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SUMMONS TO ATTEND A MEETING OF THE
NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

Time/Date 6.30 pm on TUESDAY, 16 SEPTEMBER 2025
Location Forest Room, Stenson House, London Road, Coalville, LE67 3FN
Officer to contact Democratic Services (01530 454512)

A handwritten signature in dark ink, appearing to read "A. ...", positioned above the printed name of the Chief Executive.

.....
Chief Executive

AGENDA

Item	Pages
PRAYERS	
1. APOLOGIES FOR ABSENCE	
2. DECLARATION OF INTERESTS	
Under the Code of Conduct members are reminded that in declaring interests you should make clear the nature of that interest and whether it is a disclosable pecuniary interest, registerable interest or other interest	
3. CHAIRMAN'S ANNOUNCEMENTS	
4. LEADER'S AND PORTFOLIO HOLDERS' ANNOUNCEMENTS	
Members are reminded that under paragraph 11.1 of part 3 of the Constitution, questions can be asked of the Leader and Cabinet Members without notice about any matter contained in any address. Questions shall be limited to five minutes in total for each announcement.	
5. QUESTION AND ANSWER SESSION	
To receive questions from members of the public under procedure rule no.10. The procedure rule provides that members of the public may ask members of the Cabinet any question on any matter in relation to which the Council has	

powers or duties which affect the District, provided that three clear days' notice in writing has been given to the Head of Legal and Support Services.

6. QUESTIONS FROM COUNCILLORS

To receive members' questions under procedure rule no.11. The procedure rule provides that any member may ask the Chairman of a board or group any question on any matter in relation to which the Council has powers or duties which affect the District, provided that three clear days' notice in writing has been given to the Head of Legal and Support Services.

7. MOTIONS

To consider the following motion received from Councillor M Wyatt:

'This Council notes that since being elected last year, there have been a series of Government's u-turns including on welfare reforms and winter fuel payments.

This Council notes that Labour did not reference abolishing two-tier local government in its manifesto and therefore has no mandate to proceed with this fundamental change.

This Council believes that local district and borough councils provide essential discretionary services including economic development, community safety, welfare support and town centre events amongst others. These will be at risk, should districts be scrapped and merged with upper-tier councils, whose budgets face ever increasing pressures because of the failure of successive governments to properly address social services and SEND funding shortfalls.

The economic case for moving to unitary councils is not proven, with estimated costs of transitions running into many £millions and no clear evidence from areas, where councils have moved to unitary status, that substantial savings are being made.

It is also clear that across Leicester, Leicestershire and Rutland, there is no consensus on how local government reform should proceed with competing bids, and disagreement over city expansion, with the Labour Mayor of Leicester City proposing large areas of neighbouring districts being moved into the city without the consent of the communities affected.

Proceeding with local government reform will be divisive, will cause huge disruption and will mean councils are focused on managing transitions rather than delivering services. Therefore, this Council calls on Sir Keir Starmer and the Labour Government to perform a u-turn on Local Government Reform and drop its plans.

I would, therefore, call on the Council to instruct its Chief Executive to write to the Prime Minister to set out the Council's position and to communicate this with other local authorities in Leicester, Leicestershire and Rutland.'

8. PETITIONS

To consider the following petition submitted by Bernadette Whelton

Background

We emphatically oppose the proposal to build 242 houses on the land off Torrington Avenue and Hall Lane – Site Reference C19a. Our reasons are:

Environmental Impact: It threatens our green spaces, natural habitats, and biodiversity. Destruction of trees and open land will negatively affect air quality and wildlife. A negative impact on our water drainage and sewage systems.

Overcrowding and Infrastructure Strain: Increased traffic causing congestion. Adding a link road to meet with the site C19a from the proposed site C19b (700 houses) off Stephenson Way site 19b would further exacerbate traffic congestion. More pressure on already overburdened services, especially healthcare.

Loss of Community Character: Development would erode the separation between Whitwick and Coalville. Whitwick risks losing its identity as a distinct village. It diminishes the historical and cultural integrity of the area.

Noise and Construction Disruption: Long-term noise, dust, and disruption during construction. Ongoing noise pollution from increased traffic, affecting health and quality of life (stress, sleep issues).

Inappropriate Location: The area lacks the infrastructure to support such large-scale development. Housing would be better situated near industrial units and existing road networks that can accommodate an increase in traffic.

Action petitioned for

We the undersigned, are concerned citizens who urge our leaders to act now to remove the land at Torrington Avenue, Whitwick - Site Reference – C19a – the build of 242 houses from the Draft Local Plan.

There are 1005 valid signatures on the petition.

9. MINUTES

To confirm the minutes of the meeting of the Council held on 17 June 2025. **5 - 10**

10. TREASURY MANAGEMENT STEWARDSHIP REPORT 2024/25

Report of the Director of Resources **11 - 28**
Presented by the Corporate and Finance Portfolio Holder

11. SUPPLEMENTARY ESTIMATES, VIREMENTS AND CAPITAL APPROVALS

Report of the Director of Resources **29 - 38**
Presented by the Corporate and Finance Portfolio Holder

12. SCRUTINY ANNUAL REPORT

Report of the Scrutiny Committee Chairs **39 - 56**

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MINUTES of a meeting of the COUNCIL held in the Forest Room, Stenson House, London Road, Coalville, LE67 3FN on TUESDAY, 17 JUNE 2025

Present: Councillor P Lees (Chair)

Councillors J G Simmons, M Ball, A Barker, C Beck, D Bigby, M Blair-Park, R Blunt, R Boam, M Burke, R Canny, D Cooper, D Everitt, T Eynon, M French, J Geary, T Gillard, K Horn, R Johnson, S Lambeth, J Legrys, K Merrie MBE, A Morley, R L Morris, P Moulton, G Rogers, N J Rushton, R Sutton, A C Saffell, C A Sewell, S Sheahan, N Smith, A Wilson, J Windram, L Windram, A C Woodman and M B Wyatt

Officers: Mr J Arnold, Mr A Barton, Mrs C Hammond, Ms K Hiller, Mr P Stone, Mrs A Thomas and Mrs R Wallace

22. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor E Parle.

23. DECLARATION OF INTERESTS

There were no interests declared.

24. CHAIR'S ANNOUNCEMENTS

The Chair announced his attendance at several civic events including the Moira Canal Festival, the Lord Mayor's Civic Reception at Leicester Cathedral, and the VE Day celebration at De Montfort Hall. The Chair had also met with the Lord Lieutenant of Leicestershire.

25. LEADER'S AND PORTFOLIO HOLDERS' ANNOUNCEMENTS

Councillor R Blunt, the Leader of the Council, made the following announcements:

A proposal for the Council to become debt free on its General Fund was announced and it was intended for full details to be available in September. Following a question from a Member it was confirmed that if the decision was made to go down the debt free route, the matter would be formally scrutinised by the relevant Scrutiny Committee in due course.

An update was provided on the current position of the Local Government Reorganisation submission and the ongoing public consultation.

Councillor M Wyatt, the Community and Climate Change Portfolio Holder made the following announcements:

An update was provided on the Charnwood Forest Regional Park's current progress on becoming a UNESCO Global Geopark. Should the designation be successful, funding was being sought by all local authority partners and following an assessment by the Strategic Director of Resources, it was announced that a recommendation to support would be considered by Cabinet on 24 June 2025.

The success of this year's Download Festival held in Castle Donington was celebrated and thanks were given to the event organisers and staff on their hard work, commitment and dedication to run the event. Several Members spoke in support of the well managed event, and it was proposed that a letter of thanks be written to the event organisers to congratulate them on a very well-run event.

As the year anniversary for NWL Community Lottery approached, an update was provided on the funds raised to date and the projects it was being used for.

Members were referred to the additional papers within which detailed the performance of the Love Your Neighbourhood Scheme. Thanks were given to the staff, residents, community groups, parish and town councils, and all Members in making the scheme a success. Some Members welcomed the information, however, were disappointed that there was not a formal report to a scrutiny committee as originally planned so that a full debate could be had on the topic.

Councillor K Merrie, the Finance and Corporate Portfolio Holder announced that budget discussions for 2026/27, including Local Government Reorganisation, were underway and he would like to work collaboratively with the opposition group as soon as possible towards the best options for the district. Members of the opposition group spoke in support.

26. QUESTION AND ANSWER SESSION

There were no questions received.

27. QUESTIONS FROM COUNCILLORS

There were three questions asked which are set out below together with the responses. Each Member who asked a question was invited by the Chair to ask a supplementary question which is also set out together with the response.

Question from Councillor T Eynon

“In the light the Leasehold and Freehold Reform Act 2024 and the Leasehold and Commonhold Reform Bill, what progress has the Local Plan Committee made towards dealing with the unfairness of Freehold Estate Charges and preparing an Open Space Policy which presumes developers will transfer all public open green spaces to the relevant Parish or District Council?”

Response from Councillor N Rushton

“There is no reason that would currently preclude Parish and Town Councils from accepting the transfer of public open space on new developments subject to receipt of an appropriate commuted sum for maintenance, secured by S106 Agreement.

The new Local Plan will have a policy on public open space (Policy IF4 – Open Space, Sport and Recreation Facilities). Wording could be added to the policy to state that the preference in the first instance is for Parish and Town Councils to accept the transfer of public open space with the payment of a commuted sum for maintenance secured through S106 Agreement. If a Parish or Town Council did not want to accept transfer of the public open space, it would fall to be maintained by a management company.

This is a matter that will be considered by the Local Plan Committee in due course.”

Supplementary question and response

Councillor T Eynon asked, that as officers had been assisting residents to take responsibility for their own land management, how the Council was intending to support residents from other areas in the district to do the same. Councillor N Rushton responded that all leaseholders had a right to take over land management, but it was not the responsibility of the Council to encourage residents to do so. He explained it was an

arduous process but suggested that the best way to approach the matter was for residents to work together to address it.

Question from Councillor D Bigby

"In 2019 the council declared a Climate Emergency and subsequently agreed a Zero Carbon Roadmap and Action Plan. The Council Delivery Plan 2023-2028 identifies one of its four priorities as "clean, green and Zero Carbon.....looking after the environment we live in". A key aim is "We will aim to be carbon neutral as a council by 2030 and a district by 2050". The council's Annual Zero Carbon Roadmap Update is an important document which provides evidence of this council's record in implementing its Zero Carbon Action Plan. For the three years to August 2024 this report has been presented annually to the Corporate Scrutiny Committee to allow thorough examination of progress, or lack of progress, against the Council's net zero goals. Until recently, a Year 5 report on progress was timetabled to go to Corporate Scrutiny this summer.

Could the portfolio holder please explain why and by whom the decision has been made to withdraw this report from the scrutiny process?"

Response from Councillor M Wyatt

"The report has not been withdrawn. As part of the Scrutiny Working Group meeting on the 18 June, all annual reports including the one on Net Zero, are a topic of discussion. This will ensure that annual reports being made to either committee align with the Scrutiny Principles. Once this is completed, the reports agreed will then be programmed through the agenda of the scrutiny meetings to ensure members are updated in line with the agreed protocols. As a Council Delivery Plan target quarterly reporting on the progress on Net Zero, is also taking place.

The report was removed from the agenda due to a combination of officer availability and work that was being undertaken in the background to inform such a report not being available for that date. Equally the agenda for the Corporate Scrutiny Committee meeting in September (there is no meeting of that Committee in August) has a number of other sizable agenda items."

Supplementary question and response

Councillor D Bigby asked how the Cabinet was going to support the resource of scrutiny to allow reports to be provided to Committee on time as planned. Councillor M Wyatt agreed to provide a response outside of the meeting.

Question from Councillor J Legrys

"What progress has this authority made towards updating the 2017 Playing Pitch Strategy and using the emerging data to identify a site in Ashby de la Zouch for a 4G sports pitch and support its funding through s106 contributions?"

Response from Councillor M Wyatt

"The Council commissioned consultants KKP to undertake a review of its sports and community facilities and assess future need. The final report is due to be published in October. The report will provide an evidence base to support the new Local Plan and unlock contributions from developers in the future as well as funding from other external sources. Several early engagement sessions have been undertaken across the district, including in Ashby, to explore early findings to inform the final plan but no final decisions have as yet been made."

Supplementary question and response

Councillor J Legrys asked why the Council was delaying the important sporting improvements to Ashby when there were funds available. Councillor M Wyatt noted the comments and agreed to provide a response outside of the meeting.

28. MOTIONS

No motions were received.

29. PETITIONS

No petitions were received.

30. MINUTES

Consideration was given to the minutes of the meeting held on 13 May 2025.

It was moved by Councillor P Lees, seconded by Councillor J Simmons and

RESOLVED THAT:

The minutes of the meeting held on 13 May 2025 be approved and signed by the Chair as a correct record.

31. AWAAB'S LAW – OPERATIONAL AND FINANCIAL IMPLICATIONS

Councillor A Woodman, Housing, Property and Customer Services Portfolio Holder, presented the report and moved the recommendations. It was seconded by Councillor N Rushton.

Members welcomed the report, and assurances were sought regarding staffing, IT systems and cultural change required in addressing damp and mould in council owned properties. The Portfolio Holder acknowledged the matters raised and it was noted that they would be discussed further with the Housing Improvement Board.

RESOLVED THAT:

- a) The funding of £0.5million from the Housing Revenue Account 2024/25 be approved as a supplementary estimate to meet the costs over five years.
- b) An earmarked reserve of £0.5million be created.

32. SUPPLEMENTARY ESTIMATES, VIREMENTS AND CAPITAL APPROVALS

Councillor K Merrie, Finance and Corporate Portfolio Holder, presented the report to Members and moved the recommendations. It was seconded by Councillor N Rushton.

A request was made to move into confidential session so that a discussion could be had on the contents of the confidential appendix to the report. It was therefore moved by Councillor P Lees, seconded by Councillor J Simmons and

RESOLVED THAT:

In pursuance of Section 100A(4) of the Local Government Act 1972, the press and public be excluded during the consideration of appendix C to the report on the grounds that the business to be transacted involves the likely disclosure of exempt information as defined

in Paragraph 3 of Part 1 of Schedule 12A to the Act and that the public interest in maintaining this exemption outweighs the public interest in disclosing the information.

A discussion then ensued on the confidential appendix to the report, where several questions of clarity were responded to by officers and the Leader of the Council. At the conclusion of the discussion, the confidential session was ended, and the meeting was reopened to the press and public.

In relation to the funds available both in the active programme and the development pool, a Member asked for assurances that it was still the intention to use it for a new supply of council homes in the current financial year as allocated. Concerns were raised that at three months into the financial year; there was yet to be any movement on the plans. It was acknowledged that as it was a technical housing question, a response would be provided outside of the meeting by the Housing, Property and Customer Services Portfolio Holder.

RESOLVED THAT:

- a) The supplementary estimates as detailed in paragraph 2.2 and appendix C, which are above £250,000 and are externally funded be approved.
- b) The revised capital programmes as detailed in appendices A and B be approved.

33. AUDIT AND GOVERNANCE COMMITTEE ANNUAL REPORT 2024/25

Councillor K Merrie, Finance and Corporate Portfolio Holder, presented the report to Members.

Councillor P Moulton was invited to speak on the report as the Chair of the Audit and Governance Committee during 2025/25.

During discussion it was suggested that more detail be included in future so that it was clear which audits had taken place in the preceding 12-month period, the progress made and which departments they were focused on, this would provide a better picture of what had been achieved.

The report was noted.

34. ANNUAL MEMBER CONDUCT REPORT

Councillor N Rushton, Infrastructure Portfolio Holder, presented the report to Members.

Councillor P Moulton was invited to speak on the report as the Chair of the Audit and Governance Committee during 2025/25.

Members commended the work undertaken by the Monitoring Officer with investigating recent conduct complaints due to the difficulties of subject matter.

During discussions, a Member highlighted the number of complaints received that did not meet the initial tests and inquired as to whether there was a process to identify if the complaints were vexatious, particularly if a complainant submitted numerous complaints. As the Governance Working Group was soon to be convened to review the complaints procedure, this comment was noted and would be included as part of the review.

Following further discussions, it was suggested that general committee quorums as detailed in the terms of references be reconsidered as part of the review of the

Constitution. For most committees it was a minimum of three members to be in attendance to hold a meeting, which some members felt was very low.

The report was noted.

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 7.42 pm

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – TUESDAY, 16 SEPTEMBER 2025



Title of Report	TREASURY MANAGEMENT STEWARDSHIP REPORT 2024/25	
Presented by	Councillor Keith Merrie Corporate and Finance Portfolio Holder	
Background Papers	<p>Council 22 February 2024 Capital Strategy, Treasury Management Strategy and Prudential Indicators</p> <p>Audit and Governance Committee 5 February 2025 Treasury Management Update Report – Quarter 3</p> <p>Council 20 February 2025 2024/25 Mid-Year Treasury Management Report</p> <p>Audit and Governance Committee 4 June 2025 Treasury Management Stewardship Report 2024/25</p> <p>Cabinet 24 June 2025 Treasury Management Stewardship Report 2024/25</p>	Public Report: Yes
Financial Implications	There are no financial implications as a direct result from this report.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	The Council is required to report Treasury Management activity to full Council.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	There are no staffing or corporate implications as a direct result from this report.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To inform Full Council of the Council's Treasury Management Activity undertaken during the 2024/25 financial year.	
Recommendations	THAT COUNCIL NOTES THE TREASURY MANAGEMENT REPORT FOR 2024/25.	

1.0 BACKGROUND

- 1.1 Treasury Management activity is underpinned by the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code), which requires local authorities to produce Prudential Indicators and a Treasury Management Strategy Statement annually on the likely financing and investment activity. The Prudential Indicators and Treasury Strategies were approved by Council on the 22 February 2024.
- 1.2 As a minimum, the CIPFA Code also requires that the Council reports on the performance of the Treasury Management function at least twice yearly (mid-year and at year end). The year-end report and the fourth to be presented in relation to 2024/25 is attached at Appendix A. Quarterly reports are presented to Audit and Governance Committee and a half-yearly report was presented to Council in February 2025.
- 1.3 The Treasury Management Stewardship Report 2024/25 (Appendix) A is designed to inform Members of the Council's treasury activity for 2024/25. The report was presented to the Audit and Governance Committee in June 2025 and endorsed by Cabinet on the 24 June 2025.

2.0 SUMMARY

- 2.1 In compliance with the requirements of the CIPFA code of practice, Appendix A provides Members with a summary report of the Treasury Management activity for the period April 2024 to March 2025. A prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.
- 2.2 For the reporting period, there have been no breaches of the Treasury Management Strategy Statement that need bringing to the attention of the full Council.

Policies and other considerations, as appropriate	
Council Priorities:	A well-run council
Policy Considerations:	None
Safeguarding:	Not applicable
Equalities/Diversity:	Not applicable
Customer Impact:	Not applicable
Economic and Social Impact:	Not applicable
Environment, Climate Change and zero carbon:	Not applicable
Consultation/Community Engagement:	Not applicable
Risks:	Borrowing and investment both carry an element of risk. This risk is mitigated through the adoption of the Treasury and Investment Strategies, compliance with the CIPFA code of Treasury Management and the retention of Treasury Management advisors (Arlingclose) to proffer expert advice
Officer Contact	Anna Crouch Head of Finance anna.crouch@nwleicestershire.gov.uk

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Treasury Management Stewardship Report 2024/25**1. Introduction**

- 1.1 The Council has adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Council to approve treasury management semi-annual and annual reports.
- 1.2 The Council goes beyond this requirement by issuing quarterly reports which provide additional updates and include the new requirement in the 2021 Code, mandatory from 1 April 2023, of quarterly reporting of the treasury management prudential indicators.
- 1.3 This report is the annual review of the financial year 2024/25.
- 1.4 The Council's treasury management strategy for 2024/25 was approved at the Council meeting on 22 February 2024. The Council has invested substantial sums of money and is, therefore, exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.

2. External Context (provided by Arlingclose)

- 2.1 **Economic background:** Both the United Kingdom (UK) and United States (US) elected new governments during the period, whose policy decisions impacted on the economic outlook. The Chancellor of the Exchequer delivered her Spring Statement in March 2025, following her Budget in October 2024. Based on the plans announced, the Office for Budget Responsibility downgraded its predictions for UK growth in 2025 to 1% from 2%. However, it upgraded its predictions for the four subsequent years. Inflation predictions for 2025 were pushed up, to 3.2% from 2.6%, before seen as falling back to target in 2027. The market reaction to the Spring Statement was more muted compared to the Budget, with very recent market turbulence being driven more by US trade policy decisions and President Trump.
- 2.2 After revising its interest rate forecast in November following the Budget, the Council's treasury management advisor, Arlingclose, maintained its stance that Bank Rate will fall to 3.75% in 2025.
- 2.3 UK annual Consumer Price Index (CPI) inflation continued to stay above the 2% Bank of England (BoE) target in the later part of the period. The Office for National Statistics (ONS) reported headline consumer prices at 2.8% in February 2025, down from 3.0% in the previous month and below expectations. Core CPI also remained elevated, falling slightly in February to 3.5% from 3.7% in January, just below expectations for 3.6% but higher than the last three months of the calendar year.
- 2.4 The UK economy Gross Domestic Product (GDP) grew by 0.1% between October and December 2024, unrevised from the initial estimate. This was an improvement on the zero growth in the previous quarter, but down from the 0.4% growth between April and June 2024. Of the monthly GDP figures, the economy was estimated to have contracted by 0.1% in January, worse than expectations for a 0.1% gain.
- 2.5 The labour market continued to cool, but the ONS data still require treating with caution. Recent data showed the unemployment rate rose to 4.4% (3mth/year) in the three months to January 2025 while the economic inactivity rate fell again to 21.5%.

The ONS reported pay growth over the same three-month period at 5.9% for regular earnings (excluding bonuses) and 5.8% for total earnings.

- 2.6 The BoE's Monetary Policy Committee (MPC) held Bank Rate at 4.5% at its March 2025 meeting, having reduced it in February. This follows earlier 0.25% cuts in November and August 2024 from the 5.25% peak. At the March MPC meeting, members voted eight to one to maintain Bank Rate at 4.5%, with the lone dissenter preferring another 25 basis points cut. The meeting minutes implied a slightly more hawkish tilt compared to February when two MPC members wanted a 50bps cut. In the minutes, the Bank also upgraded its Q1 2025 GDP forecast to around 0.25% from the previous estimate of 0.1%.
- 2.7 The February Monetary Policy Report (MPR) showed the BoE expected GDP growth in 2025 to be significantly weaker compared to the November MPR. GDP is forecast to rise by 0.1% in Q1 2025, less than the previous estimate of 0.4%. Four-quarter GDP growth is expected to pick up from the middle of 2025, to over 1.5% by the end of the forecast period. The outlook for CPI inflation showed it remaining above the MPC's 2% target throughout 2025. It is expected to hit around 3.5% by June before peaking at 3.7% in Q3 and then easing towards the end of the year but staying above the 2% target. The unemployment rate was expected to rise steadily to around 4.75% by the end of the forecast horizon, above the assumed medium-term equilibrium unemployment rate of 4.5%.
- 2.8 Arlingclose, the Council's treasury adviser, maintained its central view that Bank Rate would continue to fall throughout 2025. From the cuts in August and November 2024 and February 2025, which took Bank Rate to 4.50%, May is considered the likely month for the next reduction, with other cuts following in line with MPR months to take Bank Rate down to around 3.75% by the end of 2025.
- 2.9 The US Federal Reserve paused its cutting cycle in the first three months of 2025, having reduced the Fed Funds Rate by 0.25% to a range of 4.25%-4.50% in December, the third cut in succession. Fed policymakers noted uncertainty around the economic outlook but were anticipating around 0.50% of further cuts in the policy rate in 2025. Economic growth continued to rise at a reasonable pace, expanding at an annualised rate of 2.4% in Q4 2024 while inflation remained elevated over the period. However, growth is now expected to weaken by more than previously expected in 2025, to 1.7% from 2.1%. The uncertainty that President Trump has brought both before and since his inauguration in January is expected to continue.
- 2.10 The European Central Bank (ECB) continued its rate cutting cycle over the period, reducing its three key policy rates by another 0.25% in March, acknowledging that monetary policy is becoming meaningfully less restrictive. Euro zone inflation has decreased steadily in 2025, falling to 2.2% in March, the lowest level since November 2024. Over the current calendar year, inflation is expected to average 2.3%. GDP growth stagnated in the last quarter of the 2024 calendar year, after expanding by 0.4% in the previous quarter. For 2025, economic growth forecasts were revised downwards to 0.9%.
- 2.11 **Financial markets:** Financial market sentiment was reasonably positive over most of the period, but economic, financial and geopolitical issues meant the trend of market volatility remained. In the latter part of the period, volatility increased, and bond yields started to fall following a January peak, as the economic uncertainty around likely US trade policy impacted financial markets. Yields in the UK and US started to diverge in the last month of the period, with the former rising around concerns over the fiscal implications on the UK government from weaker growth, business sentiment and

higher rates, while the latter started falling on potential recession fears due to the unpredictable nature of policy announcements by the US President and their potential impact.

- 2.12 The 10-year UK benchmark gilt yield started the period at 3.94% and ended at 4.69%, having reached a low of 3.76% in September and a high of 4.90% in January in between. While the 20-year gilt started at 4.40% and ended at 5.22%, hitting a low of 4.27% in September and a high of 5.40% in January. The Sterling Overnight Rate (SONIA) averaged 4.90% over the period.
- 2.13 *The period in question ended shortly before US President Donald Trump announced his package of 'reciprocal tariffs', the immediate aftermath of which saw stock prices and government bond yields falling and introduced further uncertainty over the economic outlook.*
- 2.14 **Credit review:** In October, Arlingclose revised its advised recommended maximum unsecured duration limit on most banks on its counterparty list to six months. Duration advice for the remaining five institutions, including the newly added Lloyds Bank Corporate Markets, was kept to a maximum of 100 days. This advice remained in place at the end of the period.
- 2.15 Fitch revised the outlook on Commonwealth Bank of Australia (CBA) to positive from stable while affirming its long-term rating at AA-, citing its consistent strong earnings and profitability.
- 2.16 Other than CBA, the last three months of the period were relatively quiet on the bank credit rating front, with a small number of updates issued for a number of lenders not on the Arlingclose recommended counterparty list.
- 2.17 On local authorities, S&P assigned a BBB+ to Warrington Council, having previously withdrawn its rating earlier in 2024, and withdrew its rating for Lancashire County Council due to the council deciding to stop maintaining a credit rating. However, it still holds a rating with Fitch and Moody's. Moody's withdrew its rating of Cornwall Council after it chose to no longer maintain a rating.
- 2.18 Credit default swap prices generally trended lower over the period but did start to rise modestly in March, but not to any levels considered concerning. Once again, **price volatility over the** period remained generally more muted compared to previous periods.
- 2.19 Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remain under constant review.

3. Local Context

- 3.1 On 31 March 2025, the Council had net borrowing of £25.6m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31.03.24 Estimated £m	31.03.25 Estimated £m
General Fund CFR	36.03	34.83
HRA CFR	52.15	54.72
Total CFR	88.18	89.55
External borrowing	56.34	55.08
Internal borrowing	31.84	34.47
Total Borrowing	88.18	89.55

- 3.2 The treasury management position on 31 March 2025 and the change over the twelve months is shown in Table 2 below.

Table 2: Treasury Management Summary

	31.03.24 Balance £m	Movement £m	31.03.25 Balance £m	31.03.25 Rate %
Long-term borrowing	55.1	-1.3	53.8	3.52%
Short-term borrowing	1.3	-0.0	1.3	2.25%
Total borrowing	56.4	-1.3	55.1	3.49%
Long-term investments	0.0	0.0	0.0	0.00%
Short-term investments	25.0	-15.0	10.0	5.70%
Cash and cash equivalents	5.0	14.5	19.5	4.51%
Total investments	30.0	-0.5	29.5	4.91%
Net borrowing	26.4	-0.8	25.6	

4. Borrowing

- 4.1 CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the Council.
- 4.2 Public Works Loan Board (PWLB) loans are no longer available to local authorities planning to buy investment assets primarily for yield and the Council intends to avoid this activity to retain its access to PWLB loans.
- 4.3 The Council currently holds circa £9m in commercial investments that were purchased prior to the change in the CIPFA Prudential Code. These commercial investments are primarily for local regeneration and growth with a secondary objective of financial return. Before undertaking further additional borrowing the Council will review the options for exiting these investments.
- 4.4 As shown in table 1 the Council has internally borrowed £34.41m on 31 March 2025. This internal borrowing foregoes a potential interest income rate of 4.91%. Current one-year external borrowing rates with the PWLB (Certainty Rate) are 4.82% as of 31 March 2025. An additional rate for HRA specific borrowing has been implemented from June 2023 which is 0.4% lower than standard PWLB rates.

- 4.5 Whilst the current average interest rate is higher than the PWLB certainty rate, this is due mainly to two short-term investments at an average rate of 5.7%. Once these mature in August the average rate is likely to fall significantly. It is, therefore, appropriate to remain internally borrowed at this point.

5. Borrowing Strategy and Activity

- 5.1 As outlined in the treasury strategy, the Council's chief objective when borrowing has been to strike an appropriate risk balance between securing lower interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.
- 5.2 After substantial rises in interest rates since 2021, many central banks have now begun to reduce their policy rates, albeit slowly. Gilt yields were volatile but have increased overall during the period. Much of the increase has been in response to market concerns that policies introduced by the Labour government will be inflationary and lead to higher levels of government borrowing. The election of Donald Trump in the US in November is also expected to lead to inflationary trade policies.
- 5.3 The PWLB certainty rate for 10-year maturity loans was 4.80% at the beginning of the period and 5.42% at the end. The lowest available 10-year maturity rate was 4.52% and the highest was 5.71%. Rates for 20-year maturity loans ranged from 5.01% to 6.14% during the period, and 50-year maturity loans ranged from 4.87% to 5.87%.
- 5.4 Whilst the cost of short-term borrowing from other local authorities spiked to around 7% in late March 2024, primarily due a dearth of LA-LA lending/borrowing activity during that month, as expected shorter-term rates reverted to a more market-consistent range and were generally around 5.00% - 5.5%. Rising rates were seen towards the end of the period in the LA-LA market.
- 5.5 CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Council. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes. The Council has no new plans to borrow to invest primarily for financial return.
- 5.6 On 31 March 2025, the Council held £55.1m of loans, there has been a decrease of £1.3m since 31 March 2024 due to principal repayments. A breakdown of outstanding loans is shown below in table 3.

Table 3: Borrowing Position

	31.03.24 Balance £m	Net Movement £m	31.03.25 Balance £m	31.03.25 Weighted Average Rate %	31.03.25 Weighted Average Maturity (years)
Public Works Loan Board	52.4	-1.3	51.1	3.40%	13.8
Banks (LOBO)	0.0	0.0	0.0	0.00%	0.0
Banks (fixed-term)	3.9	0.0	3.9	4.68%	2.1
Local authorities (long-term)	0.1	-0.0	0.1	0.04%	0.0
Local authorities (short-term)	0.0	0.0	0.0	0.00%	0.0
Total borrowing	56.4	-1.3	55.1	3.49%	15.9

- 5.7 There remains a strong argument for diversifying funding sources, particularly if rates can be achieved on alternatives which are below gilt yields + 0.80%. The Council will evaluate and pursue these lower cost solutions and opportunities with its advisor Arlingclose.

6. Treasury Investment Activity

- 6.1 CIPFA revised Treasury Management Code defines treasury management investments as those which arise from the Council's cash flows or treasury risk management activity that ultimately represents balances which need to be invested until the cash is required for use in the course of business.
- 6.2 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Council's investment balances have ranged between £26.27m and £48.95m due to timing differences between income and expenditure. The investment position is shown in table 4 below.

Table 4: Treasury Investment Position

	31.03.24 Balance £m	Net Movement £m	31.03.2025 Balance £m	31.03.2025 Income Return %	31.03.2025 Weighted Average Maturity days
Banks & building societies (unsecured)	0.0	0.0	0.0	0.00%	0.00
Government (incl. local authorities)	30.0	-20.0	10.0	5.70%	61.36
Money Market Funds	0.0	19.5	19.5	4.51%	0.66
Total investments	30.0	-0.5	29.5	4.91%	62.02

- 6.3 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 6.4 As demonstrated by the liability benchmark in this report, the Council expects to be a long-term investor and treasury investments therefore include both short-term low risk

instruments to manage day-to-day cash flows and longer-term instruments where limited additional risk is accepted in return for higher investment income to support local public services.

- 6.5 Bank Rate reduced from 5.25% to 5.00% in August 2024 and again to 4.75% in November 2024 with short term interest rates largely being around these levels. The rates on Debt Management Account Deposit Facility (DMADF), ranged between 5.19% and 4.45% and money market rates between 5.24% and 4.42%. All rates reduced gradually through the financial year.
- 6.6 The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in Table 5 below. It should be noted that during the final quarter of last year the Council Investment rate of return was higher than its peers within the benchmarking group of 122 Local Authorities and 45 Non-Met District Authorities.

Table 5: Investment Benchmarking – Treasury investments managed in-house

	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return %
31/03/2025	5.30	A+	66%	7	4.91%
Similar Las	4.79	A+	63%	12	4.77%
All Las	4.77	A+	64%	11	4.80%

- 6.7 In financial markets the April – January period was characterised by overall positive equity market performance, rising global yields and bond market volatility, central bank interest rate cuts and changing expectations of the path of future cuts. However, from February the markets were impacted by actions proposed by the US President, and the markets fell significantly, against a background of uncertainty and volatility.
- 6.8 The Council has budgeted £696,200 interest income from investments after deductions in 2024/25. The actual income received by 31 March 2025 was £1.54m.
- 6.9 Interest rates can and have been extremely volatile over the financial year and are likely to be similarly volatile in the upcoming months. Therefore, for the purpose of budget setting these forecasts are reduced by 20% to ensure that there is not an overreliance placed on interest return for creating a balanced budget.
- 6.10 The updated forecast of £1.54m will be split between the General Fund (GF) and Housing Revenue Account (HRA). This split will be 86.36% to the GF and 13.64% to HRA. The percentage split is worked using the investment balances for both funds throughout the year as a percentage of the overall investment fund. This is subject to finalisation.
- 6.11 Interest forecasts are notoriously difficult to predict and are subject to change particularly in an unstable interest rate environment and constantly changing economic environment.

7. Non-Treasury Investments

- 7.1 The definition of investments in CIPFA's revised 2021 Treasury Management Code covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are

categorised as either for service purposes (made explicitly to further service objectives) and/or for commercial purposes (made primarily for financial return).

- 7.2 Investment Guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG) and Welsh Government also broadens the definition of investments to include all such assets held partially or wholly for financial return.
- 7.3 The Council held circa £9m of investments made for commercial purposes. This consisted entirely of directly owned property and land. A full list of the Council's non-treasury investments is available in the Investment Strategy 2024-25 document. These investments are forecast to generate £410,000 in investment income in 2024/25 for the Council after taking account of direct costs.
- 7.4 The main purpose of these investments is regeneration of the local area rather than investment income. All commercial investments are located within the district.

8. Treasury Performance

- 8.1 The Council measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship with benchmark interest rates.
- 8.2 Investment interest income during the reporting period was £1.91m before deductions. The Council's investment interest return percentage on 31 March 2025 was 4.91%. For comparison purposes the Daily Sterling Overnight Index Average (SONIA) which is used for benchmarking purposes was 4.45%. For similar local authorities the most recent benchmarking data, which is from 31 March 2025 showed an investment return of 4.80%. This is shown in Appendix 1.
- 8.3 Since the beginning of the reporting period the Council, as per forecast, has paid £1.95m interest on borrowing. The weighted average interest rate on borrowing is 3.49%. For comparison purposes the current PWLB Maturity Loan rate for new 10-year loans is 5.42%. Our average rate therefore represents a good rate of borrowing in the current environment.
- 8.4 During the reporting period the Council, as per forecast, has paid back £1.26m in principal on its PWLB loans. The £1.26m is for the annuity loans whereby regular payments are made throughout the lifetime of the loan. There is no intention to borrow to replace these loans as the Council currently has the resources to absorb this.
- 8.5 The Council was forecast to undertake new borrowing of £3.8m for the HRA in the 2024/25 financial year, however, none was required to be undertaken. There has therefore been an equal increase in the internal borrowing.
- 8.6 On 10 April 2024, amended legislation and revised statutory guidance were published on Minimum Revenue Provision (MRP). Most of the changes take effect from the 2025/26 financial year, although there is a requirement that for capital loans given on or after 7 May 2024 sufficient MRP must be charged so that the outstanding CFR in respect of the loan is no higher than the principal outstanding, less the Expected Credit Loss (ECL) charge for that loan. No capital loans have been given since May 2024.
- 8.7 The regulations also require that local authorities cannot exclude any amount of their CFR from their MRP calculation unless by an exception set out in law. Capital receipts cannot be used to directly replace, in whole or part, the prudent charge to revenue for MRP (there are specific exceptions for capital loans and leased assets).

9. Compliance

- 9.1 The S151 Officer reports that all treasury management activities undertaken during the year complied fully with the CIPFA Code of Practice.
- 9.2 Compliance with the Authorised Limit and Operational Boundary for external debt is demonstrated in table 6 below.

Table 6: Debt Limits

	2024/25 Maximum During Period £m	31.03.25 Actual £m	2024/25 Operational Boundary £m	2024/25 Authorised Limit £m	Complied?
Borrowing	60.3	55.1	99.2	110.2	YES

- 9.3 Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. However, there were no days in the reporting period in which the operational boundary was breached.

Table 7: Investment Limits

	2024/25 Maximum During Period £m	31.03.25 Actual £m	2024/25 Limit £m	Complied?
The UK Government	22.0	0.0	Unlimited	YES
Local authorities & other government entities	11.0	10.0	60.0	YES
Secured investments	0.0	0.0	60.0	YES
Banks (unsecured)	0.0	0.0	60.0	YES
Building societies (unsecured)	0.0	0.0	5.0	YES
Registered providers (unsecured)	0.0	0.0	12.5	YES
Money market funds	25.0	19.5	60.0	YES
Strategic pooled funds	0.0	0.0	25.0	YES
Real estate investment trusts	0.0	0.0	12.5	YES
Other investments	0.0	0.0	2.5	YES
Totals	58.0	29.5		

10. Treasury Management Prudential Indicators

- 10.1 The Council measures and manages its exposures to treasury management risks using the following indicators.
- 10.2 **Security:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Table 8: Security

	31.03.24 Actual	31.03.25 Actual	2024/25 Target	Complied?
Portfolio average credit rating	A+	A+	A-	YES

- 10.3 **Liquidity:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing. Due to recent changes in Treasury Officers, a very prudent approach has been taken to cashflow forecasts.

Table 9: Liquidity

		31.03.25 Actual £m	2024/25 Target £m	Complied?
Total cash available within 3 months	90	19,500,000	2,500,000	YES

- 10.4 **Interest Rate Exposures:** This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests is shown in table 10.

Table 10: Interest Rate Exposures

Interest rate risk indicator	31.03.25 Actual	2024/25 Limit	Complied?
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	243,424	600,000	YES
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	-243,424	-600,000	YES

- 10.5 The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates. Due to all Council investments maturing in year and the majority of Council borrowing maturing in later years this means that the Council would benefit from an increase in Interest rates (as investments are replaced with higher rates but not borrowing) but are negatively impacted by a decrease in interest rates for the same reason.
- 10.6 This is demonstrated in the above figures which show a positive return from an increase and a negative return from a decrease in interest rates. Both impacts are within reasonable limits for the revenue budget. The Council also takes further precautions by reducing its interest forecast by a risk-adjusted amount of 20% as discussed in paragraph 6.9.
- 10.7 For context, the changes in interest rates during the period were:

Table 11: Interest Rate Changes

Context - Interest Rate changes	31.3.24	31.03.25
Bank Rate	5.25%	4.75%
1-year PWLB certainty rate, maturity loans	5.36%	4.82%
5-year PWLB certainty rate, maturity loans	4.68%	4.97%
10-year PWLB certainty rate, maturity loans	4.74%	5.42%
20-year PWLB certainty rate, maturity loans	5.18%	5.91%
50-year PWLB certainty rate, maturity loans	5.01%	5.67%

- 10.8 **Maturity Structure of Borrowing:** This indicator is set to control the Council's exposure to refinancing risk. [This indicator covers the risk of replacement loans being unavailable, not interest rate risk.] The upper and lower limits on the maturity structure of all borrowing were:

Table 12: Maturity Structure of Debt

	31.03.25 Actual £m	31.03.25 Actual %	Lower Limit	Upper Limit	Complied ?
Under 12 months	1.3	1.16%	0.00%	70.00%	YES
12 months and within 24 months	1.3	2.32%	0.00%	30.00%	YES
24 months and within 5 years	1.8	4.44%	0.00%	30.00%	YES
5 years and within 10 years	1.3	3.31%	0.00%	30.00%	YES
10 years and within 20 years	43.8	78.57%	0.00%	90.00%	YES
20 years and above	5.7	10.21%	0.00%	30.00%	YES
Totals	55.1	100%			

- 10.9 Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

- 10.10 **Principal Sums Invested for Periods Longer than a year:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

Table 13: Long Term Investments

	2024/25 £M	2025/26 £M	2026/27 £M	No Fixed Date
Actual principal invested beyond 365 days at year end	£0	£0	£0	£0
Limit on principal invested beyond 365 days at year end	£60m	£10m	£10m	£10m
Complied?	YES	YES	YES	YES

- 10.11 **Liability Benchmark:** This indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital

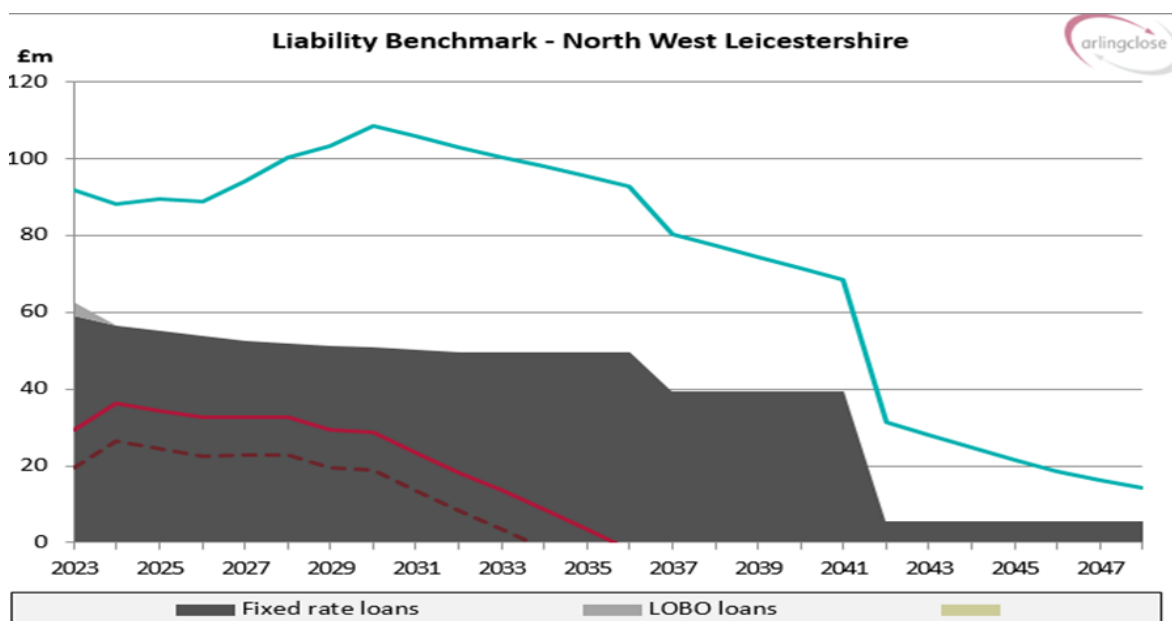
and revenue plans while keeping treasury investments at the minimum level of £10m required to manage day-to-day cash flow.

Table 14: Liability Benchmark

	31.03.24 Forecast	31.03.25 Forecast	31.03.26 Forecast	31.3.27 Forecast
Loans CFR	88.20	89.50	88.80	94.20
Less: Balance sheet resources	-61.80	-65.20	-66.30	-71.50
Net loans requirement	26.30	24.30	22.50	22.70
Plus: Liquidity allowance	10	10	10	10
Liability benchmark	36.3	37.7	36	40.4
Existing external borrowing	-56.3	-55.1	-53.8	-52.5

The 31.3.24 and 31.03.25 position is an estimate due to statement of accounts not yet being finalised.

- 10.12 Following on from the medium-term forecast above, the long-term liability benchmark assumes no capital expenditure funded by borrowing before 2025/26, minimum revenue provision on new capital expenditure based on a variable asset life depending on asset type (This can vary from 5 – 50 years) and income, expenditure and reserves all increasing by inflation of 2.5% p.a. This is shown in the chart below together with the maturity profile of the Council's existing borrowing.



- 10.13 The Liability Benchmark shows the underlying need to borrow (Loans CFR) in the blue line at the top of the graph, the grey shaded area as existing loans and the strong red line as the requirement for external borrowing. This graph demonstrates that by using internal resources the Council is likely to not have an external borrowing requirement over the medium term. However, there is little room for adjustment and the Liability Benchmark graph is an estimate and subject to significant change. This situation may evolve and create a borrowing requirement in the next couple of years.



Investment Benchmarking 31 March 2025

North West Leicestershire
45 English Non-Met Districts Average
121 LAs Average

Internal Investments	£29.5m	£27.0m	£52.6m
Cash Plus & Short Bond Funds	£0.0m	£1.3m	£0.8m
Strategic Pooled Funds	£0.0m	£10.4m	£9.7m
TOTAL INVESTMENTS	£29.5m	£38.7m	£63.1m

Security

Average Credit Score	5.30	4.79	4.77
Average Credit Rating	A+	A+	A+
Average Credit Score (time-weighted)	5.71	4.83	4.83
Average Credit Rating (time-weighted)	A	A+	A+
Number of Counterparties / Funds	7	12	11
Proportion Exposed to Bail-in	66%	63%	64%

Liquidity

Proportion Available within 7 days	66%	48%	56%
Proportion Available within 100 days	66%	64%	71%
Average Days to Maturity	48	54	8

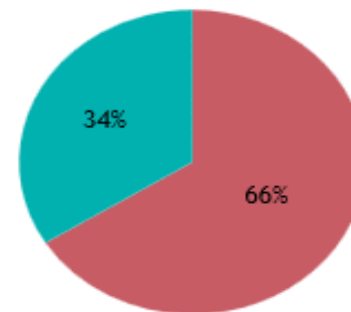
Market Risks

Average Days to Next Rate Reset	81	77	42
Strategic Fund Volatility	-	2.4%	3.2%

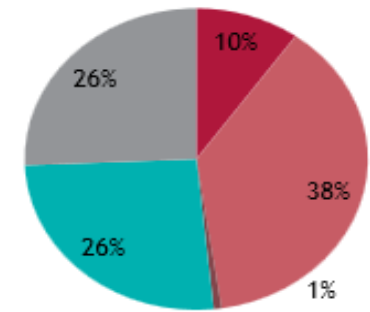
Yield

Internal Investment Return	4.91%	4.60%	4.55%
Cash Plus Funds - Income Return	-	4.49%	4.49%
Strategic Funds - Income Return	-	5.01%	5.04%
Total Investments - Income Return	4.91%	4.69%	4.65%
Cash Plus Funds - Capital Gain/Loss	-	0.68%	0.70%
Strategic Funds - Capital Gain/Loss	-	0.40%	0.92%
Total Investments - Total Return	4.91%	4.77%	4.80%

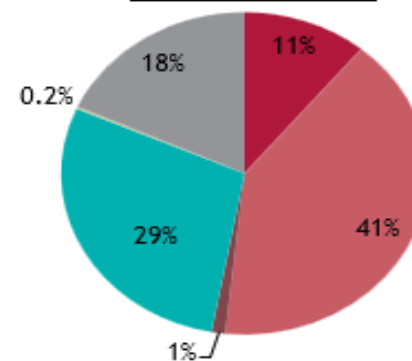
North West Leicestershire



English Non-Met Districts



All Arlingclose Clients



Notes

- Unless otherwise stated, all measures relate to internally managed investments only, i.e. excluding external pooled funds.
- Averages within a portfolio are weighted by size of investment, but averages across authorities are not weighted.
- Pooled fund returns are 1-year to the end of the quarter.
- Credit scores are calculated as AAA = 1, AA+ = 2, etc.
- Volatility is the standard deviation of weekly total returns, annualised.

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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – TUESDAY, 16 SEPTEMBER 2025



Title of Report	SUPPLEMENTARY ESTIMATES, VIREMENTS AND CAPITAL APPROVALS	
Presented by	Councillor Keith Merrie Finance and Corporate Portfolio Holder	
Background Papers	<p>Council: 20 February 2025 General Fund and Council Tax – 2025/26</p> <p>Housing Revenue Account (HRA) Budget and Rent Setting- 2025/26</p> <p>Council: 13 May 2025 Capital Update</p> <p>Council: 17 June 2025 Supplementary Estimates, Virements and Capital Approvals</p> <p>Cabinet: 24 June 2025 Supplementary Estimates, Virements and Capital Approvals</p> <p>Cabinet: 29 July 2025 Supplementary Estimates, Virements and Capital Approvals</p> <p>Cabinet: 26 August 2025 HRA New Stock Development</p> <p>Supplementary Estimates, Virements and Capital Approvals</p> <p>Acquisitional and Disposals – S106 Acquisition</p> <p>Cabinet: 28 January 2026 Acquisitions and Disposals</p>	Public Report: Yes
Financial Implications	<p>The report is to ensure the Council is following good financial governance in line with its Financial Procedure Rules and capital governance arrangements. The financial implications are set out in the report.</p> <p>Signed off by the Section 151 Officer: Yes</p>	
Legal Implications	S151 of The Local Government Act (1972) states that every Local Authority shall make arrangements for the proper administration of the financial affairs.	

	<p>The Local Government Act (2000) requires Full Council to approve the Council's budget and NW Leicestershire District Council did so in February 2025.</p> <p>S151 of the Local Government Act (1972) makes clear that the Council is responsible for the overall financial administration of the Council and the S151 Officer is responsible for the administration of those affairs.</p> <p>Councils are required to ensure that there is clear separation between capital and revenue budgets.</p> <p>Signed off by the Monitoring Officer: Yes</p>
Staffing and Corporate Implications	<p>The Council is managing its capital budgets in a co-ordinated and effective way since the Capital Strategy Group was introduced and changes were made to introduce the development pool and programme of active projects.</p> <p>Signed off by the Head of Paid Service: Yes</p>
Purpose of Report	<p>The Financial Procedure Rules in the Constitution describes the procedure in respect of supplementary estimates as set out in Financial Regulation A: Financial Management, paragraphs A26 to A28.</p>
Recommendations	<p>THAT COUNCIL APPROVES:</p> <ol style="list-style-type: none"> 1. THE SUPPLEMENTARY ESTIMATES DETAILED IN PARAGRAPH 2.2 WHICH ARE ABOVE £250K AND ARE EXTERNALLY FUNDED; AND 2. THE REVISED CAPITAL PROGRAMMES AS DETAILED IN APPENDICES A AND B, SUBJECT TO CABINET APPROVAL OF THE CAPITAL SUPPLEMENTARY ESTIMATES ON THE 23 SEPTEMBER 2025.

1.0 BACKGROUND

- 1.1 Annually, the Council approves its Budget and Capital Programmes in February ahead of the subsequent financial year. The Budget is based on the best available intelligence at that point in time.
- 1.2 However, the external environment within which the Council operates is constantly evolving and during the financial year there can be changes in funding, for example the Council being successful in a grant bid for additional funding or by securing extra resources through partnership working.
- 1.3 These changes in funding, and therefore spending, are required to be managed in line with the Council's Financial Procedure Rules which form part of the Constitution. The delegation levels provide clarity regarding the inclusion of additional resources secured during the financial year that were not included when the Council sets its annual Budget in February.
- 1.4 This report provides an update on additional funds secured during the financial year since the budget was set and requests specific approval of new funds secured of £250,000 or more and new schemes for inclusion into the Capital Programme as set out in 3.0 below. This is in line with the requirements set out in the Financial Procedure Rules.

2.0 SUPPLEMENTARY ESTIMATES

- 2.1 A Supplementary Estimate is an addition to the Council's approved budget. In line with the Council's Financial Procedure Rules, a supplementary estimate over £250,000 or more requires Council approval to include it in its Budget.
- 2.2 The following Supplementary Estimates of £250,000 or more have been received and requires Council approval to include in the Council's budget:

Supplementary Estimates	Fund	£	Funded By
Disabled Facilities Grant	General	943,749	Grant
Extended Producer Responsibility Payment	General	432,096	Grant
St John's Ambulance Building (info in paragraph 3.2)	General	270,000	Business Rates Reserve

3.0 CAPITAL

- 3.1 As part of the annual Budget in February 2025, the Council agreed its Capital Programme. The budget report set out capital project governance by managing schemes through their project life cycle. In line with the Council's Financial Procedure Rules, which forms part of the Constitution, any new schemes entering the Capital Programme requires Council approval.

New Schemes (For Approval)

- 3.2 There are two new General Fund schemes that require approval to be added onto the capital programme:

- **Replacement Audit Visual Equipment (Council Chamber) - £27,554**

The Chamber's current audio-visual equipment is reaching the end of its operational life. Over the past several months, there have been repeated instances where the cameras have failed to perform reliably, resulting in disruptions to the quality and continuity of meetings. These technical issues compromise the Council's ability to facilitate clear communication and proper participation, particularly during virtual sessions.

It is essential for the Council to have equipment that ensures both the chamber and individual speakers are consistently visible and audible to all participants, whether present in person or joining remotely. The effectiveness of Council meetings relies upon technology that supports transparency, accessibility, and engagement.

Cabinet will be asked to approve a supplementary estimate to fund the scheme from the Business Rates Reserve on the 23 September 2025.

- **Customer Contact Centre Refurbishment - £17,450**

The Customer Service Centre has highlighted that, in light of recent incidents at the centre, it is imperative that the meeting rooms setup adequately reflects the security needs of customer service officers. The proposed refurbishment includes additional security measures, designed to safeguard staff while incurring minimal cost to the Council. This approach prioritises the well-being of Council officers. Cabinet will be asked to approve a supplementary estimate to fund the scheme from the Business Rates Reserve on the 23 September 2025.

- **St John Ambulance - £270,000**

On 28 January 2025, Cabinet agreed to the purchase of St Johns Ambulance Centre for £270,000, delegating authority to the Strategic Director of Place, in consultation with the Portfolio Holder for Housing Property and Customer Services, to enter into all necessary agreements to complete the transaction. The purchase was finalised on 8 August 2025. As a result, approvals are now required to ensure that the asset is properly accounted for within the Council's capital programme, and to agree a supplementary estimate for the purchase of the property, with funding to be provided from the Council's Business Rates Reserve, as set out in the Cabinet Report of 28 January 2025.

Supplementary Estimates for Existing Schemes (For information only)

- 3.2 Two existing schemes have been updated to reflect supplementary estimates. On 29 July, Cabinet approved an additional £50,000 for the Zero Carbon project and this report is seeking approval for a supplementary estimate to add an additional £943,749 to the existing Disabled Facilities Grant scheme (paragraph 2.2).

Movements from Development Pool to Active Programme (for Information only)

- 3.3 On 20 February, as part of the approval of the Capital Strategy 2025-26, the Council delegated authority to move a capital scheme from the development pool to the active programme as long as the scheme is within the approved budget. Under these powers, Cabinet has approved the following movements:

Fund	Project	Amount	Cabinet Meeting Date
General Fund	Service Road Resurfacing	500,000	24/06/2025
General Fund	Laptop Replacement	92,000	29/07/2025
General Fund	Replacement Windows Server	50,000	29/07/2025
HRA	New Supply	1,963.000	26/08/2025

Policies and other considerations, as appropriate	
Council Priorities:	<ul style="list-style-type: none"> - Planning and regeneration - Communities and housing - Clean, green and Zero Carbon - A well-run council
Policy Considerations:	The Council's Financial Procedure Rules, sections A24 – A28, set out the details of the virement and supplementary estimates.
Safeguarding:	N/A
Equalities/Diversity:	N/A
Customer Impact:	N/A
Economic and Social Impact:	N/A
Environment, Climate Change and zero carbon:	N/A
Consultation/Community Engagement:	None

Risks:	Non-compliance with any grant conditions. A full assessment is in place as part of the grant process.
Officer Contact	Anna Crouch Head of Finance anna.crouch@nwleicestershire.gov.uk

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Project Name	2025/26	2026/27	2027/28	2028/29	2029/30	Total	Funding					
	Approved Budget	Indicative Budget	Indicative Budget	Indicative Budget	Indicative Budget		Grant	Capital Receipt	Revenue	Business Rates Reserve	EMR	Total
ACTIVE PROGRAMME												
Coalville Regeneration Projects												
Marlborough Square Improvements	61,039					61,039				61,039		61,039
Marlborough Centre Purchase and Renovation	500,000	2,400,000	52,923			2,952,923				2,952,923		2,952,923
Capitalisation of Salaries	500,000	500,000	500,000	500,000	500,000	2,500,000				2,500,000		2,500,000
Total Coalville Regeneration Projects	1,061,039	2,900,000	552,923	500,000	500,000	5,513,962	-	-	-	5,513,962	-	5,513,962
Zero Carbon												
Solar EV Hub Moneyhill	300,000					300,000	250,000				50,000	300,000
Total Zero Carbon	300,000	-	-	-	-	300,000	250,000	-	-	-	50,000	300,000
Systems/ICT Systems												
Laptop Replacement	92,000					92,000				92,000		92,000
Replacement Windows Server	50,000					50,000				50,000		50,000
Total Systems/ICT Systems	142,000	-	-	-	-	142,000	-	-	-	142,000	-	142,000
Vehicles, Plant and Equipment												
Food Waste Collections	1,154,138					1,154,138	1,062,066			92,072		1,154,138
Refuse Bins and Recycling Containers	1,674,000					1,674,000				1,674,000		1,674,000
Fleet Replacement Programme	4,708,000					4,708,000				4,708,000		4,708,000
Total Vehicles, Plant and Equipment	7,536,138	-	-	-	-	7,536,138	1,062,066	-	-	6,474,072	-	7,536,138
New Construction or Renovation												
The Courtyard Roof Repair	200,000					200,000				200,000		200,000
Service Road Resurfacing	500,000					500,000				500,000		500,000
Car Park Resurfacing	164,000					164,000				164,000		164,000
St John Ambulance Building	270,000					270,000				270,000		270,000
Total New Construction or Renovation	1,134,000	-	-	-	-	1,134,000	-	-	-	1,134,000	-	1,134,000
TOTAL ACTIVE PROGRAMME	10,173,177	2,900,000	552,923	500,000	500,000	14,626,100	1,312,066	-	-	13,264,034	50,000	14,626,100
DEVELOPMENT POOL												
Coalville Regeneration Projects												
Coalville Regeneration Framework	1,500,000					1,500,000				1,500,000		1,500,000
Demolition of Council Offices	120,000					120,000				120,000		120,000
Total Coalville Regeneration Projects	1,620,000	-	-	-	-	1,620,000	-	-	-	1,620,000	-	1,620,000
UK Shared Prosperity Investment Plan Programme (UKSPF)												
UK Shared Prosperity Investment Plan Programme	145,859					145,859	145,859					145,859

Project Name	2025/26 Approved Budget	2026/27 Indicative Budget	2027/28 Indicative Budget	2028/29 Indicative Budget	2029/30 Indicative Budget	Total	Funding					
							Grant	Capital Receipt	Revenue	Business Rates Reserve	EMR	Total
Total Vehicles, Plant and Equipment	145,859	-	-	-	-	145,859	145,859	-	-	-	-	145,859
Zero Carbon												
Electrical Vehicle (EV) Charging Infrastructure Strategy	40,000					40,000				40,000		40,000
Solar Panels - Ashby Leisure Centres	195,000					195,000				195,000		195,000
Solar EV Hub Moneyhill						-				-		-
Total Zero Carbon	235,000	-	-	-	-	235,000	-	-	-	235,000	-	235,000
Systems/ICT Systems												
Laptop Replacement		49,000	49,000	60,000	92,000	250,000				250,000		250,000
Replacement Windows Server					50,000	50,000				50,000		50,000
Wide Area Network (WAN)	50,000				50,000	100,000				100,000		100,000
Total Systems/ICT Systems	50,000	49,000	49,000	60,000	192,000	400,000	-	-	-	400,000	-	400,000
Vehicle, Plant and Equipment												
Refuse Bins and Recycling Containers	200,000	200,000	202,000			602,000				602,000		602,000
Fleet Replacement Programme	591,000	99,000	637,000			1,327,000		20,760		1,306,240		1,327,000
Total Vehicle, Plant and Equipment	791,000	299,000	839,000	-	-	1,929,000	-	20,760	-	1,908,240	-	1,929,000
New Construction or Renovation												
Hermitage Leisure Centre Demolition	146,068					146,068				146,068		146,068
Hermitage Recreational ground 3G Pitch		150,000				150,000				150,000		150,000
Stenson Square Public Realm	1,000,000	1,000,000				2,000,000				2,000,000		2,000,000
Enterprise Park	1,850,000	1,850,000				3,700,000				3,700,000		3,700,000
Moirra Furnace	266,741					266,741				266,741		266,741
Total New Construction or Renovation	3,262,809	3,000,000	-	-	-	6,262,809	-	-	-	6,262,809	-	6,262,809
TOTAL DEVELOPMENT POOL	6,104,668	3,348,000	888,000	60,000	192,000	10,592,668	145,859	20,760	-	10,426,049	-	10,592,668
REFCUS												
Disabled Facilities Grants	1,614,059	670,310	670,310	670,310	670,310	4,295,299	4,295,299					4,295,299
Castle Donington 3G Pitch Development	250,000					250,000				250,000		250,000
Rural England Prosperity Fund	140,699					140,699	140,699					140,699
Local Nutrient Mitigation Fund	250,000	770,000	770,000	770,000		2,560,000	2,560,000					2,560,000
Total REFCUS	2,254,758	1,440,310	1,440,310	1,440,310	670,310	7,245,998	6,995,998	-	-	250,000	-	7,245,998
SPECIAL EXPENSES												
Coaville Cemetery - Meadow Lane (Broomley's)	22,000					22,000			22,000			22,000
TOTAL SPECIAL EXPENSES	22,000	-	-	-	-	22,000	-	-	22,000	-	-	22,000
TOTAL CAPITAL PROGRAMME	18,554,603	7,688,310	2,881,233	2,000,310	1,362,310	32,486,766	8,453,923	20,760	22,000	23,940,083	50,000	32,486,766

Project Name	2025/26 Approved Budget	2026/27 Indicative Budget	2027/28 Indicative Budget	2028/29 Indicative Budget	2029/30 Indicative Budget	Total	Funding						
							Major Repairs Reserve	Capital Receipt	RTB Receipts	RCCO	Grant	Prudential Borrowing	Total
ACTIVE PROGRAMME													
Stock Investment													
Home Improvement Programme	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	22,500,000	18,236,421			3,808,595		454,984	22,500,000
Asbestos	400,000	400,000	400,000	400,000	400,000	2,000,000		400,000				1,600,000	2,000,000
Roofs	500,000	500,000	250,000	250,000	250,000	1,750,000		500,000				1,250,000	1,750,000
Commercial Boilers	250,000	250,000	250,000	250,000		1,000,000		250,000				750,000	1,000,000
Stock Condition Surveys	65,000	65,000	65,000	65,000	65,000	325,000		65,000				260,000	325,000
Zero Carbon	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000		6,000,000		683,425	8,069,584	5,246,991	20,000,000
Total Stock Investment	9,715,000	9,715,000	9,465,000	9,465,000	9,215,000	47,575,000	18,236,421	7,215,000	-	4,492,020	8,069,584	9,561,975	47,575,000
New Supply													
New Supply	2,338,000					2,338,000			2,338,000				2,338,000
Total New Supply	2,338,000	-	-	-	-	2,338,000	-	-	2,338,000	-	-	-	2,338,000
Estate Improvements													
Off-Street Parking	300,000	300,000	300,000	300,000	300,000	1,500,000		300,000				1,200,000	1,500,000
Estate Projects	100,000	100,000	100,000	100,000	100,000	500,000		100,000				400,000	500,000
Garage Demolition	50,000	50,000	50,000	50,000	50,000	250,000		50,000				200,000	250,000
Footpaths and Unadopted Roads	50,000	50,000	50,000	50,000	50,000	250,000		50,000				200,000	250,000
Total Estate Improvements	500,000	500,000	500,000	500,000	500,000	2,500,000	-	500,000	-	-	-	2,000,000	2,500,000
Fleet Replacement													
Vehicles	100,000	300,000				400,000						400,000	400,000
Total Fleet Replacement	100,000	300,000	-	-	-	400,000	-	-	-	-	-	400,000	400,000
Other Capital Schemes													
Sheltered Scheme Improvements	700,000	700,000	700,000	100,000	100,000	2,300,000		700,000				1,600,000	2,300,000
Passive Fire Safety	800,000	100,000	100,000	100,000	100,000	1,200,000		800,000				400,000	1,200,000
Scheme Lighting	350,000	350,000	200,000	200,000	200,000	1,300,000		350,000				950,000	1,300,000
Major Aids and Adaptations	400,000	400,000	400,000	400,000	400,000	2,000,000		400,000				1,600,000	2,000,000
Total Other Capital Schemes	2,250,000	1,550,000	1,400,000	800,000	800,000	6,800,000	-	2,250,000	-	-	-	4,550,000	6,800,000
TOTAL ACTIVE PROGRAMME	14,903,000	12,065,000	11,365,000	10,765,000	10,515,000	59,613,000	18,236,421	9,965,000	2,338,000	4,492,020	8,069,584	16,511,975	59,613,000
DEVELOPMENT POOL													
New Supply													
New Supply	674,605	3,065,507	4,433,413	1,396,361	4,189,083	13,758,969			4,448,310			11,273,659	15,721,969
Total New Supply	674,605	3,065,507	4,433,413	1,396,361	4,189,083	13,758,969	-	-	4,448,310	-	-	11,273,659	15,721,969
TOTAL DEVELOPMENT POOL	674,605	3,065,507	4,433,413	1,396,361	4,189,083	13,758,969	-	-	4,448,310	-	-	11,273,659	15,721,969
TOTAL CAPITAL PROGRAMME	15,577,605	15,130,507	15,798,413	12,161,361	14,704,083	73,371,969	18,236,421	9,965,000	6,786,310	4,492,020	8,069,584	27,785,634	75,334,969

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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – TUESDAY, 16 SEPTEMBER 2025



Title of Report	SCRUTINY ANNUAL REPORT	
Presented by	Councillor N Rushton Infrastructure Portfolio Holder	
Background Papers	Minutes of the meeting of the Corporate Scrutiny Committee on 19 June and the Community Scrutiny Committee on 26 June	Public Report: Yes
Financial Implications	None identified.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	None identified.	
	Signed off by the Monitoring Officer: Yes/No	
Staffing and Corporate Implications	None identified.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To present the annual report to Council setting out the work of the Scrutiny Committees over the preceding 12 month period.	
Recommendations	THAT COUNCIL RECEIVES AND NOTES THE SCRUTINY ANNUAL REPORT FOR 2024/25.	

1.0 BACKGROUND

- 1.1 Section D6 of Part 1 of the Council's Constitution states that the Scrutiny Committees will produce an annual report to Full Council for the scrutiny process. A report setting out the work of both Scrutiny Committees over the preceding 12-month period is attached at Appendix 1.
- 1.2 The report has been developed by the Scrutiny Chairs and both Scrutiny Committees. All comments and amendments have been incorporated before being reported to Council.
- 1.3 Comments from both Scrutiny Committees can be found in the minutes of the meetings linked in the background papers above.

Policies and other considerations, as appropriate	
Council Priorities:	All
Policy Considerations:	List any relevant policies
Safeguarding:	None identified.
Equalities/Diversity:	None identified.
Customer Impact:	None identified.
Economic and Social Impact:	None identified.
Environment, Climate Change and zero carbon:	None identified.
Consultation/Community Engagement:	None identified.
Risks:	None identified.
Officer Contact	<p>James Arnold Strategic Director of Place James.arnold@nwleicestershire.gov.uk</p> <p>Andy Barton Strategic Director of Communities andy.barton@nwleicestershire.gov.uk</p>



North West Leicestershire District Council

Scrutiny Annual Report 2024/25

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Foreword

This report provides a summary of work done by scrutiny at North West Leicestershire District Council (NWLDC) during 2024/25 and provides an opportunity to reflect on this work. It also provides a general overview of how scrutiny operates, the impact it has and how the public can get involved.

The principal purpose and power of a scrutiny committee is to influence the policies and decisions made by the Council and to improve its service to the public. Each scrutiny committee gathers evidence on issues affecting local people and makes recommendations based on its findings. It reviews what the council has actually done and compares this to its stated objectives.

NWLDC operates two scrutiny committees. One looks inwards to examine the council's corporate objectives including its budget and its performance compared to its Council Delivery Plan.

Another committee focuses on issues that impact on the wellbeing of the community. This committee examines issues such as the performance of our leisure centres, the management of waste services, the provision of social housing, the enforcement of planning regulations, community safety and air quality.

There is also an overarching Scrutiny Working Group which takes an initial look at relevant issues, works with senior officers to decide what needs to be prioritised and ensures members are properly informed at the meeting.

The scrutiny committees are politically balanced so that they can include as many viewpoints as possible. This year both committees have been chaired by members of the opposition acting as critical friends to the ruling Cabinet.

In the last year we have worked hard to make sure that all the council's plans and policies are clear and realistic. Where we have had concerns, we have made recommendations to Cabinet so that performance can be improved in the future. This document is a record of our progress.



Cllr Terri Eynon
Chair of Community Scrutiny
Committee



Cllr Simon Lambeth
Chair of Corporate Scrutiny
Committee

What is scrutiny?

"The role that overview and scrutiny can play in holding an authority's decision-makers to account makes it fundamentally important to the successful functioning of local democracy. Effective scrutiny helps secure the efficient delivery of public services and drives improvements within the authority itself. Conversely, poor scrutiny can be indicative of wider governance, leadership, and service failure."

Overview and Scrutiny: Statutory guidance for council's and combines authorities – by the Department of Levelling Up, Housing and Communities (DLUHC) published 2019

Scrutiny is an important part of the council's decision-making process and allows members who are not Cabinet members to look into areas of local concern and critically examine decisions taken by the Cabinet to benefit local people.

Scrutiny committees cannot make decisions but can make recommendations to Cabinet and other decision-making bodies of the council. Scrutiny can also look at services provided by other organisations and as such can invite them into committee meetings for discussions.

Principles of good scrutiny

The Centre for Governance and Scrutiny established four key principles of scrutiny, these are:

- 1 Provides critical friend challenge to executive policy and decision makers**
Constructive, robust and purposeful challenge.
Non-aggressive to create optimum conditions for investigative evidence based process.
- 2 Enable the voice and concerns of the public**
Meetings conducted in public and are webcast.
Innovative, public communication, consultation and feedback.
- 3 Be carried out by independent minded councillors**
Councillors actively engage in scrutiny function to drive improvement.
Areas are reviewed in an a-political atmosphere.
- 4 Drive improvement in public services**
Promotes community well-being and improves quality of life.
Strategic review of corporate policies, plans performance and budgets.

Why scrutiny is important....

Scrutiny is a strategic function of the authority and is a central part corporate governance. It is therefore an important element in decision-making. It also provides councillors that are not in decision-making roles an opportunity to be a 'critical friend' to the Cabinet and publicly hold them to account in relation to the decisions they are making.

The scrutiny role...

The main tasks of the committees are:

- **Performance monitoring** – The council has to meet corporate priorities set out in the Council Delivery Plan and report against those indicators. Scrutiny can examine any aspect of the council's performance, including services that it delivers through partnerships with other organisations.
- **Holding the Cabinet to account** - Decisions made by the Cabinet but not yet put into practice can be reviewed by the Scrutiny Committees and challenged.
- **Policy review and development** - Scrutiny can propose new policies or review existing policies and recommend changes to the Cabinet.
- **External scrutiny** - Any issue directly affecting the residents of North West Leicestershire can be scrutinised by the committees, including services provided by another organisation.

It is through demonstrating the value and impact that effective scrutiny can have in supporting councils and other organisations to deliver better, more cost-effective services, that scrutiny is a valued element of local democracy.

What scrutiny looks like in North West Leicestershire

The scrutiny work is carried out by the two committees – the Corporate Scrutiny Committee and the Community Scrutiny Committee, with an informal Scrutiny Work Programming Group programming the work. Below is a list of areas of responsibility for each scrutiny committee. Each committee can receive reports and comment on matters of policy or items of business of a similar nature to those listed.

Corporate Scrutiny Committee

Asset management
Estates and property
Review of Constitution
Communications
Customer services
Finance
Human resources
Equalities
ICT
Legal services
Revenue and benefits
Shared services

Community Scrutiny Committee

Business / economy
Planning and building control
Tourism
Partnerships
Community safety
Leisure
Health and wellbeing
Waste services
Stronger and safer communities
Environmental health
Licensing
Environmental protection
Statutory crime and disorder committee
Strategic housing – housing strategy
Housing management
Economic development
Regeneration
Carbon Zero

The scrutiny committees can set up special working parties called task and finish groups when they need to undertake a detailed, in-depth investigation into a particular issue. The work is done by a small group of councillors appointed from the membership of the scrutiny committee. Work takes place for a set period and it is time limited. These focused task and finish groups make recommendations to the parent scrutiny committee before being considered by the Cabinet.

Further information can be found on NWLDC website regarding the scrutiny committee structure and terms of reference at [Part 3, section D of the council's Constitution](#).

Public involvement in scrutiny...

As the scrutiny committees are actively working on matters that affect the residents of North West Leicestershire, involvement of the public is encouraged in the following ways:

- Accessing agendas/work programmes: All work either planned or already done by the scrutiny committees is publicly available on the NWLDC website (unless in relation to a confidential matter). All meeting dates and corresponding information can be found [on the NWLDC website](#).
- Attending meetings: Members of the public can attend any public meeting of the scrutiny committees. Details of meeting dates can be found on [the NWLDC website](#). If you are interested but are unable to attend in person, the meetings are also available to view online both live and after the event. Links to meetings can be found [on the NWLDC website](#).
- Asking a question: Each meeting of the scrutiny committees allows for public questions to be asked at the beginning of each agenda. Information on how to submit a question can be found here [on the NWLDC website](#)
- Submitting a petition: Scrutiny Committees can receive petitions relating to an area that the council has authority over. It can be submitted by anyone who lives, works or studies in North West Leicestershire and can be submitted in writing or as an e-petition on the NWLDC website. Further details can be found [on the NWLDC website](#).
- Identifying issues which a scrutiny committee might look at (via officers or committee members)
- Contributing to consultations and surveys

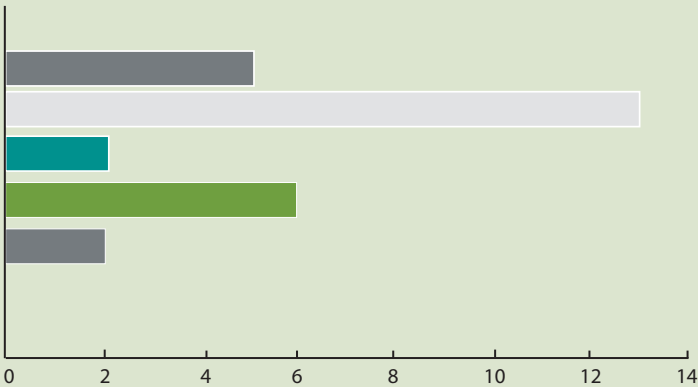
What has scrutiny been doing?

Each scrutiny committee is made up of 10 members, four of which sit on both Corporate and Community Scrutiny Committees. In total there are 16 members out of the 38 elected to represent the district who take part in scrutiny.



Reports received into scrutiny: 28

- For information and update: 5
- Pre-Cabinet review: 13
- Policy reviews: 2
- Performance reviews: 6
- Scrutiny process: 2
- Task and finish group recommendations: 0



Committee meetings held	9
Corporate Scrutiny Committee	5
Community Scrutiny Committee	4
Hours of pubic debate	14hrs 36mins
Recommendations submitted to Cabinet	5
Recommendations were accepted by Cabinet	5

Scrutiny Work Programming Group

The Scrutiny Work Programming Group is an informal group, made up of councillors and officers, that has been in operation since early 2022 and was established to manage the growing workloads of both committees and to help shape the scrutiny function moving forward. The group's key role is to:

- Consider requests for inclusion on the work programmes of each scrutiny committee
- Consider whether there are other ways of receiving information
- Consult with members of scrutiny committees, senior officers, Cabinet members for horizon-scanning on policy development
- Look at the corporate priorities, Council Delivery Plan and Cabinet forward plan and identify key issues / topics for investigation / inquiry
- Consider events and decisions in the council's calendar which could require an input / consultation via scrutiny
- Review any follow-up work required after previous scrutiny

Due to the cross overs with scrutiny, the Chair of the Audit and Governance Committee along with the lead officer attend each of the Scrutiny Work Programming Group meetings to discuss closely linked matters.

Work programming

The group reviews the work programmes for both scrutiny committees at each meeting, ensuring that workloads are appropriate and identifying future items from the Cabinet's Executive Decision Notice.

Work requests

The group considers any requests for items received from members and if it is felt that value would be added by scrutinising, they determine the best route to take, whether that be a task and finish group, report to committee or information paper. In 2024/25 the group considered nine work requests which resulted in:

- One report
- Two requests were incorporated within already scheduled reports
- Two information papers were provided
- Two ongoing requests for further scoping/ consideration during the civic year 2025/26
- Approval of the formation of a Task and Finish Group to carry out work during the civic year 2025/26.

Information papers

'Information papers' are for the Work Programming Group to consider, rather than full reports to the committees, when this approach is deemed appropriate.

In 2024/25, the group received two information papers:

- Air Quality and Zero Carbon
Outcome: no further report was required for Committee; the paper was shared with the Portfolio Holder for Communities and Climate Change.
- Improving Customer Contact Project
Outcome: agreed that the Communications Team Manager would bring an update to the Scrutiny Work Programming Group at the midpoint of the project for further scoping.

Annual report

The group were involved in shaping the Annual Scrutiny Report prior to consideration by both scrutiny committees and Council.

Membership	Attendance				
	17 Jul 24	2 Oct 24	11 Dec 24	5 Mar 25	%
Lee Windram	N	N	N	N	0%
Terri Eynon (Chair of Community SC)	Y	Y	Y	Y	100%
Simon Lambeth (Chair of Corporate SC)	Y	Y	Y	N	75%
Paul Lees	Y	Y	Y	Y	100%

Corporate Scrutiny Committee

Set out below are the key topics the Corporate Scrutiny Committee has scrutinised in 2024/25. All agendas and full details of the committee's work can be found on the [NWLDC website](#).

Council's budget setting

The committee thoroughly examined the draft budgets for 2024/25 as part of the budget consultation process and it was acknowledged that the council was facing a range of financial pressures and challenges. The committee:

- Requested a range of clarifications and further information outside of the meeting on specific lines and proposals contained within the draft budget.
- Noted the potential challenges associated with agency staffing, post deletions, pay awards, and the projected medium term budget shortfall.
- Welcomed the proposed plans to work with a 'registered provider' to mitigate problems associated with homelessness within the district, as contained within the 2025/26 Housing Revenue Account (HRA) Budget.

Local Government Association (LGA) Peer Review

The committee scrutinised the feedback from the June 2024 LGA Peer Review visit and considered the post-review Action Plan which had been drafted by the Chief Executive, before this was presented to the Cabinet in December 2024.

The committee:

- Commended the positive findings and welcomed the wide basis of consultation.
- Probed both the value and the limitations of the peer review method.
- Discussed engagement with local businesses and communications with staff members and residents.

Performance monitoring

One of the roles of scrutiny is to examine and monitor the council's performance by using the priorities as set out in the Council Delivery Plan.

The Corporate Scrutiny Committee looks at the overall performance and the financial performance on a quarterly basis.

The financial performance continued to be reviewed on a quarterly basis and comments fed back to the Corporate Portfolio Holder.

The committee:

- Submitted its views on the quarterly financial performance updates
- Expressed concern at the rise in customer complaints
- Questioned staffing plans and budgets and requested a report for more information
- Questioned the performance reporting process.

Council tax discounts and exemptions

The committee scrutinised proposed changes to council tax discounts and exemptions regarding empty homes in December 2024, ahead of the approval of a new policy by Cabinet in January 2025. All formal recommendations were accepted by the Cabinet.

The committee:

- Recommended to Cabinet that second homeowners pay a 100% surcharge on their Council Tax from day one.
- Recommended that the six-month 50% Council Tax discount for major repairs and charge full council tax from the point of ownership be removed.
- Recommended to the Cabinet that the proposed removal of the one month 100% council tax discount for empty, unoccupied and unfurnished properties be rejected.
- Recommended that the Council charge Properties Empty for one to five years, twice standard council tax (200%); those Empty five-10 years three times the standard council tax (300%); and those Empty 10 years or more four times the standard council tax (400%).

Task and finish groups

The Committee established no Task and Finish Groups in 2024/25.

Committee meetings held	5
Reports considered	18
Recommendations submitted to Cabinet	5
Recommendations accepted by Cabinet	5
Comments submitted to Cabinet	0
Hours of public debate	8 hrs 26 mins
Questions submitted by public	0

Membership	Attendance					
	23 May 24	29 Aug 24	5 Dec 24	7 Jan 24	13 Mar 25	%
Simon Lambeth (Chair)	Y	Y	Y	Y	Y	100%
Mike Ball (Deputy Chair)	Y	Y	Y	Y	Y	100%
Catherine Beck	Y	Y	Y	Y	Y	100%
Murrae Blair-Park	Y	N	Y	Y	Y	80%
Morgan Buke	Y	Y	Y	Y	Y	100%
Kenny Horn	N	N	Y	Y	N	40%
Alison Morley	Y	Y	Y	Y	N	80%
Ray Morris	Y	Y	Y	Y	N	80%
Sean Sheahan	Y	Y	Y	Y	Y	100%
Jake Windram	Y	Y	Y	Y	Y	100%

Community Scrutiny Committee

Set out below are the key topics the committee has scrutinised in 2024/25. All agendas and full details of the committee's agendas can be found [on the NWLDC website](#).

Future of Waste Services

As part of the consultation process for the proposed changes to waste services, a meeting of the Community Scrutiny Committee was held on Thursday, 27 March 2025 to scrutinise the proposals in depth, ahead of their approval by the Cabinet on Tuesday 22 April 2025.

The Committee:

- Scrutinised how staffing arrangements would change due to the proposed changes to the services.
- Scrutinised the possible impacts which the proposed local government reorganisation would have on the proposed changes.
- Welcomed the synergy between the Committee, Officers and the Portfolio Holder for Communities and Climate Change on how to proceed.

Tree Management Strategy

The committee was asked to review the draft Tree Management Strategy on 6 February 2025, ahead of its presentation to the Cabinet on 25 March.

The committee:

- In the course of discussion suggested several tweaks to certain policies within the strategy, which were taken up by officers when the final iteration of the report was presented to the Cabinet.
- Requested a Housing Revenue Account Tree Management Strategy be presented to the Committee, once the required survey work had been carried out, to complement the work before them which primarily focused on the Tree Management Strategy within the General Fund Budget.
- Asked about the synergy between the Tree Management Strategy, the Local Plan, and the work of the Planning Enforcement Team.

District-Wide Regeneration Framework

The District-Wide Regeneration Framework was considered by the committee on 19 September 2024, ahead of its approval by the Cabinet on 22 October 2024.

The committee:

- Suggested that the document needed a clearer project pipeline and stronger governance structures, though they accepted they had been presented with only the iteration.
- Considered how the document fitted with other strategic considerations regarding the provision of infrastructure, such as the Local Plan process and the ongoing campaign to reopen the Ivanhoe Line.
- Requested that an annual report be presented to the Committee each year to scrutinise the ongoing progress of the District-Wide Regeneration Framework.

Health and wellbeing

The health and wellbeing of the community is an important matter for the committee and several reports have been received in 2024/25 for consideration.

The committee:

- Reviewed an update report on air quality and requested that the Scrutiny Work Programming Group further scope the links between air quality and the council's Zero Carbon targets.
- Received an update on the effectiveness of council leisure centres which was broadly welcomed and commended as a thorough report which detailed demonstrable success.

Task and finish groups

The committee established no Task and Finish Groups in 2024/25.

Committee meetings held	4
Reports considered	10
Recommendations submitted to Cabinet	0
Recommendations accepted by Cabinet	0
Comments submitted to Cabinet	0
Hours of public debate	6 hrs 12 mins
Questions submitted by public	0

Membership	Attendance				
	27 Jun 24	19 Sep 24	6 Feb 25	27 Mar 25	%
Dr Terri Eynon (Chair)	Y	Y	Y	Y	100%
Murrae Blair-Park (Deputy Chair)	Y	N	N	Y	50%
Mike Ball	Y	Y	Y	N	75%
Dave Bigby	N	Y	Y	N	50%
Marie French	Y	N	Y	Y	75%
Kenny Horn	N	Y	Y	N	50%
Simon Lambeth	Y	Y	Y	Y	100%
Paul Lees	Y	Y	N	Y	75%
Elizabeth Parle	Y	Y	Y	Y	100%
Lee Windram	Y	Y	Y	Y	100%

Where to get more information

If you would like more information about how to get involved or suggest a topic for scrutiny review, you can contact the Democratic Services Team on 01530 454512 or memberservices@nwleicestershire.gov.uk. You can also contact the Scrutiny Committee Chairs directly:

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Chair of the Corporate Scrutiny Committee

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Councillor Terri Eynon

Chair of Community Scrutiny Committee

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