

Cabinet

Minutes of the meeting held on Wednesday 5 July 2023 in the Town Hall, Royal Leamington Spa at 6.00pm.

Present: Councillors Davison (Leader), Billiald, Chilvers, J Harrison, Hunt, Kennedy, King, Roberts, and Wightman.

Also Present: Councillors: Boad (Liberal Democrat Group Observer), Day (Conservative Group Observer), Falp (Whitnash Residents Association Group Observer), and Milton (Chair of Overview & Scrutiny Committee).

1. **Apologies for Absence**

There were no apologies for absence.

2. **Declarations of Interest**

There were no declarations of interest.

3. **Minutes**

The minutes of the meeting held on 8 March 2023 were taken as read and signed by the Chairman as a correct record.

Part 2

(Items upon which a decision by the Council was not required)

4. **Customer Service Relocations Options**

The Cabinet considered a report from Customer and Digital Services which provided further details towards the proposals to relocate customer service operations to the Pump Rooms from the Council's current headquarters at Riverside House which was due to be sold. This followed the decision of Cabinet in February 2023.

In September 2022, Cabinet considered a report which discussed the relocation of office accommodation and customer facing services away from their current home at Riverside House.

Key recommendations, pertinent to the report were that Cabinet:

- noted the major contribution a move from Riverside House could make the Council's Medium Term Financial Strategy;
- agreed to a two-stage approach to office relocation - stage 1 involving a move to other parts of the Council's estate or alternative locations, and stage 2, a permanent move to long-term office accommodation;
- agreed that public access to a face-to-face Council enquiry service should be based in or close to Leamington town centre and did not need to be near the "back-office"; and
- with some 60,000ft² of office accommodation and 194 car parking spaces, Riverside House had been home to many of the Council's back-office operations and front facing customer services since its

purchase in the year 2000. Prior to the pandemic, around 350 staff occupied Riverside House daily, as their primary work location.

However, even at its pre-pandemic peak, it was evident that Riverside House was far larger than the Council needed. This led to a proposal to relocate the Council's offices to new, purpose-built facilities at Covent Garden. This proposal was however discontinued in 2019 and the Council remained at Riverside House.

The COVID pandemic in 2020 necessitated a radical change to working practices and most staff were mandated to work from home. As lockdown restrictions eased some staff returned to the office, but daily usage remained significantly lower than its pre-pandemic highs. Around 40 to 50 staff presently used Riverside House on an average day and in 2022, this number peaked at 70, on just one occasion.

Public facing customer services resumed at Riverside House in late 2021 following their closure during lockdown. The prolonged impact of COVID however encouraged many of the Council's residents to use alternative means of communication and the number of customers using Riverside House also remained lower than in pre-pandemic times. Currently there was a relatively stable demand of around 50 customer visits per day.

Figure 1 at 1.16 in the report showed the interior of Riverside House, which had not seen any significant updates for a long time. It did not meet the requirements of a modern customer service location.

The facilities available for customers at Riverside House are significantly dated, as shown in figure 1 in the report. Most of the facilities had not changed in more than two decades and in addition to being vastly oversized, also failed to create a welcoming and friendly customer service environment. The glass partitions which separated staff from customers for example were now rarely seen outside of banks, whilst the waiting area was harsh and did not provide privacy.

In February 2023, Cabinet considered and agreed a further report, discussing the relocation of office accommodation and the provision of public facing services. Key recommendations of relevance to this report included:

- that the Council lease office space at Saltisford One;
- ground floor space at the Town Hall as part of the office relocation strategy; and
- a Customer Service hub was established at the Royal Pump Rooms.

The report identified that significant, year on year savings could be made if the Council moved out of Riverside House. This supported the Council's Medium Term Financial Strategy (MTFS) assumption that savings of £250,000 per year could be achieved on the running costs of office accommodation from 2023/24 onwards.

the Council's current underlying revenue deficit was still £1.5m despite this assumption and so the savings to be realised by leaving Riverside House were important to the Council's overall financial strategy.

Following the September 2022 Cabinet report, work also began to dispose of Riverside House. The capital receipt from the sale was intended to fund other projects of significant community benefit, and a task group was setup to achieve this. An interested party was found in late 2022 and this was also agreed by Cabinet as a confidential item in February 2023. The relocation of customer services was essential to the move from Riverside House and the February Cabinet report presented three broad choices:

- An empty shop within the town centre;
- Space within the Town Hall; or
- Space within the Pump Rooms.

The report's recommendations were accepted by Cabinet, noted by Council and were considered by Overview and Scrutiny in March 2023.

The Cabinet report recommended that the best potential location for a customer service facility was at the Pump Rooms, within the area currently occupied by the shop. The report noted that this would lead to the potential relocation of shop activities across other spaces within the Pump Rooms or the abandonment of the shop entirely if this was not possible.

Following the initial approval, work had been undertaken by officers of the Assets, Customer and Digital Services and Arts teams to develop the proposals and understand the implications further, including costs which were only estimated within the original report.

Work was on track to move office staff from Riverside House, but currently Customer Services had nowhere to go. Work on the Pump Rooms had not yet commenced.

In the days following the Cabinet decision, a small number of artists who sold their works in the shop reached out to both officers and Councillors to express their significant concerns about the potential closure and reuse of the shop space. They expressed that the shop provided a unique outlet for their works in a culturally significant building that could not be easily replaced.

The Leamington Society also expressed their concerns and in February 2023, put forward a bleak perspective on the decision in their newsletter. It noted that the move would:

"deprive local artists and authors, the Leamington History Group and the Leamington Society of opportunities to sell arts and crafts, cards, guides, books and prints" and that "A separate entry may be needed to separate the homeless and other anxious and worried people from the general public: locals, tourists, children, mother and baby groups, coming to enjoy the Museum, the Library, the Café and so on." (Leamington Society, 2023)

An online petition, Hands off our Pump Rooms, was also opened to capture public opinion. The petition stated that:

"The Pump Room is not the right place for the public face of WDC Housing Department and the Homelessness Officer and 'temporary' solutions may

become permanent." (HooPR, 2023).

Before closing, the petition received 1074 signatures. Some of those signing the petition offered comment on their reasons for doing so, and several key themes emerged. These were discussed below. At the time of writing the report, the petition remained online and a link to the comments was provided in the Supporting Documents section.

In response to public feedback, Councillor Day, the then Leader of the Council, stated that Councillors would have the opportunity to look at any plans for the relocation as soon as they were available and have a final say on the detailed proposals. The report provided that information, for Cabinet to consider the proposals in more detail.

Whilst it was not possible to address all the concerns raised by the petition's signatories, several individuals commented with similar concerns.

"The space should not be used for offices".

There was significant concern that the Pump Rooms were going to be converted into offices and used to generically house Council staff. Several people also commented that this was not appropriate use of an historically significant and culturally important public building.

This concern whilst understandable, however appeared to be a misunderstanding of the Council's intent.

The Pump Rooms were not intended to be used as general office space as this would indeed be inappropriate for a building of such importance. A small space behind the existing shop would however be used to accommodate up to four people, but this space already used as an office, and it was not publicly accessible.

Photos of this space were shown in Figure 2 in the report and further details were included in section 1.4 in the report.

"Homeless and housing services would be better served elsewhere"

Both the petition's description and some signatories were concerned that the site would only be used to provide homeless and housing support services. There were also comments that the types of customers this would bring to the Pump Rooms would be undesirable and detrimental to the existing uses. Whilst this commentary was unedifying, it would again appear that there was a misunderstanding of intent.

The Customer Service centre would not solely offer housing and homeless services. A small, dedicated, multidisciplinary customer services team would staff the location and facilitate in-person access to all Council Services. Housing and Homeless advice would be available, but it would not be their sole service.

The original proposals included provisions for a dedicated Homelessness officer to be stationed with Customer Services at the Pump Rooms during operational hours. Homeless services generally required the expert

knowledge of a specialist officer, who can assist with all aspects of their customer's needs. This provision was therefore purely to ensure any customers requiring assistance could be dealt with efficiently and effectively. This provision would be kept under review as the service capabilities developed.

It should also have been noted that one of Warwick District Council's core values was Fairness and Equality. The Council would value all citizens and work without bias or prejudice and always do the best it could to serve customers and provide an environment that was welcoming to all.

"The offer would detract from the building's cultural status".

Many comments were concerned that the Customer Service offer would be incompatible with the cultural nature of the site and its predominant use as an arts and culture facility. Concerns were also raised that the existing tourist information service would be lost and that access to services such as tickets for the Spa Centre would be removed. This was not the case. The library, art gallery and museum were amongst a very small group of publicly accessible spaces which customers could visit without any expectation of having to purchase something or pay a fee. This was an extremely important provision, especially during the current cost of living crisis.

The Customer Service offer could compliment the building's cultural status and bring the centre to the attention of a different group of patrons, who might not otherwise have visited or realised that such excellent facilities were available.

The Pump Rooms internal facilities were complimented further by the large and welcoming public spaces just outside the building's walls. All these factors contributed toward the Pump Rooms being an excellent site to offer meaningful public services that went beyond the current offer, without detracting from them.

"There would be a negative impact on existing amenities".

Multiple signatories expressed concerns about the effectiveness and privacy of dealing with customers in the reception space and that some customer queries might make the overall atmosphere of the Pump Rooms less desirable.

There would again appear to be a misunderstanding of how Customer queries might be handled and where customers would be seen.

The Customer Service facilities at the Pump Rooms would be built to a high standard, suitably partitioned from the main foyer and not directly intermingled with the current operations. The Customer Service function would also not impede the existing reception, library, café, gallery or museum facilities and the services currently offered by Arts and Culture staff (such as tourist advice) would also continue, unaffected.

The site would be sufficiently staffed to ensure customers were seen efficiently, in a welcoming and friendly environment, which all residents and communities deserved. No customer queries would be dealt with in an open space and would instead be directed to dedicated, customer service

pods. Customers dignity and privacy were very important and had been prioritised within designs.

As described in section 1.6 in the report, the proposals would impact on the shop, but this was the only significantly negative outcome.

"Public services belong in the Town Hall".

Many of the signatories expressed that the Council's services would be better located at the Town Hall or that this was a "natural home" for operations.

Whilst historically a limited number of Council services were offered from the Town Hall, it had never been the centre of Council Services. It was important to differentiate between the Council's office-based operations and front-line services. The inclusion of a different type of public service at the Pump Rooms as previously discussed, had the potential to significantly benefit Warwick District residents, businesses and visitors.

It should not have been assumed that an alternative location would be better for those front-line services, purely based on historical usage or association. Moving services to the Town Hall would be more complex than the current Pump Room proposals.

The Pump Rooms Proposals

Officers from Customer and Digital Services, the Assets Team and the Arts team had been working with professional design company, Atkins, to draw up proposals for how the Pump Rooms Customer Service centre could be developed. Full details of the proposals were included in Appendix 1 and 2 to the report.

Work commenced by evaluating the spaces available to see if there were any alternatives to using the shop location. The most promising of these was to use an area within the main foyer but this option provided no effective way of building dedicated space or creating privacy for customers.

Any changes to the main foyer would also have permanently ended its use as a meeting space for ad-hoc events (which was raised as a concern within the public petition) and would have significantly impacted on customers accessing the library, toilets, café, museum and gallery. As such, this was not considered viable.

Other areas of the Pump Rooms were also considered, such as space within the library but it became clear very quickly that such proposals would significantly impact on the existing amenities and would not be acceptable. As such, it was concluded that space currently occupied by the shop remained the most suitable available. This was shown in Figure 2 at 1.41 in the report.

The shop space offered the potential to create an excellent Customer service facility for our residents, business and visitors. The space could offer three private meeting booths for customers, a small reception area

to direct customer flow, a waiting area, independent entrance, booths for video or telephone calls and a small office to accommodate customer services staff. Figure 3 at 1.45 in the report showed the overall layout of the proposed facilities.

The proposals outlined would unfortunately result in the closure of the shop.

During the design phase, work was undertaken to try and identify an alternative method of operating the shop, which included:

- Relocating to the Town Hall.
- Relocating stock within the Pump Rooms.
- Provisions at an alternative location.

A space did potentially exist within the Town Hall where the shop could be relocated, but this was smaller in size and did not benefit from the footfall of passing trade. Equally, with significant work planned as part of the Council's Future High Street funding, it would not be possible to relocate the shop to the site for some time. However, this location could be very effective once the Creative Hub construction was completed.

Discussions were also held with an alternative gallery provider to investigate the potential of relocating artists' work. Unfortunately, the gallery confirmed that they were not able to pursue the idea at this time. Alternative space within the Pump Rooms also proved impossible to find in any meaningful way other than for the sale of the smallest items in low volumes.

Closing the Pump Rooms shop would directly impact on 20 artists who regularly sold their works at the site. This was a significant consideration as whilst the Council was under no obligation to provide an outlet, there was no alternative to offer, and this change would impact on their livelihoods.

It was estimated that the shop generated around £50,000 to £60,000 of income each year as the Council charged artists a commission for selling their works. This income would also no longer be received.

Owing to the significant issues closing the Pump Rooms shop might cause the artists who currently used the facility, it was recommended that the Council continued to work on trying to find an alternative location or means of selling their works. Whilst there could be no guarantee of a successful conclusion, every option should be investigated, and could be discussed with the Portfolio Holders for Customer and Digital Services and Arts and Economy the earliest opportunity.

This additional project however, should not delay the recommended works to the Pump Room facilities, which needed begin as soon as possible.

Impact on the Wider Relocation

Work was currently moving at pace to relocate services from Riverside House to space at a County Council owned building in Warwick (Saltisford One). Customer Services would already be one of the last services to move out of Riverside House as no matter what decision was made by Cabinet, preparing new facilities would take time.

The impact of keeping Customer Services at Riverside House for any prolonged period included:

- Approximately £50,000 costs for every month Riverside House was kept in use whilst Saltisford One was operational.
- The building would have no other staff, but would still require power and (potentially) heating to be provided to much wider areas.
- All regular operations such as electrical safety and maintenance works would need to continue whilst customer services remained on site.
- The site could not be sold until vacated.
- The Council would remain liable for all business rates until the site was sold.
- ICT would have to maintain connectivity to the site, preventing the decommissioning of legacy equipment and links.

Overall, it was very important that a decision to support the relocation of customer services was made promptly, so that necessary works may commence. It was anticipated that work to complete the Customer Service facilities at the Pump Rooms could take six months, if there were no significant difficulties such as planning complications or issues sourcing materials.

The overall recommendation was to ask Cabinet to confirm the development of the Pump Rooms based on the design proposals discussed. The reasons for this included:

- There was the potential to create an excellent customer service environment in an open, welcoming space.
- The site would be fully accessible and provides significantly upgraded facilities to those currently available at Riverside House.
- The site was within an existing Council building and would not incur additional revenue costs such as rent or business rates.
- The proposed design would enhance the Pump Room environment and compliment the services already present.
- The services would not impact on the library, café, gallery, museum or tourist information operations.
- The site would co-locate multiple public services, potentially promoting use of the library and gallery.
- Existing on-site Warwickshire County Council infrastructure could make any future co-location of customer service personnel very easy.
- The site was easily reachable by both public and private transport. Nearby parking was also available for customers with mobility issues.

In terms of alternative options, when considering the ongoing relocation of Customer Services, two further options were previously appraised.

Relocate to the Town Hall

The February Cabinet report considered relocating Customer Services to the Town Hall as an option. Following the increased public interest in the Pump Room proposals, officers continued to investigate this alternative option.

The only potential location within the Town Hall was shown in Figure 4 in 2.25 in the report. This area was currently occupied by the University. The space was intended to be used as office and meeting accommodation upon the University's vacation, but it could be repurposed to provide a customer service option.

The site was on the ground floor of the Town Hall and potentially had its own entrance (although this might require planning permission to use). The space would also need to remain reachable from the main entrance, as there was no accommodation for any users with mobility issues using the side entrance.

As could be seen on the plan, in comparison to the Pump Rooms, this site had several disadvantages, most notably its shape and layout. Customer Service functions would have to be split across two rooms. At approximately 57m² each, neither was big enough to accommodate the entire service on its own and even in tandem, space would be limited. This layout would provide a disjointed customer journey – akin to that experienced where a customer waited in one area and was then led to another. This was not the kind of experience the Council desired customers to have.

To convert the rooms into one would require significant structural work and listed building consent. Modifications would materially alter the building with significant consequence and costs would also likely be far more than those incurred to convert the Pump Rooms. This would predominantly be due to the volume of building work required. Reception facilities would also have to be slotted into an existing corridor layout and the whole progression of a customer's journey would not be smooth. The quality of experience for our residents would be substantially diminished and they would not benefit from the potential hub experience of having many public amenities located in proximity.

It should also have been noted that the Town Hall already had significant funding allocated to complete works under the Future High Street fund. The establishment of a Creative Hub was a significant factor in securing funding and the concerns noted in the original proposal to Cabinet remained valid.

Rent and Convert a Shop Unit

Consideration was given in the original Cabinet proposals to renting a town centre shop unit and converting it to meet customer service needs. The option was revisited as part of developing this proposal, to reassess if there were any potential benefits. It was originally anticipated that overall, this could have been an easier option.

Converting a town centre shop did have several positive qualities. It would not have any impact on the Pump Rooms or Town Hall, would fill a vacant town centre unit long term and potentially provide additional space for other staff to co-locate. There would likely be fewer planning considerations if the site already had appropriate planning permission and 10reparationition of the premises would not disrupt any existing operations or future work. Town centre sites were also likely to benefit from similarly good transport links.

A major drawback however, was that a shop would also incur significant additional costs. For example, 36 The Parade recently became available (as at 16/06/2023) to let and would be an ideal site. The unit incurred an annual rental cost of £70,000 with a rateable value of £58,500. This excluded service charges such as electricity and gas, and would also require connectivity to the Council's network, security preparations, and safety servicing (such as electrical and gas compliance).

Another property at 74 The Parade was similarly priced at £50,000 per year, with a rateable value of £57,500, again excluding all service costs. There were lower cost alternative units available but in general, these were not of a suitable size. 64c Regent Street for example was available for £25,000 per year but had a floor space of just 53m². The current customer service centre at Riverside House occupied approximately 330m² and whilst this was significantly larger than required, at least 110m² was likely to be needed. 36 The Parade was approximately 148m² and 74 The Parade just 104m².

Overall, the renting of a shop was not considered as a realistic long-term option. It would incur continual revenue costs for the Council and these would likely increase as time went by. Even if the Pump Rooms shop remained open, the revenues it generated each year would not be sufficient to offset the costs of renting a shop of the size required.

Links to the respective listings were included in the Supporting Documents section, these were not permanent links and might not be available in the future.

Overview & Scrutiny Committee expressed concerns about the increase in costs from those that were initially stated. The Committee requested that costs were kept closely under control for the duration of the project and reduced if possible and provided value for money. The Committee requested that further effort should be made in respect of the plans for the Pump Rooms Shop to ensure that the service provided to residents continued.

Public speaker, Chris Bowen, addressed the meeting in support of the petition.

Councillor Chilvers stated that he welcomed the comments from the Overview & Scrutiny Committee, shared the concern relating to the increase in costs, and hoped for continuing scrutiny.

Councillor Harrison advised that the numbers of customers using the Pump Rooms, in the library and gallery could be monitored so the impact of being there could be assessed. The Pump Rooms was chosen rather than

the Town Hall because the requirements for customer service needed to be accessible, but there was not sufficient space in the Town Hall without it being disjointed and less accessible than the Pump Rooms. She then proposed the report as laid out.

Resolved that

- (1) the design concept for the Customer Service Centre as shown in Appendix 1 and 2 to the report be approved, and authority be delegated to the Head of Customer and Digital Services to approve minor design amendments, in consultation with the Portfolio Holder for Customer and Digital Services;
- (2) authority be delegated to the Head of Customer and Digital Services to seek Listed Building and any other consents required to implement the proposals;
- (3) a budget of £410,000 for the project, funded from the Corporate Asset Reserve, be approved; and
- (4) officers continue their work to find an alternative venue or approach for the Pump Rooms shop.

(The Portfolio Holder for this item was Councillor Harrison)
Forward Plan Reference 1,362

Part 1

(Items upon which a decision by the Council was required)

5. Updates to the Constitution

The Cabinet considered a report from Governance which brought forward several changes to the Constitution of the Council for consideration.

The section 'Summary and Explanation' in the Constitution needed a general update following a number of changes made within the Council over several years that had not previously been reflected.

The following sections had also been changed.

Article 5 – Chairing the Council.

Following a review by the Council, the role of the Chairman was changed in 2021. This resulted in a revised remit for the Chairman as defined in Article 5 and that the Chairman should only attend three types of functions: Royal Visits, Warwick District Council events and services of remembrance.

On approval of this revised remit, Council asked for a report back in 12 months to consider the impact it had had on the role. The following successive Chairman and Chair were content with the remit and thought that the role was correct, although this was not formally reported back to the Council.

The Chair of the Council for 2021/22 was content with arrangements approved by Council because it removed pressures from attending a significant number and variety of events held within the District and allowed the role of Chair to be accomplished without significant impact on work/personal commitments. The previous Chair was of the view that broadening the scope of the role could have a negative effect and put individuals off Chairing the Council.

There had not been any significant adverse feedback to the Council on the current arrangements. That said, comments had been made that the Council no longer attended events, such as the Warwick University Graduation Ceremony, or some Mayor making ceremonies, both inside and outside the District, where other civic heads were attending. Members should have been mindful that because other Councils were attending, it did not mean the Council had to attend, especially when it came to events outside the District.

The current Chairman had reflected on these thoughts and was of the view that more discretion should be given to allow them attend events where there was no cost to the Council.

Councillors needed to be mindful of the points raised and also the potential impact of attending a lot of events in one year, and the next Chair using discretion not to attend other similar events. Any inconsistency could lead to a greater impact on the reputation of the Council than not attending.

Officers were mindful that the wording needed to be carefully chosen so that the individual post holder was not choosing to pay to attend events. Equally, the justification for attending events outside Warwick District needed to be far greater than the personal choice of the Chairman i.e. there needed to be material benefit to the Council and its community. The proposal to amend the Constitution so that it moved from defining the Chairman to Chair was made to make the Constitution more gender neutral.

Provision was still made for the individual who chaired a meeting to define the terms they would like to be known as i.e. Chair, Chairman, Chairwoman, Chairperson. The Cabinet were made aware that the term Chairman was defined within legislation and case law but that the proposed change was not unreasonable and clearly identified the role in line with legislation if required. Further reflection on defining the terms used could be made during the review of the Constitution.

Based on these considerations, revised wording had been included within Article 5 of the Constitution.

The Cabinet were reminded that the review of the role of the Chairman resulted in the removal of the post of Attendant to the Chairman. This was

based on the significant reduction in events attended. Revised risk assessments were introduced and regularly reviewed with the previous Chair for attending any event and these would continue to be monitored with the current Chairman.

Article 14 – Finance Contract and Legal Matters

The revisions to Article 14 were at the request of Legal Services, to ensure electronic signatures and sealing were explicitly mentioned within the Constitution. While currently this was implied, and most organisations accepted this, the Land Registry had said it would not accept the electronic signature or sealing of conveyancing (and related) documents from the Council without it being explicitly set out within the Constitution.

Section 4 - Scheme of Delegation

The proposed change to enable the Monitoring Officer to make minor changes to the Constitution was suggested for when minor wording/grammar errors were identified to remove the need for Council approval. These could be errors or changes as a result of external decisions, for example, those in the summary and explanation specifically where the size of the Council had changed from 46 to 44.

The proposed new delegation to the Head of Place, Arts and Economy removed any ambiguity on the right to represent and defend planning appeals against decisions the Council had taken.

It was proposed to remove the reference to former employees within delegation DS(70). This was based on legal advice following a recent successful judicial review against a Warwick District Council decision, as a result of which a planning decision had to be quashed. Therefore, the legal advice was that it was very hard for planning officers to know who a former member of staff was, in that they might have been employed many years ago and might not declare this on the application. The reference to them being known former employees was vague and could lead to argument because some people might know they were a former employee and others might not.

The proposed amendment to DS(70a) was to enable officers to conclude negotiations on S106 and other necessary legal agreements when an application had been determined by the Planning Inspector or Minister. This was considered reasonable as it allowed matters to be concluded without the need for reporting to Committee in effect for rubber stamping. The change to delegation to A(2) was the inclusion of the Monitoring Officer specifically now the role was being split from the role of Deputy Chief Executive.

Christine Ledger Square

This temporary delegation was proposed to enable WDC to acquire leasehold interests by way of private treaty negotiations, enabling the agreement of valuations and compensation that would be payable to leaseholders that might exceed what would be payable in the event of a compulsory purchase. This was considered a practicable solution where the Council had agreed to demolish the building and now needed to complete the necessary agreements to enable this work to take place.

The agreements could involve making an offer to leaseholders to share an amount comparable to the value that the Council would pay in legal costs should it be required to acquire the leasehold interest compulsorily and would include an ex-gratia payment equal to the statutory home loss payment (currently 10% of the value of the interest being acquired subject to a minimum sum of £7,800 and a maximum sum of £78,000 – these sums were subject to change from time to time) that a leaseholder would receive on being displaced by the Courts.

Often the gap between the value of a property and the asking price of the leaseholder arose because individual owners found it difficult to use the capital receipt to fund a replacement property in the vicinity of the development.

Guidance published by the Secretary of State which set out the policy for confirmation of compulsory purchase orders (CPO) required that an authority should demonstrate that it had made reasonable endeavours to acquire the land by agreement. A structured and documented programme of discussions and negotiations with leaseholders would need to be commenced before a CPO could be made.

It was understood that it was often the case that acquiring authorities might decide to pay in excess of market value to secure strategic acquisitions in advance of a CPO where this might save costs in the long term.

A leaseholder offer would be adopted that ensured consistency between different individuals as there could otherwise be a risk in settling on generous terms with one leaseholder as other leaseholders would expect similar treatment. The offer was designed to mitigate hardship arising from compulsory purchase and the following would be considered as standard in each set of negotiations:

- agreement to pay the market value of the dwelling plus an additional fixed percentage uplift;
- agreement to pay the home loss payment for those who would qualify under a CPO;
- agreement to pay a fixed amount of compensation for disturbance payments without the need for receipts, but with the ability for owners and occupiers to claim more if they could evidence the costs incurred;
- offer of equity loans for resident leaseholders to assist them relocate elsewhere to a suitable equivalent property;
- offer of a replacement home for every resident homeowner who wished to return when the area was redeveloped; and
- offer to pay loss of rent for non-resident landlord leaseholders provided that the landlord leaseholders complete on the sale within a period of six months from the start of negotiations, such payment due on completion of the sale.

Regularly reviewing of the Constitution and its operation was recognised good practice. It was considered that with new legal advisors to the Council having been in operation for a year, now was a good time to review the document overall. There would be lead officers for specific

parts of the Constitution, for example, the Code of Corporate Governance was produced by the Audit & Risk Manager.

Councillor Davison proposed the report as laid out.

Recommended to Council that

- (1) the following amended parts of the Constitution, be approved:
 - (a) revised Summary of the Constitution and explanation, as set out at Appendix 1 to the report;
 - (b) updated Article 5, Chairing the Council, as set out at Appendix 2 to the report and the Constitution be amended so that Chairman is replaced with Chair, but allows for individuals to identify the title associated with this role;
 - (c) revisions to Article 14 (with regard to electronic signing and sealing) as set out at Appendix 3 to the report; and
 - (d) revisions to Part 4 Scheme of Delegation, as set out at Appendix 4 to the report;
- (2) authority be delegated to the Head of Housing in consultation with the s151 Officer, Legal Services, and the Portfolio Holders for Housing and Resources, to make financial settlements and necessary legal agreements to and with leaseholders of properties in Christine Ledger Square; and
- (3) the Monitoring Officer will be reviewing the Constitution in partnership with Legal Services and Heads of Service and further reports will be brought to Cabinet on this, be noted.

(The Portfolio Holders for this item were Councillors Davison, King and Wightman)

Forward Plan Reference 1,380

6. Milverton Homes Limited Governance Audit

The Cabinet considered a report from Housing. Milverton Homes Limited (MHL) was a company wholly owned by Warwick District Council, incorporated on 8 January 2021.

After a period of operation, an internal audit review was commissioned to provide assurance that the Council had appropriate governance

arrangements in respect of MHL that protected the Council as an entity, as well as its officers and Councillors as individuals.

The report set out the findings of that audit and offered recommendations to increase assurance in this area.

MHL had well established governance arrangements in place to provide the Council with control in respect of the operation of the company and its financial arrangements. These arrangements were set out in the Articles of Association and Shareholders Agreement which Members could view through the Committee Management System.

As with all companies, MHL was required to provide audited accounts on an annual basis which were submitted to Companies House. An auditor/accountancy firm that was independent to the Council's auditor has been appointed by MHL. The auditors were asked to consider any governance gaps when undertaking their work. They did not make any recommendations.

Monthly Board meetings were held for MHL with papers circulated to the Board in advance and meetings were minuted. Warwickshire Legal Services provided MHL with the Company Secretarial Role. Each month the Board considered standard agenda items which included Declarations of Interest, Finance update, horizon scanning, sites of interest and the Joint Venture (JV).

New Members might not have been aware that in August 2021, MHL entered into a Joint Venture (Crewe Lane Kenilworth JV LLP) arrangement with Vistry Linden Limited for the purchase of land at Crewe Lane, Kenilworth to facilitate the construction of 620 homes. The purchase was enabled by a £60m loan from this Council to the JV.

MHL had established a number of documents that were deemed by the Board to be a requirement for good organisational management. These included:

- Comprehensive Risk Register which was reviewed by the Board on a quarterly basis.
- Financial Regulations.
- Annual Business Plan.

Housing companies and Joint Venture arrangements were not unusual in the local government sector and if risks were properly managed through effective managerial and political oversight then these arrangements could be effective contributors to the Council's strategic objectives. Regrettably, there had been a number of high-profile incidences where Council companies' governance arrangements had broken down with dire consequences for the Council and local taxpayers. Therefore, twelve months following the establishment of the JV, the Deputy Chief Executive considered it prudent to commission a governance review of MHL and the way the company's actions were being monitored by the Council. The review was undertaken by the Council's Audit & Risk Manager.

The findings from the review and the latest position were detailed in the table in section 1.17 in the report.

The Council's Business Strategy 2020-2023 stated that the Council's vision was 'to make Warwick District a great place to live, work and visit, and carbon neutral by 2030'. Within the Fit For The Future strands was the outcome to ensure that 'Housing needs for all are met', and to 'Maximise income earning opportunities'.

MHL contributed to this vision as set out in the report presented to Cabinet on 10 December 2020. The report stated that 'establishing a LHC (*Local Housing Company*) would assist Warwick District Council to take a commercial approach to the delivery of new homes and offer a range of products to assist in the delivery of local housing needs. Furthermore, it could offer an alternative to traditional private rented options by offering a good quality product through a trusted organisation.

The LHC model had the aim of making significant contributions to the Council's income in the face of funding shortfalls, and by doing so, put services on a more sustainable footing to support local people as well as raising money to invest in our priority outcomes.

The Shareholder Agreement set out the following as Objectives of the Company:

- (a) To be profitable and generate short and long-term financial returns for WDC as shareholder.
- (b) To deliver much needed housing within the District and outside of the District, where appropriate.
- (c) To strive to develop homes that were carbon neutral.
- (d) To endeavour to provide excellent quality market rented homes provided by a trusted landlord.

MHL had formed a JV with Vistry to which the Council had provided a loan to finance the purchase of land and to develop housing. This was forecast to deliver loan profit to the Council of £9.1m and development profit to MHL of £6.5m. Loan profit was profiled to come into the Council in regular tranches and could be evidenced to be delivering in accordance with the profile.

Through the involvement with MHL, half of the residential properties being built at the JV site at Crewe Lane were zero-carbon to SAP standards. This was great news for the environment and good news for residents of these new homes.

On 25 July 2022, Council appointed the Deputy Chief Executive and Monitoring Officer to take the Shareholder Representative role, removing this from the Head of Finance.

The audit report had suggested the need for a Shareholder Representative Board thereby negating the need for a single Shareholder Representative. Indeed, the audit report advised against vesting experience in one senior officer. Nevertheless, there was a proven need for a person who could take the lead on progressing work on a day-to-day basis and it was proposed that this role be passed to the S151 Officer (Head of Finance) for financial matters and the Monitoring Officer for governance matters with

both seeking ratification of decisions from the named Shareholder Board Councillors.

It was proposed that the Board had the following structure as set out in the Terms of Reference.

Councillors

Leader.

Deputy Leader.

Portfolio Holder for Housing.

Portfolio Holder for Resources.

Chairman of Audit & Standards.

Leaders of Lib Dem, Conservative and WRA Groups

Advising officers

Head of Finance.

Legal Services representative.

Monitoring Officer (who will act as Chair).

Officers to Attend

Council appointed Executive Directors of Milverton Homes Limited.

Principal Accountant (appointed to Milverton Homes).

Principal Accountant (Housing).

The Terms of Reference of the Board would be to review performance of MHL and the JV against agreed objectives and the SLA.

It would also receive the proposed business plan for comment at least two months before it was to be presented to Cabinet, along with an annual review of the governance arrangements completed by the Monitoring Officer.

The views of the Board would be presented to the Cabinet as part of the business plan and the governance review would be separately reported to the Audit & Standards Committee.

Meetings would take place on a quarterly basis.

The Terms of Reference would be reviewed annually by Cabinet alongside the Business Plan for MHL.

The proposed Terms of Reference were at Appendix 1 to the report.

Some performance targets were already contained within the Shareholder Agreement, and these were:

'6.1 The Company shall prepare a Business Plan in respect of each financial year that shall include an overview of the planned activity for that financial year and an explanation of how that planned activity furthered the Company's Objectives, which should be submitted to WDC no earlier than four months and no later than two months before the end of each financial year.

6.2 The Annual Budget for each financial year should form part of the Business Plan. The Annual Budget should be reviewed by the Board quarterly.

6.4 (a) the audited accounts of the Company and any subsidiaries for each financial year as soon as practicable and, at the latest, by four months after the end of that financial year.

6.4 (b) quarterly performance reports, cash flow statements and cash flow forecasts for the company'.

There were additional targets set for the company which were reviewable by the Shareholder Representative Board. These were planned to be delivered on a quarterly basis to the Shareholder Representative Board:

- Board Cover Report and comments on the Finance information and appendices for Shareholder.
- Performance Report - Profit & Loss - Income & Expenditure Statement.
- Balance Sheet.
- Cash Flow Statement.
- Cash Flow Forecast –MHL Business Plan updated to show a revised forecast year end position from the Board.
- Risk Register.
- New business proposals and updates.

Legal advice was that prior to any decision to dissolve the company, a full report was commissioned/prepared at that time looking at the financial and legal implications in the round, the risks and options. Only then could a fully informed decision be made on dissolution and the steps required. For example, it might reveal that there was a sweet point for dissolution at some defined point or that winding down before winding up might be appropriate. Much would depend on the circumstances at the time. Paragraphs 1.6.2 & 1.6.3 in the report then became matters that might form some of the steps considered.

Should any decision be made to dissolve the company, there was a clear option for the Council to liaise with the Board of MHL to determine the future of any property in the ownership of MHL. The options would be for the properties:

- To be purchased from MHL by the Council for use as affordable housing, a move that would likely attract investment funding from Homes England thereby reducing the costs directly falling to the Housing Revenue Account.
- Sold on the open market.
- Sold to current residents of that property.

Any monies that would be available following liquidation/dissolution would be payable to the shareholder by way of dividend. Alternatively, the Council could undertake an appraisal of each property to determine the most appropriate form of action. There were existing processes in place that could be deployed to support this activity. The Housing team, working collaboratively with the Finance team, would lead on the activity.

In terms of alternative options, the recommendations of Internal Audit could not be acted upon, however, this would not assist the Council to strengthen its governance arrangements and achieve enhanced levels of assurance.

The Overview & Scrutiny Committee recommended to Cabinet that officers should review the effectiveness on governance arrangements with the Monitoring Officer chairing Board meetings and also being the Shareholder Representative. It asked for the review to examine whether alternative options should be pursued.

An addendum circulated prior to the meeting advised of the following amendments to recommendations 3 and 4:

Amendment to Recommendation 3

"Approves the establishment of a Shareholder Representative Board and removes the role of Shareholder Representative from the Deputy Chief Executive to be replaced by the Council's ~~Monitoring Officer~~ **Head of Finance** with effect from 1st August 2023".

Amendment to Recommendation 4

"4 Approves the Terms of Reference for the Shareholder Representative Board at the Appendix 1, **and asks Council to annex it to the Constitution.**

The addendum also advised of the following amendment to the Terms of Reference at Appendix 1 to the report:

"The Board will be made up of the following:

Councillors

Leader **(who will act as Chair)**

Deputy Leader

Portfolio Holder for Housing

Portfolio Holder for Resources

Chairman of Audit & Standards

Leaders of Lib-Dem, Conservative and WRA Groups **non-administration Groups**

Advising officers

Head of Finance

Legal Services representative

~~Monitoring Officer (who will act as Chair)~~

Officers to Attend

Council appointed Executive Directors of Milverton Homes Limited.

Principal Accountant (Appointed to Milverton Homes)

Principal Accountant (Housing)".

This needed Council approval (see 1.3.1 where Council appointed the Deputy Chief Executive and Monitoring Officer to take the Shareholder Representative role, removing this from the Head of Finance on 25 July 2022.

Councillor Wightman proposed the report as laid out, along with the recommendation from the Overview & Scrutiny Committee as revised by the addendum.

Recommended to Council that

- (1) the establishment of a Shareholder Representative Board, be approved, and the role of Shareholder Representative be removed from the Deputy Chief Executive to be replaced by the Council's Head of Finance with effect from 1 August 2023; and
- (2) the Terms of Reference for the Shareholder Representative Board at Appendix 1 to the report be approved and appended to the Constitution.

Resolved that

- (1) the findings of the internal audit review commissioned by the Deputy Chief Executive and the response to the findings at 1.1.7 in the report, be noted;
- (2) the statement of alignment to the Council's Business Strategy, be noted;
- (3) the performance targets set for MHL, be noted; and
- (4) the Council's Exit Strategy from MHL, be approved.

(The Portfolio Holder for this item was Councillor Wightman)
Forward Plan Reference 1,366

7. Local Authority Housing Fund Award Round 2

The Cabinet considered a report from Housing. The Department for Levelling Up, Housing and Communities (DLUHC) had advised that Warwick District Council was eligible for a grant award of £919,200 from a national award of £250 million to support the purchase of six properties to provide sustainable housing primarily for Afghan families seeking refuge in the area. The aim of the report was to seek approval for the purchases and the additional funding required to complete the purchases within the required timeframe.

The LAHF was launched on 14 December 2022. The details of the fund were shared with the Council in the document 'Local Authority Housing Fund – Prospectus and Guidance' ('the Prospectus'). It was a £500m capital grant fund to support local authorities in England to provide sustainable housing for those unable to secure their own accommodation i.e., Afghan and Ukrainian refugees. On 7 June, DLUHC wrote to WDC to announce round 2 of the scheme and to advise that WDC was eligible for a further grant.

The objectives of the scheme were:

- Provide sustainable housing to those on Afghan resettlement schemes

at risk of homelessness so that they could build new lives in the UK, find employment and integrate into communities.

- Reduce local housing pressures beyond those on Afghan resettlement schemes by providing better quality temporary accommodation to those owed homelessness duties by local authorities.
- Reduce emergency, temporary and bridging accommodation costs.
- Reduce impact on the existing housing and homelessness systems and those waiting for social housing.

The DLUHC had awarded Warwick District Council a total of £919,200 which was consistent of two separate grant elements.

The first element was £799,200 to purchase:

- Five properties for households that met the eligibility criteria referred to as the 'the resettlement element.
- One property to be allocated to temporary accommodation.

The £799,200 grant represented 40% of the purchase price. There was also a grant allocation of £120,000 which was £20,000 per property to cover other expenses. These expenses could include the purchase price, stamp duty, surveying, legal and other fees, refurbishments, energy efficiency measures, decoration, furnishings, or otherwise preparing the property for rent and potentially irrecoverable VAT incurred on these items. The Council needed to ensure it complied with the CIPFA Code of Practice for Local Authority Accounting.

The DLUHC had applied a deadline that the properties had to be acquired by 29 March 2024.

The purchase could be new build, existing dwellings, those requiring refurbishment and any combination to meet the scheme requirements by the stated deadline.

The five resettlement properties were solely for Afghan households whereas the sixth property could be used to provide quality temporary accommodation to those owed a homelessness duty by local authorities. This presented problems for authorities in that Council homes must only have been allocated through its published Housing Allocations Policy. DLUHC proposed that Councils used Local Lettings policies or provided the properties through a Registered Provider or the Council's Local Housing Company. There were advantages and disadvantages of each of these methods and further work was required to establish the optimum means of allocating these properties.

In terms of alternative options, one was to refuse the allocation and not purchase additional properties to assist the Afghan and Ukrainian refugees.

However, the grant was being provided to assist with the purchase of properties and it would contribute to the number of social properties in the District.

Councillor Wightman proposed the report as laid out.

Recommended to Council that a total expenditure budget allocation of up to £2,046,780 be approved to purchase six dwellings in the Housing Revenue Account (HRA) and enter into applicable necessary legal agreements to purchase the dwellings. Of this total the HRA will fund £1,127,580 and DLUHC grant of £919,200 will provide 40% match funding for the purchase of six properties and to allow for potential sustainability/ environmental improvements to the properties.

Resolved that

- (1) authority be delegated to the Head of Housing to purchase the properties, entering into any necessary legal agreements;
- (2) authority be delegated to the Head of Housing in consultation with the Portfolio Holder for Housing to determine the optimum means of allocating these properties; and
- (3) authority be delegated to the Head of Finance in consultation with the Portfolio Holders for Resources and Housing and the Head of Housing to determine the means of financing the scheme.

(The Portfolio Holder for this item was Councillor Wightman)
Forward Plan Reference 1,366

Part 2

(Items upon which a decision by the Council was not required)

8. Repairs to the Roof of the Royal Pump Rooms

The Cabinet considered a report from Place, Arts & Economy which updated Cabinet on works to repair the roof of the Royal Pump Rooms and sought permission to draw down funds to enable this work to go ahead.

The current flat roof covering of the Royal Pump Rooms was installed during an extensive redevelopment of the site in the early 2000s, and it was now failing. There were several areas of the roof where the deck was rotten and structural integrity was compromised. Multiple areas of water ingress had resulted in the permanent closure of parts of Leamington Spa Art Gallery & Museum (LSAG&M) and there had been widespread water damage to the internal fabric of the building. Replacement of the roof covering was urgently required to protect the integrity of the building, the security of the collections, and for the safety of visitors and staff.

There was a significant amount of mechanical plant installed on the flat roof of the Royal Pump Rooms which served the building, including air handling units (AHUs). This plant was at the end of its economic life and

needed to be removed and replaced as part of this project.

In May 2022, Arts Council England (ACE) launched Round 2 of the Museum Estate and Development Fund (MEND). This was a government capital fund targeted at non-national Accredited museums and local authorities based in England to apply for funding to undertake vital infrastructure and urgent maintenance backlogs which were beyond the scope of day-to-day maintenance budgets.

An application to the MEND fund was submitted by Warwick District Council (WDC) on 30 September 2022 to fund the replacement of the Royal Pump Rooms roof. On 17 February 2023, ACE notified WDC that their application had been successful. ACE offered the full amount requested of £2,283,821, subject to acceptance of the terms of the funding agreement. In March 2023, the Chief Executive used his emergency powers, after consultation with all Group Leaders, to formally accept the terms and conditions of the grant (See Cabinet report: Use of Chief Executive Delegated Powers for Urgent Decisions – Minute Number 10.

For grants of between £500,000 and £5 million, it was a condition of the MEND fund that 10 percent of the total project costs needed to come from other sources (i.e., 'match funding'). Therefore, WDC needed to contribute £253,758 from its own Corporate Asset Reserve in order to qualify for the funding.

The MEND fund was specifically aimed at museums and heritage buildings. However, the Royal Pump Rooms hosted a wide range of cultural services, including a library. It was clarified with ACE during the application process that works associated with Leamington Spa library were not eligible to be funded by the MEND grant. Some minor repairs to the roof of the library, which was of a different construction to the roof being replaced, would be necessary as part of the overall project and so these needed to be funded by directly by WDC.

The cost of replacing associated plant for the library had been identified as £275,042. A proportion, if not all, of this cost might be recharged back to Warwickshire County Council who operated the library, as per the pre-existing conditions of their tenancy agreement. However, in the immediate term the cost needed to be underwritten by WDC in order for the project to proceed to its agreed timescale.

Therefore, the total funds to be contributed to the project from WDC, as per the conditions of the Funding Agreement with ACE, was £528,800. LSAG&M was an Accredited Museum based in the Grade II listed Royal Pump Rooms. Over 450,000 people visited the building annually. It housed collections on human and local history, arts & science and provided cultural opportunities to residents and visitors. The site included a café, tourist information desk, a shop, and events spaces all of which served the art gallery and museum.

Warwick District Council had appointed Atkins, a world-leading design, engineering, and project management consultancy, to design and manage the project. Atkins had been procured and commissioned via the Fusion 21 Framework. A team of experienced consultants had been formed to take

the project forward comprising of chartered building surveyors, chartered building engineers, structural engineers, mechanical engineers, sustainability consultants, and specialist heritage & planning consultants. The works would include the replacement of the single ply membrane flat roof covering with a three-layer bitumen felt roof covering, replacement of five roof-mounted AHUs and associated duct work above roof level, consolidation of existing air conditioning (AC) units into one Variable Refrigerant Flow system (VRF), associated building work on the roof including repairs to stonework, rainwater goods, leadwork, tiles & slates, replacement of six lanterns with new metal-framed rooflights and targeted repair of internal ceilings and walls which had been badly water damaged.

This project would secure the building fabric and arrest ongoing deterioration, provide a robust flat roof covering with a lifespan of at least thirty-five years, enable more efficient environmental performance, raising the building's U Value to at least 0.25W/m²K, in accordance with building regulations, protect the collections and display spaces within LSAG&M, improving access and enabling full use of the gallery and museum, protect public health & safety by arresting ongoing deterioration of the stone balustrades around the building and ensure ongoing maintenance to the roof and AHUs could be carried out safely.

The project had reached RIBA Work Stage 3 where the spatial coordination design, project timeline, and budget had been completed. The project team were working towards RIBA 4 at which point the detailed schematics would be finalised, consents obtained, and a contractor appointed to deliver the works.

A Listed Building Consent Application for the works was submitted on 12 April 2023 and it was not anticipated that there would be any material objections as the roof was being replaced like-for-like or reducing impact. The procurement pack was currently being designed by officers, with the aim of appointing a contractor by August 2023.

It was anticipated that works on site would commence in October 2023 and would run through until completion in June 2024.

Replacement of the roof covering would be delivered in a single phase. It was anticipated that disruption to the operation of the building would be managed so that total closure of the site would be unnecessary. However, short-term partial closure of certain areas might be required due to work at height, access issues, noise, and temporary utilities interruptions. Access to services would be maintained as far as possible throughout. The extent of any disruption would become clearer once the contractor was appointed.

Works might potentially encroach upon the area surrounding the Royal Pump Rooms, including the Pump Room Gardens, depending on the requirements of the contractor for access to the roof and the location of secure site compound for materials and equipment. The Council's Green Spaces team and Events team would be consulted when the tender pack was created to minimise impact.

It should be noted that the works outlined above were Phase 1 of improvements to the Pump Rooms. Whilst the roof repairs would deliver

some carbon savings, Phase 2 would focus on other measures to achieve decarbonisation, subject to listed building approval. The Phase 2 proposals included rooftop solar and potentially other measures to change the heat source and to improve thermal efficiency. Subject to funding and consents, officers would aim to incorporate these works alongside the roof repairs. Should that not prove to be possible, Phase 2 would be considered as part of the Council's wider asset decarbonisation investments.

In terms of alternative options, Members could opt not to support the allocation of funds and not grant the delegation as recommended in the report.

This option was not recommended by officers as WDC had formally accepted the MEND grant and its terms and conditions. The funding arrangements and timelines agreed with ACE were non-negotiable. If WDC did not provide the match funding required, it would break the terms of the grant agreement and place the project in jeopardy.

Councillor Billiald proposed the report as laid out.

Resolved that

- (1) the allocation of £528,800 from the Corporate Assets Reserve 2023/24 to the Royal Pump Rooms roof project in order for it to proceed, be approved;
- (2) authority be delegated to the Head of Neighbourhood and Assets, in consultation with the Portfolio Holder for Housing and the Portfolio Holder for Place, Arts and Economy, to use the allocation at their discretion; and
- (3) the extent of the planned works to the Royal Pump Rooms, be noted.

(The Portfolio Holder for this item was Councillor Billiald).
Forward Plan Reference 1,362

9. Revised Statement of Community Involvement

The Cabinet considered a report from Place, Arts & Economy which sought approval to consult on an update to the Council's Statement of Community Involvement (SCI), last updated in April 2020. The SCI set out the Council's commitment to consult on the preparation of its planning policy documents and planning applications at key stages throughout the process. The document covered the whole of the District.

Production and adoption of a SCI was a statutory requirement under Section 18 of the Planning and Compulsory Purchase Act (2004) as amended (2008).

The SCI formally set out the policy and standards for engaging residents, local groups, stakeholders and statutory consultees in preparing

development plans and any relevant documents identified in the Local Development Scheme (LDS) and how the Council would consult on planning applications.

It also set out how the Council would meet its 'duty to co-operate' as required by the Localism Act 2011 by engaging with neighbouring local authorities and other relevant government and statutory bodies to consider strategic issues and joint approaches to plan-making.

The Council's current Statement of Community Involvement was produced in July 2007 and updated in April 2014 as there had been a number of changes to the planning system. These were introduced through the Localism Act 2011 and the National Planning Policy Framework in March 2012. The SCI was then revised in January 2016 as a result of legislative changes to the planning system which set out new requirements for local Councils. The SCI was briefly updated in April 2020 in response to the COVID-19 (Coronavirus) pandemic when the Council was unable to provide access to hard copies of consultation documents due to restrictions on movement and opening of premises imposed by the Government. The SCI reflected changes made by the Government to planning regulations and the National Planning Practice Guidance (NPPG) which influenced how consultations could be undertaken during the pandemic.

Following the pandemic, the Council committed in its 2022 Local Development Scheme to review and update this version of the SCI to ensure it was fit for purpose and appropriately detailed how the Council would consult on planning matters.

The 2020 SCI primarily set out how the Council would engage with communities as it prepared Development Plan Documents (DPD's), Supplementary Planning Documents (SPD's) and other relevant documents in the LDS. However, a limitation of the current SCI was that it provided little guidance on how it would assist neighbourhood planning groups producing Neighbourhood Plans.

Neighbourhood Planning was introduced by the Localism Act (2011). It was a way for communities to influence the future of the places where they lived and worked by having more of a say in where new homes, businesses, shops and community facilities should be placed in their local area, along with being able to allocate sites for development. The Neighbourhood Planning Act (2017) introduced a new requirement for SCIs to set out how the Local Planning Authority would support groups undertaking Neighbourhood Plans. This allowed communities to establish general planning policies for the development of land in their area. These needed to be in general conformity with the strategic policies of the Council's Local Plan and have regard to national planning policy.

Other changes in the proposed updated SCI included the following:

- How people were consulted on the 'permission in principle' (PIP) process. PIP consent was an alternative way of obtaining planning permission for housing led development. Local planning authorities could grant permission in principle upon receipt of a valid application for any site that might accommodate minor housing led

development (from 1 June 2018), or by entering a site in Part 2 of its Brownfield Land Register which would trigger a grant of permission in principle for that land providing the statutory requirements set out in The Town and Country Planning (Brownfield Land Register) Regulations 2017 were met. The two processes for obtaining permission in principle and opportunities for engagement were set out in the updated SCI.

- Update to the list of statutory consultees, including the addition of Active Travel England who became a statutory consultee from 1 June 2023 on all planning applications for large housing developments.
- Additional consultation methods that could be used to communicate with statutory consultees, individuals and community groups.

Following the consultation, a further report would be brought back to Cabinet with a summary of responses received to the consultation, any amendments deemed appropriate and most likely a request to adopt an updated version of the SCI.

In terms of alternative options, there was no statutory requirement to undertake a public consultation on any update to the Council's Statement of Community Involvement. Therefore, the Council could decide not to consult on the amendments and simply adopt an updated version. However, given the subject nature of this document, it felt appropriate and prudent to consult on a document that identified how the Council would engage with its communities and other customers on planning matters.

The Council could also choose not to update the 2020 SCI, thus also negating the requirement for a public consultation. However, the SCI needed to be kept up to date, providing communities, customers and stakeholders with clarity on the level of involvement that they should expect in planning processes.

An addendum circulated prior to the meeting advised of an error in the recommendations section of the published Cabinet report, which Councillor King read out in the meeting.

The report included two recommendations. However, this was in error and indeed the two recommendations taken together were nonsensical.

When the report was drafted, the two recommendations were set out as being options for which the Leadership Co-ordinating Group (LCG) to consider and provide a preference. It appears that the LCG might not have specifically discussed which option they would prefer, as this discussion might not have been instigated by officers at the meeting.

Unfortunately, and erroneously, rather than one of the recommendations being removed, they have both remained in the report.

Officers had discussed the recommendations with the Portfolio Holder for Place and agreed that in considering the report, Cabinet should consider Recommendation 1 as deleted and treat Recommendation 2 as the only recommendation. The wording of this recommendation was as follows in

bold:

"That Cabinet agrees to the commencement of a six-week public consultation on an updated version of the adopted Statement of Community Involvement, and, subject to SCI not requiring significant amendments as a result of the consultation, delegated authority is given to the Head of Service for Place, Arts & Economy, in consultation with the Portfolio Holder for Place to subsequently make any necessary minor amendments and adopt the updated SCI".

The Deputy Chief Executive and Monitoring Officer clarified that when debated informally at LCG and all the issues were discussed, either recommendation 1 or 2 should have remained in the report, and it was just a drafting error which left both recommendations in the report. Officers were clear on the direction of travel having listened to LCG, and no Group Leaders or Scrutiny had raised any material concerns around the report, therefore the addendum sufficed and was fully transparent.

Councillor King proposed the report as laid out, subject to the addendum.

Resolved that the commencement of a six-week public consultation on an updated version of the adopted Statement of Community Involvement be agreed, and, subject to SCI not requiring significant amendments as a result of the consultation, delegated authority is given to the Head of Service for Place, Arts & Economy, in consultation with the Portfolio Holder for Place to subsequently make any necessary minor amendments and adopt the updated SCI.

(The Portfolio Holder for this item was Councillor King)
Forward Plan Reference 1,356

10. **Use of Delegated Powers for Urgent Decisions**

The Cabinet considered a report from the Head of Customer and Digital Services which brought forward notification of urgent decisions taken by the Chief Executive using delegated authority CE(4), in consultation with Group Leaders, between 8 March 2023 and 30 June 2023.

Ahead of Warwick District Council's Elections in May 2023, the Cabinet met for the last time on 8 March 2023. Between this time and June 30, 2023, several decisions were required that would normally have been matters for Cabinet.

Warwick District Council's Constitution provided the Chief Executive with delegated powers to take any such urgent decisions, after consultation with Group Leaders. The provision, CE(4) stated:

"Chief Executive (and in their absence their Deputies) shall have authority 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 Cabinet at its next meeting”.

The decisions taken by the Chief Executive using this provision included:

- those which were taken following the last Cabinet meeting and up to the Election;
- those taken between the Election and the formation of Cabinet; and
- those which had been taken since Cabinet was formed, but before the initial meeting.

Xpress Electoral Management System

A decision was taken to extend the support contract for the Xpress Electoral Management System. Due to the value of the contract overall, Cabinet approval for a procurement exemption would normally have been required.

The original support contract was awarded in 2017 for a period of five years (£77,280). This was extended by inference in March 2022 for a further year, and again in March 2023, at a cost of £22,874.92 per annum. The Chief Executive approved a procurement exemption for the contract extension, which would end on 31 March 2024.

Further details were set out in Appendix 1 to the report.

Pump Rooms Grant

Earlier in the year, a grant was sought from Arts Council England, as part of its Museum Estates & Development fund. The request was to support the replacement of the Pump Rooms roof and in March 2023 it was announced that WDC had been awarded £2,283,821 towards this project.

The Chief Executive formally accepted the grant offer, as required by Arts Council England.

Further details were set out in Appendix 2 to the report.

Better Points Sustainable Travel App

A decision was taken to extend the service contract for the Better Points Sustainable Travel App. Due to the value of the contract overall, Cabinet approval for a procurement exemption would normally have been required.

The original service contract was extended in 2022 and set to expire on 7 August 2023. This was extended for a further period of nine months, to facilitate a procurement exercise being undertaken. The cost of the extension was £30,775. The Chief Executive approved a procurement exemption for the contract extension, which would end at May 2024.

Further details were set out in Appendix 3 to the report.

Net Zero Carbon DPD Consultancy

In August 2022, Cabinet received a report regarding the likely costs of consultancy to support the Net Zero Carbon DPD. It was estimated that costs of £105,000 would be incurred and a procurement exemption was agreed to enter a contract with Edgars Consultancy Ltd.

Having developed the proposals further and gained greater insight into the precise requirements, in April 2023 it was estimated that the revised engagement would cost up to £135,000. The Chief Executive approved a revised procurement exemption to cover the additional spend.

Further details were set out in Appendix 4 to the report.

Enabling Works at Abbey Fields Leisure Centre

AR Demolition were appointed to facilitate enabling works for the Council's new Leisure Centres at Abbey Fields and Castle Farm. A fixed price contract of £556,456 was awarded, following Cabinet agreement to a procurement exemption.

Due to the extensive archaeological finds on the Abbey Fields site AR Demolition's works were significantly complicated. Unanticipated work was required to facilitate operations such as the disconnection of power, and the movement of equipment, cabins and fencing on site. The Chief Executive approved a revised procurement exemption to cover the additional costs of £150,000, taking the total contract value to £706,456.

Further details were set out in Appendix 5 to the report.

Demolition of Abbey Fields Leisure Centre

AR Demolition were appointed to oversee the demolition of the Council's Leisure Centres at Abbey Fields and Castle Farm. A fixed cost of £258,000 was agreed for the demolition, but extensive archaeological finds on the Abbey Fields site significantly altered how the contractor was allowed to take down the building.

After extensive investigation by Historic England, discoveries across the footprint of the original building meant that the planned use of mechanical demolition equipment was no longer possible. Instead, manual methods were required to remove the remaining building. The Chief Executive approved a revised procurement exemption to cover the additional costs of £129,000, taking the total contract value to £388,000.

Further details were set out in Appendix 6 to the report.

Upper Grove Street Car Park

As part of a planned condition survey of the Upper Grove Street Car Park, it was discovered that the primary structure of the car park could be at risk of collapse, due to corrosion of steel reinforcement bars embedded in the car park's concrete deck. The slab soffit was also severely affected, with spalled concrete exposing reinforcement bars, which showed signs of significant section loss.

The Chief Executive approved the closure of the car park as it posed an immediate health and safety risk.

Further details were set out in Appendix 7 to the report.

Renewal of Wide Area Network Contract

A decision was taken to extend the support contract for the Council's wide area network links and telephony services, provided by Daisy Communications. Due to the value of the contract overall, Cabinet approval for a procurement exemption would normally have been required.

The original support contract was awarded in 2018 for a period of three years. This was extended for a further period of two years in 2021 and was due for renewal in 2023. Due to the Council's temporary need for this infrastructure whilst relocating from Riverside House, a further one-year extension was requested. The Chief Executive approved a procurement exemption for the value of £110,000. Replacement links had already been procured for 2023/24 onwards.

Further details were set out in Appendix 8 to the report.

Multifactor Authentication

A decision was taken to extend the support contract for the Council's multi-factor authentication system, provided by Bluefort Security. Due to the value of the contract overall, Cabinet approval for a procurement exemption would normally have been required.

The original support contract was awarded in 2019 for a period of three years and was extended in 2022. The solution was intended for replacement, but when it became clear that the Council's outgoing legacy infrastructure was not compatible with the replacement system, a further one-year extension was requested. The Chief Executive approved a procurement exemption for the value of £8,000. The system would be replaced following the move to Saltisford.

Further details were set out in Appendix 9 to the report.

Bowls England National Championship Tournament

Warwick District Council and Bowls England Limited entered into an agreement on 15 November 2013 for the relocation of the National Championships Tournament to Leamington Spa.

The Chief Executive used his delegated powers to extend the National Championship agreement by a further year, to facilitate the planning of the bowls tournaments. Negotiations on a new agreement were to commence in Autumn.

Further details were set out in Appendix 10 to the report.

Wildfire Prevention – Fires in Public Spaces

May and June 2023 saw persistent dry weather across most of the UK and higher than average temperatures. This prolonged dry spell, whilst ideal for those visiting and enjoying the Council's parks and open spaces, significantly increased the risk of wildfires. In particular, those started accidentally by discarded or poorly prepared ignition sources.

The Chief Executive used his delegated powers to support a ban on using disposable BBQs and campfires, across parks, green spaces, and nature reserves in the District. The ban would be enacted from Monday 19 June 2023 and kept under review accordingly. This decision was taken due to urgent nature of the issue and the risk to patrons that a fire might cause.

Further details were set out in Appendix 11 to the report.

Discharge of Restrictive Covenant

Information regarding the Discharge of a Restrictive Covenant was contained within Confidential Appendix 12 to the report.

Christine Ledger Square

Information regarding Christine Ledger Square was contained within Confidential Appendix 13 to the report.

The report was not called-in for scrutiny by the Overview & Scrutiny Committee, because the report referred to decisions that had already been made. However, it was felt that the process and timing in the use of these powers should be examined; it was noted that these decisions referred to in the report had been made during the pre-election period and some had involved sizeable sums of money.

The Committee therefore recommended to Cabinet that as part of the review of scrutiny arrangements that had already been agreed, a review should be carried out on the use of delegated powers and whether there was a way to provide more scrutiny of these decisions.

The Cabinet was required to vote on this because it formed a recommendation to it.

The Deputy Chief Executive and Monitoring Officer clarified that the new Monitoring Officer would be discussing with the Leader and Group Leaders the new Scrutiny arrangements going forward, so if this recommendation was accepted it would give a further mandate of the scope of the review.

Councillor Davison proposed the report as laid out, subject to the recommendation from the Overview & Scrutiny Committee.

Resolved that

- (1) the decisions taken by the Chief Executive under delegated Authority CE(4), be noted; and
- (2) as part of the review of scrutiny arrangements that had already been agreed, a review should be carried out on the use of delegated powers

and whether there is a way to provide more scrutiny of these decisions.

(The Portfolio Holders for this item were Councillors Billiald, Chilvers, Davison, Harrison, Hunt, Kennedy, King, Roberts, and Wightman)

Forward Plan Reference 1,360

11. **Net Zero Carbon Development Plan Document (DPD) Update**

The Cabinet considered a report from Place, Arts & Economy which provided an up-to-date position on the progress of the Net Zero Carbon Development Plan Document (DD), currently under Examination by Secretary of State. It also sought decisions relating to the current public consultation on the document and next steps.

At its meeting on 10 August 2022, Cabinet agreed to the submission of the Net Zero Carbon Development Plan Document (DPD) to the Secretary of State for its Examination alongside a schedule of proposed revisions arising from the second of two public consultations on the emerging policy document.

Subsequently, Council endorsed the submission of the document on 7 September 2022.

On 17 October 2022, the DPD was submitted to the Secretary of State (through the Planning Inspectorate (PINS)). In order to submit the DPD, the Council were also required to appoint a Programme Officer to assist the Inspector in the administration of the examination.

On 7 November 2022, PINS appointed Mr McCormack as the Inspector to hold an independent examination of the DPD.

Mr McCormack wrote to the Council on 8 December 2022, confirming that he had undertaken an initial review of the Plan, the supporting evidence and representations made on it prior to its submission and from this was satisfied that the examination of the Plan could progress.

Council officers and Mr McCormack engaged in further correspondence and four days of public Examination hearing sessions were arranged commencing on 7 March 2023.

The Council were represented at the hearing sessions by Council officers alongside specialist consultants that had supported the production of the DPD. Other interested parties also attended the hearing sessions.

On 30 March 2023 Mr. McCormack wrote to the Council outlining the next steps for the DPD Examination. He also praised the Council's management of the sessions stating: *"...I would like to thank the Council's Team for the way in which the hearing sessions were approached, arranged, and conducted. This enabled the hearing sessions to take place as smoothly, effectively, and efficiently as possible and for that I am grateful".*

In his letter, the Inspector requested further information to be submitted and indicated that Main Modifications to the DPD would be required for

reasons of 'soundness' in accordance with Paragraph 35 of the National Planning Policy Framework (NPPF). As such, it would be necessary to undertake a period of public consultation on the modifications.

Mr McCormack provided an indicative timetable for the next stages of the Examination that would see his final report being anticipated by the end of September 2023 (the Inspector had subsequently revised this to 'end of October 2023').

Following a response from the Council to Mr McCormack's letter of 30 March in which he had requested additional information, he subsequently wrote to the Council again on 12 May 2023 confirming that he was satisfied with the content of additional documents that the Council had provided. A Schedule of Proposed Main Modifications (and minor changes, referred to as Additional Modifications) were produced by the Inspector and asked for further work to be completed by the Council by 22 May 2023.

On 22 May 2023 officers wrote to the Inspector with a final list of proposed Main Modifications, Final Schedule of Additional Modifications, a Sustainability Appraisal/Habitat Regulations Assessment update, and a composite version of the DPD showing all proposed modifications indicated in the schedules.

On 5 June 2023, the Council commenced a statutory six-week Main Modifications consultation that would run until 17 July.

In assessing a Local Plan (including Development Plan Documents), the Inspector had to be satisfied that the Plan had been prepared in accordance with legal and procedural requirements and whether it was sound. Paragraph 35 of the NPPF set out the tests of soundness. Plans were 'sound' if they were:

- a) Positively prepared;
- b) Justified;
- c) Effective; and
- d) Consistent with national policy.

It was common for the Inspector to identify a number of Main Modifications required in order to meet the tests of soundness. In this case a total of 20 Main Modifications had been identified.

Whilst identified as Main Modifications, some of the modifications were indeed put forward by officers as Minor Modifications to the DPD and officers did not consider that the changes significantly altered the policies and thrust of the DPD that was submitted for Examination in October 2022.

Main Modifications included the following amendments and were required for reasons of soundness to make the DPD justified and effective:

- Clarification in text for each policy how the DPD policy related to existing Local Plan policies.
- Outlining measures taken to create a carbon market for Warwickshire, which would be the preferred carbon offsetting mechanism.

- Factual clarification that the DPD related to regulated operational energy and did not include unregulated energy and associated emissions.
- Clarification that Policy CC3 of the Local Plan was being expanded upon and that requirements in relation to BREEAM standards were not superseded.
- Signposting where information on the content of an Energy Statement could be found.
- Clarifying the relationship with CIL and that the Carbon Offset fund would be separate, and the carbon savings separately monitored.

17 Additional Modifications of a more minor nature were also proposed, and the changes were primarily for purposes of factual clarification. Officers had collaborated with the Inspector to arrive at the final schedule of modifications and were comfortable with the proposed modifications.

A public consultation on the Main Modifications had commenced and would run until 17 July 2023. Only representations relating to the Main Modifications could be considered through the consultation, thus comments on the Additional (minor) Modifications or general comments relating to the document or aspects of it falling outside of the Main Modifications could not be considered.

Three appendices supplemented the report and related to documentation that formed part of the public consultation. They were:

- Appendix 1 – Schedule of Main Modifications.
- Appendix 2 – Schedule of Additional Modifications (minor changes).
- Net Zero Carbon DPD – Tracked Change version identifying Main and Additional modifications.

As part of the consultation, an addendum had been provided to the Sustainability Appraisal/Habitats Regulations Assessment. This concluded that overall, the previous findings of the Sustainability Appraisal/Strategic Environmental Assessment and also those of the Habitats Regulations Assessment remained relevant and valid in light of the proposed Main Modifications.

Recommendation 2 of the report sought Cabinet's support for the Main Modifications and confirmation that they did not wish to make any representations on the consultation.

Theoretically, it was possible for the Cabinet to raise objections to these modifications. However, in considering whether to do this or not, the following points needed to be taken into account:

- Issues relating to each of the modifications had been rigorously examined during the Examination in Public hearings. The Main Modifications had been advanced by the Inspector as he considered they were necessary in order for him to find the document 'sound'. Without the amendments, the Council would be unlikely to be able to proceed and adopt the document.
- If the Cabinet chose to raise new arguments or proposals, this opened up the risk that the Inspector would need to give these proposals consideration which in turn might require him to re-open the hearings

and/or require a further period of consultation. This would adversely impact the timing of the adoption of the DPD.

In this context, it was recommended that the Cabinet endorsed the Main Modifications and did not make any representations regarding the modifications. However, alternative options were set out in Section 2 in the report.

Following the end of the public consultation, officers would collate the responses into a schedule and provide them to the Inspector for his consideration. It was likely that this would be undertaken before the end of July 2023.

The Inspector had indicated that it would be reasonable to anticipate the issuing of his Final Report before the end of October 2023. If the Inspector found the DPD to be sound, for decision makers (i.e., Development Management and Planning Committee) to give it full planning weight and for it to form part of the Development Plan for the District, Council needed to the formal decision to adopt the DPD.

On the basis of when the Inspector's Final Report was anticipated, the Council meeting on 15 November might be appropriate for taking the decision whether to adopt the final DPD. If the timing of the receipt of the Inspector's Final Report did not allow for this, then officers would liaise with Committee Services and Members to find a suitable alternative to enable the adoption of the DPD at the earliest opportunity.

In order to assist the implementation of the DPD policies, officers with the support of consultants, were producing a Supplementary Planning Document to help advise Development Management colleagues and applicants as to what would need to be produced and submitted to address the policy requirements.

The need for supporting guidance was identified in a Cabinet report on this subject on 10 August 2022 and finances were identified to deliver the guidance. It was subsequently also included in the Council's current Local Development Scheme in December 2022. Work had commenced on the production of the guidance and the importance of it was apparent at the Examination Hearing Sessions with the Inspector making it clear that he recommended that the Council produce such guidance.

In previous reports relating to the DPD it had been highlighted that additional expertise might be required to assist in the smooth implementation of the DPD, in particular to assess the technical information that would be submitted as part of planning applications. External funding opportunities had been explored, although were ultimately unsuccessful. Therefore, officers proposed to create a new permanent post for somebody to provide the technical expertise required. This was being factored into the Medium-Term Financial Strategy (MTFS) and would soon go through the HAY Panel process.

Officers were aware that decision makers and applicants would be keen to understand what weight could be attached to the policies in the DPD prior to its adoption. This was a matter of judgement and guidance on the

matter was provided in the NPPF (paragraph 48), which stated:

"Local planning authorities may give weight to relevant policies in emerging plans according to:

- a) the stage of preparation of the emerging plan (the more advanced its preparation, the greater the weight that may be given);*
- b) the extent to which there are unresolved objections to relevant policies (the less significant the unresolved objections, the greater the weight that may be given); and*
- c) the degree of consistency of the relevant policies in the emerging plan to this Framework (the closer the policies in the emerging plan to the policies in the Framework, the greater the weight that may be given)".*

Upon production of the Inspector's Final Report, the weight that could be attached to the DPD would be significant. This reflected the fact that the Plan would be at a very advanced stage, had been subject to significant public consultation, and the representations to it would have been considered, and ruled upon, by an independent Inspector.

However, if no significant issues were raised through the Main Modifications consultation, given the advanced stages of the DPD, the lack of unresolved objections and the belief that the DPD was consistent with the NPPF, it was considered that some weight, albeit less than substantial, could be given to the policies in the DPD. That said, it should also be noted that applications would have been submitted prior to the adoption of the DPD and applicants would not have the benefit of the supporting guidance to assist them.

In the period between now and the anticipated adoption of the DPD, the Council's Development Management officers were ensuring that the DPD was referred to in pre-application discussions they had with potential applicants.

In terms of alternative options, Cabinet could choose to not proceed with the Net Zero Carbon DPD and withdraw it from Examination. However, given the significance of the DPD to the Council's Climate Emergency Action Plan and the cross-party support it had received to date and the time and cost that had been incurred in producing the DPD, this was considered an unwise and retrograde decision. The Council only recently, in October 2022 took the decision to submit the DPD for Examination and even more recently in December 2022 committed to the continued work on the DPD through approving an updated Local Development Scheme that included the DPD as a priority.

Cabinet could choose to make representations to the Main Modifications consultation including raising objections to suggested modifications. However, the amendments were considered necessary by the Inspector in order for him to find the document 'sound' and objecting to them could threaten the adoption of the DPD. Furthermore, raising new arguments or proposals increased the risk that the Inspector might wish for a further period of consultation or take longer to produce his final report, thus delaying the timing of the adoption of the DPD.

Cabinet could choose to require the draft SPD to come before them for consideration prior to the commencement of a public consultation on the guidance. However, this would add delay to its adoption and Cabinet would in any event be taking the decision whether the Council should adopt the supporting guidance.

Councillor King proposed the report as laid out.

Resolved that

- (1) the latest position and progress on this planning policy document, since Council last considered a report relating to it on 7 September 2022, be noted;
- (2) the Main Modifications as set out in the current Main Modifications consultation, be approved, and no representations to that consultation be made;
- (3) the production of a Supplementary Planning Document (that is already included within the Council's Local Development Scheme) to assist with the smooth implementation of the DPD, be noted, and authority be delegated to the Head of Place, Arts and Economy and the Portfolio Holders for Climate Change and Place to agree on a version of the Supplementary Planning Document that the Council will consult upon and agree the dates for that consultation, and that the SPD will ultimately come before Cabinet for consideration as to whether to adopt it, be noted; and
- (4) a further £35,000, in addition to the £95,000 agreed by Cabinet in August 2022, is set aside from the Planning Appeals Reserve to cover costs associated with consultancy work and the Examination, be approved.

(The Portfolio Holders for this item were Councillors Kennedy and King)
Forward Plan Reference 1,363

12. A Local Visitor Economy Partnership for South Warwickshire

The Cabinet considered a report from Place, Arts & Economy which had proposed a new national structure for Destination Management Organisations to be grouped into Local Visitor Economy Partnerships (LVEPs). The report proposed that Warwick District Council give support, in principle, for Shakespeare's England to be part of a wider Coventry & Warwickshire LVEP.

In March 2021, the Government announced an independent review, led by Nick De Bois, Chair of the VisitEngland Advisory Board, to assess how

destination management organisations (DMOs) across England were funded and structured, and how they performed their roles. The purpose of the review was to establish whether there might be a more efficient and effective model for supporting English tourism at the regional level, and if so, what that model might be. Its report and consultation response analysis were published in September 2021.

At the heart of this review was a proposal to introduce the new tiered structure system for England's DMOs. At the top of this structure would be Destination Development Partnerships (DDPs) and below this would sit a network of Local Visitor Economy Partnerships (LVEPs). DDP status could be awarded to either an individual accredited LVEP covering a large enough geography (e.g. a city region) or to a coalition of willing accredited LVEPs within an area.

In responding to his review, the government announced its intention to introduce this new tiered structure. The DDP model was currently being piloted, however LVEPs were being introduced now. To date, 15 LVEPs had been announced. A second round of applications (initially through Expressions of Interest) closed on 12 June.

The criteria for becoming an LVEP had been set by VisitEngland. It would also assess bids with formal accreditation given by the government (Department of Culture, Media & Sports).

VisitEngland had developed some core draft criteria for LVEPs. These included the following. LVEPs should:

- cover an important geography (such as county or city region) that avoided overlap with other LVEPs and was an area that could demonstrate the importance of its local visitor economy;
- be well integrated with other important local and regional actors such as key attractions and local government;
- demonstrate commitment from Local Government (local authorities /Combined Authorities/Mayoral Authorities) that the DMO was lead body in the area (incl. public funding where possible)
- have capacity within the organisation reflective of the size and importance of the destination.

Shakespeare's England (SE) was the DMO currently covering South Warwickshire (Warwick & Stratford-on-Avon Districts). The Board of SE, on which the Council had a seat, had been considering how it should respond to the challenges and the opportunities afforded by the LVEP model. The paper attached as Appendix 1 to the report was prepared for the April 2023 meeting of the Board. It considered four options for SE; (1) do nothing; (2) join an existing LVEP; (3) create a new Coventry & Warwickshire LVEP or (4) apply for LVEP status on its own.

Prior to the preparation of the report, officers from both WDC and Stratford-on-Avon District Council held meetings with other potential stakeholders to consider two of these options, closer working with Coventry & other Warwickshire authorities to create a new Coventry & Warwickshire LVEP, and closer working with Cotswold authorities. The following comments could be made about each.

- In respect of a potential Coventry & Warwickshire LVEP, this would see SE working much more closely and formally with Destination Coventry (Coventry's DMO) and other local authorities across Warwickshire. It would allow wider marketing and promotion of SE across Coventry and Warwickshire and make a stronger connection between SE and the business market in Coventry. Importantly, it would make a stronger voice for tourism within the West Midlands region as a whole.
- In respect of closer working with Cotswold authorities, there was already a proposed "Cotswold Plus" LVEP for which an Expression of Interest as part of the second round of applications was made in June. This proposed LVEP had a much wider geographic spread covering the whole of the Cotswold National Landscape (which went as far south as Bath), Tewkesbury, Cheltenham, Gloucester and Stroud as well as the Forest of Dean and River Wye. This LVEP already had a proposed governance structure and was looking to create partnership agreements to formalize working relations. It was noted that whilst there was a strong link between visitors to the Cotswolds and those to South Warwickshire, Warwick District would very much lie at the edge of any "Cotswold Plus" LVEP, rather than at its heart.

For the reasons set out in Appendix 1 to the report, the SE Board unanimously agreed to support option 3 – the creation of a new Coventry & Warwickshire LVEP.

In view of the timing of application process for LVEPs, there was no opportunity for formal approval of the Cabinet to be given prior to the submission of the Expression of Interest on 12 June. In view of this, the Arts & Economy Portfolio Holder had written to Shakespeare's England to support a position in principle of creating a Coventry & Warwickshire LVEP on the understanding that a report would be brought to Cabinet at the earliest opportunity.

It was recognised that there were still many issues to be discussed and resolved before a new Coventry & Warwickshire LVEP could take shape. These included the governance and staffing arrangements of the new organisation, and what role, and funding contributions, would be made by other local authorities across Coventry & Warwickshire to this LVEP. There was also a decision to be made about whether to stay as a Partnership or set up a new Company, possibly a Community Interest Company (CIC) with a new Governance Structure.

All of these matters would be considered further by the SE Board in discussion with partners across the sub-region. Where decisions needed to be made by the Council in relation to this, including in relation to any changes to the funding that Warwick District Council currently gave to SE, this would be brought back to Cabinet for future consideration.

It should finally be noted that whilst a new LVEP would replace SE as the DMO covering Warwick District, the "Shakespeare's England" brand would remain. (It would also be expected that the "Visit Coventry" and "Conference Coventry & Warwickshire" brands operated by Destination Coventry would remain as well.) These brands were well-established and there was no intention to dismantle them. The LVEP structure would sit behind these brands, helping to promote and maximise their

effectiveness, whilst delivering economies of scale for the DMO as a whole.

In terms of alternative options, these were considered in Appendix 1 to the report. The approach recommended in the report followed an assessment of these options.

Councillor Billiald proposed the report as laid out.

Resolved that

- (1) the paper "Shakespeare's England and Local Visitor Economy Partnerships" attached as Appendix 1 to the report, be noted; and
- (2) support be given, in principle, for Shakespeare's England forming part of a Local Visitor Economy Partnership covering Coventry & Warwickshire.

(The Portfolio Holder for this item was Councillor Billiald)
Forward Plan Reference 1,369

Before moving into confidential session, the Leader wished the Chairman of the Council a speedy recovery following a broken leg.

The Leader also offered gratitude to the Deputy Chief Executive and Monitoring Officer for his helpful input and work during his tenure, as he was attending his last Cabinet meeting before his departure.

13. Public and Press

Resolved that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following items by reason of the likely disclosure of exempt information within the paragraph of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, as set out below.

Minutes Numbers	Paragraph Numbers	Reason
14, 15, 16, 17	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Part 1

(Items upon which a decision by Council was required)

14. Milverton Homes Business Plan Revision

The recommendations in the report were approved.

Part 2

(Items upon which a decision by Council was not required)

15. **Mitigation Measures Against Future Breaches of the Homes England Capital Funding Guide Inputting on IMS**

The recommendations in the report were approved.

16. **Confidential Appendices to Item 9**

The Cabinet noted the confidential appendices.

17. **Minutes**

The confidential minutes of the meeting held on 8 March 2023 were taken as read and signed by the Chairman as a correct record.

(The meeting ended at 8.01pm)

CHAIRMAN
9 August 2023