

## **MEETING OF THE COUNCIL – 17<sup>TH</sup> FEBRUARY 2020**

### **ADDENDUM**

Amendments have been made to Agenda Items 12 a), b), c), d) and e), as follows:

#### **Item 12: RECOMMENDATIONS FROM CABINET AND OTHER COMMITTEES**

##### **Item 12 a) General Fund Budget and Capital Programme 2020/21**

An addendum was circulated to Cabinet Members at the meeting held on Wednesday, 12<sup>th</sup> February, 2020, which presented the following amendments to the report:

- Minute CB73     2.6    That the General Fund Revenue Budget be agreed and submitted to Council with the following amendments:
- That an additional revenue contribution to capital of £100k be approved
  - That this be used to fund a capital programme allocation of £100k in 2020/21 to be used on Transforming Bedworth Initiatives
  - That an additional growth item of £50k be approved to provide further support to the leisure feasibility programme.
  - That the revised surplus resources of £18,604 be added to General Fund balances to support the savings programme in future years.
  - That it be noted that the S151 assurance statement does not require any changes as a result of the amendments above
- 2.7    That the Capital Programme for 2020/21 be increased by £100k to include the additional allocation of £100k for Transforming Bedworth and that the revised programme of £19.736m be recommended to Council for approval.

Amended tables for Appendix D and Appendix E of the published report are below:

## Appendix D

<b>General Fund Summary</b>		
	<b>Original Budget 2019/20</b>	<b>Proposed Budget 2020/21</b>
	£	£
Arts, Leisure and Economic Development	5,630,360	5,543,750
Central Services and Refuse	4,765,440	4,930,660
Finance and Civic Affairs	3,606,680	3,905,020
Housing, Health and Communities	1,494,820	1,459,430
Planning and Development	(260,000)	(497,830)
<b>Portfolio Total</b>	<b>15,237,300</b>	<b>15,341,030</b>
Central Provisions	334,500	334,500
Depreciation and Impairment	(3,092,280)	(3,117,950)
Transfers To/ (From) Corporate Reserves	231,074	(2,216,783)
Financing of Capital Expenditure	2,617,720	5,128,520
PWLB Premiums	21,120	21,120
Interest and Investment Income	(361,850)	(199,030)
Minimum Revenue Provision	415,400	481,630
Debt Interest	444,500	563,290
<b>Total Council Net Expenditure</b>	<b>15,847,484</b>	<b>16,336,327</b>
Funded by:		
Net Retained Business Rates	(5,642,000)	(5,413,670)
New Homes Bonus	(1,360,400)	(1,621,983)
Deficit/ (Surplus) from Collection Fund	(75,000)	(150,820)
Transfer to General Fund Reserves	30,440	18,604
<b>COUNCIL TAX REQUIREMENT</b>	<b>8,800,524</b>	<b>9,168,458</b>

## Updated General Fund Capital Programme

	2019/20			2020/21
	Latest Capital Programme £	Predicted Spend (Updated Capital Programme) £	Amounts to re- profile to 2020/21 £	Project Budget (including re-profiled amounts from 2019/20) £
<b><u>Arts, Leisure &amp; Economic Development</u></b>				
Miners Welfare Park Environment Improvements. & Green Gym	12,300	-	-	-
Haunchwood Pavilion	5,000	-	5,000	5,000
Pingles Electronic Timing Equipment	50,000	50,000	-	-
Pauls Land Pavilion	10,500	-	10,500	10,500
Sandon Park/Jack Whetstone Pavilion	42,770	14,500	23,270	23,270
Cycle Storage - Miners Welfare Park	10,000	10,000	-	-
Target Hardening	100,000	-	100,000	100,000
Kersley Community Centre Car Park Improvements	25,000	25,000	-	-
Replacement Cemeteries Software System	34,900	34,900	-	-
Tree Management Software	7,750	7,750	-	-
Pingles Athletics Stadium - Upgrading Floodlights	-	24,630	-	-
Preliminary Works - Riversley Park Bridge	-	-	-	40,000
Pingles - Running Track Replacement	-	-	-	104,570
Tennis Courts - Miners Welfare Park	-	-	-	202,500
Leisure Strategy	-	-	-	1,160,000
<b><u>Central Services &amp; Refuse</u></b>				
ICT Strategy Programme	100,000	100,000	-	125,000
Major Repairs	250,000	242,610	-	250,000
Vehicle & Plant Replacement	598,900	100,000	498,000	868,000
Council Chamber - Audio/Visual System	11,000	11,000	-	-
Waste Management - In Cab Technology	5,100	5,100	-	-

	2019/20			2020/21
	Latest Capital Programme £	Predicted Spend (Updated Capital Programme) £	Amounts to re-profile to 2020/21 £	Project Budget (including re-profiled amounts from 2019/20) £
Sub-Regional Materials Recycling Facility	3,396,000	-	3,396,000	3,396,000
Civica APP (Flare)	76,220	76,220	-	-
Print Room Equipment	48,440	48,440	-	-
<b><u>Finance &amp; Civic Affairs</u></b>				
Camp Hill - Early final phase	3,569,235	1,200,000	2,369,235	2,369,235
Purchase of Investment Properties (incl properties to lease)	3,460,000	1,000,000	2,460,000	3,460,000
Revenue & Benefits - System Enhancement & Rationalisation	84,200	84,200	-	-
Adjustment to Council's Property Portfolio	317,500	317,500	-	-
Bedworth Market Improvements	27,720	27,720	-	-
Chilvers Coton Craft Centre	5,500	-	-	-
Transforming Bedworth	-	-	-	100,000
<b><u>Housing, Health &amp; Communities</u></b>				
HEART	7,634,300	6,000,000	1,634,300	6,150,600
Empty Homes & Works in Default	40,000	-	-	40,000
Empty Property Loans	100,000	10,000	-	100,000
Mobile Home Sites	300,000	400,000	-	212,100
Conversion of Council House	2,100,000	1,310,000	790,000	790,000
<b><u>Planning &amp; Development</u></b>				
Replacement CCTV Cameras	9,700	-	9,700	9,700
Jodrell Street - Unadopted Road	17,100	-	-	-
Bermuda Connectivity Project	413,390	413,390	-	-
CCTV - Wireless Technology	120,000	-	120,000	120,000
<b>Miscellaneous Schemes</b>	60,400	-	-	100,000
<b>Total Capital Programme</b>	<b>23,042,925</b>	<b>11,512,960</b>	<b>11,416,005</b>	<b>19,736,475</b>

	2019/20			2020/21
	Latest Capital Programme £	Predicted Spend (Updated Capital Programme) £	Amounts to re- profile to 2020/21 £	Project Budget (including re-profiled amounts from 2019/20) £
<b>Financed by:</b>				
Capital Receipts	4,929,235	2,450,000	2,579,235	2,826,335
Earmarked Reserves	3,140,787	1,179,080	1,898,950	5,128,520
Grants & External Contributions	8,393,153	6,490,130	1,751,820	6,595,620
Prudential Borrowing	6,579,750	1,393,750	5,186,000	5,186,000
<b>Total</b>	<b>23,042,925</b>	<b>11,512,960</b>	<b>11,416,005</b>	<b>19,736,475</b>

## **Item 12 b) Housing Revenue Account Budget and Capital programme 2020/21**

At a meeting of Cabinet, held on 12<sup>th</sup> February, 2020, the following amendment was made to the report:

- Minute CB74                      2.6 That an increase of 2.7% for 2020/21 in line with CPI + 1% for other HRA fees and charges as set out in section **4.12** be approved;

## **Item 12 c) Treasury Strategy and Budgetary Framework 202/21**

An addendum was circulated to Cabinet Members at the meeting of Wednesday, 12<sup>th</sup> February 2020, which presented the following amendments to the report:

- Minute CB75                      2.1 That the proposed Treasury Strategy and Budgetary Framework 2020/21 as amended be agreed and submitted to full Council for approval including:
- Treasury strategy
  - Treasury and Prudential Indicators
  - MRP Policy Statement
  - Capital Strategy
  - Capital Resource Allocations

Following the recommendation as part of the General Fund Budget report to include an additional £100k capital project for Transforming Bedworth, a number of tables and indicators require revision from those published in the agenda. The following paragraphs and tables provide the updated information with an updated Appendix B (Treasury and Prudential Indicators) and updated Appendix H (Treasury Strategy and Budgetary Framework) appended to this paper.

All other indicators remain unchanged.

### 4.2 Capital Expenditure.

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts, which includes the latest budget re-profiling estimates into 2020/21 for schemes slipping from 2019/20:

<b>Capital Expenditure</b>	<b>2018/19 Actual £m</b>	<b>2019/20 Estimate £m</b>	<b>2020/21 Estimate £m</b>	<b>2021/22 Estimate £m</b>	<b>2022/23 Estimate £m</b>
Arts, Leisure & Economic Development	0.15	0.17	1.65	-	-
Central Services & Refuse	1.68	0.58	4.64	0.92	0.75
Finance & Civic Affairs	2.40	1.31	2.47	-	-
Housing, Health & Communities	4.03	7.72	7.29	4.66	4.66
Planning & Development	0.05	0.41	0.13	-	-
Misc' Schemes	-	-	0.10	0.10	0.10
<b>Total Non-HRA</b>	<b>8.31</b>	<b>10.19</b>	<b>16.28</b>	<b>5.68</b>	<b>5.51</b>
HRA Capital Programme	9.21	18.49	26.30	21.25	23.48
<b>Total HRA</b>	<b>9.21</b>	<b>18.49</b>	<b>26.30</b>	<b>21.25</b>	<b>23.48</b>
Commercial activities/ non-financial investments *	<b>5.16</b>	<b>1.32</b>	<b>3.46</b>	<b>1.62</b>	<b>1.00</b>
<b>Grand Total</b>	<b>22.68</b>	<b>30.00</b>	<b>46.04</b>	<b>28.55</b>	<b>29.99</b>

\* Commercial activities/ non-financial investments relate to areas such as capital expenditure on investment properties.

4.4 The table below summarises how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding need (borrowing):

<b>Financing of Capital Expenditure</b>	<b>2018/19 Actual £m</b>	<b>2019/20 Estimate £m</b>	<b>2020/21 Estimate £m</b>	<b>2021/22 Estimate £m</b>	<b>2022/23 Estimate £m</b>
Capital Receipts	3.57	2.98	4.64	2.60	2.35
Capital Grants	5.21	6.49	8.10	4.66	7.62
Capital Reserves/ Revenue	12.50	17.14	19.61	12.29	11.02
<b>Net financing need for the year</b>	<b>1.40</b>	<b>3.39</b>	<b>13.69</b>	<b>9.00</b>	<b>9.00</b>
<i>Analysed as:</i>					
<i>Non-HRA</i>	-	1.31	4.19	-	-
<i>HRA</i>	-	2.00	8.50	8.00	8.00
<i>Commercial activities/ non-financial investments</i>	1.40	0.08	1.00	1.00	1.00

#### 4.14 Core Funds and Expected Investment Balances.

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.).

Detailed below are estimates of the year end balances for each resource and anticipated day to day cash flow balances.

<b>Year End Resources</b>	<b>2018/19 Actual £m</b>	<b>2019/20 Estimate £m</b>	<b>2020/21 Estimate £m</b>	<b>2021/22 Estimate £m</b>	<b>2022/23 Estimate £m</b>
Fund balances/ reserves	31.84	25.33	22.11	20.60	20.40
Other Resources	13.32	17.18	9.84	9.84	9.84
<b>Total core funds</b>	<b>45.16</b>	<b>42.51</b>	<b>31.95</b>	<b>30.44</b>	<b>30.24</b>
Working capital *	(0.18)	3.14	3.90	3.14	2.09
Over/ (Under) borrowing	(8.60)	(9.05)	(11.26)	(10.76)	(10.17)
<b>Expected investments</b>	<b>36.38</b>	<b>36.60</b>	<b>24.59</b>	<b>22.82</b>	<b>22.16</b>



## PRUDENTIAL AND TREASURY INDICATORS

Prudential indicators	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Estimated Out-turn	Estimate	Estimate	Estimate
<b>Capital Expenditure</b>					
Non - HRA	£8.31m	£10.19m	£16.28m	£5.68m	£5.51m
Non - HRA (commercial activities)	£5.16m	£1.32m	£3.46m	£1.62m	£1.00m
HRA	£9.21m	£18.49m	£26.30m	£21.25m	£23.48m
TOTAL	£22.68m	£30.00m	£46.04m	£28.55m	£29.99m
<b>Ratio of financing costs to net revenue stream</b>					
Non - HRA (total)	3.5%	3.2%	5.3%	5.0%	4.2%
HRA	12.9%	9.2%	10.2%	11.3%	12.6%
<b>Prudential Borrowing Requirement</b>					
Non - HRA	£0.00m	£1.31m	£4.19m	£0.00m	£0.00m
Non - HRA (commercial activities)	£1.40m	£0.08m	£1.00m	£1.00m	£1.00m
HRA	£0.00m	£2.00m	£8.50m	£8.00m	£8.00m
TOTAL	£1.40m	£3.39m	£13.69m	£9.00m	£9.00m
<b>Capital Financing Requirement as at 31 March</b>					
Non - HRA	£10.55m	£11.56m	£15.34m	£14.93m	£14.44m
Non - HRA (commercial activities)	£2.10m	£2.04m	£2.97m	£3.88m	£4.78m
HRA	£76.66m	£78.66m	£87.16m	£95.16m	£103.16m
TOTAL	£89.31m	£92.26m	£105.47m	£113.97m	£122.38m
<b>Treasury management indicators</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>Actual</b>	<b>Revised Indicators</b>	<b>Proposed Indicators</b>	<b>Proposed Indicators</b>	<b>Proposed Indicators</b>
<b>Authorised Limit for external debt -</b>					
borrowing		£102.26m	£115.47m	£124.97m	£134.38m
other long term liabilities		£4.00m	£4.00m	£4.00m	£4.00m
TOTAL		£106.26m	£119.47m	£128.97m	£138.38m
<b>Operational Boundary for external debt -</b>					
borrowing		£92.26m	£104.47m	£112.97m	£121.38m
other long term liabilities		£0.00m	£1.00m	£1.00m	£1.00m
TOTAL		£92.26m	£105.47m	£113.97m	£122.38m
<b>Gross External Debt at 31 March</b>	£80.71m	£83.21m	£94.21m	£103.21m	£112.21m
<b>Upper limit for total principal sums invested for over 365 days (actual for 2018/19)</b>	Max £3m	£10.00m	£10.00m	£10.00m	£10.00m
<b>Maturity structure of fixed rate borrowing 2020/21</b>		<b>Upper Limit</b>	<b>Lower Limit</b>		
Under 12 months		20%	0%		
12 months to 2 years		20%	0%		
2 years to 5 years		50%	0%		
5 years to 10 years		75%	0%		
10 years to 20 years		100%	0%		
20 years to 30 years		100%	0%		
30 years to 40 years		100%	0%		
40 years to 50 years		100%	0%		

**Treasury Strategy & Budgetary Framework 2020/21**

- a) Cabinet be delegated to increase the approved revenue budgets for the General Fund and the Housing Revenue Account for 2020/21 subject to the minimum working balances of £1m and £1.3m respectively being maintained and having regard to the reserves risk assessment included within the budget report.
- b) Capital resources of £19.74m and £26.30m be approved for the General Fund and the Housing Revenue Account respectively (which includes the latest estimate of re-profiled expenditure from 2019/20).
- c) Any unused capital allocation from 2019/20 as at 31<sup>st</sup> March 2020, and still required, be carried forward into 2020/21 and added to the capital budgets.
- d) The Minimum Revenue Provision (MRP) Policy Statement (Appendix A to the 12<sup>th</sup> February 2020 Cabinet report) be adopted.
- e) The Prudential and Treasury Indicators (updated Appendix B to the 12<sup>th</sup> February 2020 Cabinet report) be adopted.
- f) The Treasury Management Strategy (as detailed in the 12<sup>th</sup> February 2020 Cabinet report) including the borrowing and investment strategies for 2020/21 be adopted.
- g) The Capital Strategy (Appendix G to the 12<sup>th</sup> February 2020 Cabinet Report) be adopted

## **Item 12 d) Committee Timetable of Meetings 2020/21 and 2021/22**

At the Cabinet Meeting of Wednesday, 12<sup>th</sup> February, 2020, the following amendments were approved to the Timetable of Meetings 2020/21:

- Minute CB76
1. the Internal Overview and Scrutiny Panel meeting scheduled to be held on 17<sup>th</sup> September, 2020, be rescheduled to 24<sup>th</sup> September, 2020; and
  2. the External Overview and Scrutiny Panel meeting scheduled to be held on 3<sup>rd</sup> December 2020, be rescheduled to 10<sup>th</sup> December 2020.

## **Item 12 e) Council Tax 2020/21**

Given that Warwickshire County Council's budget setting Council meeting is not taking place until Tuesday 18<sup>th</sup> February 2020, the day after Nuneaton and Bedworth Borough Council's budget setting Council meeting on Monday 17<sup>th</sup> February 2020, the Borough Council will not be able to set the aggregate amounts for Council Tax for 2020/21 for each part of its area and each of the categories of dwelling at the Council meeting on 17<sup>th</sup> February 2020. Therefore, the Executive Director – Operations exercised his delegated authority, pursuant to Regulation 13 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) regulations 2012 & the openness of local government bodies regulations 2014, and due to urgency as follows:

- DO31/2020 (BD)  
6<sup>th</sup> February 2020
1. In order to allow the Borough Council to be able to set the aggregate amounts for Council Tax for 2020/21 for each part of its area and each of the categories and issue Council Tax bills in accordance with legislative timescales a meeting of the Council Tax Setting Committee be convened for Wednesday 19<sup>th</sup> February.
  2. The Council Tax setting committee be comprised of The Mayor [chair], 2 Labour Councillors, 1 Conservative Councillor, 1 Independent Councillor and 1 Green Party Councillor.
- DO32/2020 (BD)  
13<sup>th</sup> February  
2020
1. Further to the Delegated Decision made on 6<sup>th</sup> February 2020 - Reference DO31/2020 (BD), made under Part 3E.1 d) 2. (Urgency), of the Constitution - a further Urgency decision be made that the composition of the Council Tax Setting Committee be amended to comprise of The Mayor [chair], 3 Labour Councillors, 2 Conservative Councillors, 1 Independent Councillor and 1 Green Party Councillor.