



**AGENDA  
for  
MEETING OF  
THE COUNCIL**

to be held on

**Wednesday, 14<sup>th</sup> December, 2022**

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Date: 6<sup>th</sup> December 2022

Our Ref: KB

To: All Members of the Borough Council

A MEETING OF THE COUNCIL will be held on **Wednesday, 14<sup>th</sup> December, 2022 at 6.00 p.m.**

All members of the Council are summoned to attend to determine the business as set out below.

Public and press can follow the decision making online at [www.nuneatonandbedworth.gov.uk/virtual-meeting](http://www.nuneatonandbedworth.gov.uk/virtual-meeting).

Please note that meetings will be recorded for future broadcast.

## **AGENDA**

1. **EVACUATION PROCEDURE**

A fire drill is not expected, so if the alarm sounds, please evacuate the building quickly and calmly. Please use the stairs and do not use the lifts. Once out of the building, please gather outside the Lloyds Bank on the opposite side of the road.

Please exit by the door by which you entered the room or by the fire exits which are clearly indicated by the standard green fire exit signs.

If you need any assistance in evacuating the building, please make yourself known to a member of staff.

Please make sure all your mobile phones are turned off or set to silent.

2. **APOLOGIES** - to receive apologies for absence from the meeting.

3. MINUTES - to confirm the minutes of the Ordinary Council meeting held on 19<sup>th</sup> October 2022 **to follow**
4. DECLARATIONS OF INTEREST - To receive declarations of disclosable pecuniary interests and other interests in matters under consideration pursuant to Council procedure Rule 4A.2(iii).

### **Declaring interests at meetings**

If there is any item of business to be discussed at the meeting in which you have a disclosable pecuniary interest or non-pecuniary interest (Other Interests), you must declare the interest appropriately at the start of the meeting or as soon as you become aware that you have an interest.

Arrangements have been made for interests that are declared regularly by members to be appended to the agenda (**Page 6**). Any interest noted in the Schedule at the back of the agenda papers will be deemed to have been declared and will be minuted as such by the Committee Services Officer. As a general rule, there will, therefore, be no need for those Members to declare those interests as set out in the schedule.

**There are, however, TWO EXCEPTIONS to the general rule:**

**1. When the interest amounts to a Disclosable Pecuniary Interest that is engaged in connection with any item on the agenda and the member feels that the interest is such that they must leave the room. Prior to leaving the room, the member must inform the meeting that they are doing so, to ensure that it is recorded in the minutes.**

**2. Where a dispensation has been granted to vote and/or speak on an item where there is a Disclosable Pecuniary Interest, but it is not referred to in the Schedule (where for example, the dispensation was granted by the Monitoring Officer immediately prior to the meeting). The existence and nature of the dispensation needs to be recorded in the minutes and will, therefore, have to be disclosed at an appropriate time to the meeting.**

**Note: Following the adoption of the new Code of Conduct, Members are reminded that they should declare the existence and nature of their personal interests at the commencement of the relevant item (or as soon as the interest becomes apparent). If that interest is a Disclosable Pecuniary or a Deemed Disclosable Pecuniary Interest, the Member must withdraw from the room.**

Where a Member has a Disclosable Pecuniary Interest but has received a dispensation from Audit and Standards Committee, that Member may vote and/or speak on the matter (as the case may be) and must disclose the existence of the dispensation and any restrictions placed on it at the time the interest is declared.

Where a Member has a Deemed Disclosable Interest as defined in the Code of Conduct, the Member may address the meeting as a member of the public as set out in the Code.

**Note: Council Procedure Rules require Members with Disclosable Pecuniary Interests to withdraw from the meeting unless a dispensation allows them to remain to vote and/or speak on the business giving rise to the interest.**

**Where a Member has a Deemed Disclosable Interest, the Council's Code of Conduct permits public speaking on the item, after which the Member is required by Council Procedure Rules to withdraw from the meeting.**

5. ANNOUNCEMENTS - to receive announcements from the Mayor, Leader, Members of the Cabinet or the Chief Executive.
6. CENSURE OF A MEMBER - a Member to be censured following a Hearing at the Audit & Standards Sub-committee.
7. PUBLIC PARTICIPATION - (maximum 20 minutes).  
to hear and answer questions by any resident of the Borough concerning the work of the Council where notice has been given (maximum 20 minutes). A copy of the Procedure Rule 9 is attached (**Page 13**) and this is not subject to debate. A question or statement can be submitted using the link below which will send your submission to the Chief Executive and Member Services: [Ask a question at meetings of Full Council | Public participation at meetings | Nuneaton & Bedworth \(nuneatonandbedworth.gov.uk\)](#)
8. QUESTIONS BY MEMBERS - (Council Procedure Rule 10). A copy of Procedure Rule 10 is attached. (**Page 14**) and this is not subject to debate.
9. SPECIAL URGENCY DECISIONS - (Access to Information Procedure Rule 4B.16) - None
10. PETITION – SAVE OUR CIVIC HALL – HOLD A PUBLIC MEETING, LISTEN TO RESIDENTS & STOP CLOSURE/DEMOLITION – formal acknowledgement attached (**Page 16**) detailing the petitions statement. The petition organiser may make a statement (no longer than three minutes in length) addressing full council regarding the petition and what it wishes the council to do. This is subject to debate.
11. CABINET – report by Leader of the Council (**to follow**)  
Members may ask questions on the report and receive answers from the Leader or other Cabinet members, and this is not subject to debate.
12. RECOMMENDATIONS FROM CABINET OR OTHER COMMITTEE

**Cabinet – 9<sup>th</sup> November, 2022**

**a) Sub Regional – Materials Recycling Facility (MRF)** - The Council will be asked to consider the recommendation below made by Cabinet at its meeting held on 9<sup>th</sup> November 2022. **Copy of report attached (Page 18).**

**‘it be recommended to Council that an additional loan of £233,784 be made to Sherbourne Recycling Limited to address the increased capital costs of constructing the sub-regional Materials Recycling**

**Facility and that this be included in the Medium Term Financial Strategy for payment in 2023/24'**

**b) Q2 Treasury Management Report – Mid – Year Review**

The council will be asked to consider the recommendation below made by Cabinet on 9<sup>th</sup> November 2022. **Copy of report attached (Page 24).**

**'it be recommended to Council the mid-year Treasury Management Report for 2022/23 be noted'**

**c) Updates to text and date amendments to the Local Development Scheme**

The Council will be asked to consider a recommendation below made by Cabinet on 9<sup>th</sup> November 2022. **Copy of report attached (Page 41).**

**'it be recommended to Council that the amendments to the Local Development Scheme be approved'**

**NOTE: Points of Order and Personal Explanation can only be raised in accordance with Council Procedure Rules which are set out below:-**

**Point of order**

A Member may raise a point of order at any time. The Mayor will hear them at the end of the speech of the Member speaking at the time the point is raised. A point of order may only relate to an alleged breach of these Council Rules of Procedure or the law. The Member must indicate the rule of law and the way in which he/she considers it has been broken. The Mayor shall consider the Point of Order and, if necessary, take advice on the matter from the Monitoring Officer and, shall then rule on the Point of Order raised. There shall be no discussion or challenge to the advice given or the Mayors decision in the meeting. If a Member persistently seeks to raise a Point of Order but is unable to identify the procedure rule or legal principle infringed then, after having being warned by the Mayor, any further abuse of this procedure rule shall not be tolerated and the Mayor shall move that the Member not be heard further pursuant to Procedure Rule 4.19.13. The ruling of the Mayor on the matter will be final.

**Personal explanation**

A Member may make a point of personal explanation at any time. The Mayor will hear them at the end of the speech of the Member speaking at the time the point is raised. A personal explanation may only relate to some material part of an earlier speech by the Member which may appear to have been misunderstood in the present debate. The ruling of the Mayor on the admissibility of a personal explanation will be final.

**Council - Schedule of Declarations of Interests – 2022/2023**

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
	General dispensations granted to all members under s.33 of the Localism Act 2011			Granted to all members of the Council in the areas of: <ul style="list-style-type: none"> <li>- Housing matters</li> <li>- Statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992</li> <li>- An allowance, payment given to members</li> <li>- An indemnity given to members</li> <li>- Any ceremonial honour given to members</li> <li>- Setting council tax or a precept under the Local Government Finance Act 1992</li> <li>- Planning and Licensing matters</li> <li>- Allotments</li> <li>- Local Enterprise Partnership</li> </ul>
	R. Baxter-Payne	Manager Brinklow Quarry Ltd, Brinklow; County Councillor - WCC	Spouse: Self-employed childminder  Member of the following Outside Bodies: <ul style="list-style-type: none"> <li>• West Midlands Combined Audit, Risk and Assurance Committee</li> <li>• Warwickshire Adult Social Care and Health Overview and Scrutiny Committee (substitute)</li> </ul>	
	B. Beetham	Employed at The George Eliot Hospital; Warwickshire County Council – Camp Hill	Member of the following Outside Bodies: <ul style="list-style-type: none"> <li>• Camp Hill Urban Village: Pride in Camp Hill Board</li> <li>• Committee of Management of Hartshill and Nuneaton Recreation Ground</li> </ul>	
	D. Brown	Employed by H.M Land Registry	Regional Coordinator, Ragdoll Rescue Charity.  Representative on the following Outside Bodies: <ul style="list-style-type: none"> <li>• Biodiversity Champion</li> <li>• Exhall Education Foundation</li> <li>• Warwickshire Joint Overview and Scrutiny Committee</li> </ul>	
	C. Cape	Director of Capability	Member of the following	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
		Coaching and Consultancy Ltd.	Outside Bodies: <ul style="list-style-type: none"> <li>Armed Forces Covenant Meeting</li> </ul>	
	J. Clarke	Employed by Marcus Jones MP	County Councillor W.C.C. Nuneaton Conservative Association; Deputy Chairman Officer of the Abbey Preceptory No.541 - Nuneaton Member of the following Outside Bodies: <ul style="list-style-type: none"> <li>Nuneaton Festival of Arts</li> </ul>	
	T. Cooper	None	Member on the following Outside Bodies: <ul style="list-style-type: none"> <li>Camp Hill Urban Village: Pride in Camp Hill Board</li> <li>Committee of Management of Hartshill and Nuneaton Recreation Ground</li> </ul>	
	J. Coventry-Moreton	School Receptionist – St Nicholas Chamberlaine School, Bedworth	Share in rental dwelling at Sealand Drive, Bedworth and Tresilian Road, Bedworth.	
	S. Croft	Employed at Holland & Barrett Retail Ltd	Treasurer of the Conservative Association Member of the following Outside Bodies: <ul style="list-style-type: none"> <li>Champion for Safeguarding (Children and Adults)</li> <li>Local Government Superannuation Scheme Consultative Board</li> <li>West Midlands Employers</li> </ul>	
	L. Cvetkovic	Head of Geography (Teacher), Sidney Stringer Academy, Coventry	The Bulkington Volunteers (Founder); Bulkington Sports and Social Club (Trustee) Member on the following Outside Bodies: <ul style="list-style-type: none"> <li>Building Control Partnership Steering Group</li> </ul>	
	L. Downs	River Bars Limited; Coventry Plus Beyond the Plane	Member on the following Outside Body: <ul style="list-style-type: none"> <li>Hammersley, Smith and Orton Charity</li> </ul>	
	K. Evans	Employed by UK Parliament	Sponsorship: Election Expenses – North	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
			Warwickshire Conservative Association Membership of Other Bodies: <ul style="list-style-type: none"> <li>• West Midlands Combined Audit, Risk and Assurance Committee (substitute)</li> </ul> Executive Officer – North Warwickshire Conservative Association; Member of the Conservative and Unionist Party.	
	C. Golby		Member of Warwickshire County Council Membership of Other Bodies: <ul style="list-style-type: none"> <li>• Nuneaton and Bedworth Safer and Stronger Communities Partnership</li> <li>• Nuneaton and Bedworth Community Enterprises Ltd.</li> <li>• Nuneaton and Bedworth Home Improvement Agency</li> <li>• Safer Warwickshire Partnership Board</li> <li>• Warwickshire Housing and Support Partnership</li> <li>• Warwickshire Police and Crime Panel</li> <li>• George Eliot Hospital NHS Trust – Public/User Board</li> <li>• George Eliot Hospital NHS Foundation Trust Governors</li> <li>• District Leaders (substitute)</li> <li>• Local Enterprise Partnership (substitute)</li> <li>• Coventry, Warwickshire and Hinckley and Bosworth Joint Committee (substitute)</li> </ul>	
	M. Green	Employed by Horiba Mira – Calibration Technician	Chair of Education Standards Committee – St Thomas Moore School Executive Member – Nuneaton Conservatives. Secretary – St Vincent De Paul Society at Our Lady of the Angels Church. Our Lady of the Angels Church. Member of the George Eliot Fellowship	



	<b>Name of Councillor</b>	<b>Disclosable Pecuniary Interest</b>	<b>Other Personal Interest</b>	<b>Dispensation</b>
			Member of the Nuneaton Education Strategy Board  Member on the following Outside Bodies: <ul style="list-style-type: none"> <li>• Friendship Project for Children.</li> </ul>	
	J. Gutteridge		Representative on the following Outside Bodies: <ul style="list-style-type: none"> <li>• Warwickshire Health and Wellbeing Board</li> <li>• Age UK (Warwickshire Branch)</li> <li>• Committee of Management of Hartshill and Nuneaton Recreation Ground</li> <li>• West Midlands Combined Authority Wellbeing Board</li> </ul>	
			Member of NABCEL	
	B. Hammersley	County Councillor – W.C.C.	Member on the following Outside Bodies: <ul style="list-style-type: none"> <li>• Hammersley, Smith and Orton Charity</li> </ul>	
	S. Harbison	Self Employed	Member of Conservative and Unionist Party. Member on the following Outside Bodies: <ul style="list-style-type: none"> <li>• Astley Charity</li> </ul>	
	J. Hartshorn	Employed by Asda Nuneaton	Member of Nuneaton Conservatives	
	J. Kennaugh	County Councillor W.C.C.  Employed by FedEx Express UK Ltd	Member of the W.C.C. Regulatory Committee Member of the Conservative Party Member of UNITE the Union  Member on the following Outside Bodies: <ul style="list-style-type: none"> <li>• EQUiP</li> </ul>	
	K.A. Kondakor	Electronic Design Engineer (self-employed semi-retired); Statistical data analyst and expert witness (self employed)	Unpaid director of 100PERCENTRENEWABLEUK LTD	
	S. Markham	County Councillor – W.C.C.	Governor at Ash Green School  Member of the following Outside Bodies: <ul style="list-style-type: none"> <li>• Nuneaton and Bedworth Sports Forum</li> <li>• Warwickshire Direct Partnership</li> </ul>	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
			<ul style="list-style-type: none"> <li>• Warwickshire Waste Partnership</li> <li>• Sherbourne Asset Co Shareholder Committee</li> </ul>	
	G. Moreton	Member of School Appeals Panels at Warwickshire County Council	Share in rental dwellings at Sealand Drive, Bedworth and Tresillian Road, Exhall.  Member on the following Outside Bodies: <ul style="list-style-type: none"> <li>• Bedworth Neighbourhood Watch Committee</li> </ul>	
	B. Pandher		Member of Warwickshire County Council  Treasurer & Trustee of Nanaksar Gurdwara Gursikh Temple; Coordinator of Council of Sikh Temples in Coventry; Secretary of Coventry Indian Community; Trustee of Sikh Monument Trust Vice Chair Exhall Multicultural Group  Member of the following Outside Bodies: <ul style="list-style-type: none"> <li>• Foleshill Charity Trustee – Proffitt's Charity</li> </ul>	
	N. Phillips	Employee of DWP	Member of: <ul style="list-style-type: none"> <li>• Nuneaton Labour CLP</li> <li>• The Fabian Society</li> <li>• The George Eliot Society</li> <li>• The PCS Union</li> <li>• Central Credit Union</li> <li>• Stockingford Sports and Allotment Club</li> <li>• Haunchwood Sports and Social Club</li> </ul>	
	J. Sheppard		Partnership member of the Hill Top and Caldwell Big Local.  Director of Wembrook Community Centre.  Member of the Management Committee at the Mental Health Drop in.	Dispensation to speak and vote on any matters of Borough Plan that relate to the Directorship of Wembrook Community Centre
	T. Sheppard	Employee of Dairy Crest		
	E. Shiers	Employed by and Director of Cannon	The Labour Party Coventry East Credit Union	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
		Enterprise Ltd. Director of The Fresh Dessert Company	Member of the Pride in Camp Hill Board.  Member of the governing board for Camp Hill Primary School.  Member of the Board of Trustees of Camp Hill Community Association.  Volunteer for the Coventry and Warwickshire district RSPCA	
	J. Singh			
	R. Smith		Chairman of Volunteer Friends, Bulkington; Trustee of Bulkington Sports and Social Club;  Member of the following Outside Bodies: <ul style="list-style-type: none"> <li>• A5 Member Partnership;</li> <li>• PATROL (Parking and Traffic Regulation Outside of London) Joint Committee;</li> <li>• Building Control Partnership Steering Group</li> <li>• Bulkington Village Community and Conference Centre</li> <li>• Representative on the Nuneaton and Bedworth Older Peoples Forum</li> <li>• West Midlands Combined Authority and Land Delivery Board</li> </ul>	
	M. Tromans	RTC Ltd, Nuneaton; WCC, Warwick	Nuneaton Acorns WI	
	R. Tromans	RTC, Nuneaton AFL, Wellingborough	W.C.C. Warwick  Member of the following Outside Bodies: <ul style="list-style-type: none"> <li>• Nuneaton Neighbourhood Watch Committee</li> <li>• Hospice Charity</li> </ul>	
	M. Walsh	Employed by MacInnes Tooling Ltd. – UK Sales Manager		

	<b>Name of Councillor</b>	<b>Disclosable Pecuniary Interest</b>	<b>Other Personal Interest</b>	<b>Dispensation</b>
	C.M. Watkins	Employee of Nutri Pack	Representative on the following outside bodies: <ul style="list-style-type: none"> <li>• Nuneaton and Bedworth Community Enterprises Ltd. (NABCEL)</li> </ul>	
	K.D. Wilson	Acting Delivery Manager, Nuneaton and Warwick County Courts, HMCTS, Warwickshire Justice Centre, Nuneaton	Deputy Chairman – Nuneaton Conservative Association	
Corporate Tenancies: properties are leased by NBBC to Nuneaton and Bedworth Community Enterprises Ltd, of which I am a Council appointed Director.				
Representative on the following Outside Bodies: <ul style="list-style-type: none"> <li>• Director of Nuneaton and Bedworth Community Enterprises Ltd (NABCEL)</li> <li>• Coventry, Warwickshire and Hinckley &amp; Bosworth Joint Committee</li> <li>• District Council Network</li> <li>• Local Government Association</li> <li>• Director of Coventry and Warwickshire Local Enterprise Partnership Ltd (CWLEP)</li> <li>• West Midlands Combined Authority</li> </ul>				
	M. Wright			

## **AGENDA ITEM No.7**

### **9. PUBLIC PARTICIPATION**

#### **9.1 General**

At each ordinary meeting of the Council, [20] minutes (which can be extended at the discretion of the Mayor) shall be set aside for questions or statements from the public gallery by any resident of the borough in relation matters in respect of which to which the Council has powers or duties or which affect the Borough.

#### **9.2 Notice of questions and statements**

No such question shall be asked or statement made unless it shall have been delivered in writing to the Chief Executive no later than 12 noon on the day before the meeting of the Council.

#### **9.3 Scope of questions and statements**

The Chief Executive may reject a question or statement if it:

- is not about a matter for which the Council has a responsibility or which doesn't affect the borough;
- is defamatory, frivolous or offensive;
- is substantially the same as a question or statement which has been put at a meeting of the Council in the past six months; or
- requires or involves the disclosure of confidential or exempt information.

9.4 The Mayor will invite the relevant Cabinet Member or Committee Chair to give a reply. Such reply shall not exceed 5 minutes. In the case of a question, on the discretion of the Mayor, a supplementary question may be asked if arising directly from the reply, provided that the original allocation of 5 minutes is not exceeded. The Mayor may reject a supplementary question on any of the grounds detailed in paragraph 9.3 above.

#### **9.5 Time Limit and Number of questions**

No question or statement shall exceed 3 minutes. In the event of there being more than one question or statement, the Chief Executive will draw lots to determine the order in which the questions shall be asked or statements made. At the expiry of the 20 minute period, or such period as may be agreed by the Mayor, or after the reply to the final question or statement, whichever shall first occur, the Council will proceed to the next business.

#### 4A.10 QUESTIONS BY COUNCILLORS

4.10.1 A Member of the Council may ask the Leader of the Council or the Chair of a Committee any question without notice upon an item of the report of the Cabinet or a Committee (respectively) when that item is being received or under consideration by the Council.

##### 4.10.2 Questions on Notice at Full Council

At each meeting a Member of the Council may ask no more than one question (but see 10.3(b) below) on any matter in relation to which the Council has powers or duties, or which affects the Borough. For questions from Members, Paragraph 4.9.4 shall apply. A Member may choose to ask their permitted question of either:

- a Member of the Cabinet; or
- the Chair of any Committee, Panel or Sub-Committee

4.10.3 No such question under paragraphs 10.2 or 10.3 shall be asked unless: (a) the question has been delivered in writing to the Head of Paid Service and Leader before 12 noon on the day before the meeting of the Council; or (b) where the question relates to urgent matters, they have the consent of the Mayor or the Leader of the Council or the Portfolio Holder to whom the question is to be put or in the case of a Committee, Panel or Sub-Committee, the Chair, and the content of the question is given to the Head of Paid Service at least three hours before the time that the meeting is due to start.

##### 4.10.4 Response

An answer may take the form of:

- (a) a direct oral answer;
- (b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- (c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

##### 4.10.5 Time Limit

The maximum time for Members' questions shall not normally exceed 24 minutes, and the Mayor shall have discretion to limit the questions as he or she shall see fit.

#### **4.10.6 Reference of Question to the Cabinet or a Committee**

Any Member may move that a matter raised by a question be referred to the Cabinet or the appropriate Committee. Once seconded, such a motion will be voted on without discussion.

4.10.7 Any question or statement which cannot be dealt with because of lack of time will be dealt with in writing in accordance with paragraph 10.5 (c).

#### **4.10.8 Questions on Notice at Committees, Panels or Sub- Committees**

A Member of a Committee, Panel or Sub-Committee may, upon giving notice, ask the Chair of it one question on any matter in relation to which the Council has powers or duties, or which affect the Borough and which falls within the Terms of Reference of that Committee, Panel or Sub-Committee

**Save Our Civic Hall – Hold a Public Meeting, Listen to Residents & Stop Closure/Demolition**

The Council received a petition containing 850 signatories requesting:

‘Nuneaton and Bedworth Borough Council, Warwickshire County Council, Nuneaton and Bedworth Councillors and the local MP (Craig Tracey) to work to save the Civic Hall and to:

1. Scrap plans to Close or Demolish the Civic Hall.
2. Hold a Public meeting at the Civic Hall to hear residents' views (Chaired by the MP with Councillors in attendance to listen and answer questions).
3. For NBBC (possibly with a Citizens panel) to undertake a full consultation, and work, to set out a package to rescue the existing Civic Hall, to reduce costs, and to bring the venue back into use.
4. Ensure WCC and NBBC work together with the community to develop plans for wider regeneration of Bedworth Town Centre to bring more into the town and invest to make Bedworth and our Borough Better with a bold vision for the future, to level up, not level down our Towns without losing all the current venue provides.
5. Call on Civic Leaders to commit to make Bedworth the home for the Boroughs primary and premier conference and theatre activities in any future development.’

The petition was received at the Cabinet Meeting held at Council Offices, Nuneaton Town Hall, Coton Road on 12<sup>th</sup> October 2022.

In accordance with the Councils petition scheme the following acknowledgement of the petition was sent to the petition organiser Sam Margrave ([samueljargrave@outlook.com](mailto:samueljargrave@outlook.com)) on Monday 24<sup>th</sup> October 2022:

*Dear Sam Margrave,*

*In accordance with the Petition Scheme Section of the Borough Council’s Constitution, I am emailing you to formally acknowledge receipt of the Save Our Civic Hall – Hold a Public Meeting, Listen to Residents & Stop Closure/Demolition Petition that you submitted on 12<sup>th</sup> October 2022 at Cabinet.*

*I note on the front sheet of your petition that you have 850 signatories of which 15 have been discounted as invalid due to no full name or no address given. Any petition that has over 750 signatories will be referred to Full Council for debate.*

*The next ordinary meeting of Full Council is due to be held on 14<sup>th</sup> December 2022 and this petition will be put on the agenda for this meeting in the Council Chamber at the Town Hall. The Chair of Full Council is The Mayor Councillor Jeff Clarke.*

*At this meeting you as the petition organiser will address full council for three minutes on the subject of your petition. The Council will then debate the outcome of the*



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*submitted petition and reach a decision as to whether the Council accepts the proposals put forward within your petition.*

*In addition this acknowledgement will be published on our website along with your name and contact details in relation to this petition. Once I have completed this I will send you a link to it so you can track the progress of your petition*

Further details of the progression of this petition will be updated as appropriate.

Kelly Baxter  
Member and Committee Services Officer  
[kelly.baxter@nuneatonandbedworth.gov.uk](mailto:kelly.baxter@nuneatonandbedworth.gov.uk)

## Report Summary Sheet

**Date:** 9th November 2022

**Subject:** Sub Regional - Materials Re-Cycling Facility (MRF)

**Portfolio:** Public Services (Councillor S. Markham)

**From:** Director – Public Services

**Summary:** This report seeks Cabinet’s approval to recommend to Council that an additional loan be provided to Sherbourne Recycling Limited (SRL), to address the increased capital costs of constructing the sub-regional Materials Recycling Facility (MRF) as part of the authority proportionate shareholdings.

**Recommendations:**

1. That it be recommended to Council that an additional loan of £233,784 be made to Sherbourne Recycling Limited to address the increased capital costs of constructing the sub-regional Materials Recycling Facility (MRF) and that this be included in the Medium Term Financial Strategy for payment in 2023/24.

**Options:**

- a) Proceed with the loan agreement
- b) Not proceed with the loan agreement.

**Reasons:**

1. NBBC is one of eight shareholder partners that committed to the development of the MRF site as part of its future recycling services. This facility supports a more efficient and environmental process for dry recycling materials.
2. Due to the current economic market, inflation, and exchange rates the request for an additional loan continues to represent good value for money to the Council in its long-term recycling activities.

**Consultation undertaken with Members/Officers/Stakeholders**

Chief Executive, Director - Finance and Enterprise and Public Services Portfolio Holder.

**Subject to call-in: Yes**

**Ward relevance: All**

**Forward plan:** Yes but under an Exempt Item and not until early 2023, so approval sought from the applicable OSP Chair to include as a urgent item under none exempt to Cabinet earlier than anticipated and to co-inside with the Medium Term Financial Strategy planning.

**Building a Better Borough Aim 1: Live**

**Priority 3 : Sponsor a sustainable green approach**

**Building a Better Borough Aim 2: Work**

**Priority 3 : Embrace new and emerging technology**

**Relevant statutes or policy:**

**N/A**

**Equalities Implications: N/A**

**Human resources implications: N/A**

**Financial implications:**

Following the completion of the procurement exercise, the initial capital budget for the MRF project was set at £62.2M. This budget is made up of several elements: construction costs, process equipment costs, the budget to establish Sherbourne Recycling Ltd (SRL) (including the various professional fees to oversee the construction phase of the project), and an amount of capitalised interest.

While the majority of the project costs were fixed at the award stage, there were some costs which were unknown at the time of contract award and which were allocated a sum in the risk register. The costs of establishing SRL and the professional fees required through the construction phase and into the operational phase were estimated as part of the business planning process and the development of the financial model.

SRL entered into fixed price contracts with contractors for the civils and the process equipment. Whist this has protected SRL against global price hikes associated with the on-going impact of Covid and other global affairs for the works, the project has not been immune to global supply chain shortages, or against price increases where works and services are outside the original scope of the contract or considered as a Compensation Event (CE).

Within the civils contract several items were identified as future CEs where there was uncertainty at the time of contract award. These items were considered in the risk register (RR) and estimated costs applied (at 2020 rates) of £1.45M. In addition the Risk Register also gave consideration to other contemplated risks to the programme and budget, including delay to start up and foreign exchange rates.

While there have been some improvements to the overall budget position through lower insurance costs, lower costs associated with the installation of the private wire connection, and an initially favourable exchange rate for the process equipment purchased in Canadian dollars there have also been several areas where costs have risen, including additional construction costs, delay damages, foreign exchange rates, utility costs, professional and legal fees, staffing costs, higher ICT costs and significantly higher insurance premiums. Between them, the increase in annual insurance premiums and the fall in the values of the pound alone make up 70% of the additional cost pressures on the project.

Taking the cost movements as a whole, the overall capital budget requirement to complete the project has increased by 4.9%. Over the period since construction began, the industry has seen prices rise by an average of 30%. UK RPI is currently running at 10.1%.

**Health Inequalities Implications:** N/A

**Section 17 Crime & Disorder Implications:** N/A

**Risk management implications: Failing to provide the additional loan as one of the eight shareholders, would need to be formally investigated by the Legal team, following our original commitment to the project.**

**Environmental implications:**

The location of the MRF will eliminate the current need to bulk and haul dry mixed recyclate collected in the Borough long distances to be processed.

A lower proportion of dry mixed recyclate materials will be rejected due to the high-tech facility, meaning more of the material collected will actually be recycled.

**Legal implications:**

N/A

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**AGENDA ITEM NO:12a**

**NUNEATON AND BEDWORTH BOROUGH COUNCIL**

**Report to:** 9<sup>th</sup> November 2022

**From:** Director – Public Services

**Subject:** Sub Regional - Materials Re-Cycling Facility (MRF)

**Portfolio:** Public Services (Councillor S. Markham)

**Building a Better Borough Aim 1: Live and Aim 3: Work**

**Priority 2 : Sponsor a sustainable green approach**

**Priority 3 : Embrace new and emerging technology**

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1. Purpose of Report

This report seeks Cabinet's approval to recommend to Council that an additional loan be provided to Sherbourne Recycling Limited (SRL), to address the increased capital costs of constructing the sub-regional Materials Recycling Facility (MRF) as part of the authority proportionate shareholdings.

2. Recommendation

That it be recommended to Council that an additional loan of £233,784 be made to Sherbourne Recycling Limited to address the increased capital costs of constructing the sub-regional Materials Recycling Facility (MRF) and that this be included in the Medium Term Financial Strategy for payment in 2023/24.

3. Background

3.1 The sub-regional MRF project has been in development since 2016 with the eight partner Councils coming on board from 2019 onwards. The business case was finalised in Spring 2019 and a comprehensive procurement exercise was then undertaken to appoint civils and process equipment contractors. Contracts were awarded to the successful bidders in April 2021.

3.2 Construction of the MRF has been underway since May 2021 and is due to be complete and fully operational by the end of Summer 2023. Civils works are due to be largely complete on site by the end of November 2022, with a secondary period scheduled for Spring / early Summer 2023 to include a comprehensive fire protection system. The installation of process

equipment (mechanical and electrical) has now commenced and will conclude ahead of the civil works re-commencing on site

- 3.3 Following the completion of the procurement exercise, the initial capital budget for the project was set at £62.2M. This budget is made up of several elements: construction costs, process equipment costs, the budget to establish SRL (including the various professional fees to oversee the construction phase of the project), and an amount of capitalised interest.
- 3.4 While the majority of the project costs were fixed at the award stage, there were some costs which were unknown at the time of contract award and which were allocated a sum in the risk register. The costs of establishing SRL and the professional fees required through the construction phase and into the operational phase were estimated as part of the business planning process and the development of the financial model.
- 3.5 Each partner Council committed to meet the capital funding requirements of the project in proportion to the amount of recyclable waste which they anticipated sending to the facility for processing. The annual tonnage was based on previous recycling performance and was captured in the Waste Supply Agreement signed by each partner Council.
- 3.6 SRL entered into fixed price contracts with contractors for the civils and the process equipment. Whilst this has protected SRL against global price hikes associated with the on-going impact of Covid and other global affairs for the works, the project has not been immune to global supply chain shortages, or against price increases where works and services are outside the original scope of the contract or considered as a Compensation Event (CE).
- 3.7 Within the civils contract several items were identified as future CEs where there was uncertainty at the time of contract award. These items were considered in the risk register (RR) and estimated costs applied (at 2020 rates) of £1.45M. In addition, the Risk Register also gave consideration to other contemplated risks to the programme and budget, including delay to start up and foreign exchange rates.

#### 4. Current position

- 4.1 While there have been some improvements to the overall budget position through lower insurance costs, lower costs associated with the installation of the private wire connection, and an initially favourable exchange rate for the process equipment purchased in Canadian dollars there have also been several areas where costs have risen, including additional construction costs, delay damages, foreign exchange rates, utility costs, professional and legal fees, staffing costs, higher ICT costs and significantly higher insurance premiums. Between them, the increase in annual insurance premiums and the fall in the values of the pound alone make up 70% of the additional cost pressures on the project.

5. Financial Implications

- 5.1 The Board of SRL (which NBBC has its representative on) has been kept fully informed of developments as the project has progressed. Each partner has been asked to increase the capital drawdown facility it makes available to the project to cover the increased project costs. The additional capital budget allocation for Nuneaton and Bedworth is £233,784.
- 5.2 Taking the cost movements as a whole, the overall capital budget requirement to complete the MRF project has increased by 4.9%. Over the period since construction began, the industry has seen prices rise by an average of 30%. UK RPI is currently running at 10.1%.

Kevin Hollis  
Director – Public Services



**Cabinet**

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**Report Summary Sheet**

**Date:**

**9<sup>th</sup> November 2022**

**Subject:**

**Treasury Management 2022/23 – Mid-Year Review**

**Portfolio:**

**Finance and Corporate (Councillor S. Croft)**

**From:**

**Director – Finance & Enterprise**

**Summary:**

To report the mid-year position of the Council's Treasury Management activities for 2022/23 as required by the CIPFA Prudential Code and CIPFA Code of Practice on Treasury Management.

**Recommendations:**

That it be recommended to Council that:

- The Mid-Year Treasury Management Report for 2022/23 be noted.

**Options:**

None



**Reasons:**

It is a requirement of the CIPFA Prudential Code for the mid-year Treasury Management position and activities be reported to Council following review by the Cabinet.

**Consultation undertaken with Members/Officers/Stakeholders**

N/A

**Subject to call-in:**

No

**Ward relevance:**

None directly

**Forward plan:**

Yes

**Building a Better Borough Aim:**

Work

**Building a Better Borough Priority:**

Grow a strong and inclusive economy.

**Relevant statutes or policy:**

Local Government Act 2003  
CIPFA Code of Practice on Treasury Management  
CIPFA Prudential Code for Capital Finance in Local Authorities

**Equalities Implications:**

None

**Human resources implications:**

None

**Financial implications:**

As detailed within the report.

**Health Inequalities Implications:**

None

**Section 17 Crime & Disorder Implications:**

None

**Risk management implications:**

Investment and borrowing decisions have been based on the approved Treasury Strategy 2022/23 and with approved counterparties.

**Environmental implications:**

None

**Legal implications:**

Statutory requirement to report to Council per the Local Government Act 2003, the CIPFA Prudential Code and CIPFA Code on Treasury Management.

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**NUNEATON AND BEDWORTH BOROUGH COUNCIL**

**Report to:** Cabinet - 9<sup>th</sup> November 2022  
**From:** Director - Finance and Enterprise  
**Subject:** Treasury Management 2022/23 – Mid-Year Review  
**Portfolio:** Finance and Corporate (Councillor S. Croft)

**Building a Better Borough Aim:** Work

**Building a Better Borough Priority:** Grow a strong and inclusive economy.

**1. Purpose of Report**

- 1.1 The Council is required through the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code) to report to full Council a mid-year review.
- 1.2 This report sets out the Council's treasury position as at 30<sup>th</sup> September 2022 and therefore any decisions made after this date are not reflected in this report.

**2. Background**

- 2.1 The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low-risk counterparties, providing adequate liquidity initially before considering optimising investment return.
- 2.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer-term cash may involve arranging long or short-term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

2.3 Accordingly treasury management is defined as:

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

2.4 This report has been written in accordance with the requirements of the CIPFA Code of Practice on Treasury Management. The primary requirements of the Code are as follows:

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council’s treasury management activities.
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
- Receipt by the full Council of an annual Treasury Management Strategy Statement – including the Annual Investment Strategy and Minimum Revenue Provision Policy – for the year ahead, a Mid-year Review Report (this report) and an Annual Report covering activities during the previous year.
- Delegation by the Council of the responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Audit & Standards Committee.

2.5 This mid-year report has been prepared in compliance with the Code and covers the following:

- An economic update for the first six months of 2022/23;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council’s capital expenditure (prudential indicators);
- A review of the Council’s investment portfolio for 2022/23;
- A review of the Council’s borrowing strategy for 2022/23;
- A review of any debt rescheduling undertaken during 2022/23;
- A review of compliance with Treasury and Prudential Limits for 2022/23.

### **3. Recommendations**

3.1 That it be recommended to Council that the Mid-Year Treasury Management Report for 2022/23 be noted.

## **4. Economics and interest rates**

### **4.1 Economics update**

The second quarter of 2022/23 saw:

- GDP revised upwards in Q1 2022/23 to +0.2% q/q from -0.1%, which means the UK economy has avoided recession for the time being;
- Signs of economic activity losing momentum as production fell due to rising energy prices;
- CPI inflation ease to 9.9% y/y in August, having been 9.0% in April, but domestic price pressures showing little sign of abating in the near-term;
- The unemployment rate fall to a 48-year low of 3.6% due to a large shortfall in labour supply;
- Bank Rate rise by 100bps over the quarter, taking Bank Rate to 2.25% with further rises to come;
- Gilt yields surge and sterling fall following the “fiscal event” of the new Prime Minister and Chancellor on 23<sup>rd</sup> September.

The UK economy grew by 0.2% q/q in Q1 2022/23, though revisions to historic data left it below pre-pandemic levels.

There are signs of higher energy prices creating more persistent downward effects in economic activity. Both industrial production (-0.3% m/m) and construction output (-0.8% m/m) fell in July 2022 for a second month in a row. Although some of this was probably due to the heat wave at the time, manufacturing output fell in some of the most energy intensive sectors (e.g., chemicals), pointing to signs of higher energy prices weighing on production. With the drag on real activity from high inflation having grown in recent months, GDP is at risk of contracting through the autumn and winter months.

The fall in the composite PMI from 49.6 in August to a 20-month low preliminary reading of 48.4 in September points to a fall in GDP of around 0.2% q/q in Q3 and consumer confidence is at a record low. Retail sales volumes fell by 1.6% m/m in August, which was the ninth fall in 10 months. That left sales volumes in August just 0.5% above their pre-Covid level and 3.3% below their level at the start of the year. There are also signs that households are spending their excess savings in response to high prices. Indeed, cash in households' bank accounts rose by £3.2bn in August, which was below the £3.9bn rise in July and much smaller than the 2019 average monthly rate of £4.6bn.

The labour market remained exceptionally tight. Data for July and August provided further evidence that the weaker economy is leading to a cooling in labour demand. Labour Force Survey (LFS) employment rose by 40,000 in the three months to July (the smallest rise since February). But a renewed rise in inactivity of 154,000 over the same period meant that the unemployment rate fell from 3.8% in June to a new 48-year low of 3.6%. The single-month data showed that inactivity rose by 354,000 in July itself and there are now 904,000 more inactive people aged 16+ compared to before the pandemic in February 2020. The number of vacancies has started to level off from

recent record highs but there have been few signs of a slowing in the upward momentum on wage growth. Indeed, in July, the 3my/y rate of average earnings growth rose from 5.2% in June to 5.5%.

CPI inflation eased from 10.1% in July to 9.9% in August, though inflation has not peaked yet. The easing in August was mainly due to a decline in fuel prices reducing fuel inflation from 43.7% to 32.1%. And with the oil price now just below \$90pb, we would expect to see fuel prices fall further in the coming months.

However, utility price inflation is expected to add 0.7% to CPI inflation in October when the Ofgem unit price cap increases to, typically, £2,500 per household (prior to any benefit payments). But, as the government has frozen utility prices at that level until April 2023, energy price inflation will fall sharply after October and have a big downward influence on CPI inflation.

Nonetheless, the rise in services CPI inflation from 5.7% y/y in July to a 30-year high of 5.9% y/y in August suggests that domestic price pressures are showing little sign of abating. A lot of that is being driven by the tight labour market and strong wage growth. CPI inflation is expected to peak close to 10.4% in November and, with the supply of workers set to remain unusually low, the tight labour market will keep underlying inflationary pressures strong until early next year.

During H1 2022, there has been a change of both Prime Minister and Chancellor. The new team (Liz Truss and Kwasi Kwarteng) have made a step change in government policy. The government's huge fiscal loosening from its tax cuts will add to existing domestic inflationary pressures and will potentially leave a legacy of higher interest rates and public debt. These included the reversal of April's national insurance tax on 6<sup>th</sup> November and the cut to stamp duty.

Fears that the government has no fiscal anchor on the back of these announcements has meant that the pound has weakened again, adding further upward pressure to interest rates. Whilst the pound fell to a record low of \$1.035 on the Monday following the government's "fiscal event", it has since recovered to around \$1.12. That is due to hopes that the Bank of England will deliver a very big rise in interest rates at the policy meeting on 3<sup>rd</sup> November and the government will lay out a credible medium-term plan in the near term. This was originally expected as part of the fiscal statement on 23<sup>rd</sup> November but has subsequently been moved forward to an expected release date in October. Nevertheless, with concerns over a global recession growing, there are downside risks to the pound.

The MPC has now increased interest rates seven times in as many meetings in 2022 and has raised rates to their highest level since the Global Financial Crisis. Even so, coming after the Fed and ECB raised rates by 75 basis points (bps) in their most recent meetings, the Bank of England's latest 50 basis points hike looks relatively dovish. However, the UK's status as a large importer of commodities, which have jumped in price, means that households in the UK are now facing a much larger squeeze on their real incomes.

Since the fiscal event on 23<sup>rd</sup> September, we now expect the Monetary Policy Committee (MPC) to increase interest rates further and faster, from 2.25% currently to a peak of 5.00% in February 2023. The combination of the government's fiscal loosening, the tight labour market and sticky inflation expectations means we expect the MPC to raise interest rates by 100bps at the policy meetings in November (to 3.25%) and 75 basis points in December (to 4%) followed by further 50 basis point

hikes in February and March (to 5.00%). Market expectations for what the MPC will do are volatile. If Bank Rate climbs to these levels the housing market looks very vulnerable, which is one reason why the peak in our forecast is lower than the peak of 5.50% - 5.75% priced into the financial markets at present.

Throughout 2022/23, gilt yields have been on an upward trend. They were initially caught up in the global surge in bond yields triggered by the surprisingly strong rise in CPI inflation in the US in May. The rises in two-year gilt yields (to a peak of 2.37% on 21<sup>st</sup> June) and 10-year yields (to a peak of 2.62%) took them to their highest level since 2008 and 2014 respectively. However, the upward trend was exceptionally sharply at the end of September as investors demanded a higher risk premium and expected faster and higher interest rate rises to offset the government's extraordinary fiscal stimulus plans. The 30-year gilt yield rose from 3.60% to 5.10% following the "fiscal event", which threatened financial stability by forcing pension funds to sell assets into a falling market to meet cash collateral requirements. In response, the Bank did two things. First, it postponed its plans to start selling some of its quantitative easing (QE) gilt holdings until 31<sup>st</sup> October. Second, it committed to buy up to £65bn of long-term gilts to "restore orderly market conditions" until 14<sup>th</sup> October. In other words, the Bank is restarting QE, although for financial stability reasons rather than monetary policy reasons.

Since the Bank's announcement on 28<sup>th</sup> September, the 30-year gilt yield has fallen back from 5.10% to 3.83%. The 2-year gilt yield dropped from 4.70% to 4.30% and the 10-year yield fell back from 4.55% to 4.09%.

There is a possibility that the Bank continues with QE at the long end beyond 14<sup>th</sup> October or it decides to delay quantitative tightening beyond 31<sup>st</sup> October, even as it raises interest rates. So far at least, investors seem to have taken the Bank at its word that this is not a change in the direction of monetary policy nor a step towards monetary financing of the government's deficit. But instead, that it is a temporary intervention with financial stability in mind.

After a shaky start to the year, the S&P 500 and FTSE 100 climbed in the first half of Q2 2022/23 before falling to their lowest levels since November 2020 and July 2021 respectively. The S&P 500 is 7.2% below its level at the start of the quarter, whilst the FTSE 100 is 5.2% below it as the fall in the pound has boosted the value of overseas earnings in the index. The decline has, in part, been driven by the rise in global real yields and the resulting downward pressure on equity valuations as well as concerns over economic growth leading to a deterioration in investor risk appetite.

## **4.2 Interest rate forecasts**

The Council has appointed Link Group as its treasury advisors and part of their service is to assist the Council to formulate a view on interest rates. The PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1st November 2012.

The latest forecast on 27th September sets out a view that both short and long-dated interest rates will be elevated for some little while, as the Bank of England seeks to squeeze inflation out of the economy, whilst the government is providing a package of fiscal loosening to try and protect households and businesses from the ravages of ultra-high wholesale gas and electricity prices.

The increase in PWLB rates reflects a broad sell-off in sovereign bonds internationally but more so the disaffection investors have with the position of the UK public finances after September's "fiscal event". To that end, the MPC has tightened short-term interest rates with a view to trying to slow the economy sufficiently to keep the secondary effects of inflation – as measured by wage rises – under control, but its job is that much harder now.

PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps, calculated as gilts plus 80bps) which has been accessible to most authorities since 1st November 2012.

Link Group Interest Rate View	27.09.22											
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
<b>BANK RATE</b>	4.00	5.00	5.00	5.00	4.50	4.00	3.75	3.25	3.00	2.75	2.75	2.50
3 month ave earnings	4.50	5.00	5.00	5.00	4.50	4.00	3.80	3.30	3.00	2.80	2.80	2.50
6 month ave earnings	4.70	5.20	5.10	5.00	4.60	4.10	3.90	3.40	3.10	3.00	2.90	2.60
12 month ave earnings	5.30	5.30	5.20	5.00	4.70	4.20	4.00	3.50	3.20	3.10	3.00	2.70
5 yr PWLB	5.00	4.90	4.70	4.50	4.20	3.90	3.70	3.50	3.40	3.30	3.20	3.20
10 yr PWLB	4.90	4.70	4.60	4.30	4.10	3.80	3.60	3.50	3.40	3.30	3.20	3.20
25 yr PWLB	5.10	4.90	4.80	4.50	4.30	4.10	3.90	3.70	3.60	3.60	3.50	3.40
50 yr PWLB	4.80	4.60	4.50	4.20	4.00	3.80	3.60	3.40	3.30	3.30	3.20	3.10

## 5. Treasury Management Strategy Statement

The Treasury Management Strategy Statement, (TMSS), for 2022/23 was approved by Council on 14<sup>th</sup> February 2022.

There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

## 6. The Council's Capital Position (Prudential Indicators)

This part of the report is structured to update:

- The Council's capital expenditure plans;
- How these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

### 6.1 Prudential Indicators for Capital Expenditure

This table shows the revised estimates for capital expenditure and the changes since the capital programme was agreed at the Budget.



<b>Capital Expenditure by Portfolio</b>	<b>2022/23 Original Budget £m</b>	<b>2022/23 Latest Budget £m</b>
Business & Regeneration	46.748	48.814
Finance & Corporate	125	632
Housing & Communities	6.075	6.117
Public Services	8.406	9.014
Planning & Regulation	44	67
Health & Environment	100	100
Housing Revenue Account	22.938	25.119
<b>Total capital expenditure</b>	<b>84.436</b>	<b>89.863</b>

## 6.2 Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

<b>Capital Expenditure</b>	<b>2022/23 Original Estimate £m</b>	<b>2022/23 Revised Estimate £m</b>
<b>Total capital expenditure</b>	<b>84.436</b>	<b>89.863</b>
<b>Financed by:</b>		
<b>Capital receipts</b>	<b>2.659</b>	<b>3.650</b>
<b>Capital grants</b>	<b>27.097</b>	<b>29.516</b>
<b>Capital reserves</b>	<b>8.724</b>	<b>8.725</b>
<b>Revenue</b>	<b>2.797</b>	<b>4.713</b>
<b>Total financing</b>	<b>41.277</b>	<b>46.604</b>
<b>Borrowing requirement</b>	<b>43.259</b>	<b>43.259</b>

## 6.3 Changes to the Prudential Indicators for the Capital Financing Requirement (CFR), External Debt and the Operational Boundary

The table below shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period, which is termed the Operational Boundary.

Changes in the CFR occur as part of capital financing transactions:

- Increases when Prudential Borrowing is used to fund the capital programme
- Increases/decreases where land/property is transferred between the General Fund and the Housing Revenue Account

- Decreases when funds are applied to outstanding debt: there is a statutory requirement for the General Fund to charge a Minimum Revenue Provision to its revenue account, however, there is no requirement for the HRA to be charged with such a charge but if a charge is made it is classed as a Voluntary Revenue Provision for the repayment of principal.

The Operational Boundary is approximately set to the Capital Financing Requirement to allow the externalisation of the internal borrowing position should the economic situation suggest that the optimum time is during the remainder of this financial year.

### Prudential Indicator – Capital Financing Requirement

We are on target to achieve the original forecast Capital Financing Requirement.

### Prudential Indicator – the Operational Boundary for external debt

	<b>2022/23 Original Estimate £m</b>
<b>Prudential Indicator – Capital Financing Requirement</b>	
CFR – non housing	51.90
CFR – housing	91.22
<b>Total CFR</b>	<b>143.12</b>
<b>Net movement in CFR</b>	<b>42.72</b>
<b>Prudential Indicator – the Operational Boundary for external debt</b>	
Borrowing	141.12
Other long-term liabilities*	2.00
<b>Total debt (year-end position)</b>	<b>143.12</b>

No changes are proposed to the above estimates.

### 6.4 Changes to the Prudential Indicators for the Ratio of Financing Costs to the Net Revenue Stream

This indicator identifies the cost of capital (borrowing costs and other long-term obligations net of investment income) against the net revenue streams (amounts due from government grants and taxpayers and housing rents).

	<b>2022/23 Original Estimate</b>	<b>2022/23 Current Forecast</b>
<b>General Fund</b>	4.1%	3.0%
<b>HRA</b>	7.9%	7.1%

## 6.5 Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2022/23 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

	<b>2022/23 Original Estimate £m</b>	<b>Current Position at 30<sup>th</sup> September 2022 £m</b>	<b>2022/23 Forecast Estimate for 31<sup>st</sup> March 2023 £m</b>
Borrowing	64.21	65.21	64.21
Other long-term liabilities	-	-	-
<b>Total debt</b>	<b>64.21</b>	<b>65.21</b>	<b>64.21</b>
<b>CFR* (year-end position)</b>	<b>143.12</b>	<b>143.12</b>	<b>143.12</b>

A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

<b>Authorised limit for external debt</b>	<b>2022/23 Original Indicator</b>
Borrowing	156.12
Other long-term liabilities	4.00
<b>Total</b>	<b>160.12</b>

No changes are proposed to the above estimates.

## 7. Borrowing

The Council's capital financing requirement (CFR) for 2022/23 is £143.12m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing), or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. The tables above show the Council currently has borrowings of £65.21m and the CFR is greater than external debt, meaning that the Council has utilised cash flow funds in lieu of borrowing. This is a prudent and cost-effective approach in the current economic

climate but will require ongoing monitoring in the event that any upside risk to gilt yields prevails.

The capital programme is being kept under regular review due to the effects of inflationary pressures, shortages of materials and labour. Our borrowing strategy will, therefore, also be regularly reviewed and then revised, if necessary, in order to achieve optimum value and risk exposure in the long-term.

It is anticipated that further borrowing will not be undertaken during this financial year, but requirements will be reviewed as part of the Treasury Management Strategy for 2023/24.

**PWLB maturity certainty rates (gilts plus 80bps) year to date to 30th September 2022**

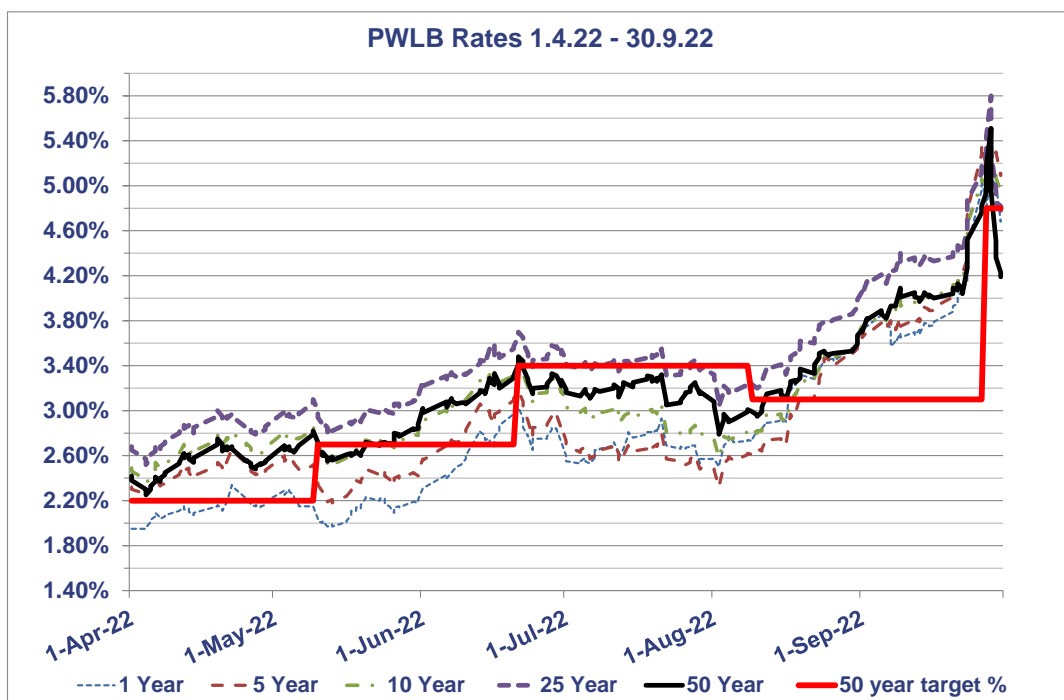
Gilt yields and PWLB rates were on a generally rising trend throughout H1 2022, the exception being a short rally in gilts in July/August. However, they rose exceptionally sharply towards the end of September.

The 50-year PWLB target certainty rate for new long-term borrowing started 2022/23 at 2.20% and finished the half year at 4.80%, albeit we forecast rates to fall back to 3.10% by the end of September 2025.

**PWLB maturity certainty rates year to date to 30<sup>th</sup> September 2022**

Gilt yields and PWLB rates were on a rising trend between 1<sup>st</sup> April and 30<sup>th</sup> September.

The 50-year PWLB target certainty rate for new long-term borrowing started 2022/23 at 2.20% before increasing to 4.80% in September. (Please note, however, that we see PWLB rates trending downwards through 2023 and 2024.)



	1 Year	5 Year	10 Year	25 Year	50 Year
<b>Low</b>	1.95%	2.18%	2.36%	2.52%	2.25%
<b>Date</b>	01/04/2022	13/05/2022	04/04/2022	04/04/2022	04/04/2022
<b>High</b>	5.11%	5.44%	5.35%	5.80%	5.51%
<b>Date</b>	28/09/2022	28/09/2022	28/09/2022	28/09/2022	28/09/2022
<b>Average</b>	2.81%	2.92%	3.13%	3.44%	3.17%
<b>Spread</b>	3.16%	3.26%	2.99%	3.28%	3.26%

The current PWLB rates are set as margins over gilt yields as follows:

PWLB Standard Rate is gilt plus 100 basis points (G+100bps)

PWLB Certainty Rate is gilt plus 80 basis points (G+80bps)

Local Infrastructure Rate is gilt plus 60bps (G+60bps)

The summary of the Council's debt portfolio is shown below:

<b>Borrowing</b>	<b>2022/23 Opening Balance £m</b>	<b>2022/23 Mid-Year Balance £m</b>	<b>2022/23 Closing Forecast £m</b>
<b>General Fund</b>			
PWLB	6.75	6.75	6.75
Market LOBO	2.00	2.00	2.00
<b>HRA</b>			
PWLB	63.96	56.46	55.46
<b>Total</b>	<b>72.21</b>	<b>65.21</b>	<b>64.21</b>

## **8. Debt Rescheduling**

Debt rescheduling opportunities have been very limited in the current economic climate and following the various increases in the margins added to gilt yields which have impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year. However, now that the whole of the yield curve has shifted higher there may be better opportunities in the future, although only prudent and affordable debt rescheduling will be considered.

## **9. Compliance with Treasury and Prudential Limits**

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the half year ended 30th September 2022, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2022/23. No difficulties are envisaged for the current or future years in complying with these indicators.

All treasury management operations have also been conducted in full compliance with the Council's Treasury Management Practices.

## **10. Annual investment strategy**

The Treasury Management Strategy Statement (TMSS) for 2022/23, which includes the Annual Investment Strategy, was approved by the Council on 14<sup>th</sup> February 2022. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Council's investment priorities as being:

- Security of capital
- Liquidity
- Yield

The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months with high credit rated financial institutions, using the Link suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.

### **Creditworthiness**

Following the Government's fiscal event on 23<sup>rd</sup> September, both S&P and Fitch have placed the UK sovereign debt rating on Negative Outlook, reflecting a downside bias to the current ratings in light of expectations of weaker finances and the economic outlook.

### **Investment Counterparty criteria**

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

### **CDS prices**

It is noted that sentiment in the current economic climate can easily shift, so it remains important to undertake continual monitoring of all aspects of risk and return in the current circumstances.

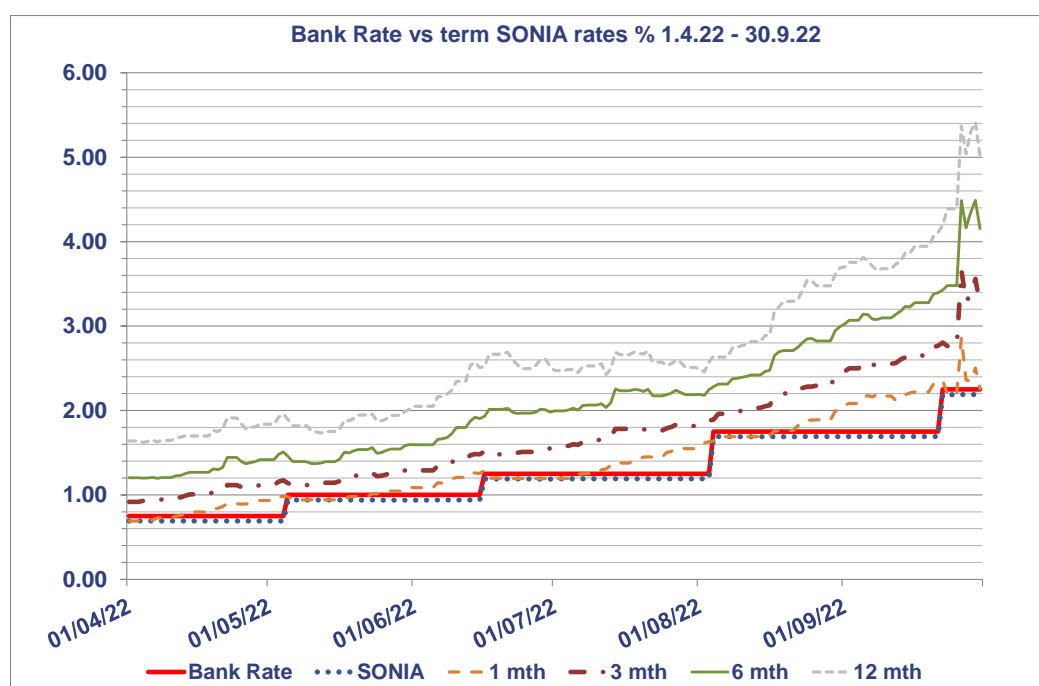
### **Investment balances**

The average level of funds available for investment purposes during the first half of the financial year was £40.54m, with £38.63m at 30<sup>th</sup> September. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the capital programme.

A list of all investments held as at 30th September 2022 is shown below:

	Amount Invested	Deposit Period	Maturity Date	Interest Rate
<b>Fixed Term Deposits:</b>				
Coventry Building Society	£2.00m	6 months	Nov 2022	1.16%
National Westminster Bank PLC	£2.00m	1 year	Nov 2022	0.65%
National Westminster Bank PLC	£2.00m	1 year	Dec 2022	0.57%
Nationwide Building Society	£6.00m	6 months	Dec 2022	2.16%
Coventry Building Society	£2.00m	6 months	Dec 2022	1.72%
Nationwide Building Society	£2.00m	6 months	Jan 2023	1.79%
Coventry Building Society	£2.00m	6 months	Jan 2023	2.80%
Coventry Building Society	£2.00m	6 months	Feb 2023	2.50%
National Westminster Bank PLC	£3.00m	1 year	Jun 2023	2.51%
National Westminster Bank PLC	£3.00m	1 year	Aug 2023	2.85%
<b>Total Fixed Term Deposits</b>	<b>£26.00m</b>			<b>2.12%</b>
<b>Notice Accounts:</b>				
Santander	£8.00m	N/A	N/A	0.87%
<b>Total Notice Accounts</b>	<b>£8.00m</b>			<b>0.87%</b>
<b>Property Funds:</b>				
CCLA Local Authority PF	£2.00m	N/A	N/A	3.38%
<b>Total Property Fund</b>	<b>£2.00m</b>			<b>3.38%</b>
<b>Instant Access Funds:</b>				
Lloyds (Current Account)	£1.63m	N/A	N/A	2.15%
Federated Prime Rate	£1.00m	N/A	N/A	2.10%
<b>Total Instant Access</b>	<b>£2.63m</b>			<b>2.13%</b>
<b>Grand Total</b>	<b>£38.63m</b>			<b>2.13%</b>

### Investment performance year to date as of 30th September 2022



QUARTER ENDED 30/9/2022						
	Bank Rate	SONIA	1 mth	3 mth	6 mth	12 mth
<b>High</b>	2.25	2.19	2.86	3.67	4.49	5.41
<b>High Date</b>	22/09/2022	30/09/2022	26/09/2022	26/09/2022	29/09/2022	29/09/2022
<b>Low</b>	0.75	0.69	0.69	0.92	1.20	1.62
<b>Low Date</b>	01/04/2022	28/04/2022	01/04/2022	01/04/2022	07/04/2022	04/04/2022
<b>Average</b>	1.28	1.22	1.39	1.70	2.12	2.62
<b>Spread</b>	1.50	1.50	2.17	2.75	3.29	3.79

## 11. Conclusion

The first half of 2021/22 has been rewarding in terms of investment returns, but correspondingly higher interest rates have meant the need to avoid new borrowing in the short-term. The decision to maintain an increased under-borrowed position in the short term does generate savings to current budget, however this will need to be monitored closely to prevent longer term cost pressures and re-assessed once interest rates fall and restabilise.

The updated Capital Expenditure budgets were approved by Cabinet on 7<sup>th</sup> September and subsequently by Council and therefore do not require further approval. Therefore, as all other forecasts are in-line with original indicators there is no requirement for any further amendments to be approved.

The approved treasury and prudential limits within the Annual Investment Strategy have not been breached and there have been no instances of delays in repayments.

The management of the Council's cash flows, debt and investments remains a crucial element of the finance function and the economic situation at home and further afield will be monitored closely, with the assistance of our treasury advisors Link, to ensure that interest rate and counterparty risks can be effectively managed.



**Cabinet**

**Report Summary Sheet**

**Date:** 9<sup>th</sup> November 2022

**Subject:** Updates to text and date amendments to the Local Development Scheme

**Portfolio:** Cabinet Member for Planning and Regulation (Councillor Smith)

**From:** Director – Planning and Regulation

**Building A Better Borough**  
**Aim 1: Live**  
**Priority 1: Promote residents’ health and wellbeing**  
**Priority 2: Enable appropriate housing development**

**Aim 3: Visit**  
**Priority 1: Grow a strong and inclusive economy**

**Summary:**

The purpose of this report is to propose updates and new timetables to the Local Development Scheme (LDS) for the Borough Plan Review and for the Gypsy and Traveller Site Allocations Development Plan Document.

**Recommendations:**

The amendments to the Local Development Scheme be noted; and

IT BE RECOMMENDED TO COUNCIL THAT: The amendments to the Local Development Scheme be approved.

**Options:**

- To endorse the recommendations.
- To recommend an alternative timetable.

- Not to endorse the recommendations.

**Reasons:**

To enable the Council to comply with the requirements of the Planning and Compulsory Purchase Act 2004 (as amended) and national planning practice guidance.

**Consultation undertaken with Members and Officers:**

Consultation with the portfolio holder – Planning and Regulation.  
Consultation with the Borough Plan Committee 14 October 2022.

**Subject to call-in:** No.

**Ward relevance:** All.

**Forward plan:** No. However, the LDS will need to be added to the Forward Plan.

**Building a Better Borough Aim:** 1 and 3.

**Building a Better Borough Priority:** 1 and 2.

**Relevant statutes or policy:**

Planning and Compulsory Purchase Act 2004 (as amended) and the associated Town And Country Planning (Local Planning) (England) Regulations 2012 (as amended).

National Planning Policy Framework (NPPF)/National Planning Policy Guidance (NPPG).

**Equalities implications:** None.

**Human resources implications:** The proposed LDS timetable accounts for existing known staffing and resource levels.

**Financial implications:** None for the amendments to the Local Development Scheme. The costs associated with progressing the Borough Plan Review and Gypsy and Traveller Site Allocations Development Plan Document would be met within existing budgets. If any additional evidence base is required/necessary, this has not been accounted for and may result in a budget pressure for 2022/23.

**Health Inequalities Implications:** N/A.

**Section 17 - Crime and Disorder Implications:** N/A.

**Risk management implications:** None to the amendments to the Local Development Scheme.

**Environmental implications:** None within the Local Development Scheme, but the Borough Plan Review and Gypsy and Traveller Site Allocations Development Plan Document will need to align with the latest Government guidance on preserving and enhancing the natural environment.

**Legal implications:** The Borough Plan Review, and publication of the Local Development Scheme LDS, is statutory requirement under the Planning & Compulsory Purchase Act 2004 and the associated Town And Country Planning (Local Planning) (England) Regulations 2012 (as amended).

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## AGENDA ITEM NO.12c

### NUNEATON AND BEDWORTH BOROUGH COUNCIL

**Report to:** Cabinet – 9<sup>th</sup> November 2022

**From:** Director - Planning and Regulation

**Subject:** Updates to text and date amendments to the Local Development Scheme

**Portfolio:** Planning and Regulation (Cllr Smith)

#### **Building A Better Borough**

##### **Aim 1: Live**

**Priority 1: Promote residents' health and wellbeing**

**Priority 2: Enable appropriate housing development**

##### **Aim 3: Visit**

**Priority 1: Grow a strong and inclusive economy**

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#### 1. Purpose of Report

1.1 The purpose of this report is to request updates to the text and the timetables for the Borough Plan Review and Gypsy and Traveller Site Allocations Development Plan Document within the Local Development Scheme (LDS).

#### 2. Recommendations

2.1 The amendments to the Local Development Scheme be noted; and

2.2 IT BE RECOMMENDED TO COUNCIL THAT: The amendments to the Local Development Scheme be approved.

#### 3. Background

##### 3.1 Background to the requests for the amendments to the text

3.2 Appendix A provides the existing and proposed text to be amended within the LDS. The text requires revising as the Council have adopted and are working on more Supplementary Planning Documents (SPD) since the previous publication of the LDS (sections 2.2 and 2.5) and for the updated position of the Borough Plan Review (section 3.3). In addition, Warwickshire County Council have now adopted their new Minerals Local Plan (2018 - 2032) (section 2.5) and the text requires amending accordingly.

3.3 Background to the request to the timetable amendments for the Borough Plan Review

3.4 The Preferred Options consultation was carried out from the 13<sup>th</sup> June to 22<sup>nd</sup> July 2022. The intention was for the Publication document to be consulted upon in October 2022. However, due to the ongoing delay with key pieces of evidence base including the sub regional Housing and Economic Development Needs Assessment (HEDNA); the Council were at substantial risk of the Plan being considered unsound if the Publication proceeded without this information. The HEDNA will provide details that will feed into the housing and employment needs and number of sites required for the final Borough Plan. Without this information a number of key evidence documents required to feed into the Publication version, such as the Strategic Transport Assessment and Level 2 Strategic Flood risk Assessment cannot be completed.

3.5 Due to this ongoing delay, it is proposed that the Publication version is put back until April 2023 which will then have a subsequent impact in submitting the document to the Secretary of State.

3.6 Background to the request for the timetable amendments for the Gypsy and Traveller Site Allocations Development Plan Document

3.7 The consultation for the Issues and Options for the Gypsy and Traveller Site Allocations Development Plan Document (DPD) was carried out from the 11<sup>th</sup> June 2021 until the 6<sup>th</sup> August 2021 and the Publication document was consulted upon between the 28<sup>th</sup> January 2022 and 25<sup>th</sup> March 2022. The current LDS states that the DPD would be submitted to the Secretary of State in July 2022 when in reality it was submitted a month early in June. This has a subsequent impact and potentially bringing forwards the formal recommendations by the Planning Inspector and subsequent adoption if found sound.

4 Timetable implications

4.1 The existing timetable for the Borough Plan production is set out in the Council's published Local Development Scheme (LDS). (Appendix B). This was adopted at Full Council on the 14<sup>th</sup> February 2022. Based on the current adopted timetable, the Publication stage is scheduled for October 2022, with Submission to the Secretary of State scheduled for February 2023. Receipt of the Inspector's report was expected in January 2024 and adoption envisaged in February 2024.

4.2 Having regard to the issues raised, the work to address them and outstanding evidence base work to be updated and finalised; the alternative timetable for the Borough Plan Review work is proposed to be as follows:

<b>Borough Plan Review DPD</b>	
Preferred Options	June 2022 (completed)
Publication	April 2023
Submission to the Secretary of State	August 2023
Adoption*	June 2024

\* prediction only – dependent on Planning Inspectorate’s work programme

- 4.3 The existing timetable for the Publication of the Gypsy and Traveller Site Allocations Development Plan Document is also set out in the Council’s published Local Development Scheme (LDS). It is proposed to change the last four stages of the timetable as follows

<b>Publication of the Gypsy and Traveller Site Allocations Development Plan Document</b>	
Submit to Secretary of State	June 2022
Examination in Public	October 2022
Receipt of Inspector’s Report*	December 2022
Adoption*	January 2023 (subject to no Main Modifications Consultation and dates of Cabinet and Full Council).

\* prediction only – dependent on Planning Inspectorate’s work programme

## 5 Conclusion

- 5.1 The amendments to the Local Development Scheme be noted; and it be recommended to Council that: The amendments to the Local Development Scheme be approved.

## 6 Appendices

Appendix A - Existing and proposed text to be amended within the Local Development Scheme.

Appendix B – Current Local Development Scheme (December 2021).

## 7 Background Papers

The existing adopted Local Development Scheme can be found at: [https://www.nuneatonandbedworth.gov.uk/downloads/download/410/local\\_development\\_scheme](https://www.nuneatonandbedworth.gov.uk/downloads/download/410/local_development_scheme)

## Appendix A. Text amendments to the Local Development Scheme.

Section 2.2 currently states:

*“There remain adopted Supplementary Planning Documents (SPD) and Guidance (SPG) documents providing additional information or guidance on certain matters:*

- *Affordable Housing SPD (2020)*
- *Air Quality SPD (2020)*
- *Car Parking Standards SPD (2003)*
- *Concept Plan SPDs (for each of the strategic housing and employment allocations) (2020)*
- *Health Impact Assessment SPD (2021)*
- *Open Space and Green Infrastructure SPD (2021)*
- *Planning for a Healthier Area – Hot Food Takeaways SPD (2020)*
- *Shopfronts and Advertisements Design Guide SPG (1994)*
- *Sustainable Design and Construction SPD (2020)*

It is requested that this is updated to read:

*“There are adopted Supplementary Planning Documents (SPD) and Guidance (SPG) documents providing additional information or guidance on certain matters. These include:*

- *Affordable Housing SPD (2020)*
- *Air Quality SPD (2020)*
- *Concept Plan SPDs (for each of the strategic housing and employment allocations) (2020)*
- *Health Impact Assessment SPD (2021)*
- *Open Space and Green Infrastructure SPD (2021)*
- *Planning for a Healthier Area – Hot Food Takeaways SPD (2020)*
- *Shopfronts and Advertisements Design Guide SPG (1994)*
- *Sustainable Design and Construction SPD (2020)*
- *Transport Demand Management Matters – Parking Standards SPD (2022)*
- *Conservation Area Appraisal and Management Plan SPDs (2022)*
- *HSG2 Arbury Design Code SPD (2022)*
- *First Homes Interim Policy Statement (2022)*

Section 2.3 currently states:

*“Please note that limited weight can be afforded to the 2003 Car Parking Standards SPD and the 1994 Shopfronts and Advertisements Guide SPG due to their age, however they have never been formally revoked. It is intended that the 2003 Car Parking Standards SPD will be replaced by the emerging Transport Demand Management Matters – Parking Standards SPD.”*

It is proposed that this section is updated to read:

*“Please note that limited weight can be afforded to the 1994 Shopfronts and Advertisements Guide SPG due to its age, however it has never been formally revoked.”*

Section 2.5 currently states:

*“The Warwickshire County Council Minerals Local Plan (1995) provides the planning policies to guide future minerals development within the County. From September 2007 the following policies were saved:*

- *M1 Areas of Search and Preferred Areas*
- *M4 Sand and Gravel Extraction in the Context of Landbanks*
- *M5 Sterilisation of Mineral Reserves*
- *M6 Considerations and Constraints Affecting Mineral Extraction*
- *M7 Mitigation and Planning Conditions/Agreements*
- *M9 Restoration of Mineral Workings 5*
- *M10 Monitoring of Mineral Sites*

*The Warwickshire Minerals Plan has been submitted to the Secretary of State and examination hearings took place in October 2020. If the plan is found ‘sound’ and subsequently adopted, it will replace the saved Minerals Local Plan (1995) policies. Further information on the Minerals Plan can be found at [www.warwickshire.gov.uk/md](http://www.warwickshire.gov.uk/md)”*

It is proposed that this section is updated to read:

*“The adopted Warwickshire County Council Minerals Local Plan (2018-2032) provides the planning policies to guide future minerals development within the County. Further information on the Minerals Plan can be found at [https://warwickshire-consult.objective.co.uk/portal/warwickshire\\_minerals\\_plan\\_examination\\_website](https://warwickshire-consult.objective.co.uk/portal/warwickshire_minerals_plan_examination_website)”*

Section 3.3 currently states:

*“The Borough Plan Review ‘Issues and Options’ consultation document explored key policy issues in detail as well as potential options for addressing the issues. Such issues included meeting housing and employment needs, infrastructure delivery, town centre regeneration, green belt, climate change adaptation/mitigation, biodiversity, sustainable transportation and design. Since the consultation, the Council has undertaken a ‘call for sites’ which will inform the Council’s Housing and Economic Land Availability Assessment (HELAA). The Borough Plan Review will need to be underpinned by robust and up-to-date evidence to ensure ‘soundness’ and legal compliance for the examination stage. On that basis, officers have considered the evidence requirements and will be updating, or recommissioning, evidence over the coming months. This evidence will inform a ‘Preferred Options’ stage, which is scheduled for June 2022. This timetable also allows some flexibility for the Council to review any potential changes to the planning system. The Council will continue to monitor any proposed legislative or policy changes.*

It is proposed that this section is updated to read:

*“The Borough Plan Review ‘Issues and Options’ consultation document explored key policy issues in detail as well as potential options for addressing the issues. Such issues included meeting housing and employment needs, infrastructure delivery, town centre regeneration, green belt, climate change*



*adaptation/mitigation, biodiversity, sustainable transportation and design. The Council also undertook a ‘call for sites’ which informed the Preferred Options. The Borough Plan Review will need to be underpinned by robust and up-to-date evidence to ensure ‘soundness’ and legal compliance for the examination stage. On that basis, officers have considered the evidence requirements and are updating and recommissioning the evidence base. Some of this evidence informed the Preferred Options stage, which was consulted upon in June and July 2022. Some of the evidence base is still outstanding and together with the responses from the Preferred Options stage will feed into the Publication version. The amended timetable will also allow some flexibility for the Council to review any potential changes to the planning system. The Council will continue to monitor any proposed legislative or policy changes”.*

Section 3.9 currently states:

*“Council is also preparing a number of SPDs that provide more detailed advice and guidance in relation to the implementation and interpretation of planning policies set out in the Borough Plan/DPDs. SPDs are not subject to examination but are subject to public consultation. Currently, the following SPDs are due to be progressed:*

- Town Centres SPD (to be progressed alongside the Borough Plan Review)*
- Transport Demand Management Matters – Parking Standards SPD (due for adoption in early 2022)*
- Conservation Area Appraisal and Management Plan SPDs (due for adoption in early 2022)*
- Heritage SPD*
- HSG2 Arbury Design Code SPD”*

It is proposed that this section is updated to read:

*“The Council is also preparing a number of SPDs that provide more detailed advice and guidance in relation to the implementation and interpretation of planning policies set out in the Borough Plan/DPDs. SPDs are not subject to examination but are subject to public consultation. Currently, the following SPDs are due to be progressed:*

- Town Centres SPD (to be progressed alongside the Borough Plan Review)*
- Heritage SPD”*

# **Nuneaton and Bedworth Borough Council**

## **Local Development Scheme December 2021**

## Contents

1. Introduction.....	3
2. Existing Planning Policy Documents.....	4
Local planning policies.....	4
Warwickshire planning policies .....	4
3. The emerging Planning Policy Framework .....	5
Development Plan Documents.....	5
Borough Plan Review .....	5
Policies Map.....	6
Gypsy and Traveller Site Allocations DPD .....	6
Community Infrastructure Levy .....	7
Supplementary Planning Documents (SPDs) .....	7
4. Supporting Statement.....	8
Evidence Base .....	8
Sustainability Appraisal (SA) / Strategic Environmental Assessment (SEA) .....	8
Monitoring .....	9
Political Framework.....	9
Resources.....	9
Risk Assessment .....	10
5. Contact Details .....	12

## 1. INTRODUCTION

1.1 This Local Development Scheme (LDS) has been prepared in accordance with the requirements of the Planning and Compulsory Purchase Act 2004 (as amended). The LDS has two main functions:

1. To identify the current planning policy documents that are being applied in Nuneaton and Bedworth.
2. To provide a three year project plan that outlines what the replacement planning policy documents will be and their stages of preparation.

1.2 The document is divided into the following sections:

- ***Existing Planning Policy***

Section 2 of the document provides an overview of the existing planning policy documents and guidance that cover the Borough.

- ***Documents to be Prepared***

Section 3 outlines the type and function of the documents that the Council will produce in forthcoming years.

- ***Supporting Statement***

Section 4 makes reference to the evidence base which will be used to inform emerging policy along with the Sustainability Appraisal work that will be required. A programme for monitoring and reviewing documents, the political framework for approval, the resources available and an assessment of the risks associated with the delivery of the LDS are also identified.

1.3 The Council's Authority Monitoring Report is produced annually and is required to assess Development Plan Document progress against the targets and milestones in the LDS. Where the milestones have not been met, up-to-date information will be provided on the Council's webpages.

## **2. EXISTING PLANNING POLICY DOCUMENTS**

### **Local planning policies**

- 2.1 The Nuneaton and Bedworth Borough Plan was adopted on 11<sup>th</sup> June 2019. On adoption, the Borough Plan superseded the saved policies of the 2006 Nuneaton and Bedworth Local Plan. The Council has committed to a review of the Plan following its adoption in order to consider the implications of the updated National Planning Policy Framework and associated guidance.
- 2.2 There remain adopted Supplementary Planning Documents (SPD) and Guidance (SPG) documents providing additional information or guidance on certain matters:
- Affordable Housing SPD (2020)
  - Air Quality SPD (2020)
  - Car Parking Standards SPD (2003)
  - Concept Plan SPDs (for each of the strategic housing and employment allocations) (2020)
  - Health Impact Assessment SPD (2021)
  - Open Space and Green Infrastructure SPD (2021)
  - Planning for a Healthier Area – Hot Food Takeaways SPD (2020)
  - Shopfronts and Advertisements Design Guide SPG (1994)
  - Sustainable Design and Construction SPD (2020)
- 2.3 Please note that limited weight can be afforded to the 2003 Car Parking Standards SPD and the 1994 Shopfronts and Advertisements Guide SPG due to their age, however they have never been formally revoked. It is intended that that the 2003 Car Parking Standards SPD will be replaced by the emerging Transport Demand Management Matters – Parking Standards SPD.

### **Warwickshire planning policies**

- 2.4 Warwickshire County Council adopted a Waste Core Strategy Development Plan Document on 9<sup>th</sup> July 2013. This strategy guides the future strategy and development of all new waste facilities in the County up to 2028.
- 2.5 The Warwickshire County Council Minerals Local Plan (1995) provides the planning policies to guide future minerals development within the County. From September 2007 the following policies were saved:
- M1 Areas of Search and Preferred Areas
  - M4 Sand and Gravel Extraction in the Context of Landbanks
  - M5 Sterilisation of Mineral Reserves
  - M6 Considerations and Constraints Affecting Mineral Extraction
  - M7 Mitigation and Planning Conditions/Agreements
  - M9 Restoration of Mineral Workings

- M10 Monitoring of Mineral Sites

The Warwickshire Minerals Plan has been submitted to the Secretary of State and examination hearings took place in October 2020. If the plan is found 'sound' and subsequently adopted, it will replace the saved Minerals Local Plan (1995) policies. Further information on the Minerals Plan can be found at [www.warwickshire.gov.uk/mdf](http://www.warwickshire.gov.uk/mdf).

### **3. THE EMERGING PLANNING POLICY FRAMEWORK**

- 3.1 This section identifies how the Council will deliver its future planning policy framework which comprises Development Plan Documents. The timetable forecasts provided below are the best estimates available at the time of publication. Where the milestones have not been met, up-to-date information will be provided on the Council's webpages. Periodic updates will also be provided to the Council's Borough Plan Committee, which meets on a quarterly basis.

#### **Development Plan Documents**

##### **Borough Plan Review**

- 3.2 The Council has committed to undertaking a review of the adopted Borough Plan following updates to the National Planning Policy Framework. All aspects of the updated NPPF will need to be re-examined, but in particular the updated 'standard method' for assessing housing need and associated Housing Delivery Test have changed how Local Plans calculate housing requirements and will be central to the Borough Plan Review.
- 3.3 The Borough Plan Review 'Issues and Options' consultation document explored key policy issues in detail as well as potential options for addressing the issues. Such issues included meeting housing and employment needs, infrastructure delivery, town centre regeneration, green belt, climate change adaptation/mitigation, biodiversity, sustainable transportation and design. Since the consultation, the Council has undertaken a 'call for sites' which will inform the Council's Housing and Economic Land Availability Assessment (HELAA). The Borough Plan Review will need to be underpinned by robust and up-to-date evidence to ensure 'soundness' and legal compliance for the examination stage. On that basis, officers have considered the evidence requirements and will be updating, or recommissioning, evidence over the coming months. This evidence will inform a the 'Preferred Options' stage, which is scheduled for June 2022. This timetable also allows some flexibility for the Council to review any potential changes to the planning system. The Council will continue to monitor any proposed legislative or policy changes.

Stage	Timescale	Opportunity for Public Involvement
Commencement/ scoping	June 2019 – May 2021	No
Issues and Options Consultation	May 2021	Yes
Consultation on Preferred Options	June 2022	Yes
Publication (Regulation 19) consultation	October 2022	Yes
Submit to Secretary of State	February 2023	No
Examination in Public	July 2023 - September 2023	Yes
Receipt of Inspector's Report	Jan 2024	No
Adoption	Feb 2024 (subject to no Main Modifications consultation)	No

Table 1: Borough Plan Review Timetable

### Policies Map

- 3.4 The purpose of the Policies Map is to illustrate the main proposals, designations and area based policies covering the Borough. The Policies Map will be developed alongside the Borough Plan Review and other DPDs. The map will be reviewed as each additional new policy document is produced.

### Gypsy and Traveller Site Allocations DPD

- 3.5 The purpose of this policy document is to allocate sites to meet the Borough's identified need. The estimated timetable for developing the document is:

Stage	Timescale	Opportunity for Public Involvement
Issues and Options consultation	May 2021	Yes
Publication (Regulation 19) consultation	Jan 2022	Yes
Submit to Secretary of State	July 2022	No
Examination in Public	Nov 2022 – Dec 2022	Yes
Receipt of Inspector's Report	Jan 2023	No
Adoption	Feb 2023 (subject to no Main Modifications consultation)	No

Table 2: Gypsy and Traveller Site Allocations Timetable

## **Community Infrastructure Levy**

- 3.6 The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area.
- 3.7 In 2020, consultants Dixon Searle Partnership were appointed to develop a draft charging schedule of rates, based on updated viability analysis. The proposed charging rates were included in a Draft Charging Schedule and this was consulted on in October 2020.
- 3.8 Further detailed analysis was undertaken following the consultation process to compare how the proposed CIL rates would compare with the existing 'section 106' (s106) arrangements by assessing different planning applications of various types and sizes. It was concluded that for strategic scale developments, existing s106 processes would generate significantly more infrastructure funding than CIL, although CIL may generate more funding for smaller scale developments. Given the administrative burdens and costs associated with CIL implementation, it was considered that CIL may not be beneficial in the round compared to existing s106 arrangements. On the 26<sup>th</sup> May 2021, the Council's Cabinet resolved<sup>1</sup> that the CIL Charging Schedule should not be submitted to the Secretary of State for independent examination. The Council will continue to monitor emerging legislation and policy changes (e.g. the potential National Infrastructure Levy proposed as part of the 'Planning for the Future') and review whether a revised Levy approach is appropriate for the Council to pursue.

## **Supplementary Planning Documents (SPDs)**

- 3.9 The Council is also preparing a number of SPDs that provide more detailed advice and guidance in relation to the implementation and interpretation of planning policies set out in the Borough Plan/DPDs. SPDs are not subject to examination, but are subject to public consultation. Currently, the following SPDs are due to be progressed:
- Town Centres SPD (to be progressed alongside the Borough Plan Review)
  - Transport Demand Management Matters – Parking Standards SPD (due for adoption in early 2022)
  - Conservation Area Appraisal and Management Plan SPDs (due for adoption in early 2022)
  - Heritage SPD
  - HSG2 Arbury Design Code SPD
- 3.10 If it becomes apparent that additional SPDs are required (i.e. to provide necessary clarity to adopted policies), further information will be provided on the Council's Planning Policy webpages.

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<sup>1</sup> <https://www.nuneatonandbedworth.gov.uk/meetings/meeting/2293/cabinet>



## 4. EVIDENCE, RESOURCING AND RISK

### Evidence Base

- 4.1 Development Plan Documents must be based on up-to-date, robust evidence for them to be considered sound. In preparing the policy documents there is a need to undertake technical research and other background work. This work will be undertaken by the Council as well as external consultants on behalf of the Council where information of a specialist nature is required or where the time needed to undertake the work is not available in-house. All background/technical documents will be made available alongside the policy document to which they relate. Details of the existing evidence base can be found on the Council's Planning Policy webpages.

### Sustainability Appraisal (SA) / Strategic Environmental Assessment (SEA)

- 4.2 Notwithstanding the planning reforms proposed in the 'Planning for the Future' White Paper, existing legislation requires that all DPDs will be subject to a SA (which incorporates SEA). The purpose of SA/SEA is to assess the likely environmental, economic and social implications of the policies/ proposals in the documents. External groups and organisations are consulted on the SA and invited to contribute to the appraisal. The key stages of SA preparation are provided in table 5 below.

Stage	Key tasks
<u>Stage A</u> – Development of the SA framework and production of Scoping Report	<ul style="list-style-type: none"> <li>• Identify other relevant policies, plans, programmes and sustainability objectives</li> <li>• Collect baseline information</li> <li>• Identify sustainability issues and problems</li> <li>• Develop the SA framework</li> <li>• Consult on the scope of the sustainability appraisal</li> </ul>
<u>Stage B</u> – Appraisal of plan options	<ul style="list-style-type: none"> <li>• Test the Plan objectives against the SA framework</li> <li>• Develop the plan options including reasonable alternatives</li> <li>• Assess the likely effects of each of the options</li> <li>• Consider ways of mitigating adverse effects and maximising beneficial effects</li> <li>• Propose measures to monitor the significant effects of implementing the plan</li> </ul>
<u>Stage C</u> – Preparation of the final SA report	<ul style="list-style-type: none"> <li>• Produce the final SA report based on the final plan ('Publication' version), documenting the appraisal process</li> </ul>
<u>Stage D</u> – Consultation on the SA report	<ul style="list-style-type: none"> <li>• Consult on the options/policies and SA report at the 'Publication' (regulation 19) stage</li> </ul>
<u>Stage E</u> – Post adoption monitoring	<ul style="list-style-type: none"> <li>• Prepare and publish post adoption statement</li> <li>• Monitor significant effects of implementing the Plan</li> <li>• Respond to adverse effects</li> </ul>

Table 5: SA process

- 4.3 SPDs are exempt from the requirements for SA. Unless significant environmental effects are likely to result from implementation of the SPD, SEA is not required.

### Monitoring

- 4.4 The process of monitoring and review is an important part of the current planning system. Central to this is an Authority Monitoring Report (AMR) which will be published by December each year. The AMR will:
- Identify how well the Council is performing when assessed against the targets/ milestones set out in the LDS.
  - Examine the success of planning policies through the use of key indicators and targets.
  - Advise on the need to review the LDS and amend/ revise policies contained in policy documents.

### Political Framework

- 4.5 Before submission to the Secretary of State for consideration, or formal adoption by the Council (in the case of SPDs), each document in the planning policy framework will require political approval. The level of approval will be determined by the status of the document and the stage it has reached in the preparation process. Listed in table 6 below are the levels of approval different types of document will require at different stages of their preparation.

Document	Stage of Preparation	Level of Approval
<b>Local Development Scheme</b>	Publication	Cabinet Full Council
<b>Development Plan Documents</b>	Issues and Options consultation Publication consultation Submission to Secretary of State Adoption	Cabinet Cabinet Cabinet & Full Council Cabinet & Full Council
<b>Supplementary Planning Documents</b>	Consultation on Draft SPD Adoption	Cabinet Full Council
<b>Authority Monitoring Report</b>	Publication	-

Table 6: Political Approval Framework

### Resources

- 4.6 The work associated with the production of the planning policy framework, its monitoring and review will primarily be undertaken by the Planning Policy team with contributions from other services within the Council as and when required. Input from the Council's other services will be particularly valuable at

the evidence gathering stage of policy development to help ensure that the Council's other Plans/ Strategies are integrated into the planning policy framework. In preparing documents, specialist services provided by consultants will also be utilised where necessary.

- 4.7 The cost of producing the planning policy framework is currently being met through the existing service budget. Both staffing and budgetary resources will need to be monitored to ensure that there is adequate provision to enable the delivery of the LDS.

### **Risk Assessment**

- 4.8 This LDS has been drafted on the basis of what is considered deliverable, based on information available at the time of drafting. Nevertheless there are a number of risks which could jeopardise the Council's ability to deliver the documents that make up the planning policy framework within the timeframe identified (such as the proposed Government planning reforms). The Council has however attempted to minimise the risks by putting in place mitigation measures. The risks, their rating (in terms of likelihood and impact) and the mitigation measures that have been put in place to moderate and manage the risks are summarised in the table 7. The risk rating scores included are net risk scores and account for risk control and mitigation measures.

<b>Risk</b>	<b>Likelihood (L)</b>	<b>Impact (I)</b>	<b>Rating (L x I)</b>	<b>Mitigation Measures</b>
<b>Internal Resources</b>	2	3	6	<ul style="list-style-type: none"> <li>• Early identification of budget requirements.</li> <li>• Keep budget under review.</li> </ul>
<b>Staff Turnover</b> (Loss of staff and difficulty to recruit replacements, reflecting national shortage)	3	2	6	<ul style="list-style-type: none"> <li>• Advertise posts as soon as possible to minimise length of vacancy.</li> <li>• Appoint consultants.</li> </ul>
<b>Additional Unforeseen Work/ Pressure on Staff Time</b>	3	2	6	<ul style="list-style-type: none"> <li>• Work associated with delivery of DPDs and SPDs prioritised within work programme.</li> </ul>
<b>Lack of In House Expertise for Specialist Areas of Work</b> (E.g. Sustainable Appraisal, background work)	2	3	6	<ul style="list-style-type: none"> <li>• Employ consultants to undertake work.</li> <li>• Train staff where appropriate.</li> </ul>
<b>Capacity of External Organisations</b> (Planning Inspectorate (PINs) and Statutory Consultees)	2	3	6	Capacity is outside the Council's control but will minimise impact by: <ul style="list-style-type: none"> <li>• Sending organisations a copy of LDS so aware of timetable.</li> <li>• Maintain Service Level Agreement with PINs.</li> <li>• Consult statutory consultees as early as possible.</li> </ul>
<b>New/ Replacement Government Policies and Guidance</b> (E.g. Planning for the Future White Paper, revised NPPF/NPPG)	3	3	9	<ul style="list-style-type: none"> <li>• Keep up to date on emerging policies and guidance to enable early response to changes</li> </ul>
<b>Political Decision Making</b>	3	3	9	<ul style="list-style-type: none"> <li>• Early involvement of Members in preparation of documents to maximise support.</li> </ul>
<b>Significant Opposition to Policy or Proposal</b>	3	3	9	<ul style="list-style-type: none"> <li>• Early and effective engagement in the consultation process (however it is unlikely that consensus will be reached between all stakeholders).</li> </ul>
<b>Timing of Committee Meetings</b> (Dates of meetings only set on annual basis)	3	1	3	<ul style="list-style-type: none"> <li>• Where necessary special meetings can be called.</li> </ul>
<b>Soundness of DPDs</b>	3	3	9	<ul style="list-style-type: none"> <li>• Documents to be based on robust evidence.</li> <li>• Community engagement undertaken in line with the Statement of Community Involvement.</li> <li>• Sustainability Appraisal undertaken.</li> <li>• Carry out soundness self assessment.</li> <li>• Work closely with PINs.</li> </ul>
<b>Legal Challenge</b>	3	3	9	<ul style="list-style-type: none"> <li>• Ensure 2004 Act and associated regulations followed.</li> <li>• Implement audit trail of processes and procedures.</li> </ul>

Table 7: Risks associated with delivery of LDS

### Key to Scoring

#### Likelihood

1. Low
2. Significant
3. High
4. Very High

#### Impact

1. Low
2. Moderate
3. Serious
4. Major

#### Rating

- 1 - 4 Low (green)
- 5 - 9 Medium (orange)
- 10+ High (red)

## 5. CONTACT DETAILS

5.1 For more information on this Local Development Scheme please contact: -

Planning Policy Team  
Nuneaton and Bedworth Borough Council  
Town Hall  
Coton Road  
Nuneaton  
CV11 5AA

Tel: 024 7637 6328

Email: [planning.policy@nuneatonandbedworth.gov.uk](mailto:planning.policy@nuneatonandbedworth.gov.uk).

5.2 This document, and all other documents that make up the Planning Policy Framework, can be made available to view upon request at the Town Hall reception. Please check the Council's webpages<sup>2</sup> for the latest opening times and whether appointments are required. All documents will also be available on the Council's website: [www.nuneatonandbedworth.gov.uk](http://www.nuneatonandbedworth.gov.uk)

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<sup>2</sup>

[https://www.nuneatonandbedworth.gov.uk/info/20052/get\\_involved\\_with\\_us/271/contacting\\_and\\_visiting\\_us](https://www.nuneatonandbedworth.gov.uk/info/20052/get_involved_with_us/271/contacting_and_visiting_us)