50         |           |
| F            | 4          |           |
| <b>Total</b> | <b>56</b>  | <b>56</b> |

NWLDC was also awarded further LAD1B funding to help improve an additional 30 social housing properties:



| LAD1 B Ext   | EPC Before | EPC After |
|--------------|------------|-----------|
| A            |            | 1         |
| B            |            | 21        |
| C            |            | 8         |
| D            | 11         |           |
| E            | 18         |           |
| F            | 1          |           |
| <b>Total</b> | <b>30</b>  | <b>30</b> |

Across the total 86 properties which were improved, based on EPC data, average carbon emissions reduced from 5.1 tCO<sub>2</sub> per year to 1.5 tCO<sub>2</sub>. At property level, the average emissions per year were:

| Before |                     | After |                     |
|--------|---------------------|-------|---------------------|
|        | Avg CO <sub>2</sub> |       | Avg CO <sub>2</sub> |
| D      | 4.1                 | A     | 0.5                 |
| E      | 5.8                 | B     | 1.0                 |
| F      | 7.5                 | C     | 2.4                 |

Further work is required, together with Property Services and Asset Management, to report on the energy performance of the council's entire building portfolio across both social housing and commercial operation.

### 3.5. EV charging

Usage of the EV charging points in NWLDC car parks is growing across all locations, showing a recovery from the impact of Covid. There are increases in the number of users and the number of charges and a much wider variety of vehicle brands is now being seen.

The data below is a summary from the usage data. The CO<sub>2e</sub> savings quoted are based on the assumption of standard electricity, not from a renewal source.

| Financial Year     | No. of Charges | % Change | kWh Used     | % Change | Sum of CO <sub>2</sub> | % Change |
|--------------------|----------------|----------|--------------|----------|------------------------|----------|
| 2019-2020          | 297            |          | 5285         |          | 2960                   |          |
| 2020-2021          | 141            | -53%     | 2029         | -62%     | 1136                   | -62%     |
| 2021-2022          | 1158           | 721%     | 16855        | 731%     | 9439                   | 731%     |
| <b>Grand Total</b> | <b>1596</b>    |          | <b>24170</b> |          | <b>13535</b>           |          |

### 3.6. Food Waste

From the start of the trial in November 2019 to the end of March 2021, the service collected 137.79 tonnes of food waste which, based on a conversion rate provided by the recognised body WRAP (Waste and Resources Action Programme), represents a saving of 97.14 tCO<sub>2e</sub>.

In the financial year 2021/22, 206.68 tonnes of food waste were collected, which equates to a saving of 155.01 tCO<sub>2e</sub>.

### 3.7. Recycling

Consideration has been given to understand the greenhouse gas impacts of waste management across the district. Drawing on the methodology published by WRAP, analysis is under development to estimate emissions savings as a result of diverting waste volume from landfill through recycling.

The conversion factors and volume per tonne highlight the importance of diverting compost/garden bin waste and paper and cardboard from landfill from a carbon emissions perspective.

Leicester County Council has confirmed that in quarter 3 2021/22 (Oct-Dec 2021), 100% of waste was 100% incinerated not landfilled. This is reported quarterly and can vary but needs to be factored into the analysis.

A refresh of the Recycle more programme is planned in Year 3.

## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY 19 JULY 2022



|  |  |                           |
|--|--|---------------------------|
| <b>Title of Report</b>                     | <b>2021/ 22 QUARTER 4 PERFORMANCE REPORT</b>   |                           |
| <b>Presented by</b>                        | Councillor Robert Ashman, Deputy Leader.   |                           |
| <b>Background Papers</b>                   | Various documents collated from departments held electronically by the Performance team.   | <b>Public Report:</b> Yes |
| <b>Financial Implications</b>              | No direct implications   |                           |
|  | <b>Signed off by the Section 151 Officer:</b> Yes  |                           |
| <b>Legal Implications</b>                  | None   |                           |
|  | <b>Signed off by the Monitoring Officer:</b> Yes   |                           |
| <b>Staffing and Corporate Implications</b> | None   |                           |
|  | <b>Signed off by the Head of Paid Service:</b> Yes   |                           |
| <b>Purpose of Report</b>                   | The report provides members of Corporate Scrutiny with information on the performance and progress made against the Council Delivery Plan actions and performance indicators for Quarter 4 (January to March 2022) |                           |
| <b>Recommendations</b>                     | That Cabinet notes the progress against the corporate objectives and performance indicators for Quarter 4 2021/22.   |                           |

## 1. INTRODUCTION

- 1.1 This report provides an update of the Council's key objectives and performance indicators for the period January to March 2022. Performance is managed at a strategic, service, operational and individual level. This report provides information measured against the Council Delivery Plan agreed in September 2021.
- 1.2 The quarterly performance reports seek to recognise good performance, share best practice across the organisation and to identify 'performance gaps' highlighting if and where action is required to meet targets. Once these gaps are identified, intervention plans will be created or

adapted to improve performance towards the target. This will be part of a continual cycle of review and action.

- 1.3 The information contained in this report was considered by the Corporate Scrutiny Committee at its meeting on 8 June 2022. A draft copy of the minutes of that meeting containing their feedback is attached at Appendix 1.

## **2. SUMMARY OF PERFORMANCE QUARTER 4.**

- 2.1 This report sets out the performance and progress against the Council Delivery Plan actions and key performance indicators.

- 2.2 A report on the progress made against the Council Delivery Plan actions and indicators is included in 3. Below. In summary of the 34 actions in the Council Delivery Plan 9 had been achieved, and 24 are in progress at this stage, and 1 had not been achieved. Looking at the 44 performance indicators, 27 had been achieved or were within tolerance, 10 had not been achieved and 7 are reported annually (or where the data was not available at the time of writing this report).

- 2.3 The following notable achievements in the fourth quarter of 2021/22 were: -

### **2.4 Supporting Coalville to be a more vibrant, family friendly town**

- Delivery has commenced on some of the projects identified in the Coalville regeneration framework – an example being the Mantle Lane Bridge Environmental improvements.
- A contractor has been appointed to deliver the Marlborough Square improvement works and materials are being ordered to start the works.
- The Newmarket continues to go from strength to strength with a range of events and activities increasing footfall during the quarter and leading to some excellent feedback from participants.
- Negotiations are continuing with private sector partners to try to seek a cinema venue in Coalville.
- After extensive stakeholder engagement, an options paper has been prepared for the former Hermitage Leisure Centre site and its environs and a direction of travel will be shared with members during Q1 and Q2 of 2022/23.

### **2.5 Our communities are safe, healthy, and connected**

- A number of initiatives to improve our interactions with customers in both the service centre and in linking with the back-office service areas have progressed during the quarter. These will lead to better linking of contact options and improvements to the call management arrangements.
- Usage levels at the new Whitwick and Coalville Leisure Centre have continued to be very encouraging since the opening in February. Fitness memberships were already twice the level at Hermitage for the same period the previous year while swimming lessons were up 20%. Overall usage levels over both Leisure Centre sites were almost 40% higher in March 2022 than the previous comparable year prior to the pandemic.
- Five neighbourhood Plan groups were supported during the period.
- Consultation on the development strategy element of the Local Plan substantive review was undertaken during the quarter.
- The three main priorities of the Integrated Neighbourhood Plan were progressed in relation to the care Planning pilot, a health needs analysis was completed in the Overweight and

Obesity area, and a mental health accelerator area is being identified with the Integrated Neighbourhood team locality.

## **2.6 Local people live in High quality, affordable homes**

- Our plans to deliver more homes through S106 agreements with developers were subject to slippage due to disruptions in the building trade and our reliance on developers to achieve this objective. However, seven units are due for completion in the first quarter of 2022/23 and nine units are scheduled for later in the year of this plan.
- Working with Housing associations and partners we have exceeded the target of over 100 affordable homes, with two hundred and ninety-five delivered during the year and fifty-four in the final quarter.
- We are continuing to invest in the Council rented housing stock with £3 million of works rolled forward from the year as we do everything we can to catch up from the delays caused by the COVID pandemic.
- Work is anticipated to commence on the Appleby Magna Caravan site during early 2022/23.

## **2.7 Support for businesses and helping people into jobs**

- Our Economic growth plan was approved by Cabinet in March 2022.
- The Economic Development team continued to provide support to new business enquiries.
- The new high street loyalty card was rolled out across the districts key shopping areas which seeks to encourage and reward people for shopping locally.
- The build of the new Coalville and Whitwick Leisure generated significant social value contributions to the local economy including £4.77m contract value spend, the involvement of 32 local companies, 12 new full-time posts, work experience placements, and the engagement of over 200 local school and college students.
- The East Midlands Development Company is progressing with a Chairman and Managing Director now in place. Current work is to develop the delivery strategy for East Midlands Airport.

## **2.8 Developing a clean and green district**

- The pandemic had an impact on our recycling rate which fell from 46.3% in 2019/20 to 42.5% in 2020/21. Less garden waste was collected when the service was temporarily suspended during the pandemic and changes were made to the cardboard collections.
- We have continued to work with the National Forest to develop the Heart of the Forest masterplan and the Sustainable Tourism Accommodation design guide and accelerator programme.
- We have been awarded further government funding to support the installation of Electric Vehicle charging points in Measham. This is now the sixth location in Council owned car parks to be fitted with EV points and a further four have been installed at the new Leisure Centre.
- Hydrotreated Vegetable Oil (HVO) is now being used for all the Councils former diesel-operated fleet. We have made progress with ordering electric vehicles for use as alternatives across our operations, but the order times on these vehicles have been impacted by the wider international issues.

- We are continuing to seek to tackle the on-going problem in littering and fly-tipping working with volunteer groups and our in-house cleansing teams. This is through an emphasis on education, clearance and fines where individuals have been identified as perpetrators.
- We have completed work on 56 homes as part of the BEIS Green Homes grant funding project.
- We have achieved our aim of reducing the vehicle emissions in hackney carriages and private vehicle operators.

### 3.0 Summary of Performance Indicators and Actions

#### Summary of Performance Indicators and Actions

| Performance Indicator 2021/22   | Actual | Target | RAG |
|---|--------|--------|-----|
| Number of targets achieved  | 26     | 44     | ★   |
| Number of targets within 5% variance of target (10% financial)              | 1      | 0      | ●   |
| Number of targets Not achieved  | 10     | 0      | ▲   |
| Number of targets where target is annual, and the data is not yet available | 7      | 0      |     |

| Actions 2021/22                | Actual | Target | RAG |
|--------------------------------|--------|--------|-----|
| Number of Actions achieved     | 9      | 34     | ★   |
| Number of Actions not achieved | 1      | 0      | ▲   |
| Number of Actions in progress  | 24     | 0      | ●   |

| <b>Policies and other considerations, as appropriate</b> |   |
|--|---|
| Council Priorities:                                      | This report documents the progress against all the priorities in the Council delivery plan as agreed by Council in September 2021.  |
| Policy Considerations:                                   | The actions cut across several policy areas – developing Coalville and wider regeneration considerations, Community support, post COVID-19 recovery and our climate agenda are some examples. |
| Safeguarding:  | No specific considerations.   |
| Equalities/Diversity:                                    | No direct impacts   |
| Customer Impact:   | Detailed in the report.   |
| Economic and Social Impact:                              | Detailed in the report  |
| Environment and Climate Change:                          | Detailed in the report  |
| Consultation/Community Engagement:                       | Not applicable  |
| Risks:   | As detailed in the corporate risk register.   |
| Officer Contact  | Mike Murphy Head of Human Resources and Organisation Development<br><a href="mailto:mike.murphy@nwleicestershire.gov.uk">mike.murphy@nwleicestershire.gov.uk</a>                              |

## Council Delivery Plan 2021/22 Quarterly Report QTR 4

### Supporting Coalville to be a more vibrant, family friendly town

#### Our aims

Coalville is a vibrant town – Local people choose to spend their time and money in Coalville town centre

– Coalville is a good place to do business

| Key tasks 2021/22   |  |           |             | Quarter 4 Performance  |
|---|--|-----------|-------------|--|
| Complete Coalville's Regeneration Framework and commence delivery.  |  |           |             | The Regeneration Framework document has been prepared and was be presented to the Community Scrutiny Committee in April 2022. Projects identified within the Framework such as Mantle Lane Bridge Environmental Improvements are already being delivered.  |
| Achieved  |  |           |             |  |
| Begin construction of Marlborough Square new public space.  |  |           |             | A contractor has been appointed, and materials are being ordered.  |
| In progress   |  |           |             |  |
| Open Coalville's Newmarket once COVID -19 restrictions permit and continue to provide support, guidance, and funding for Coalville Market traders to grow their businesses. |  |           |             | Following the successful launch in September 2021 the team continues to support traders in their new ventures. Regular events have taken place to help increase footfall to Newmarket including Knit and natter, foodie Friday and a craft workshop for Mother's Day on Saturday 26 March where visitors of all ages can come along to make something special for mums to cherish. Officers have received a lot of positive feedback, see examples below from Facebook. Traders receive a monthly newsletter as well as an invite to the Newmarket Traders meeting. The latest meeting held on 8 March included an update on the plans for Marlborough square and the Stanley building. Officers also provided details of recent free digital training they could attend and any grants that they may be eligible to apply for.<br><br><b>HISTORY VIDEO</b> <ul style="list-style-type: none"><li>I really enjoyed hearing our history! Thanks to you both</li></ul><br><b>KNIT &amp; NATTER</b> <ul style="list-style-type: none"><li>Enjoyable morning friendly group everyone makes you welcome.</li><li>Thoroughly enjoyed myself this morning. Thank you.</li><li>Lovely bunch of ladies</li><li>Can you run one of these that's not during work time please? I'd love to knit and natter.</li><li>Do you do an evening or weekend knit &amp; natter at all?</li><li>it was my first time today &amp; I felt very welcome. Lovely coffee &amp; cake provided by the <a href="#">#handmadebrowniecompany</a></li><li>A very enjoyable morning a nice group of ladies made you feel very welcome.</li></ul><br><b>FOODIE FRIDAY</b> <ul style="list-style-type: none"><li>What is the name of this company &amp; will they be there again?</li><li>Wow that's looks amazing!!!!</li><li>I'd love to come as would some others I've spoken with but it's not possible on Fridays working full time. It would be good if it could be Saturdays some months?</li></ul> |
| Achieved  |  |           |             |  |
| January   |  |           |             |  |
| Knit and Natter   | Materials provided for customers to get together     | Thursday  | 13th & 27th |  |
| Foodie Friday   | Casual stalls dedicated to food with samples         | Friday    | 28th        |  |
| February  |  |           |             |  |
| Comedy Night  | Big Weekend – delivered by Wendy May                 | Friday    | 5th         |  |
| Comedy Night BAR  | Delivered by Newmarket                               | Friday    | 5th         |  |
| Knit and Natter   | Materials provided for customers to get together     | Thursday  | 10th & 24th |  |
| Foodie Friday   | Casual stalls dedicated to food                      | Friday    | 25th        |  |
| March   |  |           |             |  |
| Hex Loyalty Scheme launch   | Delivered by Tom Stanyard                            | Friday    | 3rd May     |  |
| Knit and Natter   | Materials provided for customers to get together     | Thursdays | 10th & 24th |  |
| Love Food Hate Waste  | Promotional event for LFHW week                      | Friday    | 11th        |  |
| Foodie Friday   | Casual stalls dedicated to food                      | Friday    | 25th        |  |
| Mother's day  | Make a card for Mother's day (Children's activities) | Saturday  | 26th        |  |
| Wellbeing Day   | Stalls & demonstrations to promote Wellbeing         | Thursday  | 31st        |  |

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|  | <ul style="list-style-type: none"> <li>• Visited an hour ago, the stallholders that were there were lovely but disappointing to see some already leaving</li> <li>• Can't wait to buy some amazing Viennese whirls from <a href="#">Whirlicious</a></li> </ul> <p><b>LOVE FOOD HATE WASTE</b></p> <ul style="list-style-type: none"> <li>• This is amazing! Thank you for supporting <a href="#">#FoodWasteActionWeek</a></li> </ul> <p><b>BIG WEEKEND COMEDY NIGHT</b></p> <ul style="list-style-type: none"> <li>• Really enjoyed it. Looking forward to the next gig</li> <li>• Loved it! Such a nice space for an event! More please!!!</li> <li>• was this actually advertised anywhere?</li> <li>• I saw some leaflets n posters too.</li> <li>• wooo Are they going to be having any more events do you know? Bands etc</li> <li>• Looks A great place for Buddies Bar actually !!</li> </ul> |
| Seek a cinema operator for Coalville.<br><br>In progress   | A proposal for the development of a cinema in Coalville has been submitted. The proposal would require long term public sector financial support. Viability is being assessed.   |
| Develop a framework of opportunities for the land adjacent to the new Leisure Centre, the Hermitage Recreation Ground and the existing Hermitage Leisure Centre Building.<br><br>In progress | An options paper has been prepared that captures the future vision of the entire site following a range of extensive stakeholder engagement. A direction of travel for the future of the site will be established via Scrutiny and Cabinet in Q1 and Q2 respectively in 2022/23.   |

### Supporting Coalville to be a more vibrant, family friendly town - performance indicators

Coalville is a vibrant town – Local people choose to spend their time and money in Coalville

Coalville is a good place to do business

| Performance Indicator   | Actual | Target 21/22 | Performance   | Commentary   |
|---|--------|--------------|---|--|
| Increase footfall in Coalville town centre per annum  | 0%     | 3%           |  | Coalville town centre footfall figures have fallen calendar year to calendar year since the outbreak of covid pandemic.                              |
| Percentage of major residential development schemes scoring / performing positively against Building for a Healthy Life and the Council's Good Design Supplementary Planning Document | 100%   | 90%          |  | All major housing schemes have scored positively against building for a healthy life criterion. Five major residential schemes were permitted in Q4. |

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| High Street Retail Vacancy Rate in Coalville is below national average                             | 13%   | < 13.7% *<br>*Note: targets for 2021/22/23 may vary as National Average varies |   | Varied between 12-14% during last 12 months   |
| Increase the number of Coalville events attendees by 500 per year from baseline of 5000 in 2020/21 | 15350   | 5500   |   | <p>The 2021/22 events programme has now concluded.</p> <p>Despite Covid restrictions being in place for part of the year, a comprehensive programme of events was delivered. This programme was in part supported by the 'Welcome Back Fund'.</p> <p>The target of attracting 5500 event attendees was significantly exceeded.</p> <p>Events included: Drive in Cinema (750), Coalville May Fair (3000), Outdoor Gallery (2500), Cinema in the Park (6000), Christmas in Coalville (3000) and Comedy in Coalville events (100)</p>  |
| Trade Occupancy rates in Coalville's Newmarket.  | Tuesday 25%<br>Thursday 32%<br>Friday 37%<br>Saturday 70% | 88%  |  <p>We have not met the occupancy target for this quarter. however, occupancy rates have continued to rise on Saturdays with a 10% upturn compared to Q3. Occupancy rates from 04.01.22 to 26.03.22 Q4 Vs 1/10/21 to 31/12/21 Q3 Show the following variances<br/>Tuesdays -11%<br/>Thursday -6%,<br/>Friday -21%</p> | <p>Visits from the footfall counter have been recorded and the data reports<br/>January = 2095 visits<br/>February = 2013 visits<br/>March = 2648 visits</p> <p>Promotion of free casual stalls on Tuesday and 50% discount on a Thursday if traders attend both days to help increase occupancy.</p> <p>Numerous activities have taken place during the period to help increase footfall into Newmarket which include regular foodie Fridays on the 3<sup>rd</sup> Friday of each month along with Knit and Natter sessions that have now become a regular feature. There is a 12-month events programme to support further grow in footfall and support traders as we</p> |

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|  |  |  | Saturday +10% | move out of the Covid restrictions |
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## Our communities are safe, healthy, and connected

### Our aims

Put our customer sat the heart of all we do – Increase connectivity (physically and virtually) throughout our communities

– Support safer neighbourhoods

| Key tasks 2021/22  | Quarter 4 Performance   |
|--|---|
| <p>Make sure our customers can interact with us in a way which meets their needs, improving our services, promoting self-serve and digital options as well as providing face-to-face support compliant with COVID19 guidance.</p> <p>In progress</p>                                 | <ul style="list-style-type: none"> <li>• Monthly meetings established with other service areas to improve relationships, support and ultimately the customer experience</li> <li>• Improvements agreed to call handling between departments</li> <li>• Changes to the Customer Services telephony for customers calls to be routed to the extension they need – 1<sup>st</sup> time</li> <li>• Recommendation for a Corrective / Preventative Action log to be established for services to implement changes to process, learn from customer complaints &amp; feedback and improve the customer experience</li> <li>• Data on digital forms reviewed monthly to understand the main points of customer contact</li> <li>• New forms released and improvements made to existing</li> <li>• Website message now on Interactive Voice Response promoting self – serve options</li> <li>• Customer emails added to the call queue management system to ensure they are managed effectively and fairly</li> <li>• Appointment's system in place for Face-to-face customer service – to be improved through new Customer Hub</li> <li>• Review and changes to our ways of working to reflect Hybrid working.</li> </ul> <p>In Progress<br/>To come: Call standards &amp; Customer Strategy roll out under the new Team Manager (when appointed)</p> |
| <p>Work with our leisure partners to continue the construction of the new Whitwick and Coalville Leisure Centre with completion planned for July 2022 and increase participation at both this centre and Ashby Leisure Centre to where they were pre-COVID-19</p> <p>In progress</p> | <p>The new Whitwick and Coalville Leisure Centre opened to the public in February 2022, several months ahead of the Council's original programme.</p> <p>General usage levels and fitness membership demand at the new centre has been hugely encouraging, easily outstripping pre-opening predictions, with a 58% uplift in usage seen in February 2022 compared to the previous month, despite the centre not opening until 14<sup>th</sup> February. The impact of the new centre meant that usage levels across the two sites slightly surpassed those seen in February 2020, representing the first month on month comparison with pre-Covid months in which this had occurred.</p> <p>The fitness membership base at the new centre as at the end of March is double the level that it was at Hermitage LC at the beginning of February and swimming lesson memberships have increased by almost 20% in the same period.</p> <p>Consequently, usage levels across both sites were almost 40% higher in March 2022 than in February 2020 prior to the pandemic. Whilst most of this increase can be attributed to the new centre, it also needs to be noted that Ashby Leisure Centre and Lido had 43,788 visits in March</p>  |

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|  | 2022 as compared to 44,438 in February 2020, and so has also returned to pre-covid levels  |
| Encourage and support town and Parish Councils to write and prepare their own Neighbourhood plans.<br>In progress  | 5 Neighbourhood Plan groups being assisted   |
| Consultation will take place with relevant stakeholders on emerging options for the Local Plan Substantive Review including the development strategy and potential site allocations for new development.<br><br>In progress  | Consultation on emerging issues and options, including development strategy, between 17 January and 14 March 2022. Officers currently considering potential site allocations.  |
| As part of the Integrated Neighbourhood Team, and in partnership with the West Leicestershire Clinical Commissioning Group, the North West Leicestershire GP Federation, Adult and Social Care, front line health care workers, and other key stakeholders, develop a locality based Healthy Communities plan aimed at tackling significant health inequalities in North West Leicestershire.<br><br>In progress | <p>The 'Healthy Communities Plan' This plan will consider emerging and current issues in the NWL Primary Care Network (PCN) area and the impact that continued residential development will have on primary care. The creation of the Healthy Communities Plan for NWLDC was progressing at the intended pace until Dec 2021 when the Omicron Covid wave hit. CCG colleagues were posted on the front line at vaccination centres and the Integrated Neighbourhood Team (INT) did not meet for 3 months due to the increased pressures and high staff absences that primary care was experiencing alongside the vaccine booster programme. Therefore, the Healthy Communities Plan has not been completed to schedule, yet despite the impact of the pandemic has made good progress.</p> <p>As previously reported the INT identified 3 main priorities in Q1 and have continued to progress these.</p> <ol style="list-style-type: none"> <li>1. Care Planning Pilot – Fully underway and due to be rolled out county wide</li> <li>2. Overweight and Obesity – Health Needs Analysis completed, Recommendations given, Action Plan created and working group in place.</li> <li>3. Mental Health – Agree a mental health accelerator area within the INT locality and develop a multi-disciplinary approach to mental health and develop a work force plan. Due to commence Jan 2022 – delayed due to COVID Omicron surge.</li> </ol> <p>In Q3 the Clinical Commissioning Group (CCG) undertook an in-depth Health Needs Analysis for all indicators across the NWL PCN area. This has been reviewed by the Health and Wellbeing Team and highlights the following:</p> <ul style="list-style-type: none"> <li>• Significant increased growth in over 65s population. (56.3% by 2040)</li> <li>• Significant overall population growth.</li> </ul> <p>As a result of the increasing population in North West Leicestershire (both through housing growth and an ageing population) we can expect to see an increase in primary care utilisation. There are 3 General practices in NWL which have been identified as a priority in the LLR Primary Care Estates Strategy (PCES); Castle Donington Surgery, The Whitwick Road Surgery and Measham Medical Unit. This will be reflected in the Healthy Communities Plan.</p> <p>Other emerging themes that will support the final actions in the plan include:</p> |

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|  | <ul style="list-style-type: none"> <li>• Inequality in life expectancy, particularly in males.</li> <li>• Breastfeeding initiation is below England and the regional value.</li> <li>• Low vaccination rates for people living in Measham, Coalville and Agar Nook</li> <li>• Levels of loneliness and isolation experienced in Ashby De La Zouch are in the top 10 risk group Adults (18+)</li> <li>• Hip fracture rates and dementia diagnosis rates are higher than England and the East Midlands region</li> <li>• Temporary Residential Care Home Deaths shows values to be higher than regional and average in North West Leicestershire.</li> <li>• Deprivation, fuel poverty and poor air quality is high in some parts of North West Leicestershire.</li> <li>• Average attainment 8 score is low in the district compared to England and regional values</li> <li>• Homelessness</li> <li>• Priorities from the NWL Health and Wellbeing Strategy</li> </ul> |
|--|--|

### Our communities are safe, healthy, and connected – performance indicators



Put our customer sat the heart of all we do – Increase connectivity (physically and virtually) throughout our communities – Support safer neighbourhoods

| Performance Indicator  | Actual | Target 21/22           | Performance | Commentary   |
|--|--------|------------------------|-------------|--|
| Number of online accounts  | 41427  | 40,000<br>(Cumulative) | ★           | 41427 as at 31.03.22   |
| Number of online forms submitted by customers (transactions)                       | 14,969 | 4,000<br>(Monthly)     | ★           | 57,361 (April 21 – Mar 22)   |
| Percentage of customer satisfaction<br>(Customer Services)                         | 84%    | 95%                    | ▲           | With Agent:93%<br>With Call Answering Speed: 76%<br>With Resolution:83%<br>Actual performance derived from an average of the three   |
| The percentage of adults in North West Leicestershire who are overweight or obese. | 71.3%  | 71.3%                  | ★           | . Nationally there has been a recent upward trend in this this indicator, compounded by the Covid-19 pandemic. The priority in NWL is to slow or stop this trend and, as it stands, NWL has seen no change to overweight and obesity levels since this target was set and the prevalence |

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|  |  |  |  | <p>for NWL remains at 71.3% which is a fantastic outcome.</p> <p>However, it is important to note that to have an impact on the prevalence of overweight and obesity requires behavioural change which will only be truly reflected after several years. Therefore, we are unlikely to see positive changes in this data year on year, and we must also acknowledge that no change is a sign of success.</p> <p>NWL are taking the lead from the LCC Healthy Weight Strategy, and this strategy moved into the implementation stage at the end of 2021. The action plan to accompany the strategy is in development and will be finalised by the end of May 2022. NWLDC's Health and Wellbeing Team Leader co-chairs the implementation group and the group has input from both NWLDC planning and environmental health departments.</p> <p>Locally, overweight and obesity was identified by the Integrated Neighbourhood Team (INT) as a priority, therefore local work has already started despite the county Healthy Weight Strategy action plan not yet finalised. NWLDC's Health and Wellbeing Team Leader and Implementation Group co-chair is leading this work locally, therefore providing strong links and a consistent approach with the Healthy Weight Strategy implementation.</p> <p>A comprehensive overweight and obesity health needs analysis for the district has been completed which highlights local issues, local gaps in provision, what is working well and delivers a list of recommendations. A working group has been created where priority recommendations have been identified and officers / partners to start to progress. One example being the location of new takeaways in relation to schools – this is a recommendation at both district level and an action in the developing county action plan. NWLDC's Health and Wellbeing Team, Planning Policy Team and</p> |
|--|--|--|--|---|



|   |                 |                                 |   |  |
|---|-----------------|---------------------------------|---|--|
|   |                 |                                 |   | LCC Public Health Wider Determinants of Health Team are leading on this at both district and county level.   |
| Levels of participation at Hermitage / Whitwick and Coalville Leisure Centres.  | 344,692         | 323,893                         | ★ | It was anticipated throughout the year the usage target would not be achieved. However, the earlier than expected opening of Whitwick and Coalville Leisure Centre, coupled with exceedingly high levels of usage once opened, meant the target has been exceeded. General usage levels and fitness membership demand at the new centre has been hugely encouraging, easily outstripping pre-opening predictions, with a 58% uplift in usage seen in February 2022 compared to the previous month, despite the centre not opening until 14 <sup>th</sup> February. Both fitness memberships and swimming lesson memberships have exceeded expectation, alongside an increase in use by people with disabilities, volleyball, after school activities, squash and netball |
| Levels of participation at Hood Park / Ashby Leisure Centre   | 404,191         | 371,526                         | ★ | As anticipated, the usage targets at Ashby Leisure Centre and Lido have been exceeded for the year. This is due to the investment in the centre impacting on fitness membership levels, as well as a wide range of interventions and initiatives being introduced by our leisure partner, Everyone Active. Most pleasing is the fact that usage levels have now returned to the level they were at prior to the pandemic, with 43,788 visits in March 2022 as compared to 44,438 in February 2020  |
| NWL Local Plan – number of new homes built since the start of the Local Plan period in 2011 (target 481 homes annually) | 6,192 Dwellings | 5,291<br>(11 years x 481 homes) | ★ |  |

| Number of new Neighbourhood Plans made  | 1 (1 at referendum on 7 April 2022) | 2 |  |   |
|---|-------------------------------------|---|---|---|
| Number of new locations for mobile CCTV cameras in partnership with local stakeholders including parish and town councils to help make our communities safer. | 5                                   | 5 |  | <p>4 new locations for mobile CCTV cameras have been identified in Castle Donington. These additional locations will complement the installation of a 7 camera CCTV network within the centre of Castle Donington, funded through the Safer Streets fund. The order for the mobile posts has been submitted and installation works scheduled.</p> <p>1 mobile CCTV camera has been installed on Garenden Road, Greenhill in response to a serious incident taking place.</p> <p>Work continues with Ravenstone, Ibstock and Measham Parish Councils on possible new locations.</p> <p>Ashby town centre has seen some wonderful improvements to its CCTV network this year with a new fibre optic link being installed and HD, 4K camera units. The new equipment will support ANPR, speakers and spot lights.</p> <p>Work is underway to install new CCTV cameras within the Belvoir Shopping Centre. The cameras which will be funded by the shopping centre owners will be monitored by the councils CCTV monitoring contractor.</p> |

## Local People live in high quality, affordable homes

### Our aims

Increase the number of affordable homes in the district

Improve the quality of our council housing – Improve the quality of private rented accommodation

| Key tasks 2021/22   | Quarter 4 Performance  |
|---|--|
| <p>New Council Housing Supply – ensure we deliver at least 10 additional NWL Council Homes.</p> <p>In progress</p>  | <p>The Council was due to acquire several new units through section 106 agreements that had been scheduled for completion in quarter four. However, as these schemes are developer lead we have limited control over slippage. There has been disruption to the building trade in both in terms of labour and materials as a result of a variety of factors.</p> <p>There are now 7 units due for completion quarter one of 2022/23 and a further 9 in quarter two initially expected in 2021/22</p> |
| <p>New Council Housing Supply - Complete feasibility assessment of potential new Council Housing build across the District, and progress to Planning Application stage if viable.</p> <p>Achieved</p>   | <p>Work has continued to bring forward several potential development sites.</p> <p>Planning has now been secured for a site in Measham. Alongside a site for which we secure planning earlier in the year and a further site purchased with outline planning permission there are now three sites that are ready to progress subject to a contractor.</p> <p>A fourth site is currently awaiting pre-application advice from the planning department.</p>  |
| <p>New Housing Supply - Work with housing associations &amp; partners to deliver over 100 new affordable homes per year to help meet local housing needs.</p> <p>Achieved</p>   | <p>This year has seen 295 new affordable housing units delivered within the district. Of these 54 were delivered within Quarter 4.</p> <p>74% of these homes were rented with the remainder Low-Cost Home Ownership.</p>   |
| <p>Maintaining &amp; Improving Council Tenants Homes - Complete a programme of investment of up to £4.5m of improvement works to maintain our tenant's homes at the Decent Homes standard.</p> <p>Not achieved</p>                                  | <p>Full £4.5m programme wasn't completed (£5.3m total with covid rollover from 20/21). Approx. £3m worth of work that wasn't undertaken has now rolled into 22/23.</p>   |
| <p>Commence a programme of additional improvement works, worth up to £2.4m to complete improvement works deferred from 2020/21 because of the Covid-19 pandemic.</p> <p>Not achieved</p>  | <p>At the time of establishing targets for the Council Delivery Plan an estimated £2.4 million of works was forecast to be carried forward from 20/21 into 21/22. This work was incorporated into the 2021/22 programme to form one wider programme, which was subsequently delivered by the Inhouse Repairs Team, and delivery performance of this programme is reported against other indicators in this monitoring report.</p>  |
| <p>Maintaining Our Council Homes Estates - Invest up to £1.06m in estate improvements to improve the quality of life for residents of Council estates, including our tenants.</p> <p>In progress</p>  | <p>Works are in progress and include various schemes of works from estate fencing, garage demolition &amp; asbestos removal, improved car parking, scooter &amp; bin stores, communal garden areas and future sheltered scheme refurbishments. Cyclical Redecoration programme is also planned to be undertaken soon.</p>  |
| <p>Other Housing Actions - Obtain Planning Permission, appoint a contractor and complete the delivery of the redevelopment of Appleby Magna Caravan Park, to provide a modern fit for purpose environment for the residents.</p> <p>In progress</p> | <p>Contractor appointed to undertake the work. Awaiting approval by Planning on a number of conditions before start on site. This is expected to be within the next 4 weeks.</p>   |

### Local People live in high quality, affordable homes – performance indicators

| Performance Indicator 2020-21   | Actual | Target 21/22 | Performance | Commentary  |
|---|--------|--------------|-------------|---|
| Percentage of major residential development schemes scoring / performing positively | 100%   | 90%          | ★           | All major housing schemes have scored positively against building for a healthy life criterion. Five major residential schemes were permitted in Q4.  |
| Percentage of major planning applications determined within 13 weeks                | 100%   | 75%          | ★           | All major planning applications that were dealt with by the team in this quarter were done so within the statutory period. Cumulatively for all four quarters of 2021/22, the figure was 94.34%, well above target.   |
| Percentage of minor planning applications determined within 8 weeks                 | 71.43% | 80%          | ▲           | The performance during quarter 4 has improved over that in quarter 3 but is still below the Council's locally set target of 80% of all minor applications to be determined in 8 weeks. This is due to the continued unprecedented increase in workload faced by the team. Whilst the figure achieved is lower than the Council's local target, it still exceeds the 65% target expected by DLUHC for the determination of minor applications in 8 weeks. Cumulatively for all four quarters of 2021/22, the figure was 80.21%, just exceeding the local target. |
| Percentage of other planning applications determined within 8 weeks                 | 81.58% | 85%          | ●           | The performance during quarter 4 has reduced over that seen in quarter 3 and is below the Council's locally set target. Again, unprecedented levels of planning applications, particularly those in the 'others category' which include householder extensions has made it difficult for the team to meet the target due to the volume of work that they must process. Again, it must be noted that the team are exceeding the 80% target as set by DLUHC for the determination of the others   |

|  |   |         |   |  |
|--|---|---------|---|--|
|  |   |         |   | category of planning applications. Cumulatively for all four quarters of 2021/22, the figure was 89.54%, comfortably exceeding the local target.   |
| Percentage of all repairs completed within target  | 98%   | 94%     | ★ | Refer to the main report table above for detail.   |
| Average length of time taken to re-let a Council property when it becomes vacant   | <u>Q4 performance 51 days.</u><br><u>cumulative 37 days</u> | 25 days | ▲ | During Q4, 70 properties have been let in an average of 51 days. Cumulative the performance for the year is 37 days. Covid 19 related changes to working arrangements continue to be in place which restricted the number of operatives in a property at any one time which were not anticipated at the time the target of 25 days was set. This together with issues with the new Housing IT system resulting in the choice-based lettings module not going live also caused further delays with the allocation and letting process. The module is scheduled to go live during Q1 2022/23 along with Covid 19 restrictions being removed. Therefore, the target for 2022/23 has been set to see an improvement in performance at 28 days. |
| Number of New Council Homes delivered within year. Built, Purchased, or through S106 Bid<br><br>TOTAL  | 1   | 10      | ▲ | Refer to the main report table above for detail  |
| Number of New affordable homes delivered by Housing Associations & Partners within the year.   | 295 within the year (54 in Q4)                              | 100     | ★ | Refer to the main report table above for detail  |
| Number, type & Value of components improved across NWL Council Homes in year. Bathrooms, Kitchens, Electrical Rewire, Roof, Heating or Other<br><br>Total Components | 413 components (in year)<br>£2.32 Million total spend       | 120     | ▲ | Refer to the main report table above for detail  |

|  |   |       |   |   |
|--|---|-------|---|---|
| Total Spend  |   | £6.9m |   |   |
| Number, type & value of adaptations to homes for our most vulnerable tenants | <p>£317k</p> <p>57 major adaptations plus</p> <p>20 Major adaptations in progress</p> | £300k | ★ | Refer to the main report table above for detail |

## Support for businesses and helping people into local jobs

### Our aims

Match local people with skills and jobs – Support new and growing businesses to create jobs – Help young people into work



| Key tasks 2021/22   | Quarter 4 Performance  |
|---|--|
| Update the North West Leicestershire Economic Growth Plan and commence delivery.<br><br>Achieved  | The updated NWL Economic Growth Plan was approved by Cabinet on 29 <sup>th</sup> March 2022  |
| Enable business growth and inward investment in North West Leicestershire that contributes to the objectives of NWL Economic Growth Plan.<br><br>In progress  | For the months of January, February and March Economic Development provided direct support to 53 new unique business enquiries as well as ongoing investor support to Unipart/JLR  |
| Preserve the vibrancy of our High Streets by supporting Shop Local initiatives designed to reduce vacancy rates.<br><br>In progress   | We have introduced a new high street loyalty card across NWL, designed to encourage and reward people for shopping locally.  |
| Develop our “visitor economy” offer to encourage dwell time, local spend and investment in new and improved attractions.<br><br>In progress   | We have reviewed and revised our Visitor Economy plan, adopting four new priorities which are designed to promote increased dwell time, unlock local spend and encourage increased investment in local attractions.  |
| Working with our leisure centre construction contractor increase local employment, training, and apprenticeship opportunities with a key focus on local supply chains in the construction of the new Whitwick and Coalville Leisure Centre.<br><br>Achieved   | <p>The project is now complete, and the new leisure centre opened to the public in February 2022 which is some months ahead of original expectations of July 2022. <u>We've</u> now understood the total levels of Social Value that have been achieved as a result of the Council's investment for the project as a whole.</p> <p><u>Key facts and figures are as follows:</u></p> <ul style="list-style-type: none"> <li>• Contract Value Local Spend (Local Materials &amp; Spending) = £4.77m</li> <li>• Use of local companies = 32.</li> <li>• Local job creation = 12. new FTE posts</li> <li>• Work experience placements = 3.</li> <li>• School &amp; college pupils engaged = 200.</li> </ul> <p>In addition to this, the contractor sponsored a local football team, paying for their 2021 kit. They also donated sundry materials to help with the construction of their new changing rooms, worth £5,000.</p> |
| Contribute to the work of the East Midlands Development Corporation Interim Vehicle in implementing Year One deliverables included in the Business Plan. This includes developing a strategic masterplan/infrastructure plan and delivery strategy for the East Midlands Airport Area.<br><br>In progress | The EM Dev Co is progressing with appointment of the team including a Chairman and Managing Director. Government support of £1.5m has been secured to fund support for the appointment of a Commercial Partner. This will enable the development of the delivery strategy for the East Midlands Airport Area. Initial site-specific work with Homes England also commenced as part of developing a strategic masterplan.   |
| Contribute to the establishment of the East Midlands Freeport with private sector businesses, other local authorities, and government.  | The East Midlands Freeport project is progressing, and the Council have been asked to support the submission of the Full Business Case to government by 14 <sup>th</sup> April and   |

|             |  |
|-------------|--|
| In progress | consider joining the EMF Company at Council on 10 <sup>th</sup> May. |
|-------------|--|


## Support for businesses and helping people into local jobs


### Performance Indicators

Match local people with skills and jobs – Support new and growing businesses to create jobs – Help young people into work

| Performance Indicator 2020-21                                     | Actual   | Target 21/22   | Performance   | Commentary  |
|---|--|--|---|---|
| Support Inward Investment to the District                         | 1 large Business in Q4 (Ceva Logistics) and the creation of 350 Jobs | 5 large Businesses per year<br>1000 new jobs per year<br>£1,000,000 of investment per year                                   |   | In Q4 the Economic Development team continues our ongoing engagement with the investors at SEGRO and Mercia. In addition, new investor support work began with Ceva Logistics, who will operate a 640,000 sq ft at SEGRO which will go live in September 2022 and will create an estimated 350 new jobs.  |
| Businesses supported to recover from the impacts of Covid-19      | £7,052,565 of Government Grants processed and awarded in the year    | £500,000 of Restart Grant shared between up to 50 businesses.<br>£250,000 of Growth Grant shared between up to 10 businesses |  | <p>The Council successfully met our target of paying out 100% of our Covid ARG funding by 31 March 2022.</p> <p>For the ARG Omicron Discretionary Fund launched in Quarter 4 106 eligible businesses a share of £233,183.</p> <p>The Omicron Discretionary Fund builds on the work of our ARG Growth Grants, our ARG High Street Grants and our ARG SUBs grants that were delivered in quarter 3.</p> |
| Increase the number of jobs in the tourism sector in the District |  | 2%   |   | <p>Evidenced by external statistics information and comparisons.</p> <p>*note - figure reduced by 59% from Dec 2019 due to Covid- 19.</p> <p>2021 data will not be available until June / July 2022 (source: STEAM report)</p>  |
| Increase annual Visitor spend                                     |  | 2%   |   | <p>Evidenced by external statistics information and comparisons.</p> <p>*note – figure reduced by 62% from Dec 2019 due to Covid-19.</p>  |



|   |  |   |  |  |
|---|--|---|--|--|
|   |  |   |  | 2021 data will not be available until June / July 2022 (source: STEAM report)  |
| Increase the number of overnight stays in NWL year on year                                      |  | 2%  |  | Evidenced by external statistics information and comparisons.<br><br>*note – figure reduced by 63% from Dec 2019 due to Covid-19<br><br>2021 data will not be available until June / July 2022 (source: STEAM report)  |
| Work with schools / colleges and local businesses to improve employment skills / opportunities. | 8 Schools  | Work with 5 schools per year across the district  |    | Covid restrictions has limited the opportunity for collaborations with schools. However, in Q4, in collaboration with the Leicestershire Careers Hub virtual & face to face engagement sessions have been held with Ashby School, Castle Donington College, Forest Way School, Ibstock Community College, Ivanhoe College, Castle Rock, Stephenson College and The Newbridge School.<br><br>The Economic Development team have begun collaborations with the LLEP; D2N2 and SEGRO on an “Open Doors” Programme to encourage companies to host school and college visits and illustrate careers in logistics; opportunities in the EMEG area and in property development. |
| Support Market Town Businesses to respond to transformational opportunities                     | 6 Sessions<br>37 Businesses<br>£19,000 of grants | Deliver 5 Digital Growth Training Sessions.<br><br>Support 25 businesses to Access Digital Growth Training.<br><br>Provide £10,000 of Digital Growth Grants |  | Programme was completed in December 2021. Two cohorts comprising of 37 businesses have been taken through a 6-session digital training course, focussing on using Websites, Social Media, and Search Engines effectively to help market their business and improve online sales.<br><br>19 of these businesses also accessed our Digital Growth Grant of up to £1,000 following the training, to be put towards a digital improvement identified through the training.   |
| % of construction materials used in the construction of the new Whitwick and Coalville          | 38%  | 25%   |  |  |

|   |                       |              |   |   |
|---|-----------------------|--------------|---|---|
| Leisure Centre that are sourced in the local area.  |                       |              | Local sourcing of materials and supplies ranging from aggregate, brickwork, roofing material etc. | The project is now complete, and the new leisure centre opened to the public in February 2022 which is some months ahead of original expectations of July 2022.                   |
| Local economic value to the local area as a result of the construction of the new Whitwick and Coalville Leisure Centre. (Target £2.2m) | £4.77 Million overall | £2.4 Million |                 | These figures are a combination of spend in local shops, local hotels/B&B's/guesthouses etc as well as monies spent with material suppliers and local contractors/trades workers, |

## Developing a clean and green district

### Our aims

Lead by example by delivering the council's Zero Carbon Roadmap's Action Plan and ambition to be zero carbon for its operations by 2030 – Reduce littering and fly tipping – Promote the work of the National Forest

| Key tasks 2021/22   | Quarter 4 Performance  |
|---|--|
| <p>Increase recycling rates by at least 1% per annum through our Recycle more campaign.</p> <p>Not achieved</p>   | <p>The 2020/21 recycling rate was confirmed by Defra in January 2022. The recycling rate has fallen from 46.3% in 2019/20 to 42.5% for 2020/21 due to the impact of Covid. Compared to 2019/20 1,096 tonnes less of garden waste was collected as the service was suspended for four weeks. Collections for garden waste and cardboard were resumed, but monthly with the material collected separately for four months until the service returned to normal at the end of September. Also, compared to the previous financial year 2,984 tonnes more of non-recyclable waste was collected as more waste was being generated in a residential setting as people were following stay at home guidance, and after this guidance was relaxed, a notable proportion of people continued to work from home.</p>  |
| <p>Support towns and villages to develop an identity associated with the National Forest open spaces.</p> <p>Achieved</p>   | <p>We have continued to work with the National Forest to develop the following initiatives:</p> <ul style="list-style-type: none"> <li>Heart of The Forest masterplan – work on this continues. Community engagement and consultation on the draft masterplan is scheduled for Q1 (2022 / 2023). The final report is scheduled for completion and launch in September 2022. Progression and implementation of the masterplan will require resources to coordinate the work going forward to support the implementation of actions. Partners will be asked to support this future work.</li> <li>Sustainable Tourism Accommodation design guide and Accelerator Programme - work on this programme continues and throughout 2022/23. Moira Furnace has been identified as an asset for further feasibility work under this programme, which could support the future sustainability and development of the site as a tourist attraction.</li> </ul> |
| <p>Review our employee travel and allowances to help deliver the Zero Carbon Roadmap.</p> <p>In progress</p>  | <p>Negotiations with the trade unions are continuing, we are now going to work jointly explore other options to change the current travel and allowances arrangements.</p>   |
| <p>Explore the setting up of a Carbon offset fund as part of the Local Planning process.</p> <p>In progress</p>   | <p>Local Plan Project Board agreed to defer pending outcome from Local Plan consultation and more certainty regarding amount of growth required.</p>   |
| <p>Develop a council wide strategy for more Electric Vehicle charging points on council car parks, housing land and corporate property land. Initial installations to be made at Lindon Way Depot to support electric vehicle trials</p> <p>In progress</p> | <p>We have been awarded further government funding of £25,600 to support the installation of EV charging points at Peggs Close car park in Measham. This activity is expected to be completed by the summer and will replicate the charging points already installed across the district. This is the sixth location across the district in council owned car parks.</p> <p>There are also 4 EV charging points now installed at the new Whitwick &amp; Coalville Leisure Centre.</p> <p>Plans are in place for charging points to be installed at Whitwick Business Centre as part of the Accommodation</p>   |



|   |   |
|---|---|
|   | project and Fleet Management Strategy. London Road car park opportunities will also be reviewed.  |
| <p>Develop a fleet management strategy to transition our fleet to a zero carbon/low carbon solution by 2030 and start the first phase of procurement and purchase of vehicles.</p> <p>In progress</p> | <p>Hydrotreated Vegetable Oil (HVO) fuel is being used for all council diesel fleet, artwork has been added to all waste vehicles to show they are running on HVO, and plans are made to add the artwork to the remaining fleet.</p> <p>Communications went out to say we are now using HVO as part of our zero-carbon strategy which was very successful and appeared in a lot of industry news. 6 refuse collection vehicles have been ordered, we hope to receive delivery of 3 at the end of 2022 and the final 3 in February 2023. These are diesel vehicles that will run on HVO as technology and infrastructure are not ready for an alternative in this class of vehicle. Parks vehicles have also been ordered and procurement is running for 6 electric vehicles to be used by Housing.</p> <p>Housing has fifteen volunteers to trial the home charging solution, these cover the four types of vehicles they will be trialling.</p> <p>The Fleet Manager is starting work on the next phase of vehicle replacements.</p>   |
| <p>Develop a property portfolio action plan and retrofit programme to make our assets fit for purpose and reduce our carbon footprint.</p> <p>In progress</p>   | <p>90% of outstanding EPC certification inspection work has been completed- waiting on reports. This information will in conjunction with external advice drive the future Action Plan</p>  |
| <p>Develop and implement a new taskforce to tackle litter across the district by enhancing the work of volunteers and aligning with the work carried out by street cleansing.</p> <p>In progress</p>  | <p>Work has begun on drafting the implementation plans for each action of the main zero litter campaign document. For Q4 this will include the launch of the Keep Britain Tidy Great British Spring Clean which runs from 25 March – 10 April. To participate in this NWLDC are promoting clean your street.</p> <p>In Q4, the team also worked closely with Street Cleansing as they reported that there was often a lot of litter left after the Ashby 20 race. To try and tackle this, the Environmental Protection team liaised with the event organisers who informed them of all the information that was provided in the event packs in relation to litter. The team then monitored the event before and after and found that there was very little litter left as a result of the race participants.</p> <p>The fine income for 2021/22 is as follows:</p> <p><b>Littering</b><br/> 44 FPN's issued<br/> 41 paid<br/> 1 proceeding to trial 5.05.2022<br/> 2 cancelled due to out of time<br/> <b>Total £3,630.00</b></p> <p><b>Fly tipping</b><br/> 7 FPN's issued<br/> 7 paid<br/> <b>Total £1,100.00</b></p> <p><b>Fly posting</b><br/> 1 FPN issued</p> |



|   |   |
|---|---|
|   | <p>1 paid<br/><b>Total £90.00</b></p> <p><b>Breach Of PSPO</b><br/>2 FPN's issued<br/>2 paid<br/><b>Total £120</b></p> <p><b>Failing to produce Waste Transfer Notes</b><br/>2 FPN's issued<br/>2 paid<br/><b>Total £480</b></p> <p><b>Breach of CPN</b><br/>2 FPN's issued (on behalf of the ASB team)<br/>2 paid<br/><b>Total £120</b></p> <p><b>Householders Duty Of Care</b><br/>3 FPN's issued<br/>2 paid<br/>1 outstanding<br/>Total £560.00</p> <p><b>Breaches in Covid 19 restrictions</b><br/><b>2 FPN's issued</b><br/><b>2 paid</b><br/><b>Total £2,000.00</b></p> <p><b>FPN TOTAL £8,100.00</b></p>   |
| <p>Deliver improvements to 56 of the least energy efficient Council tenant's homes through the Green Homes Grant Local Authority Delivery Phase 1B Programme, including the installation of additional insulation, air source heat pump systems, and photovoltaic electricity generation.</p> <p>Achieved</p> | <p>The 56 properties as part of the BEIS Green Homes Grant funding project were completed within the timescales set by BEIS. All measures were completed successfully and signed off including the necessary Trustmark lodgements. The project also included an additional 30 properties which we successfully bid for and these were also completed within the set timescales by BEIS. This project proved to be a success with excellent customer satisfaction following the completion of the works. In total 86 properties received new measures consisting of a mix of External Wall Insulation, Air Source Heat Pumps, Solar Photo Voltaic Panel's, Loft Insulation and LED lighting.</p>   |
| <p>Reduce carbon emissions at the new Whitwick and Coalville Leisure Centre and Ashby Leisure Centre by 20% by 2024.</p> <p>In progress</p>   | <p>The council's leisure partner, Everyone Active, continue to reduce carbon emissions at the leisure centres. The new Whitwick and Coalville Leisure Centre has a BREEAM Excellent rating that demonstrates a sustainability-focussed approach to the building and operating of the facility. The building incorporates a photovoltaic (PV) array mounted on the roof; EV charging bays in the carpark; energy-efficient LED lighting throughout and smart building controls via a state-of-the-art building management system (BMS). At the conclusion of 12 months from opening a review of the heating, cooling and electrical installations will be undertaken to ensure the building is operating efficiently, with any recommendations for improvement being taken forward accordingly</p> <p>Actions taken at Ashby Leisure Centre and Lido include.</p> <ul style="list-style-type: none"> <li>• The replacement of the Combined Heat and Power (CHP) unit with a Discount Energy Purchase (DEP) unit</li> <li>• The replacement of 2 lido pool pumps with lower energy units</li> </ul> |

|  |   |
|--|---|
|  | <ul style="list-style-type: none"> <li>• The replacement of internal lighting with LED lamps</li> <li>• The reduction of pool temperatures by 0.5C</li> <li>• The installation of timers on car park and Astro-turf pitches</li> <li>• A reduction in the use of plastics</li> <li>• A focus on encouraging user to use forms of active travel</li> </ul> <p>In addition to this, all staff are undertaking regular environmental training at both centres, each site has a designated Carbon Reduction Officer who is responsible for implementing policy and ensuring staff awareness, and at Ashby LC and Lido, consideration is being given to the installation of solar panels, and the replacement of further internal and external internal lighting with LED's.</p> |
| <p>Reduce vehicle emissions from licensed Hackney Carriage and Private Hire vehicles by encouraging taxi operators to move to vehicles that emit lower emissions (Euro 5).</p> <p>Achieved</p> | <p>Licensing policy requires all hackney carriage and private hire vehicles to be fitted with a euro 5 or 6 engine at the time of their licence renewal. A 15% discount on licence fees is offered to vehicles owners as an incentive. Monthly updates are provided to licence holders to encourage owners of vehicles with euro 4 engines to upgrade or replace.</p> <p>Work is well underway to increase the percentage of the fleet fitted with a Euro 6 compliant engine. On 1 April 2022 53% of the fleet was Euro 6 compliant. The council's policy requires all taxi vehicles to be Euro 6 compliant by 1 January 2025.</p>  |

### Developing a clean and green district - Performance indicators

Lead by example by delivering the council's Zero Carbon Roadmap's Action Plan and ambition to be zero carbon for its operations by 2030 – Reduce littering and fly tipping – Promote the work of the National Forest

| Performance Indicator<br>2020-21  | Actual | Target 21/22 | Performance  | Commentary   |
|---|--------|--------------|--|--|
| Number of trees delivered to the local community to increase the number of trees in the district's National Forest area | 17,782 | 13,000       |           | Delivered in Q3  |
| Percentage increase on yearly recycling rate by 1%  | 42.5%  | 1%           | <br>-3.8% | The 2020/21 recycling rate was confirmed by Defra in January 2022. The recycling rate has fallen due to the impact of Covid. Compared to 2019/20 1,096 tonnes less of garden waste was collected as the service was suspended for four weeks. Collections for garden waste and cardboard were resumed, but on a monthly basis with the material collected separately for four months until the service returned to normal at |

|  |           |        |  |   |
|--|-----------|--------|--|---|
|  |           |        |  | the end of September. Also, compared to the previous financial year 2,984 tonnes more of non-recyclable waste was collected as more waste was being generated in a residential setting as people were following stay at home guidance, and after this guidance was relaxed, a notable proportion of people continued to work from home. |
| Amount in kgs of household waste sent to landfill per house, per year      | 114.74kgs | 125kgs | <br>-10.26kgs | The amount of non-recyclable waste sent to landfill, refuse derived fuel or energy from waste collected from each household during this quarter is 10.26 kgs below the target.  |
| % of the taxi vehicle fleet that are fitted with a Euro 5 engine or higher | 98%       | 93%    |               | 195 of the 199 licensed hackney carriage and private vehicles are fitted with a Euro 5 or 6 compliant engine.   |

Value for money performance indicators (No CDP actions for VFM)

| Performance Indicator   | Actual  | Target 21/22 | Performance | Commentary  |
|---|---|--------------|-------------|---|
| Percentage of rent loss                                       | 1.36%   | 0.75%        | ▲           | The rent loss performance for Q4 was 1.36% which in monetary terms is £62,150.42. The cumulative performance for the year is 1.27%, £223,976.48. The amount of rent loss reflects an increase in the length of time properties have been empty due to a continuation of Covid 19 related changes to working arrangements restricting the number of operatives in a property at any one time together with the new Housing IT system issues causing further delays with the allocation and letting process. The rent loss performance for Q4 was 1.36% which in monetary terms is £62,150.42. The cumulative performance for the year is 1.27%, £223,976.48. |
| Percentage of Council Tax Collected (in year target)          | 94.2%   | 96.7%        |             | Latest figures available pertain to a cumulative figure as of February 2022- This is a cumulative Annual Measure  |
| Percentage of National Non-Domestic Rates (in year target)    | 93.2%   | 99.20%       |             | Latest figures available pertain to a cumulative figure as of February 2022- This is a cumulative Annual Measure  |
| Number of days taken to process new claims                    | 15.9 days   | 18.7 days    |             | Latest figures available pertain to a cumulative figure as of February 2022- This is a cumulative Annual Measure  |
| Percentage of rent collected from commercial tenants          |   | 98%          |             | This is an Annual Measure   |
| Percentage of commercial units occupied per annum             | 90%   | 90%          | ★           |   |
| Amount of annual income achieved by the In-house Repairs Team | £4.46m total income including Responsive, Home Improvement and Void Works | £1,300,000   | ★           | Due to new system change, this is subject to final financial checks   |



## **APPENDIX 1.**

### **DRAFT MINUTES OF CORPORATE SCRUTINY COMMITTEE 8 JUNE 2022**

#### **2021/22 QUARTER 4 PERFORMANCE REPORT**

The Head of Human Resources and Organisational Development presented the report to Members.

In relation to the Marlborough Square project, some concerns were raised that works had not yet started on the site. It was noted that contractors had been appointed and several issues were still being resolved with Leicestershire County Council, Members were reassured that work was due to commence soon.

The accuracy of the footfall figures recorded for Coalville Town Centre were questioned as Members felt the town was much busier than indicated. The Head of Property and Regeneration agreed that numbers did seem low compared to how busy the centre could be, particularly at the weekends. It was explained that these figures had to be used currently as it was the only evidence available from the counting system installed which used mobile phone signals, however as it did not seem accurate, better ways to collect the data moving forward were being investigated.

A Member questioned the performance of the Customer Services Team as targets were still not being met. It was noted that a dip in performance was always seen in Quarter 4 as demand was higher due to the annual council tax notification letters sent to every household. However, it was acknowledged that demand was particularly high this year due to the roll out of the national council tax rebate. The Strategic Director agreed to provide all available statistics outside of the meeting to allow a full picture of performance and to set up a briefing with the Customer Services Team Manager once the move to the new premises had concluded.

A Member commented on the number of parishes that were undergoing Neighbourhood Plans and asked what was being done to encourage take up from parish councils. The Head of Planning explained that the figure within the report was an annual figure for completed neighbourhood plans and confirmed there were several parish councils currently going through the process that were not indicated. Members were assured that parish clerks were contacted regularly, and support offered. It was agreed for further information to be provided outside of the meeting.

In reference to the success in setting up customer online accounts and the use of online forms, some concern was raised that there were not adequate systems in place to deal with the receipt of online forms. This was due to a personal experience of a Member and The Head of Community Services agreed to take this up outside of the meeting.

In response to a request for an update on the current position for the Ashby Tourist Information Centre, the Head of Property and Regeneration explained that progress was being made as part of the Ashby BID and a full update will be provided to Members in due course.

It was moved by Councillor E Allman, seconded by Councillor A Bridgen and RESOLVED THAT:

The report be noted, and comments made be presented to Cabinet when considering the report at its meeting on 19 July 2022.

End

## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 19 JULY 2022



|  |   |                           |
|--|---|---------------------------|
| <b>Title of Report</b>                     | <b>MINUTES OF THE COALVILLE SPECIAL EXPENSES WORKING PARTY</b>  |                           |
| <b>Presented by</b>                        | Councillor Andrew Woodman<br>Community Services Portfolio Holder  |                           |
| <b>Background Papers</b>                   | <a href="https://nwleics.gov.uk">Agenda for Coalville Special Expenses Working Party on Tuesday, 14th June, 2022, 6.30 pm - North West Leicestershire District Council (nwleics.gov.uk)</a> | <b>Public Report:</b> Yes |
|  |   | <b>Key Decision:</b> Yes  |
| <b>Financial Implications</b>              | As set out in the reports to the CSEWP on 14 June 2022.   |                           |
|  | <b>Signed off by the Section 151 Officer:</b> Yes   |                           |
| <b>Legal Implications</b>                  | Legal advice was provided during the drafting of all reports to the CSEWP on 14 June 2022.  |                           |
|  | <b>Signed off by the Deputy Monitoring Officer:</b> Yes   |                           |
| <b>Staffing and Corporate Implications</b> | There are no staffing or corporate implications arising from the report.  |                           |
|  | <b>Signed off by the Head of Paid Service:</b> Yes  |                           |
| <b>Purpose of Report</b>                   | To share the minutes of the Coalville Special Expenses Working Party from 14 June 2022.   |                           |
| <b>Reason for Decision</b>                 | So that the decisions of the Coalville Special Expenses Working Party can be considered.  |                           |
| <b>Recommendations</b>                     | <b>THAT CABINET NOTES THE MINUTES OF THE COALVILLE SPECIAL EXPENSES WORKING PARTY AT APPENDIX 1.</b>  |                           |

**1.0 BACKGROUND**

- 1.1 The Coalville Special Expenses Working Party consists of all ward members from the Coalville Special Expenses Area and meets as often as is required to meet business demands, which is usually quarterly.
- 1.2 As the Working Party reports directly to Cabinet, all recommendations made are to be sent to the first available Cabinet meeting for final approval.

## 2.0 TERMS OF REFERENCE

- 2.1 To consider budget and financial issues which either solely or predominantly affect the Coalville Special Expenses Area and to make recommendations to Cabinet.
- 2.2 To receive reports and examine possible project options on which recommendations will be made to Cabinet.

## 3.0 RECOMMENDATIONS TO CABINET FROM THE MEETING ON 14 JUNE 2022

### 3.1 Events Update

#### 3.1.1 The following recommendations were made

- 1) Due to the overspend and under achievement of income for the Queen's Jubilee event, and the continuing rise of cost due to inflation
  - a) The delivery of Coalville by the Sea be suspended this year, and
  - b) That the budget be redirected to offset the Queen's Jubilee expenditure and investment in the Christmas in Coalville event (which officers anticipate to be challenging to deliver against the allocated budget).
- 2) Due to the disposal and recycling of old Christmas lights stock this year, members consider allocating up to £7,000 from balances to support the purchase of replacement lights to complement the current scheme.

### 3.2 Capital Projects Update

#### 3.2.1 No recommendations were made

| Policies and other considerations, as appropriate |   |
|---|---|
| Council Priorities:                               | <ul style="list-style-type: none"><li>• Supporting Coalville to be a more vibrant, family-friendly town</li><li>• Developing a clean and green district</li><li>• Our communities are safe, healthy and connected</li></ul> |
| Policy Considerations:                            | Taken into consideration in drafting of reports to CSEWP.   |
| Safeguarding:                                     | Taken into consideration in drafting of reports to CSEWP.   |
| Equalities/Diversity:                             | Taken into consideration in drafting of reports to CSEWP.   |
| Customer Impact:                                  | The reports and proposals presented to CSEWP all have positive impacts on a variety of customers.   |
| Economic and Social Impact:                       | The reports and proposals presented to CSEWP will have positive economic and social impacts.  |
| Environment and Climate Change:                   | Updates within the Capital Projects Update report   |

|                                    |  |
|------------------------------------|--|
|                                    | will have positive environmental and climate change impacts.   |
| Consultation/Community Engagement: | Coalville Special Expenses Working Party – 14 June 2022  |
| Risks:                             | None identified.   |
| Officer Contact                    | Paul Sanders<br>Head of Community Services<br><a href="mailto:Paul.Sanders@nwleicestershire.gov.uk">Paul.Sanders@nwleicestershire.gov.uk</a> |

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## **APPENDIX 1**

MINUTES of a meeting of the COALVILLE SPECIAL EXPENSES WORKING PARTY held in the Council Chamber, Council Offices, Coalville on TUESDAY, 14 JUNE 2022

Present: Councillor D Everitt (Chairman)

Councillors M French, E G C Allman, A S Black, J Geary, J Legrys, J Windram and M B Wyatt

Officers: Mrs A Crouch, Mrs C Hammond, Mr J Knight, Mrs W May, Mr P Sanders and Mr P Wheatley

### **1. ELECTION OF CHAIR**

The Head of Community Services opened the meeting and sought nominations for the position of Chair for the 2022/2023 civic year.

It was moved by Councillor J Legrys, seconded by Councillor M B Wyatt and

RESOLVED THAT

Councillor D Everitt be appointed as Chairman for the 2022/23 civic year.

### **2. ELECTION OF DEPUTY CHAIR**

The Chair sought nominations for the position of Deputy Chair for the 2022/23 civic year.

It was moved by Councillor A Black, seconded by Councillor J Geary and

RESOLVED THAT

Councillor M B Wyatt be appointed as Deputy Chair for the 2022/23 civic year.

### **3. APOLOGIES FOR ABSENCE**

There were no apologies for absence.

### **4. DECLARATIONS OF INTEREST**

Councillor J Geary declared registerable interests in all items as a director of the Springboard Centre, founder member of Mantle Community Arts, and supporter of Coalville Town Football Club should any reference to them arise at the meeting.

Councillor J Legrys declared registerable interests in all items as a volunteer at Hermitage FM, should reference be made to Coalville town.

Councillor M Wyatt declared registerable interests in all items should reference be made to Coalville town, as the owner of two town centre businesses.

### **5. MINUTES OF THE PREVIOUS MEETING**

Consideration was given to the minutes of the meeting held on 27 April 2022.

It was moved by Councillor J Geary, seconded by Councillor A Black and

RESOLVED THAT

The minutes of the meeting held on 27 April 2022 be confirmed as an accurate record of the proceedings.

## 6. EVENTS UPDATE

The Cultural Services Team Manager presented the report updating members on the work that had been carried out so far to progress the events planned for the year, which included the recent Queen's Platinum Jubilee celebrations. Members' attention was drawn to the additional paper that had been circulated which provided an update on the event and it was noted that due to the weather, there had been an impact on the expected income, as some attractions were unable to attend due to safety concerns and an unexpected additional charge had been requested by the insurers, which was an un-anticipated impact on the budget.

In relation to Christmas lights, it was noted that the council had submitted a successful insurance claim against the vandalism to the lights the previous year.

In addition to the recommendations in the report, members were asked to consider the following:-

1. Due to the overspend and under achievement of income for the Queen's Jubilee event, and the continuing rise of cost due to inflation
  - a) Suspending the delivery of Coalville by the Sea this year, and
  - b) To redirect that budget to offset the Queen's Jubilee expenditure and investment in the Christmas in Coalville event, which was anticipated to be challenging to deliver against the allocated budget.
2. Due to the disposal and recycling of old Christmas lights stock this year that members consider allocating up to £7000 from balances to support the purchase of replacement lights to complement the current scheme.

A member requested that the figures in relation to the projected income for the Cinema in the Park be revisited as it was felt that the event would be bringing in more than predicted and that any additional income could be used towards other events.

Members expressed their delight to the events and parks teams for the work that had been put into the Queen's Jubilee Celebrations and that, as always, the weather could not be predicted, but the event was well attended despite the rain and feedback on the event received was very good. Special thanks were given to the volunteers of the Friends of Coalville Park for the work that they had put in to tidy the park and decorate with extra flags prior to the event.

Members agreed with the proposed additional recommendations as outlined by the Cultural Services Manager. It was noted that the money for the Christmas Lights would be to replace and complement the current stock.

In response to a question, members were advised that the additional £2.5k requested by the insurance company was totally unexpected and the explanation given was that any event that expected a capacity over 500 people in attendance at any one time required the extra cover.

The Finance Team Manager advised members that the Council was due to go out to tender on insurance prior to the Christmas Events and she would ensure that the additional charge re the number of people would be included in the tender. However, at the time it was difficult to say if there would be any impact to the budget.

A member requested that a review be carried out on the fees and charges for stall holders at the events, to see if it would be possible to increase the income. It was agreed that a review would be carried out and reported back to members at a future meeting. It was noted that due to the nature of the weekend several of the stall holders, who would normally attend had not been able to do so as they were attending other Jubilee events.

It was moved by Councillor J Geary, seconded by Councillor J Legrys and

**RESOLVED THAT:-**

- 1) The progress update on the 2022 / 23 events and budget allocation be noted.
- 2) The update for the Christmas lights 2022 / 23 be noted.
- 3) The update for 2022 / 23 Coalville Special Expenses Community Grant Scheme be noted

**RECOMMENDED TO CABINET THAT:-**

- 1) Due to the overspend and under achievement of income for the Queen's Jubilee event, and the continuing rise of cost due to inflation
  - a) The delivery of Coalville by the Sea be suspended this year, and
  - b) The budget be redirected to offset the Queen's Jubilee expenditure and investment in the Christmas in Coalville event (which officers anticipate to be challenging to deliver against the allocated budget).
- 2) Due to the disposal and recycling of old Christmas lights stock this year, members consider allocating up to £7,000 from balances to support the purchase of replacement lights to complement the current scheme.

## **7. CAPITAL PROJECTS UPDATE**

The Leisure Services Team Manager presented the report to members updating on the progress of the current projects.

A member felt that, in relation to Scotlands Bowls Pavilion, due to the rise in inflation, the figures for the installation of solar panels be revisited and the bid for funding from the Bardon Community Grant be increased accordingly, and that in relation to tree planting, the council should submit a request to the Bardon Community Grant for £5k for additional trees that could be planted around the Coalville area.

The Leisure Services Team Manager advised that in relation to the bowls pavilion, he would pass the request on to the property team, who were overseeing the works to see if was feasible, and that if members were all agreeable and were able to advise on potential locations for them, he would facilitate the work around submitting a bid for funding towards additional trees for planting.

In response to a question about Sharpley Avenue Play Area, the Leisure Services Team Manager advised the work would be progressed once the new Parks and Open Spaces Development Officer was in place, but work to understand the Anti-social behaviour at the site would take place and ensure it was incorporated as part of the consultation process.

The Leisure Services Team Manager provided an update on the bench installation in Thringstone and he hoped that it would be installed by the next meeting.



In relation to London Road Cemetery, a member noted that no planning application had been submitted for the work on the wall and wanted an update on the start date of the work and the proposed design.

The Head of Economic Regeneration advised that due to added complications around tree roots undermining the wall, just building a new wall would not erase the issue. He noted that some trees would need to be removed to avoid any future issues and that when the team was in a position to move forward, the planning application would be submitted and an update would be provided to the working group.

A discussion then took place around the removal of the trees if they were still healthy and rather than taking down a healthy tree, considering an alternative fencing option to a brick wall. It was noted that as the new complications had come to light, it was felt that the options for the cemetery wall needed to be revisited. It was therefore agreed that more research needed to be carried out on the trees and what, if any, other damage, such as the to the highway, the trees could cause and a report be brought back to a future meeting with the outcome of the surveys.

A member thanked officers for circulating the survey to residents in relation to the Claremont Drive play area.

It was moved by Councillor J Legrys, seconded by Councillor J Geary and

RESOLVED THAT:-

- 1) The progress update on the 2022/23 Capital Projects be noted
- 2) A report be brought back to a future meeting of the working party on alternative options in relation to the London Road Cemetery wall following surveys on the trees within the boundary.

## **8. FUTURE WORK PLAN**

Consideration was given to the work plan and it was noted that the reports in relation to review of the fees and charges for stall holders at events and the tree survey for London Road Cemetery would be added to plan, to be considered at future meetings.

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 7.41 pm

# NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 19 JULY 2022

|  |  |                           |
|--|--|---------------------------|
| <b>Title of Report</b>                     | <b>THE AWARD OF THE THREE-YEAR CONTRACT FOR THE SUPPLY OF BINS AND RECYCLING CONTAINERS</b>  |                           |
| <b>Presented by</b>                        | Councillor Andrew Woodman,<br>Community Services Portfolio Holder  |                           |
| <b>Background Papers</b>                   | Please refer to Appendix One (confidential paper)  | <b>Public Report:</b> Yes |
|  |  | <b>Key Decision:</b> Yes  |
| <b>Financial Implications</b>              | The financial implications are detailed in section 4 of the report.  |                           |
|  | <b>Signed off by the Section 151 Officer:</b> Yes  |                           |
| <b>Legal Implications</b>                  | The Public Contract Regulations 2015 require a competitive process to be followed for contracts of this value. A restricted procedure is one of the permitted procedures under the regulations and has been used for this procurement.   |                           |
|  | <b>Signed off by the Deputy Monitoring Officer:</b> Yes  |                           |
| <b>Staffing and Corporate Implications</b> | None   |                           |
|  | <b>Signed off by the Head of Paid Service:</b> Yes   |                           |
| <b>Purpose of Report</b>                   | To seek Cabinet approval to award the contract following a recent tender exercise  |                           |
| <b>Reason for Decision</b>                 | To comply with the council's contracts procedures, contracts that are valued at more than £250,000 in total is a financial key decision requiring Cabinet approval.  |                           |
|  | To comply with EU Contract Procedure Rules (which the UK is still subject to), the council is required to follow these rules.  |                           |
| <b>Recommendations</b>                     | <b>THAT CABINET:</b> <ol style="list-style-type: none"> <li><b>1. RECOMMENDS TO COUNCIL THAT £580,000 OVER A THREE-YEAR PERIOD IS ADDED TO THE CAPITAL PROGRAMME FOR SUPPLY OF WHEELED BINS AND RECYCLING CONTAINERS.</b></li> <li><b>2. AWARDS A CONTRACT AT THE VALUE OF UP TO £800,000 TO IPL GLOBAL FOR THE PROVISION OF FOOD WASTE CADDIES AND A THREE-YEAR SUPPLY OF WHEELED BINS AND RECYCLING CONTAINERS SUBJECT TO COUNCIL APPROVAL OF THE ADDITION TO THE CAPITAL PROGRAMME</b></li> </ol> |                           |

## 1.0 BACKGROUND

- 1.1 The council currently provides waste and recycling collections to approximately 48,000 households in the district. Each year purchases are made for bin and recycling containers to replace bins and containers which are either:

- Lost
- Damaged
- Stolen
- Bins and recycling containers for new build properties

- 1.2 The Environmental Act 2021 will require local authorities to provide statutory free separate weekly food waste collections for all households. Whilst a date for this requirement wasn't included in the act, it is anticipated food waste collections will need to be provided from 2025. In preparedness for this, it was deemed sensible to include food waste containers when inviting suppliers to submit tenders to supply bins and recycling containers for the next three years.

Therefore, the purchasing of food waste containers will be classed as an optional expenditure as they won't be purchased until the Government (through Defra) have confirmed what capital funding will be made available to local authorities, that don't currently collect food waste.

However, in preparation for this statutory requirement of providing food waste collections, it was deemed sensible during the tender exercise to request from suppliers details of the food waste containers they can provide, along with the costs of them.

The costs provided in each tender submission for all wheeled bins, recycling containers and food waste containers by the suppliers are fixed for three years. This offers best value for money for the council, as should the Government funding become available during the term of this contract, the council will have the option of purchasing these food waste containers at the prices detailed in the winning tender submission, submitted by IPL Global. However, a separate process will be followed for the purchasing of these containers as this expenditure will form part of a wider proposal to provide food waste collections across the whole district.

- 1.3 Previously bin and recycling containers have been purchased on an ad-hoc basis directly from suppliers, as and when demand dictated, and when minimum stock level thresholds were met. Whilst the spend on these containers was approximately £180,000 a year and budgeted for, it wasn't using the EU Contract Procedure Rules process, but via a local government procurement framework. However due to the spend levels it has been deemed more suitable to use a contractual arrangement as set out within this report.

To comply with the Public Contract Regulations 2015, due to reaching the prescribed spend threshold, the council has followed a restricted procedure procurement process. It is also a requirement of the council's constitution that contracts more than £250,000 in total are a financial key decision requiring Cabinet approval.

## **2.0 RESTRICTED PROCEDURE PROCESS**

- 2.1 A restricted procedure process is a two stage procedure. The first stage is a Supplier Selection Questionnaire (SSQ) and the second stage is an Invitation To Tender (ITT). A restricted procedure process allows anyone to submit a full tender subject to that supplier being deemed compliant through submitting a SSQ. This is the council's preferred process when procuring at this level of spend.
- 2.3 Three bidders submitted successful SSQ's, and subsequently all were issued with the tender documents. All three bidders submitted compliant, on-time tenders which were assessed against the criteria in the tender documents.

## **3.0 ASSESSMENT AND EVALUATION OF TENDER, AND RECOMMENDATION OF APPROVAL TO AWARD CONTRACT**

- 3.1 When referring to Appendix one, IPL Global submitted the highest scoring tender for both quality and pricing. The contract value over the three years is circa. £800,000, consisting of a one-off purchase of food waste containers (as detailed earlier in the report), as well as a three-year supply of wheeled bins and recycling containers.
- 3.2 By awarding a contract for the provision of bins and recycling containers over three years, the prices are fixed by the supplier, which will be advantageous to the council, at a time currently of global economic uncertainty and disruptions to supply chains.
- 3.3 If Cabinet decide to award the tender to IPL Global, the council and the three bidders will enter into a standstill period of 10 days. This is a pause between the point when the contract award decision is notified to bidders, and the final contract conclusion, during which time the unsuccessful suppliers can challenge the decision. The standstill period is a legal requirement.
- 3.4 If no challenges are received, a contract will be entered into with IPL Global as the successful bidder.

## **4.0 FINANCIAL IMPLICATIONS**

- 4.1 As the purchase of wheeled bins and recycling containers is currently undertaken on an ad-hoc basis, the budget has been included within the general fund revenue budget. Due to the value of the contract and the life of the assets (between 3 and 7 years), this expenditure meets the definition of capital expenditure and needs to be included in the capital programme.
- 4.2 The financial implications are detailed in the table below in relation to the supply of wheeled bins and recycled containers. The optional element of the contract to purchase food waste containers will be subject to a separate future report on the rollout of food waste collections across the district.

| Financial Implications Table | Current Year Budget | Impact of Proposals | Forecast Indicative Budget |         |                  |
|------------------------------|---------------------|---------------------|----------------------------|---------|------------------|
|                              | 2022/23             |                     | 2023/24                    | 2024/25 | 2025/26 & beyond |

|                          | £000         | £000                  | £000                  | £000    | £000    |
|--------------------------|--------------|-----------------------|-----------------------|---------|---------|
| Capital Investment       |              |                       |                       |         |         |
| Costs                    | -            | 97,000                | 193,000               | 193,000 | 193,000 |
| Funded by                | n/a          | Unsupported Borrowing | Unsupported Borrowing |         |         |
| On-going costs (revenue) |              |                       |                       |         |         |
| Costs - Staffing         | -            | -                     | -                     | -       | -       |
| Other                    | 185,230      | (65,230)              | 19,400                | 58,000  | 96,600  |
| Total on-going costs     | 185,230      | (65,230)              | 19,400                | 58,000  | 96,600  |
| Funding by               | General Fund | General Fund          | General Fund          |         |         |

- 4.3 Moving the £185,000 per year from revenue to capital represents a reduction of £400,000 to the general fund revenue budget over the three years of the contract due to refinancing of the expenditure. The on-going revenue costs in 2022/23 of £120,000 relate to bins and recycling already purchased, plus forecasted expenditure up to the commencement of the new contract. The ongoing revenue costs forecast for future years is in relation to an increase in the minimum revenue provision (MRP). MRP is a charge to the revenue account of a provision to repay debt incurred in respect of capital expenditure financed by borrowing.

| <b>Policies and other considerations, as appropriate</b> |   |
|--|---|
| Council Priorities:                                      | Developing a clean and green district   |
| Policy Considerations:                                   | <p>Local authorities are required to provide waste and recycling collections under the <a href="#">Environmental Protection Act 1990</a> and <a href="#">Environment Act 2021</a></p> <p>The <a href="#">Refuse and Recycling Collections Policy</a> details what bins and recycling containers the council provides to residents.</p> <p><a href="#">EU Contract Procedure Rules</a></p> <p><a href="#">North West Leicestershire District Council Constitution – 4.7 Contract Procedure Rules</a></p> |
| Safeguarding:  | None  |
| Equalities/Diversity:                                    | None  |
| Customer Impact:   | Customers are provided with suitable waste and recycling containers allowing them to conveniently recycle and dispose of waste generated in a domestic setting.   |

|                                    |   |
|------------------------------------|---|
| Economic and Social Impact:        | None  |
| Environment and Climate Change:    | Providing suitable bins and recycling containers, actively encouraging residents to recycle as much of their waste as possible. This supports the council's Recycle More plan and the Zero Carbon Policy and Roadmap. |
| Consultation/Community Engagement: | Not applicable  |
| Risks:                             | Risks will be managed as part of the contract monitoring carried out by officers.   |
| Officer Contact                    | Paul Sanders, Head of Community Services<br><a href="mailto:paul.sanders@nwleicestershire.gov.uk">paul.sanders@nwleicestershire.gov.uk</a>  |

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Agenda Item 18.

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