

Cabinet

Thursday 17 June 2021

Minutes

Attendance

Committee Members

Councillor Isobel Seccombe OBE (Chair)
Councillor Margaret Bell
Councillor Peter Butlin
Councillor Andy Crump
Councillor Andy Jenns
Councillor Kam Kaur
Councillor Jeff Morgan
Councillor Wallace Redford
Councillor Heather Timms

1. General

(1) Apologies

No apologies were given to the meeting.

(2) Members' disclosure of Pecuniary and Non-Pecuniary Interests

Concerning agenda item 13, Property Proposals, Warwick, Councillor Judy Falp declared an interest as a member of Warwick District Council.

(3) Minutes of the Previous Meeting

The minutes of the previous meeting of Cabinet held on 8 April 2021 were agreed as a true and accurate record.

(4) Public Speaking

Councillor Izzi Seccombe (Leader of Council and Chair of Cabinet) welcomed two public speakers to the meeting. These were Mr Dominic Harrison and Mr Keith Kondakor.

1. Mr Dominic Harrison

Mr Harrison read out the following statement.

“Hello, I am Dominic Harrison, one of the co-founders of Warwickshire Climate Alliance (WCA), and a Warwick Resident. I am ex-National Grid and also a member of Extinction

Rebellion, and I would like to briefly speak about Agenda Item No.9, the proposal to join UK100 Climate Change Network.

I am speaking on behalf of WCA, an umbrella group bringing together a wide range of groups concerned with climate change, including Clean Air Warwick, Clean Air Leamington, Action 21, Friends of the Earth, Transition Town Rugby, Extinction Rebellion, Low Carbon Warwickshire Network, Cycleways and Stratford Climate Action.

I am encouraged by WCC's wish to join the UK100 Network as I believe that through working with other local governments this will increase the opportunities for shared experiences, greater support from Central Government, access to funding, and also understanding some of the pitfalls other councils may be experiencing. Most importantly it signals real intent that WCC are taking the climate crisis seriously in the run up to COP26.

Since 1992, when the UN IPCC published its first report on climate change and soon after the first COP meeting took place, despite all the pledges and declarations that have been made CO2 levels have continued to increase, such that the current levels we now experience have not been seen on our Earth for over 4 million years. As we approach the 1.5 deg. limit, again a level we have not seen for millions of years, the consequences to our livelihoods will become increasingly more severe. When looking outside, from our narrow perspective, it is tempting to think the changes are minor or over-played. But if I can refer to a metaphor used by the Irish Author and Philosopher Charles Handy in his book "The age of unreason" he suggests that a frog, when placed in hot water will jump out, but when placed in cold water that is slowly heated will not sense any danger. The suggestion is that the frog will allow itself to be cooked slowly to death, since slow and gradual changes become normalised and hence any escape is delayed until it is too late. We are now at 1.1 deg. above the long-term average – we cannot befall the same fate.

From a financial perspective, the costs on inaction as quoted by a number of newspapers at the G7 summit , could represent 8-9% of GDP each year for the industrialised nations if temperatures are allowed to exceed 1.5 deg, twice the economic loss Covid-19 has brought about, every single year.

Therefore, WCA supports this proposal but I would like to stress the importance of interim and ongoing targets to measure progress, as it is the progress we make between now and 2030 that are by far the most crucial. We would also suggest the appointment of an independent expert auditor who would quantify and report on real carbon reductions from 2021 onwards, as has been done by Warwick DC and Stratford DC in their carbon reductions plans.

2. Mr Keith Kondakor

Mr Kondakor asked two questions.

1) On item 6 - The graphs on economic outlook, page 5 of 37, clearly shows Warwickshire has lost around £1.4billion of economic activity and some 23,000 jobs in 2020. Why does the report ignore the consequential loss of population as many thousands of very mobile overseas nationals, and their families, have left Coventry and Warwickshire since March 2020?

2) On item 8 - WFRS, What is planned for the Fire service provision in Nuneaton and is the possible plan to relocate one of the two Nuneaton appliances to Bedworth being approved on the quiet by today's vote?

Councillor Izzi Seccombe thanked both members of the public for their contributions.

2. Year End Council Plan 2020-2025 Quarterly Progress Report (April 2020 to March 2021)

Councillor Andy Jenns (Portfolio Holder for Customer and Transformation) introduced the published report and summarised its key elements. Members' attention was drawn to Power BI as a tool for interrogating performance. They were reminded that training is available on this. Council performance, Councillor Andy Jenns stated, has remained good in the face of the Covid Pandemic and the challenges this has presented. A series of areas where performance had been notably good was cited. These included a reduction in incidents of domestic abuse, an increase in satisfaction with the customer contact centre, a decline in staff sickness levels, higher levels of staff engagement, a reduction in crime and a reduction in the number of people killed or seriously injured on Warwickshire's roads.

Some areas are not on track. These include the number of children in care, response times for Fire and Rescue services, the cost of SEND transport and the percentage of people in employment.

By way of response Councillor Jerry Roodhouse (Leader of the Liberal Democrat Group) expressed his concern over the level of staff sickness relating to mental health and stress. An update was requested on this in the light of the Pandemic. The reference on page 19 of the document pack to a review of the performance framework was welcomed. Red risks around the DSG were acknowledged as a constant source of concern.

In response to comments regarding stress and mental health issues amongst staff Cabinet was informed by Councillor Kam Kaur (Portfolio Holder for Economy and Place) of initiatives that exist to support staff. These include the appointment of 20 mental health champions, the establishment of a support hotline and the provision of information on the council's intranet.

Cabinet was reminded that members have ready access to performance data.

Resolved:

That Cabinet:

- a) Notes the progress of the delivery of the Council Plan 2020 - 2025 for the period as contained in the report; and,
- b) Approves the 2021/22 Performance Framework, attached as Appendix A, for reporting at Quarter 1.

3. Financial Outturn Report 2020/21

Councillor Peter Butlin (Deputy Leader, Finance and Property) introduced the report by stating that it was a story of Covid. Some council services had increased and some had decreased. In some instances officers had been very cautious on expenditure. Financial support linked to the

Pandemic had been provided by the government and this was appreciated. Nevertheless, the short timescales for using this money had meant that it had not been possible to utilise it all. This had resulted in a significant underspend. If factors around the Pandemic are removed from the equation, an underspend of just short of £6m was being reported. This is within the threshold previously set.

Cabinet was informed that some areas, including SEND have seen an overspend of their budget. This has been exacerbated by the Covid crisis and costs increasing significantly.

On the capital side the Pandemic has had an impact on projects. Contractors have been affected and the cost of materials has increased. This has all resulted in a degree of slippage.

Councillor Peter Butlin concluded by noting that looking to the future there remain some unknowns. For example, will an increase in older people entering the social care system make pressures more acute? Will the system be able to cope with an expected increase in mental health issues?

Councillor Jerry Roodhouse informed the meeting that the government is alleging that Covid support money is being locked up by local authorities and not used as it should be. He suggested that business could benefit from those resources as part of the recovery of the economy.

In reply Councillor Izzi Seccombe reminded Cabinet that early during the Pandemic the County Council had responded rapidly, offering support to local businesses and making short term loans available to district and borough councils to enable them to support the economy.

In closing Councillor Peter Butlin agreed that financial resources should not be hoarded and repeated the need to support businesses going forward.

Resolved:

That Cabinet:

- a) Notes the net spend in 2020/21 and the consequent revenue underspend for the organisation at the end of the year;
- b) Notes the explanations and mitigating actions for variations to budgets, and the implications on the Medium-Term Financial Strategy, as set out in Appendix A;
- c) Notes the capital spend in 2020/21 and its financing and the explanations for variations on individual projects set out in paragraph 5.6 and Appendix B.
- d) Approves the £6.221m carry forward of specific services' revenue budget from 2020/21, to support the delivery of the Council Plan in 2021/22, as outlined in paragraph 4.4 and Appendix D;

- e) Approves the reprofiling of the capital programme as set out in Annexes A to M and require Corporate Board to give an enhanced focus to the accurate phasing of capital spend in 2021/22 and over the medium term;
- f) Notes the current reserves position for the organisation as set out Section 4 and Appendix N.

4. Treasury Management Outturn 2020/21

Councillor Peter Butlin opened by stating that the Covid Pandemic had impacted on how money is managed. There has been a growing requirement for agility and on occasions it has been necessary to access funds quickly. Investment returns were low in the last year at 0.52% (compared to 0.99% in the previous year). Nevertheless, they did exceed the benchmark of 0.41%.

Negative interest rates had been avoided and balances had increased. Net borrowing had increased but remained low compared to other authorities.

Resolved:

That Cabinet notes the Treasury Management outturn in respect of 2020/21.

5. Treasury Management Strategy and Investment Strategy

(Item considered after agenda item 6).

Councillor Peter Butlin explained that the report before Council was a direct result of the proposal to create the Warwickshire Recovery and Investment Fund (WRIF). Council was advised that as a consequence of WRIF borrowing will increase sharply. This may seem very high, but it will still place the council in the middle of the range for local authority borrowing. The priority, he added, is to get people back in to work.

Resolved:

That Cabinet recommends to Council that:

1. The Treasury Management Strategy for 2021/22 (Appendix 1) be approved with immediate effect.
2. The Investment Strategy for 2021/22 (Appendix 2) be approved with immediate effect.
3. That the County Council requires the Strategic Director for Resources to ensure that gross borrowing does not exceed the prudential level specified (Appendix 1, Section 3.2, Table 10 "Authorised Borrowing Limit").
4. That the County Council requires the Strategic Director for Resources to ensure that gross investment in non-Treasury investments does not exceed the prudential levels specified

(Appendix 2, Annex 7).

5. That the County Council delegate authority to the Strategic Director for Resources to undertake delegated responsibilities in respect of both strategies (Appendix 1, Annex 7, and Appendix 2, Section 2.5).
6. That the County Council requires the Strategic Director for Resources to implement the Minimum Revenue Provision (MRP) Policy (Appendix 1, Section 2.4).

6. Warwickshire Recovery and Investment Fund - Business Plan

Councillor Peter Butlin explained to Cabinet that the aim of the WRIF is to aid economic recovery. Warwickshire needs to be the preferred place to do business. Having already obtained agreement to the establishment of the WRIF the report before Cabinet covered governance and the lending strategy. The need to make the best use of over £100 million of tax payers money was emphasised. Some loans will carry a degree of risk, but effective risk management processes will be put in place.

Councillor Jerry Roodhouse sought and was given assurance that training will be provided to members who have an oversight of the WRIF.

Councillor Izzi Seccombe stressed the need to secure economic recovery for Warwickshire. The way the council responds to businesses will be different in the future to how it is now she added. Officers were thanked for their hard work. The project has been supported by partners including the Chambers of Commerce, Federation of Small Businesses and the local Enterprise partnership.

In response to the question asked previously by Keith Kondakor, Councillor Peter Butlin questioned whether there is a link between population levels and the WRIF. If population levels are decreasing, he asked, why are property prices increasing?

Resolved:

That Cabinet:

1. Recommends to Council that £130 million be added to the Council's 2021-26 capital programme for the Warwickshire Recovery and Investment Fund (WRIF) to deliver the WRIF Business Plan as set out at Appendix 1;
2. That, subject to Council approving the Council Treasury Management and Investment Strategies, and the addition to the Capital programme endorsed at Recommendation 1, Cabinet:
 - a) Approves the WRIF Business Plan 2021/22 at Appendix 1;
 - b) Approves the WRIF Investment Strategy at Appendix 2;

c) Agrees to fund the net cost of the WRIF in 2021/22, estimated to be £262,000, from the Commercial Risk Reserve, and requires the funding to be replenished as the first call on any WRIF surplus in the following financial years;

d) Agrees to fund the remaining set-up costs and the cost of the procurement of the external fund managers, of £240,000 from the Economic Growth and Place Shaping Fund;

e) Agrees to establish the WRIF governance arrangements, as described at section 5 of this report and authorises the Strategic Director for Communities (as Chair of the Investment Panel) in consultation with the Deputy Leader (Finance and Property) to take such urgent exit decisions as he considers necessary (as detailed in paragraph 4.13 of the Business Plan);

f) Authorises the Strategic Director for Communities to commence the procurement for the appointment of external fund managers and to award all necessary contract(s) on terms and conditions considered acceptable to the Strategic Director for Resources;

g) Authorises the Strategic Director for Resources to put in place the necessary anti money laundering arrangements, including the designation of relevant officers to fulfil the required roles;

h) Authorises the Strategic Director for Resources to finalise all necessary legal documentation for the WRIF on terms and conditions considered acceptable to him and take any such steps he considers necessary to establish and launch the WRIF;

i) Authorises the Strategic Director for Communities to finalise the Prospectus and Communications plan, making changes as necessary to future versions of these, taking account of the comments and recommendations of Cabinet; and

3. That Cabinet considers and has regard to the comments and recommendations of the Resources and Fire and Rescue Overview and Scrutiny Committee from its meeting on 27th May as set out in paragraph 8 of this report.

7. Revenue Investment Funds 2021/22 May Report

Councillor Peter Butlin explained the basis of the bid before Cabinet. He noted that placing solar panels on the roof of the EPIC Centre would be a good use of that space. Councillor Heather Timms (Portfolio Holder for Environment, Climate & Culture) congratulated officers for securing the funding.

Resolved:

That Cabinet:

- 1) Approve the bid as detailed in section 2 amounting to £0.113m from the Climate Change Investment Fund.
- 2) Authorise the Strategic Director for Resources to procure and enter any agreements to give effect to the proposal on terms and conditions considered acceptable by him.

8. Warwickshire Fire and Rescue Service (WFRS) Integrated Risk Management Plan (IRMP) Draft Action Plan 2021/22

Councillor Andy Crump (Portfolio Holder for Fire & rescue and Community Safety) explained the background to the report. He referenced paragraph 4.4 on page 344 of the document pack which set out five proposals.

Cabinet was informed that a member group had been established to monitor the IRMP.

Responding to the question asked earlier by Keith Kondakor Cabinet was informed that resources need to be located in the right place at the right time. Some attendance targets had been missed and it is considered that the location of fire stations needs to be reviewed. There is an aspiration to make Nuneaton Fire Station a community hub. Before this happens, all parties will be consulted. The principal objective must be to make the service as efficient as possible to meet the needs of residents.

Resolved:

That Cabinet approves the Warwickshire Fire and Rescue Service (WFRS) Integrated Risk Management Plan (IRMP) Action Plan 2021/22.

9. UK100 Climate Change Network

Councillor Heather Timms stated that was pleased to be able to introduce the report. She explained that UK100 is a nationwide network that will allow the council to access information and expertise regarding environmental matters. Local targets will be developed around environment and climate change, Joining UK100 shows the commitment of the council to addressing climate change she concluded.

Councillor Judy Falp welcomed the initiative but counselled that it should not just be a talking shop. Councillor Izzi Seccombe responded stating that that would not be the case.

Councillor Jerry Roodhouse congratulated the council in joining UK100.

In closing Councillor Timms cited a number of climate related initiatives being supported by the council. These included Green Shoots, Switch and Save and electric vehicle charging point installation.

Resolved:

That Cabinet

1. Agrees that the Council joins UK100, by signing up to the UK100 pledge set out in the **Appendix**.
2. Adopts and merges the targets and actions set out in the UK100 pledge with those already agreed by Cabinet at its meeting on the 30th January 2020 and adopted by Council in the Council

Plan on the 18thFebruary 2020, and develops detailed and costed action plans for these, to be agreed and managed as part of the Council's Climate Change Programme.

10. Change of Age Range Exhall Cedars Infant School

Councillor Jeff Morgan (Portfolio Holder for Children, Families and Education) stated that the decision required of Cabinet related to a simple technical change that would provide greater flexibility to the school in arranging its sessions.

Resolved:

That Cabinet approves the change of age range at Exhall Cedars Infant School from 3 - 7 to 4 - 7 from September 2021.

11. Exclusion of Press and the Public

12. Adult Mental Health and Wellbeing Support Services - Approval to Tender

The recommendation was agreed as set out in the exempt minutes.

13. Property Proposals, Warwick

The recommendations were was agreed as set out in the exempt minutes.

The meeting rose at 15.06

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Chair

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