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Hinckley & Bosworth
Borough Council

Bill Cullen MBA (ISM), BA(Hons) MRTPI
Chief Executive

Date: 06 September 2022

To: All Members of Council

Dear Councillor,

Please see overleaf a supplementary agenda for the meeting of the **COUNCIL** on **TUESDAY, 6 SEPTEMBER 2022 at 6.30 pm.**

Yours sincerely

A handwritten signature in black ink, appearing to read 'R Owen'.

Rebecca Owen
Democratic Services Manager

COUNCIL - 6 SEPTEMBER 2022

SUPPLEMENTARY AGENDA

6. QUESTIONS

To deal with questions under Council Procedure Rule number 14.

(a) Question from Councillor R Allen to the Leader of Council (Pages 1 - 2)

"This Council has debated and passed many motions during the life of the current Council. Can the Chief Executive please provide a comprehensive list of motions passed by Council from 1 May 2019, to include a list of all action points agreed, actions taken and outcomes achieved?"

Response from the Leader

"Thank you Councillor Allen for your question. Please find attached a record of actions taken in response to motions since May 2019".

(b) Question from Councillor Ladkin to the Executive member for Finance

"I am sure that we are all deeply concerned to see the reports in the media regarding the possible collapse of the Cineworld Cinema Group.

This raises a number of urgent questions for this Council:

- What contingency plans does this Council have in place should Cineworld cease trading and / or are unable to continue operating the cinema in Hinckley, to attract a replacement operator or tenant to that particular unit?
- What are the implications to this Council on a monthly / annual basis in terms of lost rent, business rates liability and any other potential insurance or utilities liabilities?
- Will the Council undertake to commission a current open market valuation of this Council's interest in the Crescent block C, for presentation and discussion at the first available Scrutiny Commission meeting after completion of such a report?"

Response from Councillor Lynch

"Members will be well aware that the cinema complex run by Cineworld in the Crescent was the number one priority voiced by residents of the borough during the consultation on the bus station redevelopment.

The first thing to note in respect of the recent news is that Cineworld is not declaring bankruptcy in the UK, but Chapter 11 Bankruptcy in America. This is a specific piece of law in America and is a chapter of the US Bankruptcy Code which generally provides for reorganisation. The debtor (Cineworld) usually proposes a plan of reorganisation to keep its business alive and pay creditors over time. Therefore, it is very premature to assume at this stage the business is going to close due to this consideration. Indeed, Cineworld are publicly reporting they are seeking to restructure their finances to continue operating.

Cineworld also owns the Picturehouse chain in the UK and has insisted its cinemas "remain open for business" and that there would be "no significant impact" on jobs.

This provides some level of assurance, which needs to be kept in mind when considering

the questions posed. At this stage it would seem premature to be considering Cineworld is in danger of closing in the immediate future. Further steps would need to be taken before this happens. Turning to the specific questions:

1. What contingency plans does this Council have in place should Cineworld cease trading and / or are unable to continue operating the cinema in Hinckley, to attract a replacement operator or tenant to that particular unit?

HBBC has a lease in place with Cineworld for a 25-year terms which was completed in 2016.

Within the terms of the lease there are two routes of action HBBC can take depending upon the circumstances, should they arise. Firstly, it can seek to negotiate surrender of the licence with Cineworld or secondly, serve them with a forfeiture notice. The precise process and detail of either action will be determined once an understanding of Cineworld's actual intentions are fully understood. HBBC will then need to take further legal advice once facts are known.

Officers of the council have already sought legal advice on the implications within the lease agreement should Cineworld declare bankruptcy in the UK. We have also instructed local agents to look into what potential interest there may be from other cinema operators or, as a backstop, alternative uses for this commercial town centre unit.

2. What are the implications to this Council on a monthly / annual basis in terms of lost rent, business rates liability and any other potential insurance or utilities liabilities?

The rent is £125,234.00 for 2022/23 with a service charge of £25,273.12. The business rates are £48,640.00 of which 40% is retained by HBBC. If the premises were to become vacant, after an initial period of property relief the charge would fall on the council if Cineworld vacated.

Insurance impact would be minimal, maybe a few hundreds of pounds.

3. Will the Council undertake to commission a current open market valuation of this Council's interest in the Crescent block C, for presentation and discussion at the first available Scrutiny Commission meeting after completion of such a report?

The value we have for the accounts for the Crescent Block C is £3,520,700 (land = £1,232,245; building = £2,288,455), which the valuers have stated as "we are of the view that in this instance existing use value is reflective of current market value".

This is not the same as a market valuation for disposal, and if Cineworld was not there it would most likely be much less. We would have to commission such a valuation as and when needed.

The last time such a valuation was carried out 19 July 2017 our property valuers gave a fair value for Block C of £4,630,300."

7. PETITIONS

To deal with petitions submitted in accordance with Council Procedure Rule 15.

(a) **Petition from Councillor Lay**

Councillor Lay will present a petition on behalf of residents consisting of 114 signatures with the title “We, the undersigned as electors in Field Head, fully support the proposed change that would see Field Head become part of Markfield Parish Council. We believe this outcome is in the best interests of all Field Head residents and wish these views to be known and considered”.

(b) **Petition from Councillor Cartwright**

Councillor Cartwright will present a petition with 69 signatures with the subject “5G mobile telephone mast petition. Hinckley & Bosworth Borough Council 22/00734/TGDO”.

8. LEADER OF THE COUNCIL'S POSITION STATEMENT

Welcome to tonight's meeting, on the day that the new Prime Minister has been announced. Let's all hope we get some stability nationally and an effective response to the national cost of living crisis.

I have the following key items to report.

Cost of living support event

I am pleased to report this Council, with the support of local partners, will be convening a cost of living event on Saturday, 1 October. It will be hosted at the Meeting Centre, Hinckley, between 10am and 1pm. Residents of the borough will have the opportunity to meet officers of the Council and representatives from a range of organisations to access advice and support on household budgeting, managing debt, managing energy and fuel bills, housing costs, and benefits. The event will also help residents understand how to look after their mental health and wellbeing, as well as ideas for cooking on a budget with taster sessions. This important initiative will be a free drop in event.

Ukraine family event

I was delighted to attend a recent social evening with many of the Ukrainian guests and their hosts who we have welcomed into the borough. I was joined by my Executive lead for Housing and Community Safety and senior officers of the Council. The event was held at Hinckley Rugby Club and was attended by over 100 guests and host family members who were able to come together informally for mutual support during the current Ukrainian crisis.

I would like to pass on my sincere thanks to the officers who made this happen and to welcome our new Ukrainian Response Co-ordinator who is assisting families and their hosts.

Local plan

The Council will be issuing a press statement confirming our commitment to press on with our local plan, following the consultation of the submission draft of the plan published in February. It will highlight that we have been forced to review the timetable based on a number of factors. These include new national requirements and housing targets, uncertainties around government statements on proposed changes to the national planning system and the need for further work by local agencies such as the County

Council to assess and advise on local impacts and infrastructure requirements, such as highways and education. In summary, the main issues are:

- The revised methodology published late March by the government's Office of National Statistics, which has increased the number of new homes the Council must plan for to meet revised affordability requirements
- The Levelling Up and Regeneration Bill published by government, which sets out changes in respect of the 'duty to cooperate' with adjacent councils and is expected to be replaced by a new 'alignment test'. However, no details of this new test have been announced, leaving uncertainty about how councils should treat the housing and employment needs of other areas
- A promised new national 'prospectus' for changes to the National Planning Policy Framework which has yet to be published – this could have significant implications for how local plans are progressed
- The recent statements by the two candidates for Prime Minister have indicated a removal of the requirement for housing targets, the 'duty to cooperate' and the requirements to maintain a five-year housing supply
- The quantum of unmet housing and employment need from Leicester City has also since been published, placing significant additional housing numbers that the Council has to consider accommodating within the borough.

Officers will be setting out a revised programme for submitting the local plan which will provide the time for the additional technical work that is needed to be undertaken to address a number of new government requirements.

Statement of Common Ground

In view of my statements on the level of uncertainties linked to the national planning system, I will be informing Leicestershire local authorities that this Council will not be in a position to sign up to the draft Statement of Common Ground. This statement seeks to apportion additional housing and employment requirements to Leicestershire districts, including ours, to meet Leicester City's projected unmet need.

Devolution deals

Members may have heard that last week the government confirmed that a £1.14bn devolution deal has been offered for the East Midlands covering Derbyshire, Nottinghamshire, Derby and Nottingham, including the 15 district and borough councils. The deal will provide the combined geography of these council areas a guaranteed income stream of £38m per year over a 30-year period covering a population of 2.2 million people.

The deal is a level 3 deal which offers the most new local powers and funding on offer via the government's Levelling Up and Regeneration Bill. The deal is one of the first of a new type of combined authority, requiring new legislation from government. It also means a new elected mayor, similar to those in the West Midlands and Greater Manchester and the creation of the new Mayoral Combined County Authority (MCCA).

Significantly, the deal being offered places high importance on the MCCA working

collaboratively with the 15 districts and borough councils across Derbyshire and Nottinghamshire ensuring they have a voice in the MCCA. Personally, I think there could and should be greater recognition of districts in the governance of the MCCA.

It is with great regret that, despite the efforts of the districts in Leicestershire to be part of this deal which has been communicated to successive secretary of states in government and to local MPs over the last year or so, we have been unable to secure the support of the County Council or City to the deal. If these sorts of deals are the 'main show in town' from the present government, I am concerned that it will be the residents of Leicestershire that lose out by not being included with the financial packages on offer for the East Midlands.

Pop up shops – support package

I am pleased to report that I intend to confirm a new discretionary business rate relief at the next Executive, following consultation with our other preceptor partners. This relief will be targeted at our high streets, which have experienced significant impacts during the COVID pandemic. Whilst our towns have fared pretty well in comparison with many areas across the East Midlands and nationally – as profiled recently on BBC East Midlands News, this new relief will help bring further benefits.

This new policy will assist in targeting our vacant units and provide a helping hand to new businesses that wish to use a pop up shop in trying out their business ideas and hopefully leading to more permanent occupation of retail units in our towns and villages.

A further commitment I will make is to provide a rent-free period for up to three months in any pop up shop owned by the Council in the Crescent.

Cineworld

Many of you will be aware of the national media reports over the financial difficulties faced globally by Cineworld. I understand from recent reports that Cineworld has confirmed it is considering filing for bankruptcy in the United States, as it continues to struggle with up to \$4.8bn worth of debt.

The company has publicly said it "remains open for business" and that there would be "no significant impact" on jobs. Cineworld have said publicly it is looking at various options for how to restructure its debt and its balance sheet and that its business operations were expected to "remain unaffected" by its plans.

Cineworld has 751 sites and 9,189 screens in ten countries, with 102 in the UK. It also runs the Picturehouse brand in the UK. Members will be aware that Cineworld occupy a prime place in the Crescent, Hinckley. This was the number one priority our residents told us they wanted included in the Crescent scheme when we consulted on the bus station redevelopment.

I have written a joint letter with the council's Chief Executive to Mooky Greidinger, the Chief Executive of Cineworld, seeking further clarity on the future of the company and its operation in Hinckley. We have also offered to meet him and discuss what support we may provide to the staff employed at the Cineworld, Hinckley. I am currently awaiting a response to our invitation to meet with him.

In addition, I have asked officers to engage with agents to explore the potential for new operators in the unfortunate worst-case scenario that Cineworld cease operating. The status of our current commercial arrangements with Cineworld have been addressed in

the response to question asked earlier in the meeting.

This administration was proud to deliver a cinema for the borough and will continue to fight to keep this much-loved facility in Hinckley.

Events

I am delighted to report we have had a fantastic array of community events over the summer period which has attracted thousands of residents and visitors. These have included the very popular Snap Dragon summer family festivals that have taken place on Argents Mead and in some of our villages, and the annual summer Feast Hinckley event held over a weekend in August which attracted bumper crowds. Our Music in the Mead events have also been a great success and continue into September.

We have a full autumn and winter programme of events that I will update on in my next statement.

National rail freight infrastructure project – response support

I am pleased to announce that the Council has secured £90,000 from the government's Innovation and Capacity fund for local authorities to assist with the work we need to do in response to the national infrastructure project, which raises significant challenges and concerns for this area. We will be encouraged to share our learning and experience nationally as part of the funding conditions.

I understand this is a highly sought after fund and we are one of only a few councils to have secured this fund nationally. I would therefore like to express my thanks to our planning officers who have helped put a strong bid together to secure this resource. This will go to ensuring our response to the proposals are as robust as they can be.

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Action taken in response to motions

Meeting date	Minute ref & link	Subject of motion	Action taken
21 May 2019	14a	Block C of the Crescent	Decision rescinded
21 May 2019	14b	Leicestershire County Council's review of transport provision	Views of Council expressed to LCC
16 Jul 2019	73	Climate change	Working group established; action plan presented to Council; officer recruited
10 Sep 2019	144b	Future of DCF & PCIF grant funding	Review undertaken
10 Sep 2019	144c	Funding for police force	Public statement made
10 Sep 2019	144d	X-ray facility in Hinckley	Wrote to NHS / CCG and secured commitment to retain facility
14 Jan 2020	259a	Firework displays	Wrote to DEFRA, social media posts on lead up to bonfire night
14 Jan 2020	259b	Greenhouse gas emissions and renewable energy – the Local Electricity Bill campaign	Campaign organisers contacted to express support; press release issued
25 Feb 2020	330	Sky lanterns	Wrote to DEFRA and parish councils
15 Sep 2020	467	Extension of National Forest	Raised with Chief Executive of National Forest; wrote to DEFRA; considered in development of the local plan
27 Oct 2020	541	MP's comments in relation to five year land supply	Leader corresponded with the MP
27 Oct 2020	542	NHS nurses' pay	Wrote to Prime Minister
15 Dec 2020	593a	Tier 3 covid restrictions	Superseded by change in local covid rates and national lockdown arrangements
15 Dec 2020	593d	LLEP – importance of protecting the natural environment	Wrote to LLEP. Position will be raised periodically through consultation responses etc
23 Feb 2021	651a	Support for carers	Wrote to Chancellor, Secretary of State for Work & Pensions and MPs
23 Feb 2021	651b	Unadopted roads	Wrote to Secretary of State for Housing, Communities & Local Government

Action taken in response to motions

22 Jun 2021	52	Broadband provision	Wrote to Minister for Housing, Communities & Local Government, BT CEO and OpenReach CEO
5 Oct 2021	179	Universal credit	Wrote to Chancellor
30 Nov 2021	260a	Closure of bank branches	Wrote to Chancellor
25 Jan 2022	303a	#HandsOffOurVote campaign	Wrote to Secretary of State for Levelling Up, Housing & Communities and MPs
25 Jan 2022	303b	Hinckley National Rail Freight Interchange – suspension of plans	Wrote to Secretary of State for Levelling Up, Housing & Communities and neighbouring authorities
25 Jan 2022	303c	Hinckley National Rail Freight Interchange – Tritax Symmetry	Responded to consultation
25 Jan 2022	303d	Updates to Climate Change Strategy following COP26	Action plan on same agenda
25 Jan 2022	303e	Ashby Road Cemetery – remedial works and monitoring	Presentation to Scrutiny June 2022. HAC scheduled for 20.09.22
25 Jan 2022	303g	Confidence in Prime Minister	Referred to Leader to action
26 Apr 2022	409a	First past the post elections	Wrote to Secretary of State for Levelling Up, Housing & Communities
26 Apr 2022	409b	Cerebral Palsy awareness	Wrote to Secretaries of State for Levelling Up, Housing & Communities, Education and Health & Social Care and MPs; referred to HR Manager and Communications Manager
12 Jul 2022	71a	Energy price cap	Wrote to Secretary of State for Work & Pensions.