



**AGENDA
for
MEETING OF
THE COUNCIL**

to be held on

Wednesday, 15th September, 2021

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Date: 6th September 2021

Our Ref: VM

To: All Members of the Borough Council

A MEETING OF THE COUNCIL will be held in the Council Chamber, Town Hall, Nuneaton, on **Wednesday, 15th September, 2021 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.

Please note that meetings will be recorded for future broadcast.

Yours faithfully,

BRENT DAVIS

Executive Director – Operations

To: All Council Members

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 Virgin Money Bank (formerly the Yorkshire 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. FILMING – all Members are requested to turn on their microphones before speaking, to speak clearly into the microphone in front of them and remember to turn it off when they have finished speaking. A microphone will be provided for members of the public to use who have notified that they wish to speak.
4. MINUTES - to confirm the minutes of the Council Meeting held on 14th July 2021, attached (**Page 7**)
5. 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 30**). 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.

6. ANNOUNCEMENTS - to receive announcements from the Mayor, Leader, Members of the Cabinet or the Executive Director.
7. PUBLIC PARTICIPATION – (Council Procedure Rule 9) – 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 37**) and this is not subject to debate.
8. CABINET – report by Leader of the Council, attached (**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.
9. ANNUAL TREASURY MANAGEMENT REPORT 2020/21 – a report by the Executive Director – Resources and Housing, attached (**Page 38**)
RECOMMENDED: the actual 2020/21 Treasury and Prudential Indicators detailed in the report and summarised in Appendix 1 be approved and the Annual Treasury Management Report for 2020/21 be noted.
10. AMENDMENTS OF COVENTRY & WARWICKSHIRE LOCAL ENTERPRISE PARTNERSHIP (CWLEP) APPOINTMENTS – Following discussions with the

CWLEP and the Leader & Deputy Leader of the Council, it has been suggested that the Leader be the Council's main representative on the CWLEP Board and the Deputy Leader be his substitute. This would reverse the appointments made at Annual Council.

RECOMMENDED THAT: The Leader of the Council be appointed as the Council's representative on the Coventry & Warwickshire Local Enterprise Council; and the Deputy Leader be appointed as the substitute.

11. QUESTIONS BY MEMBERS - (Council Procedure Rule 10). A copy of Procedure Rule 10 is attached. **(Page 57)** and this is not subject to debate.
12. EXCLUSION OF THE PUBLIC AND PRESS - Under section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following item, it being likely that there would be disclosure of exempt information of the description specified in paragraph (i) and (iv) of Part I of Schedule 12A to the Act.
13. RESTRUCTURE OF MANAGEMENT TEAM – a report of the Appointment Committee.

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 Mayor's 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 been 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.

NUNEATON AND BEDWORTH BOROUGH COUNCIL**COUNCIL****14th July 2021**

A Council meeting of Nuneaton and Bedworth Borough Council was held on Wednesday 14th July 2021. Due to government guidance during the COVID-19 pandemic, this meeting was held in person in the Council Chamber, but there was a limit on how many could attend, so those not attending had their apologies entered into the minutes.

Present

The Mayor (Councillor R. Tromans)

Councillors D. Brown, J. Clarke, L. Cvetkovic, K Evans, C. Golby, J. Kennaugh, K. Kondakor, M. Rudkin, J. Sheppard, R. Smith, H. Walmsley, C. Watkins, K. Wilson

Apologies were received from Councillors B. Beetham, T. Cooper, S. Croft, L. Downs, P. Elliott, J. Gutteridge, B. Hammersley, S. Harbison, L. Hocking, A. Llewellyn-Nash, S. Markham, B. Pandher, R. Baxter-Payne, N. Phillips, A. Sargeant, J. Sargeant, T. Sheppard, J. Singh, M. Tromans, M Walsh

CL16 Minutes

RESOLVED that the minutes of the meeting held on 19th May 2021 be approved and signed by the Mayor following an amendment of a change of name under item CL10 in the Appeals Committee, which should read B Hammersley. **RESOLVED** that the minutes of the meeting held on 30th June 2021, be approved and signed by the Mayor.

CL17 Declarations of Interests

RESOLVED that the Declarations of Interests for this meeting are as set out in the schedule attached to these minutes, with some additions further to those sent out with the agenda and now attached.

CL18 Announcements

Councillor Wilson on behalf of the Council, noted their congratulations to the England football team for getting as far as they did, to their first final in 55 years. He noted that he and Councillor Clarke had visited the football mural in Nuneaton and noted the tremendous community efforts of the fundraising from this for the purchase of some defibrillators. Councillor Wilson did note the Council's sadness at the racism comments online and said that there is no place in society for this and that the Council stands by those players affected. He noted the words of the great Martin Luther King, that a person should not be judged on the colour of their skin but on the contents of their character.

Councillor Evans was pleased to announce that a national athletics event was taking place at the Pingles Leisure Centre on Sunday, 18th July, when teams from across the country would be participating in this event and that the Council would welcome the investment that this brings to the borough and that it was putting Nuneaton on the sporting map.

Councillor Evans also informed Council that £23k has been awarded from the Arts Council National Lottery Project Grants Scheme to go towards the Museum's exhibition on the Nuneaton Abbey. He confirmed that they would be working alongside partners at St Mary's Church and hoped that residents would visit the exhibition for free.

CL19 **Business Deferred from Council – 21st April 2021**

- a) i) Notice of Motion: "This Council has no confidence in the current controlling group and calls upon the Cabinet to resign forthwith". Councillor Wilson proposed to withdraw this motion following the change of the administration in the elections and Councillor Walmsley seconded this motion. A vote was taken.

RESOLVED: the motion be withdrawn. Councillor Kondakor voted against the motion.

- ii) Notice of Motion: "This Council condemns the Government's proposal to award only a 1% pay increase to NHS workers in Nuneaton and Bedworth. NHS staff deserve a pay rise that reflects the sacrifices they have made during the pandemic, and sometimes at the expense of their own health, and untimely deaths. This Council joins with other organisations and our NHS colleagues to urge the Independent Pay Review Body to reject the Government's proposals and recommend the substantial increase our NHS workers so richly deserve".

The motion lapsed as no member of the Council is a signatory to the motion

- b) Questions by Members as follows:

Question 1 – Councillor A. Sargeant

"Can the Portfolio Holder for Housing and Communities, Councillor Watkins, give the residents of Roxburgh Road an assurance that the green space, pavements and kerbs will be returned to their previous condition, if not better, at the Council's and mod pods development on the old garage site".

As the new Portfolio Holder for Housing and Communities, Councillor Golby replied to this question:

The contract administrator on the Roxburgh Road development site has given Councillor Sargeant reassurances that the green area adjacent to the site will return to the condition it was prior to the development starting.

With regards to the kerbstones and footpaths, a condition survey was carried out prior to works commencing which will be used to determine the

extent of the work required. It is worth noting the kerbstones and footpaths were not in a very good condition prior to works commencing.

Question 2 – Councillor K. Kondakor

“Hopefully the council leader is already aware that Warwickshire County Council is looking to solve the day-time retained fire crew availability problems at Bedworth Fire Station by the relocation one of our two remaining crews from Nuneaton. It is clearly unacceptable to cut the size of the borough’s fire cover again, after already reducing the standard size of crew on each appliance. Does the council leader agree with me that the Borough needs 3 fully crewed fire appliances and will she ask the management team to ensure that the Borough Council monitor any firm plans that emerge after the election?”

As the new Portfolio Holder for Housing and Communities, Councillor Golby replied to this question:

As Cllr Kondakor will be aware, having until just recently been a County Councillor, that the responsibility of the Fire and Rescue Service is with Warwickshire County Council. During his time, I understand that he has asked many questions of the Portfolio Holder, Cllr Andy Crump, who has answered a number of points that he has raised with him.

The proposals to which Cllr Kondakor refers have been led by the Fire and Rescue Service themselves and I am confident that they would not sign off on any plan that would endanger the residents of Nuneaton or Bedworth.

Neither Cllr Kondakor or I are trained or qualified in the field of fire and rescue.

However, as Leader of the Council I will not engage in the politics of fear and attempt to stir up a storm over these proposals that will unnecessarily worry our residents. I will maintain a watching brief and I can assure Cllr Kondakor that officers will monitor the development and impact of these plans on our Borough.

CL20 Public Participation

Question 1

Dr Al. Saje asked the following question of the Portfolio Holder for Planning and Regeneration:

“Town plan NUN356 aims to sell for housing the Johnson Road Bedworth Elizabeth Centre area that holds over 50 cars at peak times often bringing up to a 100 children a day, seven days a week for football training and matches at the leased and reinstated Johnson Road recreation ground. There is virtually no non-residential parking on Johnson Road or the Tewkesbury Drive estate, a cul-de-sac, and current plans to provide only a replacement 18 places in an unsafe and unsuitable position, will cause severe traffic problems, endanger child safety, and put in doubt the future of Bedworth Eagles JFC football charity. Will the council commit to review this non-

strategic plan urgently before the sale of the land and be open to the plan's reversal or effective mitigation?"

Councillor Smith responded as follows:

I thank Dr Saje for his question and would like to congratulate him and the team of volunteers at Bedworth Eagles for the success of the club since taking on the Johnson Road Recreation Ground and reinstating it to be one of the best grounds in the borough.

The land at the old Elizabeth Centre site was included in the Borough Plan by the previous administration as a non-strategic site and can only be removed from the Borough plan as part of the review process that is currently underway and due for completion in early 2023, as of now no planning applications have come forward for this land.

The previous administration, as well as delivering a 3rd rate borough plan that included this site, also left a legacy of financial mismanagement that has the potential to seriously impact on the future provision of key Leisure facilities in the Miners Welfare Park and to address this issue it is possible the council will have to raise revenue from the sale of this land to partially fund the development of the new Leisure centre.

You will know from our recent meetings we are fully aware and sympathetic to the issue you raise and will continue to work with you and explore ways of finding a suitable solution to the problem.

Question 2

Mr Sam Margrave asked the following question of the Portfolio Holder of Housing and Communities:

"Under the oversight of then Cabinet member Councillor Chris Watkins, the Council applied to the Chancellor's Green Homes Grant to secure some of the generous and substantial funding Government made available to help residents in the Borough; however, the Council failed to secure any money for reasons given below, despite the Neighbouring Authority in North Warwickshire securing £320,000.

Lord Callanan, the minister responsible for the scheme at BEIS cited the following reason(s) for the application failing:

1. "Costs provided for capital spend by Nuneaton and Bedworth Borough Council within the cost breakdown table did not match the total amount of capital funding the Local Authority had requested. This meant the assessors were unable to determine the correct figure to base the assessment on";
2. "The initial bid didn't allow them (BEIS) to determine the amount of funding being requested";
3. "Give an opportunity to rectify this, the re-submission costs didn't match their original submission, so it was rejected";

Can the leader of the Council confirm that the cabinet member at the time was ultimately responsible for the failure to add up or provide appropriate figures; and provide a detailed estimate of how much funding the error (in the

department Councillor Watkins was responsible for) cost the tax payers in potential help for residents?"

Councillor Golby responded as follows:

Thank you for your question.

The submission of bids is an operational matter undertaken by officers of the Council and it would not be appropriate for I or any other members to get directly involved in these sorts of things.

The rejected bid was for £1.4M and yes there will have been an indirect cost to the taxpayer in the time it took council staff to work on the bid the first time around then again when it was returned for amendment however what the financial value of this is I cannot say.

NBBC is a member lead organisation. While I'm aware this has been dealt with from an officer perspective & I wouldn't expect Cllr Watkins to have gotten his calculator out to add every little thing up he was portfolio holder at the time and this was on his watch.

£1.4 Million is no small sum and could have gone a very long way. He certainly should have been involved to such a degree to have had oversight enough to ask had the numbers been added up correctly.

This was pretty significant bid which we were given a 2nd chance at but it was still incorrect when it was resubmitted.

Unfortunately, it was a missed opportunity to provide further support to our residents, but officers have assured me that the error has been corrected and future bids will not suffer the same fate.

Question 3

Mr Brian Walmsley asked the following question of the Leader:

"I read with interest and possible horror, in our local press, that this council is planning to refuse to replace obsolete air conditioning equipment at Bedworth Civic Hall, in order to fund their free car parking plans throughout our borough.

Can the leader of the council give a categorical assurance, to all NBBC residents, that there will be absolutely zero risk, that any such failure of facilities at the Civic Hall, which could bring a halt to the wonderful vaccination work being carried out by our wonderful National Health Service?"

Councillor Wilson responded as follows:

I thank the Labour candidate for Weddington for his question.

Firstly, I would like to clarify that the issue with the system relates to a control panel and not the air conditioning unit itself.

Having investigated this particular item on the capital works programme, it has been confirmed that this issue has been outstanding for 3 years. I make that at least since 2018. As he will be aware, the Labour Party were in charge in

2018, 2019, 2020 and – thankfully – only part of 2021. During all that time they had the option to carry out the works but did not do so. And the system still works.

I am delighted to confirm that the Council is working hard with its Health Partners to support the delivery of the vaccination programme. The use of the Civic Hall Bedworth has played an important part in this process to support local delivery from as far back as last September/October when Flu Jabs commenced. This followed Covid Testing and now vaccination delivery. We continue to maintain and manage the site as has been the case previously.

We have simply pushed back the replacement of the panel as the works required would mean intruding into the controlled vaccination area – something that is not appropriate given the need for a controlled vaccination environment. The works have been moved to the next financial year, taking account of the current use of the Civic Hall.

I cannot give a zero-risk assurance as much as any other person could as to equipment failure, but we will work with addressing any issues should they arise at the site.

Question 4

Mrs Michele Kondakor asked the following question of the Leader:

“Many of the play areas around the Borough are well overdue for improvement and whilst it was good to see mention of some in the recent budget, others such as Buttermere Park, Sandon Park and Coronation Walk are at the end of their lives and were not mentioned. Buttermere Park play area has had no significant work done for 40 years now and, with the recent developments, is being used by considerably more families. I understand that some of the monies from Bellway have already been given to the Council so when can residents expect to see work done to upgrade and modernise the Buttermere Park Play area?”

Councillor Wilson responded as follows:

Since taking office in May, as a new administration we have found that the several of our policies are out of date, which includes our Play Strategy. Therefore, we are currently reviewing several of its strategies, including the Play Strategy, to develop a strategic approach to supporting improvements and additional capacity across the Borough's 50 + play area sites.

The Council does receive S.106 contributions from new housing developments and these are based upon negotiated agreements and with staged payments being received over a period of time. The S.106 contributions are to support additional capacity at specified sites. However, until a few weeks ago we did not have a dedicated s.106 officer to chase and monitor payment of the financial obligations. Our new officer has made a fantastic start and we will be reviewing what we have shortly.

As part of the new Play strategy an action plan will be developed as to how to maximise the use of the contributions and future capital investment to make

best use of the funds and make the biggest impact for residents. We will be looking at future procurement opportunities, such as working with a chosen contractor/s across the whole borough and not at individual sites, where we will lose efficiencies of scale.

Furthermore, I am aware that there are some sites in our Borough that have had developments and some contributions paid over as part of the first tranche of obligations under their planning consents – particularly in Weddington and St Nicolas. But there are additional phases of building which will attract additional financial contributions. This will mean more money available for those areas and more potential for improving the play equipment we have. We feel it is better to allow some of this money to accumulate so that even better services can be provided in the long run.

Statement 5 from Mr Karl Mayer:

“How refreshing it was to read Item agenda 15 of tonight's full council meeting, at last a council that listens to this borough's resident's concerns about the borough plan, instead of ploughing on regardless like the ousted Labour group did with their developers charter plan. The action group fully support this motion and hope the three MP's explain to the secretary of state that our plan should be put on the back burner until Coventry's dubious housing targets are confirmed by the ONS, given the ousted Labour groups decision to accept 4020 extra houses on top of our boroughs actual need through the memorandum of understanding with Coventry City Council. The current review process is welcomed but in my opinion 2 years to late thanks to the previous ruling regime, and a timescale process that could result in all sites in the borough plan being approved before the review conclusion. How crazy would it be for this borough to complete in time its borough plan to then find out it was adopted on flawed figures, it needs halting as soon as possible until we find out the truth”.

Councillor Smith thanked Mr Mayer for his statement of support for tonight's memorandum of understanding motion on behalf of the Woodland's Action Group.

I am fully aware of how much time and effort Mr Mayer and the Woodlands Group have invested in trying to secure a positive outcome for the woodlands as part of the Borough Plan process; much of their efforts fell on deaf ears.

I also remember the a long ago election promise from the Labour group that they would give the Woodlands protected status as green belt and it would never be developed.

Mr Mayer, that was an election promise made and an election promise very quickly broken by Labour.

I am confident that by the end of proceedings tonight, the Conservatives will have made this election promise in May another election promise kept within just 8 weeks in control.

CL21 Special Urgency Decisions

The following decisions have been taken under Special Urgency arrangements since the last Council meeting:

a) Leisure Strategy

To provide Cabinet on the Council's Leisure Strategy in relation to the Pingles, Bedworth and Top Farm sites. The work being undertaken to deliver future leisure and green space activities is a key strategic outcome for the Council, supporting residents with opportunities for improvements in their health and well-being.

Cabinet approved the recommendations and gave their thanks to the Director – Leisure, Recreation and Health, the Head of Sports Development, the Sports Development Team and the external consultants, who worked hard on the Levelling Up Fund (LUF) application bid to support this strategy and Leisure facilities.

RESOLVED that the Special Urgency Decision taken under delegated officer authority by the Director – Leisure, Recreation and Health on 23rd June, as detailed in the agenda, be noted.

CL22 Cabinet Report

The Leader of the Council submitted his report on behalf of Cabinet. The report highlighted matters considered at the Cabinet meetings held on 26th May and 23rd June and details of reports from the West Midlands Combined Authority Board, which has a direct impact on NBBC.

Several questions were raised to which the Leader of the Council, the appropriate Portfolio Holder, or a Member of the leading party, gave a response.

RESOLVED that the report be noted.

CL23 Independent Remuneration Review of Members' Allowances 2021-2022

A report of the recommendations of the Independent Remuneration Panel's proposals of Members' Allowances 2021-2022, following approval at the Annual Council in May.

Councillor Wilson moved the recommendations from the report as set out after the table on page 1 Councillor Golby seconded this motion. A vote was taken.

RESOLVED that the Members Allowances Scheme be amended as set out in the recommendation set out after the table on page 1 of the report.

Councillor Kondakor requested that his abstention be noted in the minutes

CL24 Adoption of Supplementary Planning Documents (SPDs) – Health Impact Assessment SPD and Open Space and Green Infrastructure SPD

A report by the Director of Democracy, Planning and Public Protection to approve the Health Impact Assessment Supplementary Planning Document (SPD) and the Open Space and Green Infrastructure SPD. These documents provide supplementary planning guidance in accordance with the commitments set out in the adopted Borough Plan and the latest Local Development Scheme dated September 2020. Councillor Smith moved this motion and Councillor Wilson seconded it that the SPDs are adopted, following approval at Cabinet, but it was noted that there was disappointment that there was a lack of response to the public consultation on this matter and lessons need to be learned on how to improve on the consultation process going forward.

RESOLVED that the SPDs be adopted.

CL25 **Civic Honours Committee – Article 7 of the Councils’ Constitution**

A report of the Executive Director – Operations to approve arrangements for establishing a Civic Honours Sub-Committee, to formally consider bestowing various civic honours such as (but not limited to):

- Community Awards
- Freedom of the Borough
- Honorary Aldermen

To help in reviving “civic pride” within the Borough.

Councillor Wilson moved the recommendation and this was seconded by Councillor Brown. A vote was taken and the motion was carried.

RESOLVED that:

- a) A Civic Awards Sub-Committee of Cabinet be established;
- b) The Civic Awards Sub-Committee comprise of:
 - Leader of the Council
 - Deputy Leader of the Council
 - The Cabinet Member – Finance and Corporate Services
 - The Mayor
 - Leader of the Main Opposition Party

And be chaired by the Leader of the Council;

- c) Article 7 of the Councils’ Constitution be amended accordingly.

CL26 **Recommendations from Cabinet or Other Committees**

- a) **To Consider Proposed Changes to the Constitution – Audit & Standards Committee approval**

Councillor Walmsley moved the recommendations set out for their approval. Councillor Wilson seconded the motion.

A vote was taken and the motion was carried.

RESOLVED that:

- i) the requirement for the appointment of 2 co-opted members be reduced to 1 on the Audit and Standards Committee as shown in Appendix A and for the Overview and Scrutiny Panels;
- ii) the proposed changes to Article 4A.9 Public Participation, by removing Article 4.9.4 and the consequential amendments as shown in Appendix B, be approved;
- iii) the proposed changes to Article 4A.10 Questions by Councillors, by inserting 4.10.6 as shown in Appendix B be approved;
- iv) the Constitution be amended accordingly.

b) Arrangement for the Queen's Platinum Jubilee – Audit & Standards Committee approval.

A report for establishing a Member Working Party to plan for the Platinum Jubilee in 2022 was considered.

Councillor Walmsley moved a motion for the recommendations to be approved, with the additional point that Councillor L Cvetkovic be appointed. Councillor Kennaugh seconded the motion.

A vote was taken and the motion was carried.

RESOLVED that:

- i) a cross party working group of 5 members be established to plan for events for the Platinum Jubilee be approved;
- ii) the working group comprise of the Leader, Deputy Leader, Leader of the main opposition group, Portfolio holder for Finance & Corporate and Councillor L. Cvetkovic..

Councillor Kondakor requested that his abstention be recorded in the minutes.

c) Update to the Officer/Member protocol – Audit & Standards Committee

A report of the Director – Democracy, Planning and Public Protection reported on the recommendations to consider changes to the Council's policy on the receipt of Gifts & Hospitality Policy in Part 5L; and minor amendments to the Protocol for Member/Employee Relations in Part 5C of the Constitution.

Councillor Walmsley moved a motion for their approval, noting an error on a single member decision on this matter which needs to be corrected to 18th June not 28th June, and Councillor Wilson seconded the motion.

Councillor Rudkin left the Meeting

d) Employment Committee – Audit & Standards

A report to establish an Employment Committee to the Council was considered.

Councillor Walmsley noted that the version sent out omitted the following recommendation which had been approved at Audit and Standards:

- Article 8 of the Council’s Constitution be amended as shown in Appendix A of the report, with the amendment to include vi (e) to commission an annual performance review of the Head of Paid Services

Councillor Walmsley moved the recommendations with the above addition and Councillor Evans seconded the motion.

A vote was taken. The motion was carried.

RESOLVED that:

- i) an Employment Committee be established for the Council to include as follows:
 - o Councillor Croft (Chair)
 - o Councillor Wilson
 - o Councillor Walmsley
 - o Councillor Brown
 - o Councillor Watkins
- iii) Article 8 of the Council’s Constitution be amended as shown in Appendix A of the report, with the amendment to include vi (e) to commission an annual performance review of the Head of Paid Services; and
- iv) the Constitution be amended accordingly.

Councillor Kondakor requested that his vote against the motion be recorded in the minutes.

Councillor Wilson moved an extension that Standing Orders be suspended until the completion of business, which was seconded by Councillor Evans.

A vote was taken and the motion was carried.

e) Appointment of Independent Persons

An additional report (sent out as an addendum before the meeting), from the Director – Democracy, Planning & Public Protection, to confirm the arrangements for the appointment of Independent Persons as required by Section 28 of the Localism Act 2011 for a four year of term of office.

Councillor Walmsley moved the recommendations and Councillor Wilson seconded the motion. A vote was taken and the motion was carried.

RESOLVED that:

- i) Garth Murphy, Maureen O'Sullivan and Mumtaz Goolam be re-appointed as Independent Persons for a second term of 4 years, until July 2025.

CL27 Notice of Motions

Borough Plan Motion

We are compelled, against our will, to build 4700 new homes on Greenbelt as a result of the decision to take an additional 4000 houses from Coventry City Council. This requirement came out of housing need assessments based upon population projections made by the Office of National Statistics which have now proved to be incorrect, overstating the need in Coventry by a considerable margin.

Currently, as councillors, we are required to consider and determine planning applications for over 9000 new homes in the Borough in the coming years based upon these projections. Yet, here in Nuneaton and Bedworth the impacts on roads, schools and other services are already substantial and increasing. The Borough is uniquely unsuitable for large scale development in Warwickshire because it is geographically compact, mainly urban and is, already, the most densely populated administrative area in the County. Against this background, this Council believes that the Local Plan does not adequately protect existing communities from increasing loss of limited green space and further densification of the Borough. Therefore, we have no confidence in the Local Plan. Accordingly,

1. The Council calls on the Government to introduce a moratorium on large scale development in the Nuneaton and Bedworth Borough area whilst Coventry City Council's housing need is properly assessed at governmental level and more appropriate arrangements are put in place to accommodate that need within Coventry's boundaries;
2. the Executive Director (Operations) be instructed to write to the appropriate Government Minister to notify him/her of this motion and to request a meeting with the Minister in order to discuss it;
3. The Leader of the Council be requested to inform all Warwickshire Districts and Boroughs of the Council's intention to step away from the current Memorandum of Understanding on Housing provision, with a view to negotiating a more suitable arrangement between the partners; and
4. We will work with local MPs to engage with the concerns raised in this motion and to assist the Council in taking these concerns to both Government and our neighbouring Councils.

Councillor Wilson moved the recommendations to this motion, and this was seconded by Councillor Golby.

A recorded vote was taken as follows:

FOR: Councillors: D. Brown, J. Clarke, L Cvetkovic, K. Evans
C. Golby, J. Kennaugh, K. Kondakor,
R. Smith, R. Tromans, H. Walmsley,
K. Wilson

ABSTENTION: Councillors: C. Watkins, J. Sheppard

The motion was carried.

CL28 **Questions By Members**

As she had left the meeting, Councillor Watkins asked the following question of Councillor Golby, Portfolio Holder of Housing and Communities on behalf of Councillor Rudkin:

Following the decision to cease the buying of properties for NABCEL to let for the Council, does the Portfolio Holder for Housing and Communities intend to continue with the programme of new builds within the HRA that commenced under the former Labour Group?

Councillor Golby responded as follows:

The decision was to pause the purchase of properties for NABCEL not cease the buying programme.

The restarting of purchases will be reviewed in the new financial year.

The strategy for the Housing Revenue Account remains the same:

To invest in its existing stock and to provide additional homes where it is financially able to do so, to provide much needed affordable accommodation within the borough.

A programme that we are able to undertake following the move to self-financing in April 2012 and the removal of the borrowing cap in October 2018.

Had the changes allowing us to self-finance not happened in 2012 and the HRA borrowing cap been lifted in 2018 we would **not** have been able to start the building program at all.

These changes to legislation were done under successive Conservative governments.

In 2018 the then councillor Jackson, as part of this councils Labour leadership of the time proposed, as part of the annual budget setting, a plan using the lifting of the HRA borrowing cap, to build 257 council houses over a long-term plan of 30 years (if I remember correctly).

The Conservative group who were in opposition at the time proposed an amendment to that budget as part of our own shadow budget.

That Conservative resolution, over the same time frame as the Labour leaderships proposal would have delivered 333 homes.

We worked with officers and had a fully costed scheme which would have delivered 76 MORE homes than the labour administration's proposals did.

That's 76 more families with a place to call home.

This was rejected by labour councillors who voted down our amendment and voted instead for their own proposals to build the lesser amount. Some of those people are still here now.

No one should be in any doubt about the commitment of this conservative group to provide the best for our residents, to make a difference and most of all get things done.

Councillor Watkins asked the following question of Councillor Golby, Portfolio Holder of Housing and Communities:

Although we have a number of Hostels within the Borough to help people who unfortunately find themselves needing Temporary Accommodation, we are still paying for in excess of 30 people per week to stop in B&Bs. Can the Portfolio Holder tell me roughly (I know this changes each week) how much this is costing the Borough, and does the Portfolio Holder find it acceptable that the Government allow this situation to continue?

Councillor Golby responded as follows:

How much this is costing the Borough

On an average of 30 people and bearing in mind we do receive funding to cover part of the cost, the net cost to the council is £10,707 per week.

It should be noted that for 2020/21, there have been considerably more placements, and rooms required, as a direct impact of the Pandemic however, we have continued to be successful in securing Government funding of around £738,000. This is to help with things like:

- Operation of the Rough Sleeper Hostel;
- To Deliver an enhanced Housing Solutions Service which is prioritising preventing homelessness wherever possible;
- Planning the conversion of our own Hostels to create self-contained accommodation;
- Removing shared bathrooms and kitchens, making them safer and more appropriate for homeless households.

These sorts of things will eventually reduce the need for Hotel use.

We have also secured funding from WCC to deliver support to homeless households, including a bespoke service targeted at local private sector Landlords, in an attempt, to prevent evictions following the relaxing of the evictions ban, and the reopening of the courts hearing repossession cases.

There has also been Covid Outbreak Management Fund Money from Government, totalling approximately £400,000 received by NBBC via Warwickshire County Council to assist with the 'Bringing Everyone In Campaign.

Do I find it acceptable that the Government allow this situation to continue?

The Government is not allowing homeless to continue.

There are many reasons why people become homeless, some intensely personal ones like sexual or domestic abuse in the home.

Homelessness is not a one size fits all problem that can be eradicated with a magic bullet.

Anyone who is involved in dealing with the issue of homelessness will tell you that it has occurred & will continue to occur in some way under successive governments.

Ultimately and with legislation like the homeless reduction act (clue is in the name) this Government's drive is to try as much as possible to prevent homelessness from happening in the first place.

I would be worried that if government did say they would pay in full every time an instance of homelessness happened that some councils would become complacent & wouldn't do everything, they could to prevent people and families becoming homeless, the net result being more people having to go through the trauma of losing their homes.

Councillor Kondakor asked the following question of Councillor Golby, Portfolio Holder of Housing and Communities:

We have a significant number of residents having difficulty using the doors to their council flats, (including some who can now only exit via patio doors) , after the doors have been replaced with very heavy fire doors.

Thankfully, the council has in the past, installed electrically assisted opening devices for some of the borough disabled residents, with this is now being done via the councils HEART project, but that is now failing to deliver, very hard to contact and in one case in my ward, a resident has been waiting many months, unable to go out, while for her door to be sorted out.

Can the cabinet member investigate what is going wrong with the Heart programme and tell my resident when they will have the door opener fitted?

Councillor Golby responded as follows:

I've spoken to several people about this, and we are only aware of 1 resident currently experiencing difficulties with the operation of the necessary instalment of fire doors to help to keep our residents safe.

Also, HEART is not delivering the project of electrical door assistance.

The role of HEART is to assess needs of those who are experiencing difficulties due to health and other medical conditions.

HEART assessed the tenant in question within a short timeframe of 4 days and referred on to the Capital Projects team to install an assisted door opener.

The Capital Projects Team engaged an appropriate contractor to carry out a site survey and to them undertake the installation of the mechanism.

Unfortunately, a delay has been experienced in terms of supply and workforce availability from the contractor – an issue we are increasingly experiencing due to COVID

We are assured that the works will be carried out within the next 2 weeks and their progress will be monitored.

In the meantime, the affected resident has been contacted and additional assistance has been offered by the Council to help the resident in any way possible whilst we are awaiting the completion of the works.

CL29 **Exclusion of Public and Press**

Under section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following item, it being likely that there would be disclosure of exempt information of the description specified in paragraph (i) and (iv) of Part I of Schedule 12A to the Act.

Councillor Tromans moved the recommendations that the meeting moved to a private session and Councillor Wilson seconded the proposal. A vote was taken and the motion was carried. Councillor Kondakor asked for his vote to be recorded.

CL30 **Restructure of Management Team**

A report of the Corporate HR Business Partner, Human Resources, was considered.

Councillor Wilson moved the recommendations of the report and Councillor Golby seconded this. A vote was taken. The motion was carried.

Mayor

Council - Schedule of Declarations of Interests – 2021/2022

	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"> - Housing matters - Statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992 - An allowance, payment given to members - An indemnity given to members - Any ceremonial honour given to members - Setting council tax or a precept under the Local Government Finance Act 1992 - Planning and Licensing matters - Allotments - Local Enterprise Partnership
	R. Baxter-Payne	Manager Brinklow Quarry Ltd, Brinklow; County Councillor - WCC	Spouse: Self-employed childminder	
	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"> • Camp Hill Urban Village: Pride in Camp Hill Board • Committee of Management of Hartshill and Nuneaton RecreationGround 	
	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"> • Exhall Education Foundation; • Warwickshire Joint Overview and Scrutiny Committee; • NBBC Biodiversity Champion 	
	J. Clarke	Employed by Marcus Jones MP	County Councillor W.C.C. Nuneaton Conservative Association; Deputy Chairman	
	T. Cooper	None	Member on the following Outside Bodies: <ul style="list-style-type: none"> • Camp Hill Urban Village: Pride in Camp Hill Board 	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
			<ul style="list-style-type: none"> • Committee of Management of Hartshill and Nuneaton Recreation Ground 	
	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"> • Champion for Safeguarding (Children and Adults) • Local Government Superannuation Scheme Consultative Board • West Midlands Employers 	
	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"> • Building Control Partnership Steering Group 	
	L. Downs	River Bars Limited; Coventry Plus Beyond the Plane	NBBC representative on the Armed Forces Covenant Meeting	
	P. Elliott	Educator – CW Mind Autism Support Service	Vice-Chair of Governors at Stockingford Nursery; Member of the Interim Steering Committee of Warwickshire Parent Carer Voice	
	K. Evans	Employed by UK Parliament	Sponsorship: Election Expenses – North Warwickshire Conservative Association Membership of Other Bodies: <ul style="list-style-type: none"> • Sherbourne Asset Co Shareholder Committee; • Nuneaton and Bedworth Sports Forum; • Warwickshire Direct Partnership; • Warwickshire Waste Partnership; West Midlands Combined Authority Audit Committee. Executive Officer – North Warwickshire Conservative Association; Member of the Conservative	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
			and Unionist Party; Member of the Governing Body – Race Leys Infant School	
	C. Golby		Member of Warwickshire County Council Member of the following Outside Bodies: <ul style="list-style-type: none"> • Coventry, Warwickshire and Hinckley and Bosworth Joint Committee • District Leaders • Local Enterprise Partnership • Nuneaton and Bedworth Community Enterprises Ltd. (NABCEL) • Nuneaton and Bedworth Home Improvement Agency • NBBC representative on the George Eliot Hospital NHS Trust – Public/User Board • NBBC representative on George Eliot Hospital NHS Foundation Trust Governors 	
	J. Gutteridge	Joint shareholder in a factory unit on Bayton Road Industrial Estate	Representative on the following Outside Bodies: <ul style="list-style-type: none"> • Warwickshire Health and Wellbeing Board • Age UK (Warwickshire Branch) Member of NABCEL	To speak and vote on any matters involving the Borough Plan related to land at Leyland Road Bulkington
	B. Hammersley	County Councillor – W.C.C.		
	S. Harbison	Employed by Meridian c/o Hello Fresh, 1 St Georges Way, Nuneaton	Member on the following Outside Bodies: <ul style="list-style-type: none"> • Poor's Piece Charity • Astley Charity 	
	L. Hocking	Employed by Openreach	Member of: <ul style="list-style-type: none"> • Unite the Union • Communication Workers Union 	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
	J. Kennaugh	County Councillor W.C.C. Employed by UK Flooring Direct Ltd.	Member of the W.C.C. Regulatory Committee Member of the Conservative Party Member of UNITE the Union Nuneaton and Bedworth representative for the Equality and Inclusion Partnership NBBC Representative on Warwickshire Race Equality Partnership	
	K.A. Kondakor	Electronic Design Engineer (self-employed semi-retired); Statistical data analyst and expert witness (self employed)	Unpaid director of 100PERCENTRENEWABLEUK LTD	
	A. Llewellyn-Nash	Employee of BMI Healthcare	Treasurer of Exhall Multi-cultural Group Governor at Newdigate Primary and Nursery School, Bedworth Member of the following Outside Bodies: • Hospice Charity	
	S. Markham	County Councillor – W.C.C.	Member of the following Outside Bodies: • Bedworth Neighbourhood Watch	
	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: • Foleshill Charity Trustee – Proffitt's Charity	
	N. Phillips	Employee of DWP	Member of: • Nuneaton Labour CLP • The Fabian Society • The George Eliot Society • The PCS Union • Central Credit Union • Stockingford Sports and Allotment Club	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
			<ul style="list-style-type: none"> • Haunchwood Sports and Social Club 	
	M. Rudkin	Employee of Coventry City Council	Unite the Union	
	A. Sargeant	Works for Martin Brower	Chairman of The Nook (Nuneaton) Residents Association. Chair of Attleborough Community Matters group. Member of Nuneaton Carnival Committee. Representative on the following Outside Bodies: <ul style="list-style-type: none"> • Advice Rights 	
	J. Sargeant	Head of Retail – Life Charity		
	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		
	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"> • A5 Member Partnership; • Patrol (Parking and Traffic Regulation Outside of London) Joint Committee; • Building Control Partnership Steering Group • Bulkington Village Community and Conference Centre • Representative on the Nuneaton and Bedworth 	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
			Older Peoples Forum	
	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"> • Nuneaton Neighbourhood Watch Committee • Nuneaton Festival of Arts 	
	H. Walmsley	Chief of Staff to Julian Knight MP	Chartered Institute of Public Relations Member on the following Outside Bodies: <ul style="list-style-type: none"> • Friendship Project for Children • West Midlands Combined Authority Audit Group 	Dispensation to speak and vote
	M. Walsh	Employed by MacInnes Tooling Ltd. – UK Sales Manager		
	C.M. Watkins	Landlord of a privately rented property	Representative on the following outside bodies: <ul style="list-style-type: none"> • Nuneaton and Bedworth Community Enterprises Ltd. (NABCEL) 	
	K.D. Wilson	Acting Delivery Manager, Nuneaton and Warwick County Courts, HMCTS, Warwickshire Justice Centre, Nuneaton	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: <ul style="list-style-type: none"> • Director of Nuneaton and Bedworth Community Enterprises Ltd (NABCEL) • Coventry, Warwickshire and Hinckley & Bosworth Joint Committee • District Council Network • Local Government 	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
			Association <ul style="list-style-type: none"> • Director of Coventry and Warwickshire Local Enterprise Partnership Ltd (CWLEP) • West Midlands Combined Authority • Deputy Chairman – Nuneaton Conservative Association • District Council Network • Local Government Association 	

Council - Schedule of Declarations of Interests – 2021/2022

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	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"> • Camp Hill Urban Village: Pride in Camp Hill Board • Committee of Management of Hartshill and Nuneaton RecreationGround 	
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	K.A. Kondakor	Electronic Design Engineer (self-employed semi-retired); Statistical data analyst and expert witness (self employed)	Unpaid director of 100PERCENTRENEWABLEUK LTD	
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	M. Walsh	Employed by MacInnes Tooling Ltd. – UK Sales Manager		
	C.M. Watkins	Landlord of a privately rented property	Representative on the following outside bodies: <ul style="list-style-type: none"> • Nuneaton and Bedworth Community Enterprises Ltd. (NABCEL) 	
	K.D. Wilson	Acting Delivery Manager, Nuneaton and Warwick County Courts, HMCTS, Warwickshire Justice Centre, Nuneaton	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: <ul style="list-style-type: none"> • Director of Nuneaton and Bedworth Community Enterprises Ltd (NABCEL) • Coventry, Warwickshire and Hinckley & Bosworth Joint Committee • District Council Network • Local Government 	

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			Association <ul style="list-style-type: none"> • Director of Coventry and Warwickshire Local Enterprise Partnership Ltd (CWLEP) • West Midlands Combined Authority • Deputy Chairman – Nuneaton Conservative Association • District Council Network • Local Government Association 	

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 Managing Director no later than 12 noon on the day before the meeting of the Council.

9.3 Scope of questions and statements

The Managing Director 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 Managing Director 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.

Cabinet

Report Summary Sheet

Date: 21 st July 2021
Subject: Annual Treasury Management Report 2020/21
Portfolio: Finance and Corporate (Councillor S Croft)
From: Executive Director – Resources & Housing
Summary: To report the results of the Council’s Treasury Management activities for 2020/21 as required by the Prudential Code.
Recommendations: That it be recommended to Council that: <ul style="list-style-type: none">• The actual 2020/21 Treasury and Prudential Indicators detailed in this report and summarised in Appendix 1 be approved.• The Annual Treasury Management Report for 2020/21 be noted.
Options: None

Reasons:

It is a requirement of the CIPFA Prudential Code for the Treasury Outturn to be reported Council annually following review by the Cabinet

Consultation undertaken with Members/Officers/Stakeholders**Subject to call-in:**

No – Statutory requirement for report to be submitted to Cabinet and Council prior to end October.

Ward relevance: None directly

Forward plan:

Yes

Delivering our Future Themes & Priorities:

Theme 3 : Investment – making the most of what we have
Priority 3 : Managing our resources

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 2020/21 and with approved counterparties

Environmental implications:

None

Legal implications:

Statutory requirement to report to Council per the Local Government Act 2003 and the CIPFA Prudential Code

Contact details:

Craig Pugh – Head of Financial Services

02476 376104

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Cabinet – 21st July 2021

From: Executive Director - Resources

Subject: Annual Treasury Management Report 2020/21

Portfolio: Finance and Corporate (Councillor S Croft)

Delivering our Future Theme: 3

Delivering our Future Priority: T3-3

1. Purpose of Report

1.1 This Council is required through regulations issued under the Local Government Act 2003 to produce an Annual Treasury Report reviewing the treasury management activities and the actual prudential and treasury indicators for 2020/21. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

2. Recommendations

2.1 That it be recommended to Council that:

- The actual 2020/21 Treasury and Prudential Indicators detailed in this report and summarised in Appendix 1 be approved.
- The Annual Treasury Management Report for 2020/21 be noted.

3. Introduction

3.1 During 2020/21 the minimum reporting requirements were that the full Council should receive the following reports from the Cabinet:

- An annual treasury strategy in advance of the year (Council 17 February 2020);
- A mid year treasury update report (Council 2 December 2020);
- An annual review following the end of the year describing the activity compared to the strategy (this report)

3.2 The regulatory environment place a much greater onus on Members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the

Council's policies previously approved by Members.

- 3.3 This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Cabinet before they were reported to the full Council.
- 3.4 In addition, the Audit & Standards Committee received treasury management activity update reports on 3rd November 2020, 16th March 2021, and 20th July 2021.

4. The Economy and Interest Rates During 2020/21

- 4.1 **UK. Coronavirus.** The financial year 2020/21 will go down in history as being the year of the pandemic. The first national lockdown in late March 2020 did huge damage to an economy that was unprepared for such an eventuality. This caused an economic downturn that exceeded the one caused by the financial crisis of 2008/09. A short second lockdown in November did relatively little damage but by the time of the third lockdown in January 2021, businesses and individuals had become more resilient in adapting to working in new ways during a three month lockdown so much less damage than was caused than in the first one. The advent of vaccines starting in November 2020, were a game changer. The way in which the UK and US have led the world in implementing a fast programme of vaccination which promises to lead to a return to something approaching normal life during the second half of 2021, has been instrumental in speeding economic recovery and the reopening of the economy. In addition, the household saving rate has been exceptionally high since the first lockdown in March 2020 and so there is plenty of pent-up demand and purchasing power stored up for services in the still-depressed sectors like restaurants, travel and hotels as soon as they reopen. It is therefore expected that the UK economy could recover its pre-pandemic level of economic activity during quarter 1 of 2022.
- 4.2 **Bank Rate.** While Bank Rate remained unchanged for the rest of the year, financial markets were concerned that the MPC could cut Bank Rate to a negative rate; this was firmly discounted at the February 2021 MPC meeting when it was established that commercial banks would be unable to implement negative rates for at least six months – by which time the economy was expected to be making a strong recovery and negative rates would no longer be needed.
- 4.3 **Average inflation targeting.** This was the major change adopted by the Bank of England in terms of implementing its inflation target of 2%. The key addition to the Bank's forward guidance in August was a new phrase in the policy statement, namely that "it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and **achieving the 2% target sustainably**". That seems designed to say, in effect, that even if

inflation rises to 2% in a couple of years' time, do not expect any action from the MPC to raise Bank Rate – until they can clearly see that level of inflation is going to be persistently above target if it takes no action to raise Bank Rate. This sets a high bar for raising Bank Rate and no increase is expected by March 2024, and possibly for as long as five years. Inflation has been well under 2% during 2020/21; it is expected to briefly peak at just over 2% towards the end of 2021, but this is a temporary short lived factor and so not a concern to the

- 4.4 **Government support.** The Chancellor has implemented repeated rounds of support to businesses by way of cheap loans and other measures, and has protected jobs by paying for workers to be placed on furlough. This support has come at a huge cost in terms of the Government's budget deficit ballooning in 20/21 and 21/22 so that the Debt to GDP ratio reaches around 100%. The Budget on 3rd March 2021 increased fiscal support to the economy and employment during 2021 and 2022 followed by substantial tax rises in the following three years to help to pay the cost for the pandemic. This will help further to strengthen the economic recovery from the pandemic and to return the government's finances to a balanced budget on a current expenditure and income basis in 2025/26. This will stop the Debt to GDP ratio rising further from 100%. An area of concern, though, is that the government's debt is now twice as sensitive to interest rate rises as before the pandemic due to QE operations substituting fixed long-term debt for floating rate debt; there is, therefore, much incentive for the Government to promote Bank Rate staying low e.g. by using fiscal policy in conjunction with the monetary policy action by the Bank of England to keep inflation from rising too high, and / or by amending the Bank's policy mandate to allow for a higher target for inflation.
- 4.5 **BREXIT.** The final agreement on 24th December 2020 eliminated a significant downside risk for the UK economy. The initial agreement only covered trade so there is further work to be done on the services sector where temporary equivalence has been granted in both directions between the UK and EU; that now needs to be formalised on a permanent basis. There was much disruption to trade in January as form filling has proved to be a formidable barrier to trade. This appears to have eased somewhat since then but is an area that needs further work to ease difficulties, which are still acute in some.

5. Treasury Position as at 31 March 2021.

5.1 At the beginning and the end of 2020/21 the Council's treasury position is as follows:

	31 March 2020	Rate/Return	Avg Remaining Life (yrs)	31 March 2021	Rate/Return	Avg Remaining Life (yrs)
Total External Debt	£77.205m	3.17%	8.0	£72.705m	3.17%	7.4
Capital Financing Requirement (CFR)	£92.813m			£94.067m		
Over / (under) Borrowing	(£15.608m)			(£21.362m)		
Total Investments (all internally managed)	£30.318m	1.16%	0.5	£27.238m	0.56%	0.5
Net Debt	£46.887m			£45.467m		

5.2 This Council operates separate loan pools for the General Fund and the Housing Revenue Account since the commencement of HRA Self Financing in April 2012. The following table details the debt positions for both funds as at 31 March 2021, with prior year information as a comparative, and their corresponding Capital Financing Requirement (CFR) to demonstrate that the gross borrowing position by fund is either equal to or lower than the borrowing need (CFR):

General Fund	31 st March 2020			31 st March 2021		
	Amt	Rate	Avg Life (yrs)	Amt	Rate	Avg Life (yrs)
PWLB Loans	£7.750m	4.67%	15.2	£6.750m	4.61%	16.3
Market Loans	£2.000m	4.10%	58.2	£2.000m	4.10%	57.2
Interest Free Loans	<i>nil</i>		-	<i>nil</i>		-
Total External Debt	£9.750m	4.55%	24.0	£8.750m	4.49%	25.7
Capital Financing Requirement (CFR)	£14.498m			£14.956m		
Over / (under) borrowing	(£4.748m)			(£6.206m)		

Housing Revenue Account	31 st March 2020			31 st March 2021		
	Amt	Rate	Avg Life (yrs)	Amt	Rate	Avg Life (yrs)
PWLB Loans	£67.455m	2.97%	5.6	£63.955m	2.99%	4.9
Total External Debt	£67.455m	2.97%	5.6	£63.955m	2.99%	4.9
Capital Financing Requirement (CFR)	£78.315m			£79.111m		
Over / (under) borrowing	(£10.860m)			(£15.156m)		

5.3 The tables at 5.2 display that the CFR for both the General Fund and the HRA have actually increased year on year due to the level of capital spend being financed by borrowing during 2020/21, however they also display a decrease in physical debt holdings therefore increasing the council's under-borrowed position.

5.4 At each year end it is possible to analyse the Council's balance sheet to identify how the investment balances are derived and the following table shows the composition of cash resources that make up the investment portfolio total. Total resources available for investment purposes were £48.6m and a small increase on the prior but the internal decision to utilise some of these resources for internal borrowing decisions due to interest rates reduced the amounts available to approximately £27m.

	31 March 2020	31 March 2021	Change
General Fund Balances (incl' minimum working balances)	£1.35m	£1.45m	£0.10m
General Fund Earmarked Reserves	£10.80m	£18.21m	£7.41m
HRA Balances (incl' minimum working balances)	£6.76m	£6.47m	(£0.29m)
HRA Earmarked Reserves	£4.53m	£4.06m	(£0.47m)
HRA Major Repairs Reserve	£4.36m	£1.61m	(£2.75m)
Capital Receipts	£3.59m	£4.10m	£0.51m
Ringfenced grants and contributions	£7.89m	£10.16m	£2.27m
Working Capital (i.e. money owed to others less money owed to us)	£6.65m	£2.54m	(£4.11m)
Total Resources Available for Investment	£45.93m	£48.60m	£2.67m
Less amounts utilised for internal borrowing decisions	(£15.61m)	(£21.36m)	(£5.75m)
Actual Investments	£30.32m	£27.24m	(£3.08m)

- 5.5 As can be seen from the above table, the resources invested by the Council does not represent the amount of cash available to service day to day revenue spend, with much of the cash being made up of grants, capital receipts and earmarked reserves (amounts set aside for specific purposes e.g. risk, future committed spend). General Fund balances stand at £1.45m, of which £1m is ringfenced as the Council's Minimum Working Balance.
- 5.6 General Fund earmarked reserves have increased substantially from prior year and this is largely due to the specific accounting treatment of some Covid Grants for Business Rates. Early in 2020/21 Government announced a range of reliefs for businesses including small businesses, retail, hospitality and the leisure sector. To prevent central policy impacting on the resources of local authorities a Section 31 grant was issued to councils to compensate for these losses. Furthermore government announced a Tax Income Guarantee (TIG) where a proportion of the losses in council tax and NDR due to the pandemic would be compensated. However, the accounting treatment for council tax and NDR requires that the actual losses are retained within the Collection Fund for 2020/21 and will not be charged to the General Fund until 2021/22. Therefore the Section 31 and TIG grants has been set aside in an earmarked reserve specifically for this purpose. These amount to £5.4m.

6. The Strategy for 2020/21

- 6.1 The expectation for interest rates within the treasury management strategy for 2020/21 was that Bank Rate would continue at the start of the year at 0.75 % before rising to end 2022/23 at 1.25%. This forecast was invalidated by the Covid-19 pandemic bursting onto the scene in March 2020 which caused the Monetary Policy Committee to cut Bank Rate in March, first to 0.25% and then to 0.10%, in order to counter the hugely negative impact of the national lockdown on large swathes of the economy. The Bank of England and the Government also introduced new programmes of supplying the banking system and the economy with massive amounts of cheap credit so that banks could help cash-starved businesses to survive the lockdown. The Government also supplied huge amounts of finance to local authorities to pass on to businesses. This meant that for most of the year there was much more liquidity in financial markets than there was demand to borrow, with the consequent effect that investment earnings rates plummeted.

7. The Borrowing Requirement and Debt

- 7.1 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).

7.2 The following table details the movements in the CFR for the General Fund and the HRA:

CFR	31 March 2020 Actual	Add new prudential borrowing	Deduct MRP/VRP	31 March 2021 Actual
General Fund	£14.498m	£0.885m	(£0.427m)	£14.956m
Housing Revenue Account	£78.315m	£0.796m	-	£79.111m
Total CFR	£92.813m	£1.681m	(£0.427m)	£94.067m

8. Borrowing Outturn for 2020/21

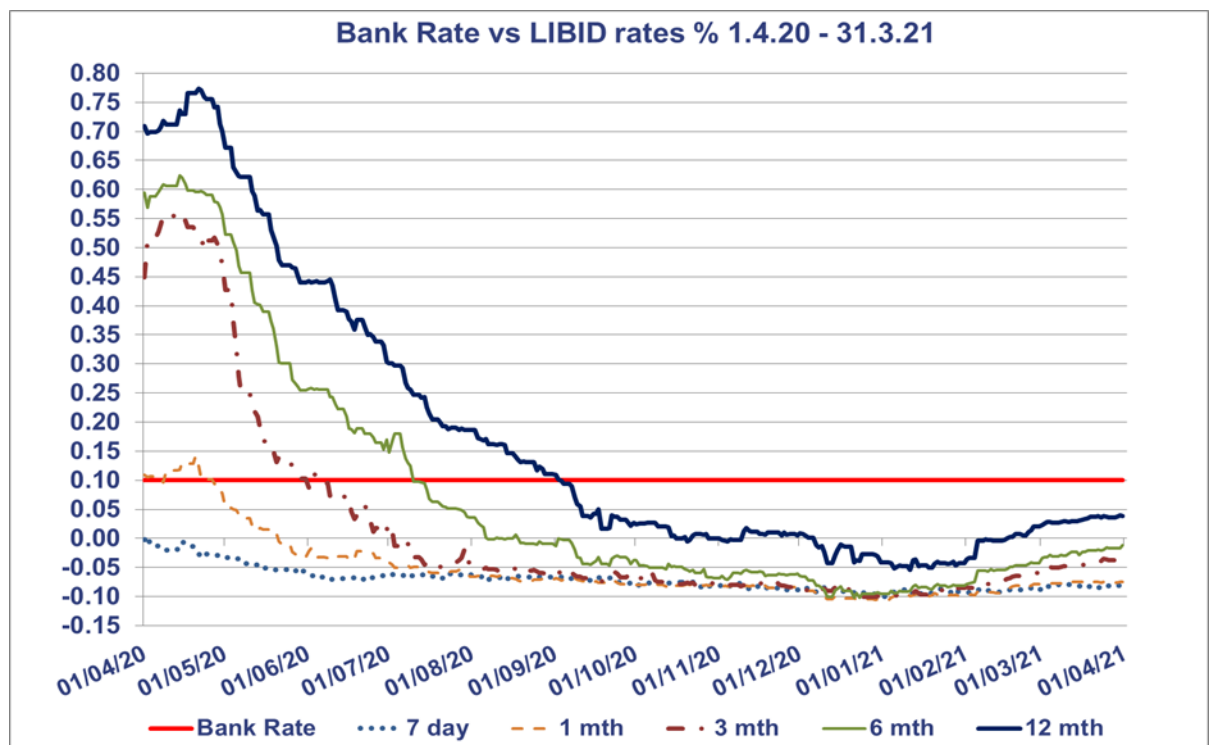
- 8.1 During 2020/21, the Council increased its under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were low and minimising counterparty risk on placing investments also needed to be considered.
- 8.2 A cost of carry remained during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns.
- 8.3 The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.
- 8.4 No new debt was taken during the year despite the capital programmes for both funds having elements of capital expenditure financed by prudential borrowing (to avoid the cost of carry implications), and no debt rescheduling was undertaken due to significant premium charges that would have been incurred, rendering it unaffordable. A number of loans were also repaid during the year as their natural maturities were reached and therefore increasing the under-borrowed position further.

9. Investment Outturn for 2020/21

- 9.1 Investment returns dropped significantly to new low levels during 2020/21. The expectation for interest rates within the treasury

management strategy for 2020/21 was that Bank Rate would increase from 0.75%, however the rate was actually cut to 0.10% and remained at that level throughout the year.

- 9.2 While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.
- 9.3 Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing and investment rates as illustrated in the charts shown above and below. Such an approach has also provided benefits in terms of reducing the counterparty risk exposure, by having fewer investments placed in the financial markets.
- 9.4 Investment rates dropped rapidly following the cut in Bank Rate and in some circumstances returns were nil for investments placed (e.g. Money Market Funds and current account balances).



- 9.5 **Investment Policy** – the Council’s investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by Council. This policy sets out

the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data such as rating outlooks and credit default swaps.

- 9.6 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
- 9.7 The treasury section managed an average investment balance of £38.91m (£40.84m – 2019/20). These funds earned an average rate of return of 0.52% (1.11% - 2019/20). The comparable performance indicators used by the Council are the 3 month LIBID rate which was 0.02% and the 6 month LIBID rate which was 0.07%. This compares with a budget assumption of £43.44m of investment balances earning an average rate of 0.50%. The budgeted rate was lower than the interest rate forecast as officers were prudent in their expectations for interest rate increases and actually assumed a cut in rates in the base budget. The lower than budgeted investments balances placed was due to new debt not being taken to fund the prudential borrowing elements of the capital programmes resulting in cash balances decreasing as internal borrowing increased.
- 9.8 **Long Term Strategic Investments** – The Treasury Team will only place long term deposits after considering the medium term cash flow, interest rate forecasts and credit quality of counterparties. As at 31st March 2021 there was only one investment placed which meet this long term category:
- £2m placed with the CCLA Local Authority Property Fund. This is a variable rate pooled investment vehicle and is deemed to be a long dated investment due to the structure of the fund. Since the date of initial deposit this has generated an average return of 4.17% against the amount invested and 4.01% for 2020/21 financial year.
- 9.9 The March valuation of the property fund investment indicates that the capital value of the £2m investment stands at approx. £1.87m after entry charges and changes in capital value:

<u>Period</u>	<u>Deposit</u> <u>£000</u>	<u>Entry</u> <u>Charges</u> <u>£000</u>	<u>Capital</u> <u>Growth/</u> <u>(Loss)</u> <u>£000</u>	<u>Closing</u> <u>Value</u> <u>£000</u>	<u>Quarterly</u> <u>Yield (against</u> <u>deposit)</u>	<u>Financial</u> <u>Year</u> <u>Average</u> <u>Return</u>	<u>Return</u> <u>(since</u> <u>inception)</u>
2015/16	1,000	(54)	10	956	4.26% - 4.81%	4.59%	4.17%
2016/17	0	0	(15)	941	4.17% - 4.52%	4.30%	
2017/18	0	0	45	986	4.25% - 4.88%	4.47%	
2018/19	1,000	(63)	26	1,949	3.99% - 4.27%	4.15%	
2019/20	0	0	(70)	1,879	4.01% - 4.35%	4.14%	
2020/21 - Q1	0	0	(75)	1,804	3.57%	4.01%	
2020/21 - Q2	0	0	(3)	1,801	3.91%		
2020/21 - Q3	0	0	26	1,827	4.72%		
2020/21 - Q4	0	0	39	1,866	3.84%		

9.10 The table above shows that there has been a drop in capital value over the last financial year totalling £13k. This is due to continued uncertainties from Brexit and Covid19 and the impact that this has had on economic activity. However, the final two quarters of the year saw a bounce back with some of the capital losses incurred during 2019/20 and the first two quarters of 2020/21 being recovered.

9.11 This fund is only open to UK local authorities with the fund value as at end March 2021 being £1.20bn (£1.21bn March 2020)

9.12 From 2018/19, there was a change in accounting regulations regarding how capital gains and losses are accounted for. Historically, the gains or losses were held on the Balance Sheet, outside of General Fund and would only impact on GF balances when the deposit was withdrawn. From 2018/19 the regulations required and gains or losses in capital value, plus the charges on entry to the fund, to be charged to investment income/ costs.

9.13 MHCLG have issued a statutory override for 5 years commencing 2018/19 which allows local authorities to reverse these charges, thereby negating the impact on general fund resources. Once this override ends then any impact of gains/ losses will impact the general fund balances, unless there is an extension to the statutory override or it is made permanent.

9.14 Although this is a substantial change to the accounting treatment in these types of investments, this does not change the view of officers with regards to utilising these types of funds to ensure that there is sufficient spread across investment types and institutions to manage risk.

9.15 The following table shows the property fund returns for 2020/21 before and after the statutory override:

				£000	Return (based on deposit amount)
Property Fund Dividends Received				80	
Capital Gains / (Losses)				(13)	
Net Return				67	3.34%
Statutory Override				13	
Return as reflected in the accounts of NBBC				80	4.01%

9.16 **Short Term Investments** - the Treasury Team have been continuing to make use of liquid cash facilities and short dated fixed term deposits to ensure liquidity of funds. These deposits have been restricted to UK banks, UK building societies and Money Market Funds.

9.17 All deposits placed were in accordance with the approved counterparty selection criteria and there was no credit default occurrences in the period, with all maturities repaid in accordance with the deposit agreements.

10. Average Investment and Debt Balances Held

10.1 The following table provides further detail on the Council's average investment and debt position for 2020/21 with comparative information from the previous year:

	2019/20		2020/21	
	Weighted Average Principal	Avg Rate	Weighted Average Principal	Avg Rate
Investments				
Long Dated Fixed Rate:				
• Fixed Term Deposits	£0.24m	2.40%	-	-
Short Term Fixed Rate:				
• Fixed Term Deposits	£13.15m	1.03%	£7.68m	0.26%
• Certificates of Deposit	£10.23m	1.03%	£6.18m	0.64%
Total Fixed Rate Deposits	£23.62m	1.04%	£13.86m	0.43%
Variable Rate Deposits:				
Long Term:				
• Property Fund	£2.00m	4.14%	£2.00m	4.01%
Short Term:				
• Notice Accounts	£8.00m	0.95%	£8.00m	0.63%
• Liquid Accounts (<i>incl MMF</i>)	£7.22m	0.68%	£15.05m	0.09%
Total Variable Rate Deposits	£17.22m	1.21%	£25.05m	0.58%
Total Investments	£40.84m	1.11%	£38.91m	0.52%
Borrowings				
Long Term				
• PWLB	£76.44m	3.14%	£72.29m	3.15%
• Market Debt	£2.00m	4.10%	£2.00m	4.10%
• Interest Free Loans	£0.02m	0.00%	-	-
Total Long Term Debt	£78.44m	3.16%	£74.29m	3.18%
Temporary Borrowing	-	-	-	-
Total Borrowing	£78.44m	3.16%	£74.29m	3.18%

11. Conclusion

11.1 As is highlighted within this report, 2020/21 continued the trend in recent years of low interest rates and investment returns with no beneficial opportunities for rescheduling or repayment of debt.

11.2 Despite these difficulties, all the prudential limits and indicators are reported with no breaches during the year.

Appendix 1

During 2020/21, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators As at 31 st March	2019/20 Actual	2020/21 Original Indicator	2020/21 Mid Year Review	2020/21 Predicted Outturn (Feb' report)	2020/21 Actual
Capital expenditure					
• General Fund	£9.33m	£16.28m	£19.21m	£15.56m	£10.53m
• GF commercial	£1.04m	£3.46m	£3.46m	£0.00m	£0.00m
• HRA	<u>£17.22m</u>	<u>£26.30m</u>	<u>£27.79m</u>	<u>£17.22m</u>	<u>£15.13m</u>
• Total	£27.59m	£46.04m	£50.46m	£32.78m	£25.66m
Capital Financing Requirement:					
• General Fund	£12.46m	£15.34m	£15.39m	£13.99m	£12.99m
• GF commercial	£2.04m	£2.97m	£2.97m	£1.97m	£1.97m
• HRA	<u>£78.31m</u>	<u>£87.16m</u>	<u>£87.16m</u>	<u>£80.23m</u>	<u>£79.11m</u>
• Total	£92.81m	£105.47m	£105.52m	£96.19m	£94.07m
Net debt (debt less investments)	£46.89m	£69.52m	£56.12m	£45.21m	£45.47m
External debt					
• Borrowing	£77.21m	£94.21m	£80.71m	£72.71m	£72.71m
• Finance lease	<u>£0.00m</u>	<u>£0.00m</u>	<u>£0.00m</u>	<u>£0.00m</u>	<u>£0.00m</u>
• Total	£77.21m	£94.21m	£80.71m	£72.21m	£72.71m
Investments (long and short dated)	£30.32m	£24.59m	£24.59m	£27.00m	£27.24m

Comments:

Capital Expenditure: An increased underspend compared to February forecast due to additional slippage in the capital programme.

External Debt: Actual debt is approximately £21m lower at year end compared to the original estimate due to the level of slippage funded by borrowing but also the increase under-borrowed position. The decision to delay taking new external debt was due to market volatility and the significant reduction in investment rates available which would create a large increase in the 'cost of carry' if debt had been taken. This would have created a net cost

increase on General Fund and HRA. An under-borrowed position can be maintained in the short term and will be monitored to ensure that the most cost effective position in the medium term is taken.

Gross borrowing and the CFR – in order to ensure that borrowing levels are prudent over the medium term the Council’s external borrowing must only be for a capital purpose. This essentially means that the Council is not borrowing to support revenue expenditure. Borrowing should not therefore, except in the short term, have exceeded the CFR for 2020/21 plus the expected changes to the CFR over 2021/22 and 2022/23 from financing the capital programme. This requirement has been complied with, with no breaches during 2020/21.

The authorised limit – the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The table below demonstrates that during 2020/21 the Council has maintained gross borrowing within this authorised limit.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or above the boundary is acceptable subject to the authorised limit not being breached.

	2020/21 Original	2020/21 Mid-Year Review	2020/21 Predicted Outturn
Authorised limit	£119.47m	£115.47m	£110.19m
Operational boundary	£105.47m	£105.47m	£96.19m
Maximum gross borrowing position during year	£77.21m		
Average gross borrowing position during year	£74.29m		

Actual financing costs as a percentage of net revenue stream – this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

Ratio of financing costs to net revenue stream	2019/20 Actual	2020/21 Original Indicator	2020/21 Mid Year Review Update	2020/21 Predicted Outturn	2020/21 Actual
General Fund	3.8%	5.3%	4.0%	4.4%	4.4%
HRA	8.3%	10.2%	10.3%	8.3%	8.0%

Comments:

General Fund: The original indicator included an assumed increase in debt interest costs as new external debt was budgeted for. However, due to the Covid19 impact on markets and interest rates new debt has been deferred thereby reducing the indicator.

HRA: The HRA actual closing position was significantly lower than the original indicator. A significant amount of capital programme funded by borrowing (primarily new build) has been slipped to 2021/22 and has therefore reduced the expected debt interest cost to the HRA for 2020/21,.

Debt and investments – the net debt position and the maturity profile of the debt and investment portfolios are detailed in the following tables:

	31 March 2020 Principal	Rate/ Return	Avg Life yrs	31 March 2021 Principal	Rate/ Return	Avg Life yrs
Fixed rate funding:						
-PWLB	£75.21m	3.15%	6.6	£70.71m	3.15%	6.0
-Market	£2.00m	4.10%	58.2	£2.00m	4.10%	57.2
-Interest Free	nil		-	nil		
Total External Debt	£77.21m	3.17%	8.0	£72.71m	3.17%	7.4
CFR	<i>£92.81m</i>			<i>£94.07m</i>		
Over/ (under) borrowing	<i>(£15.6m)</i>			<i>(£21.36m)</i>		
Internally Managed Investments	£30.32m	1.16%	0.5	£27.24m	0.56%	0.5
Total Investments	£30.32m			£27.24m		
Net debt	£46.89m			£45.47m		

The maturity structure of the debt portfolio was as follows and is within the approved limits/ indicators:

Debt	31 Mar 2020 Actual	2020/21 Indicator	31 Mar 2021 Actual
Under 12 months	6%	20%	-
12 months to 2 years	-	20%	12%
2 to 5 years	33%	50%	40%
5 to 10 years	50%	75%	37%
10 to 20 years	5%	100%	5%
20 to 30 years	-	100%	-
30 to 40 years	3%	100%	3%
40 to 50 years	-	100%	-
Over 50 Years	3%	100%	3%

The maturity structure of the internally managed investment portfolio, including the percentage of the total portfolio, was as follows:

Investments	31 March 2020 actual	31 March 2021 actual
Instant Access	£4.32m 14%	£8.24m 30%
Less than 3 months	£16.00m 53%	£7.00m 26%
Between 3 months and 1 year	£8.00m 26%	£10.00m 37%
Over 1 year	£2.00m 7%	£2.00m 7%
Total	£30.32m	£27.24m

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