

	<b>Executive</b>  <b>29 June 2020</b>	<b>Agenda Item No.</b>  <b>3 (XII)</b>
<b>Title</b>	Use of delegated powers	
<b>For further information about this report please contact</b>	Bill Hunt Deputy Chief Executive 01926 456014 <a href="mailto:bill.hunt@warwickdc.gov.uk">bill.hunt@warwickdc.gov.uk</a>  Martin O'Neill Business Manager – Projects & Economic Development 01926 456064 <a href="mailto:martin.o'neill@warwickdc.gov.uk">martin.o'neill@warwickdc.gov.uk</a>	
<b>Wards of the District directly affected</b>	All	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	Executive 6 <sup>th</sup> March 2019 Minute number 160	
<b>Background Papers</b>	Executive report 6/3/19 Shakespeare's England funding renewal Shakespeare's England Board papers 16/10/19 Group Leader briefing note 20/1/20	

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	No
<b>Included within the Forward Plan? (If yes include reference number)</b>	No
<b>Equality Impact Assessment Undertaken</b>	n/a

<b>Officer/Councillor Approval</b>		
<b>Officer Approval</b>	<b>Date</b>	<b>Name</b>
Chief Executive/Deputy Chief Executive		Author
Head of Service		Dave Barber
CMT		Chris Elliot, Bill Hunt and Andy Jones
Section 151 Officer		Mike Snow
Monitoring Officer		Andy Jones
Finance		Mike Snow
Portfolio Holder(s)		Cllr Rhead
<b>Consultation &amp; Community Engagement</b>		
<b>Final Decision?</b>	Yes	
<b>Suggested next steps (if not final decision please set out below)</b>		

## **1. Summary**

- 1.1 This report informs Members of an urgent decision taken by the Chief Executive under delegated authority CE(4), following consultation with Group Leaders, to allow grant instalment payments to be made to Shakespeare's England, the Destination Management Organisation (DMO) for South Warwickshire.

## **2. Recommendation**

- 2.1 That Executive note the decision and the reasons for it as set out in section 3.

## **3. Reasons for the Recommendation**

- 3.1 The Council has contributed funding to Shakespeare's England since the DMO was created in 2013. In March 2019, the Executive approved a further 3 year grant to the organisation of £75,000 per annum.
- 3.2 However, the Executive decision to award the grant had conditions attached to it, one of which was the agreement of a local set of Key Performance Indicators (KPIs) which would need to be measured and reported back to WDC as part of the annual report from the CEO of Shakespeare's England to the Overview & Scrutiny Committee. The wording of the relevant condition was:  
*'agreement of revised objectives and performance indicators in respect of Shakespeare's England's activities to promote Warwick District, with authority delegated to the Head of Development Services, in consultation with the Business Portfolio Holder, to conclude the agreement prior to the first payment being made'*
- 3.3 The annual grant to the DMO is paid through four quarterly instalments, the first of which following the funding renewal decision was due in September 2019. Consequently, during the summer of 2019 officers worked in collaboration with the CEO of Shakespeare's England with a view to developing a set of KPIs to be presented to the Board meeting in October 2019. In the anticipation that these KPIs would be approved at the Board meeting, it was felt that the first instalment would be released shortly after that meeting.
- 3.4 Eight draft KPIs were put before the Board, five of which were accepted as they had been agreed with the CEO and included in her report but a further three had been submitted after that report had been circulated and the Board felt unable to approve these without a longer period of time to consider them. This decision meant that, as the wording of the March Executive decision explicitly required a set of KPI's to be agreed prior to the first payment being made, the Council was unable to release either the September 2019 instalment payment or a subsequent one that became due in December 2019.
- 3.5 A further difficulty had also arisen as a result of the discussions held during the debate on the proposed KPIs at the October Board meeting with one of the other Councils that provides funding to Shakespeare's England querying the legal basis for imposing KPIs. Officers subsequently sought advice from Warwick Legal Service (WLS).
- 3.6 Following consultation with WLS, Officers were satisfied that the Council could provide the grant (i.e. release the held payments and future payments as per the 2019 agreement) through an agreement with the DMO Board that the WDC grant needs to be spent on specific purposes.

- 3.7 As it had become clear by early January 2020 that the non-payment of the WDC grant was beginning to adversely impact on the DMO's cash flow and operating profit projections for the coming year, a situation that was creating significant concern amongst the members of the Board, discussions were held with the Portfolio Holder and Group Leaders to explore how the situation could be resolved prior to the Board meeting scheduled for 23rd January 2020.
- 3.8 This resulted in the use of delegated power CE(4), which states:  
*"The Chief Executive be authorised to deal with urgent items that occur between meetings, in consultation with the relevant Deputy Chief Executive, Head(s) of Service (if available) and Group Leaders (or in their absence Deputy Group Leaders) subject to the matter being reported to the Executive at its next meeting."*
- 3.9 In consultation with the Group Leaders it was agreed that the March 2019 Executive decision should be varied and instead of seeking formal KPIs, the Council grant is provided subject to agreement that it should be spent on the following specific purposes:
- Building relationships between WDC and SE
  - Increasing WDC business membership
  - Holding tourism forums and network events within the Warwick District
  - Seeking out tourism news, events and activity in Warwick District
  - Carrying out social media campaigns [targeted at Warwick District]
  - Promotion of WDC Events
  - Increasing new Shakespeare's England members in Warwick District
  - Increasing the number of overnight visitors in Warwick District
- 3.10 The use of the delegated powers allowed the Portfolio Holder and officers to obtain the agreement of the Shakespeare's England Board to the revised approach at the January Board meeting. Officers will now agree processes with the Shakespeare's England CEO to ensure that evidence is provided to demonstrate that the grant has been spent on these purposes for the next report to the Overview and Scrutiny Committee in September 2020.

#### 4. Policy Framework

##### 4.1 Fit for the Future (FFF):

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands; People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal, if any, in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
<b>External</b>		
<b>Health, Homes, Communities</b>	<b>Green, Clean, Safe</b>	<b>Infrastructure, Enterprise, Employment</b>
<u>Intended outcomes:</u> Improved health for all	<u>Intended outcomes:</u> Becoming a net-zero	<u>Intended outcomes:</u>

Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
<b>Impacts of Proposal</b>		
The DMO and WDC officers and Portfolio Holder will contribute to the continued development and improvement of the Destination Management Plan (DMP) to ensure communities in the District benefit from tourism, tourist visitors and the improvement of the tourism offering	Tourists will benefit from a clean and safe place to visit and stay overnight facilitated by the joint work between the DMO and WDC to make improvements in the environment of our towns	Maintaining existing and promoting new opportunities for employment in the tourism sector in the District through increased visitor levels and the economic multiplier effect from tourist expenditure in our attractions, local shops, and the hospitality sector
<b>Internal</b>		
<b>Effective Staff</b>	<b>Maintain or Improve Services</b>	<b>Firm Financial Footing over the Longer Term</b>
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
<b>Impacts of Proposal</b>		
Staff will be empowered to improve and develop effective engagement and communication with the DMO to improve the outputs from tourism in the District. Relevant	Not applicable	Not applicable

<p>officers will attend tourism forums and other tourism related events to promote the district offering in support of the DMO</p>		
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4.2 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies. One of these strands relates to Prosperity. This includes a commitment to the “promotion of tourism activities to attract visitors to spend within the district”. The recommendation of this report supports that strategic approach to delivering prosperity.

4.3 Changes to Existing Policies.

The recommendation in this report seeks continue the Council’s existing policy of support for the local DMO. There are no changes to existing policies.

4.4 Impact Assessments

There are no adverse impacts on any of the Protected Categories as a result of the recommendation in this report, so no impact assessment is required.

**5. Budgetary Framework**

5.1 There are no budgetary implications of this report as the necessary funding for the grant renewal was approved in March 2019 and has been built into the base budget

**6. Risks**

6.1 There is a risk that the conditions of the grant are not met by Shakespeare’s England. This risk will be mitigated through regular liaison between WDC Officers and the CEO of Shakespeare’s England. In addition, a report will be presented by the CEO of Shakspeare’s England to the September meeting of Overview and Scrutiny to provide evidence that the grant has been used for the purposes set out in section 3 above.

6.2 There are no direct risks associated with the report because the decision has already been taken

**7. Alternative Option(s) considered**

7.1 No alternative options were considered as the decision was already made and the report was for information only.

**8. Background**

8.1 The 8 proposed KPIs that had been presented to the October 2019 DMO Board were:

1. SE Team Member to work from WDC office 1 x day every 2 weeks.
2. SE website to have basic listing free of charge for Tourism Businesses.

3. SE to hold 2 x Tourism Forums & 1 x Networking Event within WDC area annually.
4. Advent Communications to produce 1 x WDC specific Press Release a quarter.
5. SE to do 1 WDC specific Social media campaign a quarter.
6. Promotion of WDC Events.
7. Number of new Shakespeare's England members in the Warwick district area increased per annum.
8. Increase in the number of overnight visitors in Warwick District by 10% per annum using latest baseline figure from 2018 Warwick Tourism Economic Impact Assessment.

8.2 Of these, numbers 1-5 were agreed in principle by the DMO but 6-8 were not, pending further discussion.

8.3 The more informal grant conditions, set out at paragraph 3.10, mirror the proposed but now withdrawn formal KPIs above.